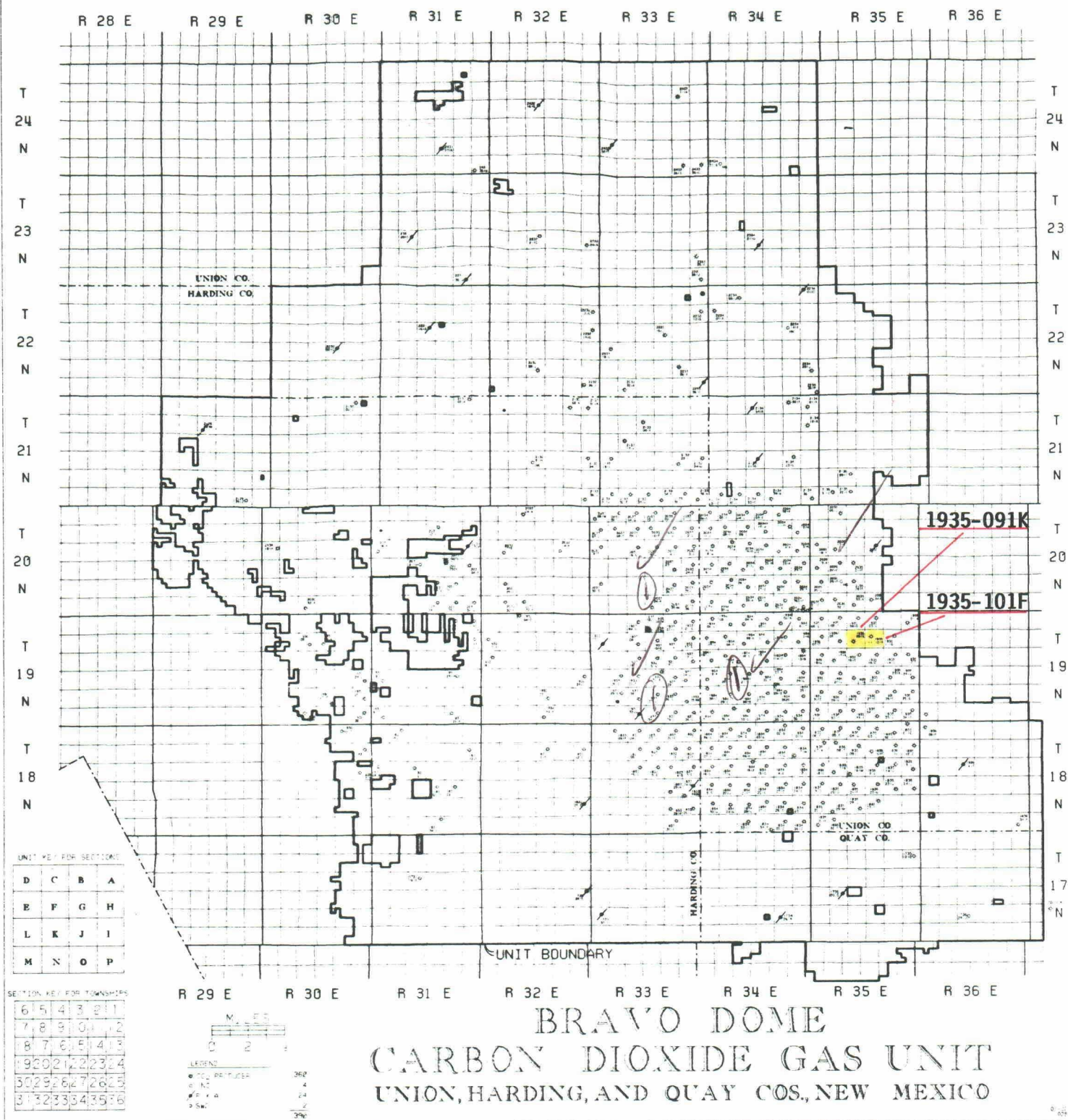


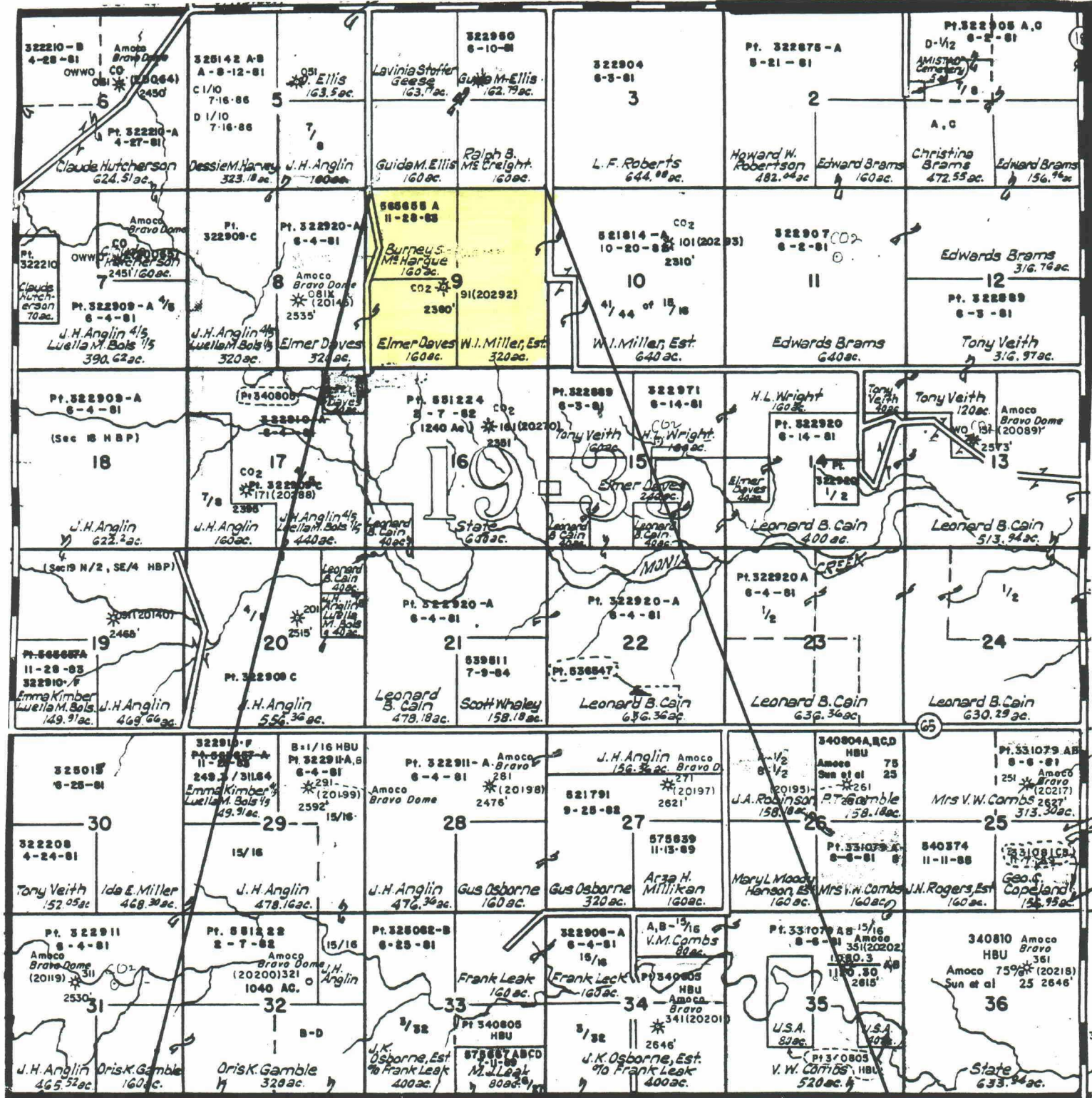
Amoco Exhibits 1 through
Complete Set 8



BEFORE EXAMINER CATANACH
 OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 1

CASE NO. 8917 & 8919



Pauline McHarque, et ux	5/6
E. W. Jones, et ux	1/6
Leonard Cain, et ux	8/8
Leonard Cain, et ux	15/16
Cora E. Amundsen (Heirs)	1/16

- American National Ins. Co. 1/2
- Goldie Miller 110/352
- Tressie Miller Taylor 12/352
- Virginia Miller Faust 6/352
- Nina Miller Cleveland 6/352
- Betty Jo Miller Taylor 6/352
- Scottie K. Miller 6/352
- Clarissa R. Miller 6/352
- Brenda Miller Copeland 6/352
- Robert E. Williams 6/352
- Joy Miller Beamer 6/352
- Lynn Miller Gay 3/704
- Edward Leon Miller 3/704
- Elizabeth Ann Miller 3/704
- Sidney Miller 3/704

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

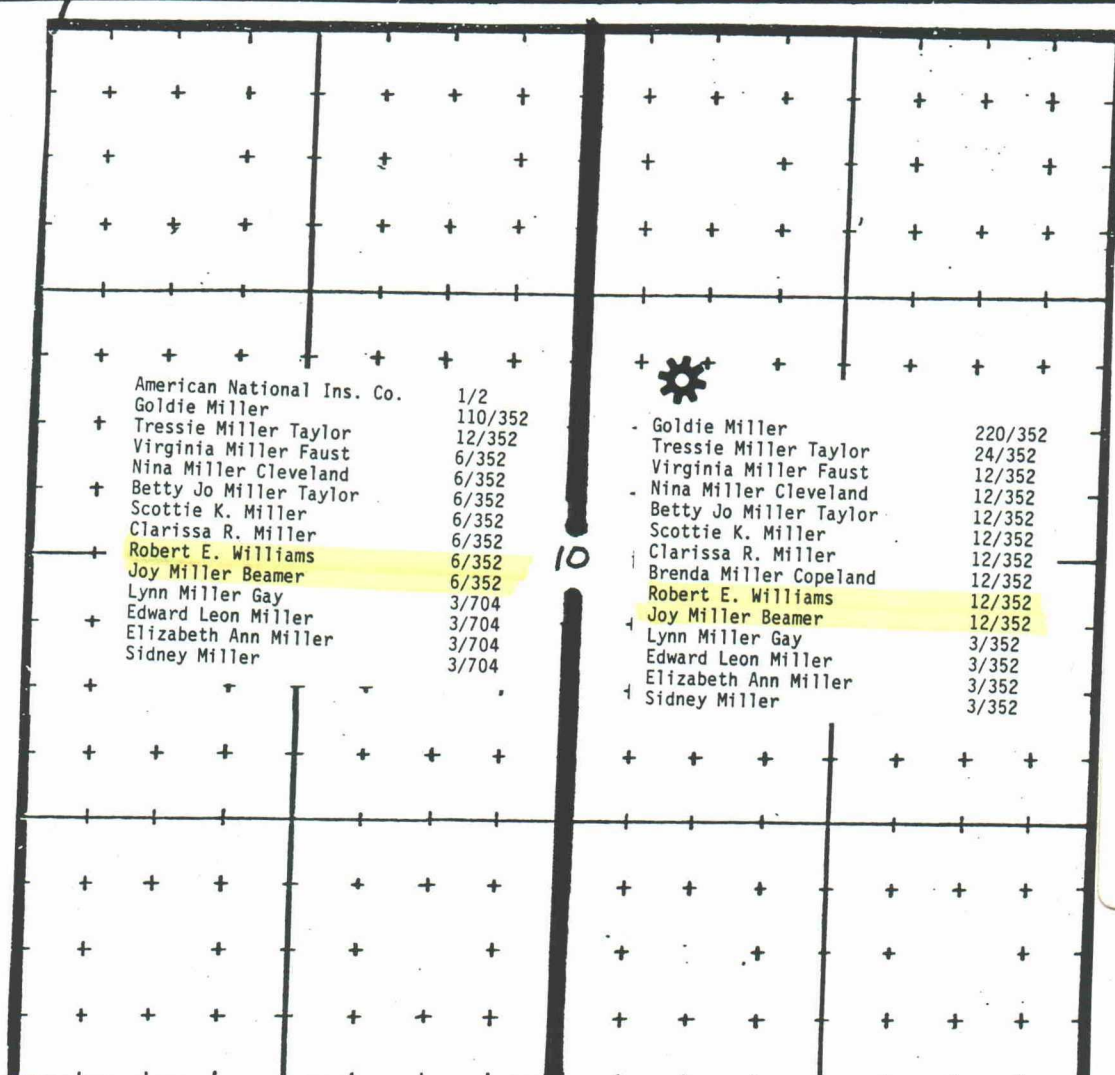
AMOCO EXHIBIT NO. 2

CASE NO. 8917 & 8919

BREAKDOWN OF OWNERSHIP
SECTION 9
T-19-N - R-35-E

<u>Acreage Description</u>	<u>Mineral Owner</u>	<u>Gross Acres</u>	<u>Interest Owned</u>	<u>Net Acres</u>	<u>Status</u>
E/2	American National Ins. Co.	320	1/2	160	Leased to Shell
	Goldie Miller	320	110/352	100	Leased to Amoco
	Tressie Miller Taylor	320	12/352	10.9	Leased to Amoco
	Virginia Miller Faust	320	6/352	5.46	Leased to Amoco
	Nina Miller Cleveland	320	6/352	5.46	Leased to Amoco
	Betty Jo Miller Taylor	320	6/352	5.46	Leased to Amoco
	Scottie K. Miller	320	6/352	5.46	Leased to Amoco
	Clarissa R. Miller	320	6/352	5.46	Leased to Amoco
	Brenda Francine Miller Copeland	320	6/352	5.46	Leased to Amoco
	Robert Elan Williams	320	6/352	5.46	Unleased
	Joy Miller Beamer	320	6/352	5.46	Unleased
	Lynn Miller Gay	320	3/704	1.36	Leased to Amoco
	Edward Leon Miller	320	3/704	1.36	Leased to Amoco
	Elizabeth Ann Miller	320	3/704	1.36	Leased to Amoco
	Sidney Miller	320	3/704	1.36	Leased to Amoco
NW/4	Pauline McHargue, et ux	160	5/6	133.33	Leased to Amoco
	E.W. Jones, et al	160	1/6	26.66	Unleased
S/2 SW/4	Leonard Cain, et ux	80	15/16	75.00	Leased to Amoco
N/2 SW/4	Cora E. Amundesen (Heirs)	80	1/16	5.00	Leased to Amoco
	Leonard Cain, et ux	80	8/8	80.00	Leased to Amoco
				<u>640.00</u>	

EXHIBIT 2A



CASE NO. 8917 & 8919

BREAKDOWN OF OWNERSHIP
SECTION 10
T-19-N - R-35-E

<u>Acreage Description</u>	<u>Mineral Owner</u>	<u>Gross Acres</u>	<u>Interest Owned</u>	<u>Net Acres</u>	<u>Status</u>
E/2	Goldie Miller	320	220/352	200	Leased to Amoco
	Tressie Miller Taylor	320	24/352	21.81	Leased to Amoco
	Virginia Miller Faust	320	12/352	10.9	Leased to Amoco
	Nina Miller Cleveland	320	12/352	10.9	Leased to Amoco
	Betty Jo Miller Taylor	320	12/352	10.9	Leased to Amoco
	Scottie K. Miller	320	12/352	10.9	Leased to Amoco
	Clarissa R. Miller	320	12/352	10.9	Leased to Amoco
	Brenda Francine Miller Copeland	320	12/352	10.9	Leased to Amoco
	Robert Elan Williams	320	12/352	10.9	Leased to Amoco
	Joy Miller Beamer	320	12/352	10.9	Unleased
	Lynn Miller Gay	320	3/352	2.72	Leased to Amoco
	Edward Leon Miller	320	3/352	2.72	Leased to Amoco
	Elizabeth Ann Miller	320	3/352	2.72	Leased to Amoco
	Sidney Miller	320	3/352	2.72	Leased to Amoco
W/2	American Nations Ins. Co.	320	1/2	160	Leased to Shell
	Goldie Miller	320	110/352	100	Leased to Amoco
	Tressie Miller Taylor	320	12/352	10.9	Leased to Amoco
	Virginia Miller Faust	320	6/352	5.46	Leased to Amoco
	Nina Miller Cleveland	320	6/352	5.46	Leased to Amoco
	Betty Jo Miller Taylor	320	6/352	5.46	Leased to Amoco
	Scottie K. Miller	320	6/352	5.46	Leased to Amoco
	Clarissa R. Miller	320	6/352	5.46	Leased to Amoco
	Brenda Francine Miller Copeland	320	6/352	5.46	Leased to Amoco
	Robert Elan Williams	320	6/352	5.46	Leased to Amoco
	Joy Miller Beamer	320	6/352	5.46	Unleased
	Lynn Miller Gay	320	3/704	1.36	Leased to Amoco
	Edward Leon Miller	320	3/704	1.36	Leased to Amoco
	Elizabeth Ann Miller	320	3/704	1.36	Leased to Amoco
	Sidney Miller	320	3/704	1.36	Leased to Amoco
				640.00	

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 2C

CASE NO. 8917 & 8919

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 3

CASE NO. 8917 & 8919

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete Name 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO

ATTN: Jerry Webb
Rm 19.106

AMOCO PRODUCTION COMPANY
(Name of Sender)

P. O. Box 3092
(Street or P.O. Box)

Houston, Texas 77253
(City, State, and ZIP Code)

(City, State, and ZIP Code)

Houston, Texas 77253

(Street or P.O. Box)

P. O. Box 3092

(Name of Sender)

AMOCO PRODUCTION COMPANY

ATTN: Jerry Webb
Rm 19.106

RETURN
TO

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete Name 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery ..
☐ **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

2. **ARTICLE ADDRESSED TO:**
 Successor In Interest To
 Lula Fern Miller Williams
 14317 Blanton, Rt 4
 Amarillo, TX 79119

3. **TYPE OF SERVICE:**
☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
 P 332 153 679

(Always obtain signature of addressee or agent)
 I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. **DATE OF DELIVERY**
 10-15-85 PM

5. **ADDRESSEE'S ADDRESS (Only if requested)**
 14317 Blanton Rt 4
 Amarillo TX 79119

6. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S INITIALS**

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered
☒ Show to whom, date, and address of delivery ..
☐ **RESTRICTED DELIVERY**
 (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

2. **ARTICLE ADDRESSED TO:**
 Ms. Joy Dell Miller Beamer
 2081 Kingfisher Way
 Fairfield, CA 94533

3. **TYPE OF SERVICE:**
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
 P 332 153 677

(Always obtain signature of addressee or agent)
 I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. **DATE OF DELIVERY**
 10-15-85

5. **ADDRESSEE'S ADDRESS (Only if requested)**
 2081 Kingfisher Way
 Fairfield CA 94533

6. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S INITIALS**



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253
West Texas-Eastern
New Mexico Division

October 9, 1985

Re: EA 22,237
Bravo Dome CO₂ Gas Unit
Harding, Union, and Quay Counties, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Successor In Interest To
Tula Fern Miller Williams
14317 Blanton, Route 4
Amarillo, TX 79119

Gentlemen:

It is our understanding that you are an unleased mineral owner in Sections 9 and 10, T-19-N, R-35-E, Union County, New Mexico. Amoco Production Company (Amoco), as operator of the Bravo Dome Carbon Dioxide Gas Unit (BDCDGU) has drilled, or desires to drill a CO₂ gas well on these sections.

Pursuant to the New Mexico Oil Conservation Division Order No. R-7556, 640 acre spacing for CO₂ gas wells has been established in that part of the unit in which your property lies. Accordingly, Amoco offers you the following alternatives:

1) Grant Amoco a lease covering your interest in said Sections in the form provided in Exhibit No. 1 hereto for a \$20.00 per net acre bonus, and \$1.00 per net acre per year delay rental. Your execution of this lease will make you a royalty owner in any production from said Sections only; or,

2) Grant Amoco a lease covering your interest in said Sections in the form provided in Exhibit No. 1 with the same per net acre bonus as above provided and execute a ratification agreement in the form of the attached Exhibit No. 2. No rentals will be paid under this option and

EA 22,237
October 9, 1985
Page 2

your participation in the Unit royalty will commence upon approval of the Unit working interest owners as set out in the Unit Agreement dated April 9, 1979, which is attached hereto as Exhibit No. 3. Your execution of these two instruments will, upon obtaining Unit working interest owners approval, make you a royalty owner in production from the entire BDCDGU; or,

3) Execute an operating agreement in the form provided as Exhibit No. 5 hereto covering your net mineral ownership within said Sections thereby creating a working interest as to the extent of 7/8 of the CO₂ and a royalty interest to the extent of the remaining 1/8 of such CO₂. A ballot summarizing the estimated costs for the existing well on said Sections is hereby attached as Exhibit No. 7, which should be executed and returned with the signed Operating Agreement. The working interest portion shall, as provided in the operating agreement, be obligated to pay in cash or out of production a portion of all the costs and expenses associated with drilling, completing, equipping, producing, and marketing production from said Sections in which you own an interest; or,

4) Execute a ratification agreement in the form of the attached Exhibit No. 2 by which you will accept the Bravo Dome Carbon Dioxide Gas Unit Agreement and Operating Agreement attached hereto as Exhibits No. 3 and No. 4, respectively, covering your net mineral ownership within said Sections, thereby creating a working interest as to the extent of 7/8 of the CO₂ and a royalty interest to the extent of the remaining 1/8 thereof. This will make you a working interest owner in the entire BDCDGU with all the rights, duties, and obligations set out in those agreements. The working interest portion shall be obligated to pay in cash or out of production a portion of all BDCDGU costs and expenses associated with drilling, completing, equipping, producing, and marketing production from the entire BDCDGU, both past and present. You are advised that such costs and for the entire BDCDGU to the 1st day of September, 1984 is approximately \$145,000,000, and you would become obligated for your proportionate share of such costs and expenses already occurred. Should you elect to pay such unit costs out of production you must also execute a Carried Working Interest Agreement in the form attached hereto as Exhibit No. 6.

We sincerely hope one of the four alternatives above will appeal to you; however, if we have not received your acceptance to one of the above alternatives within thirty days of your receipt of this offer we plan to initiate a statutory pooling proceeding for said Sections with the New Mexico Oil Conservation Division of the Department of Energy and Minerals of the State of New Mexico.

EA 22,237
October 9, 1985
Page 3

If you have any questions or require additional information, please reply by correspondence to:

Amoco Production Company
P. O. Box 3092
Houston, TX 77253

Attn.: Eastern New Mexico Land Dept.

Your timely cooperation in this matter will be greatly appreciated.

Yours very truly,

S. A. Linn

J.D. Webb
JDW/dam *clb*
OP6D077/10-12

Attachments

BRAVO DOME CO₂ GAS UNIT
AUTHORITY FOR EXPENDITURE
BALLOT OF APPROVAL

Amoco Production Company, operator of the Bravo Dome CO₂ Gas Unit, requests your approval to drill Bravo Dome Well No. 1935 091F, located in Section 9 of Township 19 N, Range 35 E, Union County, New Mexico. Your proportionate cost of the well will be based on your net acres in the section divided by the total acres contributed to the well (typically 640 acres). The estimated cost of the well is \$250,000. A detailed cost breakdown is as follows:

Intangible:

Drilling	\$165,000
Surveys	11,000
Completion	<u>10,000</u>
	\$186,000

Tangible:

Casing x Hd	\$ 36,000	9-5/8" (700' @ \$14/ft), 7" (2600' @ \$10/ft)
Tubing	12,000	3-1/2" (2600' @ \$4.60/ft)
Wellhead	<u>16,000</u>	
	\$ 64,000	

225,000
219,000

Approved for: _____

Approved by: _____

Date: _____

BRAVO DOME CO₂ GAS UNIT
AUTHORITY FOR EXPENDITURE
BALLOT OF APPROVAL

Amoco Production Company, operator of the Bravo Dome CO₂ Gas Unit, requests your approval to drill Bravo Dome Well No. 1935 101F, located in Section 10 of Township 19 N, Range 35 E, Union County, New Mexico. Your proportionate cost of the well will be based on your net acres in the section divided by the total acres contributed to the well (typically 640 acres). The estimated cost of the well is \$250,000. A detailed cost breakdown is as follows:

Intangible:

Drilling	\$165,000
Surveys	11,000
Completion	<u>10,000</u>
	\$186,000

Tangible:

Casing x Hd	\$ 36,000	9-5/8" (700' @ \$14/ft), 7" (2600' @ \$10/ft) ⁹⁸⁰⁰ ²⁶⁰⁰⁰ ²⁵⁵⁰⁰
Tubing	12,000	3-1/2" (2600' @ \$4.60/ft)
Wellhead	<u>16,000</u>	¹¹⁷⁶⁰
	\$ 64,000	

Approved for: _____

Approved by: _____

Date: _____

November 13, 1985
14317 Blanton, Rt. 4
Amarillo, Texas 79119

Amoco Production Co.
Houston Region
501 Westlake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

RE: EA 22,237
Bravo Dome CO₂ Gas Unit
Harding, Union and Quay Counties, New Mexico

Attention: Stephen A. Reinert, Division Land Manager

Dear Mr. Reinert;

I am writing in reply to your Certified Letter dated October 9, 1985 concerning
unleased mineral owners in Sections 9 & 10, T-19-N, R-35-E, Union county,
New Mexico.

I, Robert Elan Williams, am the successor in interest to Tula Fern Willier Williams.

I am willing to grant for my interest in said property under the following
conditions:

- 1) A lease bonus of \$2,000.000
- 2) 1/5 royalty payments.
- 3) For CO₂ and Helium gasses only.
- 4) Amend the previous lease or write a new lease for the other members
of the Miller Family who signed the previous lease, to include 1/5 royalty
payments and for CO₂ and Helium gasses only.

Please let me know as soon as possible if the above terms are acceptable.

Sincerely,

Robert Elan Williams
Robert Elan Williams

RECEIVED
WT-ENM LAND

NOV 18 '85

BAR	EDM
ER	SWU
OW	TRC
MF	JW
KT	UKP
CH	LOW
	MKB



Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

December 3, 1985

Re: Unleased Mineral Interest
Robert Elan Williams
T-19-N, R-35-E
Section 9: E/2, Section 10: All
Union County, New Mexico

Mr. Robert Elan Williams
14317 Blanton, Route 4
Amarillo, Texas 79119

Dear Mr. Williams:

We are in receipt of your letter dated November 13, 1985 wherein you advise us of the terms and conditions under which you will be willing to lease your acreage to Amoco. Set out below is our response to each of the conditions for leasing contained in your letter:

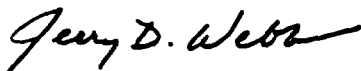
1. You have requested a leasing bonus of \$2,000.00. Inasmuch as you are the owner of 21.81 net mineral acres under the above referenced acreage, you are requesting a lease bonus of \$91.70 per acre. The highest bonus which we have paid in this area is \$20.00 per net acre. For leasing your 21.81 net mineral acres we are accordingly willing to pay a total lease bonus of \$436.20.
2. You have request a royalty of 1/5 which is equal to 20%. The highest royalty which we have paid in this area is 3/16 which is equal to 18.75%. We are accordingly offering you a 3/16 royalty.
3. You have requested that the lease cover CO2 and Helium only. We are agreeable to this condition.
4. Lastly, you have requested that Amoco re-negotiate our lease with the other Miller family members (being Goldie Miller and nine of her children) to provide for a 1/5 royalty and for covering CO2 and Helium only. I have reviewed Amoco's files on this lease and have found the following information:

- a) Goldie Miller and the nine of her children who leased to Amoco all received a bonus consideration at the time that they signed a lease with Amoco.
- b) Delay rental payments were tendered to each of the family members who signed the lease for a period of ten years.
- c) Pursuant to paragraph seven of the lease, the Miller family lease was committed to the Bravo Dome CO2 Gas Unit. Beginning in 1980, the Miller family began receiving an additional 50% rental payment which escalated 5% each year until unit production was established in 1984.
- d) The Miller family will also begin receiving royalty payments due under the unit as soon as title work on their acreage is completed. Our lease records department has advised me that as of the date of this letter, there is already \$2,148.96 in royalty payments which have accrued to the Miller family under their lease. This amount is being held in suspense until title work is complete but should be disbursed in the near future.
- e) Several members of the Miller family which we have spoken with (including Goldie Miller) have indicated that they do not have any particular problems with their lease to Amoco.

In light of these facts, we are not willing to re-negotiate the terms of our lease with the Miller family covering rights for which we have duly paid and long since held.

We sincerely hope that the terms as set out in this letter will be agreeable to you. Please feel free to call me at (713) 556-2964 if I may answer any questions regarding this letter.

Very truly yours,



Jerry D. Webb
Landman

JDW/dpb



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253
West Texas-Eastern
New Mexico Division

May 14, 1986

Re: Notice of Compulsory Pooling Application
Section 09, Township 19 North, Range 35 East
Union County, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Robert Williams
14317 Blanton, Route 4
Amarillo, Texas 79119

Dear Mr. Williams:

By copy of this letter we are giving you notice of our attached application to the New Mexico Oil Conservation Division for the compulsory pooling of your 6/352 unleased interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 09: E/2 Union County, New Mexico.

Amoco's application for compulsory pooling will be scheduled for the June 12, 1986, NMOCD Examiner's Hearing to begin at 8:15 a.m. in the Oil Conservation Division conference room, State Land Office Building, Santa Fe, New Mexico. Your attendance at this hearing is not required, but as an interest owner in the proposed proration unit you have a right to present testimony if you so desire. Failure to appear at that time will preclude you from challenging this application at a later date.

Very truly yours,

S. A. Reinert
Division Land Manager

Attachment

JDW/dpb



Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

R. E. Ogden
Regional Engineering
Manager

FEDERAL EXPRESS

May 8, 1986

File: JCA-986.51NM-1957

Re: Application for Compulsory Pooling
Section 9, Township 19 North,
Range 35 East, Union County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Attention: R. L. Stamets, Director

Amoco Production Company respectfully requests the referenced compulsory pooling application be scheduled for the June 12, 1986 NMOCD Examiner's Hearing. Amoco seeks an order pooling all mineral interests from the base of the Cimmaron Anhydrite Marker to the top of the Precambrian Basement underlying Section 9, Township 19 North, Range 35 East, Union County, New Mexico, forming a standard 640-acre spacing and proration unit to be dedicated to the Bravo Dome Carbon Dioxide Gas Unit Well No. 1935-091K drilled at a standard well location 2310' FSL and 2310' FWL of said Section. Also included in the application will be the actual cost of drilling and completing the well, the allocation of these costs, charges for supervision, a charge for risk involved in drilling the well, and designation of Amoco as operator of the well.

Yours very truly,

R. E. Ogden *REB*

SPS/rr

P 172 682 352

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

★ U.S.G.P.O. 1984-448-014

Sent to	Mr. Robert Williams
Street and No.	14317 Blanton, Rt. 4
P.O., State and ZIP Code	Amarillo, TX 79119
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	
Postmark or Date	

AMARILLO, TX

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3.

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 service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to:

Mr. Robert Williams
14317 Blanton, Rt. 4
Amarillo, TX 79119

4. Type of Service:

- ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P.172.682.35.2

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

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

DOMESTIC RETURN RECEIPT



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

West Texas-Eastern
New Mexico Division

May 14, 1986

Re: Notice of Compulsory Pooling Application
Section 10, Township 19 North, Range 35 East
Union County, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Robert Williams
14317 Blanton, Route 4
Amarillo, Texas 79119

Dear Mr. Williams:

By copy of this letter we are giving you notice of our attached application to the New Mexico Oil Conservation Division for the compulsory pooling of your 6/352 unleased interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 10: W/2 and your 12/352 unleased mineral interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 10: E/2 Union County, New Mexico.

Amoco's application for compulsory pooling will be scheduled for the June 12, 1986, NMOCED Examiner's Hearing to begin at 8:15 a.m. in the Oil Conservation Division conference room, State Land Office Building, Santa Fe, New Mexico. Your attendance at this hearing is not required, but as an interest owner in the proposed proration unit you have a right to present testimony if you so desire. Failure to appear at that time will preclude you from challenging this application at a later date.

Very truly yours,

S. A. Reinert
Division Land Manager

Attachment

JDW/dpb

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. _____

CASE NO. 8917 & 8919



Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

R. E. Ogden
Regional Engineering
Manager

FEDERAL EXPRESS

May 8, 1986

File: JCA-986.51NM-1957

Re: Application for Compulsory Pooling
Section 10, Township 19 North,
Range 35 East, Union County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Attention: R. L. Stamets, Director

Amoco Production Company respectfully requests the referenced compulsory pooling application be scheduled for the June 12, 1986 NMOCED Examiner's Hearing. Amoco seeks an order pooling all mineral interests from the base of the Cimmaron Anhydrite Marker to the top of the Precambrian Basement underlying Section 10, Township 19 North, Range 35 East, Union County, New Mexico, forming a standard 640-acre spacing and proration unit to be dedicated to the Bravo Dome Carbon Dioxide Gas Unit Well No. 1935-101F drilled at a standard well location 1650' FNL and 1650' FWL of said Section. Also included in the application will be the actual cost of drilling and completing the well, the allocation of these costs, charges for supervision, a charge for risk involved in drilling the well, and designation of Amoco as operator of the well.

Yours very truly,

SPS/rr

P 172 682 351

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982
* U.S.G.P.O. 1984-446-014

Sent to	Mr. Rob't Williams
Street and No.	14317 Blanton, Rt. 4
P.O., State and ZIP Code	Amarillo, TX 79119
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom Date, and Address of Delivery	
TOTAL Postage and Fees	
Postmark or Date	

PS Form 3811, July 1983 447-945

SENDER: Complete items 1, 2, 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 service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to:

Mr. Robert Williams
14317 Blanton, Rt. 4
Amarillo, TX 79119

4. Type of Service:

- ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P.172.682.351

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X Robert Williams

6. Signature - Agent

X MAY 27 1986

7. Date of Delivery

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

DOMESTIC RETURN RECEIPT

WILDERSPIN, INC.
OIL AND GAS PROPERTIES
POST OFFICE BOX 470
MIDLAND, TEXAS 79702

CLIFTON WILDERSPIN

June 25, 1982

AREA CODE 915
683-5376

Amoco Production Company
500 Jefferson Building
P.O. Box 3092
Houston, TX 77001

ATTN: Jerry West

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
EXHIBIT NO. <u>3A</u>
CASE NO. _____

RE: Preliminary Title Report
Bravo Dome CO₂ Unit
Union County, NM
Tract #170
LPN - 521824

Gentlemen:

The undersigned has checked the records of the County Clerk, District Clerk and Tax Assessor-Collector's office in Union County, New Mexico, with respect to the following tract of land, to-wit:

Township-19-North, Range-35-East, N.M.P.M.
Section 9:NE/4

and finds that, as of this date, mineral, leasehold and royalty estates are owned as follows:

Owner/Address	Mineral Interest	Royalty Interest	Leasehold Estate
Goldie Miller Amistad, NM 88410	220/704	220/704	Amoco Production Company 10-20-72, 10 yrs., 1/8 31.25%
Virginia Miller Faust 573 30 Road Grand Junction, CO 81501	12/704	12/704	(Same as above) 1.70%
Nina Miller Cleveland 16671 Yorba Linda Blvd. Yorba Linda, CA 92686	12/704	12/704	(Same as above) 1.70%
Tressie Miller Taylor Sedan, NM 88436	12/704	12/704	(Same as above) 1.70%
Betty Jo Miller Taylor Amistad, NM 88410	12/704	12/704	(Same as above) 1.70%

William O. Miller Sedan, NM 88436	12/704	12/704	(Same as above) 1.70%
Clarissa R. Miller Egerton Nara Visa, NM 88430	12/704	12/704	(Same as above) 1.70%
Brenda Francine Miller Copeland Claunch, NM 87011	12/704	12/704	(Same as above) 1.70%
Lynn Miller Gay 198 Ohio Circle Jacksonville, ARK 72076	3/704	3/704	(Same as above) .4%
Edward Leon Miller 3202 Julian Blvd., Apt. 108 Amarillo, TX 79102	3/704	3/704	(Same as above) .4%
Elizabeth Ann Miller 198 Ohio Circle Jacksonville, ARK 72076	3.704	3/704	(Same as above) .4%
Sidney Miller 198 Ohio Circle Jacksonville, ARK 72076	3/704	3/704	(Same as above) .4%
Scottie K. Miller Amistad, NM 88410	12/704	12/704	(Same as above)
Tula Fern Miller Williams 1417 Blanton, Rt. 4 Amarillo, TX 79119	12/704	12/704	Unleased
Joy Dell Miller Beamer 2081 Kingfisher Way Fairfield, CA 94533	12/704	12/704	Unleased
American National Insurance Co. One Moody Plaza Galveston, TX 77550	$\frac{1}{2}$	$\frac{1}{2}$	Sun Oil Company (No assgn. from CO ₂ -In-Act to Texas & Pacific of reco Texas & Pacific assgn. to Oil Company in Vol. 49, p 11-14-78, 5yrs., 1/6 50%
8/8	8/8	Approx. 95% leased	

NOTE: Tula Fern Miller Williams has recently died with her estate currently being probated. We have contacted the unleased interest owners and they are very hostile because the other members executed a lease. They feel that the other Lessors gave it away and they do not want us to re-contact them unless we have \$1,000.00 per acre bonus to offer.

Amoco Production Company

June 25, 1982

Page 3

The foregoing is submitted as a preliminary title check only and does not purport to deal with the legal sufficiency of the instruments examined.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Michael R. Marsau", with a long horizontal flourish extending to the right.

Michael R. Marsau *ew*
(505) 374-8384

MRM:jg

WILDERSPIN, INC.
OIL AND GAS PROPERTIES
POST OFFICE BOX 470
MIDLAND, TEXAS 79702

AREA CODE 915
683-5376

CLIFTON WILDERSPIN

September 10, 1984

LPN#521814
T-19-N, R-35-E; NMPM
Section 9: E $\frac{1}{2}$.
Section 10: All.
Gross Acres: 960
Lessors: Miller, et al.
Unit Tract Nos.: 169 and 170.
Date of OTO: 3-26-82
Prepared by: Roger L. Copple
Assigned to: Ronnie Miles

REQUIREMENT AND STATUS:

- A. Satisfied.
- B. Requires a ratification of oil and gas lease, rental division order and a disclaimer of interest. No action taken.
- C. Satisfied.
- D. Requires a release from Amoco Production Company. To be handled by the Houston office.
- E. Requires a rental receipt. To be handled by the Houston office.
- F. Requires a rental receipt from Sun Oil Company. No action taken.
- G. Satisfied.

Nina Cleveland
602-778-6133

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
EXHIBIT NO. <i>3B</i>
CASE NO. _____

The following documents are included to supplement the curative.
These events have taken place since the title opinion was rendered.

1. One certified copy of the Warranty Deed, whereby the interest credited to William O. Miller is conveyed to Tressie O. Taylor.
2. One certified copy of the Last Will and Testament of Tula Fern Williams, deceased, along with the court order. One certified copy of the Warranty Deed, whereby the interest credited to Tula Fern Williams, deceased, is conveyed to Robert Elan Williams.

Received
10/10/84

September 10, 1984
LPN#521814
Status Report
Page 2

3. Copies of the 1982 and 1983 tax receipts covering all of the captioned land. Taxes are not due until November, 1984.

As for the two unleased mineral interests:

1. Robert Elan Williams, DISP
Route 4, 14317 Blanten
Amarillo, Texas 79119
(806) 622-2350

Mr. Williams informed me that he didn't want to lease this interest and really didn't want to be bothered with it at this time. He has our address and telephone number.

2. Joy Dell Miller Beamer, DISP
2081 Kingfisher Way
Fairfield, California 94533
(707) 425-9465

The following terms were offered:

Bonus:	\$10.00 per net acre
Rental:	\$ 1.00 per net acre
Royalty:	3/16th
Term:	5 years

Mrs. Beamer had the following comments:

1. She didn't like the way she was talked to and treated when she was contacted before about leasing. She feels as though the family was cheated before and her attorney will be in on any negotiations that do take place.
2. The unit isn't acceptable, she won't share her royalty with others.
3. Won't lease her interest unless the price paid is about \$20,000.00 for her 21.81818 net acres.

This concludes this status report. If you have any questions, don't hesitate to call.

Very truly yours,

Wilderspin, Inc.

Ronnie Miles
by Ronnie Miles

ATWOOD, MALONE, MANN & TURNER
A PROFESSIONAL ASSOCIATION
LAWYERS

JEFF D. ATWOOD [1883-1960]
ROSS L. MALONE [1910-1974]

P.O. DRAWER 700
SUNWEST CENTRE
ROSWELL, NEW MEXICO 88202
[505] 622-6221
TELECOPIER [505] 624-2883

CHARLES F. MALONE
RUSSELL D. MANN, P. A.
BOB F. TURNER
JOHN W. BASSETT
ROBERT E. SABIN
BRIAN W. COPPLE
ROBERT H. STRAND
STEVEN L. BELL
WILLIAM P. LYNCH
RODNEY M. SCHUMACHER
JOHN S. NELSON
R. TRACY SPROULS
FREDDIE J. ROMERO
GEORGE D. GIDDENS, JR.
LEE M. ROGERS, JR.
TIMOTHY A. LUCAS
ARTHUR P. BROCK
BRIAN D. MILLER

January 20, 1986

85-2480-M

IN RE FIRST SUPPLEMENTAL OPINION OF TITLE TO:

Township 19 North, Range 35 East, NMPM

Section 9: E/2
Section 10: All

Containing 960.00 acres, more or less,
Union County, New Mexico.

ALDF #109-112185
Lease No. 521814 - Goldie Miller, et al.

Leonard E. Engstrom, Esquire
Regional Attorney
Amoco Production Company
Post Office Box 3092
Houston, Texas 77253

Gentlemen:

In connection with title to the captioned, for
drilling and division order purposes, we have examined the
following:

PRIOR OPINIONS

1. Original Opinion of Title dated March 26, 1982,
covering the captioned lands, prepared by Roger
L. Copple, special attorney for Atwood, Malone,
Mann & Cooter, P.A.

OTHER MATERIALS

1. Letter of transmittal dated November 26, 1985
from Leonard E. Engstrom to our firm.

RECEIVED	
WT-ENM LAND	
JAN 23 '86	
SAR	EDM
CLR	SWN
LDW	TRC
INF	OK
KT	
CH	JKP
	LCM
	MKG
Is. Hand	Forward To
Circulate	File Note
See Me	File

BEFORE EXAMINER CATALOG

EXAMINATION DIVISION

Mcco

3C

CASE NO. _____

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

2. Letter dated November 14, 1985, from Timothy R. Custer of the Amoco land department to Leonard E. Engstrom.
3. Letter dated November 8, 1985, from George L. Mauzy of Wilderspin, Inc. to Mr. Jerry D. Webb of Amoco Production Company.
4. Copies of tax ledgers and tax bills covering the captioned lands.
5. Receipt for 1985 ad valorem taxes on the E/2 of Section 9-19N-35E.
6. Proceedings conducted In the Matter of the Estate of Sidney A. Miller, deceased, as Cause No. 1537 before the Probate Court of Union County, New Mexico.
7. Assignment and Bill of Sale dated April 1, 1979, from CO2-In-Action, Incorporated to Texas Pacific Oil Company, Inc.
8. Oil and Gas Lease dated November 14, 1978, from American National Insurance Company, as lessor, to CO2-In-Action, Inc. as lessee.
9. Rental Division Order dated December 28, 1978, from American National Insurance Company to CO2-In-Action, Inc.
10. Copies of rental receipts from Sun Production Company.
11. Release of Mortgage dated June 28, 1982, and recorded in Book 29, page 430 of the Release Records of Union County, New Mexico, from American National Insurance Company to W.I. Miller and Goldie O. Miller, husband and wife.
12. Warranty Deed dated April 28, 1983, from William Orville Miller, conveying separate property acquired by inheritance, joined pro forma by his wife, Katherine Miller, to Tressie O. Taylor, which deed is recorded in Book 59,

January 20, 1986

page 390 of the Deed Records of Union County,
New Mexico.

13. Proceedings conducted In the Matter of the Last Will and Testament of Tula Fern Williams, deceased, as Cause No. 82-70 before the District Court of Union County, New Mexico.
14. Warranty Deed dated November 20, 1982, and recorded in Book 59, page 167 of the Deed Records of Union County, New Mexico, from Robert Elan Williams, as Personal Representative of the Estate of Tula Fern Williams, deceased, to Robert Elan Williams.
15. Letter dated January 8, 1985, from Nona L. Smith of Clayton Title Services, Inc., to Timothy A. Lucas, regarding ad valorem taxes on the captioned lands.

From our examination of the above, and based solely thereon, we report as follows:

I. TITLE:

A. Surface:

Goldie Miller, a widow	220/352
Virginia Miller Faust	12/352
Nina Miller Cleveland	12/352
Tressie Miller Taylor	24/352
Betty Jo Miller Taylor	12/352
Scottie K. Miller	12/352
Clarissa R. Miller	12/352
Brenda Francine Miller Copeland	12/352
Robert Elan Williams	12/352

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

Joy Dell Miller (Beamer)	12/352
Lynn Miller Gay	3/352
Edward Leon Miller	3/352
Elizabeth Ann Miller	3/352
Sidney Miller	3/352

B. Minerals:

TRACT NO. 1: E/2 Section 10, T-19N, R-35E; NMPM
320.00 acres, more or less.

	<u>Lease</u>	
Goldie Miller, a widow	(A)	220/352
Virginia Miller Faust	(A)	12/352
Nina Miller Cleveland	(A)	12/352
Tressie Miller Taylor	(A)	24/352
Betty Jo Miller Taylor	(A)	12/352
Scottie K. Miller	(A)	12/352
Clarissa R. Miller	(A)	12/352
Brenda Francine Miller Copeland	(A)	12/352
Robert Elan Williams	Unleased	12/352
Joy Dell Miller (Beamer)	Unleased	12/352
Lynn Miller Gay	(A)	3/352
Edward Leon Miller	(A)	3/352
Elizabeth Ann Miller	(A)	3/352

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

Sidney Miller (A) 3/352

TRACT NO. 2: E/2 Section 9, W/2 Section 10, T-19N, R35E, NMPM
640.00 acres, more or less.

	<u>Lease</u>	
American National Insurance Company ..	(B)	1/2
Goldie Miller, a widow	(A)	110/352
Virginia Miller Faust	(A)	6/352
Nina Miller Cleveland	(A)	6/352
Tressie Miller Taylor	(A)	12/352
Betty Jo Miller Taylor	(A)	6/352
Scottie K. Miller	(A)	6/352
Clarissa R. Miller	(A)	6/352
Brenda Francine Miller Copeland	(A)	6/352
Robert Elan Williams	Unleased	6/352
Joy Dell Miller (Beamer)	Unleased	6/352
Lynn Miller Gay	(A)	3/704
Edward Leon Miller	(A)	3/704
Elizabeth Ann Miller	(A)	3/704
Sidney Miller	(A)	3/704

C. Oil and Gas Leasehold Estate:

TRACT NO. 1:

Goldie Miller, a widow
220/352 x .12507812500 RI

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

Virginia Miller Faust		
12/352 x .12500426136	RI
Nina Miller Cleveland		
12/352 x .125 .....	.00426136	RI
Tressie Miller Taylor		
24/352 x .125 .....	.00852272	RI
Betty Jo Miller Taylor		
12/352 x .125 .....	.00426136	RI
Scottie K. Miller		
12/352 x .125 .....	.00426137	RI
Clarissa R. Miller		
12/352 x .125 .....	.00426137	RI
Brenda Francine Miller Copeland		
12/352 x .125 .....	.00426137	RI
Robert Elan Williams		
12/352 x 8/8 .....	.03409091	UMI
Joy Dell Miller (Beamer)		
12/352 x 8/8 .....	.03409091	UMI
Lynn Miller Gay		
3/352 x .125 .....	.00106534	RI
Edward Leon Miller		
3/352 x .125 .....	.00106534	RI
Elizabeth Ann Miller		
3/352 x .125 .....	.00106534	RI
Sidney Miller		
3/352 x .15 .....	.00106534	RI
Amoco Production Company		
328/352 x .87581534091	WI
	1.00000000	

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

TRACT NO. 2:

American National Insurance Company	
1/2 x .166708335000 RI
Goldie Miller, a widow	
110/352 x .125 .....	.03906250 RI
Virginia Miller Faust	
6/352 x .125 .....	.00213068 RI
Nina Miller Cleveland	
6/352 x .125 .....	.00213068 RI
Tressie Miller Taylor	
12/352 x .125 .....	.00426136 RI
Betty Jo Miller Taylor	
6/352 x .125 .....	.00213068 RI
Scottie K. Miller	
6/352 x .125 .....	.00213068 RI
Clarissa R. Miller	
6/352 x .125 .....	.00213068 RI
Brenda Francine Miller Copeland	
6/352 x .125 .....	.00213068 RI
Robert Elan Williams	
6/352 x 8/8 .....	.01704545 UMI
Joy Dell Miller (Beamer)	
6/352 x 8/8 .....	.01704545 UMI
Lynn Miller Gay	
3/704 x .125 .....	.00053267 RI
Edward Leon Miller	
3/704 x .125 .....	.00053268 RI
Elizabeth Ann Miller	
3/704 x .125 .....	.00053268 RI
Sidney Miller	

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

3/704 x .12500053268 RI
CO2-In-Action, Inc. 1/2 x (18%-12.5%)02750000 ORI
Sun Oil Company 1/2 x .8333 - [1/2 x (18%-12.5%)] .....	.38915000 WI
Amoco Production Company 164/352 x .875 .....	.40767045 WI 1.00000000

D. Working Interest:

TRACT NO. 1:

Amoco Production Company	93.18%
Unleased Mineral Interest	6.82%
	100.00%

TRACT NO. 2:

Amoco Production Company	46.59%
Sun Oil Company	50.00%
Unleased Mineral Interest	3.41%
	100.00%

II. EXCEPTIONS TO TITLE AND REQUIREMENTS:

Requirement A: We have examined a copy of Probate Proceeding No. 1537 from the Probate Court of Union County, which is entitled "In the Matter of the Estate of Sidney A. Miller, Deceased". These proceedings indicate that Sidney A. Miller died intestate on August 12, 1953, leaving a wife and three children. The Final Decree entered in this estate purports to cover all assets of the decedent, which are stated to be community property, and distributes his estate 5/8 to his wife, and 1/8 each to his three children. However, approximately two months prior to his death, Sidney

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

Miller acquired an undivided 3/352 mineral interest in Tract No. 1 of our Original Opinion, and an undivided 3/704 mineral interest in Tract 2, together with an undivided 3/352 interest in the surface of both tracts, as his separate property. It appears that these interests were not included as assets of the estate for purposes of this probate, and as a result, the Final Decree entered in his probate would not control over the distribution of this property, and the interests credited to his wife and three children in our Original Opinion are correct.

Requirement B: Nothing submitted. Not satisfied.

Requirement C: Conditionally satisfied. We have examined a copy of an Assignment and Bill of Sale dated April 1, 1979, from CO2-In-Action, Incorporated to Texas Pacific Oil Company, Inc., which covers all of Lease B as set forth in our March 26, 1982 Opinion, together with other leases. This Assignment does not reflect any recording information for Union County, although we believe that it has been placed of record there. However, you should satisfy yourselves that this Assignment and Bill of Sale is properly placed of record in Union County, and if it is not, you should send it to the County Clerk for recording immediately. Additionally, this document contains language whereby CO2-In-Action, Inc. reserves an overriding royalty interest, and an additional payment on 85% of all carbon dioxide produced from the captioned lands, together with language making this assignment subject to a Contract of Sale and Purchase and a supplemental Contract, both of which are dated March 1, 1979. We have reflected the existence of the override in this Opinion, however, you should be aware of the existence of this additional carbon dioxide payment, and you should also satisfy yourselves with the terms of the Contract of Sale and Purchase and the supplemental Contract of March 1, 1979, do not affect the amount of override to which CO2-In-Action, Inc. is entitled.

Requirement D: Not satisfied.

Requirement E: Not satisfied. The George Mauzy letter of November 8, 1985, indicates that this requirement is to be satisfied by Amoco's office in Houston.

Requirement F: Not satisfied. We have examined

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

copies of what appear to be rental receipts from Sun Production Company, covering Lease B as set forth in our Original Opinion of March 26, 1982, for the years 1981 through 1984 inclusive. However, we have not examined any rental receipt records for 1979 and 1980, and consequently, we cannot determine whether this lease has been properly kept in effect by rental payments. As a result, if you are interested in determining whether Sun's lease is still in effect, you should satisfy yourselves that all timely payments of delay rentals and additional rentals have been made on this lease.

Requirement G: Satisfied. We have examined a copy of a Release of Mortgage dated June 28, 1982, and recorded in Book 29, page 430 of the Release Records of Union County, New Mexico, in which American National Insurance Company releases the Mortgage recorded in Book 36, page 338 of the Mortgage Records of Union County, New Mexico, to W.I. Miller and Goldie O. Miller, husband and wife.

We have been provided with various other materials which have only become available since the certificate date of the abstract which was examined for purposes of our Original Opinion, and we now report on these additional materials as follows:

1. We have examined a Warranty Deed dated April 28, 1983, and recorded in Book 59, page 390 of the Records of Union County, New Mexico, in which William Orville Miller, together with his wife Katherine Miller, convey all of their interest in the captioned lands to Tressie O. Taylor, whom we believe is one and the same as Tressie Miller Taylor. Consequently, we have amended our schedule of ownership to reflect this change, although we have the following New Requirement.

NEW REQUIREMENT H:

You should either obtain an Affidavit of Identity for Tressie Miller Taylor and Tressie O. Taylor, stating whether they are in fact one and the same, and then provide the Affidavit for our examination, or, in the alternative, satisfy yourselves that these individuals are in fact one and the same.

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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January 20, 1986

If you should determine that they are not the same person, you should notify us immediately so that we might make the necessary changes in our schedule of ownership.

2. We have examined a partial copy of proceedings conducted in the estate of Tula Fern Williams, deceased, as Cause No. 82-70 before the District Court of Union County, New Mexico. These proceedings are incomplete, but do contain an Order filed on December 30, 1982, which indicates that all of the property owned by Tula Fern Williams at her death is to pass to her husband Robert Elan Williams, in accordance with her Last Will and Testament. This Order states that Tula Fern Williams owned an undivided 1/22 interest in the captioned lands at her death, although our Original Opinion of March 26, 1982 indicates that she owned only a 12/352 mineral interest in Tract No. 1, and a 6/352 mineral interest in Tract No. 2, in addition to a 12/352 surface interest in both tracts. Consequently, it appears that Tula Fern Williams may have acquired an additional interest in the captioned lands by virtue of a document or documents which have not been included in the abstract, and which have not been provided for our examination. In order to determine where she may have acquired this additional interest, if in fact she did, and whether it properly passed to her husband, you should satisfy the following requirement.

NEW REQUIREMENT I:

You should contact Robert Elan Williams, and determine if Tula Fern Williams acquired any additional interest in the captioned lands. Additionally, in order for us to determine whether the probate of Tula Fern Williams was properly conducted in New Mexico, it will be necessary for you to provide for our examination, a complete copy of all proceedings conducted in her estate in this state. Until such time as we have been provided with any documentation indicating that she did in fact acquire an additional interest in the captioned lands, and until we have examined a complete copy of her probate, we have credited her interest on the captioned lands to her husband by virtue of a Warranty Deed dated November 20, 1982, and recorded in Book 59, page 167 of the Warranty Deed Records of Union County, New Mexico, which runs from Robert Elan Williams,, as Personal Representative of the Estate of Tula Fern Williams, as Grantor, to Robert Elan Williams, as Grantee.

Amoco Production Company
ALDF No. 109-112185
L-521814/Miller

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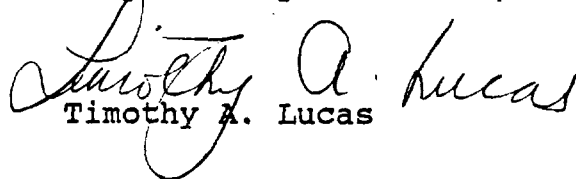
January 20, 1986

3. We have examined a letter from Nona L. Smith of Clayton Title Services, Inc., which indicates that there is some confusion as to the parties who have been assessed with the ad valorem taxes on the captioned lands, and that a tax ledger covering the lands has been misplaced in the Treasurer's office. However, based upon a letter from Ms. Smith, and a subsequent telephone conversation with her, it appears that the taxes due for the 1981-1985 taxable years, have, in fact, been paid.

OPINION ON TITLE:

Subject to the exceptions and requirements set forth herein, together with the comments and notes set forth in our Original Opinion of March 26, 1982, title is approved for drilling and division order purposes in accordance with the schedule of ownership set forth above, as of December 30, 1981 at 9:00 a.m.

Respectfully submitted,


Timothy A. Lucas

TAL/bjr

ATWOOD, MALONE, MANN & COOTER

A PROFESSIONAL ASSOCIATION
LAWYERS

JEFF D. ATWOOD [1983-1980]
ROSS L. MALONE [1910-1974]

P O DRAWER 700
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO 88201
[505] 622-6221

CHARLES F. MALONE
RUSSELL D. MANN
PAUL A. COOTER
BOB F. TURNER
JOHN W. BASSETT
ROBERT E. SABIN
BRIAN W. COPPLE

STEVEN L. BELL
WILLIAM P. LYNCH
RODNEY M. SCHUMACHER

March 26, 1982

IN RE OPINION OF TITLE TO:

Amoco Production Company Lease No. L-521814 (Goldie Miller, et al)
Covering:

Section 9: E/2

Section 10: All

Township 19 North, Range 35 East, N.M.P.M.,
Union County, New Mexico, containing 960 acres,
more or less.

Amoco Production Company
Post Office Box 3092
Houston, Texas 77001

Attn: Dean J. Capp, Regional Attorney

Gentlemen:

In connection with the oil, gas, carbon dioxide and mineral estate underlying the captioned lands and the status of the title to the captioned lease and another lease described herein, we have been furnished or obtained and examined the following materials:

1. Union Title & Loan Company Abstract No. A-1300, containing 187 pages, which purports to make reference to or reflect all instruments on file and of record in the Office of the County Clerk, Clerk of the District Court and Clerk of the Probate Court of Union County, New Mexico affecting title to the captioned land from the inception of title to December 30, 1981 at 9:00 a.m. The abstract reflects the original recording of the Bravo Dome Unit Agreement, but with one exception it does

not mention executions or revisions which were subsequently filed. Except for the fact that the abstract omits instruments filed in a probate proceeding reflected and makes no reference to the pending action of Casados vs. New Mexico Oil Conservation Commission, the abstract appears satisfactory in scope and content.

2.. An unrecorded copy of the Unit Agreement for the Development and Operation of the Bravo Dome Carbon Dioxide Unit, Union, Harding and Quay Counties, New Mexico, dated April 9, 1979 and executed by Amoco Production Company, Unit Operator, on April 30, 1979, which is incomplete with respect to all executions and authorized revisions, but became effective November 1, 1980.

3. Plat Book Record and Historical Index Record covering the captioned land in the United States Department of the Interior, Bureau of Land Management at Santa Fe, New Mexico.

4. From your lease file a copy of the captioned lease, bonus draft and delay rental checks which have been cashed.

5. Other materials which we have relating to transactions involving the Bravo Dome Carbon Dioxide Gas Unit or other matters referred to herein.

From our examination of the materials described above, subject to exceptions, limitations and comments hereinafter noted, for drilling and division order purposes, we report the status of the title to the captioned land and lease and the other lease described herein as of December 30, 1981, at 9:00 a.m., as follows:

TITLE TO SURFACE

Same as Title to Minerals - Tract 1..... All

TITLE TO MINERALS-INCLUDING OIL, GAS AND CO2- SUBJECT TO LEASE

Tract 1: E/2 Section 10, Township 19 North, Range 35 East, N.M.P.M., containing 320 acres.

Goldie Miller, widow, as SP..... 220/352
Virginia Miller Faust, as SP..... 12/352

Nina Miller Cleveland, as SP.....	12/352
Tressie Miller Taylor, as SP.....	12/352
Betty Jo Miller Taylor, as SP.....	12/352
Scottie K. Miller, as SP.....	12/352
William O. Miller, as SP.....	12/352
Clarissa R. Miller, as SP.....	12/352
Brenda Francine Miller Copeland, as SP.....	12/352
Tula Fern Miller (Williams), as SP.....	12/352(1)
Joy Dell Miller (Beamer), as SP.....	12/352(1)
Lynn Miller Gay, as SP.....	3/352(2)
Edward Leon Miller, as SP.....	3/352(2)
Elizabeth Ann Miller, as SP.....	3/352(2)
Sidney Miller, as SP.....	3/352(2)
Total:	352/352-All

(1) Unleased Interests. See Exception to Title No. 1.

(2) Omitted Probate. See Exception to Title No. 2.

Tract 2: E/2 Section 9, W/2 Section 10, Township 19 North,
Range 35 East, N.M.P.M., containing 640 acres.

One-half of amount credited to each person in Tract 1..... 1/2

American National Insurance Company.....	1/2(3)
Total:	2/2-All

(3) See Exception to Title No. 3.

TITLE TO OIL AND GAS LEASES

1. Goldie Miller, Etal - Exhibit A Lease/1/8 Royalty:

Amoco Production Company..... All
(total mineral interests covered: Tract 1- 93.1818182%/
Tract 2-46.5909091%)

2. American National Insurance Company - Exhibit B Lease/ 1/6 Royalty:

CO2-In-Action, Inc. All(4)
(total mineral interests covered - 50.0000000%)

(4) See Exception to Title No. 4.

EXCEPTIONS TO TITLE, REQUIREMENTS AND COMMENTS

1. Unleased Interests: The mineral interests in Tract 1 and Tract 2 of the captioned land which are credited to Tula Fern Miller (Williams) and Joy Dell Miller (Beamer) are not subject to oil and gas leases which are of record.

Note: These unleased interests are reflected in Tract Nos. 169 and 170 in Revised Exhibit B to the Unit Agreement.

Comment: The June 25, 1971 oil and gas lease which is described in Exception to Title No. 5 lists the address of Tula Fern Miller (Williams) as 5301 Alvarado Street, Amarillo, Texas, 79105, and the address of Joy Dell Miller (Beamer) as 1041 South Holland Court, Lakewood, Colorado, 80226. This information or that which you may obtain from lessors named in the lease described in Exhibit A may be of assistance to you if you attempt to obtain a lease from these persons.

2. Omitted Probate: Interests credited to Lynn Miller Gay, Edward Leon Miller, Elizabeth Ann Miller and Sidney Miller were purportedly acquired by intestate succession from Sidney A. Miller, deceased. Page 163 of Abstract No. A-1300 discloses the docket sheet for probate proceedings which were conducted in Cause No. 1537 in the Probate Court of Union County, New Mexico with respect to the estate of the decedent; and while entries on the docket sheet indicate that a complete administration was conducted, the abstract reflects only the Petition for Administration which was filed September 30, 1953.

✓ Requirement A: In order that we may determine if probate proceedings were properly conducted and title vested as reported in this title opinion, a certified copy of the proceedings in Cause No. 1537 in the Probate Court of Union County should be obtained and submitted for examination. Additional requirements may be necessary with respect to this matter.

3. Reserved Interest: Title to property in which American National Insurance Company is credited with a mineral interest was acquired by it through mortgage foreclosure proceedings in Cause No. 6162 in the District Court of Union County, New Mexico and by Special Master's Deed dated August 18, 1924 and recorded in Book Y at page 145 on October 24, 1924.

By warranty deed dated March 8, 1945 and recorded in Book 33 at page 28 on April 12, 1945, American National Insurance Company conveyed the E/2 Section 9 and W/2 Section 1 to W.I. Miller. As transcribed by the recorder or abstractor the deed states that the grantor reserves "an undivided one-half of the one-eighth of all the oil, gas, and other minerals... (said 1/2 of said 1/8 royalty being a 1/16 of all the oil, gas and minerals...)" and that the grantor shall be entitled to receive "1/2 of all bonus or rental monies paid...and... 1/2 of the 1/8 royalty due." It appears that the grantor intended to reserve a 1/2 mineral interest; however, the instrument could be construed to reserve 1/16 mineral interest, 1/16 royalty and a disproportionate 1/2 of bonus and delay rental.

By rental division order dated December 28, 1978 recorded Book 42 Miscellaneous at page 378, American National Insurance Company states or claims that it owns an undivided 1/2 mineral interest in all of the property in which it is credited with any mineral interest in this title opinion.

Note: No rental division order executed by other mineral owners which would confirm the statement or claim of American National Insurance Company appears in materials examined.

Comment: The ambiguous language used by American National Insurance Company in its reservation of a mineral interest and related rights may be considered a production division order problem; however, we believe that delay in dealing with the problem may create unnecessary expense or litigation in the future.

Requirement B: Obtain in recordable form and furnish to us for examination and approval a ratification of oil and gas lease, rental division order and disclaimer of additional interest from owners named in Tract 1 (owners of unleased interest may be omitted) reflecting the exact interest credited to them in Tract 2.

4. Lease Owner: Page 183 of Abstract No. A-1300 reflects a Conveyance and Agreement from Texas Pacific Oil Company, Inc. to Sun Oil Company dated August 29, 1980, recorded Book 49 Miscellaneous at page 10 on September 19, 1980, which purports to assign the American National Insurance Company oil and gas lease described in Exhibit B to Sun Oil Company.

Note: Neither materials examined nor materials we have reflecting transactions involving CO2-In-Action, Inc., Public Lands Exploration, Inc., Amerada Hess Corporation, or Texas Pacific Oil Company, Inc. reflect any assignment or transfer of this lease from the original lessor.

Comment: Title to and various rights to payment from production from the American National Insurance Company lease may be claimed by both CO2-In-Action, Inc. and its assigns or Sun Oil Company and its predecessors in title.

Requirement C: A disclaimer of title to or interest under the American National Insurance Company lease should be obtained from Sun Oil Company and Texas Pacific Oil Company, Inc., submitted for examination, and upon approval file for record. If such a disclaimer cannot be obtained, Texas Pacific Oil Company, Inc. should be required to furnish for examination a true copy of the instrument under which it claims to have acquired rights and title from CO2-In-Action, Inc.

5. Two Leases: Page 166 of Abstract No. A-1300 reflects an oil and gas lease dated June 25, 1971 recorded Book 16 Oil and Gas at page 502 on June 22, 1972, which is identical to the lease described in Exhibit A except for date, recording data, and the naming of the owners of unleased interest as lessors (the lease was not executed by the owners of unleased interest).

Note: The copies of checks which you submitted for examination reflect that you have been making payment under the lease described in Exhibit A.

Comment: The June 25, 1971 lease described above has not been maintained in force by payment of delay rental; however, because it has not been released of record it may confuse others as to which lease is actually in effect.

Requirement D: Amoco Production Company should execute and file for record a release of the June 25, 1971 oil and gas lease.

6. Rent/Additional Rent: (a) With respect to the lease described in Exhibit A the amount of rent checks paid the lessors for the period through October 19, 1980 (\$857.31 per year) and the additional rent paid in December, 1980 under Article 6.1 of the Unit Agreement (\$428.65) indicate that American National

Insurance Company was being treated as owning a 1/16 mineral interest in Tract 2; and this is contrary to the interest credited it and its lessee in Tract 169 of revised Exhibit B to the Unit Agreement where it is credited with a 1/2 mineral interest.

Note: See Exception to Title No. 3 and Requirement B.

(b) With respect to the lease described in Exhibit A, materials submitted for examination do not reflect payment of additional rent due on or before October 20, 1981 under Article 6.1 of the Unit Agreement.

(c) Materials examined reflect no payment of rent or additional rent with respect to the lease described in Exhibit B.

Requirement E: Satisfy yourself that additional rent due on the lease described in Exhibit A was paid for the year commencing October 20, 1981; and if Requirement B is satisfied in a manner which results in recognition of the 1/2 mineral interest credited to American National Insurance Company by the lessors named in Exhibit A correct your records to prevent continuing overpayment of additional rent or royalty.

Requirement F: Satisfy yourself that the lease described in Exhibit B has been maintained in force by timely payment of delay rentals, additional rentals, and having been properly placed in the unit.

7. Mortgage: Page 122 of Abstract No. A-1300 reflects a mortgage dated March 8, 1945 recorded Book 36 of Mortgages at page 338 on April 12, 1945, whereby W.I. and Goldie Miller, husband and wife, mortgaged the surface of and their mineral interest in Tract 2 of the captioned land to American National Insurance Company to secure payment of an indebtedness.

Note: The time for final payment of the debt secured is not reflected, and it is therefore impossible to determine if foreclosure of the mortgage is barred by limitation.

Comment: The mortgage has not been released of record.

Requirement G: If the debt secured by the mortgage has been paid, require the mortgagee to furnish you with a copy of the release recorded in performance of its duty under Section 48-7-4

N.M.S.A., 1978.

8. Pending Action: The cause of Casados vs. New Mexico Oil Conservation Commission, etal, is pending in Cause No. CV-81-00018 in the District Court of Union County, New Mexico. While we are not participating in this action, we believe that it challenges the Oil Conservation Commission's approval of the Unit Agreement.

Comment: This is advisory only. Further information concerning the nature and status of the action will be obtained and furnished upon request.

9. Taxes: Taxes for the year 1981 and all prior lienable years have been paid.

Note: Taxes for the year 1982 became a lien January 1, 1982; however, they are not yet due and payable.

Comment: This is satisfactory.

CONCLUSION

Subject to joinder in the Unit Agreement and Unit Operating Agreement by the owner of title to the lease described in Exhibit B (satisfaction of Requirement C) and Requirements A, B, E, F and G title is approved for drilling and division order purposes in the persons and entities named under the terms of the leases and Unit Agreement as of December 30, 1981 at 9:00 a.m.

ATWOOD, MALONE, MANN & COOTER

By



Roger L. Copple
Special Attorney
Post Office Box 40
Santa Fe, New Mexico 87501
Telephone: 505 982-4004

EXHIBIT A
LEASE ANALYSIS - AMOCO LEASE No.L-521814

Form:	460 9-68 (New Mexico)
Date:	October 20, 1972
Recorded:	16-0&G-575
Lessor:	All persons named in Tract 1 <u>except</u> the two owners of un- leased interest.
Lessee:	Amoco Production Company.
Record Title:	Amoco Production Company.
Land Covered:	Tracts 1 and 2 - Title to Minera
Interest Covered:	All credited to lessors. Tract 1 - 93.1818182% Tract 2 - 46.5909091%
Delay Rental:	\$960 (\$1.00 per acre per year).
Depository Bank:	Farmers & Stockmans Bank of Clayton, New Mexico.
Lease Term:	Primary term of ten years and so long thereafter as producing or drilling or reworking opera- tions are conducted.
Royalty:	1/8
Royalty Owner:	Lessors.
Shut-In-Gas Royalty:	Amount equal to delay rental with payment commencing within 90 days from shut-in.

Pool/Unitization:

Yes. See paragraph 6 for details.

Warranty:

General with proportionate reduction.

Special Provisions:

(a) By addition the term "gas" includes carbon dioxide and helium.

(b) Provision limiting payment for shut-in gas well to \$100.00 per well deleted.

(c) Last two lines of paragraph 3 dealing with reduction of shut in gas well payment based on acreage deleted.

Unit Number:

Tracts No. 169 and 170 of the Revised Exhibit B to the Unit Agreement for the Development and Operation of the Bravo Dome Carbon Dioxide Unit. Execution or ratification of Unit Agreement by lessors other than Edward Leon Miller is not reflected by materials submitted for examination.

Comment No. 1: By reason of inclusion in the unit area, the lease is subject to being conformed and extended under Article 3 of the Unit Agreement.

Comment No. 2: By reason of inclusion in the unit area, the delay rental specified in the lease is subject to increase of additional rental under Article 6.1 of the Unit Agreement.

Ratification and Rental Division Order:

Not reflected in materials examined.

EXHIBIT B
LEASE ANALYSIS - AMOCO LEASE NO. _____

Form:	Producers 88 - (Producers Revised 1967) (New Mexico) Form 342-U.
Date:	November 14, 1978.
Recorded:	19 O&G-182
Lessor:	American National Insurance Company.
Lessee:	CO2-In-Action, Inc.
Record Title:	CO2-In-Action, Inc.
Land Covered:	Tract 2- Title to Minerals and other lands for total of 3,727.92 acres in Union and Harding Counties, New Mexico.
Interest Covered:	All credited to lessor. Tract 2 - 50%
Delay Rental:	\$3,727.92 (\$1.00 per acre per year).
Depository Bank:	Moody National Bank at Galveston Texas.
Lease Term:	Primary term of five years and so long thereafter as producing or reworking operations are conducted.
Royalty:	1/6
Royalty Owner:	Lessor
Shut-In Gas Royalty:	Amount equal to delay rental with payment commencing within 90 days from shut-in.

Pool/Unitization:

Yes. See paragraph 5 for details.

Warranty:

General with proportionate reduction.

Special Provisions:

Added paragraph 12 provides:
(a) term "gas" includes carbon dioxide and helium.
(b) at end of primary term lease terminates as to all lands not in proration unit for producing well.
(c) warranty of title to mineral estate leased limited to undivided interest for which bonus was paid.

Unit Number:

Tract No. 169 of the Revised Exhibit B to the Unit Agreement for the Development and Operation of the Bravo Dome Carbon Dioxide Unit; but execution or ratification of the Unit Agreement by the lessor is not reflected by materials submitted for examination.

Comment No. 1: By reason of inclusion in the unit area, the lease is subject to being conformed and extended under Article 3 of the Unit Agreement.

Comment No. 2: By reason of inclusion in the unit area, the delay rental specified in the lease is subject to increase of additional rental under Article 6.1 of the Unit Agreement.

Ratification and Rental Division Order:

Date:	December 28, 1978.
Recorded:	42-Misc-378
Rent:	\$1,863.96.
Paid to:	Unknown.

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 4

CASE NO. 8917 & 8919

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



RETURN
TO

ATTN: Jerry Webb
Rm 19.106

AMOCO PRODUCTION COMPANY
(Name of Sender)

P. O. Box 3092
(Street or P.O. Box)

Houston, Texas 77253
(City, State, and ZIP Code)

(City, State, and ZIP Code)

Houston, Texas 77253

(Street or P.O. Box)

P. O. Box 3092

(Name of Sender)

AMOCO PRODUCTION COMPANY

ATTN: Jerry Webb
Rm 19.106

RETURN
TO

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES) 1. The following service is requested (check one). <input type="checkbox"/> Show to whom and date delivered <input checked="" type="checkbox"/> Show to whom, date, and address of delivery.. 2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.) TOTAL \$	
3. ARTICLE ADDRESSED TO: Successor in Interest To Tula Fern Miller Williams 14317 Blanton, Rt 4 Blanton, TX 79119	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COO <input type="checkbox"/> EXPRESS MAIL	ARTICLE NUMBER P 332 153 679
(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent	
5. DATE OF DELIVERY 10-15-85	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested) 14317 Blanton Rt 4 Blanton TX 79119	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES) 1. The following service is requested (check one). <input type="checkbox"/> Show to whom and date delivered <input checked="" type="checkbox"/> Show to whom, date, and address of delivery.. 2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.) TOTAL \$	
3. ARTICLE ADDRESSED TO: Ms. Joy Dell Miller Beamer 2081 Kingfisher Way Fairfield, CA 94533	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COO <input type="checkbox"/> EXPRESS MAIL	ARTICLE NUMBER P 332 153 677
(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent	
5. DATE OF DELIVERY 10-15-85	POSTMARK
6. ADDRESSEE'S ADDRESS (Only if requested) 2081 Kingfisher Way Fairfield CA 94533	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253
West Texas-Eastern
New Mexico Division

October 9, 1985

Re: EA 22,237
Bravo Dome CO₂ Gas Unit
Harding, Union, and Quay Counties, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Joy Dell Miller Beamer
2081 Kingfisher Way
Fairfield, CA 94533

Gentlemen:

It is our understanding that you are an unleased mineral owner in Sections 9 and 10, T-19-N, R-35-E, Union County, New Mexico. Amoco Production Company (Amoco), as operator of the Bravo Dome Carbon Dioxide Gas Unit (BDCDGU) has drilled, or desires to drill a CO₂ gas well on these sections.

Pursuant to the New Mexico Oil Conservation Division Order No. R-7556, 640 acre spacing for CO₂ gas wells has been established in that part of the unit in which your property lies. Accordingly, Amoco offers you the following alternatives:

1) Grant Amoco a lease covering your interest in said Sections in the form provided in Exhibit No. 1 hereto for a \$20.00 per net acre bonus, and \$1.00 per net acre per year delay rental. Your execution of this lease will make you a royalty owner in any production from said Sections only; or,

2) Grant Amoco a lease covering your interest in said Sections in the form provided in Exhibit No. 1 with the same per net acre bonus as above provided and execute a ratification agreement in the form of the attached Exhibit No. 2. No rentals will be paid under this option and

Ms. Joy Dell Miller Beamer
October 9, 1985
Page 2

your participation in the Unit royalty will commence upon approval of the Unit working interest owners as set out in the Unit Agreement dated April 9, 1979, which is attached hereto as Exhibit No. 3. Your execution of these two instruments will, upon obtaining Unit working interest owners approval, make you a royalty owner in production from the entire BDCDGU; or,

3) Execute an operating agreement in the form provided as Exhibit No. 5 hereto covering your net mineral ownership within said Sections thereby creating a working interest as to the extent of 7/8 of the CO₂ and a royalty interest to the extent of the remaining 1/8 of such CO₂. A ballot summarizing the estimated costs for the existing well on said Sections is hereby attached as Exhibit No. 7, which should be executed and returned with the signed Operating Agreement. The working interest portion shall, as provided in the operating agreement, be obligated to pay in cash or out of production a portion of all the costs and expenses associated with drilling, completing, equipping, producing, and marketing production from said Sections in which you own an interest; or,

4) Execute a ratification agreement in the form of the attached Exhibit No. 2 by which you will accept the Bravo Dome Carbon Dioxide Gas Unit Agreement and Operating Agreement attached hereto as Exhibits No. 3 and No. 4, respectively, covering your net mineral ownership within said Sections, thereby creating a working interest as to the extent of 7/8 of the CO₂ and a royalty interest to the extent of the remaining 1/8 thereof. This will make you a working interest owner in the entire BDCDGU with all the rights, duties, and obligations set out in those agreements. The working interest portion shall be obligated to pay in cash or out of production a portion of all BDCDGU costs and expenses associated with drilling, completing, equipping, producing, and marketing production from the entire BDCDGU, both past and present. You are advised that such costs and for the entire BDCDGU to the 1st day of September, 1984 is approximately \$145,000,000, and you would become obligated for your proportionate share of such costs and expenses already occurred. Should you elect to pay such unit costs out of production you must also execute a Carried Working Interest Agreement in the form attached hereto as Exhibit No. 6.

We sincerely hope one of the four alternatives above will appeal to you; however, if we have not received your acceptance to one of the above alternatives within thirty days of your receipt of this offer we plan to initiate a statutory pooling proceeding for said Sections with the New Mexico Oil Conservation Division of the Department of Energy and Minerals of the State of New Mexico.

Ms. Joy Dell Miller Beamer
October 9, 1985
Page 3

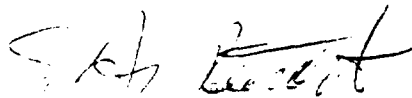
If you have any questions or require additional information, please reply
by correspondence to:

Amoco Production Company
P. O. Box 3092
Houston, TX 77253

Attn.: Eastern New Mexico Land Dept.

Your timely cooperation in this matter will be greatly appreciated.

Yours very truly,



J. D. Miller
JDW/dam *ck*
OP6D077/7-9

Attachments

BRAVO DOME CO₂ GAS UNIT
AUTHORITY FOR EXPENDITURE
BALLOT OF APPROVAL

Amoco Production Company, operator of the Bravo Dome CO₂ Gas Unit, requests your approval to drill Bravo Dome Well No. 1935 091F, located in Section 9 of Township 19 N, Range 35 E, Union County, New Mexico. Your proportionate cost of the well will be based on your net acres in the section divided by the total acres contributed to the well (typically 640 acres). The estimated cost of the well is \$250,000. A detailed cost breakdown is as follows:

Intangible:

Drilling	\$165,000
Surveys	11,000
Completion	<u>10,000</u>
	\$186,000

Tangible:

Casing x Hd	\$ 36,000	9-5/8" (700' @ \$14/ft), 7" (2600' @ \$10/ft)
Tubing	12,000	3-1/2" (2600' @ \$4.60/ft)
Wellhead	<u>16,000</u>	
	\$ 64,000	

Approved for: _____
Approved by: _____
Date: _____

BRAVO DOME CO₂ GAS UNIT
AUTHORITY FOR EXPENDITURE
BALLOT OF APPROVAL

Amoco Production Company, operator of the Bravo Dome CO₂ Gas Unit, requests your approval to drill Bravo Dome Well No. 1935 101F, located in Section 10 of Township 19 N, Range 35 E, Union County, New Mexico. Your proportionate cost of the well will be based on your net acres in the section divided by the total acres contributed to the well (typically 640 acres). The estimated cost of the well is \$250,000. A detailed cost breakdown is as follows:

Intangible:

Drilling	\$165,000
Surveys	11,000
Completion	<u>10,000</u>
	\$186,000

Tangible:

Casing x Hd	\$ 36,000	9-5/8" (700' @ \$14/ft), 7" (2600' @ \$10/ft)
Tubing	12,000	3-1/2" (2600' @ \$4.60/ft)
Wellhead	<u>16,000</u>	
	\$ 64,000	

Approved for: _____
Approved by: _____
Date: _____

MONTGOMERY & ANDREWS

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

J. O. Seth (1883-1983)
Frank Andrews (1914-1981)

A. K. Montgomery
Seth D. Montgomery
Frank Andrews III
Victor R. Ortega
John E. Conway
Jeffrey R. Brannen
John B. Pound
Gary R. Kilpatrick
Thomas W. Olson
William C. Madison
Walter J. Melendres
Bruce Herr
Michael W. Brennan
Robert P. Worcester
John B. Draper
Nancy M. Anderson
Janet McL. McKay
Jean-Nicole Wells
Mark F. Sheridan
Joseph E. Earnest
Stephen S. Hamilton
W. Perry Pearce
Phyllis A. Dow

Stephen J. Rhoades
Brad V. Coryell
Wesley B. Howard, Jr.
Michael H. Harbour
Robert J. Mroz
John M. Hickey
Timothy L. Butler
Mack E. With
Galen M. Butler
Katherine A. Weeks
Edmund H. Kendrick
Helen C. Sturm
Richard L. Puglisi
James A. Hall
Terri M. Couleur
Stephen R. Kotz
Christine Gray
James C. Murphy
B. Cullen Hallmark
James R. Jurgens
Ann M. Maloney
Deborah J. Van Vleck

November 19, 1985

SANTA FE OFFICE
325 Paseo de Peralta
Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Telephone (505) 982-3873
Telecopy (505) 982-4288

ALBUQUERQUE OFFICE
Suite 200
500 Copper Avenue
Post Office Box 2045
Albuquerque, New Mexico 87101
Telephone (505) 242-1877

RECEIVED	
NOV 22 '85	
SAR	ELC
AKG	WMB
	NAA
HLK	MA
SLS	GC
SWS	DB
JOS	JP
	KPC
DOJ	CLA
File	File
Info	File
File	Change

CR

*Terry - This doesn't
look too bad!*

REPLY TO SANTA FE OFFICE

Mr. Steven A. Reinert
Amoco Production Company
Post Office Box 3092
Houston, Texas 77253

Attention: Eastern New Mexico Land Department

Re: Joy Dale Miller Beamer

Dear Mr. Reinert:

This firm has been retained by Ms. Joy Beamer with regard to the interest Amoco has expressed in Sections 9 and 10 of Township 19 N Range 35 E, Union County, New Mexico. Ms. Beamer is the owner of an undivided mineral interest in this acreage.

Before making a decision on whether or not to accept one of the options set forth in your letter to Ms. Beamer of October 9, 1985, there is some additional information which we hope you will be able to provide.

1. It is Ms. Beamer's understanding that the proposal for leasing set forth by Amoco provides for a \$20.00 bonus per net mineral acre and a royalty of 3/16. This proposal is for the leasing of only carbon dioxide rights and does not grant to Amoco the right to develop or produce other minerals which might be found on this acreage. If this is your understanding, please confirm.

2. In analyzing options 1 and 2 set forth in your letter, we would appreciate any information you can give us relative to the development plans for Sections 9 and 10. In addition, we request that you inform us of the schedule which is likely to apply with regard to gaining the approval of the working interest owners discussed in your paragraph No. 2.

Mr. Steven A. Reinert
November 19, 1985
Page 2

3. Please advise us of your calculation of the net mineral acres held by Ms. Beamer.

Generally, Ms. Beamer is willing to consider any legitimate offer to lease this acreage which appears to be in her best interest. She is particularly concerned that no mineral rights other than CO2 be granted and that some mechanism be established so that if there is production of any other minerals in the area of this acreage that she be promptly informed so that she may take whatever steps are appropriate to protect against drainage.

I appreciate your assistance in providing the information requested above and I look forward to discussing this matter more fully with Ms. Beamer upon receipt of that information. Thank you for your prompt attention to this matter.

Sincerely,



W. Perry Pearce

WPP:nas
cc: Joy Beamer /



Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

November 27, 1985

Re: Unleased Mineral Interest
Joy Dale Miller Beamer
Union County, New Mexico

Montgomery and Andrews
Professional Association
P. O. Box 2307
Santa Fe, New Mexico 87504

Attention: Mr. W. Perry Pearce

Gentlemen:

Please reference your letter of inquiry dated November 19, 1985 regarding the unleased mineral interest of Joy Dale Miller Beamer. The information which you have requested is set out below.

- 1) The proposal for leasing set forth by Amoco is for \$20 bonus per net mineral acre and a royalty of 3/16. With reference to the rights covered by the lease, I direct your attention to the rider to be included in the lease which states as follows: "Not withstanding anything herein to the contrary, this lease shall cover carbon dioxide gas and helium gas only and any reference to oil gas or any other mineral is hereby deleted and the words "Carbon Dioxide Gas and Helium Gas" are substituted in lieu thereof."
- 2) Amoco plans to drill a well in both Sections 9 and 10 of Township 19 North - Range 35 East. The estimated cost for each of the wells is \$250,000.

The well in Section 9 is to be located in the SW/4 of said section at a location being 2310' FSL x 2310' FWL of said section. Ms. Beamer does not own any interest under this tract of land. She does, however, own an undivided 1.704% unleased interest under the E/2 of said section which would be included in the 640 acre proration unit for the subject well.

The well in Section 10 is to be located in the NW/4 of said section at a location being 1650' FNL x 1650' FWL of said section. Ms. Beamer owns an undivided 1.704% unleased interest under the W/2 of said section and an undivided 3.409% unleased interest under the E/2 of said section.

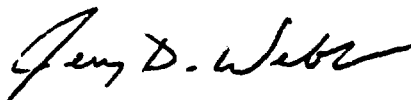
As of this date, the roads and locations for both of the wells have been built and both of the wells have been spudded. Should the wells result in commercial producers of Carbon Dioxide, we reasonably expect that they would be put on production by April of 1986.

- 3) Amoco has an Original Title Opinion dated May 26, 1982 as prepared by the law firm Atwood, Malone, Mann, and Turner which reflects the ownership of Ms. Beamer as follows:

<u>Description</u>	<u>Interest</u>	<u>Net Acres</u>
T19N-R35E		
Section 10: E/2	12/352	10.909
T19N-R35E		
Section 10: W/2		
Section 9: E/2	6/352	<u>10.909</u>
		21.81

Please feel free to call the undersigned should you require any additional information.

Yours very truly,



Jerry D. Webb
Landman

JDW/fib

Mrs. Joy D. Beamer
2081 Kingfisher Way
Fairfield, CA 94533

**RETURN RECEIPT
REQUESTED**

CERTIFIED

P 489 404 409

MAIL

Mr. Steven A. Keinert
Division Land Manager
Amoco Production Company

P. O. Box 3092
Houston, TX 77253

Attn: Eastern New Mexico Land Dept.



RECEIVED		
WT-ENM LAND		
DEC 30 '85		
SAR	EDM	
CLR	SWN	
JDW	TRC	
LNF	JW	
KT		
IKP		
ICM		
JKG		
Forward To:		
Include		
See Act		
File		

WT-ENM LAND HOUSTON	
DEC 30 '85	
SAR	GLC
JKG	WMB
	JHA
HJK	JAT
CLS	QC
SWS	DB
JDS	JP
	KPC
DOL	CLR
To: Name	To: Date
To: File	To: See Act

December 22, 1985
2081 Kingfisher Way
Fairfield, Ca., 94533

Mr. Steven A. Reinert
Amoco Production Company
Post Office Box 800
Houston, Texas 77252

Dear Mr. Reinert:

Mr. Pearce no longer is representing me, so I wish all further correspondence Amoco may make concerning my property, to come to my Fairfield address. I wish to be notified of any statutory pooling proceedings concerning my interest in land located, T-19N, R-35E E $\frac{1}{2}$ Section 9 and all of Section 10. If my interest is pooled, I wish a hearing so that I may protect my interest.

I am still open for negotiations, however I have several questions and I feel a few matters should be cleared up first before making that decision.

1. The letter Mr. Webb wrote to Mr. Pearce on my behalf, dated November 27, 1985, did not make clear to me exactly what Amoco's plans are for my land. I feel it is only fair that I know exactly how each option will affect me as an interest owner. Instead of being specific, Mr. Webb once more wrote "Notwithstanding anything therein to the contrary, this lease shall cover carbon dioxide gas and helium gas only and any reference to oil, gas, or any other mineral is hereby deleted. I wish to know if Amoco plans to produce any other mineral besides helium gas and CO₂ gas on my land or subcontract any other gas, mineral, or oil to another company, as most of my family members have signed a lease in the past for all minerals, oil and gas. How exactly will my signing your lease affect me and them. Please explain in simple language.
2. I am very opposed to the Unit Agreement. I feel I have valuable oil land, and I do not wish to share it with a million plus acreage to benefit all the people listed in your Bravo Dome Unit Agreement book for Union, Quay, and Harding Counties in New Mexico. My land is located in Union County, New Mexico. The 5th Amendment reads: "Nor shall private property be taken for public use without just compensation.
3. Mr. Webb has hinted of a "poor title". I feel that I have the right to know exactly what he is referring to so that I may assist if there is a problem or answer any misunderstanding.
4. I noticed in the Unit Agreement book that American National Insurance Company has taken 1/12 royalty instead of 1/16 royalty which they are allowed on our deed. As an unleased mineral owner, more royalty than is allowed by a deed will affect me.

5. It is puzzling that our family has two leases by Amoco. One was dated June 1971 and one was dated October 1972. An official release was made June 29, 1973 on the June 1971 lease. My family members received a letter from Amoco dated October 29, 1981 stating their lease was coming to an end and that they could lease with another company unless there was specific instructions on their lease. I did not see any specific instructions on their lease. Would you please comment?
6. Our deed allows American National Insurance Company to receive $\frac{1}{2}$ of all bonus and rentals on a portion of our land. I feel it was Amoco's duty to see that this occurred. I would be interested to know if American National Insurance Company received any bonus or rental from the company who took their lease. According to Mr. Webb's letter to Mr. Williams, dated December 3, 1985, my mother has accrued \$2,148.96 in royalty payments that is being held in suspense until title work is complete. Please explain why this is and why only such a small amount of money. I do not feel my Mother should be penalized for someone else's mistake.
7. In Mr. Webb's letter to Mr. Williams, dated December 3, 1985, he states delay rentals were tendered to each of ~~the~~ the family members, however several family members have checked at The Farmers Stockman Bank in Clayton, New Mexico and have found no such account for them and they have received verification from an official of this bank stating such.
8. I feel that for certain there is oil on my land and perhaps CO2. I find it unfair to be paid CO2 prices for valuable oil land. I would be willing to consider allowing both Shell Oil and Amoco produce the CO2 and oil on my land as long as it was in my best interest. I feel in our past negotiations Amoco officials have not dealt with me in an open and honest way or treated me with respect. I am tired of the game playing.
9. The total amount of surface as well as mineral acreage was incorrect on my family's lease as Mrs. Williams and I did not sign the lease. I am not interested in leasing any surface acreage and I also expect to be compensated for damages when we arrive at an agreement.
10. If I should drill for oil myself, would I be penalized by Amoco or Shell Oil?
11. I have been told it is illegal for Amoco to drill for oil on my land. Is this true? If so, why? Amoco took all minerals from my family, so why would it be illegal? If it is, why did they take minerals they could not legally mine as my family was counting on those royalties. Would it be illegal because of an invalid lease, Because the state of New Mexico will not allow it, or because the formation beneath the Tubbs Formation has been allocated to another company?
12. What exactly is meant by statutory pooling proceedings? Also is there a time element involved to claim what is allocated to me? Please explain how the entire procedure will affect me.

Yours truly,

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



**RETURN
TO**



Attn: Jerry D. Webb
Rm 19.106

AMOCO PRODUCTION COMPANY

(Name of Sender)

P. O. Box 3092

(Street or P.O. Box)

Houston, Texas 77253

(City, State, and ZIP Code)



SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
CONSULT POSTMASTER FOR FEES	
1. The following service is requested (check one): <input type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery	
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$ _____	
3. ARTICLE ADDRESSED TO: Ms. Joy Beamer 2081 Kingfisher Way Fairfield, CA 94533	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL	ARTICLE NUMBER P 332 153 641
(Always obtain signature of addressee or agent)	
I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent	
5. DATE OF DELIVERY 1-16-86	
6. ADDRESSEE'S ADDRESS (Only if different)	
7. UNABLE TO DELIVER REASON	7c. EMPLOYEE'S INITIALS W.B.

FAIRFIELD
POST OFFICE
10:16 AM
JAN 16 1986
USPO

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

January 14, 1986

Re: Unleased Interest
Joy Beamer
T-19-N, R-35-E
Section 9: E/2, Section 10: All
Union County, New Mexico

Ms. Joy Beamer
2081 Kingfisher Way
Fairfield, CA 94533

Dear Ms. Beamer:

We are in receipt of your letter dated December 22, 1985 wherein you set forth many questions regarding the above captioned acreage. You also called our office on January 7, 1986 and requested copies of all materials in Amoco's lease files including the lease with the Miller family, delay rental checks, bonus check, and any other pertinent correspondence.

I am enclosing for your review a letter which was prepared for and sent to Mr. Charles D. Alsup concerning questions he set forth on behalf of Goldie Miller, Virginia Miller Faust, Nina Miller Cleveland, and Clarissa Edgerton. This letter and the various attachments should answer the questions set out in paragraphs 5, 6 and 7 of your letter dated December 22, 1985. The balance of this letter will respond to other questions set forth in your letter.

I. You have requested that we explain in "simple language" the options which Amoco wishes to make available to you.

Option #1

Inasmuch as you are the owner of approximately 10.9 net mineral acres under the E/2 of Section 10 and another 10.9 net mineral acres under the E/2 of Section 9 and the W/2 of Section 10, Amoco hereby offers to lease your 21.8 net mineral acres for \$20.00 per net acre bonus which would be a total bonus to you of \$436.00. Amoco would be agreeable to giving a 3/16 royalty which is equivalent to 18.75%. The lease would cover only Carbon Dioxide and Helium Gas. Since the production from each well must be allocated between all of the owners under the 640 acre section in

Ms. Joy Beamer
January 14, 1986
Page 2

which the well is drilled, your percentage of actual production would be as follows:

$$\frac{\text{Well in Section 9, T19N-R35E}}{10.9/640 \times 18.75\% = 0.31933\%*}$$

$$\frac{\text{Well in Section 10, T19N-R35E}}{10.9/640 \times 18.75\% = 0.31933\%*}$$

Under this option you would receive production from only those wells drilled in Sections 9 and 10 of T19N-R35E and you would not be a part of the Bravo Dome CO₂ Gas Unit.

Option #2

Under this option you could lease your 21.8 net mineral acres to Amoco on the same terms as set out in Option #1. This option would, however, require that you ratify and become a part of the Bravo Dome CO₂ Gas Unit. Under this scenario you would receive your proportionate share of production from all wells drilled in the Bravo Dome CO₂ Gas Unit. Your percentage of total unit production would be figured as follows:

$$21.8/1,036,000 \times 18.75\% = @ .0003945\%$$

Option #3

This option give you the right to become a Working Interest owner in each of the wells drilled in Sections 9 and 10 of T19N-R35E. This means that you would have to pay up front in cash 100% of your proportionate share of expenses to drill and complete each of the wells. Each well cost approximately \$250,000 for a total of \$500,000. Your proportionate share of these expenses would be as follows:

$$\frac{\text{Well in Section 9, T19N-R35E}}{10.9/640 \times \$250,000 = \$4,257.80*}$$

$$\frac{\text{Well in Section 10, T19N-R35E}}{10.9/640 \times \$250,000 = \$4,257.80*}$$

Ms. Joy Beamer
January 14, 1986
Page 3

You would also be responsible for payment of your proportionate share of any additional cost on these wells such as reworking, recompletion, and cost to plug and abandon. You could also become a Carried Working Interest owner inasmuch as you would also have the option to pay 300% of your proportionate share of expenses out of 7/8 of your proportionate share of production. Under this scenario you would not be required to pay any cost up front but Amoco would pay your proportionate share of expenses and thereafter recover 300% of such expenses out of 7/8 of your proportionate share of production.

Your proportionate share of production from each of the wells would be as follows:

$$\frac{\text{Well in Section 9, T19N-R35E}}{10.9/640} = 1.70312\%^*$$

$$\frac{\text{Well in Section 10, T19N-R35E}}{10.9/640} = 1.70312\%^*$$

Under this option you would not be part of the Bravo Dome Carbon Dioxide Unit.

Option #4

This option will allow you to become a Working Interest owner in the entire Bravo Dome CO₂ Gas Unit. You can ratify the Bravo Dome CO₂ Gas Unit and pay up front in cash your proportionate share of all Bravo Dome Carbon Dioxide Unit expenses associated with drilling, completing, equipping, producing, and marketing production from the entire Bravo Dome Carbon Dioxide Unit which is approximately \$203,000,000. You may also pay 300% of such expenses out of 7/8 of your proportionate share of production. Your proportional share of total unit production under this scenario would be:

$$21.8/1,036,000 = .0021042\%$$

Your proportionate share of expenses would be:

$$.0021042\% \times 203,000,000 = @ \$4,271.53^*$$

Ms. Joy Beamer
January 14, 1986
Page 4

Hopefully, the forgoing information is adequate to explain in "simple language" the options which Amoco has set forth. Further you have asked "How will signing.... the lease affect me and (the other family members) as most of my family members have signed a lease in the past for all minerals, oil and gas."

By signing the lease dated October 20, 1972 Goldie Miller and all of her children (except you and Robert Williams) have leased their interest to Amoco and have become part of the Bravo Dome CO₂ Gas Unit. Their lease does cover oil, gas, and other minerals including Carbon Dioxide. They have elected to share in revenues from total unit production.

If an oil or natural gas well were drilled on your land, the oil and gas produced in commercial quantities would not be a "unitized substance" as defined by the unit agreement. In other words, only the mineral owners under the spacing assigned to this well would receive royalty from said well. Those mineral owners would not be required to share their production with the Bravo Dome Unit royalty owners.

II. In paragraph two of your letter you state that "You are very opposed to the Unit Agreement and feel you have valuable oil land and do not wish to share it with a million plus acres." As set out under Option #1 above, you have no obligation whatsoever to become part of the Bravo Dome CO₂ Gas Unit. Although the family members who signed the October 20, 1972 lease with Amoco are committed to the Bravo Dome Unit, your interest does not have to be.

III. The title problem which you refer to in paragraph three is a situation which occurred as follows:

Title to property in which American National Insurance Company is credited with a mineral interest was acquired by it through mortgage foreclosure proceedings in Cause No. 6162 in the District Court of Union County, New Mexico in Book Y at page 145 on October 24, 1924.

By Warranty deed dated March 8, 1945 and recorded in Book 33 at page 28 on April 12, 1945, American National Insurance Company conveyed the E/2 Section 9 and W/2 Section 10 to W.I. Miller. As transcribed by the recorder or abstractor the deed states that the grantor reserves "an undivided one-half of the one-eighth of all the oil, gas, and other minerals... (said 1/2 of said 1/8 royalty being a 1/16 of all the oil, gas and minerals...)" and that the grantor shall be entitled to receive "1/2 of all bonus or rental monies paid... and... 1/2 of the 1/8 royalty due." It appears that the grantor intended to reserve a 1/2 mineral interest.

Ms. Joy Beamer
January 14, 1986
Page 5

IV. In paragraph four of your letter you state "In the Unit Agreement, American National Insurance Company has taken a $1/12$ royalty rather than the $1/16$ royalty which they are allowed in our deed." On pages 108 and 109 of the Unit Agreement, American National Insurance Company is credited with a 8.33333% royalty interest. Since American National Insurance Company owns one half of the minerals under the E/2 of Section 9 and the W/2 of Section 10 of T19N-R35E, and they leased to CO₂ in action and reserved a $1/6$ royalty interest, their interest is accordingly $50\% \times 1/6 = 8.33333\%$. It appears that American National Insurance Company is accordingly credited with the proper amount. I am unable to find where American National is credited with a $1/12$ interest as stated in your letter.

V. The questions set out in paragraph five of your letter is fully explained in the attached copy of the letter dated December 30, 1985 to Mr. Charles D. Alsop.

VI. The questions regarding American National Insurance Company as set out in paragraph six of your letter have been answered in my response under paragraph IV. The other question set out in paragraph six of your letter states "Please explain... why the \$2,148.96 which has accrued to the Miller family is being held in suspense and why is it such a small amount." The reason that the interest has been held in suspense is because of unsatisfied title requirements under the title opinion covering the subject property. Amoco brokers Mr. Charles West and George Mauzy of Clayton, New Mexico have been working on satisfying the title requirements and we are currently awaiting preparation of a Supplemental Title Opinion covering the subject acreage which may allow us to disperse the money held in suspense.

VII. The questions set out in paragraph seven of your letter have been answered by the attached copy of the letter to Charles D. Alsop dated December 30, 1985.

VIII. Paragraph eight of your letter states "I feel for certain that there is oil on my land and perhaps CO₂. I find it unfair to be paid CO₂ prices for valuable oil land." Again, as stated above, Amoco is willing to lease only your CO₂ and Helium rights. You do not have to include the oil and natural gas rights in the lease. Paragraph eight of your letter further states that "Amoco officials have not dealt with me in an open or honest way or treated me with respect. I am tired of playing the game." In response to this statement let me point out the lengths which Amoco has gone to in treating you in an open and honest way:

1) Amoco sent you a letter dated October 9, 1985 which clearly set out our plans to drill on the subject acreage and made available to you in writing several legal options which you have. A copy of the proposed

Ms. Joy Beamer
January 14, 1986
Page 6

lease was attached as well as copies of the Unit Agreement, Unit Operating Agreement, Carried Working Interest owners agreement, estimates of well cost and a map of the Bravo Dome Unit.

2) We subsequently spoke on approximately five separate occasions concerning the October 9, 1985 letter in an attempt to address any concerns or questions which you had. You were treated with honesty and courtesy.

3) The second week of November I received a call from Albuquerque attorney Keith McClurge who you advised was representing you. I agreed to enter into a conference call between the attorney, myself and you. All of the attorneys questions regarding the situation were answered and I was told that I could expect a letter advising us of your position on this matter. I never received such a letter.

4) On November 22, 1985 we received a letter from Santa Fe attorney Mr. Perry Pearce who also advised that he was representing you in this matter. The November 22, 1985 letter set out several questions which requested clarification of the options which you have been offered. We promptly responded to Mr. Pearce's questions and were told we could again expect a letter advising us of your position on this matter. We again never received such a letter.

5) We have now received your letter dated December 22, 1985 which advises us that Mr. Pearce is no longer representing you and set out many of the same questions which have previously been answered before to both you and the two aforementioned attorneys. Further your comment during our telephone conversation of January 7, 1986 that I was a "DAMN FOOL" does not indicate an over abundance of respect on your part during these dealings.

IX. The questions set out under paragraph nine of your letter have been answered by the December 30, 1985 letter to Charles Alsup.

X. Paragraph ten of your letter states "If I were to drill for oil myself, would I be penalized by Amoco or Shell Oil?" You would not be penalized by Amoco, however, since Amoco owns leases covering the oil and gas interest from the other family members, except Robert Williams, you would be required to make arrangements with us for the drilling of a well accordingly.

XI. Paragraph eleven of your letter states "I have been told that it is illegal for Amoco to drill for oil on my land. Is this true." No, the lease which Amoco holds from the other members of the Miller family does indeed cover oil and gas. Even though there is not 100% of the oil and gas rights leased to Amoco, we would still have the right to drill and

Ms. Joy Beamer
January 14, 1986
Page 7

develop our lease with the other Miller family members. We would, of course, be required to offer you the option to lease or join in such a well, etc...

XII. Paragraph twelve of your letter states "What exactly is meant by statutory pooling proceedings. Please explain how the entire procedure will affect me." Should Amoco be unable to reach an agreement with you as set out in our letter of options dated October 9, 1985. Amoco has a duty under NMSA 70-2-18 to seek pooling of acreage to produce the subject wells. Pursuant to NMSA 70-2-17 the Oil Conservation Division of the State of New Mexico has the authority to pool such interest.

Amoco would accordingly make a application to the Oil Conservation Division of the State of New Mexico for Compulsory Pooling. A hearing date would be set. Amoco would then advise the examiner that you own an unleased interest under a section of land in which the State of New Mexico has established 640 acre spacing. We would further advise the Commission of the options which we have made available to you in our October 9, 1985 letter. We would further advise the examiner of the efforts which we have gone to in explaining this situation to you as outline in paragraph eight above. We would then ask that to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the production in said pool, the subject application should be approved by pooling all mineral interest, whatever they may be, within said unit.

You would, of course, be allowed to express your concerns to the examiner as to why you are unwilling to accept the options offered to you. The examiner would then review all of the testimony and evidence and make a decision accordingly.

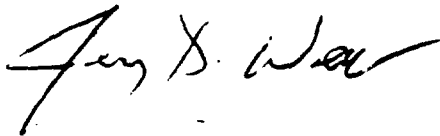
I hope that the information contained in this letter is sufficient to allow a thorough understanding of the situation at hand. We once again respectfully request that you accept one of the alternatives set out in our October 9, 1985 letter.

If all of the alternatives are unacceptable to you, please notify us and I will recommend to our Legal Department that an application for

Ms. Joy Beamer
January 14, 1986
Page 8

compulsory pooling be filed with the Oil Conservation Division of the State of New Mexico. Please let us know your decision as soon as possible.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Jerry D. Webb".

Jerry D. Webb
Landman

JDW/gg
OP15D089

Enclosure

*These figures are estimates only.



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253
West Texas-Eastern
New Mexico Division

May 14, 1986

Re: Notice of Compulsory Pooling Application
Section 09, Township 19 North, Range 35 East
Union County, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joy Beamer
2081 Kingfisher Way
Fairfield, California 94533

Dear Ms. Beamer:

By copy of this letter we are giving you notice of our attached application to the New Mexico Oil Conservation Division for the compulsory pooling of your 6/352 unleased interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 09: E/2 Union County, New Mexico.

Amoco's application for compulsory pooling will be scheduled for the June 12, 1986, NMOCD Examiner's Hearing to begin at 8:15 a.m. in the Oil Conservation Division conference room, State Land Office Building, Santa Fe, New Mexico. Your attendance at this hearing is not required, but as an interest owner in the proposed proration unit you have a right to present testimony if you so desire. Failure to appear at that time will preclude you from challenging this application at a later date.

Very truly yours,

S. A. Reinert
Division Land Manager

Attachment

JDW/dpb

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. _____

CASE NO. 8917 & 8919



Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

R. E. Ogden
Regional Engineering
Manager

FEDERAL EXPRESS

May 8, 1986

File: JCA-986.51NM-1957

Re: Application for Compulsory Pooling
Section 9, Township 19 North,
Range 35 East, Union County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Attention: R. L. Stamets, Director

Amoco Production Company respectfully requests the referenced compulsory pooling application be scheduled for the June 12, 1986 NMOCD Examiner's Hearing. Amoco seeks an order pooling all mineral interests from the base of the Cimmaron Anhydrite Marker to the top of the Precambrian Basement underlying Section 9, Township 19 North, Range 35 East, Union County, New Mexico, forming a standard 640-acre spacing and proration unit to be dedicated to the Bravo Dome Carbon Dioxide Gas Unit Well No. 1935-091K drilled at a standard well location 2310' FSL and 2310' FWL of said Section. Also included in the application will be the actual cost of drilling and completing the well, the allocation of these costs, charges for supervision, a charge for risk involved in drilling the well, and designation of Amoco as operator of the well.

Yours very truly,

R. E. Ogden *8/13*

SPS/rr

P 172 682 353

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to	Joy Beamer
Street and No.	2081 Kingfisher Way
P.O., State and ZIP Code	Fairfield, CA 94533
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	SEP 11 1986

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

● **SENDER: Complete items 1, 2, 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 service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to: **685**
Joy Beamer
2081 Kingfisher Way
Fairfield, CA 94533

4. Type of Service:	Article Number
<input checked="" type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail	<input type="checkbox"/> Insured <input type="checkbox"/> COD P.172.682 353

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee
X Joy D. Beamer

6. Signature - Agent
X

7. Date of Delivery
5-19-86 RPS

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



Stephen A. Reinert
Division Land Manager

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253
West Texas-Eastern
New Mexico Division

May 14, 1986

Re: Notice of Compulsory Pooling Application
Section 10, Township 19 North, Range 35 East
Union County, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joy Beamer
2081 Kingfisher Way
Fairfield, California 94533

Dear Ms. Beamer:

By copy of this letter we are giving you notice of our attached application to the New Mexico Oil Conservation Division for the compulsory pooling of your 6/352 unleased interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 10: W/2 and your 12/352 unleased mineral interest under lands described as T-19-N, R-35-E, N.M.P.M., Section 10: E/2 Union County, New Mexico.

Amoco's application for compulsory pooling will be scheduled for the June 12, 1986, NMOCD Examiner's Hearing to begin at 8:15 a.m. in the Oil Conservation Division conference room, State Land Office Building, Santa Fe, New Mexico. Your attendance at this hearing is not required, but as an interest owner in the proposed proration unit you have a right to present testimony if you so desire. Failure to appear at that time will preclude you from challenging this application at a later date.

Very truly yours,

S. A. Reinert
Division Land Manager

Attachment

JDW/dpb

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. _____

CASE NO. 8917 & 8919



Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

R. E. Ogden
Regional Engineering
Manager

FEDERAL EXPRESS

May 8, 1986

File: JCA-986.51NM-1957

Re: Application for Compulsory Pooling
Section 10, Township 19 North,
Range 35 East, Union County, New Mexcio

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
State Land Office Building
Old Santa Fe Trail
Santa Fe, New Mexico 87501

Attention: R. L. Stamets, Director

Amoco Production Company respectfully requests the referenced compulsory pooling application be scheduled for the June 12, 1986 NMOCD Examiner's Hearing. Amoco seeks an order pooling all mineral interests from the base of the Cimmaron Anhydrite Marker to the top of the Precambrian Basement underlying Section 10, Township 19 North, Range 35 East, Union County, New Mexico, forming a standard 640-acre spacing and proration unit to be dedicated to the Bravo Dome Carbon Dioxide Gas Unit Well No. 1935-101F drilled at a standard well location 1650' FNL and 1650' FWL of said Section. Also included in the application will be the actual cost of drilling and completing the well, the allocation of these costs, charges for supervision, a charge for risk involved in drilling the well, and designation of Amoco as operator of the well.

Yours very truly,

SPS/rr

P 172 682 350

RECEIPT FOR CERTIFIED MAIL

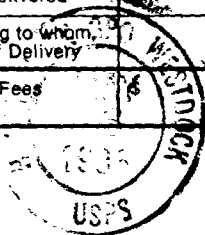
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-448-014

PS Form 3800, Feb. 1982

Sent to	Joy Beamer
Street and No.	2081 Kingfisher Way
P.O., State and ZIP Code	Fairfield, CA 94533
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	
Postmark or Date	



PS Form 3811, July 1983 447-945

● SENDER: Complete items 1, 2, 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 service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to:

Joy Beamer
2081 Kingfisher Way
Fairfield, CA 94533

4. Type of Service:

- ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P.172-682-350

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X Joy D. Beamer

6. Signature - Agent

X

7. Date of Delivery

5/20/82

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

DOMESTIC RETURN RECEIPT

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 5

CASE NO. 8917 & 8919

CLIFTON WILDERSPIN

May 5, 1986

Re: E.W. Jones and Ella B. Jones, his wife
Unleased Mineral Interests - Tract # 990
Bravo Dome CO₂ Gas Unit
Union County, New Mexico

Amoco Production Company
P.O. Box 3092
Houston, Texas 77253

Attention: Mr. Jerry D. Webb

Gentlemen:

This report pertains to unleased mineral interests in Union County, New Mexico, falling within the Bravo Dome CO₂ Gas Unit, with the following legal description, to wit:

TOWNSHIP-19-NORTH, RANGE-35-EAST, N.M.P.M.
Section 9: NW $\frac{1}{4}$.

This unleased mineral interest amounts to one-sixth (1/6) of 160 acres, or 26.6667 net mineral acres, and it is owned by E.W. Jones and Ella B. Jones, his wife. This interest was reserved by the Jones's in a 1929 Warranty Deed, a certified copy of which is enclosed.

We have been unable to locate Mr. and Mrs. Jones. We have spoken with a number of elderly citizens in Union County, including Christina Brams, Goldie Miller, Dale Ellis and Lee Van Pelt. No one had heard of the E.W. Jones's.

The Warranty Deed referred to above was executed in San Bernardino County, California, as evidenced by the acknowledgment. However, the instrument does not provide an address for the Jones's.

We located the name E.W. Jones in the 1929 Union County Tax Rolls. The address listed is in care of F.P. Hardin, Nara Visa, New Mexico. We could not find any current telephone listings for a "Hardin" in Nara Visa, and no one we have spoken with has heard of him. The Jones's were listed in the Union County Tax Rolls as late as 1931, as owners of this tract.

RECEIVED			
WTD LAND HOUSTON			
MAY 3 '86			
SAR			
AJS	CLR	GC	LM
DB	JP	KC	
T Webb			
Pls. Handle		Pls. Note	
Info.		Pls. See Me	
Pls. File		Circulate	
Submitted		Approved	

E.W. Jones and Ella B. Jones, his wife

Page 2

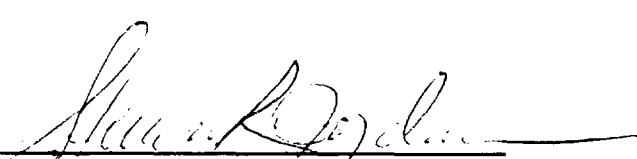
Pencilled in by the name in the 1931 book was the name Frank Packer, Union, Iowa. We were able to locate a Geneva Packer, daughter-in-law of the late Frank Packer; however, she had never heard of the Jones's nor could she give us any leads.

If we can be of further service in this regard, please contact us.

Very truly yours,

WILDERSPIN, INC.

By:


Steven R. Jordan
P.O. Box 671
Clayton, New Mexico 88415

Enclosure

cc: Mr. Clifton Wilderspin
(less attachment)

WARRANTY DEED RECORD

E. W. Jones, et ux
TO
Jas. A. Snelling.

STATE OF NEW MEXICO,

County of Union.

I hereby certify that this instrument was filed
for record on the 3rd day of
May A.D. 1929,
at 10 o'clock A. M., and was duly recorded
A.D. 1929.

Surry Robert County Clerk

By James Taylor, Deputy

THIS INDENTURE, Made this 22 day of April

in the year of our Lord one thousand nine hundred and twenty-nine, between
E. W. Jones and Ella B. Jones, his wife,
parties of the first part, and
Jas. A. and Nettie Snelling,
parties of the second part,

WITNESSETH, That the said parties of the first part, for and in consideration of the
sum of One Dollar ----- DOLLARS,
of the United States of America, to them
in hand paid by the said parties of the second part, the receipt whereof is hereby con-
fessed, and acknowledged, have granted, bargained, sold, remised, conveyed, released and con-
firmed, and by these presents do grant, bargain, sell, remise, convey, release and confirm
unto the said parties of the second part, his heirs and assigns forever, all the
following-described lot or parcel of land and real estate, situate, lying and being in
the County of Union State of New Mexico, to-wit:

Northwest quarter Section nine Township nineteen North Range thirty-five E. N.M.P.M.
containing one hundred sixty acres.
Reserving a one sixth (1/6) interest in all oil, gas and Mineral rights in said land.
As shown on the plat of said ----- on file in the office of the County Clerk of said
County of Union, New Mexico,

TOGETHER WITH ALL AND SINGULAR, The lands, tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining and the reversions
and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever, of the said parties of the
first part, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances, unto the said parties of the second part, his
heirs and assigns, forever. And the said parties of the first part for their heirs, executors and administrators, doth covenant and agree, to and with the said
parties of the second part heirs and assigns, that at the time of the enrolling and delivery of these presents they are well seized
of the premises above conveyed, as of a good, sure, perfect and infensible estate of inheritance, in law, in fee simple, and have good right, full power and lawful authority
to grant, bargain, sell and convey the same in manner and form aforesaid; and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes,
assessments and incumbrances of what kind and nature soever; and the above bargained premises in the quiet and peaceable possession of the parties of the second
part, his heirs and assigns, against all and every person or persons lawfully claiming or to claim the whole or any part thereof, the said parties of the first
part shall and will warrant and forever defend.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hand and seal the day and year first
above written.

Signed, Sealed and Delivered in Presence of:

G. P. Harding,

Judith Fisher.

E. W. Jones, (L.S.)
Ella B. Jones. (L.S.)
(L.S.)

California
STATE OF NEW MEXICO,

COUNTY OF UNION

On this 22nd day of April A.D. 1929, before me personally appeared
E. W. Jones and Ella B. Jones, his wife,
San Bernardino
to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their
free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

My commission expires Jan. 22, 1933.

SEAL

G. P. Harding,
Notary Public, San Bernardino County,
California.

STATE OF NEW MEXICO, COUNTY OF UNION
I, Genevieve Dean, Clerk of Union County and its Probate
Court, do hereby certify the foregoing instrument is a

true and correct copy of the original

and I file in my office

in Clayton, New Mexico, on May 5

1929

Genevieve Dean
Clerk

By: [Signature]
Deputy



Well Name 1935-091K Field BDCDGU
Location Unit K Section 9, T-19-N, R-35-E
County Union State New Mexico TD 2380' Completion Zone Tubb

DRILLING TANGIBLES:

Total Tangibles 46,732

Total Intangibles & Tangibles	222,419
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CASE NO. 8917 & 8919

AMOCO PRODUCTION COMPANY
ACTUAL WELL COST DATA SHEET

Well Name 1935-101F Field BDCDGU

Location Unit F Section 10, T-19-N, R-35-E

County Union State New Mexico TD 2347' Completion Zone Tubb

DRILLING INTANGIBLES:

ACTUAL COSTS

MI-RU-RD-MO	574
Daywork	5,309
Footage	28,653
Completion Rig	12,456
Location, Restoration, Setting Conductor	45,770
Logging (open hole)	12,850
Mud	7,179
Stimulation	6,576
	119,367

Other:

Water	37,469
Bits	
Rentals	6,635
Cement (service & equipment)	29,689
Casing Crews	
Company Labor	2,033
Contract Labor	1,751
Mudlogging	
DST's	
Coring & Analysis	
Trucking	3,610
Tubular Inspection & Testing	
Perforating	13,122
Other Wireline Services (incl. cased hole logs)	
Well Testing	4,703
Miscellaneous	8,542

Total Other	107,554
Total Intangibles	226,921

DRILLING TANGIBLES:

Casing-Surface-Size <u>9-5/8"</u> ft. <u>700'</u>	9,466
Casing-Intermediate-Size _____ ft. _____	
Casing-Production String-Size <u>7"</u> ft. <u>2310'</u>	22,845
Tubing-Size <u>3-1/2"</u> ft. <u>1950'</u>	9,319
Wellhead, etc.	4,741

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

Total Tangibles	46,371
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AMOCO EXHIBIT NO. 7

CASE NO. 8917 & 8919

Total Intangibles & Tangibles	273,292
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50,873 more

RECOMMENDED PROVISIONS
BRAVO DOME 640 ACRE AREA
BDCDGU WELL NO. 1935-091K
ALL OF SECTION 9, T-19-N, R-35-E
BDCDGU WELL NO. 1935-101F
ALL OF SECTION 10, T-19-N, R-35-E

- I. That the prorata share of actual well costs attributable to the non-consenting working interest owner be withheld from production
- II. That the risk charge involved in drilling of BDCDGU Well No. 1934-331G is 200% of the prorata share of actual well costs attributable to the non-consenting working interest owner
- III. That the charges fixed as reasonable for supervision (combined fixed rates) be as follows:
 - \$4700/month while drilling
 - \$470/month while producing
- IV. The prorata share of expenditures for operating the well attributable to the non-consenting working interest owner be withheld from production
- V. That any unsevered mineral interest shall be considered a 7/8 working interest and a 1/8 royalty interest for the purpose of allocating costs and charges
- VI. That any well costs or charges which are to be paid out of production shall be withheld only from the working interest's share of production, and no costs or charges shall be withheld from production attributable to royalty interests

SPS/060/rr

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

AMOCO EXHIBIT NO. 8

CASE NO. 8917 & 8919

Opponent's Exhibit A
Complete Set

THIS INDENTURE, made this the 8th day of March, 1945, between the AMERICAN NATIONAL INSURANCE COMPANY, a corporation of Galveston, Texas, acting herein by and through its duly authorized officers, Party of the First Part, and W. I. Miller of Union County, New Mexico, Party of the Second Part:

W I T N E S S E T H

That the said party of the first part for and in consideration of the sum of One Thousand Forty and no/100 (\$1,040.00) Dollars cash, and other valuable consideration to it in hand paid by the said party of the second part, the receipt whereof is hereby confessed and acknowledged, has GRANTED, SOLD, REMISED, CONVEYED, RELEASED and CONFIRMED, and by these presents does GRANT, BARGAIN, SELL, REMISE, CONVEY, RELEASE and CONFIRM unto the said Party of the Second Part, his heirs and assigns forever, save and except as below stated, all of the following described lots or parcels of land and real estate situate, lying and being in the County of Union, State of New Mexico, to-wit:



The East Half ($E\frac{1}{2}$) of Section Nine (9) and the West Half ($W\frac{1}{2}$) of Section Ten (10) in Township Nineteen (19), North of Range Thirty-five (35), East of the New Mexico Principal Meridian New Mexico,



together with all and singular the land, tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all of the estate, right, title, interest, claims and demands whatsoever of the said Party of the First Part, either in law or in equity, of, in and to the above bargained premises with the hereditaments and appurtenances:

TO HAVE AND TO HOLD the said premises above bargained, and described, with the appurtenances, unto the said Party of the Second Part, his heirs and assigns, forever. And the said Party of the First Part, for its successors and assigns, doth covenant, grant, bargain, sell and convey the same in the manner and form aforesaid; that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances, of what kind and nature soever; and the above bargained premises in the quiet and peaceful possession of the party of the second part, his heirs, successors, and

EXAMINER CAYANACH

Opponents.

A.

8917 & 8919

assigns against all and every person or persons lawfully claiming or to claim the whole or any part thereof, by, through, or under it, and the said party of the first part shall and will warrant and forever defend.

IT IS EXPRESSLY AGREED AND UNDERSTOOD that party of the first part does hereby reserve and retain unto itself, its successors and assigns, an undivided one-half of the one-eighth of all the oil, gas, and other minerals in, under and that may be hereafter produced from the above described land (said one-half of said one-eighth royalty being a one-sixteenth of all the oil, gas and minerals produced from said land), and party of the first part, its successors and assigns, shall be entitled to and shall receive one-half of all bonus or rental moneys paid or to become payable under any lease or leases covering the above described property, or any part thereof, and the said party of the first part, its successors and assigns, shall be entitled to and shall receive one-half of the one-eighth royalty due or to become due for all oil, gas and other minerals that may be produced and saved from said above described property.

And it is hereby expressly agreed and understood that the party of the first part, its successors and assigns, reserves for itself, or for any party, or parties, to whom it may lease its interest for mineral development, the right of ingress and egress at all times for the purpose of exploring, developing, selling, storing, laying pipe lines and transporting oil and other minerals on said land.

IN WITNESS WHEREOF, the said party of the first part, by authority of its Board of Directors, has caused these presents to be subscribed to by its Vice-President and Secretary and its corporate name and seal to be hereunto affixed, the day and year first above written.

AMERICAN NATIONAL INSURANCE COMPANY

By:

W. H. Hughes
Vice-President

ATTEST:

L. H. [Signature]
Secretary

THE STATE OF TEXAS |
 |
COUNTY OF GALVESTON |

ON THIS 12th day of March, 1945, before
me, personally appeared W. L. Vogler, known
to me to be the person described in and who executed the foregoing
instrument, as Vice-President of the AMERICAN NATIONAL INSURANCE
COMPANY, a private corporation, of Galveston, Texas, and acknowledged
that he executed the same as it's Vice-President and as the free
act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal at Galveston, Texas, the day and year in this certi-
ficate first above written.

Pauline N. Wortham
PAULINE N. WORTHAM
Notary Public in and for Galveston County, Texas

My commission expires:

June 1, 1945