

February 29, 1956

In reply refer to:
Unit Division

A I R M A I L

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2040
Tulsa 2, Oklahoma

Attention: Mr. F. W. Hulsizer
Land Department

Re: Communitization Agreement
Section 1-20S-36E, E/2

Gentlemen:

We are in receipt of your Communitization Agreement covering the E/2 of Section 1-20S-36E.

The New Mexico Oil Conservation Commission Administrative Order NSP-230 approved a 320.07 acre non-standard gas proration unit in the Aumont Gas Pool consisting of the E/2 of Section 1, Township 20 South, Range 36 East, and said acreage was ascribed to your J. R. Phillips Well No. 8 located in the SW/4 NE/4 of Section 1, Township 20 South, Range 36 East. However, the Communitization which you have submitted to us for approval states, and I quote: ". . . for the purpose of producing and marketing gas from those zones underlying said land found to exist in the Skelly State 'D' No. 1 Well located in the SE/4 SE/4 of said Section 1, . . ."

It is needless for me to point out to you that you can not communitize this acreage and dedicate it to Skelly State "D" No. 1, therefore we are returning your Communitization for corrections.

It will also be necessary for us to have the commitments for the NE/4 attached, as well as the SE/4.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
encl

GENERAL OFFICES
120 BROADWAY NEW YORK

NSP-230

MAIN OFFICE

AMERADA PETROLEUM CORPORATION

BEACON BUILDING
P. O. BOX 2040
TULSA 2, OKLA.

1956 MAR 9 AM 8:23

March 7, 1956

Re: **Communitization Agreement
Gas Proration Unit Covering
E/2 of Section 1-20S-36E
Eumont Gas Pool
Lea County, New Mexico**

Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Dear Mr. Walker:

We resubmit for your approval the original and three (3) copies of the above Communitization Agreement, which has been corrected as requested in your letter of February 29, 1956. In such letter, you also requested that we attach to the agreement the commitments for the NE/4 of Section 1 (patented lands), as well as the SE/4 (State lands).

There are 77 royalty owners under the lease covering the NE/4 Section 1 and rather than to have all of them execute counterparts of the communitization agreement, we have requested each such owner to execute the attached form of "Agreement for Pooling Gas Interests". To date, 57 of said royalty owners have executed counterparts of this agreement. It was our thought that unless you examined title to the NE/4 in order to determine ownership thereof, the executed Agreements for Pooling Gas Interests would be of no importance to you and to attach all 57 of them would have made a voluminous instrument.

We, therefore, certify that, according to our most recent title information, the 57 parties who have executed Agreements for Pooling Gas Interests own 89.94% of all interest in the NE/4 of Section 1, the owners of the remaining 10.6% interest in this tract have refused or neglected to execute consents to pooling. We propose to offer these parties their royalty interest on a communitized basis and if they do not accept our tender on such basis, we will make request to your office for an integration order or pay excess royalties.

We respectfully request your approval of the attached agreement on behalf of the State of New Mexico, and ask that the original and one (1) copy thereof be returned to this office, the remaining copies are for your office and the office of the Oil Conservation Commission. If, with the above

Pg-2

Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico

3-7-56

information, you feel that it is necessary that we submit evidence of commitments for the NE/4, we will forward copies of all executed Agreements for Pooling Gas Interests, herein above referred to.

Will you please advise if the effective date of the allowable for this unit will be the first day of the month following the date of your approval of the agreement, or if further action is necessary by this company.

Yours very truly,



F. W. HULSIZER
Land Department

FWH:ah
Encl.

cc: Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

MAIN OFFICE OCC

EST 1919 IN 8:29

March 15, 1956

In reply refer to:
Unit Division

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2040
Tulsa 2, Oklahoma

Re: Amerada-Skelly-J. R. Phillips
Well No. 8 Communitization -
E/2 Sec. 1-20S-36E,
Lea County, New Mexico

Attention: Mr. F. W. Hulsizer
Land Department

Gentlemen:

We are enclosing three copies of the Amerada-Skelly-J. R. Phillips Well No. 8 Communitization Agreement, which was approved by the Commissioner of Public Lands on March 15, 1956. Effective date of the allowable for this unit will be the first day of the month following the date of approval, that is, April 1, 1956.

Official Receipt No. 112872 covering the \$5.00 filing fee is attached hereto.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
encl: 4

cc: OCC-Santa Fe