



State of New Mexico

8808

OFFICE OF THE

Commissioner of Public Lands

JIM BACA
COMMISSIONER

Santa Fe

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

January 6, 1993

B & W Oil Company
R-252 N. Haldeman Road
Artesia, New Mexico 88210

Attention: Land Department

Re: Designation of Successor Unit Operator
South Lucky Lake Queen Unit
Chaves County, New Mexico



Gentlemen:

The Bureau of Land Management has advised this office that B & W Oil Company has been designated as the successor unit operator of the South Lucky Lake Queen Unit, Chaves County, New Mexico.

Our records reflect that **Burk Royalty Company** is still the operator of record for this unit. Pursuant to the terms of the South Lucky Lake Queen 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.

Also, enclosed is an Instruction Sheet for filing a Surface Improvement Damage Bond. Our records reflect that B & W Oil Company 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.

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*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.

cc: Reader File
Mr. Fred M. Lynch--Burk Royalty Company
BLM
OCD



JIM BACA
COMMISSIONER

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

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

April 28, 1993

B & W Oil Company, Inc.
R-252 N. Haldemand Road
Artesia, New Mexico 88210

Attention: Mr. Billy J. Smith

Re: Resignation/Designation of Successor Unit Operator
South Lucky Lake Queen Unit
Chaves County, New Mexico



Dear Mr. Smith:

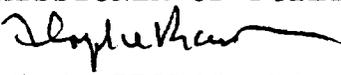
This office is in receipt of a designation of successor unit operator, wherein Burk Royalty Company has resigned as unit operator of the South Lucky Lake Queen Unit and designated B & W Oil Company Inc. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Burk Royalty Company and the designation of B & W Oil Co., Inc. as the successor unit operator of this unit. This change in operators is effective July 1, 1992. In accordance with this approval, B and W Oil Company, Inc., is now responsible for all operations and the reporting of all production from the unit.

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
OCD ✓
BLM - Roswell
Burk Royalty Company - Attn: Ms. Tammie Lewis

State of New Mexico

8808



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 15, 1990

Mr. Fred M. Lynch
Burk Royalty Company
1000 Petroleum Building
P.O. Box BRC
Wichita Falls, TX 76307

Re: South Lucky Lake Queen Unit
Chaves County, New Mexico
1990 Plan of Development

Dear Mr. Lynch:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the South Lucky Lake Queen Unit. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development may exist. You will be contacted at a later date regarding these possibilities.

If we may be of further help, please do not hesitate to contact Clyde Langdale at (505) 827-5791.

Sincerely,

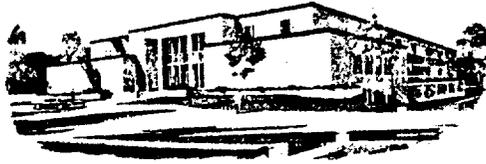
W. R. HUMPHRIES

BY:

Floyd O. Prando
Floyd O. Prando, Director
Oil, Gas & Minerals Division

cc: OCD
Unit Corresp.
Unit POD

State of New Mexico



8808

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

SLO REF NO OG-700

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

March 24, 1988

Burk Royalty Co.
Attn: Mr. Fred M. Lynch
P. O. Box BRC
Wichita Falls, Texas 76307

Re: 1988 Plan of Development
S. Lucky Lake Queen Ut.
Chaves County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1988 Plan of Development for the above captioned unit area.

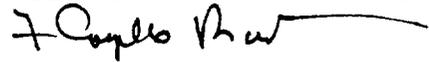
Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WRH/FOP/pm
encs.
cc: OCD
BLM

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

March 12, 1987

Burk Royalty Company, Inc.
ATTENTION: Mr. Fred M. Lynch
P. O. Box BRC
Wichita Falls, Texas 76307

Re: 1987 Plan of Operations
South Lucky Lake Queen Unit
Chaves County, New Mexico

Gentlemen:

The Bureau of Land Management has notified this office that your 1987 Plan of Operations for the South Lucky Lake Queen Unit area, Chaves County, New Mexico has been approved. Our records reflect that the last Plan of Operations for the referenced unit was for the development period of 1986. Under the terms of Article 11 of the Unit Agreement, please submit your Plan of Operations for 1987.

As part of your plan we require an up-to-date map of the unit area showing all wells and their zone(s) of completion. In addition please furnish a summary by months of the last years production history. Please be advised that the above information (map and production history) will be required by this office on all future Plans of Operations that require the Land Commissioner's approval.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WRH/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Roswell, New Mexico

State of New Mexico



SLO REF. NO. OG-356

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

August 18, 1987

Burk Royalty Company
Attention: Fred M. Lynch
1000 Petroleum Building
P. O. Box BRC
Wichita Falls, Texas 76307

Re: South Lucky Lake Queen Unit
1987 Plan of Development
Chaves County, New Mexico

Gentlemen:

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

If we may be of further help, please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil & Gas Division
(505) 827-5744

WRH/FOP/ams
enclosure
cc: Bureau of Land Management
Oil Conservation Division

State of New Mexico

#8808



JIM BACA
COMMISSIONER

Commissioner of Public Lands

January 13, 1986

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

Rodey, Dickason, Sloan, Akin & Robb, P. A.
P. O. Box 1357
Santa Fe, New Mexico 87504-1357

Re: Application of Burk Royalty Co. for
Approval of the South Lucky Lake Queen Unit
Chaves County, New Mexico

ATTENTION: Mr. Paul A. Cooter

Gentlemen:

This office is in receipt of your letter of December 17, 1985, together with copies of the South Lucky Lake Queen Unit Agreement, Chaves County, New Mexico which you have submitted on behalf of Burk Royalty Company. A review of the captioned unit agreement points out the need for further corrections, explanation or elaboration in certain parts of the document.

The unit area is drawn to include 880.00 acres. Of this, Tract 9, an 80.00 acre federal tract is unleased. It is difficult to explain the inclusion of an open federal tract since this makes the United States Government a working interest owner. It is our recommendation that the quickest solution to this problem is to re-draw the unit boundary to eliminate Tract No. 9 from the Unit Area.

Also, there is a complete lack of geologic and engineering data. Such data has an immediate application in determining size and characteristics of the participating area, plan of operation and calculation of participating interests. A crude participation formula has been provided but no data is included to check the equitability of distribution of interests.

A compilation of production data, beginning with 1982, shows that state leases yielded an average 29% of cumulative production but get only a 24.75% participation. This suggests a dilution of state interests.

A third factor in the participation formula involves acre foot reserve and reservoir calculations. Without porosity, water saturation, thickness and area figures, reservoir calculations are only a wild guess. No such data is provided. Also, no logs are provided to demonstrate continuity of the proposed flood zone. There is nothing to show that waterflood would be a practical and efficient means for enhancing recovery from this producing area.

It is incumbent upon the participants to provide supportive data. Until the problem of Tract No. 9 is solved and the geologic data are provided, approval of this proposed unit cannot be justified from a technical standpoint.

Before any approval is made, Burk Royalty Co. should explain the participation factors and also submit the unit operating agreement, an Initial Plan of Operation (as per Section 11 of the agreement) and a redesignation of all well names and numbers.

The following corrections should be made before we give any approval.

1. Please submit all ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged before a Notary and one set must contain original signatures.
2. Please submit a schedule showing the total acreage of lands in the Unit. State 160.00 Acres (18.18%) Federal 720.00 Acres (81.82%). This schedule should also break down the committed acreage and the uncommitted acreage.
3. The Tract Nos. on Exhibits "A", "B" and "C" should be in numerical order with the Federal tracts listed first and the State tracts listed second. All State tracts should be in chronological order.
4. On Exhibit "B", Tract No. 6, the correct land description should be SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 16-15S-R29E. The correct Lease No. should be L-1894-1 and the expiration date should be 12-17-78. The Lessee of Record should also be corrected to Read and Stevens, Inc.
5. On Exhibit "B" page 1, Tract No. 7 was apparently split up due to the Working Interest Owners, however it might be possible to combine the two tracts as per Exhibit "A". The correct land description of this tract should be NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 16-T15S-R29E (delete N/2). The correct Lease No. should be K-5110-1 and the expiration date is 7-20-75 and the Lessee of Record should be New Mexico Oil Corp.
6. On Exhibit "B" page 2, Tract No. 7, if this Tract can not be combined with the Tract No. 7 on page 1, this Tract should be given another Tract Number or should be designated as Tract No. 7a. The correct land description for this tract should be SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 16-T15S-29E & (delete S/2). The correct Lease No. should be K-5110-1, the expiration date should be 7-20-75 and the Lessee of Record should be New Mexico Oil Corp.
7. On Exhibits "A" and "B" Tract No. 8, the correct Lease No. should be L-1894-1, the expiration date should be 12-17-78 and the correct Lessee of Record should be Read and Stevens, Inc.
8. It appears that Exhibits "A" "B" and "C" should be revised as applicable to reflect the above changes.
9. On page 6 of the Unit Agreement, Section (1) should include the Land Commissioner as noted on your copy.
10. On page 10 of the Unit Agreement, Section 11, on the last paragraph should also include the Land Commissioner as noted.

Rodney, Dickason, Sloan, Akin & Robb, P. A.
January 13, 1986
page 3

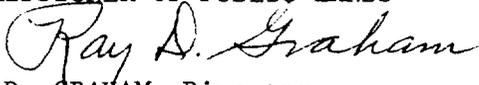
11. Section 23 of the Unit Agreement makes reference to an expiration date of November 1, 1985. Please advise if this date has been extended.
12. The filing fee for a Unit Agreement is Thirty (\$30.00) Dollars per section or partial section thereof. Please submit a filing fee in the amount of \$180.00 Dollars.
13. Any approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is a copy of your agreement reflecting the required changes. If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

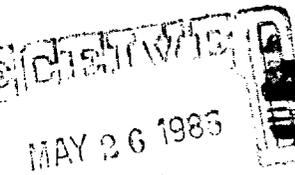
BY:


RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
 BLM-Albuquerque, New Mexico Attn: Fluids Branch
 BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands
May 26, 1986

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

Rodey, Dickason, Sloan, Akin & Robb, P. A.
Attention: Mr. Paul Cooter
P. O. Box 1357
Santa Fe, New Mexico 87504-1357

Re: Burk Royalty Company
South Lucky Lake Queen Unit
Chaves County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the South Lucky Lake Queen Unit Agreement, together with your Initial Plan of Operation which you have submitted on behalf of Burk Royalty Company. The effective date of your agreement is November 21, 1985.

Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*

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

JB/FOP/pm
encls.

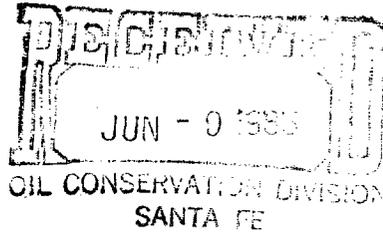
cc: OCD-Santa Fe, New Mexico
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez
Burk Royalty Co. Attn: Mr. Al Norris



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

NMO61P35-86U321
3180 (065)

JUN 6 1986

Berk Royalty Company
Attention: Mr. Al Norris
P. O. Box 870
Wichita Falls, TX 76307

Dear Mr. Norris:

This letter is in reference to the telephone conversation on June 3, 1986 with Jerry Dutchover in which the **South Lucky Lake Queen Unit** was discussed. The following information was requested:

- 1) Ratification and Joinder of Tract 9 which was an unleased federal tract that is now leased by Dalport Oil Corporation.
- 2) Corrected and updated Exhibit B.
- 3) Plan of Operations - a summation of any activities planned on this unit for the 1986 calendar year.

If you have any questions, or if we can be of further assistance, please feel free to contact the Branch of Fluid Minerals, Jerry Dutchover (505) 822-9042.

Sincerely,

Orig. Sgd. Francis R. Cherry, Jr.

Francis R. Cherry, Jr.
District Managercc:
Commissioner of Public Lands
NMOCD, Santa Fe

0CD

Unit Name South Lucky Lake Queen Unit (WATERFLOOD)
 Operator Burk Royalty Company
 County Chaves County, New Mexico

DATE	OCC CASE NO.	8808	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED		R-8140							
BLM-November 21, 1985			November 21, 1985	880.00	160.00	720.00	-0-	Seg. Cl. will extend leases if sharing or being allocated unitized substances	so long as
OCD-January 30, 1986									
CPL-May 26, 1986									

UNIT AREA

TOWNSHIP 15 SOUTH, RANGE 29 EAST

- Section 15: SW/4SW/4
- Section 16: SE/4SW/4, NW/4SE/4, S/2SE/4
- Section 21: NW/4NE/4, E/2E/2
- Section 22: W/2
- Section 27: W/2NW/4
- Section 28: E/2NE/4

Unit Name SOUTH LUCKY LAKE QUEEN UNIT (WATERFLOOD)
 Operator Burk Royalty Company
 County Chaves

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACRES RATIFIED
6	L-1894-1	C. S.	16	15S	29E	SE/4SE/4	8/15/85	40.00	
7	K-5110-1	C. S.	16	15S	29E	NW/4SE/4	8/15/85	40.00	
7-A	K-5110-1	C. S.	16	15S	29E	SW/4SE/4	8/15/85	40.00	
8	L-1894-1	C. S.	16	15S	29E	SE/4SW/4	8/15/85	40.00	

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

SLO REF NO. OG-1058

March 27, 1989

#8808

Burk Royalty Co.
Attn: Fred M. Lynch
P.O. Box BRC
Wichita Falls, Texas 76307

Re: 1989 Plan of Development
South Lucky Lake Queen Unit
Chaves County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned 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 call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

cc: OCD
BLM