

RINCON OIL AND GAS CORPORATION
20 Pine Street
New York, N. Y. 10005



A handwritten signature in dark ink, appearing to be "JMS" or similar, written in a cursive style.

July 7, 1972

Mr. Robert L. Bayless
P. O. Box 1541
Farmington, New Mexico 87401

Re: Dakota test well in SE28-25N-6W
Rio Arriba County, New Mexico

Dear Mr. Bayless:

This is in reply to your letter of June 29, 1972 offering us a participation in the drilling of a 6800 ft. test in Rio Arriba County, New Mexico.

After reviewing your proposition I regret to inform you that Rincon is not able to participate in the drilling of this test well.

Very truly yours,

A handwritten signature in dark ink, appearing to be "J.B. St. John", written in a cursive style.

Vice President

FBStJ:fd

*AMM
NWU
issue 8-4-72
Rule 5(B) of R-1670, as amended
Basin - Dakota Pool*

ROBERT L. BAYLESS
PETROLEUM CLUB PLAZA BUILDING
P. O. BOX 1541
FARMINGTON, NEW MEXICO 87401

RECEIVED
JUL 17 1972
OIL CONSERVATION COMM.
Santa Fe

July 3, 1972

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: George Hatch

Re: Non-Standard Dakota Pro-ration
unit covering the SE 1/4 of
Section 28-T25N-R6W
Rio Arriba County, New Mexico

Dear Mr. Hatch,

Enclosed please find a copy of our letter to off-setting lease owners of the above proposed well, along with survey plat and copy of Registered Mail receipts.

We trust this will enable you to administratively issue the non-standard pro-ration unit, assuming there are no protestors.

Yours truly,
MERRION & BAYLESS

[Handwritten Signature]
Robert L. Bayless

RLB/car
Encl: Letter to off-setting owners
o Survey plat
Registered mail receipts

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator Merrion & Bayless			Lease Old Rock		Well No. 2
Unit Letter P	Section 28	Township 25 North	Range 6 West	County Rio Arriba	
Actual Footage Location of Well: 830 feet from the South line and 850 feet from the East line					
Ground Level Elev. 6397	Producing Formation Dakota		Pool Basin	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty),
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

() Yes () No If answer is "yes," type of consolidation

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

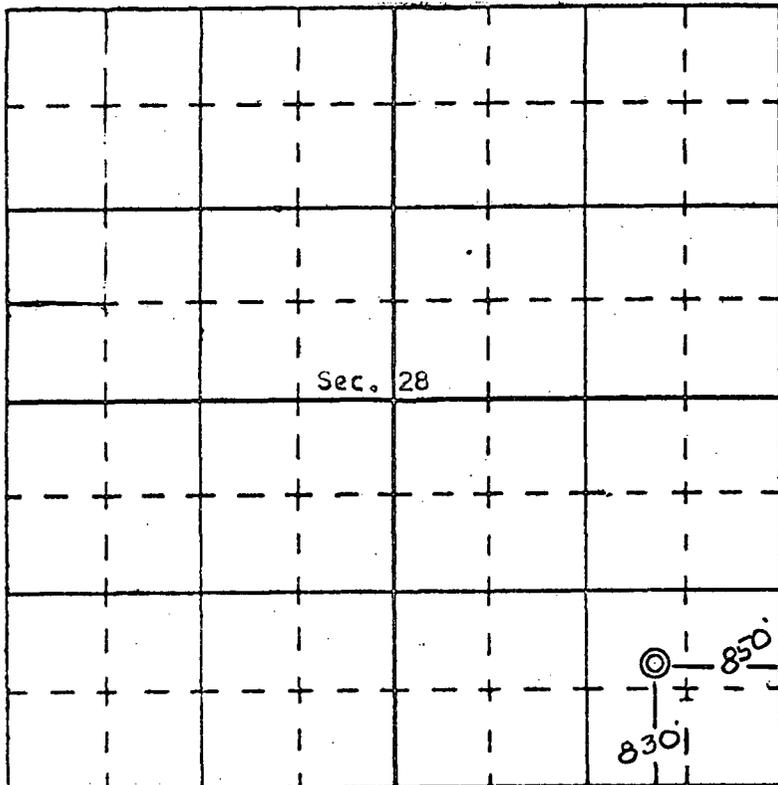
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____

Position _____

Company *F. V. ...*

Date *7-5-72*



STATE OF NEW MEXICO
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: _____

January 19, 1971

Registered Professional Engineer
and/or Land Surveyor

E. V. Echohawk

Certificate No. 3602

e. v. Echohawk LS

ROBERT L. BAYLESS

PETROLEUM CLUB PLAZA BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401

July 3, 1972

By: Registered Mail

To: Off-setting lease owners
of proposed Non-Standard
pro-ration unit, list of
said owners being attached

Re: Non-Standard Dakota pro-ration
unit covering the SE 1/4 of
Section 28-T25N-R6W
Rio Arriba County, New Mexico

Lease Owners:

We hold oil and gas leases covering the above described acreage and wish to drill a Dakota test well thereon. Ordinarily the Northeast 1/4 section would be communitized to form a 320 acre pro-ration unit.

However insomuch as the owner of this acreage does not elect to participate in this well we are requesting from the New Mexico Oil Conservation Commission the issuance of a non-standard pro-ration unit for this Dakota well. It is required that we notify you of our plan.

Yours truly,
MERRION & BAYLESS



Robert L. Bayless

RLB/car

Encl: List of off-setting lease owners

ROBERT L. BAYLESS

PETROLEUM CLUB PLAZA BUILDING

P. O. BOX 1541

FARMINGTON, NEW MEXICO 87401

Off-setting Lease Owners

Rincon Oil and Gas Company
c/o Chemical Bank
Attn: F. B. St. John
20 Pine Street
New York, New York 10015

Re: Non-Standard Dakota pro-ration
unit covering the SE 1/4 of
Section 28-T25N-R6W
Rio Arriba County, New Mexico

Kimbell, Inc.
P. O. Box 1540
Fort Worth, Texas 76101

Coral Oil and Gas Company
Attn: Ben Donegan
2127 San Mateo Blvd. N.E.
Albuquerque, New Mexico 87110

Mike Abraham
c/o Tom Hartnett
1126 Mercantile Securities Building
Dallas, Texas 75201

El Paso Natural Gas Company
P. O. Box 990
Farmington, New Mexico 87401
Attn: Chuck Higgins

A. G. Hill
1st National Bank Building
Dallas, Texas 75202

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>A. G. Hill</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>1st National Bank Bldg</i>		
CITY, STATE, AND ZIP CODE <i>DALLAS, TEXAS 75202</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632618

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Mike Abraham & Tom Hartnett</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>1126 Mercantile Securities Bldg</i>		
CITY, STATE, AND ZIP CODE <i>DALLAS, TEXAS 75202</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632617

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>El Paso Natural Gas Co.</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>P.O. Box 990</i>		
CITY, STATE, AND ZIP CODE <i>FARMINGTON New Mex 87401</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632616

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Kimbell, Inc.</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>P.O. Box 1540</i>		
CITY, STATE, AND ZIP CODE <i>Fort Worth Texas 76101</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632614

RECEIVED
JUL 17 1972
OIL CONSERVATION COMM.
Santa Fe

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Rincon Oil & Gas Co.</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>90 Chemical Bank 20 PINE STREET</i>		
CITY, STATE, AND ZIP CODE <i>New York, New York 10015</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632615

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Coral Oil & Gas Co.</i>		POSTMARK OR DATE FARMINGTON, NM JUL 5 1972 USPO
STREET AND NO. <i>2127 San Mateo Blvd. NE</i>		
CITY, STATE, AND ZIP CODE <i>Albuquerque N.M. 87401</i>		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEEs ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No 632613