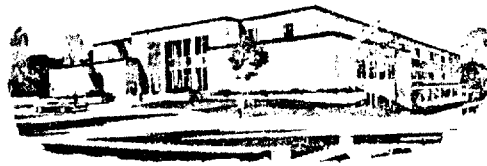


#2702

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

May 18, 1984

REGISTERED MAIL RETURN RECEIPT REQUESTED

JEN Resources, Inc.

P. O. Box 2938

Ruidoso, New Mexico 88345

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

Re: Cave Pool Unit Agreement
Eddy County, New Mexico

ATTENTION: Mr. Jackie Payne

Gentlemen:

Upon reviewing the Cave Pool Unit Agreement, Eddy County, New Mexico we find that you are reporting the Unit Well Nos. 54-D, 55-H, 56-E and the 58-G separate from the other unit wells. Our records reflect that by New Mexico Oil Conservation Division Order No. R-6810 and R-6850 the vertical limits of the Cave-Grayburg Pool in Eddy County, New Mexico were extended to include the San Andres formation and said pool was redesignated as the Cave Grayburg-San Andres Pool, effective as of October 1, 1981. In view of the above you are hereby given thirty (30) days notice, within which time to submit an amendment to the Cave Pool Unit to conform to the OCD Order Nos. R-6810 and R-6850. Failure to timely submit this request will subject your agreement and leases to cancellation without further notice.

Also, please be advised that effective as of April 1, 1984, JEN Resources Inc., shall begin reporting on NMOCN form C-115 the following Cave Grayburg San Andres Wells under Production Unit Number 10604:

PHN-20405	Well No. 54-D, Sec. 4-17S-29E
PUN-20405	Well No. 55-H, Sec. 5-17S-29E
PHN-20405	Well No. 56-E, Sec. 4-17S-29E
PUN-20405	Well No. 58-G, Sec. 5017S-29E

Upon fulfillment of the above required changes, all Cave Pool Unit Wells will be reported under Production Unit Number 10604. Also, please submit a copy of all required changes to the Bureau of Land Management.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

Oil Conservation Division ✓
Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501
ATTN: Mr. Richard L. Stamets

Oil and Gas Accounting Division
P. O. Box 2308
Santa Fe, New Mexico 87503
ATTN: Mr. Michael Cunningham

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201
ATTN: Mr. Armando Lopez

Bureau of Land Management
505 Marquette, NW, Suite 815
Albuquerque, New Mexico 87102

Navajo Refining Company
P. O. Drawer 159
Artesia, New Mexico 88210
ATTN: Ms. Karen L. Evans



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
ROSSELL DISTRICT OFFICE
P.O. BOX 1397
ROSSELL, NEW MEXICO 88201

#2702

14-08-0001-8511
3180 (065)



Bozarth, Craig & Vickers
Attention: Marion J. Craig III
P. O. Box 820
Roswell, NM 88202-0820

Re: Cave Pool Unit, Eddy County, New Mexico

Gentlemen:

Thank you for your letter of February 28, 1989 informing this office that the Cave Pool Unit, Eddy County, New Mexico, is the subject of a receivership as part of a foreclosure case filed in the United States District Court for the District of New Mexico.

In view of such, this office requests that you keep this office informed as to the status of the unit and the designated successor unit operator for this unit. Once a unit operator has been appointed, this office requires proof of bond for all wells within the Cave Pool Unit.

If you have any questions, contact Jerry Dutchover or the Branch of Fluid Minerals at (505) 622-9042.

Sincerely,

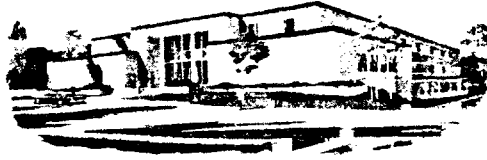
(ORIG. S&D.) JOE G. LARA

Joe G. Lara
Assistant District Manager,
Minerals

cc:
Commissioner of Public Lands



State of New Mexico



Commissioner of Public Lands

JIM BACA
COMMISSIONER

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

September 27, 1986

2702

TO: Mr. Armando Lopez
BLM-Roswell, New Mexico
FROM: Mr. Jim Baca, Commissioner
SUBJECT: New Mexico BLM

Re: Assignment of Leasehold Interest in
Cave Pool Unit
Santa Fe, New Mexico

Dear Sir:

Enclosed for the Cave Pool Unit is a copy of the
Assignment of Leasehold Interest in the Cave Pool Unit
to the BLM.

This Assignment of Leasehold Interest in the Cave Pool Unit
is being made to the BLM by the State of New Mexico.
The Assignment of Leasehold Interest in the Cave Pool Unit
is being made to the BLM by the State of New Mexico.

This Assignment will be subject to the approval of the Board
of Land Management.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

Jim Baca

FLOYD O. BRANDON, Director
Oil and Gas Division
(505) 827-5744

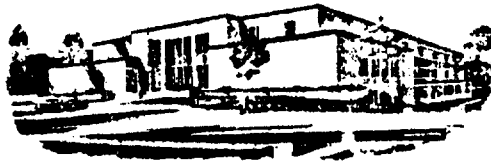
JB/FOF/bn
cc:

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

State of New Mexico



JIM BACA
COMMISSIONER



#2702

Commissioner of Public Lands

June 21, 1984

JEM Resources, Inc.
P. O. Box 2938
Ruidoso, New Mexico 88345

Mr. Ernest L. Padilla
P. O. Box 2523
Santa Fe, New Mexico 87501

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

Re: Cave Pool Unit Agreement
Eddy County, New Mexico

Gentlemen:

Reference is made to our registered letter to JEM Resources, Inc. dated May 18, 1984, wherein you were given thirty (30) days notice, within which to submit an amendment to the Cave Pool Unit or failure to comply with our request would subject your agreement and leases to cancellation without further notice.

This office is in receipt of various correspondence and well records relating to our registered letter of May 18, 1984, in regards to the Cave Pool Unit Well Nos. 54, 55, 56 and 58.

In view of the above please be advised that our requirements as outlined in our registered letter have been timely met and our notice of cancellation has been rescinded. Please keep this office advised as to any future development within the unit area so that all new wells can be reviewed by our staff.

Please advise all interested parties of this action.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
OCAC-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico



United States Department of the Interior

GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

270 ✓

January 21, 1974

Mr. Lewis C. Jameson
9811 Snow Heights Blvd.
Albuquerque, New Mexico 87110

Dear Mr. Jameson:

One copy of an instrument, executed by Juliette E. Birdwell (Ancillary Administratrix of the Estate of Robert H. Birdwell, deceased) and C. V. Morgan, was filed with this office on January 15, 1974. By the instrument, Birdwell resigns as unit operator and Morgan accepts the duties and obligations of successor unit operator of the Cave Pool unit, Eddy County, New Mexico, effective as of November 1, 1973.

One copy of a separate instrument, executed by C. V. Morgan and JEM Resources, Inc., was also filed with this office on January 15, 1974. By such instrument, Morgan resigns as unit operator and JEM Resources, Inc., accepts the duties and obligations of successor unit operator of the Cave Pool unit, Eddy County, New Mexico, effective as of November 1, 1973.

Both of the above instruments are hereby accepted by this office for record purposes. Accordingly, JEM Resources, Inc., is now the unit operator of the Cave Pool unit, effective as of November 1, 1973. The instruments were approved by the Commissioner of Public Lands of the State of New Mexico on January 14, 1974.

Sincerely yours,

(ENC. 501)

CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc:

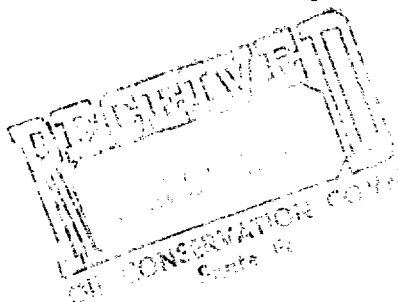
Juliette E. Birdwell
208 West Stevens
Carlsbad, New Mexico 88220

Mr. C. V. Morgan
P. O. Box 278
Olney, Texas 76374

Com. of Pub. Lands, Santa Fe

N.M.O.C.C., Santa Fe ✓

BLM, Santa Fe
Artesia
REShook:lh





UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

71 FEB 23 PM 1 10

IN REPLY REFER TO:

February 23, 1971

2702

Mr. A. J. Lossie
P.O. Drawer 239
Artesia, New Mexico 88210

Dear Mr. Lossie:

Your letter of February 15, received in this office on February 16, transmits one copy of an instrument by which the Estate of Archie M. Speir, Deceased, resigns and Robert H. Birdwell is designated as unit operator of the Cave Pool unit, Eddy County, New Mexico. Such instrument was approved by the Commissioner of Public Lands of the State of New Mexico on February 16, 1971, and is effective as of March 1, 1971.

The resignation of the Estate of Archie M. Speir, Deceased, as operator of the Cave Pool unit and the designation of Robert H. Birdwell as successor operator of such unit is hereby accepted for record purposes pursuant to section 8 of the unit agreement.

Sincerely yours,

N. O. FREDERICK
Regional Oil and Gas Supervisor

cc:
Washington (w/cy instrument)
BLM, Santa Fe (ltr only)
Artesia (ltr only)
Com. of Pub. Lands, Santa Fe (ltr only)
NMOCC, Santa Fe (ltr only)

OCT 21 1969

Drawer 1857
Essex, New Mexico 88201

October 20, 1969

Archie M. Speir
P. O. Drawer 40
Artesia, New Mexico 88210

Dear Mr. Speir:

Your letter of September 26, received by this office on September 29, transmits one copy of an instrument by which Continental Oil Company resigns and Archie M. Speir is designated as unit operator of the Cave Pool unit, Eddy County, New Mexico. Such instrument was approved by the Commissioner of Public Lands of the State of New Mexico on September 29, 1969, and is effective as of October 1, 1969.

The resignation of Continental Oil Company as operator of the Cave Pool unit and the designation of Archie M. Speir as successor operator of such unit is hereby accepted by this office pursuant to section 8 of the unit agreement.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK

Carl C. Traywick
Acting Oil and Gas Supervisor

cc:
Washington (w/cy instrument)
BLM, Santa Fe (ltr. only)
Artesia (ltr. only)
Com. Pub. Lands, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only) ✓

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

2702

August 25, 1964

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

Re: Unit Area Expansion
Cave Pool Unit, Eddy
County, New Mexico

Gentlemen:

O
P
This is to advise that the New Mexico Oil
Conservation Commission has this date approved the expansion
of the Cave Pool Unit Area to include Tract 17, consisting
of the W/2 SW/4 Section 5 and the SE/4 NE/4 of Section 7,
Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

Y
One approved copy of the application is returned
herewith.

Very truly yours,

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

ALP/JEK/og

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico



CONTINENTAL OIL COMPANY

2702
P. O. Box 1377
Roswell, New Mexico
May 29, 1963

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Re: CAVE POOL UNIT,
EDDY COUNTY, NEW MEXICO

As directed in Order No. 2384 (Case No. 2702) dated December 5, 1962, copies are attached of the Cave Pool Unit Agreement and Unit Operating Agreement. A copy is also attached of the Certificate of Unitization, showing that the Unit became effective on May 1, 1963.

Yours very truly,

A. B. Slaybaugh
A. B. SLAYBAUGH
Division Superintendent
of Production
New Mexico Division

CRA-pr
Enc.

2702
MAIN OFFICE CCC

1963 JAN 28 PM 4:00

January 25, 1963

Mr. J. W. Kellahin
54½ East San Francisco Street
P. O. Box 1713
Santa Fe, New Mexico

Re: Cave Pool Unit,
Eddy County, New Mexico

Dear Mr. Kellahin:

The Commissioner of Public Lands has approved as of January 25, 1963 Continental's Cave Pool Unit Agreement, Eddy County, New Mexico, subject to like approval by the United States Geological Survey.

We are enclosing eight Certificates signed by the Commissioner of Public Lands, also enclosed is Official Receipt No. G-1316 in the amount of Thirty-five (\$35.00) Dollars which covers the filing fee.

Very truly yours,

E. S. JONNEY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmr/e

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

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

2700
Post Office Box 460
Hobbs, New Mexico
February 17, 1964

Regional Oil & Gas Supervisor (6)
United States Geological Survey
Drawer 1857
Roswell, New Mexico

Commissioner of Public Lands (2)
P. O. Box 791
Santa Fe, New Mexico

New Mexico Oil Conservation Commission (2)
P. O. Box 2088
Santa Fe, New Mexico

Working Interest Owners Cave Pool Unit
(Address List Attached)

Gentlemen:

Re: Revised Exhibits - Cave
Pool Unit Agreement and
Operating Agreement

Continental Oil Company recently acquired the working interest ownership in the Cave Pool Unit which was previously held by Lonnie Kemper, et ux. This assignment was recorded in Book 149, page 353 of the Oil and Gas Records of Eddy County, New Mexico.

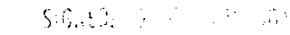
The interests of Bill A. Shelton, et ux, acquired in foreclosure by New Mexico Bank and Trust Company were assigned to R. F. Montgomery and thence to Minerals, Incorporated, a New Mexico corporation. These assignments were recorded in Book 138, page 434; and Book 139, page 373, respectively, of the Oil and Gas Records of Eddy County, New Mexico.

Subsequent to their joinder to the unit, Western Development Company changed its corporate name to International Oil and Gas Corporation.

Joint Letter
Page 2

In order to show the current status of unit ownership we attach hereto revised Exhibit A and revised sheets of Exhibit B to the Unit Agreement and revised Exhibit C to the Unit Operating Agreement. Please insert these sheets in your copies of the agreements.

Yours very truly,


G. C. JAMIESON
Assistant District Manager
of Production
Hobbs District

VTL-DFW

cc: RGP (6)

MAILING LIST - CAVE POOL OPERATORS

Mr. Lynn Durham
Durham Drilling Company
P. O. Drawer 273
Midland, Texas

Kincaid & Watson (2)
Attn: Mr. J. C. Watson
P. O. Box 498
Artesia, New Mexico

Leonard Oil Company
Attn: Mr. Fowler Hix
P. O. Box 708
Roswell, New Mexico

Minerals, Incorporated (2)
P. O. Box 2215
Hobbs, New Mexico

Sinclair Oil and Gas Company (4)
Attn: Mr. H. F. Defenbaugh
P. O. Box 521
Tulsa, Oklahoma

Skelly Oil Company (4)
Attn: Mr. Robert G. Hiltz
P. O. Box 1650
Tulsa, Oklahoma

International Oil & Gas Corp. (2)
Attn: Mr. R. J. Davenport
P. O. Box 427
Artesia, New Mexico

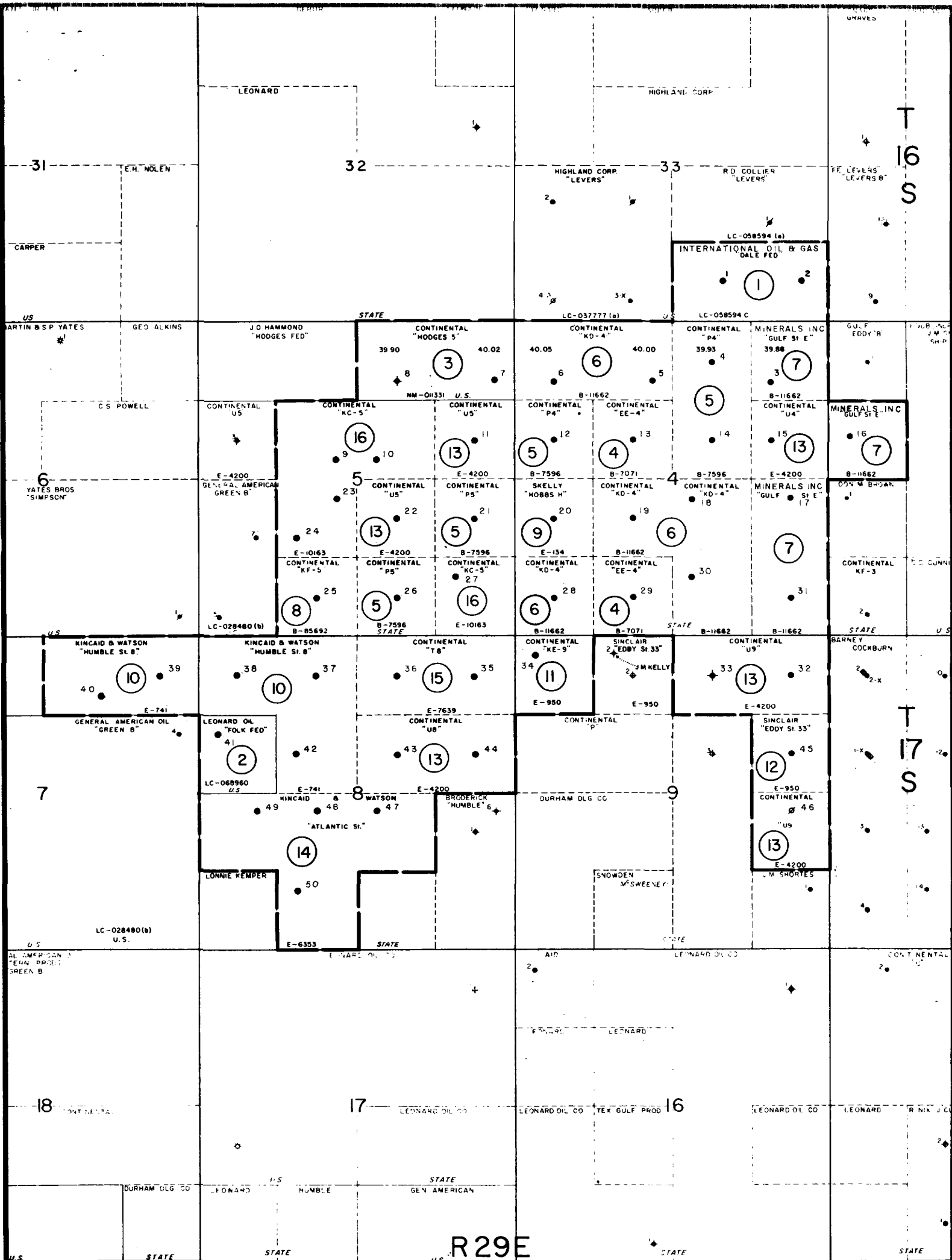
Mr. R. L. Burrow
P. O. Box 1536
Roswell, New Mexico

Dalevco Oils
Attn: Mr. O. C. Dale
P. O. Box 2227
Roswell, New Mexico

Mr. J. L. Warren
El Paso, Texas

VTL-DFW

2-17-64



CAVE POOL UNIT

EDDY COUNTY, NEW MEXICO

LEGEND

UNIT AREA —————

TRACT NUMBERS ————○———

SCALE: 1"=2000'

7/20/61

Revised 2-1-64 R.F.L.

EXHIBIT "B" - UNIT AGREEMENT
CAVE POOL UNIT
EDDY COUNTY, NEW MEXICO

SCHEDULE OF TRACTS

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
FEDERAL LAND								
1	T16S-R29E Sec. 33: S/2 SE/4	80.00	LC-058594C-HBP	USA-12.5%	Oran C. Dale	International Oil & Gas Corp. 100.0%	Ralph A. Shugart, Emmett D. White & First National Bank of Roswell, N.M., Co-Trustees of the Est. of Harry Leonard, deceased 1.25% Mabel F. Leonard 1.25% Maxine E. Ely 2.0% Everett E. Taylor 1.0% Ernest A. Hanson 2.0% Oran C. Dale & Frances Dale 4.0%	2.93673
2	T17S-R29E Sec. 8: SW/4 NW/4	40.00	LC-068960-HBP	USA-12.5%	Leonard Oil Company	Leonard Oil Company 100.0%	Isabelle V. Bixler et vir 1.0%	1.87586
3	T17S-R29E Sec. 5: Lots 1 & 2	79.92	NM-011331-HBP	USA-12.5%	L. B. Hodges	Continental Oil Company 100.0%	None	2.21087
3 Federal Tracts containing 199.92 acres, 10.20% of the Unit Area.								

EXHIBIT "B" (continued)

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
STATE OF NEW MEXICO LAND								
4	T17S-R29E Sec. 4: SE/4 NW/4 SE/4 SW/4	80.00	B-7071 - HBP	State of N.M.-12.5%	Continental Oil Company	Continental Oil Co. 100.0%	Gloria Wolcott 3.125% David Jones 3.125% Olen F. Featherstone et ux 3.125% C. A. Sopp 3.125%	8.12974
5	T17S-R29E Sec. 4: Lot 2 SW/4 NE/4 SW/4 NW/4 Sec. 5: NE/4 SE/4 SW/4 SE/4	199.93	B-7596 - HBP	State of N.M.-12.5%	Continental Oil Company	Continental Oil Co. 100.0%	None 13.96585	
6	T17S-R29E Sec. 4: Lots 3&4 NE/4 SW/4 SW/4 SW/4 W/2 SE/4	240.05	B-11662 - HBP	State of N.M.-12.5%	Gulf Oil Corp.	Continental Oil Co. 100.0%	Gulf Oil Corp. 12.5%	13.29479
7	T17S-R29E Sec. 3: SW/4 NW/4 Sec. 4: Lot 1 E/2 SE/4	159.88	B-11662 - HBP	State of N.M.-12.5%	Gulf Oil Corp.	Minerals, Inc. 96.875% Jess L. Warren 3.125%	Gulf Oil Corp. Primary Recovery 10.9375% Secondary Recovery 21.8750%	6.42054

EXHIBIT "B" (continued)

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
14	T17S-R29E Sec. 8: N/2 SW/4 SE/4 SW/4 NW/4 SE/4	160.00	E-6353 - HBP	State of N.M.-12.5%	The Atlantic-Rfg. Co.	Durham Drlg. Company 32.5% R. L. Burrow 10.0% Dalevco Oils 10.0% Continental Oil Company 5.0% Kincaid & Watson Drlg. Co. 42.5%	The Atlantic Rfg. 15.625%	3.21538
15	T17S-R29E Sec. 8: N/2 NE/4	80.00	E-7639 - HBP	State of N.M.-12.5%	Continental Oil Co.	Continental Oil Co. 100.0%	None	4.69285
16	T17S-R29E Sec. 5: SW/4 NE/4 SE/4 NW/4 NE/4 SW/4 SE/4 SE/4	160.00	E-10163 - HBP	State of N.M.-12.5%	Continental Oil Co.	Continental Oil Co. 100.0%	None	9.14607
13 State of New Mexico Tracts containing 1759.86 acres, 89.80% of the Unit Area.								
Total Unit Area - 16 Tracts containing 1959.78 acres								

EXHIBIT "C"
UNIT OPERATING AGREEMENT
CAVE POOL UNIT, EDDY COUNTY, NEW MEXICO

UNIT PARTICIPATION

TRACT NO.	WORKING INTEREST OWNER	WORKING INTEREST IN TRACT	UNIT PARTICIPATION
1	International Oil & Gas Corp.	100%	2.93673
2	Leonard Oil Company	100%	1.87586
3	Continental Oil Company	100%	2.21087
4	Continental Oil Company	100%	8.12974
5	Continental Oil Company	100%	13.96585
6	Continental Oil Company	100%	13.29479
7	Minerals Incorporated Jess L. Warren	96.875% 3.125%	6.21990 0.20064
8	Continental Oil Company	100%	2.55718
9	Skelly Oil Company	100%	3.83233
10	Durham Drilling Company R. L. Burrow Dalevco Oils Kincaid & Watson Drilling Co.	50% 9% 8% 33%	3.48641 0.62755 0.55783 2.30103
11	Continental Oil Company	100%	1.98764
12	Sinclair Oil & Gas Company	100%	2.79636
13	Continental Oil Company	100%	15.96499
14	Durham Drilling Company R. L. Burrow Dalevco Oils Continental Oil Co. Kincaid & Watson Drilling Co.	32.5% 10% 10% 5% 42.5%	1.04500 0.32154 0.32154 0.16077 1.36653
15	Continental Oil Company	100%	4.69285
16	Continental Oil Company	100%	9.14607

SUMMARY

WORKING INTEREST OWNER	TRACT NO.	UNIT PARTICIPATION BY TRACTS	UNIT PARTICIPATION OF EACH WORKING INT. OWNER
R. L. BURROW	10 14	0.62755 0.32154	0.94909

EXHIBIT "C" (continued)

SUMMARY (continued)

WORKING INTEREST OWNER	TRACT NO	UNIT PARTICIPATION BY TRACTS	UNIT PARTICIPATION OF EACH WORKING INT. OWNER
Continental Oil Company	3	2.21087	72.11075
	4	8.12974	
	5	13.96585	
	6	13.29479	
	8	2.55718	
	11	1.98764	
	13	15.96499	
	14	0.16077	
	15	4.62685	
	16	9.1460	
Dalevco Oils	10	0.55783	0.87937
	14	0.32154	
Durham Drilling Company	10	3.48641	4.53141
	14	1.04500	
International Oil & Gas Corp	1	2.93673	2.93673
Kincaid & Watson Drilling Company	10	2.30103	3.66756
	14	1.36653	
Leonard Oil Company	2	1.87586	1.87586
Minerals, Incorporated	7	6.21990	6.21990
Sinclair Oil & Gas Company	12	2.79636	2.79636
Skelly Oil Company	9	3.83233	3.83233
Jess L. Warren	7	0.20064	0.20064

Post Office Box 460
Hobbs, New Mexico
February 17, 1964

10000 11 00

Regional Oil & Gas Supervisor (6)
United States Geological Survey
Drawer 1857
Roswell, New Mexico

Commissioner of Public Lands (2)
P. O. Box 791
Santa Fe, New Mexico

New Mexico Oil Conservation Commission (2)✓
P. O. Box 2088
Santa Fe, New Mexico

Working Interest Owners Cave Pool Unit
(Address List Attached)

Gentlemen:

Re: Revised Exhibits - Cave
Pool Unit Agreement and
Operating Agreement

Continental Oil Company recently acquired the working interest ownership in the Cave Pool Unit which was previously held by Lonnie Kemper, et ux. This assignment was recorded in Book 149, page 353 of the Oil and Gas Records of Eddy County, New Mexico.

The interests of Bill A. Shelton, et ux, acquired in foreclosure by New Mexico Bank and Trust Company were assigned to R. F. Montgomery and thence to Minerals, Incorporated, a New Mexico corporation. These assignments were recorded in Book 138, page 434; and Book 139, page 373, respectively, of the Oil and Gas Records of Eddy County, New Mexico.

Subsequent to their joinder to the unit, Western Development Company changed its corporate name to International Oil and Gas Corporation.

Joint Letter
Page 2

In order to show the current status of unit ownership we attach hereto revised Exhibit A and revised sheets of Exhibit B to the Unit Agreement and revised Exhibit C to the Unit Operating Agreement. Please insert these sheets in your copies of the agreements.

Yours very truly,



G. C. JAMIESON
Assistant District Manager
of Production
Hobbs District

VTL-DFW

cc: RGP (6)

MAILING LIST - CAVE POOL OPERATORS

Mr. Lynn Durham
Durham Drilling Company
P. O. Drawer 273
Midland, Texas

Kincaid & Watson (2)
Attn: Mr. J. C. Watson
P. O. Box 498
Artesia, New Mexico

Leonard Oil Company
Attn: Mr. Fowler Hix
P. O. Box 708
Roswell, New Mexico

Minerals, Incorporated (2)
P. O. Box 2215
Hobbs, New Mexico

Sinclair Oil and Gas Company (4)
Attn: Mr. H. F. Defenbaugh
P. O. Box 521
Tulsa, Oklahoma

Skelly Oil Company (4)
Attn: Mr. Robert G. Hiltz
P. O. Box 1650
Tulsa, Oklahoma

International Oil & Gas Corp. (2)
Attn: Mr. R. J. Davenport
P. O. Box 427
Artesia, New Mexico

Mr. R. L. Burrow
P. O. Box 1536
Roswell, New Mexico

Dalevco Oils
Attn: Mr. O. C. Dale
P. O. Box 2227
Roswell, New Mexico

Mr. J. L. Warren
El Paso, Texas

VTL-DFW

2-17-64

EXHIBIT "B" - UNIT AGREEMENT
CAVE POOL UNIT
EDDY COUNTY, NEW MEXICO

SCHEDULE OF TRACTS

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
FEDERAL LAND								
1	T16S-R29E Sec. 33: S/2 SE/4	80.00	LC-058594C-HBP	USA-12.5%	Oran C. Dale	International Oil & Gas Corp. 100.0%	Ralph A. Shugart, Emmett D. White & First National Bank of Roswell, N.M., Co-Trustees of the Est. of Harry Leonard, deceased 1.25% Mabel F. Leonard 1.25% Maxine E. Ely 2.0% Everett E. Taylor 1.0% Ernest A. Hanson 2.0% Oran C. Dale & Frances Dale 4.0%	2.93673
2	T17S-R29E Sec. 8: SW/4 NW/4	40.00	LC-068960-HBP	USA-12.5%	Leonard Oil Company	Leonard Oil Company 100.0%	Isabelle V. Bixler et vir 1.0%	1.87586
3	T17S-R29E Sec. 5: Lots 1 & 2	79.92	NM-011331-HBP	USA-12.5%	L. B. Hodges	Continental Oil Company 100.0%	None	2.21087
3 Federal Tracts containing 199.92 acres, 10.20% of the Unit Area.								

EXHIBIT "B" (continued)

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
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STATE OF NEW MEXICO LAND

4	T17S-R29E Sec. 4: SE/4 NW/4 SE/4 SW/4	80.00	B-7071 - HBP	State of N.M.-12.5%	Continental Oil Company	Continental Oil Co. 100.0%	Gloria Wolcott 3.125% David Jones 3.125% Olen F. Featherstone et ux 3.125% C. A. Sopp 3.125%	8.12974
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5	T17S-R29E Sec. 4: Lot 2 SW/4 NE/4 SW/4 NW/4 Sec. 5: NE/4 SE/4 SW/4 SE/4	199.93	B-7596 - HBP	State of N.M.-12.5%	Continental Oil Company	Continental Oil Co. 100.0%	None 13.96585	
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6	T17S-R29E Sec. 4: Lots 3&4 NE/4 SW/4 SW/4 SW/4 W/2 SE/4	240.05	B-11662 - HBP	State of N.M.-12.5%	Gulf Oil Corp.	Continental Oil Co. 100.0%	Gulf Oil Corp. 12.5%	13.29479
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7	T17S-R29E Sec. 3: SW/4 NW/4 Sec. 4: Lot 1 E/2 SE/4	159.88	B-11662 - HBP	State of N.M.-12.5%	Gulf Oil Corp.	Minerals, Inc. 96.875% Jess L. Warren 3.125%	Gulf Oil Corp. Primary Recovery 10.9375% Secondary Recovery 21.8750%	6.42054
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EXHIBIT "B" (continued)

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND EXPIRATION DATE	BASIC ROYALTY	LESSEE OF RECORD	WORKING INT. OWNER AND PERCENTAGE	OVERRIDING ROYALTY OWNER & PERCENTAGE	TRACT PARTICIPATION
14	T17S-R29E Sec. 8: N/2 SW/4 SE/4 SW/4 NW/4 SE/4	160.00	E-6353 - HBP	State of N.M.-12.5%	The Atlantic-Rfg. Co.	Durham Drlg. Company 32.5% R. L. Burrow 10.0% Dalevco Oils 10.0% Continental Oil Company 5.0% Kincaid & Watson Drlg. Co. 42.5%	The Atlantic Rfg. 15.625%	3.21538
15	T17S-R29E Sec. 8: N/2 NE/4	80.00	E-7639 - HBP	State of N.M.-12.5%	Continental Oil Co.	Continental Oil Co. 100.0%	None	4.69285
16	T17S-R29E Sec. 5: SW/4 NE/4 SE/4 NW/4 NE/4 SW/4 SE/4 SE/4	160.00	E-10163 - HBP	State of N.M.-12.5%	Continental Oil Co.	Continental Oil Co. 100.0%	None	9.14607
13 State of New Mexico Tracts containing 1759.86 acres, 89.80% of the Unit Area.								
Total Unit Area - 16 Tracts containing 1959.78 acres								

EXHIBIT "C"
UNIT OPERATING AGREEMENT
CAVE POOL UNIT, EDDY COUNTY, NEW MEXICO

UNIT PARTICIPATION

TRACT NO.	WORKING INTEREST OWNER	WORKING INTEREST IN TRACT	UNIT PARTICIPATION
1	International Oil & Gas Corp.	100%	2.93673
2	Leonard Oil Company	100%	1.87586
3	Continental Oil Company	100%	2.21087
4	Continental Oil Company	100%	8.12974
5	Continental Oil Company	100%	13.96585
6	Continental Oil Company	100%	13.29479
7	Minerals Incorporated Jess L. Warren	96.875% 3.125%	6.21990 0.20064
8	Continental Oil Company	100%	2.55718
9	Skelly Oil Company	100%	3.83233
10	Durham Drilling Company R. L. Burrow Dalevco Oils Kincaid & Watson Drilling Co.	50% 9% 8% 33%	3.48641 0.62755 0.55783 2.30103
11	Continental Oil Company	100%	1.98764
12	Sinclair Oil & Gas Company	100%	2.79636
13	Continental Oil Company	100%	15.96499
14	Durham Drilling Company R. L. Burrow Dalevco Oils Continental Oil Co. Kincaid & Watson Drilling Co.	32.5% 10% 10% 5% 42.5%	1.04500 0.32154 0.32154 0.16077 1.36653
15	Continental Oil Company	100%	4.69285
16	Continental Oil Company	100%	9.14607

SUMMARY

WORKING INTEREST OWNER	TRACT NO.	UNIT PARTICIPATION BY TRACTS	UNIT PARTICIPATION OF EACH WORKING INT. OWNER
R. L. BURROW	10 14	0.62755 0.32154	0.94909

EXHIBIT "C" (continued)

SUMMARY (continued)

WORKING INTEREST OWNER	TRACT NO	UNIT PARTICIPATION BY TRACTS	UNIT PARTICIPATION OF EACH WORKING INT. OWNER
Continental Oil Company	3	2.21087	72.11075
	4	8.12974	
	5	13.96585	
	6	13.29479	
	8	2.55718	
	11	1.98764	
	13	15.96499	
	14	0.16077	
	15	4.62685	
	16	9.1460	
Dalevco Oils	10	0.55783	0.87937
	14	0.32154	
Durham Drilling Company	10	3.48641	4.53141
	14	1.04500	
International Oil & Gas Corp	1	2.93673	2.93673
Kincaid & Watson Drilling Company	10	2.30103	3.66756
	14	1.36653	
Leonard Oil Company	2	1.87586	1.87586
Minerals, Incorporated	7	6.21990	6.21990
Sinclair Oil & Gas Company	12	2.79636	2.79636
Skelly Oil Company	9	3.83233	3.83233
Jess L. Warren	7	0.20064	0.20064

2 /

CONTINENTAL OIL COMPANY

Hobbs, New Mexico
April 22, 1964

TO: All W.I. Owners
All Lessees, Lessors
All Royalty Owners & O.R.R. Owners
The Commissioner of Public Lands (3)
The Director of the U.S.G.S. (6)

NOTICE OF INTENT TO EXPAND CAVE POOL UNIT

You are hereby notified of the contemplated expansion of the Cave Pool Unit to include a portion of General American Oil Company of Texas' Green "B" Lease. That portion to be included in the unit is described as the W/2 of the SW/4 of Section 5, and the NE/4 of the NE/4 of Section 7, all in T-17S, R-29E, Eddy County, New Mexico. This will henceforth be referred to as Tract No. 17 and is so labeled on the revised Exhibit "A" attached.

The Working Interest Owners were previously notified by letter of October 3, 1963, that General American had requested inclusion of the Green "B" Lease acreage in this unit. Concurrence of the required 90% of the Working Interest Ownership has now been received and is tabulated in Table 1. Preliminary concurrence of the Commissioner of Public Lands was received by letter of October 22, 1963, and from the Director of the U.S.G.S. on November 19, 1963.

Located on this tract are three wells capable of producing from the unitized formation. These wells are so situated with regard to the injection pattern now in effect that total unit recovery of secondary oil will be greatly increased by their inclusion in the unit. They will also provide a more

closely controlled flood pattern than might be possible under a cooperative injection program. Participation in the unit for the tract was calculated based on the original formula outlined in Section 12 of the Unit Agreement using (1) ultimate primary recovery, 60%, (2) net effective pay volume, 30%, (3) production during the period October 1, 1959, through March 31, 1960, 10%. This formula yields a percentage of 4.67608 for unit participation for the proposed tract. Participation for other tracts has been reduced in accordance with the provisions of the Unit Agreement and is tabulated in the attached Exhibit F.

A preliminary inventory has been conducted by representatives of the operator and General American. A list of the equipment and its condition is attached as Exhibit G. It should be noted that some equipment listed on the inventory is not required by the Unit and will be removed by General American.

Based on this inventory, an adjustment has been made which includes all waterflood expenditures to January 31, 1964. General American will pay \$12,920.91 to the Unit Account to balance the investment to that date. Subsequent charges will be handled in a similar manner.

This expansion will become effective at 7:00 A.M. on the first day of the month following approval by the Commissioner and the Director.

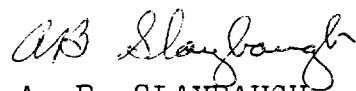
Thirty (30) days will be allowed for submission to the Unit operator of any objection to the proposed expansion,

Joint Letter
Page 3

during which time joinders will be solicited from owners of lands to be submitted to the Unit.

At the completion of said thirty (30) days, if objections of not more than 10 percent of the voting interest has been received, the Unit operator will file with the Commissioner and Director an application for expansion as required by the Unit Agreement.

Yours very truly,

A handwritten signature in cursive script, appearing to read "A. B. Slaybaugh".

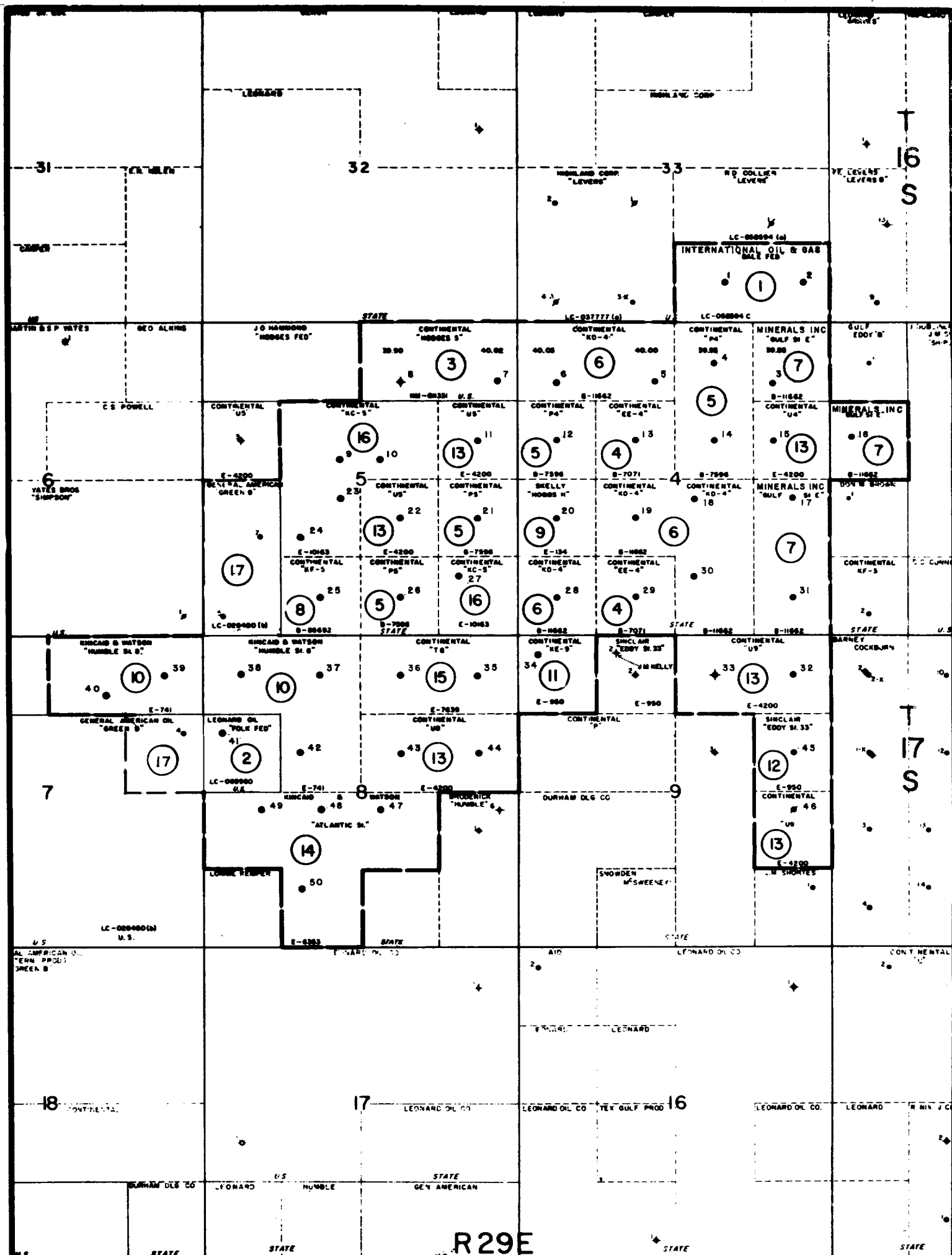
A. B. SLAYBAUGH
District Manager
of Production
Hobbs District

JWW-DFW

Enc.

TABLE 1

<u>Company</u>	<u>Percentage</u>	<u>Date Received</u>	<u>Signature</u>
R. L. Burrow	0.94909	10-18-63	R. L. Burrow
Continental Oil Company	72.11075	10-1-63	A. B. Slaybaugh
Dalevco Oils			
Durham Drilling Company			
International Oil & Gas Corporation	2.93673	10-21-63	R. J. Davenport
Kincaid & Watson	3.66756	10-7-63	J. C. Watson
Leonard Oil Company	1.87586	12-30-63	Fowler Hix
Minerals, Inc.	6.21990	2-12-64	R. F. Montgomery
Sinclair Oil & Gas Company	2.79636	10-24-63	R. F. Sawyer
Skelly Oil Company			
Jess L. Warren			
TOTAL APPROVALS		90.556.25	



CAVE POOL UNIT EDDY COUNTY, NEW MEXICO

LEGEND

UNIT AREA —————

TRACT NUMBERS ————○———

SCALE: 1"=2000'

7/20/61

EXHIBIT A

Revised 2-1-64 R.F.L.

UNITIZATION PARAMETERS CAVE POOL UNIT - EDDY COUNTY, NEW MEXICO

Tract No.	Operator & Lease	Net Effective Acre-Feet	Net Pay NEP Part.	Ultimate Primary Production Bbls.	Ult. Prim. Part.	Prod. 10/1/59-3/31/60 Bbls.	Prod. Part.	Unit Participa-tion
CONTINENTAL OIL COMPANY								
4	State EE-4	395.0	1.64674	67,582	5.02937	3,826	1.08718	7.76329
5	State P-4	504.4	2.11353	69,991	5.20865	1,557	0.44245	7.76461
5	State P-5	350.4	1.46824	48,425	3.60573	1,629	0.46289	5.53486
13	State U-4	145.3	0.60883	21,167	1.57522	660	0.18754	2.37159
13	State U-5	420.9	1.76365	42,177	3.13876	611	0.17362	5.07603
13	State U-8	252.7	1.05886	29,623	2.20451	714	0.20289	5.46626
13	State U-9	264.0	1.10621	31,556	2.34836	2,972	0.84451	4.29908
15	State T-8	286.3	1.19965	41,543	3.09158	610	0.17354	4.46457
11	State KE-9	117.7	0.49318	14,285	1.06307	1,210	0.34385	1.90008
6	State KD-4	945.4	3.96139	92,880	6.91202	6,389	1.81547	12.68888
16	State KC-5	613.8	2.57193	75,111	5.44085	2,460	0.69902	8.71178
8	State KF-5	206.6	0.86569	20,444	1.52142	150	0.04262	2.42973
3	Hogges 5	237.9	0.99684	12,009	0.89370	755	0.21454	2.10508
	Company Total	4738.4	19.85474	564,793	42.03122	23,543	6.68988	68.57534
KINCAID AND WATSON DRILLING COMPANY								
10	Humble State 8	655.0	2.74457	49,605	3.69154	666	0.18925	6.62536
14	Atlantic State	200.4	0.83971	25,286	1.88175	1,214	0.34496	3.06642
	Company Total	855.4	3.58428	74,891	5.57329	1,880	0.53421	9.69178
LEONARD OIL COMPANY								
2	Folk Fed.	130.9	0.54849	15,647	1.16443	251	0.07132	1.78424
BILL A. SHELTON OIL PROPERTIES								
7	Gulf State E	481.0	2.01548	38,793	2.88695	4,353	1.23693	6.13934
SINCLAIR OIL AND GAS COMPANY								
12	Eddy State 33	148.3	0.62140	23,894	1.77816	939	0.26682	2.66638
SKELLY OIL COMPANY								
9	Hobbs H	156.8	0.65702	31,125	2.31629	2,439	0.69306	3.66637
WESTERN DEVELOPMENT COMPANY								
1	Dale Fed.	260.9	1.09322	18,173	1.35241	1,247	0.35434	2.79997
GENERAL AMERICAN OIL COMPANY OF TEXAS								
17	Green B	387.9	1.62537	38,932	2.89727	540	0.15344	4.67608
	CAVE POOL UNIT TOTAL	7159.6	30.00000	806,248	60.00000	35,192	10.00000	100.00000

Exhibit F

GREEN "B" LEASE INVENTORY

	<u>Well No. 4 - Shut-In INJECTION WELL</u>	<u>Condition</u>
299'	8-5/8" OD 24# & 28# H-40 Smls Casing	B
24.40'	7" OD 26# N-80 Smls Casing	B
429'	7" OD 20# J-55 Smls Casing	B
1907'	7" OD 20# H-40 Smls Casing	B
	8-5/8" OD x 7" WCN Swage Type Braden Head	B

	<u>Well No. 5 - Pumping PRODUCING WELL</u>	
276.49'	8-5/8" OD 24# J-55 CW Casing	B
27.00'	7" OD 24# H-40 Smls Casing 8rd ST&C	B
2347.00'	7" OD 24# H-40 Smls Casing 10V ST&C	B
2311.44'	2-3/8" OD 4.70# J-55 EUE 8rd Smls Tubing	B
168'	2" 3.75# CW T&C Line Pipe	B
1	7' x 65' Homemade 6" Tubular Mast	Not to Unit
1	5A6 Oil well Pump Unit w/wts. & skid	B
1	3 HP GE Elect. Motor w/G.E. Size 1 Control	B
2274'	5/8" sucker rods P&P	B
1	2" x 1-1/2" x 10' O'Bannon Arrow Pump	B
1	7" OD x 2" EUE Hinderliter 41 NL Tub. Hd.	B
1	8-5/8" OD x 7" WCN Swage Type Braden Hd.	B

	<u>Well No. 7 - Pumping INJECTION WELL</u>	
33.43'	8-5/8" OD 28# H-40 Smls Casing ST&C	B
233.43'	8-5/8" OD 24# H-40 Smls Casing ST&C	B
2167.96'	7" OD 23# J-55 Smls Casing ST&C	B
194.93'	7" OD 20# H-40 Smls Casing ST&C	B
2342.95'	2-3/8" OD 4.70# J-55 EUE 8RD Smls Tubing	B
1	7' x 65' Homemade 6" Tubular Mast	Not to Unit
65'	2" 3.75# CW T&C Line Pipe - Flare Line (Not to Unit)	B
1440'	2" weld end line pipe (Not to Unit)	B
1	5A6 Oilwell pump unit w/wts & skid (Not to Unit)	B
1	3 HP GE Elect. Motor w/C-H Size 1 Control (Not to Unit)	B
2300'	5/8" Sucker Rods P&P (Not to Unit)	B
1	2" x 1-1/2" x 10' O'Bannon Arrow Pump (Not to Unit)	B
1	7" OD x 2" EUE Norris Hinderliter Type	
	1 HW Tubing Head	B
1	8-5/8" 8R x 7" OD Norris Braden Head	B

	<u>Lease Equipment</u>	<u>NOT TO UNIT</u>
1	250 bbl. Maloney Crawford 12 ga. bolted tank, painted (Top not too good)	C
1	24" x 6" painted walkway (Blisters on shell & 1 patch)	B
1	24" x 8' painted stairway	B

Checked by W. K. Bechtold - Continental Oil Company

EXHIBIT G

MAILING LIST - CAVE POOL

International Oil & Gas Corp.
Attn: Mr. R. J. Davenport
P. O. Box 427
Artesia, New Mexico

Leonard Oil Company
Attn: Mr. Fowler Hix
P. O. Box 708
Roswell, New Mexico

Continental Oil Company
Attn: Mr. A. B. Slaybaugh
P. O. Box 460
Hobbs, New Mexico

Minerals, Incorporated
P. O. Box 2215
Hobbs, New Mexico

Mr. Jess L. Warren
El Paso, Texas

Skelly Oil Company
Attn: Mr. Robert G. Hiltz
P. O. Box 1650
Tulsa, Oklahoma

Skelly Oil Company
Attn: Mr. K. E. Jones
P. O. Box 1650
Tulsa, Oklahoma

Durham Drilling Company
Attn: Mr. Lynn Durham
P. O. Drawer 273
Midland, Texas

Mr. R. L. Burrow
P. O. Box 1536
Roswell, New Mexico

Dalevco Oils
Attn: Mr. O. C. Dale
P. O. Box 2227
Roswell, New Mexico

Kincaid & Watson
Attn: Mr. J. C. Watson
P. O. Box 498
Artesia, New Mexico

Kincaid & Watson
Attn: Mr. J. L. Kincaid
Diamond "M" Building
Snyder, Texas

Mr. R. F. Sawyer
Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

Mr. R. A. Wright
Sinclair Oil & Gas Company
P. O. Box 521
Tulsa, Oklahoma

Mr. W. F. Burns
Sinclair Oil & Gas Company
520 East Broadway
Hobbs, New Mexico

General American Oil Corporation
Meadows Building
Dallas 6, Texas

U. S. Geological Survey (6)
P. O. Box 1857
Roswell, New Mexico

State Land Office (3)
Santa Fe, New Mexico

New Mexico Oil Conservation Comm.(2)
P. O. Box 2088
Santa Fe, New Mexico

Mr. Ralph A. Shugart
P. O. Box 1977
Roswell, New Mexico

Mr. Emmett D. White
P. O. Box 1977
Roswell, New Mexico

First National Bank of Roswell
Trustee of Estate of Harry Leonard
P. O. Box 1977
Roswell, New Mexico

Mrs. Mabel F. Leonard
P. O. Box 872
Roswell, New Mexico

Mailing List - Cave Pool
Page 2

Mrs. Maxine E. Ely
52 Riverside Drive
Roswell, New Mexico

Mr. Everett E. Taylor
P. O. Box 1325
Roswell, New Mexico

Mr. Ernest A. Hanson
P. O. Box 1515
Roswell, New Mexico

Oran C. Dale & Frances Dale
110 East Fourth Street
Roswell, New Mexico

Mrs. Isabelle V. Bixler et vir
212 West Greening Avenue
Las Cruces, New Mexico

Mrs. Gloria Wolcott
c/o Marvin J. Mizeur
Suite 357, Spreckles Bldg.
San Diego 1, California

Mr. David Jones
c/o Marvin J. Mizeur
Suite 357, Spreckles Bldg.
San Diego 1, California

Olen F. Featherstone et ux
Petroleum Building
Roswell, New Mexico

Mr. C. A. Sopp
218 21st Street
Brandon, Manitoba, Canada

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico

Humble Oil & Refining Company
P. O. Box 1597
Roswell, New Mexico

Sinclair Oil & Gas Company
P. O. Box 1677
Roswell, New Mexico

The Atlantic Refining Company
P. O. Box 1978
Roswell, New Mexico

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

December 5, 1962

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Box 1713
Santa Fe, New Mexico

Re: Case No. 2702 and 2703
Order No. R-2384 and R-2385
Applicant:

CONTINENTAL OIL COMPANY

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

OTHER



SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

November 8, 1962

Re: Cases 2702 and 2703
Approval of Cave Pool Unit and
Waterflood Project,
Eddy County, New Mexico

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Hearings on these two matters have been set for November 20, 1962, before Trial Examiner, and we wish to concur with the recommendations of the Operator, Continental Oil Company, in the granting of their application in both matters.

Yours very truly,

GWS:br

cc-Continental Oil Company
Box 1377
Roswell, New Mexico



JIM BACA
COMMISSIONER

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

2702

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

May 5, 1993

Arapaho Oil & Gas, Inc.
P.O. Box 682
Tatum, New Mexico 88267

Attn: Mr. Rex Glenn

Re: Resignation of Successor Unit Operator
Cave Pool Unit
Eddy County, New Mexico

Dear Mr. Glenn:

The New Mexico Oil Conservation Division records reflect that Arapaho Oil & Gas, Inc. has been designated as the successor unit operator of the Cave Pool Unit Area, Eddy County, New Mexico.

Our records reflect that JEM Resources, Inc. is still the operator of record for this unit. Pursuant to the terms of the Cave Pool Unit Agreement, any change in unit operators must also be approved by the Commissioner of Public Lands.

In view of the above, please submit a resignation/designation of successor unit operator to this office for approval. If the change of operator has not been filed with and approved by this office, you are operating the Cave Pool Unit without authority.

Also, enclosed is an Instruction Sheet for filing a Surface Improvement Damage Bond. Our records reflect that Arapaho Oil & Gas, Inc. does not have a \$20,000 Multiple Surface Improvement Damage Bond on file. This change of unit operators will not be approved until the required bond has been filed with this office.

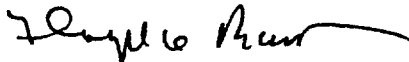
Arapaho Oil & Gas, Inc.
May 5, 1993
Page 2

Please submit the appropriate documents for designation of successor operator of the Cave Pool Unit within thirty (30) days from receipt of this letter. Failure to timely submit the requested documents may jeopardize the state leases committed to this unit agreement.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.
cc: Reader File
BLM
OCD



RAY B. POWELL
COMMISSIONER

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

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

June 23, 1993

Arapaho Oil & Gas, Inc.
P.O. Box 1517
Roswell, New Mexico 88202

Attn: Ms. Sue Dienspbier

Re: Resignation of Successor Unit Operator
Cave Pool Unit
Eddy County, New Mexico

Dear Ms. Dienspbier:

The New Mexico Oil Conservation Division records reflect that Arapaho Oil & Gas, Inc. has been designated as the successor unit operator of the Cave Pool Unit Area, Eddy County, New Mexico.

Our records reflect that JEM Resources, Inc. is still the operator of record for this unit. Pursuant to the terms of the Cave Pool Unit Agreement, any change in unit operators must also be approved by the Commissioner of Public Lands.

In view of the above, please submit a resignation/designation of successor unit operator or other authorization to operate to this office for approval. If the change of operator has not been filed with and approved by this office, you are operating the Cave Pool Unit without authority.

Also, enclosed is an Instruction Sheet for filing a Surface Improvement Damage Bond. Our records reflect that Arapaho Oil & Gas, Inc. does not have a \$20,000 Multiple Surface Improvement Damage Bond on file. This change of unit operators will not be approved until the required bond has been filed with this office.

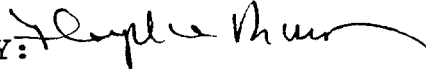
Arapaho Oil & Gas, Inc.
June 23, 1993
Page 2

Please submit the appropriate documents for designation of successor operator of the Cave Pool Unit within thirty (30) days from receipt of this letter. Failure to timely submit the requested documents may jeopardize the state leases committed to this unit agreement.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
RBP/FOP/pm
encls.
cc: Reader File
BLM
OCD



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RAY POWELL, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

March 1, 1995

Marks & Garner Production Ltd. Company
P.O. Box 70
Lovington, New Mexico 88260

Attention: Mr. Ernest L. Marks

Re: Resignation/Designation of Successor Unit Operator
Cave Pool Unit
Eddy County, New Mexico

Dear Mr. Marks:

This office is in receipt of a resignation/designation of successor unit operator, wherein Arapaho Oil & Gas Corporation has resigned as unit operator of the Cave Pool Unit and designated Marks & Garner Production Ltd. Company as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Arapaho Oil & Gas Corporation and the designation of Marks & Garner Production Ltd. Company as the successor unit operator of this unit. This change in operators is effective December 1, 1994. In accordance with this approval, Marks & Garner Production Ltd. Company is now responsible for all operations and the reporting of all production from the unit. Our approval is subject to like approval by the Bureau of Land Management.

Marks & Garner Production Ltd. Company

Page 2

March 1, 1995

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
JAMES B. LEWIS, Director
Oil/Gas and Minerals Division
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File

Arapaho Oil & Gas Corporation

OCD-Roy Johnson

TRD

BLM-Farmington