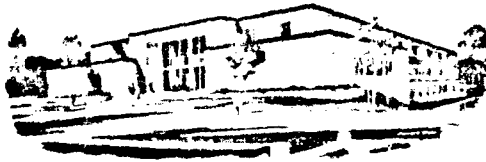


State of New Mexico

446



Commissioner of Public Lands

July 18, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Northwest Pipeline Corporation
One Park Central, Suite 1487
Denver, Colorado 80202

Re: San Juan 32-8 Unit
San Juan County, New Mexico
SECOND EXTENSION OF TIME UNTIL
OCTOBER 1, 1980 IN WHICH TO
COMMENCE WELL NO. 42

ATTENTION: Kathy Michael

Gentlemen:

As per your letter of July 7, 1980, please be advised that the Commissioner of Public Lands has granted you a second extension of time until October 1, 1980 to commence drilling operations on Unit Well No. 42. Such extension is subject to like extension granted by the United States Geological Survey and the New Mexico Oil Conservation Division.

Encloses is an approved copy of the extension for your files.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

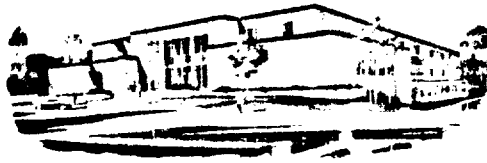
BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encl.
cc:

OCD-Santa Fe, New Mexico
USGS-Roswell, New Mexico
USGS-Albuquerque, New Mexico

State of New Mexico

446



Commissioner of Public Lands

July 14, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Northwest Pipeline Corporation
One Park Central, Suite 1487
Denver, Colorado 80202

Re: San Juan 32-8 Unit
San Juan County, New Mexico
1980 DRILLING PROGRAM

ATTENTION: Kathy Michael

Gentlemen:

The Commissioner of Public Lands has this date approved your 1980 Drilling Program for the San Juan 32-8 Unit, San Juan County, New Mexico. Such plan proposes the drilling of wells No. 12A, 20A, 41 and 42. Well 42 must be drilling by July 15, 1980. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s
encls.

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

NORTHWEST PIPELINE CORPORATION

LAND DEPARTMENT

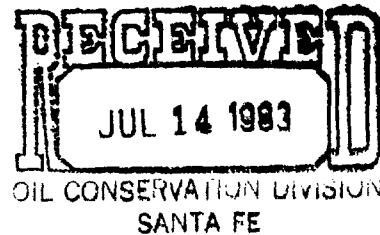
June 23, 1983

1125 Seventeenth Street, Suite 2140
Denver, Colorado 80202
303-292-4906

Assistant Area Oil and Gas Supervisor
Minerals Management Service
Western National Bank Building
505 Marquette NW, Suite 815
Albuquerque, New Mexico 87102

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Ray D. Graham
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Oil Conservation Commission
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, New Mexico 87501



Re: San Juan 32-8 Unit #14-08-001-446
San Juan County, New Mexico
18TH EXPANDED PARTICIPATING AREA
MESAVERDE FORMATION
Effective February 1, 1982

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-8 Unit Agreement, Northwest Pipeline Corporation, was Unit Operator, determined on the date indicated below that the following wells, which are capable of producing unitized substances in paying quantities from the Mesaverde Formation, have been completed upon a drilling block committed to this Unit:

EIGHTEENTH EXPANDED PARTICIPATING AREA - Effective February 1, 1982

<u>Description of Lands</u>	<u>Acres</u>	<u>Well Name & No.</u>
<u>Township 32 North, Range 8 West</u> <u>Section 14: W/2</u>	320.00	San Juan 32-8 Unit No. 45
<u>Township 32 North, Range 8 West</u> <u>Section 15: E/2</u>	320.00	Intervening Drilling Block
<u>Township 32 North, Range 8 West</u> <u>Section 30: E/2</u>	320.00	San Juan 32-8 Unit No. 47

The well information is as follows:

The San Juan 32-8 #45 Well is located 1825 feet from the South Line and 1640 feet from the West Line, Section 14, Township 32 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on September 15, 1981 and is a dually completed well. The Mesaverde Formation was completed on January 15, 1982. The Formation was perforated with 19 holes at the following depths:

5970' to 6398'

These perforations were treated with 10,000 gallons pad water followed by 80,000 pounds of 20/40 sand in fracturing fluid. The well was initially tested with a positive choke in a three hour test. The SITP was 1142 psig with a flowing pressure of 126 psig producing at a rate of 1749 MCFD. The calculated AOF was 1835 MCFD.

The San Juan 32-8 #47 Well is located 2175 feet from the South Line and 1500 feet from the East Line, Section 30, Township 32 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on November 28, 1981. The Mesaverde Formation was completed on January 22, 1982. This Formation was perforated with 23 holes at the following depths:


5604', 5662', 5670', 5728', 5742', 5746', 5914', 5918',
5922', 5928', 5932', 5938', 5940', 5968', 5972', 5976',
5980', 5984', 5996', 6000', 6017', 6020', 6028'

These perforations were treated with 90,260 gallons pad water followed by 100,000 pounds of 20/40 sand. This well was initially tested using a positive choke in a three hour test. The SITP was 1081 psig with a flowing tubing pressure of 199 psig producing at a rate of 2663 MCFD. The calculated AOF was 3356 MCFD.

Attached is Schedule IXX and ownership map showing the 18th Expanded Participating Area for the Mesaverde Formation of the San Juan 32-8 Unit Area. The Schedule describes the Expanded Participating Area and shows the percentage of unitized substances allocated to each tract. Inasmuch as this needs no official approval, in the absence of disapproval, the subject expansion is effective as of February 1, 1982.

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

Very truly yours,



Kathy Michael
Supervisor/Land Department

Attachments
CC: Working Interest Owners

SAN JUAN 32-8 UNIT
WORKING INTEREST OWNERS

Phillips Oil Company
Attn: Debbie Shell
Meadows Building
Dallas, Texas 75206

Getty Oil Company
Attn: Mr. T. L. Ditmore
Three Park Central - Suite 700
Denver, Colorado 80202

Sun Gas Division
Sun Exploration & Production Company
Attn: Joint Operations
P. O. Box 20
Dallas, Texas 75221

Texaco, Inc.
Box 2100
Denver, Colorado 80201

El Paso Exploration Company
Attn: Mr. James R. Permenter
P. O. Box 1492
El Paso, Texas 79978

Phillips Petroleum Company
Attn: M. K. Study
8055 E. Tufts Avenue Parkway
Denver, Colorado 80237

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 3</u>							
NM-013364	T-31-N, R-8-W Sec. 21: N/2N/2, N/2S/2, SE/4SE/4	360.00	Royalty; Working Interest; Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	3.225205%
				Total	82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	
<u>TRACT 4</u>							
SF-079004	T-31-N, R-8-W Sec. 9: A11 Sec. 10: A11 Sec. 15: N/2, N/2SE/4, SE/4SE/4	1,720.00	Royalty; Working Interest; Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	15.409315%
				Total	82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	
<u>TRACT 5</u>							
SF-079013	T-32-N, R-8-W Sec. 17: W/2 Sec. 20: W/2 Sec. 29: W/2	960.00	Royalty; Working Interest; Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	8.600548%
				Total	82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	
<u>TRACT 7</u>							
SF-079029	T-31-N, R-8-W Sec. 3: Lots 1,2, 3,4, S/2N/2, S/2 Sec. 4: Lots 1,2, 3,4, S/2N/2, SE/4, E/2SW/4, SW/4SW/4 Sec. 21: S/2N/2, S/2SW/4, SW/4SE/4	1,522.08	Royalty; Working Interest; Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	13.636168%
				Total	82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK		PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 8								
SF 079047	T-31-N, R-8-W	640.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;	12.500000%	12.500000%			5.733698%
	Sec. 14: W/2			82.500000%	82.500000%			
	Sec. 23: W/2			5.000000%	5.000000%			
	Total			100.000000%	100.000000%			
TRACT 11								
SF 079341-A	T-32-N, R-8-W	360.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;	12.500000%	12.500000%			3.225205%
	Sec. 19: SW/4SE/4			82.500000%	82.500000%			
	Sec. 30: E/2			5.000000%	5.000000%			
	Total			100.000000%	100.000000%			
TRACT 13								
SF 079351	T-31-N, R-8-W	400.00	Royalty; Working Interest: El Paso Natural Gas Co., ORRI;	12.500000%	12.500000%			3.583562%
	Sec. 24: E/2,			85.000000%	85.000000%			
	E/2NW/4			2.500000%	2.500000%			
	Total			100.000000%	100.000000%			
TRACT 14								
SF 079353	T-32-N, R-8-W	1,240.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;	12.500000%	12.500000%			11.109041%
	Sec. 14: NW/4			82.500000%	82.500000%			
	Sec. 15: W/2, NE/4			5.000000%	5.000000%			
	Sec. 19: NE/4, N/2SE/4, SE/4SE/4			100.000000%	100.000000%			
	Sec. 33: W/2							

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK		PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 15</u>								
SF 079380	T-32-N, R-8-W	640.00	Royalty; Working Interest: El Paso Natural Gas Co. ORRI;		12.500000%	12.500000%		5.733698%
	Sec. 14: SW/4							
	Sec. 15: SE/4				82.500000%	82.500000%		
	Sec. 22: W/2				5.000000%	5.000000%		
	Total				100.000000%	100.000000%		
<u>TRACT 16</u>								
SF 079381	T-32-N, R-8-W	960.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;		12.500000%	12.500000%		8.600548%
	Sec. 33: E/2							
	Sec. 34: W/2				82.500000%	82.500000%		
	Sec. 35: E/2				5.000000%	5.000000%		
	Total				100.000000%	100.000000%		
<u>TRACT 17</u>								
SF 079717	T-32-N, R-8-W	120.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%		1.075068%
	Sec. 27: W/2SW/4, SE/4SW/4							
					82.500000%	82.500000%		
					5.000000%	5.000000%		
	Total				100.000000%	100.000000%		
<u>TRACT 18</u>								
SF 080412-A	T-32-N, R-8-W	200.00	Royalty; Working Interest: El Paso Natural Gas Co., ORRI;		12.500000%	12.500000%		1.791781%
	Sec. 27: NW/4, NE/4SW/4							
					85.000000%	85.000000%		
					2.500000%	2.500000%		
	Total				100.000000%	100.000000%		

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 19							
SF 080854	T-31-N, R-8-W Sec. 24: W/2NW/4, SW/4	240.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	2.150137%
					82.500000%	82.500000%	
					5.000000%	5.000000%	
				Total	100.000000%	100.000000%	
TRACT 20							
SF 081089	T-31-N, R-8-W Sec. 23: E/2	320.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	2.866849%
					82.500000%	82.500000%	
					5.000000%	5.000000%	
				Total	100.000000%	100.000000%	
TRACT 21							
NM-03402	T-31-N, R-8-W Sec. 15: SW/4, SW/4SE/4 Sec. 22: A11	840.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	7.525479%
					82.500000%	82.500000%	
					5.000000%	5.000000%	
				Total	100.000000%	100.000000%	
TRACT 24							
E-1204-A	T-31-N, R-8-W Sec. 16: NW/4, NE/4SW/4, SW/4SW/4, NW/4NE/4, SE/4NE/4, N/2SE/4	400.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	3.583562%
					82.500000%	82.500000%	
					5.000000%	5.000000%	
				Total	100.000000%	100.000000%	

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE COMMITTED	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 26</u>							
E-3704-2	T-31-N, R-8-W Sec. 16: SW/4SE/4	40.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	.358356%
			Total		82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	
<u>TRACT 28</u>							
E-3868-2	T-31-N, R-8-W Sec. 16: SW/4NE/4	40.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	.358356%
			Total		82.500000%	82.500000%	
					5.000000%	5.000000%	
					100.000000%	100.000000%	
<u>TRACT 31</u>							
E-5113-21	T-31-N, R-8-W Sec. 16: NW/4SW/4	40.00	Royalty; Working Interest: Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	.358356%
			Total		81.500000%	81.500000%	
					6.000000%	6.000000%	
					100.000000%	100.000000%	
<u>TRACT 34</u>							
E-5382	T-31-N, R-8-W Sec. 16: NE/4NE/4	40.00	Royalty; Working Interest: Texaco, Inc., ORRI;		12.500000%	12.500000%	.358356%
			Total		87.500000%	87.500000%	
					0.000000%	0.000000%	
					100.000000%	100.000000%	

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 38</u>							
B-11240-65	T-31-N, R-8-W	40.00	Royalty;		12.500000%	12.500000%	.358356%
	Sec. 16: SE/4SW/4		Working Interest;				
			Northwest Pipeline Corp.,	85.000000%	85.000000%		
			ORRI;	2.500000%	2.500000%		
			Total	100.000000%	100.000000%		
<u>TRACT 38-A</u>							
B-11240-64	T-31-N, R-8-W	40.00	Royalty;		12.500000%	12.500000%	.358356%
	Sec. 16: SE/4SE/4		Working Interest;				
			Northwest Pipeline Corp.,	82.500000%	82.500000%		
			ORRI;	5.000000%	5.000000%		
			Total	100.000000%	100.000000%		

SCHEDULE IXX
EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

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

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

Description of Lands in Participating Area:

Township 32 North, Range 8 West, N.M.P.M.

Sections 14, 17, 20, 22, 27, 29, 34: W/2
Sections 19, 30, 35: E/2
Section 15, 33: All

Township 31 North, Range 8 West, N.M.P.M.

Section 14: W/2
Sections 3, 9, 10, 15, 16, 21, 22, 23, 24: All
Section 4: N/2, SE/4, NE4/SW/4, S/2SW/4

Total Number of Acres in Participating Area:

11,162.08

Total Number of Acres Committed to Participating Area:

11,162.08

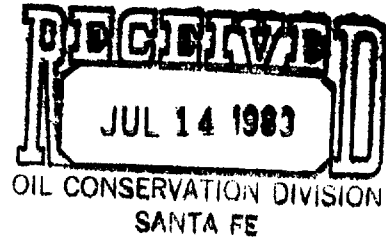
NORTHWEST PIPELINE CORPORATION

Case # 446

LAND DEPARTMENT

June 23, 1983

1125 Seventeenth Street, Suite 2140
Denver, Colorado 80202
303-292-4906



Assistant Area Oil and Gas Supervisor
Minerals Management Service
Western National Bank Building
505 Marquette NW, Suite 815
Albuquerque, New Mexico 87102

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Ray D. Graham
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Oil Conservation Commission
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: San Juan 32-8 Unit #14-08-001-446
San Juan County, New Mexico
NOTICE OF COMPLETION OF
NON-COMMERCIAL WELL
Mesaverde Formation

Gentlemen:

Pursuant to the provisions of Section 11(a) of the 32-8 Unit Agreement, Northwest Pipeline Corporation, as Unit Operator, has determined that the following described well is incapable of producing unitized substances in paying quantities from the Mesaverde Formation.

The well data is as follows:

The San Juan 32-8 #46 Well is located 1820 feet from the North Line and 790 feet from the East Line, Section 14, Township 32 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on September 5, 1981 and is a dually completed well. The Mesaverde Formation was completed on January 5, 1982. This Formation was perforated with 24 holes at the following depths:

5940' to 6330'

These perforations were treated with 10,000 gallons pad water followed by 80,000 pounds of 20/40 sand in fracturing fluid. The well was initially tested with a positive choke in a three hour test. The SITP was 1154 psig with a flowing pressure of 118 psig producing at a rate of 1651 MCFD. The calculated AOF was 1721 MCFD.

Inasmuch as this determination requires no official approval, no provision is made therefor and in the absence of disapproval, this well will continue to be considered non-commercial subject to the understanding that it may be subsequently admitted to the Mesaverde Participating Area should further operations or testing prove it to be commercial.

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

Very truly yours,

A handwritten signature in cursive script that reads "Kathy Michael".

Kathy Michael
Supervisor/Land Department

KM:bs
Attachment
CC: Working Interest Owners

SAN JUAN 32-8 UNIT
WORKING INTEREST OWNERS

Phillips Oil Company
Attn: Debbie Shell
Meadows Building
Dallas, Texas 75206

Getty Oil Company
Attn: Mr. T. L. Ditmore
Three Park Central - Suite 700
Denver, Colorado 80202

Sun Gas Division
Sun Exploration & Production Company
Attn: Joint Operations
P. O. Box 20
Dallas, Texas 75221

Texaco, Inc.
Box 2100
Denver, Colorado 80201

El Paso Exploration Company
Attn: Mr. James R. Permenter
P. O. Box 1492
El Paso, Texas 79978

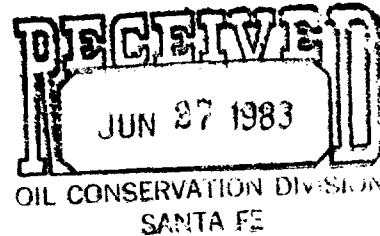
Phillips Petroleum Company
Attn: M. K. Study
8055 E. Tufts Avenue Parkway
Denver, Colorado 80237

NORTHWEST PIPELINE CORPORATION

LAND DEPARTMENT

1125 Seventeenth Street, Suite 2140
Denver, Colorado 80202
303-292-4906

June 20, 1983



Assistant Area Oil and Gas Supervisor
Minerals Management Service
Western National Bank Building
505 Marquette NW, Suite 815
Albuquerque, New Mexico 87102

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Ray D. Graham
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Oil Conservation Commission
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: San Juan 32-8 Unit #14-08-001-446
San Juan County, New Mexico
1983 Drilling Program

Gentlemen:

The 1983 Drilling Program filed on May 6, 1983, for the San Juan 32-8 Unit has been approved by the regulatory agencies as follows:

Minerals Management Service	6/16/83
Commissioner of Public Lands	5/20/83
Oil Conservation Commission	5/10/83

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

Very truly yours,

A handwritten signature in cursive script that reads "Kathy Michael".

Kathy Michael
Supervisor/Land Department

KM:bs
Attachment
CC: Working Interest Owners

SAN JUAN 32-8 UNIT
WORKING INTEREST OWNERS

Phillips Oil Company
Attn: Debbie Shell
Meadows Building
Dallas, Texas 75206

Getty Oil Company
Attn: Mr. T. L. Ditmore
Three Park Central - Suite 700
Denver, Colorado 80202

Sun Gas Division
Sun Exploration & Production Company
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P. O. Box 20
Dallas, Texas 75221

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Box 2100
Denver, Colorado 80201

El Paso Exploration Company
Attn: Mr. James R. Permenter
P. O. Box 1492
El Paso, Texas 79978

Phillips Petroleum Company
Attn: M. K. Study
8055 E. Tufts Avenue Parkway
Denver, Colorado 80237

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

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

June 17, 1983

Northwest Pipeline Corporation
1125 Seventeenth Street, Suite 1240
Denver, Colorado 80202

Re: San Juan 32-8 Unit
Corrected Initial Participating Area
Pictured Cliffs Formation
Effective January 13, 1982

ATTN: Kathy Michael

Gentlemen:

This office is in receipt of three copies of the Corrected Initial Participating Area for the Pictured Cliffs Formation, San Juan 32-8 Unit, San Juan County, New Mexico.

Your Corrected Initial Participating Area corrects the error which was made on Schedule I in the Working Interest Ownership for Tract 15 on Page 1 of 2.

Please be advised that this corrected schedule has this date been filed in our unit file.

Enclosed is one copy for your files reflecting the date received in this office.

Yours truly,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, appearing to read "Floyd O. Prando".

BY: Floyd O. Prando
Assistant Director
Oil and Gas Division
AC/505-827-5744

JB/FOP/cm

Encl.

cc: OCD-Santa Fe, New Mexico

NORTHWEST PIPELINE CORPORATION

LAND DEPARTMENT

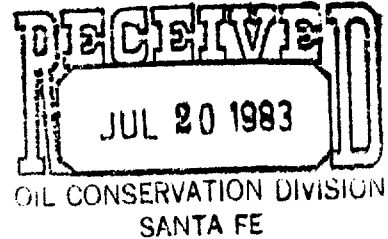
June 17, 1983

1125 Seventeenth Street, Suite 2140
Denver, Colorado 80202
303-292-4906

Assistant Area Oil and Gas Supervisor
Minerals Management Service
Western National Bank Building
505 Marquette NW, Suite 815
Albuquerque, New Mexico 87102

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Ray D. Graham
P. O. Box 1148
Santa Fe, New Mexico 87501

State of New Mexico
Oil Conservation Commission
Attn: Mr. Joe Ramey
P. O. Box 2088
Santa Fe, New Mexico 87501



Re: San Juan 32-8 Unit #14-08-001-446
San Juan County, New Mexico

APPLICATION FOR APPROVAL OF THE
INITIAL EXPANDED PARTICIPATING AREA
Dakota Formation
Effective June 1, 1981

Gentlemen:

Pursuant to the provisions of Section 11(b) of the San Juan 32-8 Unit Agreement #14-08-001-446, Northwest Pipeline Corporation, as Unit Operator, hereby respectfully requests approval of the Initial Expanded Participating Area for the Dakota Formation.

This proposed Initial Expansion of the Participating Area for the Dakota Formation is predicated upon the determination by Northwest Pipeline Corporation, as Unit Operator, that the following San Juan 32-8 Unit Dakota Well, which was completed outside the limits of the existing Dakota Participating Area, is capable of producing unitized substances in paying quantities from the Dakota Formation.

INITIAL EXPANDED PARTICIPATING AREA - Effective June 1, 1981

<u>Description of Lands</u>	<u>Acres</u>
Township 31 North, Range 8 West, N.M.P.M. Section 21: W/2	320.00

The well data is as follows:

The San Juan 32-8 #12A Well is located 1820 feet from the North Line and 790 feet from the West Line, Section 21, Township 31 North, Range 8 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on February 11, 1981 and completed on June 17, 1981. The Dakota Formation was perforated with twenty-one holes between the following depths:

7890' and 8106'

These perforations were treated with 36,700 gallons of HCL followed by a sand-fracturing. The well, which has a separate tubing string for the Dakota and Mesaverde, was shut-in with a SIPT of 704 psig (DK) and SIPC of 704 psig. On June 17, 1981, the well was tested and after flowing for three (3) hours through a 3/4 inch variable choke, the calculated AOF was 1235 MCFD.

In support of this application, the following listed Exhibits are made a part thereof:

Exhibit "A"

Ownership maps reflecting the boundaries of the Unit and the Proposed Initial Expansion of the Participating Area of the Dakota Formation within the San Juan 32-8 Unit.

Exhibit "B"

Geological Report on the Initial Expansion of the Participating Area of the Dakota Formation within the San Juan 32-8 Unit.

Exhibit "C"

Figure No. 1: San Juan 32-8 Dakota Structure Map
Figure No. 2: San Juan 32-8 Dakota Isopach Map
Figure No. 3: Well Log with Formation Tops

Exhibit "D"

Table No. I: Schedule of San Juan 32-8 Unit Dakota Production

Attached hereto is Schedule I showing the Proposed Initial Expanded Participating Area for the Dakota Formation in the San Juan 32-8 Unit Area. This Schedule describes the Participating Area, show the percentage of unitized substances allocated to each unitized tract, and the percentage of ownership in the tracts.

If this Initial Expansion of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided and return an approved copy for our files.

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

Very truly yours,



Kathy Michael
Supervisor/Land Department

KM:bs

Attachments

CC: Working Interest Owners

APPROVED

Assistant Area Oil and Gas Supervisor
Subject to like approval by the
Commissioner of Public Lands and the
Oil Conservation Commission

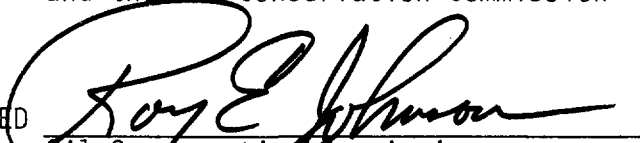
DATE _____

APPROVED

Commissioner of Public Lands
Subject to like approval by the
Assistant Area Oil and Gas Supervisor
and the Oil Conservation Commission

DATE _____

APPROVED



Oil Conservation Commission
Subject to like approval by the
Assistant Area Oil and Gas Supervisor
and the Commissioner of Public Lands

DATE 7-20-83

The foregoing are approvals for the INITIAL EXPANDED PARTICIPATING AREA in the Dakota Formation in the San Juan 32-8 Unit in the Dakota Formation.

SAN JUAN 32-8.UNIT
WORKING INTEREST OWNERS

Phillips Oil Company
Attn: Debbie Shell
Meadows Building
Dallas, Texas 75206

Getty Oil Company
Attn: Mr. T. L. Ditmore
Three Park Central - Suite 700
Denver, Colorado 80202

Sun Gas Division
Sun Exploration & Production Company
Attn: Joint Operations
P. O. Box 20
Dallas, Texas 75221

Texaco, Inc.
Box 2100
Denver, Colorado 80201

El Paso Exploration Company
Attn: Mr. James R. Permenter
P. O. Box 1492
El Paso, Texas 79978

Phillips Petroleum Company
Attn: M. K. Study
8055 E. Tufts Avenue Parkway
Denver, Colorado 80237

SCHEDULE I
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 3</u>							
USA NM-013364	T-31-N, R-8-W Sec. 21: N/2NW/4, N/2SW/4	160.00	Royalty; Working Interest; Northwest Pipeline Corp., ORRI;		12.500000%	12.500000%	50.000000%
			Total		100.000000%	100.000000%	
<u>TRACT 7</u>							
USA SF-079029	T-31-N, R-8-W Sec. 21: S/2NW/4, S/2SW/4	160.00	Royalty; Working Interest; Phillips Petroleum Co., ORRI;		12.500000%	12.500000%	50.000000%
			Total		100.000000%	100.000000%	

SCHEDULE I
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
SAN JUAN 32-8 UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
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R E C A P I T U L A T I O N

Description of lands in Participating Area:

Township 31 North, Range 8 West, N.M.P.M.

Section 21: W/2

Total Number of Acres in Participating Area: 320.00

Total Number of Acres Committed in Participating Area: 320.00