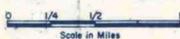


Exhibit "C"  
**CONTINENTAL OIL COMPANY**

**BELL LAKE UNIT** Lea Co., New Mexico

Contoured on T/Devonian Contour Interval: 100'



**LEGEND**  
 Initial Part. Area - Devonian  
 Proposed Second Part. Area - Devonian

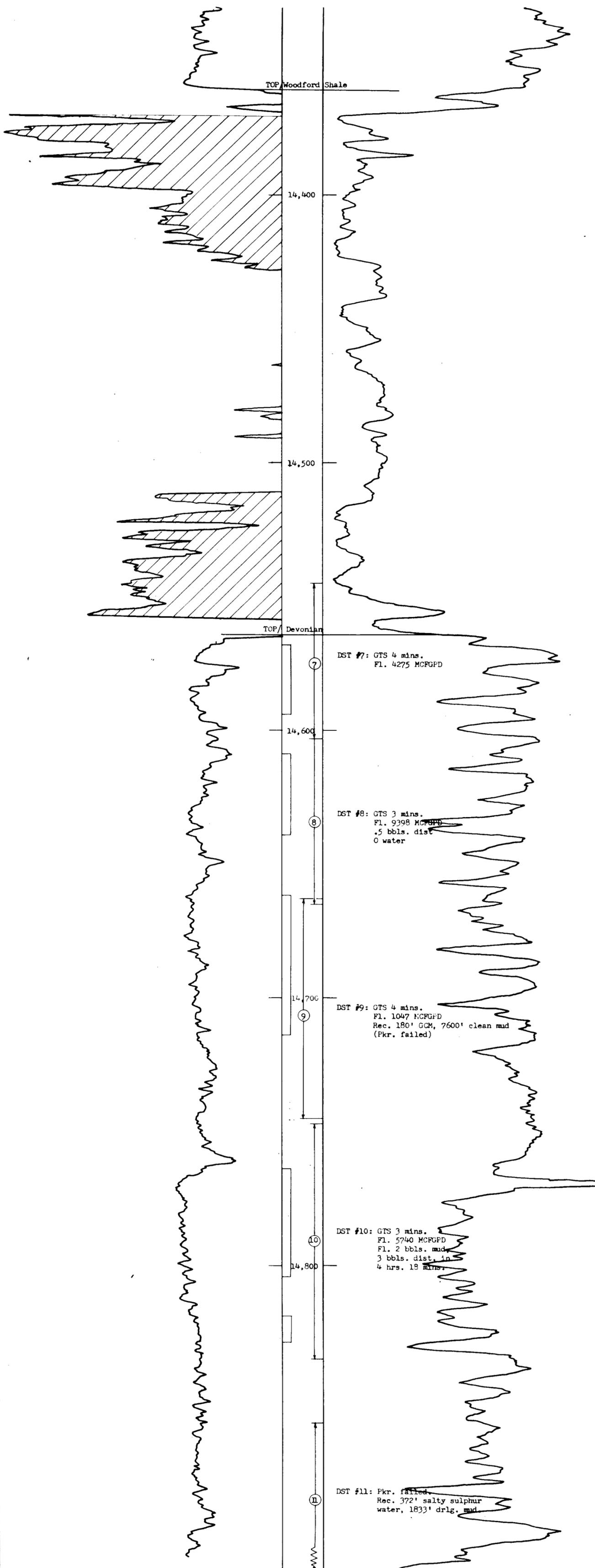
EXHIBIT "G"

CONTINENTAL OIL COMPANY  
BELL LAKE UNIT NO. 6  
RADIOACTIVITY LOG

SHOWING: Top/Devonian Formation  
Gross Pay Section  
Intervals Perforated  
DST Information

GAMMA RAY  
RADIATION INTENSITY INCREASES

NEUTRON  
RADIATION INTENSITY INCREASES



Initial Potential: Well Flowed for a  
Calculated Open Flow  
Potential of 30,500 MCFGPD  
on June 23, 1960

DST #12: Rec. 500' mud,  
13,250' salty sulphur water.

✓

EXHIBIT "E"

BELL LAKE UNIT - LEA COUNTY, NEW MEXICO  
SECOND PARTICIPATING AREA FOR DEVONIAN FORMATION

GEOLOGICAL AND ENGINEERING REPORT

The Continental Oil Company Bell Lake Unit No. 6, located 660 feet from the South line and 1980 feet from the East line of Section 6, T-23S, R-34E, Lea County, New Mexico, was drilled to a total depth of 16,506 feet in the Montoya formation of Ordovician age. Mechanical difficulties caused abandonment of drilling operations at that point.

Well was plugged back to 14,900 feet and selectively perforated in the interval 14,568-14,829 feet in the Devonian formation. After a 2000-gallon acid treatment, the well was completed flowing 30,500 MCF gas per day with a 197,250:1 gas/distillate ratio.

The Bell Lake Unit No. 6 is the third Devonian producer in the Bell Lake Unit. The Bell Lake Unit No. 1-A located 330 feet from the South line and 2970 feet from the East line, Section 31, T-23S, R-34E, was completed in the Devonian formation flowing 15,500 MCF gas per day and the Bell Lake Unit No. 4 located 1980 feet from the North and West lines, Section 6, T-24S, R-34E was completed in the Devonian formation for a flowing potential of 64,000 MCF gas per day.

In addition, the Bell Lake Unit No. 2 was completed in the Pennsylvanian formation, the Bell Lake Unit No. 3 was completed in the Bone Spring formation and the Bell Lake Unit No. 5 was completed in the Pennsylvanian formation.

The following formation tops in the Bell Lake Unit No. 6 were picked from samples and Electric logs:

Permian	Lamar	4,870' (-1385)
Permian	Bone Spring	8,470' (-4985)
Pennsylvanian	Strawn Cherty Lime - stone	11,843' (-8358)
Pennsylvanian	Atoka	12,059' (-8574)

Mississippian	Lake Valley	13,973' (-10,488)
Mississippian	Woodford	14,361' (-10,876)
Devonian	Devonian	14,561' (-11,076)
Ordovician	Montoya	16,336' (-14,851)

The Bell Lake structure is a north-south trending anticlinal feature approximately 16 miles long and three to five miles wide, downfaulted on the west flank. Approximately 500 feet of local closure is exhibited, (See Exhibit "C"). The Bell Lake Unit No. 6 is located on the crest of the structure and is 27 feet high on the Devonian formation to the Bell Lake Unit No. 4, five and one-half miles south, and is 220 feet high to the Bell Lake Unit No. 1-A, five miles south. The Bell Lake Unit No. 1-A is the nearest Devonian control to the subject well.

The Devonian reservoir section is typically a gray-tan to white, fine to coarse crystalline dolomite with porosity composed mostly of secondary vugs as evidenced by coarse rhombic dolomite crystal growth. Fracturing is also evidenced. Logs, drill stem tests and production tests indicate the vertical porosity development not to be continuous and it is believed the water table may vary with porosity development.

An estimated gas-water contact of -11,450' is based on the following data:

BELL LAKE UNIT NO. 4

14,736' (-11,110) - 14,938' (-11,312)	Pay Interval
14,938' (-11,312) - 15,100' (-11,474)	No test
15,100' (-11,474) - 15,210' (-11,590)	Tested mud and small amount of gas. No water
15,210' (-11,590) - 15,384' (-11,758)	No test
15,384' (-11,758) - 15,554' (-11,928)	Tested 7400' sulphur water & 5000' mud

BELL LAKE UNIT NO. 1-A

14,942' (-11,309) - 15,025' (-11,392)	Pay Interval
15,025' (-11,392) - 15,055' (-11,412)	No test
15,055' (-11,412) - 15,070' (-11,437)	Tested 6165 MCFGPD & 24 barrels salt water



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# CONTINENTAL OIL COMPANY

P. O. Box 1377  
Roswell, New Mexico  
February 18, 1964

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

Gentlemen:

Re: Contract 7381 - Bell Lake  
Unit - Lea County, New Mexico

Page 18 of Exhibit "B" to the Bell Lake Unit shows Charles H. E. Kammerer owning 50% of the basic royalty under the NE/4 SE/4 of Section 8, T24S-R34E. This is a portion of Tract 70 in the unit. Mr. Kammerer's interest is now owned by Mr. J. L. Purke, Jr., and we are attaching three copies of a revised Page 18 for Exhibit "B".

Mr. Burke would like to ratify the unit and we are enclosing one copy of his Consent and Ratification which has been accepted by Mr. Brady M. Lowe as the working interest owner of this tract.

We are today also furnishing the U. S. Geological Survey and the Commissioner of Public Lands copies of the revised Page 18 to Exhibit "B" and Mr. Burke's ratification.

Yours very truly,

A handwritten signature in cursive script that reads "G. Roy Pate, Jr.".

G. ROY PATE, JR.  
Landman  
Roswell Division

GRP-SR

Attachs.

cc - WRH

CONSENT AND RATIFICATION OF  
BELL LAKE UNIT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

The undersigned (whether one or more) hereby acknowledge receipt of an identical copy of the Unit Agreement for the development and operation of the Bell Lake Unit Area dated the 12th day of May, 1953, embracing lands situated in Lea County, New Mexico, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty or other interests in the lands or minerals as indicated on the schedule attached to said Unit Agreement as Exhibit "B" do hereby commit all of their said interests to the Bell Lake Unit Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof exactly the same as if the undersigned had executed the original of said Unit Agreement, or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
J. L. BURKE, JR.  
Joyce Burke  
JOYCE BURKE

STATE OF New Mexico )  
  )  
COUNTY OF Lea                  )

The foregoing instrument was acknowledged before me this 21st.  
\_\_\_\_ day of November, 19 63, by J. L. BURKE, JR.  
AND JOYCE BURKE, HIS WIFE.

Bill  
\_\_\_\_\_  
Notary Public, Lea County,

My Commission Expires:  
JUN 13 1967

New Mexico

ACCEPTANCE AND APPROVAL BY  
WORKING INTEREST OWNER

The Undersigned, Brady M. Lowe, working interest owner of  
the above committed interest does hereby accept and approve the above  
and foregoing Consent and Ratification.

DATED this 15<sup>th</sup> day of January, 1964.

Brady M. Lowe  
\_\_\_\_\_  
BRADY M. LOWE

70	T2LS, R3LE Sec. 8: SW <sup>1</sup> SE <sup>1</sup> <sub>4</sub>	40	2-18-59	Ada Oil Co. Phillips Pet.	50.000% 50.000%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
	NE <sup>1</sup> SE <sup>1</sup> <sub>4</sub>	40	2-18-59	Ada Oil Co. Phillips Pet. J. L. Burke, Jr.	25.000% 25.000% 50.000%	Brady, Lowe	H. L. Lowe	16.4%	Brady Lowe
	SE <sup>1</sup> SE <sup>1</sup> <sub>4</sub>	40	2-18-59	*M. E. Baird, Jr., et ux, Kate L. Baird	12.500%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
				J. G. Thornhill Robert H. Hopkins, Jr. Lawrence C. Harris Ada Oil Co. Phillips Pet. *Rufert Madera *Ruford Madera *Mildred A. Broman *Malcom R. Madera, Jr. *R. F. Madera, Jr.	25.000% 12.500% 12.500% 12.500% 12.500% 5.000% 1.875% 1.875%				
	T2LS, R3LE Sec. 18: Lots 3, 4 E <sup>1</sup> SW <sup>1</sup> <sub>4</sub> , SE <sup>1</sup> <sub>4</sub>	319.56	4-20-68	Thomas D. Wize Rufus E. Wize Hoyt T. Wize Louvanna McKandles Tary Violet McKandles	16.666% 16.666% 16.667% 16.667% 16.667%	Jumble Oil & Refg.	None		Jumble Oil & Refg. Co.

Section	Area	Date	Owner	Value	Company	Percentage	Company	
70	T2L3, R3LE Sec. 8: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40	Ada Oil Co. Phillips Pet.	50.000%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
		40	Ada Oil Co. Phillips Pet. J. L. Burke, Jr.	25.000% 25.000% 50.000%	Brady, Lowe	H. L. Lowe	16.4%	Brady Lowe
1	SE $\frac{1}{2}$ SE $\frac{1}{4}$	10	*W. E. Baird, Jr., et ux, Kate L. Baird	12.500%				
		2-18-59	J. G. Thornhill Robert H. Hopkins, Jr. Lawrence C. Harris Ada Oil Co. Phillips Pet. *Rubert Madera *Ruford Madera *Mildred A. Broman *Malcom R. Madera, Jr. *R. F. Madera, Jr.	25.000% 12.500% 12.500% 12.500% 12.500% 5.000% 1.875% 1.875%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
(	T2L3, R3LE Sec. 18: Lots 3,4 E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$	319.56	Thomas D. Wize Rufus E. Wize Hoyt T. Wize Louanna McKandles Harry Violet McKandles	16.666% 16.666% 16.667% 16.667% 16.667%	Jumble Oil & Refg.	None		Jumble Oil & Refg. Co.
		4-20-68						

70	T2LS, R3LE Sec. 8: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40	2-18-59	Ada Oil Co. Phillips Pet.	50.000%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
	NE $\frac{1}{4}$ SE $\frac{1}{4}$	40	2-18-59	Ada Oil Co. Phillips Pet. J. L. Burke, Jr.	25.000% 25.000% 50.000%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
	SE $\frac{1}{4}$ SE $\frac{1}{4}$	40	2-18-59	*W. H. Baird, Jr., et ux, Kate L. Baird	12.500%				
				J. G. Thornhill Robert H. Hopkins, Jr. Lawrence C. Harris Ada Oil Co. Phillips Pet. *Rubert Madera *Ruford Madera *Mildred A. Broman *Malcom R. Madera, Jr. *R. F. Madera, Jr.	25.000% 12.500% 12.500% 12.500% 12.500% 5.000% 1.875% 1.875%	Brady Lowe	H. L. Lowe	16.4%	Brady Lowe
	T2LS, R3LE Sec. 18: Lots 3,4 E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$	319.56	4-20-68	Thomas D. Wize Rufus E. Wize Hoyt T. Wize Louvanna McFandless Mary Violet McKandless	16.666% 16.666% 16.667% 16.667% 16.667%	Jumble Oil & Refg.	None		Jumble Oil & Refg. Co.

563  
MAIN OFFICE OCC

1964 MAR 5 PM 4:18

March 5, 1964

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico

Re: Bell Lake Unit  
Lea County, New Mexico  
1964 Plan of Development

Attention: Mr. A. B. Slaybaugh

Gentlemen:

The Commissioner of Public Lands approved as of March 5, 1964, your 1964 Plan of Development for the Bell Lake Unit Area, Lea County, New Mexico, subject to like approval by the United States Geological Survey.

We are returning one approved copy.

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

United States Geological Survey  
P. O. Drawer 1857  
Roswell, New Mexico



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

February 11, 1964

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico

Attention: Mr. A. B. Slaybaugh

Gentlemen:

Your 1964 plan of development dated December 13, 1963, for the Bell Lake unit agreement, Lea County, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

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



# CONTINENTAL OIL COMPANY

P. O. BOX 460  
HOBBS, NEW MEXICO

1001 NORTH TURNER  
TELEPHONE: EX 3-4141

PRODUCTION DEPARTMENT  
HOBBS DISTRICT  
A. B. SLAYBAUGH  
DISTRICT MANAGER  
G. C. JAMIESON  
ASSISTANT DISTRICT MANAGER

December 27, 1963

OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
CAPITOL ANNEX BUILDING  
SANTA FE, NEW MEXICO

TO THE OIL AND GAS SUPERVISOR (6)  
UNITED STATES GEOLOGICAL SURVEY  
P. O. BOX 1857  
ROSWELL, NEW MEXICO

COMMISSIONER OF PUBLIC LANDS (3)  
STATE OF NEW MEXICO  
CAPITOL ANNEX BUILDING  
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
CAPITOL ANNEX BUILDING  
SANTA FE, NEW MEXICO

Gentlemen:

Attached for your consideration and approval is our proposed Plan of Development for the calendar year 1964 for the Bell Lake Unit, Lea County, New Mexico.

The unsatisfactory market situation and limited gas sales from the unit wells precludes additional drilling at this time.

Yours very truly,

*AB Slaybaugh*

JWW-DFW

cc: Mr. R. G. Parker, w/attachment

Copies with attachments:

. Bell Lake Unit Working Interest Owners

BELL LAKE UNIT OPERATING COMMITTEE  
ADDRESSEE LIST

Mr. A. B. Slaybaugh  
Continental Oil Company  
P. O. Box 1377  
Roswell, New Mexico

Mr. Howard W. Jennings (2)  
Perry R. Bass  
1117 Ft. Worth Nat'l Bank Bldg.  
Fort Worth 2, Texas

Mr. A. D. Kloxin  
Hondo Oil & Gas Company  
P. O. Box 1978  
Roswell, New Mexico

Mr. Edward R. Hudson (2)  
Hudson & Hudson  
1510 First National Bldg.  
Fort Worth, Texas

Mr. William A. Hudson (2)  
Hudson & Hudson  
1510 First National Bldg.  
Fort Worth, Texas

Mr. R. R. McCarty (6)  
Humble Oil & Refining Company  
P. O. Box 1600  
Midland, Texas

Mr. C. F. Miller  
Kerr-McGee Oil Industries, Inc.  
Kerr-McGee Building  
Oklahoma City, Oklahoma

Mr. R. H. Jukes  
Phillips Petroleum Company  
Exploration & Production Dept.  
Bartlesville, Oklahoma

Mr. R. L. Rankin (2)  
Shell Oil Company  
P. O. Box 1858  
Roswell, New Mexico

Mr. J. V. Pollock (3)  
Signal Oil & Gas Company  
509 West Texas Avenue  
Midland, Texas

Mr. Leon S. Ditzell (3)  
Skelly Oil Company  
312-14 North Big Spring  
Midland, Texas

Mr. William H. Mannon (2)  
Southern Calif. Petr. Corp.  
4250 Wilshire Blvd.  
Los Angeles 5, California

Mr. W. T. Wells, Jr. (3)  
Tenneco Oil Company  
P. O. Box 1031  
Midland, Texas

Mr. L. J. Willis (5)  
The Superior Oil Company  
P. O. Box 1521  
Houston 1, Texas

Mr. M. M. Slagle, Jr.  
Texas Pacific Coal & Oil Co.  
P. O. Box 2110  
Fort Worth 1, Texas

Mr. W. M. Stanley (2)  
Union Oil Company of Calif.  
112 E. 4th Street, Dale Bldg.  
Roswell, New Mexico

Mr. Anderson Carter  
Vendetta, Inc.  
P. O. Box 725  
Lovington, New Mexico

Mr. Allan Hargrave  
Harper Star Route  
Kerrville, Texas

Mr. Brady M. Lowe  
1512 Great Plains Bldg.  
Lubbock, Texas

Mr. H. S. Montgomery  
P. O. Box 1351  
San Angelo, Texas

PLAN OF DEVELOPMENT  
FOR THE CALENDAR YEAR 1964  
BELL LAKE UNIT (No. 14-08-001-1066)  
LEA COUNTY, NEW MEXICO

---

TO THE OIL AND GAS SUPERVISOR (6)  
UNITED STATES GEOLOGICAL SURVEY  
P. O. BOX 1857  
ROSWELL, NEW MEXICO

COMMISSIONER OF PUBLIC LANDS (3)  
STATE OF NEW MEXICO  
CAPITOL ANNEX BUILDING  
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
CAPITOL ANNEX BUILDING  
SANTA FE, NEW MEXICO

Gentlemen:

In compliance with Section 10 of the Bell Lake Unit Agreement dated May 12, 1953, Continental Oil Company, as Unit Operator, hereby submits for your approval a Plan of Development for the year 1964. Under date of December 28, 1962, a Plan of Development covering the calendar year 1963 was submitted and subsequent approval was received from your offices.

History of Past Development

The Bell Lake Unit No. 1, located in SE/4 SW/4 of Section 31, T-23S, R-34E, and the Bell Lake Unit No. 4, located in the SE/4 NW/4 of Section 6, T-24S, R-34E, were completed in the Devonian zone and an Initial Participating Area for the Devonian formation has been approved, which is designated as Devonian Participating Area "A". On June 23, 1960, the Bell Lake Unit No. 6, a third Devonian producer, was completed on a location in the SW/4 SE/4 of Section 6, T-23S, R-34E. A Second Participating Area, designated as Devonian Participating Area "B", was approved for the Devonian formation surrounding the No. 6 well.

In addition to the three Devonian wells, the Bell Lake Unit Area has been developed through the completion of a Bone Spring oil producer, the Bell Lake Unit No. 3, located in NE/4 NW/4 Section 6, T-24S, R-34E, and two Pennsylvanian wells, the Bell Lake Unit No. 2, located in SE/4 SW/4 Section 30, T-23S, R-34E and the Bell Lake Unit No. 5, located in SW/4 NE/4 Section 1, T-24S, R-33E. Participating areas have not been established for these wells. The Bell Lake Unit No. 5 was drilled to

the Devonian formation but was found to be non-productive of oil and gas; the well was completed as a Pennsylvanian producer on November 2, 1958.

The Bell Lake Unit No. 2, which ceased to produce from the Pennsylvanian-(Atoka), was deepened from the Atoka to the Pennsylvanian-(Morrow) Sand, but was found to be non-productive of oil and gas; the well was temporarily plugged but not abandoned on January 22, 1962.

The Bell Lake Unit No. 7, located in NE/4 NE/4 of Section 1, T-24S, R-33E, was drilled to the Bone Spring formation but was found to be non-productive of oil and gas; the well was plugged and abandoned on February 1, 1962.

The Bell Lake Unit No. 8, located in SW/4 SW/4 of Section 7, T-22S, R-34E, was drilled to the Cherry Canyon formation but was found to be non-productive of oil and gas; the well was plugged and abandoned on October 7, 1961.

During 1963, the Bell Lake Unit No. 9, located in the NE/4 of SW/4 Section 18, T23S, R34E was drilled to the Bone Spring formation. Tests have shown the well to be non-commercial and the operator is presently planning its abandonment.

#### DEVELOPMENT

Transwestern Pipeline Company connected to the Bell Lake Unit gas wells and limited gas sales began in August, 1961. During the second contract year, August 1, 1962, through July 31, 1963, the gas sales from the Bell Lake Unit was 691,369 MCF. Because of the lack of sales markets, Transwestern has curtailed the gas purchases from the Bell Lake Unit wells. Cumulative production to August 1, 1963, is 3,312,456 MCF. This situation will prevail for an indefinite period. The uncertainties of the present market situation, and the limited production from the present producing wells in the Unit, make the drilling of new wells in the Unit area economically unattractive at this time; therefore, no development wells are proposed for drilling during 1964.

OFFSET OBLIGATIONS

Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Bell Lake Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 18 of said Agreement.

FURTHER DEVELOPMENT

This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Bell Lake Unit Agreement for the period ending December 31, 1964. Before this plan expires, another plan for further development of the Unit Area will be submitted.

MODIFICATION

It is understood that portions of the Plan of Development herein outlined are dependent upon certain information to be obtained prior and subsequent to drilling, as well as other contingencies, and for these reasons, this Plan of Development may be modified from time to time, with like approval, to meet changing conditions.

EFFECTIVE DATE

This Plan of Development shall be effective January 1, 1964. Dated December 13, 1963.

CONTINENTAL OIL COMPANY  
UNIT OPERATOR

By *G. C. Jamieson*  
G. C. JAMIESON

Approved \_\_\_\_\_ DATE \_\_\_\_\_  
Supervisor, United States Geological Survey

Approved \_\_\_\_\_ DATE \_\_\_\_\_  
Commissioner of Public Lands

Approved *A. J. Carter* DATE 4-8-64  
Oil Conservation Commission