



JIM BACA
COMMISSIONER

#195

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

December 12, 1986

Meridian Oil Inc.
ATTENTION: Mr. Alan Alexander
P. O. Box 4289
Farmington, New Mexico 87499

Re: Huerfano Unit-First Amendment to
1986 Drilling Program San Juan
County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to the 1986 Drilling Program for the Huerfano Unit Area, San Juan County, New Mexico. Your First Amendment calls for the cancellation of 28 Dakota wells from your 1986 Drilling Program. Your amended plan also proposes to drill the Unit Well No. 286 in the N/2 of Section 35, Township 27 North, Range 10 West to test the Mesaverde formation.

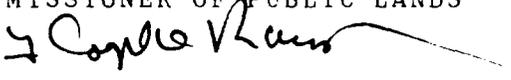
Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
encls.

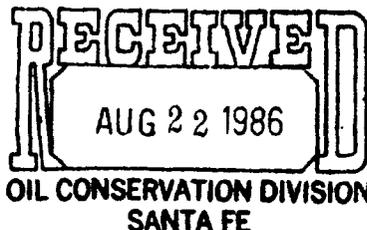
cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch

MERIDIAN OIL

Bureau of Land Management
South Central Region
Attention: District Manager
435 Montano Road, N.E.
Albuquerque, New Mexico 87107

Commissioner of Public Lands
Attention: Mr. Pete Martinez
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Attention: Mr. David Catanach
Post Office Box 2088
Santa Fe, New Mexico 87504-2088



August 19, 1986

#195

Re: Huerfano Unit
San Juan County, New Mexico

Gentlemen:

By Conveyance dated July 16, 1986, El Paso Natural Gas Company conveyed all of its rights in various leases, lands and wells to El Paso Production Company. Included in these properties were all of Gas Company's rights in the referenced Unit.

Meridian Oil Inc. is in the process of replacing El Paso Natural Gas Company as operator of the wells and units (including the Huerfano Unit) transferred by the Conveyance of July 16, 1986, and will operate these properties on behalf of El Paso Production Company.

El Paso Natural Gas Company and Meridian Oil Inc. are wholly owned subsidiaries of Burlington Northern, Inc., and El Paso Production Company is a wholly owned subsidiary of El Paso Natural Gas Company.

All correspondence pertaining to the referenced unit should be directed to the same individuals at the same addresses as in the past. If you have any questions or comments concerning this matter, or this letter, please contact the undersigned.

Copies of this letter are being sent to the working interest owners of the above referenced unit.

Yours very truly,

A handwritten signature in cursive script that reads "Alan Alexander".

Alan Alexander
District Land Manager

AA/tlm
Huerfano Unit, 5.0
Doc. #0794L

HUERFANO UNIT WORKING INTEREST OWNERS

Amoco Production Company	Maryan Klinger
Arco Oil & Gas Company	La Plata Gathering System, Inc.
B&M Construction Corporation	Everett S. Layman
Benson-Montin-Greer Drilling Corp.	Lear Petroleum Corporation
Robert L. Breedlove	Julia B. Lilly
Barbara Ann McConnell Bruss	Matagorda Oil Company
Mrs. Ola E. Callahan	Mr. William H. McCartney
Cambridge Royalty Company	Barbara Irene McConnell Trust
Chevron U.S.A. Inc.	J. W. McConnell, Jr. Estate
Camille Chilcote	Mr. Daniel M. Nelson, Sr.
Conoco, Inc.	Northwest Pipeline Corporation
Consolidated Oil & Gas, Inc.	Mr. J. R. Paradiso, Jr.
Crown Central Petroleum Corporation	Petro Lewis Corporation
Frank O. Elliott, d/b/a Elliott Oil Co.	Rogers-Gibbard Trust
Evko Development Company	Roteliz Corporation
Mr. & Mrs. Forrest Gelbke	Mrs. Laina Mabel Saari
Mr. William J. Green	Mr. Richard D. Simmons, Sr.
Mr. Albert R. Greer	Gladys Sketch
Mr. Charles Albert Greer	Deborah Slaughter
Gross Oil Delaware Corporation	Kenneth R. Sneathen
Dr. & Mrs. James J. Hamilton, Jr.	Margaret L. Sneathen
Geraldine F. Hanna	Sunland Refining Corporation
Hanson-McBride Petroleum Co.	Tenneco Oil Company
Langdon Dewey Harrison	Mr. Wayne R. Townsend
Mrs. Billie D. Hood	Union Oil Company of California
Eula May Johnston Trust	Union Texas Petroleum
James J. Johnston	David William Walters
V.A. Johnston Family Trust	Dr. Sherman Wengerd
Corinne Roy Kelly	Robin Williams

MERIDIAN OIL

December 19, 1985

#195

Bureau of Land Management
South Central Region
Post Office Box 6770
Albuquerque, New Mexico 87197

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
1986 Drilling Program

Gentlemen:

By letter dated February 22, 1985 and May 8, 1985, El Paso Natural Gas Company, as Unit Operator for the Huerfano Unit, filed a Drilling Program for the calendar year 1985. These programs provided for the drilling of 46 wells. All the wells have been drilled except the Huerfano Unit #146E, N/2 Section 13, T-25-N, R-10-W which was cancelled and the Huerfano Unit #142E, N/2 Section 7, T-25-N, R-9-W, Huerfano Unit #187E, E/2 Section 6, T-25-N, R-9-W, and Huerfano Unit #189E, S/2 Section 7, T-25-N, R-9-W which will be carried over and drilled during 1986. The Gallup completions in Huerfano Unit #175E, E/2 Section 14, T-25-N, R-10-W and Huerfano Unit #209E, W/2 Section 23, T-26-N, R-9-W are anticipated during the first quarter of 1986 when the New Mexico Oil Conservation Division's approval is obtained.

As of this date, the total number of active wells in the Huerfano Unit is as follows:

Pictured Cliffs, Commercial	50
Pictured Cliffs, Non-commercial	1
Pictured Cliffs, Plugged & Abandoned	34
Gallup, Commercial	18
Gallup, Non-commercial	6
Dakota, Commercial	165
Dakota, Being Evaluated	3
Dakota, Plugged & Abandoned	7
Dakota, Non-commercial	7
Dakota, Temporarily Abandoned	2
Gallup/Dakota, Commercial	11
Gallup/Dakota, Commercial in GL only	1
Gallup/Dakota, Commercial in DK only	4
Greenhorn, Non-commercial (Plugged back from DK)	<u>1</u>
	310

Pursuant to Section 9 of the Huerfano Unit Agreement, El Paso Natural Gas Company, as Unit Operator, submits the following Drilling Program for the calendar year 1986:

<u>WELL NO</u>	<u>DRILLING BLOCK</u>	<u>FORMATION</u>
# 99 E	W/2 Section 2, T26N, R10W	Dakota
#101 E	W/2 Section 19, T27N, R10W	Dakota
#103 E	W/2 Section 3, T26N, R10W	Dakota
#107 E	W/2 Section 35, T27N, R10W	Dakota
#111 E	N/2 Section 20, T26N, R9W	Dakota
#113 E	W/2 Section 33, T27N, R10W	Dakota
#119 E	W/2 Section 15, T26N, R10W	Dakota
#126 E	E/2 Section 5, T26N, R9W	Dakota
#128 E	W/2 Section 36, T27N, R10W	Dakota
#129 E	W/2 Section 9, T26N, R9W	Dakota
#133 E	E/2 Section 16, T26N, R9W	Dakota
#138 E	N/2 Section 22, T26N, R9W	Dakota
#140 E	W/2 Section 5, T26N, R9W	Dakota
#143 E	E/2 Section 9, T26N, R9W	Dakota
#149 E	W/2 Section 18, T25N, R9W	Dakota
#152 E	N/2 Section 12, T25N, R10W	Dakota
#157 E	E/2 Section 8, T26N, R9W	Dakota
#159 E	W/2 Section 17, T26N, R9W	Dakota
#163 E	E/2 Section 19, T26N, R9W	Dakota
#164 E	S/2 Section 20, T26N, R9W	Dakota
#165 E	E/2 Section 30, T26N, R9W	Dakota
#168 E	E/2 Section 23, T26N, R10W	Dakota
#171 E	W/2 Section 36, T26N, R10W	Dakota
#177 E	E/2 Section 22, T26N, R10W	Dakota
#179 E	W/2 Section 14, T26N, R10W	Dakota
#181 E	N/2 Section 26, T26N, R9W	Dakota
#182 E	N/2 Section 28, T26N, R9W	Dakota
#184 E	E/2 Section 11, T26N, R10W	Dakota
#186 E	W/2 Section 31, T27N, R9W	Dakota
#190 E	E/2 Section 1, T25N, R10W	Dakota
#192 E	S/2 Section 22, T26N, R9W	Dakota
#193 E	E/2 Section 29, T26N, R9W	Dakota

<u>WELL NO</u>	<u>DRILLING BLOCK</u>	<u>FORMATION</u>
#197 E	E/2 Section 28, T26N, R10W	Dakota
#200 E	E/2 Section 6, T26N, R9W	Dakota
#201 E	E/2 Section 9, T26N, R10W	Dakota
#204 E	S/2 Section 27, T26N, R9W	Dakota
#205 E	S/2 Section 28, T26N, R9W	Dakota
#208 E	W/2 Section 32, T26N, R9W	Dakota
#210 E	E/2 Section 35, T27N, R10W	Dakota
#219 E	S/2 Section 29, T26N, R10W	Dakota
#221 E	S/2 Section 13, T25N, R10W	Dakota
#223 E	W/2 Section 4, T26N, R10W	Dakota
#224 E	E/2 Section 4, T26N, R10W	Dakota
#225 E	E/2 Section 30, T26N, R10W	Dakota
#227 E	E/2 Section 32, T27N, R10W	Dakota
#228 E	W/2 Section 32, T27N, R10W	Dakota
#245 E	N/2 Section 32, T26N, R10W	Dakota
#260 E	W/2 Section 19, T26N, R10W	Dakota
#271	W/2 Section 18, T26N, R10W	Dakota
#272	E/2 Section 18, T26N, R10W	Dakota

All working interest owners have been contacted and this Drilling Program reflects their desires. Meridian Oil Inc. on behalf of El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to Meridian Oil Inc. to the attention of the undersigned at the letterhead address.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Yours very truly,



Alan Alexander
District Land Manager

AA:DMP:ld:gm
attachments
Huerfano Unit, 3.0

Document 0356L

APPROVED: _____
Bureau of Land Management
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: _____
Commissioner of Public Lands
(Subject to like approval by the
Bureau of Land Management and the
Oil Conservation Division)

DATED: _____

APPROVED:  _____
Oil Conservation Division
(Subject to like approval by the
Bureau of Land Management and the
Commissioner of Public Lands)

DATED: 12-27-85

The foregoing approvals for the 1986 Drilling Program for the
Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.

HUERFANO UNIT WORKING INTEREST OWNERS

Amoco Production Company	MCO Resources (Inter. Energy)
Arco Oil & Gas Company	Maryan Klinger
B&M Construction Corporation	Corinne Roy Kelly
Robert L. Breedlove	Mrs. Frances Langmore Kerrigan
Barbara Ann McConnell Bruss	La Plata Gathering System, Inc.
Mrs. Ola E. Callahan	Everett S. Layman
Chevron U.S.A. Inc.	Lear Petroleum Corporation
Camille Chilcote	Julia B. Lilly
Consolidated Oil & Gas, Inc.	Mr. William H. McCartney
Conoco, Inc.	Barbara Irene McConnell Trust
Crown Central Petroleum Corporation	J. W. McConnell, Jr. Estate
Evko Development Company	Northwest Pipeline Corporation
Mr. & Mrs. Forrest Gelbke	Mr. J. R. Paradiso, Jr.
Mr. William J. Green	Roteliz Corporation
Mr. Albert R. Greer	Mrs. Laina Mabel Saari
Mr. Charles Albert Greer	Salvation Army
Benson-Montin-Greer Corp.	Gladys Sketch
Gross Oil Delaware Corporation	Deborah Slaughter
Dr. & Mrs. James J. Hamilton, Jr.	Kenneth R. Sneathen
Geraldine F. Hanna	Margaret L. Sneathen
Mrs. Beulah Irene Hanson	Sunland Refining Corporation
Langdon Dewey Harrison	Sunshine Royalty Company
Clarence E. Hinkle & Frank O. Elliott	Tenneco Oil Company
Clarence E. Hinkle & Edna I. Hall	Union Texas Petroleum
Mrs. Billie D. Hood	David William Walters
	Dr. Sherman Wengerd
	Robin Williams



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

December 27, 1985

Meridian Oil Inc.
P.O. Box 4289
Farmington, NM 87499

Attention: Alan Alexander

Re: Huerfano Unit, I Sec. No.
731 San Juan County, New
Mexico - 1986 Drilling
Program

Gentlemen:

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON
Senior Petroleum Geologist

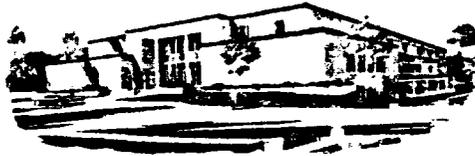
REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

December 26, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Meridian Oil Inc.
P. O. Box 4289
Farmington, New Mexico 87499

Re: Huerfano Unit
San Juan County, New Mexico
1986 Drilling Program

ATTENTION: Mr. Alan Alexander

Gentlemen:

The Commissioner of Public Lands has this date approved your 1986 Drilling Program for the Huerfano Unit Area, San Juan County, New Mexico. Such Drilling program calls for the drilling of 50 Dakota Wells. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Roy D Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: **OCD**-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Huerfano 1986
Unit POD
3100 (015)

JAN 09 1986



Meridian Oil
Attention: Alan Alexander
P. O. Box 4289
Farmington, New Mexico 87499

Gentlemen:

One approved copy of your 1986 Plan of Development for the Huerfano Unit area, San Juan County, New Mexico is enclosed. Such plan, proposing the drilling of 50 Dakota wells in the Huerfano unit, the cancellation of well No. 146 E (from 1985 P.O.D.) and the carry over of wells No. 142 E, 189 E, 175 E and 209 E from last years P.O.D., was approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

Enclosure(s)

cc:

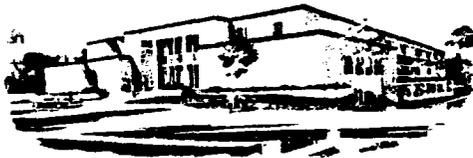
✓ NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-1
Fluids Section FRAH
File: Huerfano Unit POD
O&G Chron

015:G. KELLER/ms/01-02-86/1362M

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

May 16, 1985

El Paso Exploration Company
P. O. Box 4289
Farmington, New Mexico 87499-4289

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Huerfano Unit
San Juan County, New Mexico
First Amendment to 1985 Drilling Program

195

ATTENTION: Mr. Alan Alexander

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to your 1985 Drilling Program for the Huerfano Unit Agreement San Juan County, New Mexico. Such amended plan proposes to drill ten additional Dakota wells. Our approval is subject to like approval by the New Mexico Oil conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

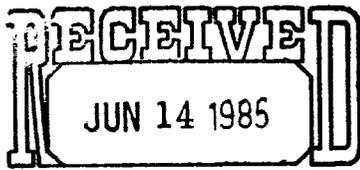
JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

Huerfano Unit
3100 (015)



OIL CONSERVATION DIVISION
SANTA FE

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

JUN 12 1985

El Paso Natural Gas Company
Attention: Mr. Alan Alexander
P.O. Box 4289
Farmington, NM 87499-4289

Gentlemen:

Two approved copies of your revised 1985 Plan of Development for the Huerfano Unit area, San Juan County, New Mexico are enclosed. Such plan, proposing to drill the wells as outlined in your application dated May 8, 1985, in addition to those included in the initial 1985 Plan of Development, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Ron Bartel at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

Enclosure(s)

cc:
AMOC, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-1
Fluids Section FRAH
File: Huerfano Unit POD
O&G Chron

015:RBartel:tt:6/5/85:0768M



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

#195

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

May 13, 1985

El Paso Exploration Company
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Alan Alexander

Re: Huerfano Unit, I Sec.
No. 731, San Juan County,
NM, First Amendment - 1985
Drilling Program

Dear Mr. Alexander:

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy E. Johnson".

ROY E. JOHNSON
Senior Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque
OCD District Office - Aztec

State of New Mexico

#195



JIM BACA
COMMISSIONER

Commissioner of Public Lands

April 1, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

El Paso Natural Gas Company
P. O. Box 4289
Farmington, New Mexico 87499-4289

Re: 1985 Drilling Program
Huerfano Unit
San Juan County, New Mexico

ATTENTION: Mr. Alan Alexander

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Drilling Program for the Huerfano Unit Area, San Juan County, New Mexico. Such plan calls for the drilling of 36 unit wells. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

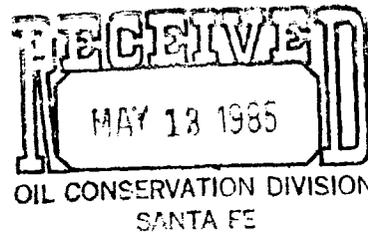
cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

May 8, 1985

United States Department of the Interior
Bureau of Land Management
505 Marquette Avenue, Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501



Re: **Huerfano Unit, I Sec. No. 731**
San Juan County, New Mexico
First Amendment-1985 Drilling Program

Gentlemen:

By letter dated February 22, 1985, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program for the referenced unit providing for the drilling of 36 wells during 1985.

This program has been approved, however, subsequent to our letter of February 22, 1985, the following wells have been added to the 1985 Drilling Program.

<u>WELL NO</u>	<u>DRILLING BLOCK</u>	<u>FORMATION</u>
#108E	W/2 Section 1, T26N, R10W	Dakota
#130E	W/2 Section 29, T26N, R9W	Dakota
#156E	W/2 Section 6, T26N, R9W	Dakota
#158E	W/2 Section 8, T26N, R9W	Dakota
#173E	E/2 Section 13, T26N, R10W	Dakota
#183E	S/2 Section 7, T26N, R9W	Dakota
#185E	E/2 Section 12, T26N, R10W	Dakota
#189E	S/2 Section 7, T25N, R9W	Dakota
#203E	E/2 Section 1, T26N, R10W	Dakota
#265E	W/2 Section 12, T26N, R10W	Dakota

May 8, 1985

All necessary working interest owners have been contacted and advised of this Amendment to the Drilling Program. If this Amendment to the Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to the undersigned at the above address.

Copies of this letter are being sent to the working interest owners as shown on the attached sheet.

Yours very truly,



Alan Alexander *AA*
District Land Manager

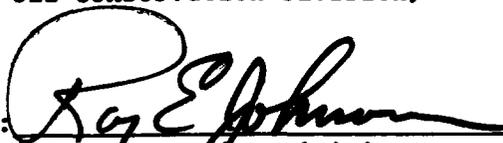
AA:LD/tlm
Enclosure
Huerfano Unit, 3.0
Doc. #0117L

APPROVED: _____
Bureau of Land Management
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: _____
Commissioner of Public Lands
(Subject to like approval by the
Bureau of Land Management and the
Oil Conservation Division)

DATED: _____

APPROVED:  _____
Oil Conservation Division
(Subject to like approval by the
Bureau of Land Management and the
Commissioner of Public Lands)

DATED: 5-13-85

The foregoing approvals for the First Amendment to the 1985 Drilling Program for the Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.

HUERFANO UNIT WORKING INTEREST OWNERS

Amoco Production Company

Arco Oil & Gas Company

B&M Construction Corporation

Robert L. Breedlove

Ernest H. Bruss, Attorney-in-Fact
for Barbara Ann Bruss, Barbara Irene
McConnell & J. W. McConnell, Jr.

Mrs. Ola E. Callahan

Camille Chilcote

Consolidated Oil & Gas, Inc.

Conoco, Inc.

Crown Central Petroleum Corporation

Evko Development Company

Mr. & Mrs. Forrest Gelbke

Mr. William J. Green

Mr. Albert R. Greer

Mr. Charles Albert Greer

Gross Oil Delaware Corporation

Gulf Oil Company

Dr. & Mrs. James J. Hamilton, Jr.

Geraldine F. Hanna

Mrs. Beulah Irene Hanson

Langdon Dewey Harrison

Clarence E. Hinkle & Frank O. Elliott

Clarence E. Hinkle & Edna I. Hall

Mrs. Billie D. Hood

Bernice Jeffs

MCO Resources (Inter. Energy)

Maryan Klinger

Corinne Roy Kelly

Mrs. Frances Langmore Kerrigan

La Plata Gathering System, Inc.

Everett S. Layman

Lear Petroleum Corporation

Julia B. Lilly

Mr. William H. McCartney

Northwest Pipeline Corporation

Mr. J. R. Paradiso, Jr.

Roteliz Corporation

Mrs. Laina Mabel Saari

Salvation Army

Gladys Sketch

Deborah Slaughter

Kenneth R. Sneathen

Margaret L. Sneathen

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Company

Union Texas Petroleum

David William Walters

Dr. Sherman Wengerd

Robin Williams

#195

El Paso
Exploration Company

P. O. BOX 4289
FARMINGTON NEW MEXICO 87499-4289
PHONE 505-325-2841

February 22, 1985

Bureau of Land Management
South Central Region
Post Office Box 6770
Albuquerque, New Mexico 87197

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
1985 Drilling Program

Gentlemen:

By letter dated October 8, 1984, El Paso Natural Gas Company, as Unit Operator for the Huerfano Unit, filed a First Amendment to the Drilling Program for calendar year 1984. This amendment provided for the drilling of three (3) Dakota wells, the #52, SE/4 NW/4 4-25N-9W, #56, SW/4 SW/4 15-25N-9W and #284, SW/4 SE/4 11-25N-9W.

As of this date, the total number of active wells in the Huerfano Unit is as follows:

Pictured Cliffs, Commercial	50
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged & Abandoned	33
Gallup, Commercial	17
Gallup, Commercial, Plugged back from DK	1
Gallup, Non-commercial	6
Dakota, Commercial	123
Dakota, Being Evaluated	3
Dakota, Non-commercial	7
Dakota, Plugged & Abandoned	7
Dakota, Temporarily Abandoned	2
Gallup/Dakota, Commercial	11
Gallup/Dakota, Commercial in GL only	1
Gallup/Dakota, Commercial in DK only	3
Greenhorn, Non-commercial (Plugged back from DK)	1
Gallup/Dakota, Commercial in DK only (Plugged back from Pennsylvanian)	1

268

Pursuant to Section 9 of the Huerfano Unit Agreement, El Paso Natural Gas Company, as Unit Operator, submits the following Drilling Program for the calendar year 1985:

<u>WELL NO</u>	<u>DRILLING BLOCK</u>	<u>FORMATION</u>
#4E	W/2 Section 24, T26N, R10W	Dakota
#122E	E/2 Section 10, T26N, R10W	Dakota
#134E	E/2 Section 36, T26N, R10W	Dakota
#136E	S/2 Section 21, T26N, R9W	Dakota
#137E	E/2 Section 31, T26N, R9W	Dakota
#142E	N/2 Section 7, T25N, R9W	Dakota
#161E	E/2 Section 18, T26N, R9W	Dakota
#166E	W/2 Section 31, T26N, R9W	Dakota
#170E	E/2 Section 25, T26N, R10W	Dakota
#174E	W/2 Section 13, T26N, R10W	Dakota
#180E	W/2 Section 18, T26N, R9W	Dakota
#188E	W/2 Section 6, T25N, R9W	Dakota
#191E	N/2 Section 21, T26N, R9W	Dakota
#215E	W/2 Section 9, T26N, R10W	Dakota
#243E	W/2 Section 31, T26N, R10W	Dakota
#244E	E/2 Section 19, T26N, R10W	Dakota
#262	E/2 Section 31, T26N, R10W	Dakota
#262E	E/2 Section 31, T26N, R10W	Dakota
#218E	N/2 Section 29, T26N, R10W	Dakota
#202E	W/2 Section 28, T26N, R10W	Dakota
#194E	W/2 Section 16, T26N, R10W	Dakota
#187E	E/2 Section 6, T25N, R9W	Dakota
#162E	W/2 Section 19, T26N, R9W	Dakota
#150E	S/2 Section 12, T25N, R10W	Dakota
#146E	N/2 Section 13, T25N, R10W	Dakota
#135E	N/2 Section 23, T26N, R9W	Dakota
#125E	W/2 Section 30, T26N, R9W	Dakota
#116E	W/2 Section 11, T26N, R10W	Dakota
#110E	E/2 Section 3, T26N, R10W	Dakota
#109E	E/2 Section 2, T26N, R10W	Dakota
# 92E	N/2 Section 7, T26N, R9W	Dakota
#106E	E/2 Section 33, T27N, R10W	Dakota
#105E	S/2 Section 29, T27N, R10W	Dakota
#209E	S/2 (DK), W/2 (GL) Section 23, T26N, R9W	Gallup/Dakota Commingle
#175E	E/2 Section 14, T26N, R10W	Gallup/Dakota Commingle
#176E	E/2 Section 15, T26N, R10W	Dakota

All working interest owners have been contacted and this Drilling Program reflects their desires. El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

February 22, 1985

El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company to the attention of the undersigned at the letterhead address.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Yours very truly,


Alan Alexander *DA*
District Land Manager

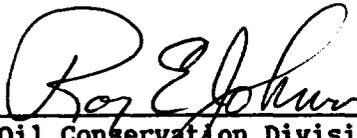
AA:DMP:ld
attachments
Huerfano Unit, 3.0

APPROVED: _____
Bureau of Land Management
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: _____
Commissioner of Public Lands
(Subject to like approval by the
Bureau of Land Management and the
Oil Conservation Division)

DATED: _____

APPROVED:  _____
Oil Conservation Division
(Subject to like approval by the
Bureau of Land Management and the
Commissioner of Public Lands)

DATED: 2-28-85

The foregoing approvals for the 1985 Drilling Program for the
Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.



United States Department of the Interior

IN REPLY REFER TO:

Huerfano Unit
(015)

BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT OFFICE

505 Marquette, N.W.
P.O. Box 6770
Albuquerque, New Mexico 87197-6770

MAR 4 1985

El Paso Natural Gas Company
Attention: Alan Alexander
P.O. Box 4289
Farmington, New Mexico 87499-4289

Gentlemen:

Two approved copies of your 1985 Plan of Development for the Huerfano Unit area, San Juan County, New Mexico are enclosed. Such plan, proposing the drilling of thirty-six unit wells, was approved on this date. The approval is subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) GARY A. STEPHENS

For District Manager

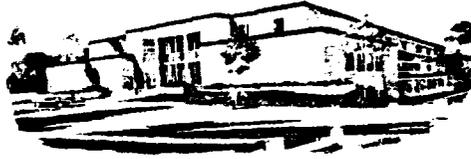
Enclosure

cc
NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-4
Fluids Section FRAH
File: Huerfano Unit POD
O&G Chron

015:KSaylesMcada:tt:2/27/85:0504M

State of New Mexico

#195



JIM BACA
COMMISSIONER

Commissioner of Public Lands

November 19, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
210 Old Santa Fe Trail
Santa Fe, New Mexico 87501

El Paso Exploration Company
P. O. Box 4289
Farmington, New Mexico 87499-4289

Re: Huerfano Unit
San Juan County, New Mexico
First Amendment 1984 Drilling Program

ATTENTION: Mr. Alan Alexander

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to your 1984 Drilling Program. Such program calls for the drilling of the Unit Well Nos. 52, 56 and 284. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



United States Department of the Interior

REPLY REFER TO:
Huerfano Unit (015)

BUREAU OF LAND MANAGEMENT ALBUQUERQUE DISTRICT OFFICE

505 Marquette, N.W.
P.O. Box 6770
Albuquerque, New Mexico 87197-6770

NOV 1 1984

El Paso Natural Gas Company
Attention: Alan Alexander
P.O. Box 4289
Farmington, New Mexico 87499-4289

Gentlemen:

Two approved copies of your First Amended 1984 Plan of Development for the Huerfano Unit area, San Juan County, New Mexico are enclosed. Such plan, proposing the drilling of unit wells No. 52, 56 and 284, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(Orig. Signed)--Michael F. Reitz

For District Manager

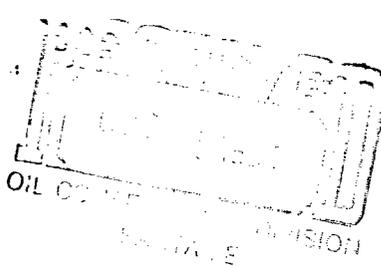
Enclosure

~~cc:~~

✓ NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-4
Fluids Section FRAH
File: POD
O&G Chron

015:KSaylesMcAda:tt:10/30/84:0167M

El Paso
Exploration Company



P. O. BOX 4289
FARMINGTON, NEW MEXICO 87499-4289
PHONE: 505-325-2841

October 8, 1984

Bureau of Land Management
South Central Region
Post Office Box 6770
Albuquerque, New Mexico 87197

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
First Amendment 1984 Drilling Program

Gentlemen:

By letter dated March 14, 1984, El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, filed a Drilling Program providing for the drilling of no wells during 1984.

This program has been approved, however, subsequent to our letter of March 14, 1984 the following wells have been requested to be added to the 1984 Drilling Program:

<u>Well No.</u>	<u>Drilling Block</u>	<u>Formation</u>
52	W/2 Section 4, T25N, R9W	Dakota
284	E/2 Section 11, T25N, R9W	Dakota
56	S/2 Section 15, T25N, R9W	Dakota

All necessary working interest owners have been contacted and advised of these additions to the Drilling Program. If this amendment to the Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company at the above address.

Letter to Regulatory Agencies

-2-

October 8, 1984

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Yours very truly,



Alan Alexander
District Land Manager

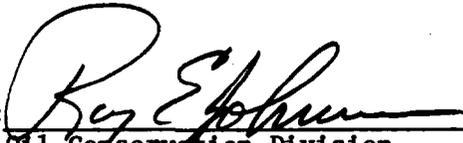
AA:DMP:ld
attachments
Huerfano Unit 3.0

APPROVED: _____
Bureau of Land Management
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: _____
Commissioner of Public Lands
(Subject to like approval by the
Bureau of Land Management and the
Oil Conservation Division)

DATED: _____

APPROVED:  _____
Oil Conservation Division
(Subject to like approval by the
Bureau of Land Management and the
Commissioner of Public Lands)

DATED: 10-12-84

The foregoing approvals for the 1984 Drilling Program for the Huerfano Unit,
I, Section No. 731, San Juan County, New Mexico.

HUERFANO UNIT
WORKING INTEREST OWNERS

Amoco Production Company

Atlantic Richfield Company

B & M Construction Corporation

Benson-Montin-Greer Drilling
Corporation

Ernest H. Bruss, Attorney-in-Fact
for Barbara Ann Bruss, Barbara Irene
McConnell and J. W. McConnell, Jr.

Mrs. Ola E. Callahan

Camille Chilcote

Consolidated Oil & Gas Inc.

Conoco, Inc.

Crown Central Petroleum Corporation

Evko Development Company

Mr. and Mrs. Forrest Gelbke

Mr. William J. Green

Mr. Albert R. Greer

Mr. Charles Albert Greer

Gross Oil Delaware Corporation

Gulf Oil Company

Dr. and Mrs. James J.
Hamilton, Jr.

Geraldine F. Hanna

Mrs. Beulah Irene Hanson

Langdon Harrison

Clarence E. Hinkle &
Frank O. Elliott

Clarence E. Hinkle &
Edna I. Hall

Mrs. Billie D. Hood

Integrated Energy, Inc.

Bernice Jeffs

Maryan Klinger

Corinne Roy Kelly

Mrs. Frances Langmore Kerrigan

La Plata Gathering System, Inc.

Everett S. Layman

Lear Petroleum Corp.

Julia B. Lilly, Individually
and as Ancillary Administratrix
of the Estate of O. J. Lilly

Mr. William H. McCartney

Estate of Mildred Moore

Northwest Pipeline Coporation
Salt Lake City, Utah

Northwest Pipeline Corporation
Farmington, New Mexico

Mr. J. R. Paradiso, Jr.

Petro-Lewis Corporation

Roteliz Corporation

Mrs. Laina Mabel Saari

Salvation Army

Gladys Sketch

Deborah Slaughter

Robert L. Breedlove

Kenneth R. Sneathen

Page Two

Margaret L. Sneathen

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Exploration and Production

Union Texas Petroleum
Denver, Colorado

Union Texas Petroleum
Houston, Texas

David William Walters

Dr. Sherman Wengerd

State of New Mexico

195



JIM BACA
COMMISSIONER

Commissioner of Public Lands
April 26, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Re: Huerfano Unit
San Juan County, New Mexico
1984 Drilling Program

ATTENTION: Mr. D. N. Canfield

Gentlemen:

The Commissioner of Public Lands has this date approved your 1984 Drilling Program for the Huerfano Unit, San Juan County, New Mexico. Such program calls for the drilling of no wells during the calendar year 1984, however, operator plans to drill any offset wells deemed necessary. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

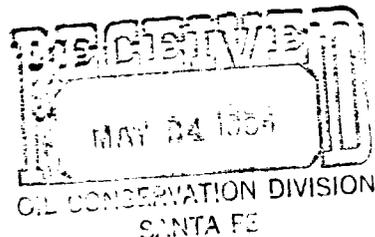
JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico Attention: Mr. Armando Lopez

May 21, 1984



Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. NO. 731
San Juan County, New Mexico
1984 Drilling Program

Gentlemen:

The 1984 Drilling Program for the Huerfano Unit was approved by the regulatory bodies on the dates indicated:

Bureau of Land Management	4-23-84
Commissioner of Public Lands	4-27-84
Oil Conservation Commission	3-26-84

Copies of this letter are being sent to the working interest owners of the above unit.

Very truly yours,

Van L. Goebel
Landman
Land Department

VLG:cc
Huerfano Unit, 3.0

HUERFANO UNIT
WORKING INTEREST OWNERS

Amoco Production Company (4)	Clarence E. Hinkle & Edna I. Hall
Atlantic Richfield Company (3)	Mrs. Billie D. Hood
B & M Construction Corporation	Integrated Energy, Inc.
Benson-Montin-Greer Drilling Corporation	Bernice Jeffs
Ernest H. Bruss, Attorney-in-Fact for Barbara Ann Bruss, Barbara Irene McConnell and J. W. McConnell, Jr.	Maryan Klinger
Mrs. Ola E. Callahan	Corinne Roy Kelly
Camille Chilcote	Mrs. Frances Langmore Kerrigan
Children's Hospital	La Plata Gathering System, Inc.
Consolidated Oil & Gas Inc.	Everett S. Layman
Conoco, Inc.	Lear Petroleum Corp.
Crown Central Petroleum Corporation	Julia B. Lilly, Individually and as Ancillary Administratrix of the Estate of O. J. Lilly
Evko Development Company	Mr. William H. McCartney
Mr. and Mrs. Forrest Gelbke	Estate of Mildred Moore
Mr. William J. Green	Northwest Pipeline Coporation Salt Lake City, Utah
Mr. Albert R. Greer	Northwest Pipeline Corporation Farmington, New Mexico
Mr. Charles Albert Greer	Mr. J. R. Paradiso, Jr.
Gross Oil Delaware Corporation	Petro-Lewis Corporation
Gulf Oil Company	Roteliz Corporation
Dr. and Mrs. James J. Hamilton, Jr.	Mrs. Laina Mabel Saari
Geraldine F. Hanna	Salvation Army
Mrs. Beulah Irene Hanson	Salvation Army
Langdon Harrison	Gladys Sketch
Clarence E. Hinkle & Frank O. Elliott	Mr. J. C. Smith

Kenneth R. Sneathen

Page Two

Margaret L. Sneathen

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Exploration and Production

Union Texas Petroleum
Denver, Colorado

Union Texas Petroleum
Houston, Texas

David William Walters

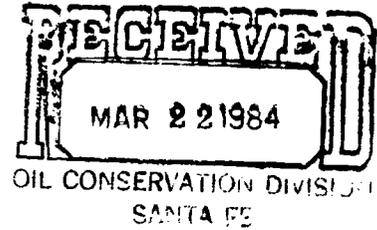
Dr. Sherman Wengerd

195



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-541-2600

March 14, 1984



Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
1984 Drilling Program

Gentlemen:

By letter dated June 15, 1983, El Paso Natural Gas Company, as Unit Operator, for the Huerfano Unit, filed a Drilling Program concerning the captioned Unit for the calendar year 1983. This program provided for the drilling of no wells.

As of this date, the total number of active wells in the Huerfano Unit is as follows:

Pictured Cliffs, Commercial	50
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged and Abandoned	33
Gallup, Commercial	17
Gallup, Commercial, Plugged back from Dakota	1
Gallup, Non Commercial	6
Dakota, Commercial	122
Dakota (Being evaluated)	3
Dakota, Non Commercial	6
Dakota, Plugged and Abandoned	7
Dakota (Temporarily Abandoned)	2

Regulatory Agencies
March 14, 1984
Page Two

Gallup/Dakota, Commercial	11
Gallup/Dakota (Commercial in Gallup only)	1
Gallup/Dakota (Commercial in Dakota only)	3
Greenhorn, Non-commercial (Plugged back from Dakota)	1
Gallup/Dakota (Gallup- Non-commercial) Plugged back from Pennsylvania	<u>1</u>
	266

Pursuant to Section 9 of the Huerfano Unit Agreement, El Paso Natural Gas Company, as Unit Operator, is submitting this Drilling Program providing for the drilling of no wells during the calendar year of 1984.

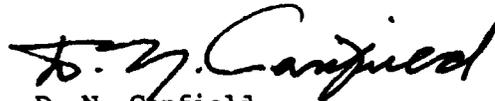
All working interest owners have been contacted, and this Drilling Program reflects their desires. El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,



D. N. Canfield
Attorney-in-Fact

DNC/VLG/cc
Attachment
Huerfano Unit, 3.0

APPROVED: Bureau of Land Management
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: Commissioner of Public Lands
(Subject to like approval by the
Bureau of Land Management and
the Oil Conservation Division)

DATED: _____

APPROVED: 
Oil Conservation Division
(Subject to like approval by the
Bureau of Land Management and
the Commissioner of Public Lands)

DATED: 3-26-84

The foregoing approvals for the 1984 Drilling Program for the Huerfano Unit I, Section No. 731, San Juan County, New Mexico.

HUERFANO UNIT
WORKING INTEREST OWNERS

Amoco Production Company (4)

Atlantic Richfield Company (3)

B & M Construction Corporation

Benson-Montin-Greer Drilling
Corporation

Ernest H. Bruss, Attorney-in-Fact
for Barbara Ann Bruss, Barbara Irene
McConnell and J. W. McConnell, Jr.

Mrs. Ola E. Callahan

Camille Chilcote

Children's Hospital

Consolidated Oil & Gas Inc.

Conoco, Inc.

Crown Central Petroleum Corporation

Evko Development Company

Mr. and Mrs. Forrest Gelbke

Mr. Albert R. Greer

Mr. Charles Albert Greer

Gross Oil Delaware Corporation

Gulf Oil Company

Dr. and Mrs. James J.
Hamilton, Jr.

Geraldine F. Hanna

Mrs. Beulah Irene Hanson

Langdon Harrison

Clarence E. Hinkle &
Frank O. Elliott

Clarence E. Hinkle &
Edna I. Hall

Mrs. Billie D. Hood

Integrated Energy, Inc.

Bernice Jeffs

Maryan Klinger

Corinne Roy Kelly

Mrs. Frances Langmore Kerrigan

La Plata Gathering System, Inc.

Everett S. Layman

Lear Petroleum Exploration, Inc.

Julia B. Lilly, Individually
and as Ancillary Administratrix
of the Estate of O. J. Lilly

Mr. William H. McCartney

Estate of Mildred Moore

Northwest Pipeline Coporation
Denver, Colorado

Northwest Pipeline Corporation
Farmington, New Mexico

Petro-Lewis Corporation

Roteliz Corporation

Mrs. Laina Mabel Saari

Salvation Army

Gladys Sketch

Mr. J. C. Smith

Kenneth R. Sneathen

Margaret L. Sneathen

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Exploration and Production

Page Two

Sun Gas Division - Sun
Exploration & Production
Company (2)

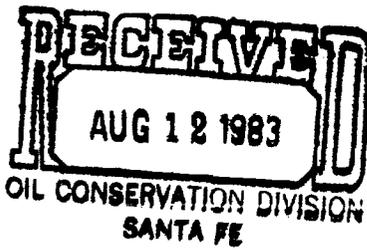
Union Texas Petroleum
Denver, Colorado

Union Texas Petroleum
Houston, Texas

David William Walters

Dr. Sherman Wengerd

El Paso
Exploration Company



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-541-2600

#195

August 9, 1983

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

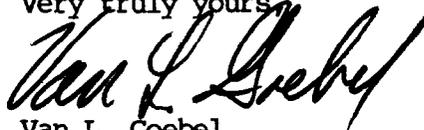
Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
Forty-Ninth and Fiftieth
Expanded Participating Areas for
the Dakota Formation, effective
May 1, 1980 and April 1, 1981
Respectively

Gentlemen:

Enclosed for your information is a copy of a letter dated August 2, 1983 we received from the Bureau of Land Management correcting the number of acres within the referenced participating areas.

Very truly yours,



Van L. Goebel
Landman
Land Department

VLG:cc
Enclosure

Huerfano Unit, 4.3, 5.0



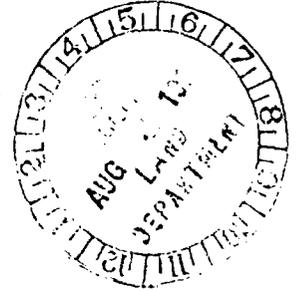
IN REPLY
REFER TO:

United States Department of the Interior

3100.6

BUREAU OF LAND MANAGEMENT
505 MARQUETTE AVE NW SUITE 815
ALBUQUERQUE NEW MEXICO 87102

02 AUG 1983



El Paso Natural Gas Company
Attention: James R. Permenter
P. O. Box 1492
El Paso, Texas 79978

Gentlemen:

The purpose of this letter is to correct an error in our letter dated May 23, 1983 approving the Forty-ninth and Fiftieth Revisions of the Dakota Participating Area in the Huerfano Unit.

The original letter stated incorrectly that after the Forty-Ninth and Fiftieth Expansion the total number of acres in the participating area was 63,120.70 acres. After the Forth-Eighth expansion the total acres was 48,026.35 acres, after the Forty-Ninth expansion the total number of acres should equal 48,346.35 acres and after the Fiftieth expansion the total number of acres should equal 48666.35 acres.

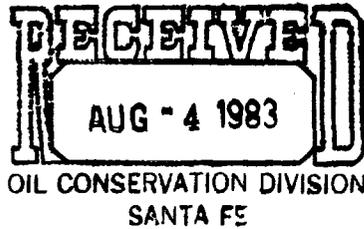
Copies of the correction letter are being distributed to the appropriate Federal offices.

You are requested to furnish the state of New Mexico and other interested parties with appropriate evidence of this correction.

Sincerely yours,

James W. Shelton
for District Manager

El Paso
Exploration Company



P. O. BOX 1432
EL PASO TEXAS 79978
PHONE: 915-541-2600

July 29, 1983

Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. NO. 731
San Juan County, New Mexico
1983 Drilling Program

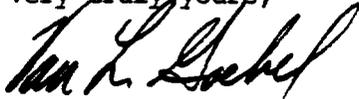
Gentlemen:

The 1983 Drilling Program for the Huerfano Unit was approved by the regulatory bodies on the dates indicated:

Bureau of Land Management	7-13-83
Commissioner of Public Lands	7-8-83
Oil Conservation Commission	7-8-83

Copies of this letter are being sent to the working interest owners of the above unit.

Very truly yours,



Van L. Goebel
Landman
Land Department

VLG:cc
Huerfano Unit, 3.0

HUERFANO UNIT
WORKING INTEREST OWNERS

Amoco Production Company (4)	G. W. Hannett
Atlantic Richfield Company (3)	Mrs. Beulah Irene Hanson
B & M Construction Corporation	Clarence E. Hinkle & Frank O. Elliott
Benson-Montin-Greer Drilling Corporation	Clarence E. Hinkle & Edna I. Hall
Ernest H. Bruss, Attorney-in-Fact for Barbara Ann Bruss, Barbara Irene McConnell and J. W. McConnell, Jr.	Mrs. Billie D. Hood
Mrs. Ola E. Callahan.	Integrated Energy, Inc.
Camille Chilcote	Bernice Jeffs
Children's Hospital	Maryan Klinger
Consolidated Oil & Gas Inc.	Corinne Roy Kelly
Conoco, Inc.	Mrs. Frances Langmore Kerrigan
Mr. Thomas G. Cornish	La Plata Gathering System, Inc.
Cambridge Royalty Co.	Everett S. Layman
Crown Central Petroleum Corporation	Lear Petroleum Exploration, Inc.
Evko Development Company	Julia B. Lilly, Individually and as Ancillary Administratrix of the Estate of O. J. Lilly
First Nat'l Bank in Albuquerque, Trustee u/w A. T. Hannett	Mr. William H. McCartney
Mr. and Mrs. Forrest Gelbke	Estate of Mildred Moore
Mr. Albert R. Greer	Northwest Pipeline Coporation Denver, Colorado
Mrs. Charline K. Greer	Northwest Pipeline Corporation Farmington, New Mexico
Gross Oil Delaware Corporation	Pearl O. Pipkin
Gulf Oil Company	Roteliz Corporation
Dr. and Mrs. James J. Hamilton, Jr.	Mrs. Laina Mabel Saari
Geraldine F. Hanna	Salvation Army

Gladys Sketch

Page Two

Mr. J. C. Smith

Kenneth R. Sneathen

Margaret L. Sneathen

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Company

Sun Gas Division - Sun
Exploration & Production
Company (2)

Union Texas Petroleum
Denver, Colorado

Union Texas Petroleum
Houston, Texas

David William Walters

Dr. Sherman Wengerd



IN REPLY
REFER TO:

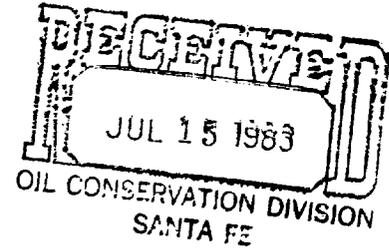
United States Department of the Interior

3100.6 01037

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
Albuquerque, New Mexico 87102

13 JUL 1983

El Paso Natural Gas Company
Attention: Mr. D. N. Canfield
P. O. Box 1492
El Paso, Texas 79978



Gentlemen:

Three approved copies of your 1983 plan of development for the Huerfano unit area, San Juan County, New Mexico, are enclosed. Such plan, proposing to drill no wells during the calendar year 1983 was approved on this date subject to like approval by the appropriate officials of the state of New Mexico.

Sincerely yours,

(GEN. S. D.) JAMES W. SHELTON

James W. Shelton
Assistant District Manager
for Minerals

Enclosures

cc:
Commissioner of Public Lands
NMOCD ✓
Farmington RA (w/encl.)



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

July 12, 1983

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

El Paso Natural Gas Co.
P.O. Box 1492
El Paso, Texas 79978

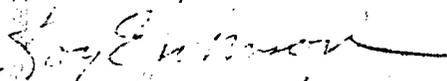
Attention: D. N. Canfield

Re: Unit Agreements
Northwest New Mexico

Dear Mr. Canfield:

Enclosed please find the approved copies of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the United States Minerals Management Service.

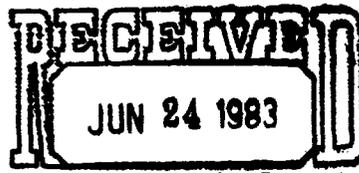
Sincerely,


ROY E. JOHNSON
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office - Aztec

El Paso NATURAL GAS
COMPANY



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

OIL CONSERVATION DIVISION
SANTA FE

June 15, 1983

#195

Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Huerfano Unit, I Sec. No. 731
San Juan County, New Mexico
1983 Drilling Program

Gentlemen:

By letter dated March 31, 1982, El Paso Natural Gas Company, as Unit Operator, for the Huerfano Unit, filed a Drilling Program concerning the captioned Unit for the calendar year 1982. This program provided for the drilling of no wells.

As of this date, the total number of active wells in the Huerfano Unit is as follows:

Pictured Cliffs, Commercial	50
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged and Abandoned	33
Gallup, Commercial	17
Gallup, Commercial, Plugged back from Dakota	1
Gallup, Non Commercial	6
Dakota, Commercial	122
Dakota (Being Evaluated)	3
Dakota, Non-commercial	6
Dakota, Plugged and Abandoned	7
Dakota (Temporarily Abandoned)	2

Gallup/Dakota, Commercial	11
Gallup/Dakota (Commercial in Gallup only)	1
Gallup/Dakota (Commercial in Dakota only)	3
Greenhorn, Non-commercial (Plugged back from Dakota)	1
Gallup/Dakota (Gallup - Non-commercial) Plugged back from Pennsylvania	<u>1</u>
	266

Pursuant to Section 9 of the Huerfano Unit Agreement, El Paso Natural Gas Company, as Unit Operator, is submitting this Drilling Program providing for the drilling of no wells during the calendar year 1983.

All working interest owners have been contacted, and this Drilling Program reflects their desires. El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current obligations have been satisfied.

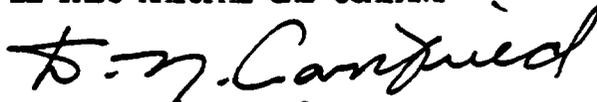
El Paso Natural Gas Company, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the working interest owners.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY



D. N. Canfield *mb*
Attorney-in-Fact *f*

DNC:MLB:ljb
Attachment
Huerfano Unit, 3.0

HUERFANO UNIT
WORKING INTEREST OWNERS

Amoco Production Company (4)	G. W. Hannett
Atlantic Richfield Company (3)	Mrs. Beulah Irene Hanson
B & M Construction Corporation	Clarence E. Hinkle & Frank O. Elliott
Benson-Montin-Greer Drilling Corporation	Clarence E. Hinkle & Edna I. Hall
Mr. Robert L. Breedlove	Mrs. Billie D. Hood
Barbara Ann McConnell Bruss	Sonia H. Hopkins, Executrix of the Estate of John S. Chapman, Decd.
Mrs. Ola E. Callahan	Integrated Energy, Inc.
Camille Chilcote	Bernice Jeffs
Children's Hospital	Maryan Klinger
Consolidated Oil & Gas Inc.	Corinne Roy Kelly
Conoco, Inc.	Mrs. Frances Langmore Kerrigan
Mr. Thomas G. Cornish	La Plata Gathering System, Inc.
CRA International, Ltd.	Everett S. Layman
Crown Central Petroleum Corporation	Lear Petroleum Exploration, Inc.
Evko Development Company	Julia B. Lilly, Individually and as Ancillary Administratrix of the Estate of O. J. Lilly
First Nat'l Bank in Albuquerque, Trustee u/w A. T. Hannett	Matagorda Oil Company
Mr. and Mrs. Forrest Gelbke	Mr. William H. McCartney
Mr. Albert R. Greer	Barbara Irene McConnell
Mrs. Charline K. Greer	Mr. J. W. McConnell, Jr.
Gross Oil Delaware Corporation	Estate of Mildred Moore
Gulf Oil Company	Northwest Pipeline Coporation Denver, Colorado
Dr. and Mrs. James J. Hamilton, Jr.	
James J. Hamilton	
Geraldine F. Hanna	

Northwest Pipeline Corporation
Farmington, New Mexico

Page Two

Pearl O. Pipkin

Roteliz Corporation

Mrs. Laina Mabel Saari

Salvation Army

Gladys Sketch

Mr. J. C. Smith

Sunland Refining Corporation

Sunshine Royalty Company

Tenneco Oil Company

Sun Gas Division - Sun
Exploration & Production
Company (2)

Union Texas Petroleum
Denver, Colorado

Union Texas Petroleum
Houston, Texas

David William Walters

Dr. Sherman Wengerd

APPROVED: Minerals Management Service
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: Commissioner of Public Lands
(Subject to like approval by the
Minerals Management Service and
the Oil Conservation Division)

DATED: _____

APPROVED: *Ray E Johnson*
Oil Conservation Division
(Subject to like approval by the
Minerals Management Service and
the Commissioner of Public Lands)

DATED: 7-8-83

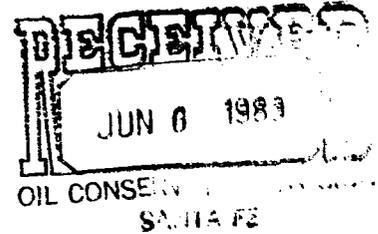
The foregoing approvals for the 1983 Drilling Program for the Huerfano Unit I, Section No. 731, San Juan County, New Mexico.

May 31, 1983

Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division,
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501



Re: **Huerfano Unit**
San Juan County, New Mexico
FORTY-NINTH AND FIFTIETH
EXPANDED PARTICIPATING AREAS
FOR THE DAKOTA FORMATION,
Effective May 1, 1980 and
April 1, 1981, respectively

Gentlemen:

Please be advised that the approval was received from the following agencies on the dates listed below:

Bureau of Land Management	5/25/83
Commissioner of Public Lands	1/7/83
Oil Conservation Division	12/1/82

Very truly yours,

A handwritten signature in cursive script that reads "Mary L. Broaddus".

Mary L. Broaddus
Landman
Land Department

MLB:ljb
Huerfano Unit, 4.3, 5.0

cc: Working Interest Owners
David Poage
Dayne Adams
T. L. Cruikshank (2)
Whitney Stevens
Mr. David Tuchenhagen
Joe D. Stevens, Res. Eng.

HUERFANO UNIT
DAKOTA WORKING INTEREST OWNERS

Amoco Production Company (4)	Sonia H. Hopkins
B & M Construction Corp.	Integrated Energy, Inc.
Benson-Montin-Greer Drilling Corporation	Corinne Roy Kelly
Robert L. Breedlove	La Plata Gathering System, Inc.
Barbara Ann Bruss	Everett S. Layman
Mrs. Ola E. Callahan	Roteliz Corporation
Camille Chilcote	Julia B. Lilly
Children's Hospital	William H. McCartney
Consolidated Oil & Gas, Inc.	Barbara Irene McConnell
Conoco, Inc.	J. W. McConnell, Jr.
Thomas G. Cornish	Estate of Mildred Moore
Crown Central Petroleum Corporation	Laina Mabel Saari
First National Bank in Albuquerque, Trustee	Gladys Sketch
Mr. and Mrs. Forrest Gelbke	J. C. Smith
Albert R. Greer	Sunland Refining Corporation
Mrs. Charleen K. Greer	Tenneco Oil Company
Gross Oil Delaware Corporation	The Salvation Army
Gulf Oil Corporation	Sun Gas Division - Sun Exploration & Production Company (2)
Dr. and Mrs. James J. Hamilton, Jr.	Union Texas Petroleum
Mr. James J. Hamilton	David William Walters
Geraldine F. Hanna	Dr. Sherman Wengerd
G. W. Hannett	
Mrs. Billie D. Hood	

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

July 8, 1983

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

#195

Re: Huerfano Unit
San Juan County, New Mexico
1983 Drilling Program

ATTENTION: Mr. D. N. Canfield

Gentlemen:

The Commissioner of Public Lands has this date approved your 1983 Drilling Program for the Huerfano Unit, San Juan County, New Mexico. Such program calls for the drilling of no wells during 1983, however, operator plans to drill any offset wells deemed necessary. This approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

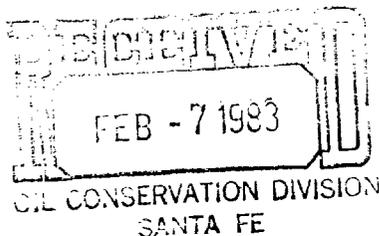
BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm

encls.

cc: OCD-Santa Fe, New Mexico
 BLM-Albuquerque, New Mexico
 BLM-Roswell, New Mexico

El Paso NATURAL GAS
COMPANY



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

January 31, 1983

Bureau of Land Management
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

195

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: **Huerfano Unit, I Sec. No. 731**
San Juan County, New Mexico
NOTICE OF COMPLETION OF
ADDITIONAL WELLS, Dakota Formation

Gentlemen:

Pursuant to Section 10 of the Huerfano Unit Agreement, I Sec. No. 731, El Paso Natural Gas Company, as Unit Operator, determined on the dates set out below that three (3) additional wells capable of producing unitized substances in commercial quantities have been completed upon acreage committed to the Unit. The wells are as follows:

The Huerfano Unit Com #91 Well was completed on January 18, 1980. The Dakota Formation was tested on May 7, 1980, with an after frac gauge of 656 MCF/D. The spacing unit for this well is described as the W/2 of Section 30, Township 27 North, Range 10 West, N.M.P.M., containing 320.00 acres.

The Huerfano Unit #144E Well was completed on December 14, 1981. The Dakota Formation was tested on January 19, 1982, with an after frac gauge of 414 MCF/D. The spacing unit for this well is described as the E/2 of Section 31, Township 27 North, Range 9 West, N.M.P.M., containing 320.00 acres.

Regulatory Agencies
January 31, 1983
Page Two

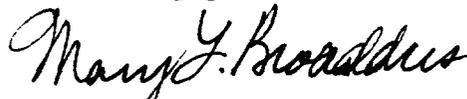
The Huerfano Unit #213E Well was completed on December 18, 1981. The Dakota Formation was tested on January 21, 1982, with an after frac gauge of 1363 MCF/D. The spacing unit for this well is described as the E/2 of Section 36, Township 27 North, Range 10 West, N.M.P.M., containing 320.00 acres.

An additional well, the Huerfano Unit #274, was completed on January 21, 1980, but proved to be non-commercial. The Dakota formation was tested on January 21, 1980, with an after frac gauge of 141 MCF/D. The spacing unit for this well is described as the W/2 of Section 31, Township 27 North, Range 10 West, N.M.P.M., containing 320.00 acres. The 40 acres surrounding this well were excluded from the Forty-Ninth Expanded Participating Area.

The drilling blocks for the above-described wells are included within the existing Dakota Participating Area; therefore, the Dakota Participating Area is not enlarged by these wells.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,



Mary L. Broaddus
Landman
Land Department

MLB:ljg
Attachment
Huerfano Unit, 4.3.1

cc: Mr. Antonio Martinez

HUERFANO UNIT
DAKOTA WORKING INTEREST OWNERS

Amoco Production Company (4)
Attn: Land Data Department
Denver, Colorado

B & M Construction Corp.

Benson-Montin-Greer
Drilling Corporation

Robert L. Breedlove

Barbara Ann Bruss

Mrs. Ola E. Callahan

Camille Chilcote

Children's Hospital

Consolidated Oil &
Gas, Inc.

Conoco, Inc.

Thomas G. Cornish

Crown Central Petroleum
Corporation

First National Bank in
Albuquerque, Trustee

Mr. and Mrs. Forrest Gelbke

Albert R. Greer

Mrs. Charleen K. Greer

Gross Oil Delaware
Corporation

Gulf Oil Corporation

Dr. and Mrs. James J.
Hamilton, Jr.

Mr. James J. Hamilton

Geraldine F. Hanna

G. W. Hannett

Mrs. Billie D. Hood

Sonia H. Hopkins

Corinne Roy Kelly

La Plata Gathering
System, Inc.

Everett S. Layman

Roteliz Corporation

Julia B. Lilly

William H. McCartney

Barbara Irene McConnell

J. W. McConnell, Jr.

Mildred P. Moore

Integrated Energy, Inc.

Laina Mabel Saari

Gladys Sketch

J. C. Smith

Sunland Refining Corporation

Tenneco Oil Company

The Salvation Army

Sun Gas Division - Sun
Exploration & Production
Company (2)

Union Texas Petroleum

David William Walters

Dr. Sherman Wengerd

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

January 7, 1983

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

El Paso Exploration Company
P. O. Box 1492
El Paso, Texas 79978

Re: Huerfano Unit
San Juan County, New Mexico
APPLICATION FOR APPROVAL OF THE
FORTY-NINTH AND FIFTIETH
EXPANDED PARTICIPATING AREAS FOR
THE DAKOTA FORMATION, effective
May 1, 1980 and April 1, 1981

ATTENTION: Mr. James R. Permenter

Gentlemen:

The Commissioner of Public lands has this date **approved** the Forty-Ninth and Fiftieth Expanded Participating Areas, Dakota Formation for the Huerfano Unit, San Juan County, New Mexico. Such Expanded Participating Areas are predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit Well Nos. 275 and 283. The following lands constitute the Forty-Ninth Participating Area Effective May 1, 1980. E/2 Section 36, Township 27 North, Range 11 West, 320.00 Acres. The following lands constitute the Fiftieth Expanded Participating Area Effective April 1, 1981. E/2 of Section 35, Township 26 North, Range 9 West, San Juan County, New Mexico.

Our approval is subject to like approval by the United States Minerals Management Service and the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 1, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Case 195

EL PASO EXPLORATION CO.
P. O. Box 1492
El Paso, Texas 79978

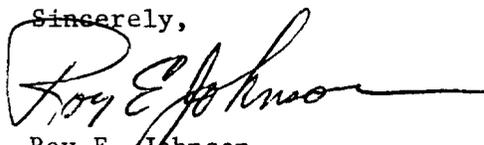
ATTENTION: James R. Permenter

RE: Huerfano Unit
Forty-Ninth & Fiftieth
Expanded Participating Areas
Dakota Formation
San Juan County, NM

Dear Sir:

Enclosed please find an approved copy of the material referenced above. Such approval is contingent upon like approval by the Commissioner of Public Lands and the U. S. Minerals Management Service.

Sincerely,


Roy E. Johnson
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe
Minerals Management Service - Albuquerque
OCD District Office



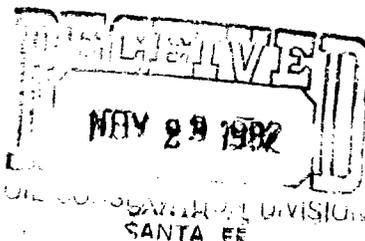
P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-541-2600

November 22, 1982

Minerals Management Service
South Central Region
505 Marquette Avenue, N.W., Suite 815
Albuquerque, New Mexico 87102

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501



Re: **Huerfano Unit, I Sec. No. 731,
San Juan County, New Mexico
APPLICATION FOR APPROVAL OF THE
FORTY-NINTH AND FIFTIETH
EXPANDED PARTICIPATING AREAS FOR
THE DAKOTA FORMATION, effective
May 1, 1980 and April 1, 1981,
Respectively**

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following lands to constitute the Forty-Ninth and Fiftieth Expanded Participating Areas for the Dakota Formation, to-wit:

Forty-Ninth Expanded Participating Area - Effective May 1, 1980

<u>Description of Lands</u>	<u>Acres</u>
<u>Township 27 North, Range 11 West, N.M.P.M. Section 36: E/2</u>	320.00

The proposed Forty-Ninth Expansion of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit #275 Well.

The Huerfano Unit #275 Well, located 800' from the South line and 800' from the East line of Section 36, Township 27 North, Range 11 West, N.M.P.M., was spudded on February 27, 1980, and completed on April 2, 1980, at a total depth of 6794'. The Dakota Formation at the intervals of 6517', 6520', 6522', 6548', 6599', 6607', 6611', 6644', 6648', 6652', 6656', 6659', 6662', and 6672 was treated with a sand-water fracturing process on March 31, 1980. The well was shut-in on April 2, 1980, and after being shut-in for seven (7) days, the Dakota Formation was tested on April 9, 1980, using the Pitot tube method with an after frac guage of 240 MCF/D, with an SIPC of 1933 psia and SIPT of 1151 psia. The spacing unit for this well is described as the E/2 of Section 36, Township 27 North, Range 11 West, N.M.P.M., containing 320.00 acres.

Completion of the Huerfano Unit #275 Well has created an Intervening Drilling Block described as the W/2 of Section 31, Township 27 North, Range 10 West, excluding the 40 acres located in the NW/4 of the NW/4 on which the Huerfano Unit #90 Well was drilled, but found to be non-commercial for unit purposes. This drilling block contains 292.17 acres.

Fiftieth Expanded Participating Area - Effective April 1, 1981

<u>Description of Lands</u>	<u>Acres</u>
<u>Township 26 North, Range 9 West, N.M.P.M.</u> <u>Section 35: E/2</u>	320.00

The proposed Fiftieth Expansion of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit #283 Well.

The Huerfano Unit #283 Well, located 790' from the South line and 1540' from the East line of Section 35, Township 26 North, Range 9 West, N.M.P.M., was spudded on September 20, 1980, and completed on March 30, 1981, at a total depth of 6640'. The Dakota Formation at the intervals of 6318', 6325', 6332', 6414', 6422', 6429', 6499', 6507', 6575', and 6522' was treated with a sand-water fracturing process on March 20, 1981. The well was shut-in on March 22, 1981, and after being shut-in for eight (8) days, the Dakota Formation was tested on March 30, 1981, using the Pitot tupe method with an after frac guage of 803 MCF/D, with an SIPC of 2010 psia and an SIPT of 2010 psia. The spacing unit for this well is described as the E/2 of Section 35, Township 26 North, Range 9 West, N.M.P.M., containing 320.00 acres.

In support of this application the following Exhibits are made a part hereof.

Exhibit "A"

Ownership maps reflecting the boundaries of the Unit and the proposed Forth-Ninth and Fiftieth Expansions of the Dakota Participating Area.

Exhibit "B"

Geological Reports concerning the Forty-Ninth and Fiftieth Expansions of the Dakota Formation in the Huerfano Unit.

Exhibit "C"

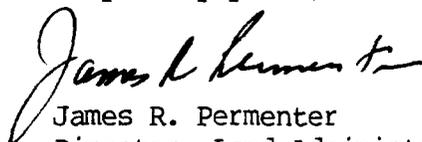
Structural contour and Isapach map.

Attached to this application are Schedules L and LI, respectively, showing the lands entitled to participation with the Forty-Ninth and Fiftieth Expansions and the unitized substances produced from the Dakota Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Forty-Ninth and Fiftieth Expansions of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided and return an approved copy hereof for our files.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,



James R. Permenter
Director, Land Administration
Land Department *JRP*

JRP:MLB:ljj
Attachments

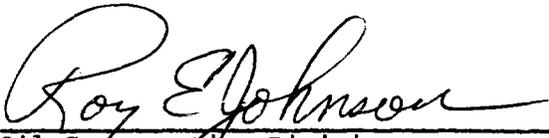
Huerfano Unit #283

APPROVED: Minerals Management Service
(Subject to like approval by the
Commissioner of Public Lands and
the Oil Conservation Division)

DATED: _____

APPROVED: Commissioner of Public Lands
(Subject to like approval by the
Minerals Management Service and
the Oil Conservation Division)

DATED: _____

APPROVED: 
Oil Conservation Division
(Subject to like approval by the
Minerals Management Service and
the Commissioner of Public Lands)

DATED: 12-1-82

The foregoing approvals are for the Forty-Ninth and Fiftieth Expansions of the Participating Area for the Dakota Formation, effective May 1, 1980, and April 1, 1981, respectively, under the Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.

HUERFANO UNIT
DAKOTA WORKING INTEREST OWNERS

Amoco Production Company
Attn: Land Department
Denver, Colorado

Amoco Production Company
Attn: Production Department
Denver, Colorado 80202

Amoco Production Company
Farmington, New Mexico

B & M Construction Corp.

Benson-Montin-Greer
Drilling Corporation

Robert L. Breedlove

Barbara Ann Bruss

Mrs. Ola E. Callahan

Camille Chilcote

Children's Hospital

Consolidated Oil &
Gas, Inc.

Conoco, Inc.

Thomas G. Cornish

Crown Central Petroleum
Corporation

First National Bank in
Albuquerque, Trustee

Mr. and Mrs. Forrest Gelbke

Albert R. Greer

Mrs. Charleen K. Greer

Gross Oil Delaware
Corporation

Gulf Oil Corporation

Dr. and Mrs. James J.
Hamilton, Jr.

Mr. James J. Hamilton

Geraldine F. Hanna

G. W. Hannett

Mrs. Billie D. Hood

Sonia H. Hopkins

Corinne Roy Kelly

La Plata Gathering
System, Inc.

Everett S. Layman

Roteliz Corporation

Julia B. Lilly

K. E. McAfee

William-H. McCartney

Barbara Irene McConnell

J. W. McConnell, Jr.

Mildred Moore

Integrated Energy, Inc.

Laina Mabel Saari

Gladys Sketch

J. C. Smith

Sunland Refining Corporation

Tenneco Oil Company

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The Salvation Army

Sun Gas Division - Sun
Exploration & Production
Company (2)

Union Texas Petroleum

David William Walters

Dr. Sherman Wengerd