

# El Paso Natural Gas Company

MAIN OFFICE OCC

El Paso, Texas

September 27, 1963 1963 SEP 30 AM 8:21

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
AUTOMATIC ELIMINATION

Gentlemen:

The following tracts were automatically eliminated from the Unit Area of the captioned unit on June 29, 1963, in accordance with the terms of the San Juan 32-7 Unit Agreement:

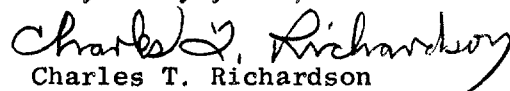
<u>Tract No.</u>	<u>Description</u>	<u>Acres</u>
4	T-32-N, R-7-W Sec. 26: SE/4 NW/4	40.00
7	T-32-N, R-7-W Sec. 21: W/2 NW/4	80.00
8	T-32-N, R-7-W Sec. 30: Lots 1,2,3,4, E/2 W/2, E/2 (All) Sec. 31: Lots 1,2,3,4, E/2 W/2, W/2 E/2, NE/4 NE/4 Sec. 33: SW/4, W/2 SE/4	1,387.92
9	T-31-N, R-7-W Sec. 10: NE/4	160.00
12	T-32-N, R-7-W Sec. 26: SW/4 NW/4	40.00

<u>Tract No.</u>	<u>Description</u>	<u>Acres</u>
13	<u>T-32-N, R-7-W</u> <u>Sec. 26: S/2</u>	320.00
14	<u>T-32-N, R-7-W</u> <u>Sec. 25: S/2</u>	320.00
18	<u>T-31-N, R-7-W</u> <u>Sec. 2: SW/4</u>	160.00
19	<u>T-31-N, R-7-W</u> <u>Sec. 2: Lots 5,6,7,8</u>	70.48
20	<u>T-31-N, R-7-W</u> <u>Sec. 2: W/2 SE/4, SE/4 SE/4</u>	120.00
20a	<u>T-31-N, R-7-W</u> <u>Sec. 2: NE/4 SE/4</u>	40.00
27	<u>T-31-N, R-7-W</u> <u>Tract 53</u>	40.00
29	<u>T-31-N, R-7-W</u> <u>Tract 54</u>	160.00
30	<u>T-31-N, R-7-W</u> <u>Sec. 18: SW/4 NE/4, NW/4 SE/4,</u> That part of Tract 55 lying in Section 7	100.74
31	<u>T-31-N, R-7-W</u> That part of Tract 55 lying in Section 18	59.26
32	<u>T-31-N, R-7-W</u> <u>Sec. 18: SE/4 SE/4</u>	40.00
33	<u>T-32-N, R-6-W</u> <u>Sec. 31: Lots 2,3,4, SE/4 NW/4,</u> S/2 SE/4, E/2 SW/4	<u>315.12</u>
	TOTAL	3,453.52

A revised Exhibit "B" was forwarded to you and the working interest owners on September 12, 1963, to be effective July 1, 1963. Said Exhibit "B" reflects the changes within the Unit Area described above.

A copy of this letter is being sent to the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

  
Charles T. Richardson  
Area Coordinator  
Land Department

CTR:MB:ag

SJ 32-7 1.0, 5.0

420  
*El Paso Natural Gas Company*

*El Paso, Texas*

September 12, 1963

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit  
Exhibit "B"

Gentlemen:

Enclosed are copies of the San Juan 32-7 Unit Exhibit "B" which has been revised effective July 1, 1963.

This Exhibit "B" was mailed to the working interest owners of the San Juan 32-7 Unit under date of August 9, 1963, and they were advised that if they should have any corrections or changes, to notify El Paso within ten days. As of this date, no working interest owner has notified El Paso of any corrections or changes, so this Exhibit "B" is presumed to reflect the correct interests of each working interest owner.

Since there were no changes a copy of this letter only is being sent to the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

*Charles T. Richardson*  
Charles T. Richardson  
Area Coordinator  
Land Department

CTR:MB:js  
Enclosure

SJ 32-7, 5.0

EXHIBIT "B"  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
1	T-32-N, R-7-W Sec. 22: All	640.00	Santa Fe 078459 5-1-48	U.S.A. 12 2/3% All	El Paso Natural Gas Company	Ora R. Hall & Matilda V. Hall Sunshine Royalty Company Total 4.5000% 5.0000%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All* BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All**
2	T-32-N, R-7-W Sec. 7: Lots 4,5,6, SE/4 SW/4 Sec. 8: SE/4 SE/4 Sec. 17: All Sec. 18: Lots 1,2,3,4, E/2 W/2 (W/2) Sec. 19: W/2, W/2 SE/4, SW/4 NE/4 Sec. 20: N/2, W/2 SE/4, E/2 SW/4, NW/4 SW/4 Sec. 21: SE/4, E/2 NE/4 Sec. 29: N/2 NE/4	2,402.30	Santa Fe 078460 5-1-48 5 years	U.S.A. 12 2/3% All	El Paso Natural Gas Company	Charlie W. Parcel and Gertrude L. Parcel Era M. Milligan Sunshine Royalty Company Total 2.5000% 5.0000%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All* BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All**
3	T-32-N, R-7-W Sec. 23: SW/4 Sec. 26: N/2 NW/4 Sec. 27: N/2 Sec. 28: N/2 Sec. 29: S/2 NE/4, SE/4, NE/4 NW/4, SE/4 SW/4	1,200.00	Santa Fe 078472 5-1-48 5 years	U.S.A. 12 2/3% All	El Paso Natural Gas Company	Charles H. Wright and Helen F. Wright Faye M. Glaze Charlie W. Parcel Guy R. Campbell, et ux Ernest H. Peterson and Juanita V. Peterson Total .5000% 5.0000%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All* BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All**

Eliminated from Unit Area



Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
9.	Eliminated from Unit Area						
10.	T-31-N, R-7-W	2,537.37	Santa Fe	U.S.A.	El Paso Natural	As to Secs. 6, 7:	TO BASE OF MESAVEDE FORM
	Sec. 6: Lots 8,9,10, 11,12,13,14, 15, NW/4 SE/4, S/2 SE/4, NE/4 SW/4	078996 4-1-48 5 years	12/2, All	Gas Company	Alma Beamon Anderson	.0383%	El Paso Natural
	Sec. 7: Lots 5,6,7,8,9, NE/4, N/2 SE/4, SE/4 SE/4				Grace L. Hatheway	.5000%	Gas Company
					Wilson Petroleum Company	1.0000%	BELOW BASE OF MESAVEDE FORMATION
					C. S. Page, Jr.	1.0000%	El Paso Natural
					Albert E. Fagan	.0325%	Gas Company
					R. E. Beamon, III	.0150%	ALL
					E. F. Kalb	.0650%	
					Jack Neveleff	.0325%	
					Estate of R. E. Beamon, Deceased	.0767%	
					Petro Minerals	.4070%	
					Texas National Petroleum	.3330%	
					C. S. Preston, Trustee	1.0000%	
					Total	*4.5000%	
					Guy R. Campbell	.5000%	
					Total	5.0000%	
					As to Sec. 4:	4.5000%	
					As Above*	.5000%	
					Juanita V. Peterson	.5000%	
					Total	5.0000%	
					As to Secs. 3, 5:	4.5000%	
					As Above*	.5000%	
					Marian Shonyo	5.0000%	
					Total		
					As to Sec. 8:	4.5000%	
					As Above*	.5000%	
					A. L. Whiting	5.0000%	
					Total		

Tract No.	Description	No. of Acres	Number, Date		Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage		Working Interest and Percentage
			and Term of Lease				ORRI and Percentage		
11.	T-31-N, R-7-W Sec. 9: N/2 Sec. 17: A11	1,718.91	Santa Fe 078998 4-1-48 5 years		U.S.A. 12/4 A11	El Paso Natural Gas Company	As to Secs. 9, 17, 33: Alma Mae B. Anderson	.0383%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company A11*
	T-32-N, R-7-W Sec. 33: E/2 SE/4						Grace L. Hatheway Wilson Petroleum Co.	.5000%	BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company A11**
							C. S. Page, Jr. Petro Minerals Texas National Petroleum	1.0000% 1.0000% .4070%	
							Estate of R. E. Beamon, Deceased	.3330% .0767%	
							Jack Neveleff	.0325%	
							Albert E. Fagan	.0325%	
							R. E. Beamon, III	.0150%	
							E. F. Kalb	.0650%	
							Marian Shonyo	.5000%	
							Total	4.0000%	
							Guy R. Campbell and Mary D. Campbell	1.0000%	
							Total	5.0000%	
							As to Sec. 18: As Above*	4.0000%	
							C. S. Preston	1.0000%	
							Total	5.0000%	
							As to Sec. 34: As Above*	4.0000%	
							Greg Ireton	1.0000%	
							Total	5.0000%	

T-31-N, R-7-W  
Sec. 18: Lots 5, 6, 7, 8,  
9, 10, E/2 NE/4,  
NE/4 SE/4, SW/4 SE/4,  
SE/4 NW/4, E/2 SW/4

T-32-N, R-7-W  
Sec. 34: S/2

- 12. Eliminated from Unit Area
- 13. Eliminated from Unit Area
- 14. Eliminated from Unit Area

Federal Acreage 8 Tracts, 10,458.58 acres or 72.75% of Unit Area

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
15	<u>T-32-N, R-7-W</u> Sec. 9: SW/4 SW/4	40.00	New Mexico 05540 7-1-51 5 years	U.S.A. 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	Ernest A. Hanson Lucy M. English Total 4.5000% .5000% 5.0000%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All**

16	<u>T-32-N, R-7-W</u> Sec. 16: W/2 W/2	160.00	E-178-4 2-13-45 10 years	State of New Mexico 12 $\frac{1}{2}$ % All	N. B. Gerber and B. R. Gerber	None	Iris Gerber Danson and Edward Gerber All
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17	<u>T-32-N, R-7-W</u> Sec. 16: E/2 W/2	160.00	E-503-11 8-21-45 10 years	State of New Mexico 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	Katherine Moore Clammer W. H. Swearingen Addle Swearingen Delhi-Taylor Oil Corp. Squire Products Corp. Total 1.0000% .5000% .5000% 10.9375% 8.9375% 21.8750%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company BELOW BASE OF MESAVERDE FORMATION J. Glenn Turner All
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17a	<u>T-32-N, R-7-W</u> Sec. 32: E/2, E/2 W/2 Sec. 36: All	1,120.00	E-503-9 8-21-45 10 years	State of New Mexico 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	K. F. Moore Addle Swearingen W. H. Swearingen Delhi-Taylor Oil Corp. Total 1.0000% .5000% .5000% 3.0000% 5.0000%	TO BASE OF MESAVERDE FORMATION El Paso Natural Gas Company BELOW BASE OF MESAVERDE FORMATION El Paso Natural Gas Company All**
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18 Eliminated from Unit Area

19 Eliminated from Unit Area

20 Eliminated from Unit Area



<u>Tract No.</u>	<u>Description</u>	<u>No. of Acres</u>	<u>Number, Date and Term of Lease</u>	<u>Basic Royalty and Percentage</u>	<u>Lessee of Record</u>	<u>ORRI and Percentage</u>	<u>Working Interest and Percentage</u>
20a	Eliminated from Unit Area						
	State Acreage - 3 Tracts, 1,440.00 acres or 10.02% of Unit Area.						
21	T-32-N, R-7-W	732.58	3-28-51				
	Sec. 7: Lots 1,2,3, SE/4, NE/4 SW/4	10 years	Paul B. Martin & Kate F. Martin, Gas Company	None		TO BASE OF MESAVERDE FORMATION	
	Sec. 8: Lots 1,2,3, N/2 SE/4, E/2 SW/4, SW/4 SE/4		R. M. Martin and Ina C. Martin			El Paso Natural Gas Company	All*
	Sec. 9: Lot 4, NW/4 SW/4		Joseph B. Hersch and Evelyn E. Hersch			BELOW BASE OF MESAVERDE FORMATION	
	Sec. 18: NE/4 NE/4		and Marguerite H. Wiley			El Paso Natural Gas Company	All**
	Sec. 21: W/2 NE/4, E/2 NW/4						
	Except however, the 43.73 acre tract described under Unit Tract 22.						
			Clay Anderson and Chloe J. Anderson				
			4.1666%				
			Total				
			12.5000%				
21a	T-32-N, R-7-W	1.00	9-16-52				
	Sec. 7: The SW/4 SE/4	10 years	Paul B. Martin & Kate F. Martin, Gas Company	El Paso Natural	None	TO BASE OF MESAVERDE FORMATION	
	SE/4 except the 43.73 acre tract described under Unit Tract 22.		R. M. Martin and Ina C. Martin			El Paso Natural Gas Company	All*
			4.1667%			BELOW BASE OF MESAVERDE FORMATION	
			Joseph B. Hersch and Evelyn E. Hersch and Marguerite H. Wiley			El Paso Natural Gas Company	All**
			4.1667%				
			Clay Anderson and Chloe J. Anderson				
			4.1666%				
			Total				
			12.5000%				

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
22	T-32-N, R-7-W	803.73	4-20-50	R. M. Martin & Ina C. Martin 6.25%	El Paso Natural Gas Company	Pan American Petroleum Corporation 1.1625% Brookhaven Oil .7875% Dacresa Corporation .7500% John W. Watson .3000% Total 3.0000%	TO BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All*
	Sec. 18: W/2 NE/4, SE/4		5 years				
	Sec. 19: NW/4 NE/4, E/2 E/2			Paul B. Martin and Kate F.			
	Sec. 20: SW/4 SW/4						
	Sec. 29: W/2 W/2, SE/4 NW/4, NE/4 SW/4, and			Martin			
	Total			6.25% 12.50%			El Paso Natural Gas Company All**

A tract of land located in the NE/4 NE/4 of Section 18 and in the E/2 SE/4 of Section 7, described as follows:  
Beginning at the SW corner of said NE/4 NE/4 of said Section 18, thence North 1700 feet to a point; thence Northeasterly, about 25° East, 1283 feet, (or equal to a right angle of 879 feet) to a point; thence South to the South line of said NE/4 NE/4 of said Section 18; thence West 879 feet, more or less, to the place of beginning, consisting of 43.73 acres, more or less.

23	T-32-N, R-7-W	240.00	10-18-51	Mona C. Coury and I. J. Coury 12 1/2% All	El Paso Natural Gas Company	None	TO BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All*
	Sec. 20: E/2 SE/4		10 years				
	Sec. 21: SW/4						BELOW BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All**

24	T-32-N, R-7-W	280.00	3-29-51	Paul B. Martin 6.25%	El Paso Natural Gas Company	None	TO BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All*
	Sec. 31: SE/4 NE/4, E/2 SE/4		10 years	R. M. Martin			
	Sec. 32: W/2 W/2						BELOW BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All**
	Total			6.25% 12.50%			

25	T-32-N, R-7-W	99.41	6-16-51	Charley McCoy and Elva McCoy 12 1/2% All	El Paso Natural Gas Company	None	TO BASE OF MESAVENDE FORMATION El Paso Natural Gas Company All*
	Sec. 8: Lot 4, W/2 SW/4		10 years				

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Inter and Percentage
26	T-31-N, R-7-W Sec. 3: E/2 SW/4, S/2 SE/4	160.00		Mizel Brothers, a co-partnership 3.125% M. E. Grimp 3.125% Marian Yager 3.125% Saul A. Yager 3.125% Total 12.500%			Unleased
27	Eliminated from Unit Area						
28	T-31-N, R-7-W Sec. 10: NW/4	160.00		Mizel Brothers a co-partnership 3.125% M. E. Grimp 3.125% Marian Yager 3.125% Saul A. Yager 3.125% Total 12.500%			Unleased
29	Eliminated from Unit Area						
30	Eliminated from Unit Area						
31	Eliminated from Unit Area						
32	Eliminated from Unit Area						
33	Eliminated from Unit Area						

Patented Lands - 8 Tracts, 2,476.72 Acres or 17.22% of Unit Area.

- \* El Paso Natural Gas Company's Interest subject to Sliding Scale ORRI in favor of Phillips Petroleum Company on Gas Production and an ORRI of 82.5% of all oil produced in excess of 15 barrels per day average.
- \*\* Subject to production payments and interests of Phillips Petroleum Company as set out in agreement, dated April 21, 1959, between Phillips Petroleum Company and El Paso Natural Gas Company.

EXHIBIT "B"

R E C A P I T U L A T I O N

<u>Land</u>	<u>Acres in Unit</u>	<u>Percentage Of Unit Area</u>
Federal	10,458.58	72.75%
State	1,440.00	10.02%
Patented	<u>2,476.72</u>	<u>17.23%</u>
Total	14,375.30	100.00%

# El Paso Natural Gas Company

El Paso, Texas

June 14, 1963

420

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
1963 DRILLING PROGRAM

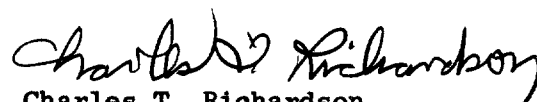
Gentlemen:

The 1963 Drilling Program for the San Juan 32-7 Unit was approved by the regulatory bodies on the following dates:

1. United States Geological Survey - May 9, 1963
2. Commissioner of Public Lands - May 14, 1963
3. Oil Conservation Commission - June 6, 1963

Copies of this letter are being sent to all the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

  
Charles T. Richardson  
Area Coordinator  
Land Department

CTR:MB:ag

**OIL CONSERVATION COMMISSION**

P. O. BOX 871  
SANTA FE, NEW MEXICO

420

June 6, 1963

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

**Attention: Mr. Sam Smith**

**Re: 1963 Drilling Program**  
**San Juan 32-7 Unit, San**  
**Juan County, New Mexico**

**Gentlemen:**

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1963 Drilling Program for the San Juan 32-7 Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the program is returned herewith.

Very truly yours,

**A. L. PORTER, Jr.,**  
**Secretary-Director**

**ALP/JEK/ig**

**cc: Commissioner Public Lands**  
**Santa Fe, New Mexico**

**United States Geological Survey**  
**Roswell, New Mexico**

RECEIVED 5 19 63

May 14, 1963

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

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
1963 Drilling Program

Attention: Mr. Sam Smith

Gentlemen:

The Commissioner of Public Lands has approved your 1963 Plan of Development for the San Juan 32-7 Unit Area, San Juan County, New Mexico, which proposes the drilling of two dual Mesaverde-Dakota wells.

We are returning one approved copy of this Plan.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

BY:  
(Mrs.) Marian M. Rhea, Supervisor  
Unit Division

ESW/mmr/v

encl:

cc: Oil Conservation Commission

U. S. Department of Interior  
Geological Survey  
Roswell, New Mexico  
Attention: Mr. John A. Anderson



153 MAY 15 AM 10:30

Drawer 1857  
Roswell, New Mexico

May 9, 1963

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

Attention: Mr. Sam Smith

Gentlemen:

Your 1963 plan of development dated April 4, 1963, for the San Juan 32-7 unit area, San Juan County, New Mexico, proposing the drilling of two dual Mesaverde-Dakota wells, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Sincerely yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Enclosure 2

cc:  
Washington (w/cy of plan)  
Farmington (w/cy of plan)  
NMOCC-Santa Fe (ltr. only) ✓  
Com. of Pub. Lands-Santa Fe (ltr. only)

# El Paso Natural Gas Company

El Paso, Texas

April 4, 1963

RECEIVED  
APR 11 1963

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
1963 DRILLING PROGRAM

Gentlemen:

By letter dated December 24, 1962, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program regarding the captioned unit for the calendar year 1962 providing for the drilling of two Mesaverde-Dakota dual wells. Both the San Juan 32-7 Unit #36 and #37 Wells were drilled and commercially completed in the Mesaverde Formation, and have already been included in the Mesaverde Participating Area. The San Juan 32-7 #37 Well was non-commercial in the Dakota Formation. The San Juan 32-7 #36 Well will cause the Initial Participating Area of the Dakota Formation.

As of January 1, 1963, the total number of wells in the San Juan 32-7 Unit was as follows:

Pictured Cliffs	1 (Non-commercial)
Fruitland	2
Mesaverde	17 (1 Non-commercial, 1 Plugged and Abandoned, 1 Abandoned)
Mesaverde-Dakota (Dual)	3 (2 Dakota, Non-commercial, 1 Dakota, Commercial)
TOTAL	<u>23</u>

Pursuant to Section 10 of the San Juan 32-7 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, hereby submits a proposed Drilling Program for the calendar year of 1963 to provide for the drilling of the following described wells:

<u>SPACING UNIT</u>	<u>FORMATION</u>
1. W/2 Sec. 23, T-32-N, R-7-W, N.M.P.M.	Mesaverde-Dakota
2. W/2, W/2 E/2 Sec. 7, T-32-N, R-7-W, N.M.P.M.	Mesaverde-Dakota

The well numbered 1. above is being drilled as an offset to the Allison No. 11-X Mesaverde-Dakota well located in the NE/4 of Section 23, T-32-N, R-7-W, N.M.P.M. and will be drilled in the SW/4 of Section 23 which is in the San Juan 32-7 Unit. The NW/4 of Section 23 is in the Allison Unit. A communitization agreement will be prepared covering this well. The well numbered 2. above is being drilled as a unit offset to the Southern Ute #7 Well located in the NE/4 of Section 21, T-32-N, R-7-W, N.M.P.M., La Plata County, Colorado.

In addition to the above wells, El Paso Natural Gas Company, as Unit Operator, will drill any offset wells required to prevent drainage of unitized substances and any other wells requested by the working interest owners.

El Paso Natural Gas Company intends to drill the dual Mesaverde-Dakota wells to the base of the Dakota Formation using rotary tools. Surface casing will be set to the depth of approximately 150' and an intermediate string will be run through the Pictured Cliffs Formation to a depth of approximately 3200', and then a production string casing will be run to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. A bridging plug will be used to separate the Mesaverde from the Dakota Formation and the Mesaverde Formation will be selectively perforated and subjected to a hydraulic fracturing process. A production packer will be run on tubing with the Dakota producing through the tubing and the Mesaverde producing through the casing. Due care will be taken to protect all horizons.

All of the working interest owners have been contacted and this Drilling Program reflects, insofar as possible, their request for additional drilling.

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.

-3-

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By 

Sam Smith, Manager  
Land Department


SS:JBB:js

APPROVED: \_\_\_\_\_  
United States Geological Survey  
Subject to like approval by the  
appropriate State Officials.

DATE: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Commissioner of Public Lands  
Subject to like approval by the  
United States Geological Survey  
and the Oil Conservation Commission.

DATE: \_\_\_\_\_

APPROVED:  \_\_\_\_\_  
Oil Conservation Commission  
Subject to like approval by the  
United States Geological Survey  
and the Commissioner of Public Lands.

DATE: June 6, 1963

The foregoing approvals are for the 1963 Drilling Program for the San Juan  
32-7 Unit, #14-08-001-441, San Juan County, New Mexico.

SAN JUAN 32-7 UNIT  
Working Interest Owners

Amerada Petroleum Corporation  
Attention: Mr. F. W. Hulsizer  
P. O. Box 2040  
Tulsa, Oklahoma

General American Oil Company of Texas  
Attention: Mr. James W. Goss, Jr.  
Meadows Building  
Dallas 6, Texas

Mr. Edward Gerber  
120 Wall Street  
New York 5, New York

Mrs. Iris Gerber Damson  
315 E. 72nd Street  
New York 21, New York

Pan American Petroleum Corporation  
Attention: Mr. T. M. Curtis  
P. O. Box 480  
Farmington, New Mexico

Phillips Petroleum Company  
Attention: Mr. A. J. Hintze  
402 Bank Building  
Bartlesville, Oklahoma

Phillips Petroleum Company  
Attention: Mr. C. W. Corbett  
1200 Denver Club Building  
Denver 2, Colorado

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

420

March 28, 1963

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

Attention: Mr. Charles T. Richardson

Re: Notice of Completion  
of Non-Commercial Well,  
San Juan 32-7 Unit, San  
Juan County, New Mexico

Gentlemen:

In the letter dated March 1, 1963, approving the determination of a non-commercial well on fee land, the approval was inadvertently made subject to the approval of the United States Geological Survey and Commissioner of Public Lands. Also, the approval omitted the Formation determined as non-commercial.

A corrected letter of approval is enclosed, please substitute for the letter dated March 1, 1963.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ALP/JEK/ig

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

March 28, 1963

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

Attention: Mr. T. W. Bittick

Re: Notice of Completion of  
Non-Commercial Well, San  
Juan 32-7 Unit, San Juan  
County, New Mexico

Gentlemen:

This is to advise that as of March 1, 1963, the New Mexico Oil Conservation Commission concurs with the determination that San Juan Unit Well No. 37 located 790' from the North line and 300' from the West line of Section 9, Township 32 North, Range 7 West, San Juan County, is not capable of producing unitized substances in paying quantities from the Dakota Formation.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ALP/JEK/ig

cc: Commissioner of Public Lands  
Santa Fe, New Mexico

United States Geological Survey  
Roswell, New Mexico



# El Paso Natural Gas Company

1963 MAR 21 AM 11 El Paso, Texas

March 19, 1963

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Notice of Completion of Non-Commercial  
Well, San Juan 32-7 Unit, San Juan  
County, New Mexico


Gentlemen:

By letter dated March 1, 1963, you returned an approved copy of a Notice of Completion of Non-Commercial Well, which covered the Dakota formation in the San Juan 32-7 #37 Well.

In your letter, you stated that your approval was subject to like approval by the United States Geological Survey and the Commissioner of Public Lands. Section 11(b) of the San Juan 32-7 Unit Agreement requires only the approval of the Commission, where a well is drilled on fee lands.

Since the aforementioned well was drilled on fee lands, it is our opinion that the only approval necessary on the Notice is that of the Oil Conservation Commission.

Very truly yours,

  
Charles T. Richardson  
Area Coordinator  
Land Department

CTR:JBB:js

cc: United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
P. O. Box 791  
Santa Fe, New Mexico

SJ 32-7, 4.3.1  
SJ 32-7, 5.0

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

420

**March 1, 1963**

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

**Attention: Mr. T. W. Bittick**

**Re: Notice of Completion  
of Non-Commercial Well,  
San Juan 32-7 Unit, San  
Juan County, New Mexico**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission concurs with the determination that San Juan Unit Well No. 37 located 790' from the North line and 300' from the West line of Section 9, Township 32 North, Range 7 West, San Juan County, is not capable of producing unitized substances in paying quantities, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.**

**Very truly yours,**

**A. L. PORTER, Jr.,  
Secretary-Director**

**ALP/JEK/ig**

**cc: Commissioner of Public Lands  
Santa Fe, New Mexico**

**United States Geological Survey  
Roswell, New Mexico**

C  
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P  
Y

420

MAIN OFFICE OCC

1963 FEB 28 ~~February 1857~~  
Roswell, New Mexico

February 27, 1963

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

Attention: Mr. T. W. Bittick

Gentlemen:

We have received three copies of your notice of January 18 to the New Mexico Oil Conservation Commission, by which San Juan 32-7 unit well No. 37, on fee land in lot 4 sec. 9, T. 32 N., R. 7 W., San Juan County, New Mexico, is determined to be not capable of producing unitized substances in paying quantities from the Dakota formation.

Please furnish this office three copies of this notice approved by the New Mexico Oil Conservation Commission, in order to complete our records.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington  
Farmington  
Accounts  
NMOCC



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

420

1963 FEB 20 AM 11:17  
Drawer 2857  
Roswell, New Mexico

February 19, 1963

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

Gentlemen:

Our records show that your San Juan 32-7 unit well No. 36 located on fee land, 790 feet from the north and 1,840 feet from the west lines of sec. 8, T. 32 N., R. 7 W., San Juan County, New Mexico, was completed on or about August 29, 1962, for an absolute open flow potential of 7,182 MCF per day from the Mesaverde formation and dually completed on or about December 5, 1962, for an absolute open flow initial potential of 2,350 MCF per day from the Dakota formation.

Please advise this office as to whether the above described well is considered capable of producing unitized substances in paying quantities from the Mesaverde and Dakota formations. An application for approval of the initial Dakota participating area and a revision of the Mesaverde participating area should be furnished, if appropriate. If this well is determined as not capable of producing unitized substances in paying quantities from either the Mesaverde or the Dakota, such determination must be approved by the New Mexico Oil Conservation Commission pursuant to Section 11 of the unit agreement, since the well is on privately owned land.

Very truly yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK  
Acting Oil and Gas Supervisor

Copy to: NMOCC ✓  
Com. of Public Lands  
Farmington  
Accounts

470

# El Paso Natural Gas Company, INC.

El Paso, Texas

1963 FEB 13 AM 1 27

February 6, 1963

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico  
ELEVENTH EXPANDED PARTICIPATING AREA  
Mesaverde Formation  
Effective January 1, 1963

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-7 Unit Agreement, #14-08-001-441, approved December 16, 1952, El Paso Natural Gas Company, as Unit Operator, determined on the date indicated below that one (1) additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit. The Participating Area for the Mesaverde Formation is expanded to include this well as follows:

The San Juan 32-7 Unit #36 Well is located 790' from the North line and 1840' from the West line of Section 8, Township 32 North, Range 7 West, San Juan County, New Mexico. This well was spudded on June 28, 1962, and completed on August 11, 1962, at a total depth of 7940'. The Mesaverde Formation between 5424'-5430', 5438'-5442', 5450'-5454', 5468'-5474', 5514'-5520' was treated with a sand-water fracturing process. The well was initially shut-in on August 11, 1962 for test. A packer leak required remedial repairs, and the well was again shut-in on November 17, 1962, and after being shut-in for twenty-five (25) days, the well was tested on December 12, 1962, and following a three (3) hour blow-down period gauged

5868 MCFGPD through a 3/4" choke and 7182 MCFGPD by the calculated absolute open-flow method with an SIPC of 1102 psia and an SIPT of 1105 psia. The committed drilling block upon which this well is located is described as SW/4, Lots 3,4 of Fractional Section 8 and Lot 1, E/2 SE/4 of Fractional Section 7, Township 32 North, Range 7 West, N.M.P.M., and consists of 298.38 acres. The determination that this well is capable of producing unitized substances in paying quantities was made on December 12, 1962.

Attached is Schedule XIII showing the Eleventh Expanded Participating Area for the Mesaverde Formation of the San Juan 32-7 Unit Area. This describes the Expanded Participating Area and shows the percentage of unitized substances allocated to each unitized tract. Inasmuch as this needs no official approval, no provision is made therefor, and in the absence of disapproval this Eleventh Expanded Participating Area will become effective as of January 1, 1963.

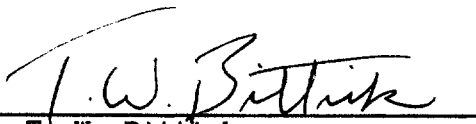
The San Juan 32-7 Unit #36 Well was also completed in the Dakota Formation, which will be handled by separate letter.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



T. W. Bittick  
Assistant Manager  
Land Department

TWB: JBB: js  
Attachment

**SAN JUAN 32-7 UNIT**  
**Working Interest Owners**

**Amerada Petroleum Corporation**  
**Attention: Mr. F. W. Hulsizer**  
**P. O. Box 2040**  
**Tulsa, Oklahoma**

**General American Oil Company of Texas**  
**Attention: Mr. James W. Goss, Jr.**  
**Meadows Building**  
**Dallas 6, Texas**

**Mr. N. B. Gerber and B. R. Gerber**  
**120 Wall Street**  
**New York 5, New York**

**Pan American Petroleum Corporation**  
**Attention: Mr. T. M. Curtis**  
**P. O. Box 480**  
**Farmington, New Mexico**

**Phillips Petroleum Company**  
**Attention: Mr. R. F. Rood**  
**402 Bank Building**  
**Bartlesville, Oklahoma**

**Phillips Petroleum Company**  
**Attention: Mr. C. W. Corbett, Manager**  
**Exploration & Production Department**  
**1200 Denver Club Building**  
**Denver 2, Colorado**

**Mr. J. Glenn Turner**  
**1900 Mercantile Dallas Building**  
**Dallas 1, Texas**

**SCHEDULE XIII**  
**ELEVENTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION**  
**SAN JUAN 32-7 UNIT AREA**

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078459	<u>T-32-N, R-7-W</u> Sec. 22: E/2	320.00	<u>TRACT 1</u>			
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
San Juan 32-7 #9-22 Well	<u>Sec. 22: E/2</u>	<u>320.00</u>	ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	100.00%	100.00%	
					<u>5.92426%</u>	
SF 078460	<u>T-32-N, R-7-W</u> Sec. 17: W/2	320.00	<u>TRACT 2</u>			
			Royalty	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
San Juan 32-7 #7-17 Well	<u>Sec. 17: W/2</u>	<u>320.00</u>	ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	100.00%	100.00%	
					<u>5.92426%</u>	
SF 078460	<u>T-32-N, R-7-W</u> Sec. 17: E/2	320.00	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
San Juan 32-7 #16-17 Well	<u>Sec. 17: E/2</u>	<u>320.00</u>	ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	100.00%	100.00%	
					<u>5.92426%</u>	
SF 078460	<u>T-32-N, R-7-W</u> Sec. 8: SE/4 SE/4	40.00	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	100.00%	100.00%	
					<u>.74053%</u>	



SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUA PARTICIPATION
			OWNERSHIP	PERCENTAGE		

NM 05540

T-32-N, R-7-W  
Sec. 9: SW/4 SW/4

40.00

TRACT 15

Royalty;  
Working Interest:  
EI Paso Natural Gas Co.;  
ORRI;

12.50%  
82.50%  
5.00%  
100.00%

12.50%  
82.50%  
5.00%  
100.00%

.74053%

Fee

T-32-N, R-7-W  
Sec. 9: Lot 4,  
NW/4 SW/4

218.33

TRACT 21

Royalty;  
Working Interest:  
EI Paso Natural Gas Co.;  
ORRI;

12.50%  
87.50%  
0.00%  
100.00%

12.50%  
87.50%  
0.00%  
100.00%

4.04201%

E/2 Frac. Sec. 8

San Juan 32-7 and W/2 W/2 Frac.  
#37 Well

Sec. 9

298.33

TRACT 2

Royalty;  
Working Interest:  
EI Paso Natural Gas Co.;  
ORRI;

12.50%  
82.50%  
5.00%  
100.00%

12.50%  
82.50%  
5.00%  
100.00%

5.18373%

SF 078460

T-32-N, R-7-W  
Sec. 20: NW/4,  
N/2 SW/4,  
SE/4 SW/4

280.00

Fee

T-32-N, R-7-W  
Sec. 20: SW/4 SW/4

40.00

TRACT 22

Royalty;  
Working Interest:  
EI Paso Natural Gas Co.;  
ORRI;

12.50%  
84.50%  
3.00%  
100.00%

12.50%  
84.50%  
3.00%  
100.00%

.74053%

No Well

Sec. 20: W/2

320.00

100.00%

5.92426%

Effective January 1, 1963

SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078460	<u>T-32-N, R-7-W</u> Sec. 20: <u>NE/4,</u> W/2 SE/4	240.00	<u>TRACT 2</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50%  82.50% <u>5.00%</u> 100.00%	12.50%  82.50% <u>5.00%</u> 100.00%	<u>4.44319%</u>
Fee	<u>T-32-N, R-7-W</u> Sec. 20: E/2 SE/4	80.00	<u>TRACT 23</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50%  87.50% <u>00.00%</u> 100.00%	12.50%  87.50% <u>00.00%</u> 100.00%	<u>1.48106%</u>
San Juan 32-7 <u>#11-20 Well</u>	<u>Sec. 20: E/2</u>	<u>320.00</u>				<u>5.92425%</u>
SF 078472	<u>T-32-N, R-7-W</u> Sec. 28: NE/4	160.00	<u>TRACT 3</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50%  82.50% <u>5.00%</u> 100.00%	12.50%  82.50% <u>5.00%</u> 100.00%	<u>2.96213%</u>
SF 078542	<u>T-32-N, R-7-W</u> Sec. 28: <u>SE/4</u>	160.00	<u>TRACT 5</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50%  80.00% <u>7.50%</u> 100.00%	12.50%  80.00% <u>7.50%</u> 100.00%	<u>2.96213%</u>
San Juan 32-7 <u>#14-28 Well</u>	<u>Sec. 28: E/2</u>	<u>320.00</u>				<u>5.92426%</u>

**SCHEDULE XIII**

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<b>SF 078472</b>	<u>T-32-N, R-7-W</u> Sec. 27: NW/4	160.00	<u>TRACT 3</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>2.96213%</u>
<b>SF 078543</b>	<u>T-32-N, R-7-W</u> Sec. 27: SW/4	160.00	<u>TRACT 6</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>2.96213%</u>
<b>San Juan 32-7</b> <b>#2-27 Well</b>	<u>Sec. 27: W/2</u>	<u>320.00</u>	<u>TRACT 3</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>1.48106%</u>
<b>SF 078472</b>	<u>T-32-N, R-7-W</u> Sec. 29: NE/4 NW/4, SE/4 SW/4	80.00	<u>TRACT 22</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>4.44319%</u>
<b>Fee</b>	<u>T-32-N, R-7-W</u> Sec. 29: NW/4 NW/4, S/2 NW/4, N/2 SW/4, SW/4 SW/4	240.00	<u>TRACT 22</u> Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 84.50% 3.00% 100.00%	12.50% 84.50% 3.00% 100.00%	<u>4.44319%</u>

Effective January 1, 1963

SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTU PARTICIPATIO
			OWNERSHIP	PERCENTAGE		
San Juan 32-7 #22-29 Well	Sec. 29: W/2	320.00				
					100.00%	5.92425%
SF 078996	T-31-N, R-7-W Sec. 8: E/2	320.00				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	5.92426%
			TOTAL			
San Juan 32-7 #5-8 Well	Sec. 8: E/2	320.00				
					100.00%	5.92426%
SF 078996	T-31-N, R-7-W Sec. 4: Lots 6, 7, 8, Lot 5 of Sec. 5, SW/4, NW/4 SE/4	323.15				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	5.98258%
			TOTAL			
San Juan 32-7 #19-4 Well	Sec. 4: As above	323.15				
					100.00%	5.98258%
SF 078998	T-31-N, R-7-W Sec. 17: W/2	320.00				
			Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	5.92426%
			TOTAL			
San Juan 32-7 #8-17 Well	Sec. 17: W/2	320.00				
					100.00%	5.92426%

Effective January 1, 1963

SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTU PARTICIPATIO
			OWNERSHIP	PERCENTAGE		
SF 078998	<u>T-31-N, R-7-W</u> Sec. 17: E/2	320.00	<u>TRACT 11</u>  Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>5.98426%</u>
				82.50%	82.50%	
				<u>5.00%</u>	<u>5.00%</u>	
				100.00%	100.00%	
San Juan 32-7 <del>#17-17 Well</del>	Sec. 17: E/2	<u>320.00</u>			<u>100.00%</u>	<u>5.92426%</u>
SF 078996	<u>T-31-N, R-7-W</u> Sec. 5: Lots 6, 7, 8, SE/4, E/2 SW/4	321.66	<u>TRACT 10</u>  Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>5.95499%</u>
				82.50%	82.50%	
				<u>5.00%</u>	<u>5.00%</u>	
				100.00%	100.00%	
San Juan 32-7 <del>#18-5 Well</del>	Sec. 5: As Above	<u>321.66</u>			<u>100.00%</u>	<u>5.95499%</u>
.78-4	<u>T-32-N, R-7-W</u> Sec. 16: W/2 W/2	160.00	<u>TRACT 16</u>  Royalty; Working Interest: N. B. & B. R. Garber; ORRI;  TOTAL	12.50%	12.50%	<u>2.96213%</u>
				87.50%	87.50%	
				<u>0.00%</u>	<u>0.00%</u>	
				100.00%	100.00%	
E503-3	<u>T-32-N, R-7-W</u> Sec. 16: E/2 W/2	160.00	<u>TRACT 17</u>  Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;  TOTAL	12.500%	12.500%	<u>2.96213%</u>
				65.625%	65.625%	
				<u>21.875%</u>	<u>21.875%</u>	
				100.000%	100.000%	

SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<b>San Juan 32-7</b> <b>#13-16 Well</b>	<b>Sec. 16: W/2</b>	<b>320.00</b>				
					<b>100.00%</b>	<b>5.92426%</b>
<b>E-503-5</b>	<b>T-32-N, R-7-W</b> <b>Sec. 32: E/2 W/2</b>	<b>160.00</b>				
			<b>TRACT 17-A</b>			
			Royalty;	12.50%	12.50%	<b>2.96213%</b>
			Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	100.00%	100.00%	
<b>Fee</b>	<b>T-32-N, R-7-W</b> <b>Sec. 32: W/2 W/2</b>	<b>160.00</b>				
			<b>TRACT 24</b>			
			Royalty;	12.50%	12.50%	<b>2.96213%</b>
			Working Interest:			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	<u>0.00%</u>	<u>0.00%</u>	
			TOTAL	100.00%	100.00%	
<b>San Juan 32-7</b> <b>#10-32 Well</b>	<b>Sec. 32: W/2</b>	<b>320.00</b>				
					<b>100.00%</b>	<b>5.92426%</b>
	<b>T-32-N, R-7-W</b> <b>Sec. 7: Lot 1, E/2 SE/4</b>	<b>180.88</b>				
	<b>Sec. 8: Lot 3, E/2 SW/4</b>					
			<b>TRACT 21</b>			
			Royalty;	12.50%	12.50%	<b>3.34869%</b>
			Working Interest:			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	<u>0.00%</u>	<u>0.00%</u>	
			TOTAL	100.00%	100.00%	
<b>Fee</b>	<b>T-32-N, R-7-W</b> <b>Sec. 7: 1 Acre</b>	<b>1.00</b>				
	<b>out of SW/4</b> <b>SE/4 SE/4</b>					
			<b>TRACT 21-A</b>			
			Royalty;	12.50%	12.50%	<b>.01851%</b>
			Working Interest:			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	<u>0.00%</u>	<u>0.00%</u>	
			TOTAL	100.00%	100.00%	

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTU PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<u>TRACT 22</u>						
Fee	<u>T-32-N, R-7-W</u> Sec. 7: 17.09 Acres out of E/2 SE/4	17.09	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 84.50% <u>3.00%</u> 100.00%	12.50% 84.50% <u>3.00%</u> 100.00%	<u>.31639%</u>
<u>TRACT 25</u>						
Fee	<u>T-32-N, R-7-W</u> Sec. 8: Lot 4, W/2 SW/4	99.41	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 87.50% <u>0.00%</u> 100.00%	12.50% 87.50% <u>0.00%</u> 100.00%	<u>1.84041%</u>
<u>TRACT 26</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 27</u>						
San Juan 32-7	Sec. 7: Lot 1, E/2 SE/4					
#36 Well						
<u>TRACT 28</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 29</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 30</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 31</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 32</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 33</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 34</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 35</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 36</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 37</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 38</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 39</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 40</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 41</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 42</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 43</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 44</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 45</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 46</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 47</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 48</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 49</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 50</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 51</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 52</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 53</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 54</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 55</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 56</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 57</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 58</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 59</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 60</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 61</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 62</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 63</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 64</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 65</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 66</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 67</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 68</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 69</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 70</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 71</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 72</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 73</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 74</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 75</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 76</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 77</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 78</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 79</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 80</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 81</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 82</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 83</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 84</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 85</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 86</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 87</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 88</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 89</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 90</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 91</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 92</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 93</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 94</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 95</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 96</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 97</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 98</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 99</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 100</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 101</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 102</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 103</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 104</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 105</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 106</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 107</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 108</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 109</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 110</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 111</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 112</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 113</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 114</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 115</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 116</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 117</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 118</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 119</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 120</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 121</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 122</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						
<u>TRACT 123</u>						
San Juan 32-7	Sec. 8: SW/4, Lots 3, 4	298.38				
#36 Well						

SCHEDULE XIII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTU/ PARTICIPATION
			OWNERSHIP	PERCENTAGE		

RECAPITULATION

Township 31 North, Range 7 West, N.M.P.M.  
 Sec. 4: Lots 6,7,8, SW/4, NW/4 SE/4  
 Sec. 5: Lots 5,6,7,8, SE/4, E/2 SW/4  
 Sec. 8: E/2  
 Sec. 17: All

Township 32 North, Range 7 West, N.M.P.M.  
 Sec. 7 (Frac.): Lot 1, E/2 SE/4  
 Sec. 8 (Frac.): All  
 Sec. 9 (Frac.): W/2 W/2  
 Secs. 17, 20: All  
 Secs. 16,27,29,32: W/2  
 Secs. 22, 28: E/2

Total Number of Acres in Participating Area:	5401.52
Total Number of Acres Committed to Participating Area:	5401.52
Percentage of Working Interest Committed:	100.00%
Percentage of Basic Royalty Committed:	100.00%
Percentage of ORRI Committed:	100.00%



*El Paso Natural Gas Company*

1963 FEB 1 PM 1:32

*El Paso, Texas*  
January 25, 1963

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
P. O. Box 1837  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit  
1962 Drilling Program

Gentlemen:

The 1962 Drilling Program for the San Juan 32-7 Unit has been approved by the regulatory bodies on the dates indicated:

1. United States Geological Survey - December 28, 1962
2. Commissioner of Public Lands - January 3, 1963
3. Oil Conservation Commission - January 17, 1963

Copies of this letter are being sent to the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

*Charles T. Richardson*  
Charles T. Richardson  
Area Coordinator  
Land Department

CTR:JBB:ag



4.3

*El Paso Natural Gas Company*  
MAIN OFFICE OCC

1963 JAN 23 PM 1:43 *El Paso, Texas*  
January 18, 1963

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
NOTICE OF COMPLETION OF NON-COMMERCIAL  
WELL in the Dakota Formation

Gentlemen:

Pursuant to the provisions of Section 11(b) of the San Juan 32-7 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, has determined that the following described well is not capable of producing unitized substances in paying quantities from the Dakota Formation:

The San Juan 32-7 Unit #37 Well, located 790' from the North line and 300' from the West line of Section 9, Township 32 North, Range 7 West, San Juan County, New Mexico, was spudded on July 25, 1962, and completed on September 3, 1962, at a total depth of 8025' in the Dakota Formation. The Dakota Formation in the intervals between 7766' - 7770', 7790' - 7794', 7826' - 7830', 7937' - 7941' was treated with a sand-water fracturing process on August 24, 1962. The Dakota Formation was shut-in for gauge on September 4, 1962, and after being shut-in for nine (9) days, the Dakota Formation was tested on September 13, 1962, and following a three (3) hour blow-down period gauged 867 MCFGPD through a 3/4" choke, and 873 MCFGPD by the calculated absolute open-flow method, with an SIPT of 2229 psia and an SIPC of 922 psia.

The calculation of the reserves attributable to this well indicates that the reserves are not sufficient for the well to payout.

If this determination meets with your approval, please indicate such approval in the space provided and return an approved copy hereof for our files.

The San Juan 32-7 Unit #37 Well was also completed in the Mesa-verde Formation and the Expansion of the Mesaverde Formation is being handled under separate letter.

Copies of this letter are being sent to the Regional Oil and Gas Supervisor of the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico, and the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By T. W. Bittick  
T. W. Bittick  
Assistant Manager  
Land Department

TWB: JBB: js

APPROVED: A. L. Fairman  
Director, New Mexico Oil Conservation Commission  
Date: March 1, 1963

SAN JUAN 32-7 UNIT  
Working Interest Owners

Amerada Petroleum Corporation  
Attention: Mr. F. W. Hulsizer  
P. O. Box 2040  
Tulsa, Oklahoma

General American Oil Company of Texas  
Attention: Mr. James W. Goss, Jr.  
Meadows Building  
Dallas 6, Texas

Mr. N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

Pan American Petroleum Corporation (12)  
Attention: Mr. T. M. Curtis  
P. O. Box 480  
Farmington, New Mexico

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas

Phillips Petroleum Company  
Attention: Mr. R. F. Rood  
402 Bank Building  
Bartlesville, Oklahoma

Phillips Petroleum Company  
Attention: Mr. C. W. Corbett, Manager  
Exploration & Production Department  
1200 Denver Club Building  
Denver 2, Colorado

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

420

**January 17, 1963**

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

**Attention: Mr. Sam Smith**

**Re: 1962 Drilling Plan  
San Juan 32-7 Unit,  
San Juan County, New  
Mexico**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1962 Drilling Program dated December 24, 1962 for the San Juan 32-7 Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.**

**One approved copy of the plan is returned herewith.**

**Very truly yours,**

**A. L. PORTER, Jr.,  
Secretary-Director**

**ALP/JEK/ig**

**cc: Commissioner of Public Lands  
Santa Fe, New Mexico**

**United States Geological Survey  
Roswell, New Mexico**

January 3, 1963

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

Re: San Juan 32-7,  
San Juan County,  
New Mexico, 1962  
Drilling Program

Attention: Mr. Sam Smith

Gentlemen:

Your 1962 Plan of Development dated December 24, 1962, for the San Juan 32-7 Unit Area, San Juan County, New Mexico, was approved by the Commissioner of Public Lands January 3, 1963.

This Plan of Development covers two wells No. 36 and No. 37 which were drilled during 1962 and received the approval of the United States Geological Survey as of December 28, 1962.

We are returning one approved copy of this Plan.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

BY:

(Mrs.) Marian M. Rhea, Supervisor  
Unit Division

ESW/mmr/v

cc: Oil Conservation Commission  
Santa Fe, New Mexico

U. S. Geological Survey  
Roswell, New Mexico

Drawer 1857  
Roswell, New Mexico

December 28, 1962

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

Attention: Mr. Sam Smith

Gentlemen:

Your 1962 plan of development dated December 24, 1962, for the San Juan 32-7 unit, San Juan County, New Mexico, advising that unit wells Nos. 36 and 37 were drilled during 1962, has been approved for record purpose on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

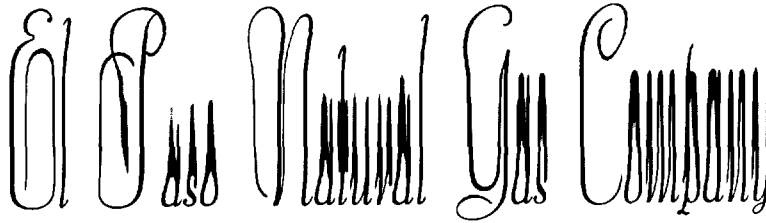
Very truly yours,

(Orig. Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK  
Acting Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)  
Farmington (w/cy of plan)  
NMOCC-Santa Fe (ltr. only) ✓  
Com. of Pub. Lands-Santa Fe (ltr. only)





*El Paso, Texas*

December 24, 1962

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
1962 DRILLING PROGRAM

Gentlemen:

By letter dated January 20, 1961, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program regarding the captioned unit for the calendar year 1961 providing for the drilling of no wells. However, the San Juan 32-7 Unit #35 Well, a dual Mesaverde-Dakota well, was drilled in the NE/4 of Section 22, Township 32 North, Range 7 West, for exploratory purposes, and the Dakota portion of this well was non-commercial.

As of January 1, 1962, the total number of wells in the San Juan 32-7 Unit was as follows:

Pictured Cliffs	1 (Non-commercial)
Fruitland	2
Mesaverde	17 (1 Non-commercial, 1 Plugged and Abandoned, 1 Abandoned)
Mesaverde-Dakota (Dual)	1 (Dakota, Non-commercial)

As Unit Operator, El Paso Natural Gas Company contacted all working interest owners within the unit in order to determine whether any owners desired wells to be drilled during 1962. No working interest owners requested such development. However, El Paso Natural Gas Company, as Unit Operator, drilled and is now in the process of completing the following wells within the unit area during 1962:

<u>WELL NAME</u>	<u>LOCATION</u>
San Juan 32-7 Unit #36 (MD)	NE/4 SW/4 Sec. 8, T-32-N, R-7-W
San Juan 32-7 Unit #37 (MD)	Lot 4, Sec. 9, T-32-N, R-7-W

The San Juan 32-7 Unit #36 Well, a dual Mesaverde-Dakota well, was drilled as a direct offset well to El Paso Natural Gas Company's 32-7 #3 (MD) Well located in Section 22, Township 32 North, Range 7 West, La Plata County, Colorado, to prevent drainage of the San Juan 32-7 Unit. The San Juan 32-7 Unit #37 Well, a dual Mesaverde-Dakota well, was drilled as a stepout to the said 32-7 #3 Well. El Paso Natural Gas Company, as Unit Operator, believes that the drilling of these wells satisfies all requirements for the year 1962 which are imposed by the Unit Agreement for the San Juan 32-7 Unit.

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 Drilling Program are being sent to the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By   
Sam Smith, Manager  
Land Department

SS:GA:js

APPROVED: \_\_\_\_\_

United States Geological Survey  
Subject to like approval by the  
appropriate State Officials.

DATE: \_\_\_\_\_

APPROVED: \_\_\_\_\_

Commissioner of Public Lands  
Subject to like approval by the United  
States Geological Survey and the Oil  
Conservation Commission.

DATE: \_\_\_\_\_

APPROVED: \_\_\_\_\_

*A. L. Porter, Jr.*  
Oil Conservation Commission  
Subject to like approval by the United  
States Geological Survey and the  
Commissioner of Public Lands.

DATE: *Jan. 17, 1963*

The foregoing approvals are for the 1962 Drilling Program for the San Juan  
32-7 Unit, #14-08-001-441, San Juan County, New Mexico.



# El Paso Natural Gas Company

El Paso, Texas

November 19, 1962

720

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
TENTH EXPANDED PARTICIPATING AREA  
Mesaverde Formation  
Effective October 1, 1962

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-7 Unit Agreement, #14-08-001-441, approved December 16, 1952, El Paso Natural Gas Company, as Unit Operator, determined on the date indicated below that one additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit. The Participating Area for the Mesaverde Formation is expanded to include this well as follows:

The San Juan 32-7 Unit #37 Well is located 790' from the North line and 300' from the West line of Section 9, Township 32 North, Range 7 West, San Juan County, New Mexico. This well was spudded on July 25, 1962, and completed on September 3, 1962, at a total depth of 7740'. The Mesaverde Formation between 5518' - 5522', 5527' - 5531', 5547' - 5551', 5587' - 5591' was treated with a sand-water fracturing process. After being shut-in for gauge on September 4, 1962, for sixteen (16) days, the well was tested on September 20, 1962, and following

a three (3) hour blow-down period gauged 4130 MCFGPD through a 3/4" choke and 4664 MCFGPD by the calculated absolute open-flow method with an SIPC and an SIPT of 1034 PSIA.. The committed drilling block upon which this well is located is described as the E/2 Fractional Section 8 and W/2 W/2 Fractional Section 9, Township 32 North, Range 7 West, N.M.P.M., and consists of 298.33 acres. The determination that this well is capable of producing unitized substances in paying quantities was made on September 20, 1962.

Attached is Schedule XII showing the Tenth Expanded Participating Area for the Mesaverde Formation of the San Juan 32-7 Unit Area. This describes the Expanded Participating Area and shows the percentage of unitized substances allocated to each unitized tract. Inasmuch as this needs no official approval, no provision is made therefor, and in the absence of disapproval this Tenth Expanded Participating Area will become effective as of October 1, 1962.

The San Juan 32-7 Unit #37 Well was also completed in the Dakota Formation, which will be handled by separate letter.

Copies of this letter and schedule are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



T. W. Bittick  
Assistant Manager  
Land Department

TWB:JBB:ag  
Attachment

**SAN JUAN 32-7 UNIT**  
**Working Interest Owners**

Amerada Petroleum Corporation  
Land Department  
Attention: Mr. F. W. Hulsizer and Mr. Lloyd Kepler  
P. O. Box 2040  
Tulsa, Oklahoma

General American Oil Company of Texas  
Attention: Mr. James W. Goss, Jr.  
Meadows Building  
Dallas 6, Texas

Mr. N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

Pan American Petroleum Corporation  
Attention: Mr. T. M. Curtis  
P. O. Box 480  
Farmington, New Mexico

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas

Phillips Petroleum Company  
Attention: Mr. R. F. Rood or Mr. V. H. Stone  
508 Bank Building  
Bartlesville, Oklahoma

Phillips Petroleum Company  
Attention: Division Landman  
Land & Geological Department  
1200 Denver Club Building  
Denver 2, Colorado

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

**SCHEDULE XII**  
**TENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION**  
**SAN JUAN 32-7 UNIT AREA**

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078459	<u>T-32-N, R-7-W</u> <u>Sec. 22: E/2</u>	<u>320.00</u>	<u>TRACT 1</u>			
			Royalty;	12.50%	12.50%	<u>6.27065%</u>
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>San Juan 32-7</u>						
<u>#9-22 Well</u>						
SF 078460	<u>T-32-N, R-7-W</u> <u>Sec. 17: W/2</u>	<u>320.00</u>	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	<u>6.27065%</u>
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>San Juan 32-7</u>						
<u>#7-17 Well</u>						
SF 078460	<u>T-32-N, R-7-W</u> <u>Sec. 17: E/2</u>	<u>320.00</u>	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	<u>6.27065%</u>
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>San Juan 32-7</u>						
<u>#16-17 Well</u>						
SF 078460	<u>T-32-N, R-7-W</u> <u>Sec. 3: SE/4 SE/4</u>	<u>40.00</u>	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	<u>.78383%</u>
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	<u>5.00%</u>	<u>5.00%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	

Effective October 1, 1962



SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
NM 05540	<u>T-32-N, R-7-W</u> <u>Sec. 9: SW/4 SW/4</u>  40.00		<u>TRACT 15</u>		12.50%	<u>.78383%</u>
			Royalty;			
			Working Interest:			
			El Paso Natural Gas Co.;		82.50%	
			ORRI;		<u>5.00%</u>	
			TOTAL		<u>100.00%</u>	
Fee	<u>T-32-N, R-7-W</u> <u>Sec. 9: Lot 4,</u> <u>NW/4 SW/4</u>  218.33		<u>TRACT 21</u>		12.50%	<u>4.27835%</u>
			Royalty;			
			Working Interest:			
			El Paso Natural Gas Co.;		87.50%	
			ORRI;		<u>0.00%</u>	
			TOTAL		<u>100.00%</u>	
San Juan 32-7 #37 Well	<u>E/2 Frac. Sec. 8</u> <u>and W/2 W/2 Frac.</u> <u>Sec. 9</u>  298.33				100.00%	<u>5.84601%</u>
SF 078460	<u>T-32-N, R-7-W</u> <u>Sec. 20: NW/4,</u> <u>N/2 SW/4,</u> <u>SE/4 SW/4</u>  280.00		<u>TRACT 2</u>		12.50%	<u>5.48682%</u>
			Royalty;			
			Working Interest:			
			El Paso Natural Gas Co.;		82.50%	
			ORRI;		<u>5.00%</u>	
			TOTAL		<u>100.00%</u>	
Fee	<u>T-32-N, R-7-W</u> <u>Sec. 20: SW/4 SW/4</u>  40.00		<u>TRACT 22</u>		12.50%	<u>.78383%</u>
			Royalty;			
			Working Interest:			
			El Paso Natural Gas Co.;		84.50%	
			ORRI;		<u>3.00%</u>	
			TOTAL		<u>100.00%</u>	
No Well	<u>Sec. 20: W/2</u>  320.00				100.00%	<u>6.27065%</u>

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078460	T-32-N, R-7-W Sec. 20: NE/4, W/2 SE/4	240.00	<u>TRACT 2</u>			
			Royalty;	12.50%	12.50%	4.70299%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Fee	T-32-N, R-7-W Sec. 20: E/2 SE/4	80.00	<u>TRACT 23</u>			
			Royalty;	12.50%	12.50%	1.56766%
			Working Interest;			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	00.00%	00.00%	
			TOTAL	100.00%	100.00%	
San Juan 32-7 #11-20 Well	T-32-N, R-7-W Sec. 20: E/2	320.00	<u>TRACT 3</u>			
			Royalty;	12.50%	12.50%	6.27065%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
SF 078472	T-32-N, R-7-W Sec. 28: NE/4	160.00	<u>TRACT 5</u>			
			Royalty;	12.50%	12.50%	3.13533%
			Working Interest;			
			El Paso Natural Gas Co.;	80.00%	80.00%	
			ORRI;	7.50%	7.50%	
			TOTAL	100.00%	100.00%	
SF 078542	T-32-N, R-7-W Sec. 28: SE/4	160.00	<u>TRACT 5</u>			
			Royalty;	12.50%	12.50%	3.13533%
			Working Interest;			
			El Paso Natural Gas Co.;	80.00%	80.00%	
			ORRI;	7.50%	7.50%	
			TOTAL	100.00%	100.00%	
San Juan 32-7 #14-28 Well	T-32-N, R-7-W Sec. 28: E/2	320.00	<u>TRACT 5</u>			
			Royalty;	12.50%	12.50%	6.27065%
			Working Interest;			
			El Paso Natural Gas Co.;	80.00%	80.00%	
			ORRI;	7.50%	7.50%	
			TOTAL	100.00%	100.00%	

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078472	<u>T-32-N, R-7-W</u> <u>Sec. 27: NW/4</u>	160.00	<u>TRACT 3</u>  Royalty; Interest; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>3.13532%</u>
				82.50%	82.50%	
				5.00%	5.00%	
				100.00%	100.00%	
SF 078543	<u>T-32-N, R-7-W</u> <u>Sec. 27: SW/4</u>	160.00	<u>TRACT 6</u>  Royalty; Interest; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>3.13532%</u>
				82.50%	82.50%	
				5.00%	5.00%	
				100.00%	100.00%	
San Juan 32-7 #2-27 Well	<u>Sec. 27: W/2</u>	<u>320.00</u>			100.00%	<u>6.27064%</u>
SF 078472	<u>T-32-N, R-7-W</u> <u>Sec. 29: NE/4 NW/4,</u> <u>SE/4 SW/4</u>	80.00	<u>TRACT 3</u>  Royalty; Interest; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>1.56766%</u>
				82.50%	82.50%	
				5.00%	5.00%	
				100.00%	100.00%	
Fee	<u>T-32-N, R-7-W</u> <u>Sec. 29: NW/4 NW/4,</u> <u>S/2 NW/4,</u> <u>N/2 SW/4,</u> <u>SW/4 SW/4</u>	240.00	<u>TRACT 22</u>  Royalty; Interest; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>4.70299%</u>
				84.50%	84.50%	
				3.00%	3.00%	
				100.00%	100.00%	

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<u>San Juan 32-7</u> <u>#22-29 Well</u>	<u>Sec. 29: W/2</u>	<u>320.00</u>			<u>100.00%</u>	<u>6.27065%</u>
<u>SF 078996</u>	<u>T-31-N, R-7-W</u> <u>Sec. 8: E/2</u>	<u>320.00</u>	<u>TRACT 10</u>  Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>		<u>6.27065%</u>
<u>San Juan 32-7</u> <u>#5-8 Well</u>	<u>Sec. 8: E/2</u>	<u>320.00</u>			<u>100.00%</u>	<u>6.27065%</u>
<u>SF 078996</u>	<u>T-31-N, R-7-W</u> <u>Sec. 4: Lots 6,7,8,</u> <u>Lot 5 of Sec.</u> <u>5, SW/4,</u> <u>NW/4 SE/4</u>	<u>323.15</u>	<u>TRACT 10</u>  Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>		<u>6.33238%</u>
<u>San Juan 32-7</u> <u>#19-4 Well</u>	<u>Sec. 4:</u> <u>As. above</u>	<u>323.15</u>			<u>100.00%</u>	<u>6.33238%</u>
<u>SF 078998</u>	<u>T-31-N, R-7-W</u> <u>Sec. 17: W/2</u>	<u>320.00</u>	<u>TRACT 11</u>  Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  TOTAL	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>		<u>6.27065%</u>
<u>San Juan 32-7</u> <u>#8-17 Well</u>	<u>Sec. 17: W/2</u>	<u>320.00</u>			<u>100.00%</u>	<u>6.27065%</u>

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078998	<u>T-31-N, R-7-W</u> <u>Sec. 17: E/2</u>	<u>320.00</u>	<u>TRACT 11</u>			<u>6.27065%</u>
			Royalty;	12.50%	12.50%	
			Working Interest;		82.50%	
			El Paso Natural Gas Co.;		5.00%	
			ORRI;		<u>100.00%</u>	
			TOTAL			
San Juan 32-7 <u>#17-17 Well</u>	<u>Sec. 17: E/2</u>	<u>320.00</u>	<u>TRACT 10</u>			<u>6.27065%</u>
			Royalty;	12.50%	12.50%	
			Working Interest;		82.50%	
			El Paso Natural Gas Co.;		5.00%	
			ORRI;		<u>100.00%</u>	
			TOTAL			
SF 078996	<u>T-31-N, R-7-W</u> <u>Sec. 5: Lots 6,7,8,</u> <u>SE/4, E/2 SW/4</u>	<u>321.66</u>	<u>TRACT 16</u>			<u>6.30318%</u>
			Royalty;	12.50%	12.50%	
			Working Interest;		82.50%	
			El Paso Natural Gas Co.;		5.00%	
			ORRI;		<u>100.00%</u>	
			TOTAL			
San Juan 32-7 <u>#18-5 Well</u>	<u>Sec. 5:</u> <u>As Above</u>	<u>321.66</u>	<u>TRACT 16</u>			<u>6.30318%</u>
			Royalty;	12.50%	12.50%	
			Working Interest;		87.50%	
			N. B. & B. R. Gerber;		0.00%	
			ORRI;		<u>100.00%</u>	
			TOTAL			
E-178-4	<u>T-32-N, R-7-W</u> <u>Sec. 16: W/2 W/2</u>	<u>160.00</u>	<u>TRACT 17</u>			<u>3.13533%</u>
			Royalty;	12.50%	12.50%	
			Working Interest;		87.50%	
			N. B. & B. R. Gerber;		0.00%	
			ORRI;		<u>100.00%</u>	
			TOTAL			
E-503-3	<u>T-32-N, R-7-W</u> <u>Sec. 16: E/2 W/2</u>	<u>160.00</u>	<u>TRACT 17</u>			<u>3.13532%</u>
			Royalty;	12.500%	12.500%	
			Working Interest;		65.625%	
			El Paso Natural Gas Co.;		21.875%	
			ORRI;		<u>100.000%</u>	
			TOTAL			

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
San Juan 32-7 #13-16 Well	Sec. 16: W/2	320.00			100.00%	6.27065%
TRACT 17-A						
E-503-5	T-32-N, R-7-W Sec. 32: E/2 W/2	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50%	3.13532%
			TOTAL			
TRACT 24						
Fee	T-32-N, R-7-W Sec. 32: W/2 W/2	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 87.50% 0.00% 100.00%	12.50%	3.13532%
			TOTAL			
San Juan 32-7 #10-32 Well	Sec. 32: W/2	320.00			100.00%	6.27064%

SCHEDULE XII

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		

RECAPITULATION

Township 31 North, Range 7 West, N.M.P.M.  
Sec. 4: Lots 6,7,8, SW/4, NW/4 SE/4  
Sec. 5: Lots 5,6,7,8, SE/4, E/2 SW/4  
Sec. 8: E/2  
Sec. 17: All

Township 32 North, Range 7 West, N.M.P.M.  
Sec. 8 (Frac.): E/2  
Sec. 9 (Frac.): W/2 W/2  
Secs. 17, 20: All  
Secs. 16,27,29,32: W/2  
Secs. 22, 28: E/2

Total Number of Acres in Participating Area: 5103.14  
Total Number of Acres Committed to Participating Area: 5103.14  
Percentage of Working Interest Committed: 100.00%  
Percentage of Basic Royalty Committed: 100.00%  
Percentage of ORRI Committed: 100.00%

Drawer 1857  
Roswell, New Mexico

August 15, 1962

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

Attention: Mr. Sam Smith

Gentlemen:

Your notice of June 25 advises that El Paso Natural Gas Company, as unit operator of the San Juan 32-7 unit agreement, San Juan County, New Mexico, has determined unit well No. 35 in the NE $\frac{1}{4}$  sec. 22 T. 32 N., R. 7 W., on Federal lease NF 078459 to be incapable of producing unitized substances in paying quantities from the Dakota formation. This well was tested November 15, 1961, for an initial absolute open flow potential of 3357 MCF of gas per day from the Dakota formation, 8143-8219 feet.

This office concurs with your determination that unit well No. 35 is incapable of producing unitized substances in paying quantities from the Dakota formation under existing conditions.

Very truly yours,

(Sgt.) CARL C. TRAYWICK

CARL C. TRAYWICK  
Acting Oil and Gas Supervisor

Copy to: Washington (w/cy of notice)  
Farmington (w/cy of notice)  
NMOCC - Santa Fe (ltr. only) /  
Com. of Pub. Lands - Santa Fe (ltr. only)



420  
Drawer 1857

Roswell, New Mexico

July 20, 1962

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

Attention: Mr. Sam Smith

Gentlemen:

Your notice of June 25 advises that El Paso Natural Gas Company, as unit operator of the San Juan 32-7 unit area, has determined unit well No. 35 in the NE $\frac{1}{4}$  sec. 22, T. 32 N., R. 7 W., N.M.P.M., to be incapable of producing unitized substances in paying quantities from the Dakota formation. The well was tested on November 15, 1961, for an initial open flow potential of 3357 MCF of gas per day from the Dakota formation.

Before this office can consider your determination, the following additional information is needed:

1. An estimate of the recoverable reserves from the Dakota formation attributable to unit well No. 35.
2. The reservoir data from which the reserve calculations were made; including the gas gravity, pay thickness, porosity, water saturation, initial bottom hole pressure, bottom hole temperature, and abandonment pressure.
3. The economics involved; including well cost, operating cost and estimated payout time.

On receipt of the above requested information, your notice will be given further consideration.

Very truly yours,

(Orig. Sgd) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington  
Farmington  
Com. Pub. Lands, Santa Fe  
N.M.O.C.C.-Santa Fe

*El Paso Natural Gas Company*

*El Paso, Texas*

June 25, 1962

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
NOTICE OF COMPLETION OF NON-COMMERCIAL  
WELL in the Dakota Formation

Dear Mr. Anderson:

Pursuant to the provisions of Section 11(b) of the San Juan 32-7 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, has determined that the following described well is not capable of producing unitized substances in paying quantities from the Dakota Formation:

The San Juan 32-7 Unit #35 Well, located 1070' from the North line and 1100' from the East line of Section 22, Township 32 North, Range 7 West, San Juan County, New Mexico, was spudded on October 7, 1961, and completed on November 6, 1961, at a total depth of 8315' in the Dakota Formation. The Dakota Formation in the intervals between 8143' - 8153', 8190' - 8200', 8209' - 8219' was treated with a sand-water fracturing process on November 4, 1961. The Dakota Formation was shut-in for gauge on November 6, 1961, and after being shut-in for nine (9) days, the Dakota Formation was tested on November 15, 1961, and following a three (3) hour blow-down period gauged 3105 MCFGPD through a 3/4" choke, and 3357 MCFGPD by the calculated absolute open-flow method, with an SIPT and an SIPC of 2907 PSIA.

The calculation of the reserves attributable to this well indicates that the reserves are not sufficient for the well to payout.

If this determination meets with your approval, please indicate such approval in the space provided and return an approved copy hereof for our files.



SAN JUAN 32-7 UNIT  
Working Interest Owners

Amerada Petroleum Corporation  
Land Department  
Attention: Mr. F. W. Hulsizer and Mr. Lloyd Kepler  
P. O. Box 2040  
Tulsa, Oklahoma

General American Oil Company of Texas  
Attention: Mr. James W. Goss, Jr.  
Meadows Building  
Dallas 6, Texas

Mr. N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

Pan American Petroleum Corporation (12)  
Attention: Mr. T. M. Curtis  
P. O. Box 480  
Farmington, New Mexico

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas

Phillips Petroleum Company  
Attention: Mr. R. F. Rood or Mr. V. H. Stone  
508 Bank Building  
Bartlesville, Oklahoma

Phillips Petroleum Company  
Attention: Division Landman  
Land & Geological Department  
1200 Denver Club Building  
Denver 2, Colorado

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

# El Paso Natural Gas Company

El Paso, Texas

July 11, 1961

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
Post Office Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
NOTICE OF DRY HOLE  
Mesaverde Formation

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-7 Unit Agreement, #14-08-001-441, approved December 16, 1952, El Paso Natural Gas Company, as Unit Operator, determined on October 13, 1960, that the following described well was not capable of producing unitized substances from the Mesaverde Formation:

The San Juan 32-7 Unit #21 Well is located 1800' from the South line and 990' from the West line of Section 20, Township 32 North, Range 7 West, San Juan County, New Mexico. This well was spudded on October 1, 1960, and drilled to a total depth of 5729' in the Mesaverde Formation. On October 14, 1960, the well was temporarily plugged and abandoned by bolting a steel plate on the bradenhead with 4' by 4" pipe as a permanent marker. The well has now been permanently plugged and abandoned and the location restored to original contour. The committed drilling block upon which this well was located is described as the W/2 of Section 20, Township 32 North, Range 7 West, N.M.P.M., containing 320.00 acres. This acreage was included in the Ninth Expanded Participating Area for the Mesaverde Formation as an intervening drilling block.

Since this well was determined to be a dry hole and has been plugged and abandoned, official approval is not necessary.

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

By Charles Higgins  
Charles Higgins  
Area Coordinator  
Land Department

CH:AJM:cah

SAN JUAN 32-7 UNIT  
Working Interest Owners

Amerada Petroleum Corporation  
Land Department  
Attention: Mr. F. W. Hulsizer and Mr. Lloyd Kepler  
P.O. Box 2040  
Tulsa, Oklahoma

General American Oil Company of Texas  
Attention: Mr. James W. Goss, Jr.  
Meadows Building  
Dallas 6, Texas

Mr. N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

Pan American Petroleum Corporation (12)  
Attention: Mr. L. O. Speer, Jr.  
P.O. Box 480  
Farmington, New Mexico

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas

Phillips Petroleum Company  
Attention: Mr. R. F. Rood or Mr. R. A. Brown  
508 Bank Building  
Bartlesville, Oklahoma

Phillips Petroleum Company  
Attention: Division Landman  
Land & Geological Department  
1200 Denver Club Building  
Denver 2, Colorado

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

# El Paso Natural Gas Company

El Paso, Texas

June 23, 1961

*Case 4:0*

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

Commissioner of Public Lands  
State of New Mexico  
Post Office Box 791  
Santa Fe, New Mexico

Oil Conservation Commission  
State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit  
1961 Drilling Program

Gentlemen:

The 1961 Drilling Program for the San Juan 32-7 Unit was approved by the regulatory bodies on the following dates:

1. United States Geological Survey - June 15, 1961
2. Commissioner of Public Lands - February 28, 1961
3. Oil Conservation Commission - June 21, 1961

Copies of this letter are being sent to all the working interest owners of the San Juan 32-7 Unit.

Very truly yours,

*Charles Higgins*

Charles Higgins  
Area Coordinator  
Land Department

CH:AJM:fsc



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*Case 1492*

June 21, 1961

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

Attention: Mr. Sam Smith

Re: 1961 Plan of Development  
San Juan 32-7 Unit San Juan  
County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1961 Plan of Development for the San Juan 32-7 Unit San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ALP/JEK/ig

cc: US Geological Survey - Roswell

Commissioner of Public Lands - Santa Fe

C  
O  
P  
Y



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Drawer 1857  
Roswell, New Mexico

IN REPLY REFER TO:

RECEIVED

JUN 19 1961

O. C. C.  
ARTESIA, OFFICE

June 15, 1961

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

Attention: Mr. Sam Smith

Gentlemen:

Your plan of development for 1961, dated January 20, 1961, for the San Juan 52-7 unit area, San Juan County, New Mexico, which proposes the drilling of no wells, has been approved on this date subject to like approval by the appropriate State officials.

Such approval is not to be construed that this office concurs in your opinion that there are no commercial locations remaining in the unit area.

Two approved copies of the plan are enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)  
Farmington (w/cy of plan)  
NMOCC, Santa Fe (ltr. only)

In reply refer to:  
Unit Division

February 28, 1961

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

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
1961 Drilling Program

Attention: Mr. Sam Smith

Gentlemen:

We are enclosing one approved copy of your 1961  
Drilling Program for the San Juan 32-7 Unit Area.

The Commissioner of Public Lands approved this Plan  
as of February 28, 1961.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

ESW/mmz/s

cc: US Geological Survey  
Roswell, New Mexico

Oil Conservation Commission  
Santa Fe, New Mexico

# El Paso Natural Gas Company

El Paso, Texas

January 20, 1961

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

Commissioner of Public Lands  
Of the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Oil Conservation Commission  
Of the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
1961 DRILLING PROGRAM

Gentlemen:

By letter dated December 3, 1959, Pacific Northwest Pipeline Corporation, as Unit Operator, filed a Drilling Program regarding the captioned unit for the calendar year 1960. By letter dated October 6, 1960, El Paso Natural Gas Company, as successor Unit Operator, filed a Supplement to said Program. The original Drilling Program and the Supplement thereto provided for the drilling of one (1) Mesaverde Well. This well was drilled to the Mesaverde Formation, however, since the show of gas was too small to measure, the well was subsequently abandoned.

As of this date, the total number of wells in the San Juan 32-7 Unit is as follows:

Pictured Cliffs	1	(Non-Commercial)
Fruitland	2	
Mesaverde	17	(1 Non-Commercial, 1 Plugged & Abandoned, and 1 Abandoned)

Pursuant to Section 10 of the San Juan 32-7 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, is herewith submitting this Drilling Program providing for the drilling of no wells during the period from January 1, 1961 to December 31, 1961.

El Paso Natural Gas Company, as Unit Operator, has concluded that at the present time there are no commercial locations remaining in the unit area. We will continue to evaluate and study the area and will drill any wells which may become warranted by changing economic conditions.

El Paso Natural Gas Company, as Unit Operator, will further drill any offset wells required to prevent drainage of unitized substances, and any wells deemed necessary or desirable by the Unit Operator and the working interest owners in the affected drilling blocks.


All of the working interest owners have been contacted and we have received no requests for drilling from said 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 Drilling Program are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By   
Sam Smith, Manager  
Land Department

SS:JNN:cah




APPROVED: \_\_\_\_\_  
United States Geological Survey  
Subject to like approval by the  
appropriate State Officials.

DATE \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Commissioner of Public Lands  
Subject to like approval by the United  
States Geological Survey and the  
Oil Conservation Commission.

DATE \_\_\_\_\_

APPROVED:  \_\_\_\_\_  
Oil Conservation Commission,  
Subject to like approval by the  
United States Geological Survey and  
the Commissioner of Public Lands.

DATE 6-21-61

The foregoing approvals are for the 1961 Drilling Program for the San Juan 32-7 Unit,  
#14-08-001-441, San Juan County, New Mexico.

C CONSERVATION COMMISSION I

P. O. BOX 871

SANTA FE, NEW MEXICO

January 10, 1961

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

ATTENTION: Mr. Sam Smith

RE: 1960 Supplemental Plan  
of Development, San Juan  
32-7 Unit, San Juan County,  
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1960 Supplemental Plan of Development for the San Juan 32-7 Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ALP/JEK/ig

cc: United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
Santa Fe, New Mexico





IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

December 23, 1960

*Case # 420*

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

Attention: Mr. Sam Smith

Gentlemen:

Your 1960 supplemental plan of development dated October 6, 1960, for the San Juan 32-7 unit agreement, San Juan County, New Mexico, proposing the deletion of the Mesaverte well in the ~~SW~~ of sec. 2, T. 31 N., R. 7 W., N.M.F.M., has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Very truly yours,

*John A. Anderson*

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)  
Farmington (w/cy of plan)  
NMOCC, Santa Fe (ltr only)

# El Paso Natural Gas Company

*El Paso, Texas*

December 5, 1960

Oil Conservation Commission  
Of the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico

Gentlemen:

Reference is made to our Supplemental 1960 Plan of Development dated October 6, 1960, whereby the San Juan 32-7 Unit #23-2 Well was deleted from the 1960 Drilling Program. We have determined that the drilling of said well would be uneconomical, and in support thereof we offer the following information:

Estimated Recoverable Reserves:	1,118 M <sup>2</sup> CF
Net Interest (excluding overriding royalty and production payments):	87.50%
Estimated New Mexico production taxes:	5.60%
Estimated annual operating expense:	\$720.00
Estimated average gas value, cents/MCF:	14
Estimated deliverability, MCF/D:	125
Estimated load factor	70%
Estimated annual production, (125 x 365 x .70), MCF:	31,938
Estimated annual income, (31,938 x .875 x .944 x .14):	\$3,693.31

# El Paso Natural Gas Company

El Paso, Texas

December 1, 1960

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

Commissioner of Public Lands  
Of the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Oil Conservation Commission  
Of the State of New Mexico  
Capitol Annex Building  
Santa Fe, New Mexico

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
EXHIBIT "B", Revised effective  
December 1, 1960

Gentlemen:

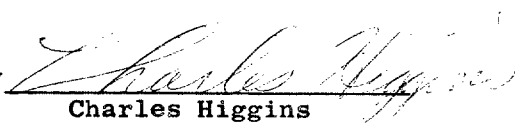
We are enclosing herewith for your files a copy of the Exhibit "B" covering the captioned Unit which has been revised effective December 1, 1960.

Copies of this letter and Exhibit are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

  
Charles Higgins  
Area Coordinator  
Land Department

CH:JNN:nl

Attachment

**SAN JUAN 32-7 UNIT**  
**Working Interest Owners**

Phillips Petroleum Company  
508 Bank Building  
Bartlesville, Oklahoma  
Attention: Mr. R. F. Rood or R. A. Brown

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas  
Attention: Mr. H. H. Phillips, Jr.

Pan American Petroleum Corporation  
Post Office Box 480  
Farmington, New Mexico  
Attention: Mr. L. O. Speer, Jr.

General American Oil Company of Texas  
Meadows Building  
Dallas 6, Texas  
Attention: Mr. James W. Goss,  
Vice President

N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

Mr. J. Glenn Turner  
1900 Mercantile Dallas Building  
Dallas 1, Texas

Amerada Petroleum Corporation  
Post Office Box 2040  
Tulsa, Oklahoma  
Attention: Mr. F. W. Hulsizer and  
Lloyd Kepler  
Land Department

EXHIBIT "B"  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
1	<u>T-32-N, R-7-W</u>	640.00	Santa Fe 078459 5-1-48	U.S.A. 12½% All	El Paso Natural Gas Company	Ora R. Hall & Matilda V. Hall Sunshine Royalty Company  Total	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company <u>Below Base of Mesaverde Formation</u> El Paso Natural Gas Company
	Sec. 22: All						
2	<u>T-32-N, R-7-W</u>	2,402.30	Santa Fe 078460 5-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	Charlie W. Parcel and Gertrude L. Parcel Era M. Milligan Sunshine Royalty Company  Total	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company <u>Below Base of Mesaverde Formation</u> El Paso Natural Gas Company
	Sec. 7: Lots 4,5,6, SE/4 SW/4						
	Sec. 8: SE/4 SE/4						
	Sec. 17: All						
	Sec. 18: Lots 1,2,3,4, E/2 W/2 (W/2)						
	Sec. 19: W/2, W/2 SE/4, SW/4 NE/4						
	Sec. 20: N/2, W/2 SE/4, E/2 SW/4, NW/4 SW/4						
	Sec. 21: SE/4, E/2 NE/4						
	Sec. 29: N/2 NE/4						
3	<u>T-32-N, R-7-W</u>	1,200.00	Santa Fe 078472 5-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	Charles H. Wright and Helen F. Wright Faye M. Glaze Charlie W. Parcel Guy R. Campbell et ux Ernest H. Peterson and Juanita V. Peterson Total	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company <u>Below Base of Mesaverde Formation</u> El Paso Natural Gas Company
	Sec. 23: SW/4						
	Sec. 26: N/2 NW/4						
	Sec. 27: N/2						
	Sec. 28: N/2						
	Sec. 29: S/2 NE/4, SE/4, NE/4 NW/4, SE/4 SW/4						
4	<u>T-32-N, R-7-W</u>	40.00	Santa Fe 078483 7-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	Sunshine Royalty Company	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company <u>Below Base of Mesaverde Formation</u> El Paso Natural Gas Company
	Sec. 26: SE/4 NW/4						

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
5	T-32-N, R-7-W Sec. 28: S/2 Sec. 34: N/2 Sec. 35: S/2	960.00	Santa Fe 078542 5-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	A. Caylor and Lorene Caylor 2.000% T. H. McElvain and Catherine B. McElvain 1.500% C. K. Lowe .075% Ralph Lowe .750% W. H. Black .675% General American Oil Co. 2.500% Total 7.500%	El Paso Natural Gas Company All  Subject to reversion of interest to General American Oil Company
6	T-32-N, R-7-W Sec. 27: S/2 Sec. 33: N/2 Sec. 35: N/2	960.00	Santa Fe 078543 5-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	Guy R. Campbell and Mary D. Campbell 1.000% Ernest H. Peterson and Juanita V. Peterson .500% Ralph McCormick and wife, Clayton McCormick 2.000% Jessie Maude Keys .500% Neil D. Schwed and Jane M. Schwed, joint tenants .083% Herbert J. Newcomb and Ardella H. Newcomb .083% Walter E. Schwed and wife, Annette P. Schwed .334% J. V. Fritts and wife, Ruth Fritts .250% A. L. Duff, Jr. .250% Total 5.000%	To Base of Mesaverde Formation El Paso Natural Gas Company All* Below Base of Mesaverde Formation El Paso Natural Gas Company All**
7	T-32-N, R-7-W Sec. 21: W/2 NW/4	80.00	Santa Fe 078669	U.S.A. 12½% All	Phillips Drilling Corporation	None	Phillips Drilling Corporation All
8	T-32-N, R-7-W Sec. 30: Lots 1, 2, 3, 4, E/2 W/2, E/2(A11) Sec. 31: Lots 1, 2, 3, 4, E/2 W/2, W/2 E/2, NE/4 NE/4 Sec. 33: SW/4, W/2 SE/4	1,387.92	Santa Fe 078992 4-1-48 5 yrs.	U.S.A. 12½% All	El Paso Natural Gas Company	As to Secs. 30, 31: Alma Mae B. Anderson .0383% C. S. Page, Jr. 1.0000% Texas Nat'l. Petroleum .3330% Petro Minerals .4070% R. E. Beamon .0767% Jack Neveleff .0325% Albert E. Fagan .0325%	To Base of Mesaverde Formation El Paso Natural Gas Company All* Below Base of Mesaverde Formation El Paso Natural Gas Company All**

(Cont'd)

(Cont'd)

Tract No.	Description	Number, Date and Term of Lease		Basic Royalty and Percentage		Lessee of Record	ORRI and Percentage	Working Interest and Percentage
		No. of Acres						

8 (Cont'd)

R. E. Beamon, III	.0150%
E. F. Kalb	.0650%
Wilson Petroleum Co.	1.0000%
C. S. Preston, Trustee	1.0000%
Guy R. Campbell, et ux	1.0000%
Total	5.0000%

As to Sec. 33:

Alma Mae B. Anderson	.0383%
C. S. Page, Jr.	1.0000%
Texas National Petro- leum Company	.3330%
Petro Minerals	.4070%
R. E. Beamon	.0767%
Jack Neveleff	.0325%
Albert E. Fagan	.0325%
R. E. Beamon, III	.0150%
E. F. Kalb	.0650%
Wilson Petroleum Company	1.0000%
Ernest H. Peterson	.5000%
Guy R. Campbell	1.5000%
Total	5.0000%

9 T-31-N, R-7-W

Sec. 10: NE/4

160.00

Santa Fe  
078993  
8-1-48  
5 yrs.

U.S.A.  
12% All

El Paso Natural  
Gas Company

C. S. Page, Jr.	1.0000%
Texas Nat'l Petroleum	.3330%
Petro Minerals	.4070%
R. E. Beamon	.0767%
Jack Neveleff	.0325%
Albert E. Fagan	.0325%
R. E. Beamon, III	.0150%
E. F. Kalb	.0650%
Grace L. Hatheway, et vir	.5000%
Wilson Petroleum Co.	1.0000%
Alma Mae B. Anderson	.0383%
Guy R. Campbell and Mary D. Campbell	1.5000%
Total	5.0000%

To Base of Mesaverde Formation	
El Paso Natural Gas Company	All*
Below Base of Mesaverde Formation	
El Paso Natural Gas Company	All**

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	O&RI and Percentage	Working Interest and Percentage
10	T-31-N, R-7-W	2,537.37	Santa Fe	U.S.A.	El Paso Natural	As to Secs. 6, 7:	To Base of Mesav
Sec. 6:	Lots 8, 9, 10, 11, 12, 13, 14, 15, NW/4 SE/4, S/2 SE/4, NE/4 SW/4		078996 4-1-48 5 yrs.	12 1/2% All	Gas Company	Alma Mae B. Anderson Grace L. Hatheway Wilson Petroleum Co. C. S. Page, Jr. Albert E. Fagan R. E. Beamon, III E. F. Kalb Jack Neveleff R. E. Beamon Petro Minerals Texas Nat'l. Petroleum C. S. Preston, Trustee Total Guy R. Campbell Total	Formation El Paso Natural Gas Company Below Base of Mesav Formation El Paso Natural Gas Company
Sec. 7:	Lots 5, 6, 7, 8, 9, NE/4, N/2 SE/4, SE/4 SE/4						
Sec. 4:	Lots 5, 6, 7, 8, S/2					As to Sec. 4: As Above* Juanita V. Peterson Total	
Sec. 3:	Lots 5, 6, 7, 8, N/2 SE/4, W/2 SW/4					As to Secs. 3, 5: As Above* Marian Shonyo Total	
Sec. 5:	Lots 5, 6, 7, 8, S/2						
Sec. 8:	All					As to Sec. 8: As Above* A. L. Whiting Total	



Tract No.	Description	No. of Acres	Number, Date and Term of Lease		Basic Royalty and Percentage		Lessee of Record	CRRT and Percentage		Working Interest and Percentage	
11	<u>T-31-N, R-7-W</u>	1,718.91	Santa Fe	U.S.A.	12½ All	EI Paso Natural Gas Company	As to Secs. 9,17,33; Alma Mae B. Anderson Grace L. Hatheway Wilson Petroleum Co. C. S. Page, Jr. Petro Minerals Texas Nat'l Petroleum R. E. Beamon Jack Neveleff Albert E. Fagan R. E. Beamon, III E. F. Kalb Marian Shonyo	Total	*4.0000%	To Base of Mesaverde Formation EI Paso Natural Gas Company Below Base of Mesaverde Formation EI Paso Natural Gas Company	All*
	<u>Sec. 9: N/2</u>										
	<u>Sec. 17: All</u>										
	<u>T-32-N, R-7-W</u>										
	<u>Sec. 33: E/2 SE/4</u>										
	<u>T-31-N, R-7-W</u>						Guy R. Campbell and Mary D. Campbell	Total	1.0000%	5.0000%	
	<u>Sec. 18: Lots 5,6,7,8,9,10, E/2 NE/4, NE/4 SE/4, SE/4 NW/4, E/2 SW/4</u>										
	<u>T-32-N, R-7-W</u>										
	<u>Sec. 34: S/2</u>										
	<u>T-32-N, R-7-W</u>										
12	<u>T-32-N, R-7-W</u>	40.00	Santa Fe	U.S.A.	12½ All	EI Paso Natural Gas Company	Sunshine Royalty Company	Total	5.0000%	To Base of Mesaverde Formation EI Paso Natural Gas Company Below Base of Mesaverde Formation EI Paso Natural Gas Company	All*
	<u>Sec. 26: SW/4 NW/4</u>										
	<u>7-1-49</u>										
	<u>5 yrs.</u>										

Tract No.	Description	No. of Acres	Number, Date and Term of		Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage		Working Interest and Percentage
			Lease						
13	<u>T-32-N, R-7-W</u> Sec. 26: S/2	320.00	New Mexico 03374 5-1-48 5 yrs.		U.S.A. 12½ All	El Paso Natural Gas Company	A. Caylor and Lorene Caylor T. H. McElvain and Catherine B. McElvain Total	2.0000%  3.0000% 5.0000%	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
14	<u>T-32-N, R-7-W</u> Sec. 25: S/2	320.00	New Mexico 03378 5-1-48 5 yrs.		U.S.A. 12½ All	El Paso Natural Gas Company	Ralph McCormick and Clayton McCormick T. H. McElvain and Catherine B. McElvain Total	2.0000%  3.0000% 5.0000%	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
15	<u>T-32-N, R-7-W</u> Sec. 9: SW/4 SW/4	40.00	New Mexico 0540 7-1-51 5 yrs.		U.S.A. 12½ All	El Paso Natural Gas Company	Ernest A. Hanson Lucy M. English Total	4.5000% .5000% 5.0000%	<u>To Base of Mesaverde Formation</u> El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
16	<u>T-32-N, R-7-W</u> Sec. 16: W/2 W/2	160.00	E-178-4 2-13-45 10 yrs.		State of New Mexico 12½ All	N. B. Gerber and B. R. Gerber	None		N. B. Gerber and B. R. Gerber All

Federal Acreage - 15 Tracts, 12,806.50 acres or 71.83% of Unit Area

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
17	T-32-N, R-7-W Sec. 16: E/2 W/2	160.00	E-503-11 8-21-45 10 yrs.	State of New Mexico 12½ All	El Paso Natural Gas Company	Katherine Moore Clammer and W. H. Swearingen Three States Natural Gas Company Squire Products Corp. Total 2.00000% 10.9375% 8.9375% 21.8750%	To Base of Mesaverde Formation El Paso Natural Gas Company Below Base of Mesaverde Formation J. Glenn Turner All
17a	T-32-N, R-7-W Sec. 32: E/2, E/2 W/2 Sec. 36: All	1,120.00	E-503-9 8-21-45 10 yrs.	State of New Mexico 12½ All	El Paso Natural Gas Company	K. F. Moore and W. H. Swearingen Three States Natural Gas Company Total 2.00000% 3.00000% 5.00000%	To Base of Mesaverde Formation El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
18	T-31-N, R-7-W Sec. 2: SW/4	160.00	E-3150-1 12-10-49 10 yrs.	State of New Mexico 12½ All	El Paso Natural Gas Company	John Burroughs 5.00000%	El Paso Natural Gas Company All
19	T-31-N, R-7-W Sec. 2: Lots 5, 6, 7, 8	70.48	E-5464-2 8-10-51 10 yrs.	State of New Mexico 12½ All	El Paso Natural Gas Company	None	To Base of Mesaverde Formation El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
20	T-31-N, R-7-W Sec. 2: W/2 SE/4, SE/4 SE/4	120.00	B-11125-56 3-21-44 10 yrs.	State of New Mexico 12½ All	El Paso Natural Gas Company	First National Bank of Fort Worth, Trustee for the Estate of Roy S. Magruder and Helen M. Kolliker 1.50000%	To Base of Mesaverde Formation El Paso Natural Gas Company Below Base of Mesaverde Formation El Paso Natural Gas Company All*
							El Paso Natural Gas Company All**

Tract No.	Description	Number, Date			Working Interest and Percentage
		No. of Acres	and Term of Lease	Basic Royalty and Percentage	
				Lessee of Record	ORRI and Percentage

20a	T-31-N, R-7-W	40.00	B-11125-58	State of	El Paso Natural	None	To Base of Mesav Formation
	Sec. 2: NE/4 SE/4		3-21-44	New Mexico	Gas Company		El Paso Natural
			10 yrs.	12½% All			Gas Company
							Below Base of Me Formation
							El Paso Natural
							Gas Company

State Acreage - 7 Tracts, 1,830.48 acres or 10.27% of Unit Area.

21	T-32-N, R-7-W	732.58	3-28-51	Paul B. Martin &	El Paso Natural	None	To Base of Mesav Formation
	Sec. 7: Lots 1,2,3,		10 yrs.	Kate F. Martin,	Gas Company		El Paso Natural
	SE/4, NE/4 SW/4			R. M. Martin and			Gas Company
	Sec. 8: Lots 1,2,3,			Ina C. Martin			Below Base of Me
	N/2 SE/4, E/2 SW/4,			4.1667%			El Paso Natural
	SW/4 SE/4			Joseph B. Hersch and			Gas Company
	Sec. 9: Lot 4, NW/4 SW/4			Evelyn E. Hersch and			
	Sec. 18: NE/4 NE/4			Marguerite H. Wiley			
	Sec. 21: W/2 NE/4, E/2 NW/4			4.1667%			
	Except however, the			Clay Anderson and			
	43.73 acre tract des-			Chloe J. Anderson			
	cribed under Unit			4.1666%			
	Tract 22.			Total	12.5000%		

21a	T-32-N, R-7-W	1.00	9-16-52	Paul B. Martin &	El Paso Natural	None	To Base of Mesav Formation
	Sec. 7: The SW/4 SE/4		10 yrs.	Kate F. Martin,	Gas Company		El Paso Natural
	SE/4 except the			R. M. Martin and			Gas Company
	43.73 acre tract			Ina C. Martin			Below Base of Me
	described under			4.1667%			Formation
	Unit Tract 22.			Joseph B. Hersch and			El Paso Natural
				Evelyn E. Hersch and			Gas Company
				Marguerite H. Wiley			
				4.1667%			
				Clay Anderson and			
				Chloe J. Anderson			
				4.1666%			
				Total	12.5000%		

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
22	T-32-N, R-7-W	803.73	4-20-50 5 yrs.	R. M. Martin &	El Paso Natural Gas Company	Brookhaven Oil Company	To Base of Mesaverde Formation
	Ina C. Martin			1.9500%			
	6.25%			.7500%			
	Paul B. Martin and Kate F. Martin			.3000%			
	Total			3.0000%			
Sec. 18: W/2 NE/4, SE/4 NE/4, SE/4							
Sec. 19: NW/4 NE/4, E/2 E/2							
Sec. 20: SW/4 SW/4							
Sec. 29: W/2 W/2, SE/4 NW/4, NE/4 SW/4, and							
				6.25%			All*
				Total 12.50%			
23	T-32-N, R-7-W	240.00	10-18-51 10 yrs.	Mona C. Coury and I. J. Coury	El Paso Natural Gas Company	None	To Base of Mesaverde Formation
	Sec. 20: E/2 SE/4						
Sec. 21: SW/4				12½% All			All*
24	T-32-N, R-7-W	280.00	3-29-51 10 yrs.	Paul B. Martin	El Paso Natural Gas Company	None	To Base of Mesaverde Formation
	Sec. 31: SE/4 NE/4, E/2 SE/4			6.25%			
	R. M. Martin			6.25%			
	Sec. 32: W/2 W/2						
				Total 12.50%			All*

A tract of land located in the NE/4 NE/4 of Section 18 and in the E/2 SE/4 of Section 7, described as follows:  
Beginning at the SW corner of said NE/4 NE/4 of said Section 18, thence North 1700 feet to a point; thence Northeasterly, about 25° East, 1283 feet, (or equal to a right angle of 879 feet) to a point; thence South to the South line of said NE/4 NE/4 of said Section 18; thence West 879 feet, more or less, to the place of beginning, consisting of 43.73 acres, more or less.

To Base of Mesaverde Formation	
El Paso Natural Gas Company	All*
Below Base of Mesaverde Formation	
El Paso Natural Gas Company	All**

To Base of Mesaverde Formation	
El Paso Natural Gas Company	All*
Below Base of Mesaverde Formation	
El Paso Natural Gas Company	All**

To Base of Mesaverde Formation	
El Paso Natural Gas Company	All**

Tract No.	Description	No. of Acres	Number, Date and Term of Lease	Basic Royalty and Percent
25	T-32-N, R-7-W Sec. 8: Lot W/2 SW/4	99.41	6-16-51 10 yrs.	Charley McCoy and Elva McCoy 12½% All
26	T-31-N, R-7-W Sec. 3: E/2 S/2 SW/4, SE/4	160.00		Mazel Brothe Partnership M. E. Grimp Marian Yager Saul A. Yager Total
27	T-31-N, R-7-W Tract 53	40.00	1-15-58 5 yrs.	Paul B. Mart Kate F. Mart 6.25 R. M. Martin Ina C. Marti 6.25 Total 12.50
28	T-31-N, R-7-W Sec. 10: NW/4	160.00		Mazel Brothe Partnership M. E. Grimp Marian Yager Saul A. Yager Total

Tract No.	Description	No. of Acres	Number, Date	Basic Royalty and Percentage	Lessee of Record	O&M I and Percentage	Working Interest and Percentage
			and Term of Lease				
29	<u>T-31-N, R-7-W</u> <u>Tract 54</u>	160.00	1-15-48	Paul B. Martin	Pan American Petro-	None	Pan American Petroleum
			5 yrs.	and Kate F.	leum Corporation		Corporation
			10-1-52	Martin			All
			5 yrs.	3.125%			
			10-1-52	R. M. Martin			
			5 yrs.	and Ina C.			
				Martin			
				3.125%			
				Virginia Amsden			
				Whitmire			
30	<u>T-31-N, R-7-W</u> <u>Sec. 18: SW/4 NE/4,</u> <u>NW/4 SE/4,</u>	100.74		Charles Amsden			
				Larry Amsden			
				Theodore Amsden			
				3.125%			
				C. C. Culpepper			
				and Ethelwyn			
				Culpepper			
				3.125%			
				Total			
				12.500%			
31	<u>T-31-N, R-7-W</u> <u>That part of Tract</u> <u>55 lying in Section 18</u>	59.26	11-12-47	Manuel A. Lucero	Pan American	None	Pan American Petroleum
			10 yrs.	and Carlota	Petroleum Corporation		Corporation
				Lucero			All
				12½% All			
				Manuel A. Lucero	Pan American	None	Pan American Petroleum
				and Carlota	Petroleum Corporation		Corporation
				Lucero			All
				12½% All			

Tract No.	Description	No. of Acres	Number, Date		Basic Royalty		Lessee of Record		ORRI and Percentage		Working Interest and Percentage	
			and Term of Lease		and Percentage							
32	T-31-N, R-7-W Sec. 18: SE/4 SE/4	40.00	11-7-47 10 yrs.		Southland Royalty Company	6.250%	Pan American Petroleum Corporation	None			Pan American Petroleum Corporation	All
					Martin A. Pierce and Beverly Y. Pierce	6.250%						
					Total	12.500%						
33	T-32-N, R-6-W Sec. 31: Lots 2,3,4, SE/4 NW/4, S/2 SE/4, E/2 SW/4	315.12	1-26-48 5 yrs.		Thomas B. Miller and Beulah Miller	9.375%	Amerada Petro- leum Corporation	None			Amerada Petroleum	
					H. F. Axtell and wife	3.125%						
					Total	12.500%						

Patented Lands - 14 Tracts, 3,191.84 Acres or 17.90%

- \* El Paso Natural Gas Company's Interest subject to Sliding Scale ORRI in favor of Phillips Petroleum Company on Gas Production and an ORRI of 82.5% of all oil produced in excess of 15 barrels per day average.
- \*\* Subject to production payments and interests of Phillips Petroleum Company as set out in agreement, dated April 21, 1959, between Phillips Petroleum Company and El Paso Natural Gas Company.