



FRUITLAND

Kf



PICTURED CLIFFS

Kpc



MESAVERDE

Kmv



DAKOTA

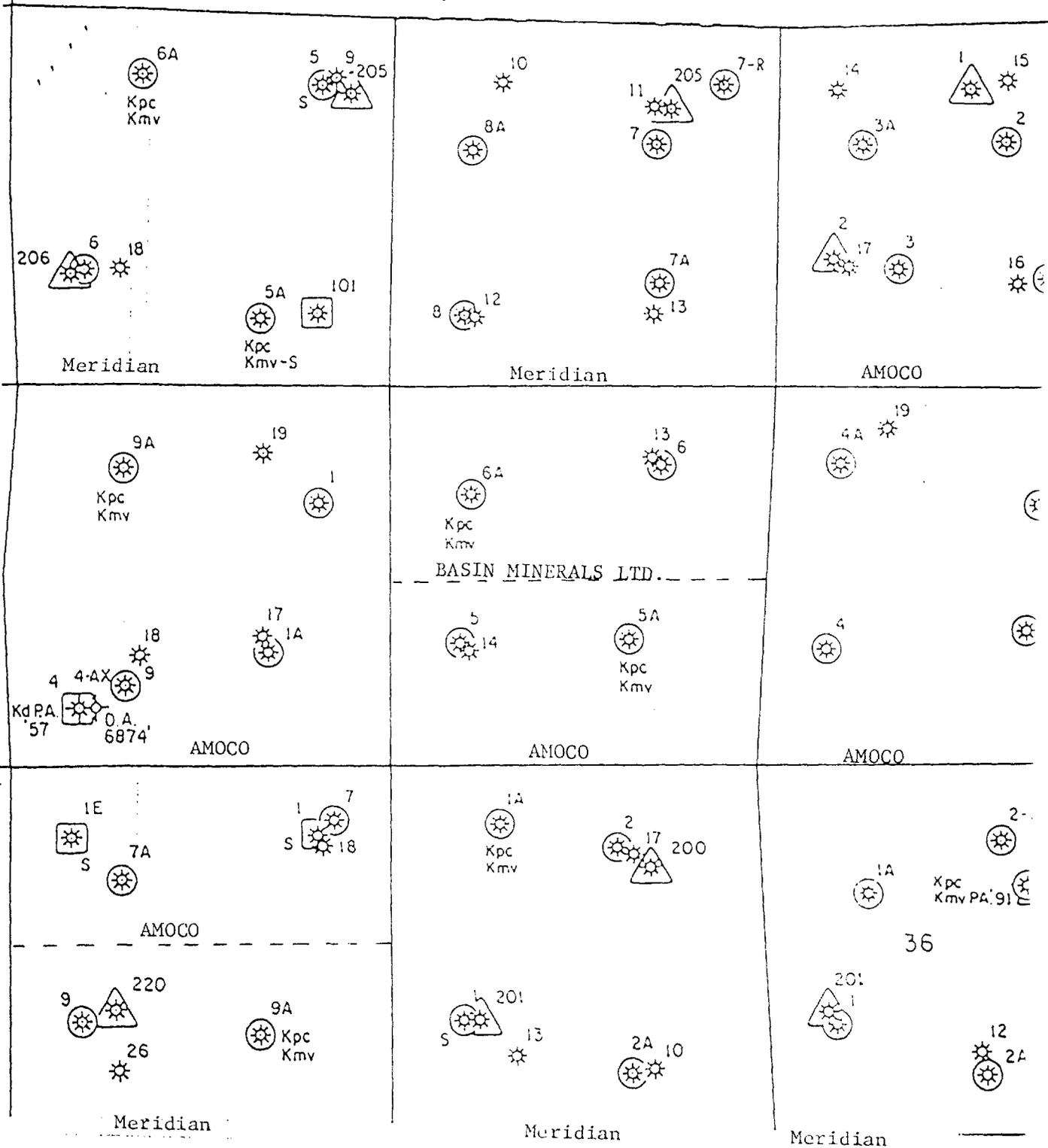
Kd

EXHIBIT #1

OFFSET WELLS AND OPERATORS

# R - 10 - W

T  
31  
N



BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

~~TRABIN MINERALS~~ EXHIBIT NO. 1

CASE NO. 10551

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

~~Basin Minerals~~ EXHIBIT NO. 2  
CASE NO. 10551

EXHIBIT #2

WORKING INTEREST OWNERS

Well Name: Atlantic "A" LS #6A  
Pool: Blanco Mesa Verde  
Dedicated Acreage: N/2 Sec. 26, T31N, R10W (318.6 acres)  
Working Interest Owners:  
Basin Minerals, Ltd. 50.00%  
ARCO 25.00%  
Amoco 12.50%  
Conoco 12.50%  
100.00%

WITH

Well Name: Atlantic "A" LS #6A  
Pool: Blanco Pictured Cliffs  
Dedicated Acreage: NW/4 Sec. 26, T31N, R10W (158.6 acres)  
Working Interest Owners:  
Basin Minerals, Ltd. 25.2207%  
ARCO 37.3897%  
Amoco 18.6948%  
Conoco 18.6948%  
100.0000%

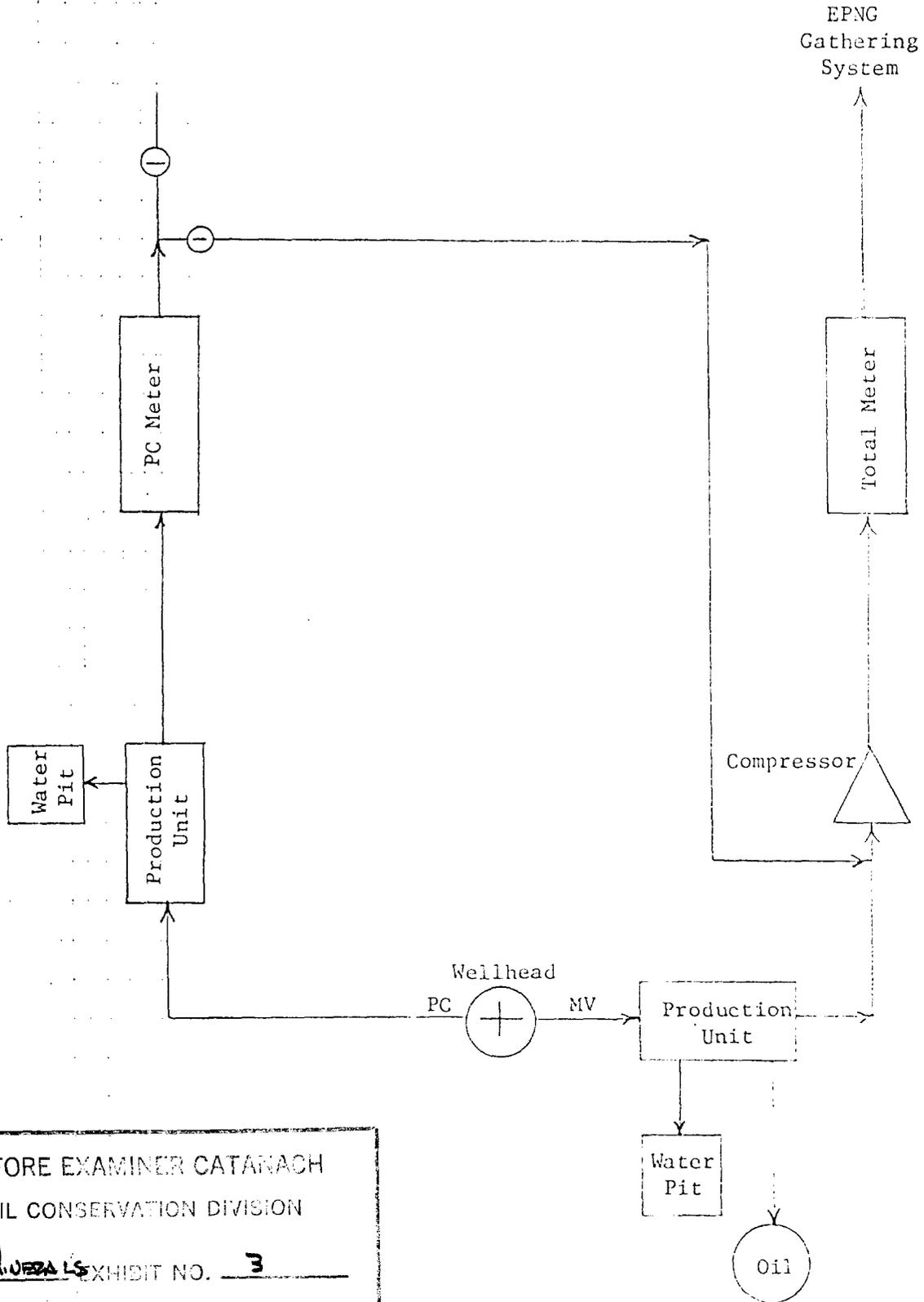
Well Name: Atlantic "A" LS #6  
Pool: Blanco Mesa Verde  
Dedicated Acreage: N/2 Sec. 26, T31N, R10W (318.6 acres)  
Working Interest Owners:  
Basin Minerals, Ltd. 50.00%  
ARCO 25.00%  
Amoco 12.50%  
Conoco 12.50%  
100.00%

WITH

Well Name: Atlantic "A" LS #13  
Pool: Blanco Pictured Cliffs  
Dedicated Acreage: NE/4 Sec. 26, T31N, R10W (160 acres)  
Working Interest Owners:  
Basin Minerals, Ltd. 75.00%  
Jackel Oil 12.50%  
Amoco 6.25%  
Conoco 6.25%  
100.00%

EXHIBIT #3

SCHEMATIC OF PROPOSED FACILITIES



BEFORE EXAMINER CATARACH  
OIL CONSERVATION DIVISION  
*Tom J. Rivera LS* EXHIBIT NO. 3  
CASE NO. 10551

EXHIBIT #4

BASIN MINERALS LTD.

MONTHLY PRODUCTION SINCE JANUARY 1992

<u>WELL NAME</u>	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>
Atlantic "A" LS #6A MV	1,319	249	254	22,054	0	21,105	16,918	18,604
Atlantic "A" LS #6A PC	0	0	0	0	7,077	0	0	0
Atlantic "A" LS #6	2,733	0	3,198	724	17,602	15,080	16,340	18,141

BEFORE EXAMINER CATAKACH  
OIL CONSERVATION DIVISION  
~~BASIN MINERALS~~ EXHIBIT NO. 4  
CASE NO. 10551

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

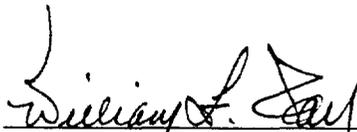
IN THE MATTER OF THE APPLICATION  
OF BASIN MINERALS, LTD.,  
FOR SURFACE COMMINGLING,  
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 10551

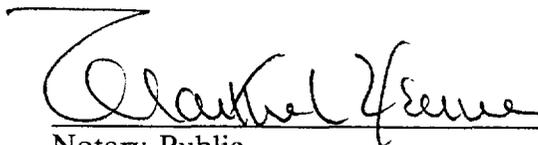
AFFIDAVIT OF MAILING

William F. Carr, being duly sworn, states that on August 26, 1992 he mailed a copy of the application of Basin Minerals, Ltd., for surface commingling, San Juan County, New Mexico with letter(s) setting forth the hearing date, by certified mail, return receipt requested, to the following individuals listed on Exhibit A attached:

Further Affiant sayeth naught.

  
\_\_\_\_\_  
William F. Carr

SUBSCRIBED AND SWORN to before me this 16th day of September, 1992.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

August 19, 1995

BEFORE EXAMINER CATANACH OIL CONSERVATION DIVISION BASIN MINERALS EXHIBIT NO. <u>5</u> CASE NO. <u>10551</u>
---

**EXHIBIT A**

Jackal Oil Inc.  
307 West 7th, Suite 1718  
Ft. Worth, Texas 76102  
Attn: Richard Humes

El Paso Natural Gas Company  
Post Office Box 1492  
El Paso, Texas 79978

Conoco Inc.  
10 Desta Drive West  
Midland, Texas 79705  
Attn: Jerry Hoover

Amoco Production Company  
1670 Broadway  
Room 1214  
Denver, Colorado 80202  
Attn: Don Duhrkopf

ARCO Oil and Gas Company  
1816 East Mojave  
Farmington, New Mexico 87401  
Attn: Ron Johnson

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER (505) 983-6043

August 26, 1992

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Jackal Oil Inc.  
307 West 7th, Suite 1718  
Ft. Worth, Texas 76102  
Attn: Richard Humes

Re: Application of Basin Minerals, Ltd. for Surface Commingling, San Juan  
County, New Mexico

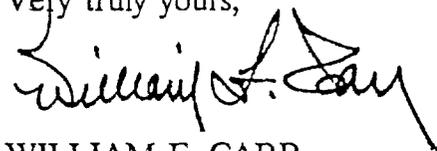
Dear Mr. Humes:

This letter is to advise you that Basin Minerals, Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division seeking authority to surface commingle production from the Blanco Mesaverde Gas Pool and the Blanco Pictured Cliffs Gas Pool, from wells it operates in Section 26, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

This application has been set for hearing before an Examiner of the Oil Conservation Division on September 17, 1992. You are not required to attend this hearing, but as an interest owner in Section 26, or the purchaser of the production to be commingled, you may appear and present testimony. Failure to appear at the time of hearing, or otherwise become a party of record will prevent you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BASIN MINERALS, LTD.

WFC:mlh

Enc.

P-106 677 570

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Attn: Richard Humes Jackal Oil Inc.	
Street and No. 307 West 7th, Suite 1718	
P.O., State and ZIP Code Ft. Worth, Texas 76102	
Postage	\$ 1.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.52
Postmark or Date August 26, 1992	

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-885

DOMESTIC RETURN RECEIPT

<p>3. Article Addressed to:</p> <p>Jackal Oil Inc. 307 West 7th, Suite 1718 Ft. Worth, Texas 76102 Attn: Richard Humes</p>		<p>4. Article Number</p> <p>P 106 677 570</p>	
<p>5. Signature - Address</p> <p>X</p>		<p>Type of Service:</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>6. Signature - Agent</p> <p>X</p> <p>82892</p>		<p>8. Addressee's Address (ONLY if requested and fee paid)</p>	
<p>7. Date of Delivery</p> <p>August 26, 1992</p>			

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. 2.  Restricted Delivery (Extra charge)

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

August 26, 1992

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

El Paso Natural Gas Company  
Post Office Box 1492  
El Paso, Texas 79978

Re: Application of Basin Minerals, Ltd. for Surface Commingling, San Juan  
County, New Mexico

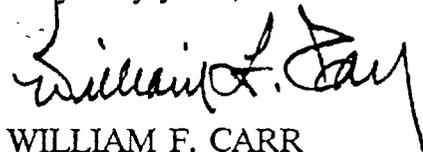
Gentlemen:

This letter is to advise you that Basin Minerals, Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division seeking authority to surface commingle production from the Blanco Mesaverde Gas Pool and the Blanco Pictured Cliffs Gas Pool, from wells it operates in Section 26, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

This application has been set for hearing before an Examiner of the Oil Conservation Division on September 17, 1992. You are not required to attend this hearing, but as an interest owner in Section 26, or the purchaser of the production to be commingled, you may appear and present testimony. Failure to appear at the time of hearing, or otherwise become a party of record will prevent you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BASIN MINERALS, LTD.

WFC:mlh

Enc.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.  
 1.  Show to whom delivered, date, and addressee's address. 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:

El Paso Natural Gas Company  
 Post Office Box 1492  
 El Paso, Texas 79978

4. Article Number

P 106 677 571

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.  
 B. Addressee's Address ONLY if required and pre-paid.



5. Signature - Address

X

6. Signature - Agent

X

7. Date of Delivery

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 571

RECEIPT FOR CERTIFIED MAIL

NO POSTAGE COVERED BY ADDRESSEE  
 EL PASO NATURAL GAS CO.  
 See Reverse

Sent to El Paso Natural Gas Company	
Street and No. Post Office Box 1492	
P.O. State and ZIP Code El Paso, Texas 79978	
Postage	\$ 1.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date	August 26, 1992

PS Form 3800, June 1985

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

August 26, 1992

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Conoco Inc.  
10 Desta Drive West  
Midland, Texas 79705  
Attn: Jerry Hoover

Re: Application of Basin Minerals, Ltd. for Surface Commingling, San Juan  
County, New Mexico

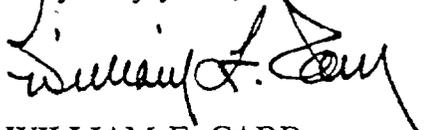
Dear Mr. Hoover:

This letter is to advise you that Basin Minerals, Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division seeking authority to surface commingle production from the Blanco Mesaverde Gas Pool and the Blanco Pictured Cliffs Gas Pool, from wells it operates in Section 26, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BASIN MINERALS, LTD.  
WFC:mlh  
Enc.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.  
 1.  Show to whom delivered, date, and addressee's address. (Extra charge)  
 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
 Conoco Inc.  
 10 Desta Drive West  
 Midland, Texas 79705  
 Attn: Jerry Hoover

4. Article Number  
 P 106 677 568

Type of Service:  
 Registered  
 Certified  
 Express Mail  
 Insured  
 COD  
 Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address  
 X

6. Signature - Agent  
 X *[Signature]*

7. Date of Delivery  
 8-25-92

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-885 DOMESTIC RETURN RECEIPT

P-106 677 568

RECEIPT FOR DELIVERED MAIL  
 RECEIVED BY  
 DATE

To: Attn: Jerry Hoover Conoco Inc.	
Street and No. 10 Desta Drive West	
P.O., State and ZIP Code Midland, TX 79705	
Postage	\$ 1.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom Date, and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date August 26, 1992	

PS Form 3800, June 1985

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

August 26, 1992

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Amoco Production Company  
1670 Broadway, Room 1214  
Denver, Colorado 80202  
Attn: Don Duhrkopf

Re: Application of Basin Minerals, Ltd. for Surface Commingling, San Juan  
County, New Mexico

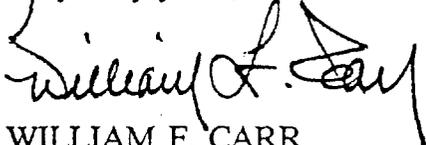
Dear Mr. Duhrkopf:

This letter is to advise you that Basin Minerals, Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division seeking authority to surface commingle production from the Blanco Mesaverde Gas Pool and the Blanco Pictured Cliffs Gas Pool, from wells it operates in Section 26, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BASIN MINERALS, LTD.

WFC:mlh

Enc.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.  
 1.  Show to whom delivered, date, and addressee's address. 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: Amoco Production Company 1670 Broadway Room 1214 Denver, Colorado 80202 Attn: Don Duhrkopf		4. Article Number P 106 677 569
5. Signature — Address X		Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
6. Signature — Agent X		
7. Date of Delivery X		8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 569

RECEIPT FOR DELIVERED MAIL  
 WITH POSTAGE PAID PERMIT NO. 1000 DENVER, CO  
 (See Reverse)

Sent to: Attn: Don Duhrkopf Amoco Production Company	
Street and City 1670 Broadway, Room 1214	
P.O. Suite and ZIP Code Denver, Colorado 80202	
Postage	1.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date August 26, 1992	

5861 dump PS Form 3800

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER (505) 983-6043

August 26, 1992

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

ARCO Oil and Gas Company  
1816 East Mojave  
Farmington, New Mexico 87401  
Attn: Ron Johnston

Re: Application of Basin Minerals, Ltd. for Surface Commingling, San Juan  
County, New Mexico

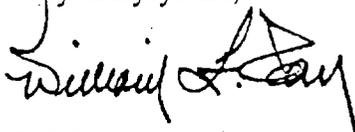
Dear Mr. Johnston:

This letter is to advise you that Basin Minerals, Ltd. has filed the enclosed application with the New Mexico Oil Conservation Division seeking authority to surface commingle production from the Blanco Mesaverde Gas Pool and the Blanco Pictured Cliffs Gas Pool, from wells it operates in Section 26, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR BASIN MINERALS, LTD.  
WFC:mlh  
Enc.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the 'RETURN TO' space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested. 1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:

ARCO Oil and Gas Company  
1816 East Mojave  
Farmington, New Mexico 87401  
Attn: Ron Johnston

4. Article Number

P 106 677 567

Type of Service:  
 Registered  
 Certified  
 Express Mail  
 Insured  
 COD  
 Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address

X

6. Signature - Agent

X

7. Date of Delivery

8-22-92

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 567

RETURN TO POSTMASTER  
FOR ADDITIONAL SERVICES  
SEE REVERSE SIDE

To: Attn: Ron Johnston ARCO Oil and Gas Company	
Street and No. 1816 East Mojave	
P.O., State and ZIP Code Farmington, NM 87401	
Postage	.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date  August 24, 1992	

PS Form 3800, June 1985

September 14, 1992

Mr. Paul Thompson  
Walsh Engineering & Production  
204 N. Auburn  
Farmington, NM 87401

Dear Paul:

I had the opportunity to visit with Andy Shaffer again concerning Basin Minerals' intention to commingle production from the Pictured Cliffs and Mesa Verde formations on the Atlantic LS A #6A. I utilized the drawing that you provided and explained that any gas loss that might occur between the Pictured Cliffs meter and the total meter would be allocated the Mesa Verde meter.

Andy reconsidered his position and determined that Basin's proposal would be acceptable to El Paso.

Sincerely,



Cindy Hoover  
Customer Representative

c: File

BEFORE EXAMINER CATANACH OIL CONSERVATION DIVISION <del>Basin Minerals</del> EXHIBIT NO. <u>6</u> CASE NO. <u>10551</u>
--