

MILLER, STRATVERT, TORGERSON & SCHLENKER, P. A.

LAW OFFICES

RANNE B. MILLER
WILLIAM K. STRATVERT
ALAN C. TORGERSON
KENDALL O. SCHLENKER
ALICE TOMLINSON LORENZ
GREGORY W. CHASE
ALAN KONRAD
MARGO J. MCCORMICK
LYMAN G. SANDY
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THOMAS M. DOMME
DAVID H. THOMAS III
C. BRIAN CHARLTON

ALBUQUERQUE

500 MARQUETTE, N. W., SUITE 1100
POST OFFICE BOX 25687
ALBUQUERQUE, NM 87125
TELEPHONE: (505) 842-1950
FACSIMILE: (505) 243-4408

LAS CRUCES

277 EAST AMADOR
POST OFFICE DRAWER 1231
LAS CRUCES, NM 88004
TELEPHONE: (505) 523-2481
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FARMINGTON

300 WEST ARRINGTON
POST OFFICE BOX 869
FARMINGTON, NM 87499
TELEPHONE: (505) 326-4521
FACSIMILE: (505) 325-5474

SANTA FE

125 LINCOLN AVE., SUITE 303
POST OFFICE BOX 1986
SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

September 4, 1992

PLEASE REPLY TO SANTA FE

Arco Oil & Gas Company
Post Office Box 1610
Midland, Texas 79702

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Application of Great Western Drilling Company
Compulsory Pooling, San Juan County, New Mexico:

Dear Sirs:

This will advise that Great Western Drilling Company has filed an application with the New Mexico Oil Conservation Division seeking and order for the compulsory pooling of all mineral interests in the Fruitland formation in and under Lots 1, 2, 3 and 4 and the S/2 S/2 (S/2) Section 8, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico. (A copy of the application is enclosed.) Great Western Drilling Company proposes to dedicate the referenced pooled unit to a well drilled at a standard location 910 feet from the South line and 955 feet from the West line (Unit M) of said Section 8.

This application will be set for hearing before a Division Examiner on October 1, 1992 at the New Mexico State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Arco Oil & Gas Company
 September 4, 1992
 Page 2

Very truly yours,

MILLER, STRATVERT, TORGERSON
 & SCHLENKER, P.A.

J. Scott Hall

J. Scott Hall

JSH/mg
 cc: Great Western Drilling Company

P 553 862 244

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Arco Oil & Gas Co	
Street and No. P.O. Box 1610	
City, State and ZIP Code Midland, TX 79702	
Postage	\$ 52
Certified Fee	X 1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	X 1.00
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date 9/4/92	

PS Form 3811, Apr. 1989 *U.S.G.P.O. 1989-238-815

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 services (s) requested, and addressee's address.

1. Show to whom delivered (Extra charge)

2. Restricted Delivery (Extra charge)

3. Article Addressed to:
Arco Oil & Gas Corp.
PO Box 1610
Denver, Colorado 80201-
0749

4. Article Number
P 553 862 244

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 - Addressee
X

6. Signature - Agent
X

7. Date of Delivery
X

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

DOMESTIC RETURN RECEIPT

MILLER, STRATVERT, TORGERSON & SCHLENKER, P. A.

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FACSIMILE: (505) 989-9857

September 4, 1992

PLEASE REPLY TO SANTA FE

Williams Production Company
Post Office Box 58900
Salt Lake City, Utah 84158-0900

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Application of Great Western Drilling Company
Compulsory Pooling, San Juan County, New Mexico:

Dear Sirs:

This will advise that Great Western Drilling Company has filed an application with the New Mexico Oil Conservation Division seeking and order for the compulsory pooling of all mineral interests in the Fruitland formation in and under Lots 1, 2, 3 and 4 and the S/2 S/2 (S/2) Section 8, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico. (A copy of the application is enclosed.) Great Western Drilling Company proposes to dedicate the referenced pooled unit to a well drilled at a standard location 910 feet from the South line and 955 feet from the West line (Unit M) of said Section 8.

This application will be set for hearing before a Division Examiner on October 1, 1992 at the New Mexico State Land Office Building, 310 Old Santa Fe Trail, Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Williams Production Company
 September 4, 1992
 Page 2

Very truly yours,

MILLER, STRATVERT, TORGERSON
 & SCHLENKER, P.A.

J. Scott Hall

J. Scott Hall

JSH/mg
 cc: Great Western Drilling Company

P 561 862 191

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 See Reverse

Send to Williams Prod. Co.	
Street and No. PO Box 58900	
City, State and ZIP Code Salt Lake City, Utah 84158-0900	
Postage	52
Certified Fee	X 1.06
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom it is to be delivered	X 1.00
Return Receipt showing to whom it is to be delivered Date and Address of Delivery	
TOTAL Postage and Fees	2.52
Date of Delivery	9/14/92

3. Article Addressed to: Williams Production Co. PO Box 58900 Salt Lake City, Utah 84158-0900		4. Article Number P561862191	
5. Signature Addressee X		8. Addressee's Address MILLER STRATVERT TORGERSON, SCHLENKER P.A. SANTA FE, NEW MEXICO	
6. Signature Agent X <i>K. McLaughlin</i>		Type of Service: <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express <input type="checkbox"/> Signature of addressee	
7. Date of Delivery X		Always SIGN and DATE DELIVERED SEP 10 1992	

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)

PS Form 3811, Apr. 1980 *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

MILLER, STRATVERT, TORGERSON & SCHLENKER, P. A.

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SANTA FE, NM 87504-1986
TELEPHONE: (505) 989-9614
FACSIMILE: (505) 989-9857

September 4, 1992

PLEASE REPLY TO SANTA FE

Coastal Oil & Gas Corporation
Post Office Box 749
Denver, Colorado 80201-0749

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Application of Great Western Drilling Company
Compulsory Pooling, San Juan County, New Mexico:

Dear Sirs:

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Coastal Oil & Gas Corporation
 September 4, 1992
 Page 2

Very truly yours,

MILLER, STRATVERT, TORGERSON
 & SCHLENKER, P.A.

J. Scott Hall

J. Scott Hall

JSH/mg

cc: Great Western Drilling Company

P 561 862 243

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 FOR REGISTERED MAIL

See Reverse

US GPO 1989 244 555	
Sent to: Coastal Oil & Gas	
Street and No. PO Box 749	
P.O. State and ZIP Code Denver, CO 80201-0749	
Postage	.52
Certified Fee	X 1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	X 1.00
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark Date	9/4/92

<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.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)</p> <p>2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: Arctic Oil & Gas Co PO Box 1610 Midland, TX 79702</p>	
<p>4. Article Number P 561 862 244</p>	
<p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise</p>	
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>8. Addressee's Address (ONLY if requested and fee paid)</p>	
<p>5. Signature — Addressee X <i>[Signature]</i></p>	
<p>6. Signature — Agent X <i>[Signature]</i></p>	
<p>7. Date of Delivery SEP - 9 1992</p>	

DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

Northwest Exhibits 1 through
Complete Set 3

NORTHWEST PIPELINE CORPORATION
ONE OF THE WILLIAMS COMPANIES 

569-90

P.O. BOX 1526
SALT LAKE CITY, UTAH 84110-1526
801-583-8800

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

October 26, 1990

Great Western Drilling Company
P.O. Box 1659
Midland TX 79701
ATTN: Pat Shanahan

RE: J.E. Decker #11 Fruitland Coal Formation
All of Section 8, T32N, R11W
San Juan County, New Mexico

Gentlemen:

Pursuant to the New Mexico Oil Conservation Division Case No. 10048, Order No. R-9277, please submit for review and approval to the owners of Lots 1 and 2 and to S/2 SE/4 of Section 8, T32N, R11W San Juan County, New Mexico, the ownership being undivided, Northwest Pipeline Corporation 23%, Coastal Oil and Gas Corporation 27%, and Arco Oil and Gas Co. 50%, A Joint Operating Agreement, Communitization Agreement, and the associated costs for the referenced well.

If you need any leasehold or other information in preparation of the requested documents please don't hesitate to write me at the letterhead address or call Vern Hansen at (801) 584-6604.

Sincerely yours,

NORTHWEST PIPELINE CORPORATION



Darrell L. Gillen
Land Manager

DLG:jb1

cc: W.O. Curtis
P.C. Thompson
Arco Oil & Gas
Coastal Oil & Gas

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 27 1990	
FBI - SALT LAKE CITY	

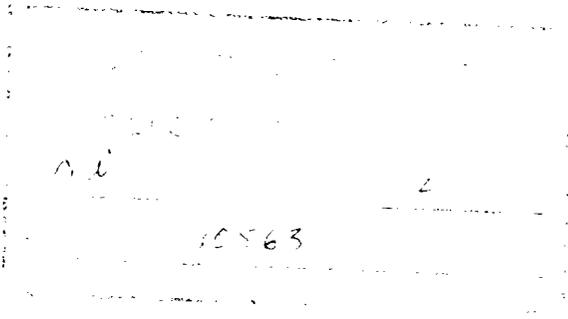


GREAT WESTERN DRILLING COMPANY
Post Office Box 1659 • Midland, Texas 79702 • 915-682-5241

March 5, 1992

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Darrell L. Gillen
Williams Production Company
P. O. Box 1526
Salt Lake City, Utah 84110-1526



RE: Great Western Drilling Co.
J. E. Decker No. 11, 910' FSL &
955' FWL of Section 8-T32N-R11W
San Juan County, New Mexico

Gentlemen:

Pursuant to The Oil Conservation Division-State of New Mexico, Case No. 10048, Order No. R-9277, you are entitled to participate in the captioned well. This well has been drilled and completed, however, due to the order, it has never produced. You are entitled to participate because of your 23% ownership of Lots 1, 2, & S/2 SE/4 of Section 8-T32N-R11W, San Juan County, New Mexico.

The total costs incurred to date are \$329,969, of which your share would be \$37,991.61, in the event you wish to participate. This interest was derived from the Communitization Agreement.

You will also note in the Order, that if all parties cannot come to a mutual agreement, a force pooling hearing will have to be conducted to assess risk, overhead and well costs.

I have enclosed an Operating Agreement and Communitization Agreement for your review.

According to the Order, you have three options:

- A. Execute these Agreements and remit your share of the costs;
- B. Sign these Agreements and go non-consent under the JOA;
- C. Conduct a force pooling hearing, as previously stated.

Mr. Darrell L. Gillen
March 5, 1992
Page 2

I trust you will give this matter you immediate attention, as we plan to produce the well in the very near future. Please feel free to contact the undersigned if you have any questions.

Sincerely,
GREAT WESTERN DRILLING COMPANY

Mike S. Heathington

Mike S. Heathington

MSH/rs

WILLIAMS PRODUCTION COMPANY 
ONE OF THE WILLIAMS COMPANIES

P.O. BOX 58900
SALT LAKE CITY, UTAH 84158-0900
801-583-8800

July 16, 1992

To: Great Western Drilling Company
Attn: Mike Heathington
P.O. Box 1659
Midland, TX 79702

RE: Conditional Letter of Acceptance - Joint Operating Agreement
J.E. Decker #11 Fruitland Coal Formation
All of Sec. 8, T32N, R11W
San Juan County, New Mexico

Gentlemen,

Williams Production Company has executed the referenced Joint Operating Agreement subject to the following condition:

Exhibit "E" - Gas Balancing Agreement be deleted in its entirety,
and the provisions of the attached Gas Balancing Agreement be
substituted in its place.

If you are in agreement with this change, please execute a copy of this letter in the space provided and return it to me at your earliest convenience.

Sincerely,



Vern Hansen
Landman

Conditional Letter of Acceptance
Approved
GREAT WESTERN DRILLING COMPANY

By: _____

Date: _____

Enclosure

cc: W.O. Curtis
M.J. Turnbaugh

MVH\L92147.MVH