

COMMISSIONER'S OFFICE
Phone (505) 827-5760
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12,001

COMMERCIAL RESOURCES
Phone (505) 827-5724
Fax (505) 827-6157

ADMINISTRATION
Phone (505) 827-5700
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OCT 10 2002



MINERAL RESOURCES
Phone (505) 827-5744
Fax (505) 827-4739

GENERAL COUNSEL
Phone (505) 827-5713
Fax (505) 827-4262

OIL CONSERVATION
DIVISION

**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

ROYALTY MANAGEMENT
Phone (505) 827-5772
Fax (505) 827-4739

PUBLIC AFFAIRS
Phone (505) 827-1245
Fax (505) 827-5766

SURFACE RESOURCES
Phone (505) 827-5793
Fax (505) 827-5711

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

October 9, 2002

Petroleum Development Corporation
4113 Eubank Blvd.
Suite 400
Albuquerque, NM 87111

Attention: Mr. Mark Young

Re: Notice of Termination
T. P. "A" State Unit
W/2SW/4 Sec. 15 & E/2SE/4 Sec. 16-10S-36E
Lea County, New Mexico



Dear Mr. Young

Our records reflect that Petroleum Development Corporation is the current unit operator of the T.P. "A" State Unit in Lea County, New Mexico.

Pursuant to Section 17 of the unit agreement, the term of this agreement shall be for and during the time that unitized substances are produced in paying quantities from the unitized land and as long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as the unitized substances so discovered are being produced as aforesaid.

According to our records, the date of last production from the T.P. "A" State Unit Well No. 1 (Surface Location) SW/4SW/4 of Sec. 15-10S-36E was April 30, 2001.

Pursuant to Section 17 of the T.P. "A" State Unit Agreement, please be advised that the referenced unit agreement is hereby terminated effective April 30, 2001.

Please be advised that State Lease Nos. V-4204-1 and V-4205-4 expired by their own terms upon termination of this unit agreement.

Please advise all interested parties of this action.

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:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
RP/JB/pm

cc: OCD-Santa Fe, OCD Hobbs, Warren Resources Inc. (OGRID # 184583)

(EXPLORATORY)

UNIT AGREEMENT: T. P. "A" STATE UNIT
OPERATOR: PETROLEUM DEVELOPMENT CORPORATION
LEA COUNTY, NEW MEXICO

DATE	OCC CASE NO.	TOTAL	STATE	FEDERAL	FEE	SEGREGATION	TERM
APPROVED	OCC ORDER NO.	ACREAGE				CLAUSE	
EFFECTIVE	CASE NO. 12001	160.00	160.00	0	0	STRICT	5 YEARS
09-29-98	ORDER NO. R-11014						SO LONG AS

APPROVALS:

SLO--9-29-98
OCD--8-04-98

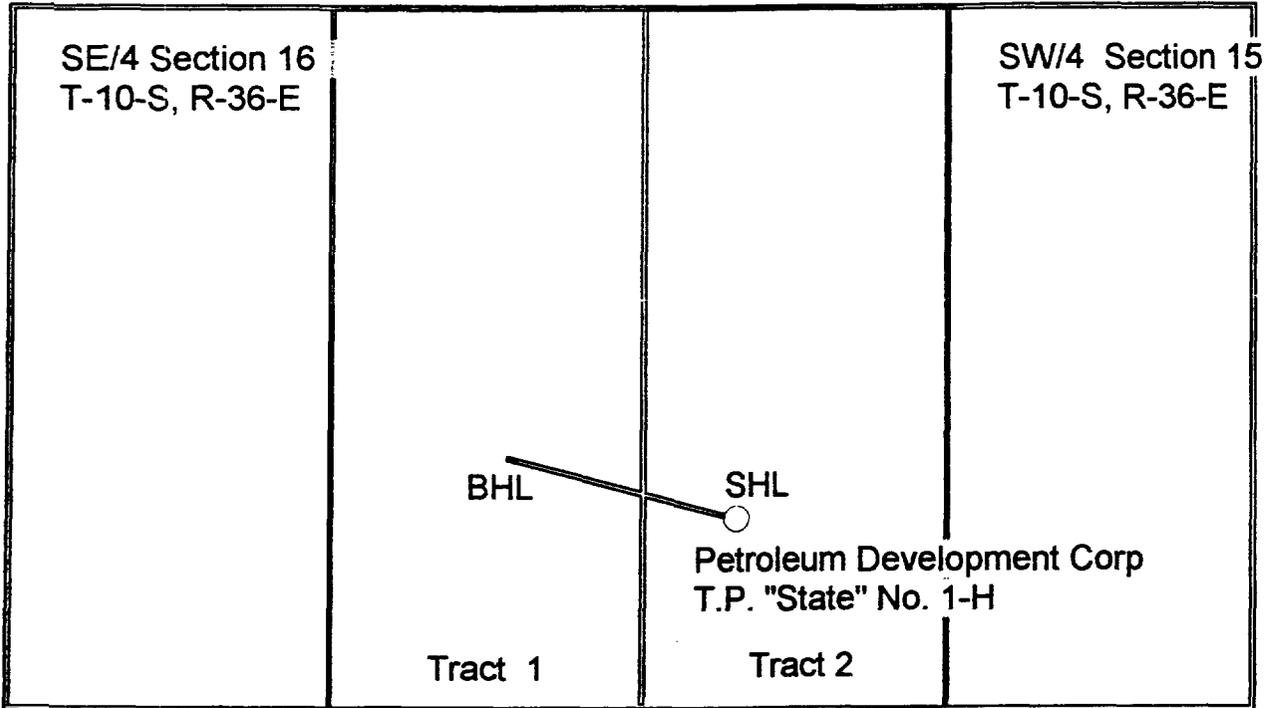
TOWNSHIP 10 SOUTH RANGE 36 EAST

SECTION 16: E/2SE/4
SECTION 15: W/2SW/4

TERMINATED
EFFECTIVE DATE 4-30-01
APPROVAL DATE 10-8-02

Exhibit "A" Map of Unit Area

T.P. "A" State Exploratory Unit
Lea County, New Mexico



Tract 1: E/2 SE/4 Sec. 16 T-10-S, R-36-E (80 acres)

Tract 2: W/2 SW/4 Sec. 15 T-10-S, R-36-E (80 acres)

Unit Acreage:



Federal Lands: 0 acres

State Lands: 160 acres

Fee Lands: 0 acres

Proposed Well Location: SHL--810' FSL & 660' FWL
Sec 15
BHL--1100' FSL & 900' FEL
Sec. 16

Exhibit "B" Schedule of Ownership

Schedule Showing All Lands and Leases
Within the T.P. "A" State Exploratory Unit
Lea County, New Mexico

Tract No.	Description of Lands	Acres	Serial No. & Expiration Date	Basic Royalty Percentage	Lessee of Record	Overriding Royalty Percentage	Working Interest Percentage	Beneficiary
1	E/2 SE/4, Sec. 16 T-10-S, R-36-E	80	V-4205 Exp. 10/1/98	16.6667%	EnergyPro, Inc.	0.00%	83.3333%	Common Schools
2	W/2 SW/4, Sec. 15 T-10-S, R-36-E	80	V-4204 Exp. 10/1/98	16.6667%	EnergyPro, Inc.	0.00%	83.3333%	N.M. Tech

Recapitulation

160	Acres of State of New Mexico	100%
0	Acres of Fee Lands	0%
<u>0</u>	Acres of Federal Lands	<u>0%</u>
Total 160		100%

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

JACK M. CAMPBELL
OF COUNSEL

HAND DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, NM 87503

Re: Order No. R-11014/Case No. 12001

Dear Ms. Wrotenbery:

It has come to our attention that Order No. R-11014, issued in Case No. 12001 and dated August 4, 1998, contains an incorrect description of the "Unit Area" on the cover page at (2). There the property is described as:

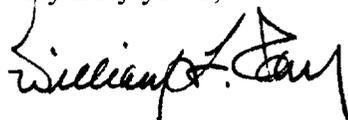
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 35: N/2, E/2 SW/4, and SE/4

The correct description appears in the Order, on page 2, at (1). There the property is described as:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 15: W/2 SW/4
Section 16: E/2 SE/4

It appears to us that this can best be remedied by a Nunc Pro Tunc order. I have included a draft Nunc Pro Tunc order for your review. Please do not hesitate to contact me should any questions arise with respect to this issue.

Very truly yours,



WILLIAM F. CARR

WFC:bh

Enclosure

cc: Don C. Pfister

February 25, 1999

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
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E-MAIL: ccbspa@ix.netcom.com

99 FEB 25 AM 9:47
OIL CONSERVATION DIV.

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

**IN THE MATTER OF THE APPLICATION
OF PETROLEUM DEVELOPMENT
CORPORATION FOR A UNIT AGREEMENT,
LEA COUNTY, NEW MEXICO.**

CASE NO. 12001
ORDER NO. R-11014

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the New Mexico Oil Conservation Division ("Division") that Order No. R-11014, issued in Case No. 12001 and dated August 4, 1998, contains an incorrect description of the property. Finding (2) is amended as follows:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 35: N/2, E/2 SW/4, and SE/4

is replaced with:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM

Section 15:W/2 SW/4

Section 16:E/2 SE/4

The corrections set forth in this order be entered nunc pro tunc as of February ____, 1999.

DONE at Santa Fe, New Mexico, on this ___ day of February, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

LORI WROTENBERY
Director

Seal