

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

January 6, 1954

JAN 1 1954
Director
United States Geological Survey
Department of the Interior
Washington, D. C.

Commissioner of Public Lands of
the State of New Mexico
Santa Fe, New Mexico

Oil Conservation Commission of
the State of New Mexico
Santa Fe, New Mexico

Re: San Juan 29-4 Unit Agreement
No. 14-08-001-1055
Rio Arriba County, New Mexico
Notice of Discovery
Pictured Cliffs Formation

Gentlemen:

Pursuant to Section 11, Paragraph 2 of the above Agreement, you are hereby notified of the discovery of unitized substances in paying quantities from the Pictured Cliffs Formation on land committed to said Unit Agreement.

The San Juan 29-4 #2 Well is located 1750' from the South line and 1560' from the West line of Section 35, Township 29 North, Range 4 West, N.M.P.M. This well was spudded September 10, 1953, reached a total depth of 6449', 7" casing was set at 5736' and the section from 5853' to 6449' was shot with 3.11 quarts of S.N.G. per foot. The gas production was too small to gauge and the well would not clean out. A Lane-Wells cast iron bridge plug was set at 4100'. Ten sacks of cement were used to put a cement plug from 4050' to 4100'. The 7" casing from 3850' to 3900', being part of the Pictured Cliffs Formation, was perforated with bullets of 3 shots per foot. Two inch tubing was set at 3906' with the well being completed October 22, 1953. On October 30, 1953, the well gauged 6,928 MCFGPD on a three hour open flow test with an SIPC of 1092# and an SIPT of 1091#.

San Juan 29-4 Unit

-2-

January 6, 1954

The drilling block upon which this well is located is the W/2 of Section 35, Township 29 North, Range 4 West, and consists of 320 acres. This drilling block is fully committed to the Unit. El Paso Natural Gas Company, Unit Operator, in accordance with the above mentioned Section 11 of the Unit Agreement has determined that this well is capable of producing unitized substances in paying quantities.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By 
Samuel Smith
Lease Department

SS:je
cc: Attached List

502

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

December 28, 1953

Director
United States Geological Survey
Department of the Interior
Washington, D. C.

JAN 2 1954

Commissioner of Public Lands of
the State of New Mexico
Santa Fe, New Mexico

Oil Conservation Commission of
the State of New Mexico
Santa Fe, New Mexico

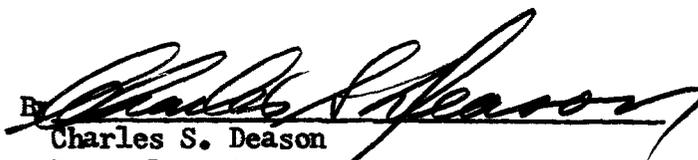
Re: San Juan 29-4 Unit
No. 14-08-001-1055
Rio Arriba County, New Mexico
Approval of Initial Participating Area
Mesaverde Formation

Gentlemen:

This is to advise that the Initial Participating Area, Mesaverde Formation, for the San Juan 29-4 Unit Area was approved by the Director, United States Geological Survey on November 18, 1953, the Commissioner of Public Lands of the State of New Mexico on November 10, 1953, and the Oil Conservation Commission of the State of New Mexico on December 14, 1953.

Yours very truly,

EL PASO NATURAL GAS COMPANY


B. Charles S. Deason
Lease Department

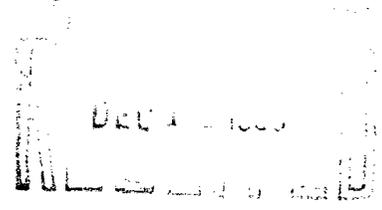
CSD:rf
cc: Attached List

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

December 10, 1953



Mr. R. R. Spurrier, Secretary
Oil Conservation Commission of the
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: San Juan 28-5 Unit Area and
San Juan 29-4 Unit Area

Dear Mr. Spurrier:

Under date of November 3, 1953, you forwarded us two copies of your approval of our Initial Participating Area, Mesaverde Formation San Juan 28-5 Unit Area. Apparently one of these should have been retained by you as your office copy, accordingly we are returning same to you.

On October 26, 1953 we forwarded you two copies of our request for approval of the Initial Participating Area Mesaverde Formation ~~and~~ our San Juan 29-4 Unit Area. This Participating Area was approved by the Director, United States Geological Survey on November 18, 1953 and by the Commissioner of Public Lands of the State of New Mexico on November 10, 1953. We have not at this time receive approval of the Oil Conservation Commission and inasmuch as we would like to have this approval, we are enclosing two copies of our request of October 26, 1953 with the request that you approve one copy and return the same to us for our files. The other copy is for your files in case you through an inadvertence have mislaid others originally mailed you.

Yours very truly,

Charles S. Deason
Lease Department

CSD:rf
Encs: 3

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

October 26, 1953

Director
United States Geological Survey
Department of the Interior
Washington, D. C.

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 29-4 Unit No. 14-08-001-1055
Rio Arriba County, New Mexico
Request for Approval of
Initial Participating Area - Mesaverde Formation
To Be Effective Date of First Production

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 29-4 Unit Agreement No. 14-08-001-1055, approved September 9, 1953, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests approval of the Initial Participating Area for the Mesaverde Formation. On September 24, 1953, we sent out our Notice of Discovery.

The Initial Participating Area contains 318.10 acres and is composed of one drilling block with one discovery well located thereon:

Township 29 North Range 4 West

<u>Well</u>	<u>Drilling Block</u>	<u>Acres</u>
San Juan 29-4#1	W/2 Section 30	318.10

This well is located in the SW/4 of this section. It was completed on September 7, 1953, at a total depth of 6775'. On a three-hour open blow test this well gauged an IP of 428 MCFGPD with SIPC of 833#. This well is not yet on production.

October 26, 1953

Attached hereto is our Schedule I legally describing the proposed participating area showing the percentage of unitized substances to be allocated to this unitized tract and also showing the exact breakdown of the percentages so allocated to this tract according to the various ownerships in said tract. We are also attaching a map, Exhibit "A", showing the location of this well and the outline of this Initial Participating Area.

If this Initial Participating Area meets with your approval, please indicate such approval in the space provided on said Schedule I and return an approved copy for our files.

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

Yours very truly,

EL PASO NATURAL GAS COMPANY

By R. L. Hamblin
R. L. Hamblin
Lease Department

RLH:rf
cc: Attached List
encls.

Re: San Juan 29-4 Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Mr. R. F. Rood
Phillips Petroleum Company
Bartlesville, Oklahoma

Mr. H. K. Greenleaf
The Chicago Corporation
2101 Continental Life Bldg.
Fort Worth, Texas

Mr. G. B. Jenkinson
Stanolind Oil and Gas Company
Box 591
Tulsa 2, Oklahoma

Mr. W. H. Sparks
General American Oil Company of Texas
1404 Republic Bank Building
Dallas, Texas

Mr. M. A. Romero
134 South Capitol
Santa Fe, New Mexico

Mr. Robert Critchfield
Gay Acres Farm
Wooster, Ohio

Mr. James A. Brown
14 Axtell Drive
Scarsdale, New York

Mrs. Evelyn G. Brown
14 Axtell Drive
Scarsdale, New York

Mr. James A. Brown, Co-Trustee
for Evelyn Ellen Wallace
14 Axtell Drive
Scarsdale, New York

Mrs. Evelyn Ellen Wallace, Co-Trustee
for Evelyn Ellen Wallace
14 Axtell Drive
Scarsdale, New York

SCHEDULE I
 INITIAL PARTICIPATING AREA FOR THE MESAVERTDE FORMATION
 SAN JUAN 29-4 UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PERCENTAGE OF PARTICIPATION</u>
<u>Tract 15</u>					
SF 079893-A	T-29-N, R-4-W Sec. 30: W/2	318.10	Royalty Owner: United States of America; Working Interest Owner: El Paso Natural Gas Co. ; ORRI Owner: None	12.50% 12.50% 87.50%	12.50% 12.50% 87.50%
<u>TOTAL</u>				<u>0</u> 100.00%	<u>0</u> 100.00%

San Juan 29-4#1 Well

To Be
 Effective Date of First Production

RECAPITULATION

Description of lands in Participating Area:
Township 29 North, Range 4 West, N.M.P.M.
Section 30: W/2

Total number of acres in Participating Area: 318.10
Percent of Working Interest and Royalty Interest committed: 100.00%

Approved: _____ 1953

Approved: _____ 1953

Approved: 14 W/2 1953

Subject to like approval by the appropriate State Officials, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Subject to like approval by the United States Geological Survey and Oil Conservation Commission of the State of New Mexico, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Director - United States Geological Survey

Commissioner of Public Lands of the State of New Mexico

R. R. Quastler
Oil Conservation Commission of the State of New Mexico

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas
September 24, 1953



Director
United States Geological Survey
Department of the Interior
Washington, D. C.

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 29-4 Unit Area
No. 14-C8-001-1055
Rio Arriba County, New Mexico
Notice of Discovery
Mesaverde Formation

Gentlemen:

Pursuant to Section 11, paragraph 2, of the above numbered unit agreement you are hereby informed of the discovery of unitized substances in paying quantities from the Mesaverde Formation on lands committed to said unit agreement.

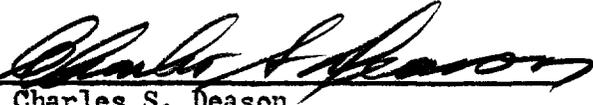
As of September 9, 1953, the effective date of this unit agreement, there was one (1) committed well already completed in the Mesaverde Formation. This committed well is El Paso Natural Gas Company's San Juan 29-4 #1 Well located 1840' North of the South line and 1800' East of the West line of Section 30, Township 29 North, Range 4 West, N.M.P.M. This well was spudded on August 6, 1953, reached a total depth of 6775' and was completed on September 7, 1953. The pay section between 6133' and 6775' was shot with 2014 quarts of nitroglycerine. On September 17, 1953, the well was gauged at 428 MCFGPD on a three-hour open blow test with an SIPC of 833# and an SIPT of 831#.

The drilling block upon which this well is located is the W/2 (Lots 1, 2, 3 and 4, E/2 W/2) of Section 30, Township 29 North, Range 4 West, and consists

of 318.10 acres. This drilling block is fully committed to the unit agreement and pursuant to the above mentioned Section 11 of the unit agreement it is determined by the El Paso Natural Gas Company, Unit Operator, that this well is capable of producing unitized substances in paying quantities.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By 
Charles S. Deason
Lease Department

CSD:jaf
cc: Attached List

Ch. 532

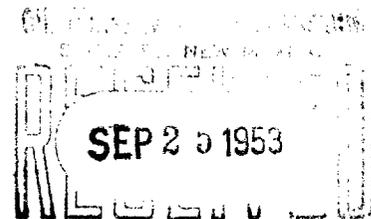
El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

September 22, 1953

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 29-4 Unit Agreement
No. 14-08-001-1055

Gentlemen:

Enclosed, for your files, is a copy of the letter of transmittal by which the Director of the United States Geological Survey sent us the approved copies of the above numbered Unit Agreement.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By 
Charles S. Deason
Lease Department

CSD:jaf
encl.
cc: Attached List

STATE OF NEW MEXICO
COUNTY OF EDDY

SS

On this 8th day of July, 19 53, before me personally appeared N. B. Stern, a single person.

to me known to be the person _____ described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

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

My commission expires:

May 12, 1957



Notary Public in and for Eddy
County, State of New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

PLEASE RETURN TO
LEASE DEPARTMENT

SEP 10 1953

El Paso Natural Gas Company
Tenth Floor Bassett Tower
El Paso, Texas



Gentlemen:

On September 9, 1953, Acting Director of the Geological Survey, Thomas B. Nolan, approved the San Juan 29-4 unit agreement, Rio Arriba County, New Mexico, filed by your company as unit operator. This agreement has been designated No. 14-08-001-1055, and is effective as of the date of approval.

Enclosed are two copies of the approved unit agreement for your records. It is requested that you furnish all interested principals with whatever evidence of this approval is deemed appropriate.

Although no interest in tract No. 18 is committed to the unit agreement, approval was predicated on the premise that the unit operator has sufficient control in the drilling blocks involved to accomplish the normal drilling and producing performances at the proper time, even though it may be necessary to formulate communitization agreements in conformance with field spacing and allowable programs or to drill pursuant to approved exceptions to the spacing and allowable orders even on a reduced allowable basis, if necessary, in the event commitment of the land can not be secured.

Very truly yours,

For the Director

Enclosures 2

ILLEGIBLE

Re: San Juan 29-4 Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Mr. R. F. Rood
Phillips Petroleum Company
Bartlesville, Oklahoma

Mr. H. K. Greenleaf
The Chicago Corporation
2101 Continental Life Bldg.
Fort Worth, Texas

Mr. G. B. Jenkinson
Stanolind Oil and Gas Company
Box 591
Tulsa 2, Oklahoma

Mr. W. H. Sparks
General American Oil Company of Texas
1404 Republic Bank Building
Dallas, Texas

Mr. M. A. Romero
134 South Capitol
Santa Fe, New Mexico

Mr. Robert Critchfield
Gay Acres Farm
Wooster, Ohio

Mr. James A. Brown
14 Axtell Drive
Scarsdale, New York

Mrs. Evelyn G. Brown
14 Axtell Drive
Scarsdale, New York

Mr. James A. Brown, Co-Trustee
for Evelyn Ellen Wallace
14 Axtell Drive
Scarsdale, New York

Mrs. Evelyn Ellen Wallace, Co-Trustee
for Evelyn Ellen Wallace
14 Axtell Drive
Scarsdale, New York

CERTIFICATION -- DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the act approved February 25, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 CFR S 4.611, 12 F. R. 6784, I do hereby:

A. Approve the attached agreement for the development and operation of the San Juan 29-4 Unit Area, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Date: SEP 9 1953

Thomas B. Nolan
Acting Director,
United States Geological Survey

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

August 13, 1953

Mr. John A. Anderson, Regional Supervisor
United States Geological Survey
Department of the Interior
Post Office Building
Roswell, New Mexico

Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Mr. R. R. Spurrier, Secretary
Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Proposed San Juan 29-4 Unit Agreement
Rio Arriba County, N. M.
REQUEST FOR CHANGE OF TEST WELL LOCATION

Gentlemen:

El Paso Natural Gas Company, as proposed Unit Operator, will be required to drill five obligation test wells to the Mesaverde formation upon approval of the above Unit. The present proposed well locations are as follows:

- (1) SW/4 Section 7 - 29N - 4W
- (2) NE/4 Section 16- 29N - 4W
- (3) SW/4 Section 22- 29N - 4W
- (4) SW/4 Section 30- 29N - 4W
- (5) SW/4 Section 35- 29N - 4W

El Paso Natural Gas Company hereby requests that the proposed location in the NE/4 of Section 16-29-4 be changed to the SW/4 of Section 10. The proposed location in the SW/4 of Section 10 is much more favorably located insofar as topographical conditions, and is much closer to an existing road in the unit area. It will mean a saving of almost \$5,000.00 in the well drilling costs of this one well. The location change is not far enough to change the proposed pattern for testing the entire unit area.

Page 2

Mr. John A. Anderson

Mr. E. S. Walker

Mr. R. R. Spurrier

August 13, 1953

We would appreciate being advised if this proposed location is acceptable to you.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By *R L Hamblin*
R. L. Hamblin

RLH:ms