

3100
#1607



Chevron

November 2, 1994

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702

Bogle Flats Unit
Re-Ballot for Unit Contraction
Indian Basin Field,
Eddy County, New Mexico

Oil Conservation Division
State Land Office Building
P.O. Box 2088
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Gentlemen:

As you are aware, last year we balloted to vertically contract the Bogle Flats Unit. All parties agreed to the contraction except Marathon. Marathon would now like to change its vote, but the BLM has informed me that since it has been over a year since our ballot, they can not approve the contraction based upon a letter from Marathon, and a re-ballot is necessary.

Therefore, in compliance with the request of the BLM, would you please execute and return three copies of the enclosed ballot as soon as possible. As you will recall, over 91% of us previously approved this contraction and it was granted by the BLM. Marathon appealed to the State Director claiming that all, or 100% of the owners must approve the unit contraction because it required amending the unit agreement, and the unit agreement contained no procedures or provisions for such amendment. Based upon Marathon's appeal, the BLM State Director overturned the BLM Staff's decision to contract the unit. Chevron filed an IBLA appeal to overturn the State Director's decision based primarily on the fact that this was a matter concerning unit operations and that since only 75% of the working interest owners were required to agree by vote to form the unit, and only 75% of the working interest owners need be in agreement to decide operating matters, the concurrence of 75% of the owners should be sufficient to revise the lands and depths within the unit when such land and depths were not producing unitized substances.

Chevron's appeal was denied and even though there are mistakes in the IBLA decision (such as stating that Bogle Flats is a 677.19 acre unit, rather than the correct 5,095.17 acre unit, and possibly the statement that all lands are within a participating area (there is no p. a. for the Morrow or other formations that we propose to eliminate), Chevron elects not to spend additional time on this matter.

Please remember that all (100%) of us must vote affirmative on the attached ballots if this is to be approved by the BLM for revision of the unit agreement for vertical contractions.

If you have any questions concerning this matter, please review your files or give me a call at (915) 687-7745.

Sincerely,

Ray M. Vaden

RMV:ldn
14271-1

Attachments

**INTEREST OWNERS BALLOT
BOGLE FLATS UNIT
EDDY COUNTY, NEW MEXICO**

Mailing List

Chevron U.S.A. Inc.
P.O. Box 1150 (Zip Code 79702)
15 Smith Road (Zip Code 79705)
Midland, Texas
Attention: Ray Vaden

Oryx Energy Company
P.O. Box 2880 (Zip Code 75221)
13155 Noel Road (Zip Code 75240)
Dallas, Texas
Attention: Glynn Broussard

Marathon Oil Company
P.O. Box 552 (79702)
125 W. Missouri Ave. (79701)
Midland, Texas
Attention: Joe Madron

MW Petroleum Corporation
2000 Post Oak Blvd., Suite 100
Houston, Texas 77056-4400
Attention: Scott Spence

***Parker & Parsley Development Company**
300 W. Wall, Suite 101
Midland, Texas 79701
Attention: Don Craig

****Kerr-McGee Corporation**
P.O. Box 25861 (Zip Code 73125)
123 Robert S. Kerr (Zip Code 73102)
Oklahoma City, Oklahoma
Attention: Floyd Chambers

United States Department of Interior
Bureau of Land Management
1717 West Second Street
Roswell, New Mexico 88201
Attention: Armando Lopez

Commissioner of State Lands
State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Pete Martinez

Oil Conservation Division
State Land Office Building
P.O. Box 2088 (Zip Code 87504)
310 Old Santa Fe Trail (Zip Code 87501)
Santa Fe New Mexico

Contact Information

Brian Huzzey - Prod. (915) 687-7398
Ray Vaden - Land (915) 687-7745
Dave Rittersbackher - Geol. (915) 687-7114
Reggie Holzer - Fac. Engr. (915) 687-7182
Fax (915) 687-7884 - Production
Fax (915) 687-7448 - Land

Mark Peavy - Engr. (214) 715-4632
Roy Wolin - Geol. (214) 715-8379
Glynn Broussard (214) 715-8335
Fax (214) 715-3243 - Production
Fax (214) 715-4832 - Land

Joe Madron (915) 687-8430
Fax (915) 687-8431

Ceci Leonard (713) 296-6306
Dave Gilbranson (713) 296-6346
K. Scott Spence - Land (713) 296-6000
Fax (713) 296-6463

Don Craig - Engr. (915) 571-1422
Steve Owen - Land (915) 571-3234

Floyd Chambers (405) 270-6079

** Previously Graham Resources.*

*** Not in Unit, but has 40 acres.
Communitized in Unit/Well #6,
Section 8 of T-22-S, R-23-E,
Eddy County, New Mexico.*

NOTICE AND BALLOT
FOR THE CONTRACTION OF THE
UNITIZED FORMATION OF THE BOGLE FLATS UNIT
TO ELIMINATE FORMATIONS BELOW THE TOP OF
THE ATOKA FORMATION:

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All other terms conditions shall remain unchanged

Working Interest Owner (Name) _____

The above Working Interest Owner

Votes: _____ for proposed amendment or Votes: _____ against it.

Signed by: _____

Title: _____

Date: _____

**PLEASE RETURN BALLOT IN THE ATTACHED ENVELOPE TO CHEVRON U.S.A.
WITHIN 30 DAYS, BEING ON OR BEFORE DECEMBER 1, 1994.**

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The above Working Interest Owner

Votes: _____ for proposed amendment or Votes: _____ against it.

Signed by: _____

Title: _____

Date: _____

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Chevron U.S.A. Production Company

A Division of Chevron U.S.A. Inc.

P.O. Box 1150, Midland, TX 79702 • Phone (915) 687-7791

15 Smith Road, Midland, TX 79705 • Fax (915) 687-7448

Permian Basin
Land Division

March 1, 1995
Midland, Texas

Vertical Contraction of the Bogle Flats Unit
and Updated Exhibits A, B, and B-2
Indian Basin Field
Eddy County, New Mexico

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

New Mexico State Land Office
Mr. Pete Martinez
Oil and Gas Division
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

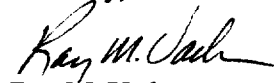
Gentlemen:

Please find the enclosed original signature ballot by each working interest owner of the Bogle Flats Unit. The ballots represent the concurrence of 100% of the Working Interest owners to vertically contract the unitized horizon of the unit to eliminate the currently non-proven and non-producing, Atoka and Morrow formations from all tracts within the unit boundaries.

As royalty owners and public stewards of the Federal and State Lands encompassed within the unit, we request each of your concurrence and approval for contraction of the unit by revision of Article 3 of the Unit Agreement. The requested revisions will reflect the changes approved by all working interest owners to redefine unitized lands and substances limited to depths from the surface to the top of the Atoka formation as shown at 8,205' in Schlumberger Borehole Compensated Sonic - Gamma Ray log dated May 24, 1965 for the Bogle Flats Unit Well #2 located 1,650' FSL & 1,650' FEL of Section 4, T-22-S, R-23-E, N.M.P.M., Eddy County, New Mexico.


For your information and records, I am also enclosing an updated copy of Unit Exhibits A, B, and B-2 which indicate the change of ownership with Parker & Parsley Development Company's (P&P Producing, Inc.) acquisition of the interest of Graham Resources in tract #11 of the Unit. Should you have any question or require additional information, please call me at (915) 687-7745.

Sincerely,


Ray M. Vaden

/tmdr
15265.DOC

Enclosures

cc:  OCD & Working Interest Owners
(Address & List Attached)

(For information only)

**INTEREST OWNERS
BOGLE FLATS UNIT
EDDY COUNTY, NEW MEXICO**

Mailing List

WORKING INTEREST OWNERS

Contact Information

Chevron U.S.A. Inc.
P.O. Box 1150 (Zip Code 79702)
15 Smith Road (Zip Code 79705)
Midland, Texas
Attention: Brian Huzzey

Brian Huzzey - Prod. (915) 687-7398
Ray Vaden - Land (915) 687-7745
Dave Rittersbackher - Geol. (915) 687-7114
Reggie Holzer - Fac. Engr. (915) 687-7182
Fax (915) 687-7884 - Production
Fax (915) 687-7448 - Land

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221
Attention: Glen Broussard

Glen Broussard - Land (214) 715-8335
Fax (214) 715-3243
Mark Peavy - Engr. (214) 715-4632

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702
Attention: Joe Madron

Joe Madron (915) 687-8430
Fax (915) 687-8431

MW Petroleum Corporation
2000 Post Oak Blvd., Suite 100
Houston, Texas 77056-4400
Attention: Ceci Lonard

Ceci Leonard (713) 296-6306
Dave Gilbranson (713) 296-6346
K. Scott Spence - Land (713) 296-6000
Fax (713) 296-6463

*P&P Producing Inc.
P. O. Box 3178
Midland, Texas 79702-3178
Attention: Steve K. Owen

Steve K. Owen - Land (915) 571-1550
Don Craig - Engr. (915) 571-1422

**Kerr-McGee Corporation
P.O. Box 25861
Oklahoma City, Oklahoma 73125
Attention: Floyd Chambers

Floyd Chambers (405) 270-6079

ROYALTY/REGULATORY

United States Department of Interior
Bureau of Land Management
1717 West Second Street
Roswell, New Mexico 88201
Attention: Armando Lopez

Commissioner of State Lands
State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Pete Martinez

Oil Conservation Division
State Land Office Building
P.O. Box 2088
Santa Fe New Mexico 87504

**Previously owned by Graham Resources*

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in Unit Well #6, Section 8 of T-22-S, R-23-E,
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WORKING INTEREST
OWNER BALLOT

NOVEMBER 1, 1994

NOTICE AND BALLOT
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All other terms conditions shall remain unchanged

Working Interest Owner (Name) Chevron U.S.A. Production Co.

The above Working Interest Owner

Votes: ✓ for proposed amendment or Votes: _____ against it.

Signed by: [Signature]

ATTORNEY-IN-FACT

Title: _____

Date: Feb 13, 1995

**PLEASE RETURN BALLOT IN THE ATTACHED ENVELOPE TO CHEVRON U.S.A.
WITHIN 30 DAYS, BEING ON OR BEFORE DECEMBER 1, 1994.**

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All other terms conditions shall remain unchanged

Working Interest Owner (Name) DRYX ENERGY COMPANY

The above Working Interest Owner

Votes: ☒ for proposed amendment or Votes: _____ against it.

Signed by: [Signature]

Title: TEAM LEADER

Date: 11-10-94

**PLEASE RETURN BALLOT IN THE ATTACHED ENVELOPE TO CHEVRON U.S.A.
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All other terms conditions shall remain unchanged

Working Interest Owner (Name) P&P Producing, Inc.

The above Working Interest Owner

Votes: X **for** proposed amendment or Votes: _____ **against** it.

Signed by: Buddy J. Knight 800

Title: Buddy J. Knight, Vice President

Date: December 12, 1994

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All other terms conditions shall remain unchanged

Working Interest Owner (Name) Marathon Oil Company

The above Working Interest Owner

Votes: X for proposed amendment or Votes: _____ against it.

Signed by: A. R. Kukla

Title: A. R. KUKLA, ATTORNEY-IN-FACT

Date: 12/16/94



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Working Interest Owner (Name) MW PETROLEUM CORPORATION

The above Working Interest Owner

Votes: X for proposed amendment or Votes: _____ against it.

Signed by: _____

KEVIN J. IKEL

Title: _____

ONSHORE LAND MANAGER

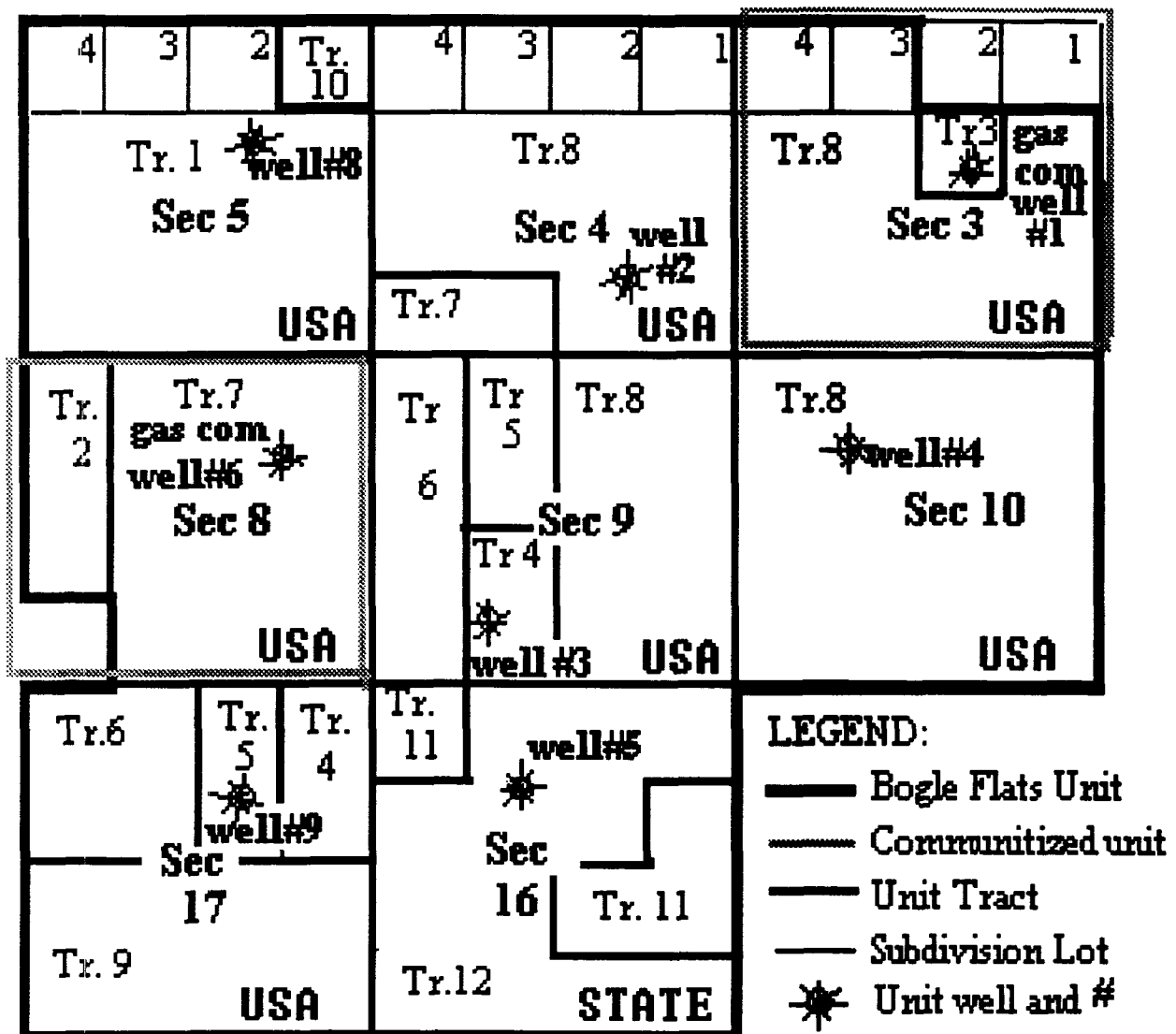
Date: JANUARY 26, 1995

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Exhibit "A"

Bogle Flats Unit Agreement

Eddy County, New Mexico



T-22-S, R-23-E, N.M.P.M.

Bogle Flats Federal / State Unit

Total Federal Acres	4455.17	87.4%
Total State Acres	640.00	12.6%
Total Unit Acres	5,095.17	100.00%

Working Interest Ownership:

Tract 1 - Oryx - 100%
 Tract 2 - Chevron - 100%
 Tract 3 - M.W. /Apache - 100%
 Tract 4 - Oryx - 75%
 Marathon - 25%
 Tract 5 - Marathon 100%
 Tract 6 - Oryx - 100%

Tract 7 - Chevron - 100%
 Tract 8 - Chevron - 100%
 Tract 9 - Oryx - 100%
 Tract 10 - Marathon - 100%
 Tract 11 - P&P Prod. - 100%
 Tract 12 - Chevron - 50%
 Marathon - 50%

BLM Unit #14-08-0001-8655
Chevron Unit #UF-700265

EXHIBIT "B"
SCHEDULE SHOWING ALL LANDS AND CURRENT WORKING
INTERESTS WITHIN THE UNIT AREA OF THE
BOGLE FLATS UNIT, EDDY COUNTY, NEW MEXICO

FEDERAL LAND

TRACT NO.	DESCRIPTION OF LAND	ACRES	LEASE NO. & EXP. DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	WORKING INTEREST & PERCENTAGE	TRACT % OF UNIT PARTICIPATION
1	T-22-S, R-23-E Sec. 5: Lots 2, 3, 4, S1/2 N1/2, S1/2	627.82	LC-068721 H.B.P.	U.S.A. - 12.5%	Sun Operating LTD Partnership 100%	Oryx Energy Co. - All	12.32186%
2	T-22-S, R-23-E Sec. 8: W1/2 NW1/4, NW1/4 SW1/4	120.00	NM-04881 2-28-63, H.B.P.	U.S.A. - 12.5%	Chevron U.S.A. Inc. 100%	Chevron U.S.A. Inc. - All	2.35517%
3 (Was Tr. 4)	T-22-S, R-23-E Sec. 3: SW1/4 NE1/4	40.00	NM-06953A 4-22-66, H.B.P.	U.S.A. - 12.5%	M. W. Petroleum Corp. 100%	M.W. Petroleum Corp. Apache Corp. - All	.78506%
4 (Was Tr. 8)	T-22-S, R-23-E Sec. 9: E1/2 SW1/4 Sec. 17: E1/2 NE1/4	160.00	NM-033647 8-31-67, H.B.P.	U.S.A. - 12.5%	Sun Operating Ltd. Partnership 75% Marathon Oil Co. 25%	Oryx Energy Co. - (2.3551725) 75% Marathon Oil Co. - (.7850575) 25%	3.14023%
5 (Was Tr. 9)	T-22-S, R-23-E Sec. 9: E1/2 NW1/4 Sec. 17: W1/2 NE1/4	160.00	NM-033647B 8-31-67, H.B.P.	U.S.A. - 12.5%	Marathon Oil Co. 100%	Marathon Oil Co. - All	3.14023%
6 (Was Tr. 10)	T-22-S, R-23-E Sec. 9: W1/2 W1/2 Sec. 17: NW 1/4	320.00	NM-033647C 8-31-67, H.B.P.	U.S.A. - 12.5%	Sun Operating Ltd. Partnership 100%	Oryx Energy Company - All	6.28046%
7 (Was Tr. 11)	T-22-S, R-23-E Sec. 4: S1/2 SW1/4 Sec. 8: E1/2, E1/2 W1/2	560.00	NM-045272 11-30-68, H.B.P.	U.S.A. - 12.5%	Chevron U.S.A. Inc. 100%	Chevron U.S.A. Inc. - All	10.99080%

Exhibit "B"
Bogle Flats Unit

TRACT NO.	DESCRIPTION OF LAND	ACRES	LEASE NO. & EXP. DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	WORKING INTEREST & PERCENTAGE	TRACT % OF UNIT PARTICIPATION
8 (Was Tr. 12)	<u>T-22-S, R-23-E</u> Sec. 3: Lots 3, 4, S1/2 NW1/4, SE1/4 NE1/4, S1/2	2,097.73	NM-045273 11-30-68, H.B.P.	U.S.A. - 12.5%	Chevron U.S.A. Inc. 100%	Chevron U.S.A. Inc. - All	41.17095%
Sec. 4: Lots 1, 2, 3, 4, S1/2 N1/2, N1/2 S1/2, S1/2 SE1/4							
Sec. 9: E1/2 Sec. 10: W1/2							
Sec. 10: E1/2							
9 (Was Tr. 20)	<u>T-22-S, R-23-E</u> Sec. 17: S1/2	320.00	NM-86020 (formerly NM-0553710) 3-30-66, H.B.P.	U.S.A. - 12.5%	Sun Operating Ltd. Partnership 100%	Oryx Energy Co. - All	6.28046%
10 (Was Tr. 21)	<u>T-22-S, R-23-E</u> Sec. 5: Lot 1 (NE1/4 NE1/4)	49.62	NM-0558116 H.B.P.	U.S.A. - 12.5%	Marathon Oil Co. 100%	Marathon Oil Co. - All	.97386%
Total: 10 Federal Tracts, 4,455.17 Acres, 87.4% of Unit Area							

Exhibit "B"
Bogle Flats Unit

TRACT NO.	DESCRIPTION OF LAND	ACRES	LEASE NO. & EXP. DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	WORKING INTEREST & PERCENTAGE	TRACT % OF UNIT PARTICIPATION
11 (Was Tr. 22)	T-22-S, R-23-E Sec. 16: NW1/4 NW1/4, N1/2 SE1/4, SE1/4 NE1/4	160.00	E-10171 6-19-66, HBP	State - 12.5%	B.H.P. Petroleum (formerly Monsanto)	P&P Producing, Inc.-	3.14023%
12 (Was Tr. 23)	T-22-S, R-23-E Sec. 16: SW1/4, S1/2 SE1/4, S1/2 NW1/4, NE1/4 NW1/4, W1/2 NE1/4, NE1/4 NE1/4	480.00	OG-3828 5-20-68, HBP	State - 12.5%	Chevron (50%) and Marathon (50%)	Chevron U.S.A. Inc. - (4.710345) 50% Marathon Oil Co. - (4.710345) 50%	9.42069%
Total: 2 State Tracts, 640.00 Acres, 12.22924% of Unit Area							Total: 100.00000%
Recapitulation: Total Federal Lands 4,455.17 Acres 87.4 of Unit Area							
Total State Lands		640.00	Acres	12.6	of Unit Area		
Total:		5,095.17	Acres	100.0%			
Working Interest Ownership							
Chevron		59.227265					
Oryx		27.2379525					
Marathon		9.6094925					
M.W. Petroleum		0.785060					
P&P Producing, Inc.		3.140230					
Total		100.000000					

DRILLING UNIT	WORKING INTEREST OWNER	ACREAGE	INTEREST	DRILLING UNIT	WORKING INTEREST OWNER	ACREAGE	INTEREST
BOGLE FLATS UNIT COM WELL #1 - BLM #SW-241 - CHEVRON #700268 - U.S.A.				BOGLE FLATS UNIT WELL #5 - STATE			
T-22-S, R-23-E Sec. 3:				T-22-S, R-23-E Sec. 16:			
Lots 3, 4, S1/2NW1/4, SE1/4NE1/4 and S1/2	Chevron U.S.A. Inc.	538.97/677.16	79.6%	NW1/4 NW1/4, SE1/4NE1/4, N1/2SE1/4	P&P Producing, Inc	160.00/640.00	25%
SW1/4NE1/4	M.W. Petroleum Corp./ Apache Corp.	40.00/677.16	5.9%	SW1/4, S1/2 SE1/4, S1/2 NW1/4,	Chevron U.S.A. Inc., (50%)	240.00/640.00	37.5%
N1/2 NE1/4 - Non-Unit (COM)	(M. W. Petroleum Corp./Apache)	(98.19/677.16)	(14.5%)	NE1/4 NW1/4, W1/2 NE1/4, NE1/4 NE1/4	Marathon Oil Company (50%)	240.00/640.00	37.5%
	Total B.F.U. Gas COM #1 Well	Section 3	100%		Total B.F.U. #5 Well	Section 16	100%
BOGLE FLATS UNIT WELL #2- U.S.A.				BOGLE FLATS UNIT COM WELL #6- BLM #SW-298 - Chevron #700267 - U.S.A.			
T-22-S, R-23-E Sec. 4:				T-22-S, R-23-E Sec. 8:			
All	Chevron U.S.A. Inc.	678.68/678.68	100%	E1/2, E1/2W1/2, W1/2NW1/4, NW1/4SW1/4	Chevron U.S.A. Inc.	600.00/640.00	93.75%
	Total B.F.U. #2 Well	Section 4	100%	SW1/4SW1/4 - Non Unit (COM)	(Kerr McGee)	(40.00/640.00)	(6.3%)
					Total B.F.U. Gas COM #6 Well	Section 8	100%
BOGLE FLATS UNIT WELL #3 - U.S.A.				BOGLE FLATS UNIT WELL #8 - U.S.A.			
T-22-S, R-23-E Sec. 9:				T-22-S, R-23-E Sec. 5:			
E1/2NW1/4,	Marathon Oil Co. (100%)	80.00/640.00	15.625%	NE1/4NE1/4	Marathon Oil Co.	49.62/677.44	7.3%
E1/2SW1/4,	Marathon Oil Co. (25%)	20.00/640.00		Lots 2, 3, and 4, S1/2 N1/2, S1/2	Oryx Energy Co.	627.82/677.44	92.7%
E1/2SW1/4	Oryx Energy Co. (75%)	60.00/640.00	34.375%		Total B.F.U. #8 Well	Section 5	100%
W1/2W1/2	Oryx Energy Co. (100%)	160.00/640.00					
E1/2	Chevron U.S.A. (25%)	320.00/640.00	50%				
	Total B.F.U. #3 Well	Section 9	100%				
BOGLE FLATS UNIT WELL #4- U.S.A.				BOGLE FLATS UNIT WELL #9 - U.S.A.			
T-22-S, R-23-E Sec. 10:				T-22-S, R-23-E Sec. 17:			
All	Chevron U.S.A. Inc.	640.00/640.00	100%	NW1/4, S1/2	Oryx Energy Co. (100%)	480.00/640.00	84.375%
	Total B.F.U. #4 Well	Section 10	100%	E1/2 NE1/4	Oryx Energy Co. (75%)	60.00/640.00	
				E1/2 NE1/4	Marathon Oil Co. (25%)	20.00/640.00	
				W1/2NE1/4	Marathon Oil Co. (100%)	80.00/640.00	15.625%
					Total B.F.U. #9 Well	Section 17	100%

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

LA106 DB244

D LLK230 PD=WUX DALLAS TEX 23 350P CST

A L PORTER SECY DIRECTOR=

OIL CONSERVATION COMMISSION OF STATE OF

NEW MEXICO SANTA FE NMEX=

THIS IS TO ADVISE YOU THAT WE ELECT TO JOIN IN THE
REQUEST FOR APPROVAL OF THE BOGLE FLATS UNIT, EDDY
COUNTY, NEW MEXICO=

C W HANCOCK VICE PRESIDENT TRANSMOUNTAIN
PRODUCTION CO=

RECEIVED
NOV 23 1964
PM 3 20
(13)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

and file



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



Case 3150

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

February 22, 1993

Ray M. Vaden
Chevron U.S.A., Inc.
P.O. Box 1150
Midland TX 79702

RE: Contraction of Bogle Flats Unit

Dear Ray:

In your letter of February 19, 1993, you have asked whether OCD approval is required for contraction of the above unit. From the information you sent I conclude that the unit is a voluntary exploratory unit, and the unit agreement provides the mechanism for contraction.

Based upon those facts, I agree that no OCD action is required. We just ask that you notify us of the contraction once it occurs.

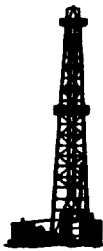
I have not reviewed the order approving the unit, but if it is like most approval orders, it only requires information be provided to the Division. You may wish to review the unit approval.

This does not address any requirements which the BLM or State Land Office may have as parties to the agreement, and you should confer with them.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bob Stovall".

Robert G. Stovall
OCD Counsel



From The Desk Of
RAY M. VADEN

2-19-93

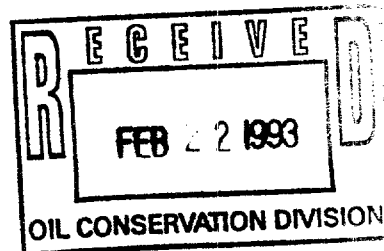
ROBERT STONAU

- I have attached a copy of Article 2
OF THE UNIT AGREEMENT FOR YOUR
REVIEW.

- we prefer not to spend the time
and money for OED hearing on this,
AND I DON'T THINK IT IS REQUIRED ...
BUT I WOULD LIKE TO BE SURE OF
THAT BEFORE WE BALLOT

Thanks

Ray





Chevron U.S.A. Inc.

P.O. Box 1150, Midland, TX 79702 • Phone (915) 687-7745
15 Smith Road, Midland, TX 79705 • Fax (915) 687-7666

Ray M. Vaden
Land Unitization Representative
Permian Basin Land Division

February 19, 1993

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

Oil Conservation Division
State of New Mexico
P.O. Box 2088
Santa Fe, New Mexico 87504-2088
Attention: Mr. Bill Lemay

New Mexico State Land Office
Oil & Gas Division
P.O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Mr. Pete Martinez

Re: Proposed Contraction of
Bogle Flats Unit
Indian Basin Field
Eddy County, New Mexico

Gentlemen:

Subject to the approval of the working interest owners and the royalty owners (BLM and State Land Office), Chevron proposes to vertically contract the unitized horizon of the captioned unit to eliminate the currently non-producing Strawn, Atoka and Morrow formations. The attached information is a draft copy of what I want to send to the working interest owners next week.

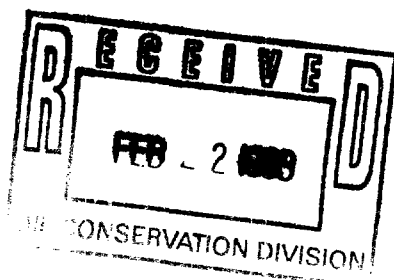
Before balloting the working interest owners I would like some assurance that, subject to compliance with Article 2 of the Unit Agreement and the established voting procedures, your agencies agree with the concept of contracting the vertical limits of the Unit. I would also like to know if, subject to proof of proper notice and sufficient approval by the working interest owners, the Unit can be contracted administratively by correspondence. If not, is an OCD hearing required? The Unit Agreement is silent as to notice requirements to operators offsetting the Unit. Can we assume that no offset notice is required to contract the unit under the terms of the agreement?

I will appreciate any help you can offer in this matter. I do think all the parties will gain by contracting the Unit and encouraging additional development of the deep rights. We plan to send out the ballots as soon as we receive the above information, so your prompt response will be appreciated.

Sincerely

Ray M. Vaden

RMV:ldn
96.rmv



DRAFT

February 18, 1993

Bogle Flats Unit
Ballots for Unit Contraction and
Maintenance of Uniform Interest
Indian Basin Field
Eddy County, New Mexico

Working Interest Owners
(address list attached)

Gentlemen:

In reference to the attached letter of December 16, 1992, Chevron continues to believe that Oryx violated the intent of Article 22 of the Bogle Flats Unit Operating Agreement, (Maintenance of Uniform Interest) when it sold its deep rights to BTA. Oryx disagrees and rather than expending funds taking the matter to court, Chevron believes it is beneficial to all parties to simply eliminate the deep zones from the Unit. Chevron recommends that the working interest owners vote for the following proposals as set out on the attached Ballots.

1. Contract the unitized formation of the Bogle Flats Unit to eliminate formations below the base of the upper Penn formation.
2. Revise Article 22 of the Bogle Flats Unit Operating Agreement, the Maintenance of Uniform Interest provision, to apply to each section of the Unit individually, and not to interest in the entire Unit area as a single entity.

Your affirmative vote on the above issues will, (subject to approval of the BLM, the O.C.D., and the State Land Office), allow the contraction of the Atoka, Strawn and Morrow zones from the Unit. This will allow BTA to drill its Morrow Test Well and if productive, will allow each working interest owner to develop, farmout or sell its Morrow rights while relieving existing Unit owners of the responsibility of establishing new participating areas, revising unit exhibits and complying with demands for Unit wide testing or development of the Morrow Formation.

Since the working interest of each existing upper Penn Bogle Flats Unit Well is established on a section by section basis, we believe that interpreting the maintenance of uniform interest provision to apply on a well by well or section by section basis offers the most advantage to

February 18, 1993

each working interest owner. We also believe that the extra reporting and administrative requirements placed upon the Unit Operator for changes in successor ownership on a well by well basis is manageable and acceptable, if it is desired by the working interest owners.

Please return one completed copy of your ballot in the enclosed envelope within 15 days.

If you have questions concerning the above, please call me at (915) 687-7745, Brian Huzzey (Reservoir Engineer) (915) 687-7398 or Dave Rittersbacker (Geologist) (915) 687-7114.

Sincerely,

Ray M. Vaden

RMV:ldn

83.rmv

Enclosure

BALLOT #1

NOTICE AND BALLOT
FOR THE CONTRACTION OF THE
UNITIZED FORMATION OF THE BOGLE FLATS UNIT
TO ELIMINATE FORMATIONS BELOW THE CURRENT
PRODUCING FORMATION:

FEBRUARY, 1993

Chevron, as Unit Operator, proposes to contract the Unit area under the terms of Article 2 of the Bogle Flats Unit Agreement to exclude lands and formations lying below the base of the current, Upper Pennsylvanian unitized producing formation. This will exclude the Atoka, Strawn and Morrow formations, which currently are unproductive and have no participating areas established. This proposed unit contraction will conserve natural resources, protect correlative rights, prevent waste, and encourage additional development of natural resources for the benefit of all parties. Subject to the concurrence of the Bureau of Land Management, the State Land Office, and the Oil Conservation Commission, the contraction will be accomplished by the affirmative vote of the working interest owners on the following:

Proposed Amendment to Article 3 of the Unit Operating Agreement

Article 3 shall be amended to include the underlined words, "from the surface to the base of the Upper Pennsylvanian formation"; and will read as follows:

3. Unitized Land and Unitized Substances. All land committed to this Agreement shall constitute land referred to herein as "unitized land" or "land subject to this Agreement". All oil and gas in any and all formations of the unitized land from the surface to the base of the Upper Pennsylvanian formation are unitized under the terms of this Agreement and are herein called "unitized substances".

All other terms conditions shall remain unchanged

Working Interest Owner (Name) _____

Vote: _____ for _____ against the proposed amendment

Signed by: _____

Title: _____

Date: _____

**PLEASE RETURN BALLOT IN THE ATTACHED ENVELOPE TO CHEVRON U.S.A.
BY MARCH 2, 1993.**

FOR CHANGES TO ARTICLE 22 OF THE
BOGLE FLATS UNIT OPERATING AGREEMENT
TO HAVE THE MAINTENANCE OF UNIFORM
INTEREST PROVISION APPLY ON A
WELL BY WELL BASIS IN LIEN OF A
UNIT WIDE BASIS:

Chevron, as Unit Operator, proposes to amend Article 22 Maintenance of Unit Ownership of the Bogle Flats Unit Operating Agreement to allow working interest owners to sell or dispose of all of their unit interest on a well by well basis or an equal, undivided portion of their interest on a unit wide basis. Subject to the concurrence of the Bureau of Land Management, the State Land Office, and the Oil Conservation Commission, the amendment will be accomplished by the affirmative vote of the working interest owners of the following:

Proposed Amendment to Article 22 of the Unit Operating Agreement

Article 22 shall be amended to include the underlined words, "attributed to the 640± acre original drilling unit surrounding each unit well", and the first paragraph of Article 22 will read as follows:

22. MAINTENANCE OF UNIT OWNERSHIP:

For the purpose of maintaining uniformity of ownership in the oil and gas leasehold interests covered by this agreement, and notwithstanding any other provisions to the contrary, no party shall sell, encumber, transfer or make other disposition of its interest in the leases committed to the Unit Agreement and in wells, equipment and production unless such disposition covers either:

- (1) the entire interest of the party in all leases and equipment and production attributed to the 640± acre original drilling unit surrounding each unit well; or
- (2) an equal undivided interest in all leases and equipment and production in the Unit Area.

All other terms and conditions shall remain unchanged.

Working Interest Owner (Name) _____

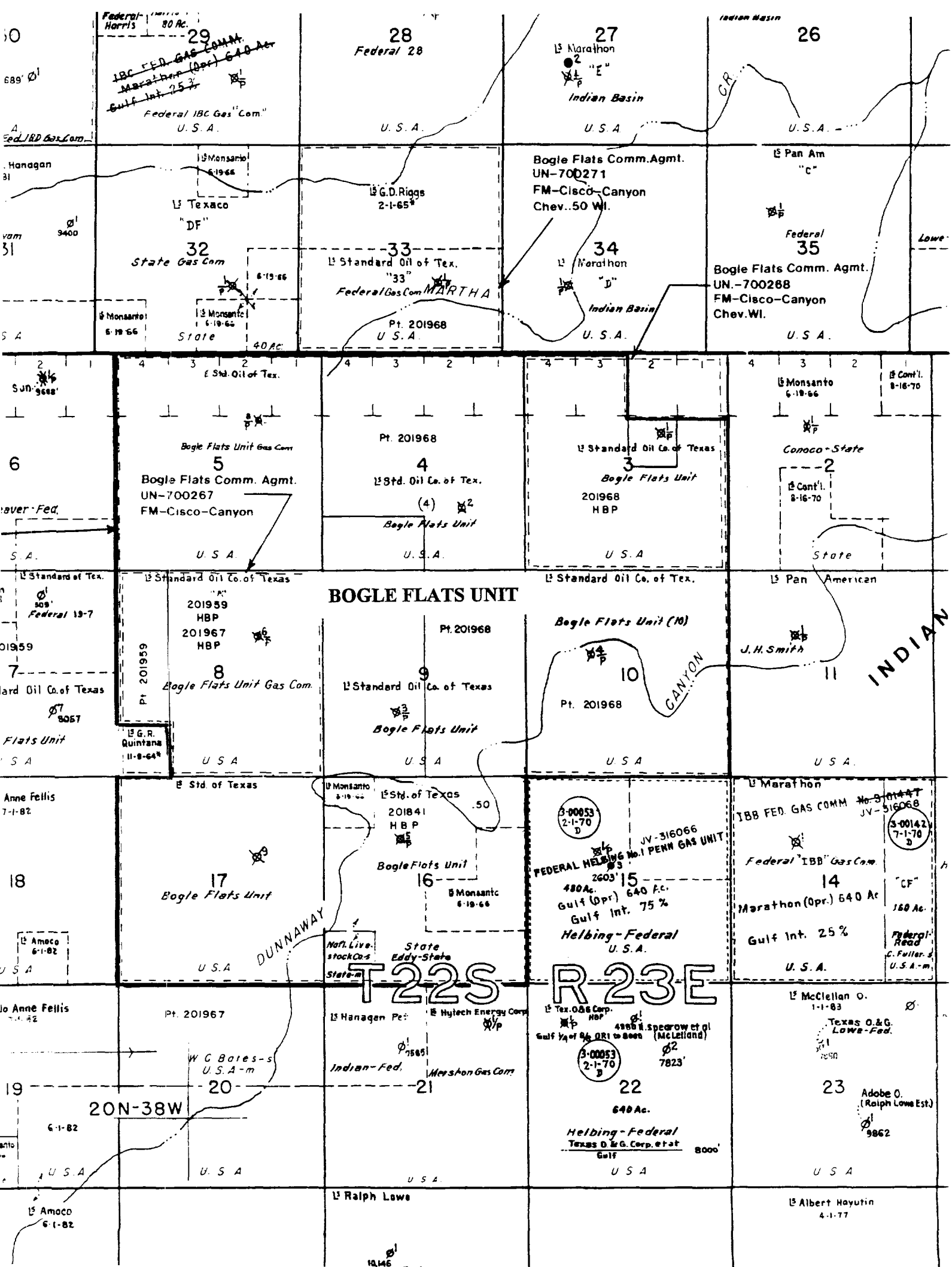
Vote: _____ for _____ against the proposed amendment

Signed by: _____

Title: _____

Date: _____

**PLEASE RETURN BALLOT IN THE ATTACHED ENVELOPE TO
CHEVRON U.S.A. ON OR BEFORE MARCH 2, 1993.**





Chevron U.S.A. Inc.

P.O. Box 1150, Midland, TX 79702 • Phone (915) 687-7745
15 Smith Road, Midland, TX 79705 • Fax (915) 687-7666

Ray M. Vaden
Land Utilization Representative
Permian Basin Land Division

December 16, 1992

Maintenance of Uniform Interest
BTA Oil Producers/Oryx
Section 5 Bogle Flats
Federal/State Unit
Eddy County, New Mexico; UF-700265

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221-2880
Attention: Mr. Stephen A. Gillett

BTA Oil Producers
104 South Pecos
Midland, Texas 79701
Attention: Mr. Larry Franklin

Gentlemen:

Chevron was recently notified by BTA Oil Producers that BTA had acquired deep rights under Section 5 of the Bogle Flats Unit from Oryx, and that BTA wants to conduct a Morrow Test in this section of the unit.

The Bogle Flats Unit has no depth restriction and effectively unitizes "all oil and gas in any and all formations of the unitized land...". Further, Article 22 of the Bogle Flats Unit Operating Agreement requires a maintenance of uniform interest within the Unit Area. Article 22 states that, "...no party shall sell, encumber, transfer or make other disposition of its interest in the leases committed to the Unit Agreement and in wells, equipment and production unless such disposition covers either:

- (1) the entire interest of the party in all leases and equipment and production; or
- (2) an equal undivided interest in all leases and equipment and production in the Unit Area."

Our files do not indicate that Oryx requested or received a waiver of the above maintenance of uniform interest provision, and we believe that the Oryx conveyance to BTA violates this provision. BTA is not a working interest owner of record in the Bogle Flats Unit, and Chevron as unit operator cannot recognize the conveyance from Oryx to BTA due to certain restrictions in the Bogle Flats Unit Agreement and Operating Agreement as well as restrictions of the Bureau of Land Management covering operations within the Bogle Flats Unit Area.

Yours very truly,

Ray M. Vaden

RMV:ldn

8753.1

cc: Unit Interest Owners - Address List Attached

INTEREST OWNERS
BOGLE FLATS UNIT
EDDY COUNTY, NEW MEXICO

Mailing List

Chevron U.S.A. Inc.
P.O. Box 1150 (Zip Code 79702)
15 Smith Road (Zip Code 79705)
Midland, Texas
Attention: Brian Huzzey

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221
Attention: Stephen Gillet

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702
Attention: Joe Madron

MW Petroleum Corporation
2000 Post Oak Blvd., Suite 100
Houston, Texas 77056-4400
Attention: Ceci Leonard

Graham Resources
12707 North Freeway, Suite 100
Houston, Texas
Attention: Jim O'Leary

Kerr-McGee Corporation
P.O. Box 25861
Oklahoma City, Oklahoma 73125
Attention: Floyd Chambers

United States Department of Interior
Bureau of Land Management
1717 West Second Street
Roswell, New Mexico 88201
Attention: Armando Lopez

Commissioner of State Lands
State Land Office
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Pete Martinez

Contact Information

Brian Huzzey - Prod. (915) 687-7398
Ray Vaden - Land (915) 687-7745
Dave Rittersbackher - Geol. (915) 687-7114
Reggie Holzer - Fac. Engr. (915) 687-7182
Fax (915) 687-7884

Stephen Gillett (214) 715-4748
Rick Hall (214) 715-4757
Fax (214) 715-3243

Joe Madron (915) 687-8430
Fax (915) 687-8431

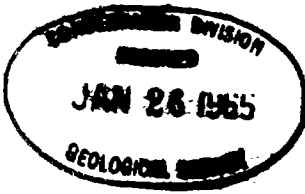
Ceci Leonard (713) 296-6306
Dave Gilbranson (713) 296-6346
K. Scott Spence - Land (713) 296-6000
Fax (713) 296-6463

Jim O'Leary (713) 876-6814
Jason Seismore (713) 876-6834
Fax (713) 872-8969

Floyd Chambers (405) 270-6079

'93 FEB 22 AM 10 13

SECTOR



UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION OF THE
BOGLE FLATS UNIT AREA
EDDY COUNTY, NEW MEXICO

NO. 14-08-0001 86 55

RECEIVED

JAN 21 1965

U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

~~THIS~~ AGREEMENT, entered into as of the 30th day of November, 1964, by and between the parties subscribing, ratifying or consenting hereto, and herein referred to as the "parties hereto",

W I T N E S S E T H:

WHEREAS, the parties hereto are the owners of working, royalty or other oil and gas interests in the unit area subject to this agreement; and

WHEREAS, the Mineral Leasing Act of February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field or like area, or any part thereof for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by an Act of the Legislature (Sec. 7-11-39 N.M. Statutes 1953 Annotated) to consent to or approve this agreement on behalf of the State of New Mexico, insofar as it covers and includes lands and mineral interests of the State of New Mexico; and

WHEREAS, the Oil Conservation Commission of the State of New Mexico is authorized by an act of the Legislature (Article 3, Chapter 65, Vol. 9, Part 2, 1953 Statutes) to approve this agreement and the conservation provisions hereof; and

WHEREAS, the parties hereto hold sufficient interests in the Bogle Flats Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to conserve natural resources, prevent waste and secure other benefits obtainable through development

and operation of the area subject to this agreement under the terms, conditions and limitations herein set forth;

NOW, ~~THEREFORE~~, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the below-defined unit area, and agree severally among themselves as follows:

1. **ENABLING ACT AND REGULATIONS.** The Mineral Leasing Act of February 25, 1920, as amended, *supra*, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder or valid, pertinent and reasonable regulations hereafter issued thereunder, are accepted and made a part of this agreement as to Federal Lands, provided such regulations are not inconsistent with the terms of this agreement; and as to State of New Mexico and privately owned lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State of New Mexico, are hereby accepted and made a part of this agreement.

2. **UNIT AREA.** The following-described land is hereby designated and recognized as constituting the unit area:

Township 22 South, Range 23 East, N.M.P.M.

Section 3: All	Section 17: All
Section 4: All	Section 18: All
Section 5: All	Section 19: All
Section 7: All	Section 20: All
Section 8: All	Section 29: All
Section 9: All	Section 30: All
Section 10: All	Section 31: All
Section 16: All	Section 32: All

containing 10,416.36 acres, more or less.

Exhibit A attached hereto is a map showing the unit area and the boundaries and identity of tracts and leases in said area to the extent known to the Unit Operator. Exhibit B attached hereto is a schedule showing to the extent known to the Unit Operator the acreage, percentage and kind of ownership of oil and gas interests in all land in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party.

Exhibits A and B shall be revised by the Unit Operator whenever changes in the unit area render such revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor", or when requested by the Commissioner of Public Lands of the State of New Mexico, hereinafter referred to as "Commissioner", and not less than six copies of the revised exhibits shall be filed with the Supervisor, and two copies thereof shall be filed with the Commissioner and one copy with the New Mexico Oil Conservation Commission, hereinafter referred to as "Commission".

The above-described unit area shall when practicable be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this agreement, or shall be contracted to exclude lands not within any participating area whenever such expansion or contraction is necessary or advisable to conform with the purposes of this agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion or on demand of the Director of the Geological Survey, hereinafter referred to as "Director", or on demand of the Commissioner, after preliminary concurrence by the Director, shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof, preferably the first day of a month subsequent to the date of notice.

(b) Said notice shall be delivered to the Supervisor, the Commissioner and the Commission and copies thereof mailed to the last known address of each working interest owner, lessee and lessor whose interests are affected, advising that 30 days will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor, the Commissioner and the Commission evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with Unit Operator, together with an application in sufficient number, for approval of such expansion

or contraction and with appropriate joinders.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the Director, the Commissioner and the Commission, become effective as of the date prescribed in the notice thereof.

(e) All legal subdivisions of unitized lands (i.e., 40 acres by Government survey or its nearest lot or tract equivalent in instances of irregular surveys, however, unusually large lots or tracts shall be considered in multiples of 40 acres, or the nearest aliquot equivalent thereof, for the purpose of elimination under this subsection), no parts of which are entitled to be in a participating area within five years after the first day of the month following the effective date of the first initial participating area established under this unit agreement, shall be eliminated automatically from this agreement, effective as of the first day thereafter, and such lands shall no longer be a part of the unit area and shall no longer be subject to this agreement, unless at the expiration of said five-year period diligent drilling operations are in progress on unitized lands not entitled to participation, in which event all such lands shall remain subject hereto for so long as such drilling operations are continued diligently, with not more than 90 days' time elapsing between the completion of one such well and the commencement of the next such well, except that the time allowed between such wells shall not expire earlier than 30 days after the expiration of any period of time during which drilling operations are prevented by a matter beyond the reasonable control of unit operator as set forth in the section hereof entitled "Unavoidable Delay"; provided that all legal subdivisions of lands not in a participating area and not entitled to become participating under the applicable provisions of this agreement within 10 years after said first day of the month following the effective date of said first initial participating area shall be eliminated as above specified. Determination of creditable "Unavoidable Delay" time shall be made by unit operator and subject to approval of the Director and the Commissioner. The unit operator shall, within 90 days after the effective date of any elimination hereunder, describe the area so eliminated

to the satisfaction of the Director and the Commissioner and promptly notify all parties in interest.

If conditions warrant extension of the 10-year period specified in this subsection 2 (e), a single extension of not to exceed two years may be accomplished by consent of the owners of 90 percent of the current unitized working interests and 60 percent of the current unitized basic royalty interests (exclusive of the basic royalty interests of the United States), on a total-nonparticipating-acreage basis, respectively, with approval of the Director and the Commissioner, provided such extension application is submitted to the Director and the Commissioner not later than 60 days prior to the expiration of said 10-year period.

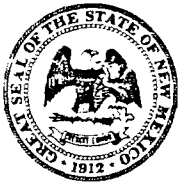
Any expansion of the unit area pursuant to this section which embraces lands therefore eliminated pursuant to this subsection 2 (e) shall not be considered automatic commitment or recommitment of such lands.

3. UNITIZED LAND AND UNITIZED SUBSTANCES. All land committed to this agreement shall constitute land referred to herein as "unitized land" or "land subject to this agreement". All oil and gas in any and all formations of the unitized land are unitized under the terms of this agreement and herein are called "unitized substances".

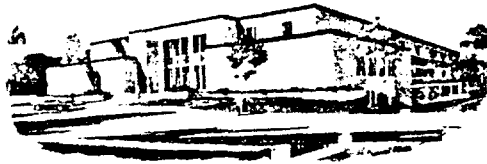
4. UNIT OPERATOR. California Oil Company, a California corporation whose address is Box 1249, Houston, Texas 77001, is hereby designated as Unit Operator and by signature hereto as Unit Operator commits to this agreement all interests in unitized substances vested in it and agrees and consents to accept the duties and obligations of Unit Operator for the discovery, development and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as owner of interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such an interest is owned by it.

5. RESIGNATION OR REMOVAL OF UNIT OPERATOR. Unit Operator shall have the right to resign at any time prior to the establishment of a

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

May 22, 1989

#3150
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Chevron U.S.A. Inc.
P.O. Box 670
Hobbs, New Mexico 88240

ATTN: R.C. Anderson
Division Manager, Production Department

RE: 1989 Plan of Development
Bogle Flats Unit
Eddy County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned 1989 Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files. If we may be of further help, please do not hesitate to contact us.

Very truly yours,

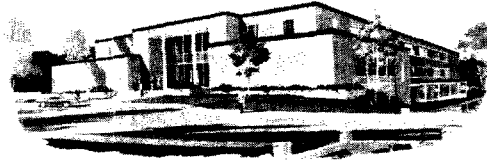
W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *F. O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5749

cc: OCD - Santa Fe, New Mexico
BLM
Unit Correspondence File

WRH/FOP/SMH

State of New Mexico



Commissioner of Public Lands



July 20, 1967

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Chevron Oil Company
6610 Avenue B
Ogden, Texas

Re: Bogle Flats Unit
Eddy County, New Mexico

ATTENTION: Mr. C. F. Kirkvold

Gentlemen:

The Commissioner of Public Lands has this date approved your Plan of Development covering the last half of 1967, for the captioned unit. This plan covers the period from July 1, 1967 to December 31, 1967, and proposes the drilling of no additional wells during this period.

This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

Two approved copies of the plan are enclosed.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Eddie Lopez, Supervisor
Unit Division

GBH/PA/BL/s
enclosures

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico

1967 JUL 24 AM

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 2088
SANTA FE

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

December 2, 1964

Mr. Kirk Newman
Standard Oil Company of Texas
Post Office Box 1660
Midland, Texas

Re: CASE NO. 3150
ORDER NO. R-2817
APPLICANT California 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

January 10⁹, 1967

Standard Oil Company of Texas
2610 Avenue S
Snyder, Texas

Re: Bogle Flats Unit
Eddy County, New Mexico

ATTENTION: Mr. D. T. Magee

Gentlemen:

The Commissioner of Public Lands approved as of this date your Plan of Development for the Bogle Flats Unit, covering the period from January 1, 1967 to June 30, 1967.

This Plan provides for the drilling of Well No 10, in the N/2 of Section 20, Township 22 South, Range 23 East.

In the future please furnish this office an originally signed copy of any document which requires the Commissioner's approval.

We are returning two approved copies for your files.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/s
encls 2.

Standard Oil Company of Texas
Mr. D. T. Magee
January 9, 1967
Page -2-

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

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

June 28, 1965

Standard Oil Company of Texas
P. O. Box 1837
Roswell, New Mexico

Attention: Mr. Pat Cross

Re: Bogle Flats Unit
Eddy County, New Mexico
Initial Plan of Development

Gentlemen:

We are returning two approved copies of your Initial Plan of Development for the Bogle Flats Unit area, Eddy County, New Mexico, for the period from June 15, 1965 to January 1, 1966.

Inasmuch as there has been no well drilled on State land, we will expect the next well to be drilled on the Bogle Flats Unit to be located on State of New Mexico Section 16, Township 22 South, Range 23 East.

We have requested your Mr. Cross to have corrected the well reports which list the Bogle Flats wells as Bogle Flats Unit No. 3 Well No. 1, etc. We note you refer to the well to be drilled under this Initial Plan of Development as Bogle Flats Unit Well No. 10-4. We do not believe the section number before the well is necessary, but only confusing, and hope in the future this section number will be deleted.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:

(Mr.) Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/d
Enclosures

cc: United States Geological Survey
New Mexico Oil Conservation Commission

1965 JAN 21 AM 11:11

3150

January 20, 1965

Standard Oil Company of Texas
P. O. Box 1237
Roswell, New Mexico

Re: Boyle Flats Unit
Eddy County, New Mexico

Attention: Mr. Pat O. Cross

Gentlemen:

The Commissioner of Public Lands approves as January 20, 1965, the Boyle Flats Unit, Eddy County, New Mexico, subject to like approval by the United States Geological Survey. This Unit Agreement was approved by the New Mexico Oil Conservation Commission by Case No. 3150 and Order No. R-2817 on December 2, 1964.

We are handing to Mr. Cross ten (10) originally signed copies of our Certificate of Approval together with Official Receipt No. H-06569 in the amount of Eighty-five (\$85.00) Dollars which covers the filing fee.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
(Mr.) Ted Bilberry, Director
Oil & Gas Department

GBH/tb/mmr/v

cc: United States Geological Survey

New Mexico Oil Conservation Commission

MAIN OFFICE

*64 NOV 10 PM 4 11

3150

November 10, 1964

Standard Oil Company
P. O. Box 746
Roswell, New Mexico

Re: Proposed Bogle Flats Unit
Eddy County, New Mexico

Attention: Mr. P. O. Cross

Gentlemen:

This Office approves as to form and content your
proposed Bogle Flats Unit, Eddy County, New Mexico.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

Ted Bilberry, Director
Oil & Gas Department

ESW/mmz/v

cc:

United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico



STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CALIFORNIA OIL COMPANY

P. O. Box 1660
Midland, Texas
October 30, 1964

MAILED

NOV 5 1964

PROPOSED BOGLE FLATS UNIT
Eddy County, New Mexico

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
State of New Mexico
P. O. Box 1980
Santa Fe, New Mexico

500-3151

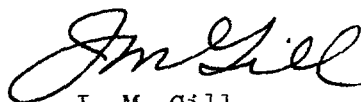
Dear Mr. Porter:

Enclosed is our application for a hearing to obtain approval of the captioned Unit. We were advised by Mr. Dan Nutter that a docket is being made up for November 24, and we would appreciate very much being included on that docket.

We have this date also made application to the Commissioner of Public Lands for approval of the captioned Unit.

We will appreciate your consideration in this matter.

Yours very truly,



J. M. Gill
Division Land Superintendent

EKN/sys
Enclosure

DOCKET MAILED

Date 11-13-64