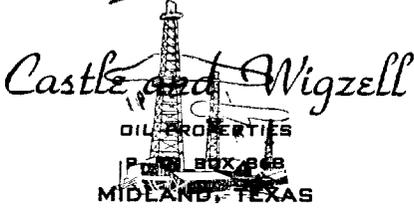


log in, as sign no of state order



December 10, 1959

4-7

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.,
Secretary-Director

Gentlemen;

This constitutes a request for an exception to Oil Conservation Commission Rule 309 (a) to permit the commingling of production from two separate State leases. The following information is furnished in satisfaction of the requirements of Rule 309 (b):

1. The leases subject to this request are contiguous, being further described as:

State Lease No. B-1969, insofar as it covers the NE/4 NW/4 Sec. 22-17S-28E

State Lease No. B-1111, insofar as it covers the NW/4 NE/4 Sec. 22-17S-28E, all in Eddy County, New Mexico.

2. Production from the wells located on the above described leases is from the same common source of supply, being the Grayburg formation (Premier Sand), Red Lake Field.
3. No more than two producing units will be produced into the common tank battery and accurate measurement of production from each unit may be made at reasonable intervals as required by the rule of the Oil Conservation Commission.
4. The ownership of the leases is common throughout.
5. Attached herewith are copies of letters wherein the owners of interest in the above leases consent to the commingling of production from the two leases.

Verbal approval of production of lease of land office on 12/14/59

*3-015-337
215-015-1*

December 10, 1959
New Mexico Oil Conservation Commission

Page 2

6. All owners of adjoining oil and gas leases have consented in writing to the commingling of production from the separate leases. Their consent in writing is attached hereto.

The above having been furnish as required by Rule 309 (b) it is respectfully requested that commingling of oil from the wells located on the above leases be permitted.

Very truly yours,

Castle and Wigzell

By H. Brace Wigzell
H. Brace Wigzell

CASTLE & WIGZELL
ROOM 835
MIDLAND, TEXAS

December 10, 1959

Lard Commissioner
State of New Mexico
P. O. Box 791
Santa Fe, New Mexico

Re: State Lease Nos.
B-1111 & B-1969
Eddy County, New Mexico

Gentlemen;

As operators of the following described oil and gas leases from the State of New Mexico, we have drilled and completed oil wells as follows:

Gulf-State No. 1, located in the NW/4 NE/4 Sec. 22,
T-17-S, R-28-E, State Lease No. B-1111

Gulf-State No. 2, located in the NE/4 NW/4 Sec. 22,
T-17-S, R-28-E, State Lease No. B-1969

To accomplish more efficient and economic production of oil produced from the above wells and in compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting permission to produce oil from the above wells into a common tank battery. In connection with this request we submit the following information:

- a. The leases are contiguous.
- b. The production from both wells is from a common reservoir, the Grayburg Formation (Premier Sand).
- c. No more than the two producing units described above will be produced into the common tank battery.
- d. The ownership under the two wells is common throughout.

As royalty owner under the above described lands your consent to the above request is respectfully requested.

Very truly yours,

CASTLE and WIGZELL

H. Brace Wigzell
H. Brace Wigzell

CASTLE & WIZZELL
MIDLAND, TEXAS

November 18, 1959

Gulf Oil Corporation
P. O. Drawer 669
Roswell, New Mexico

Re: State Lease Nos. B-1111
and B-1969
Gulf Leases Nos. 63,377
and 63,378
Eddy County, New Mexico

Attention: Mr. William V. Kastler

Gentlemen;

By an Operating Agreement with Gulf Oil Corporation dated March 16, 1959 Castle and Wizzell acquired the right to explore for oil and/or gas on the following described acreage:

State Lease No. B-1111: NW/4 NE/4 Sec. 22-17S-28E

State Lease No. B-1969: NE/4 NW/4 Sec. 22-17S-28E

Under the terms of the above mentioned agreement Castle and Wizzell have drilled and completed a well on each of the above described forty acre tracts at the following locations:

Gulf-State No. 1, 330' NL and 2310' EL

Gulf-State No. 2, 330' NL and 2310' WL

To accomplish more efficient and economic production of oil produced from the above wells and in compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting the permission of Gulf Oil Corporation to produce oil from the above wells into a common tank battery. In connection with this request we furnish the following information:

- a. The leases are contiguous.
- b. Production from both wells is from a common reservoir, the Grayburg Formation (Premier Sand).

- c. No more that the two wells named above will be produced into the common tank battery.
- d. The ownership under the two leases is common throughout.

Upon receipt of approval from Gulf application will be made with the New Mexico Oil Conservation Commission for their approval to produce the oil from the above wells into a common tank battery. If this is satisfactory with Gulf it would be appreciated if you would so indicate by signing and returning two copies of this letter.

Very truly yours,

CASTLE and WIGZELL

H. Brace Wigzell

H. Brace Wigzell

APPROVED this 23rd day of November, 1959

Gulf Oil Corporation

By *M. Shellhear*

Law	<i>WOK</i>
Compt.	
Secy.	<i>JEL</i>
Prod.	

CASTLE AND WIGZELL
ENGINEERS
MIDLAND, TEXAS

November 2, 1959

Red Lake Oil Company
Booker Building
Artesia, New Mexico

Attention: Mr. V. S. Welch

Gentlemen;

Under a certain Contract dated April 7, 1937 the Red Lake Oil Company became entitled to receive the sum of Four Thousand (\$4,000.) Dollars out of one-fourth of the first oil and/or gas produced from the following described leases from the State of New Mexico in Eddy County, New Mexico:

State Lease No. B-1111: NW/4 NE/4 Sec. 22-17S-28E

State Lease No. B-1969: NE/4 NW/4 Sec. 22-17S-28E

By Agreement dated April 15, 1959 it was agreed that the payment out of production reserved in the above contract would remain unchanged, but that payment of said sum would be made out of one-eighth of the oil and/or gas produced from the subject lands described above.

Castle and Wigzell have drilled a well on each of the above described forty acre tracts at the following locations:

Gulf-State No. 1, 330' NL and 2310' EL

Gulf-State No. 2, 330' NL and 2310' WL

To accomplish more efficient and economic production of oil produced from the above wells and in compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting the permission of Red Lake Oil Company to produce oil from the above wells into a common tank battery. In connection with this request we set out the following information:

- a. The leases are contiguous.
- b. All production from both wells is from a common reservoir, the Grayburg Formation (Premier Sand).

- c. No more than the two wells named above will be produced into the common tank battery.
- d. The ownership under the two leases is common throughout.

If this request meets with your approval please so indicate by signing and returning two copies of this letter.

Very truly yours,

Castle and Wigzell

H. Brace Wigzell
H. Brace Wigzell

Approved this 16 day of Nov, 1959

Red Lake Oil Company

By *[Signature]*

October 24, 1959

Mr. H. G. Watson
920 South Roselawn
Artesia, New Mexico

Dear Mr. Watson,

You are the owner of a production payment of \$100. per acre payable out of 3% of production from the following described leases from the State of New Mexico in Eddy County, New Mexico:

State Lease No. B-1111: NW/4 NE/4 Sec. 22, T-17-S, R-28-E

State Lease No. B-1969: NE/4 NW/4 Sec. 22, T-17-S, R-28-E

Castle and Wigzell have drilled a well on each of the above named forty acre tracts at the following locations:

Gulf-State No. 1, 330' NL and 2310' EL

Gulf-State No. 2, 330' NL and 2310' WL

In compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting your consent to produce oil from the above wells into a common tank battery. In connection with this request we state the following:

- a. The leases are contiguous.
- b. All production from both wells is from a common reservoir, the Grayburg Formation (Premier Sand).
- c. No more than the two wells named above will be produced into the common tank battery.
- d. The ownership under the two leases is common throughout.

If this request meets with your approval please so indicate by signing and returning two copies of this letter. Please note that the signature of Mrs. Watson is also needed.

Very truly yours,

H. Brace Wigzell
H. Brace Wigzell

Approved this 17 day of Nov, 1959

H. G. Watson
H. G. Watson

Avis I. Watson
Avis I. Watson, his wife

September 24, 1959

Red Lake Oil Company
Booker Building
Artesia, New Mexico

Gentlemen;

You are the owner and operator of an oil and gas lease adjoining leases operated by Castle and Wigzell in the NE/4 NW/4 and NW/4 NE/4 Section 22, T-17-S, R-28-E, Eddy County, New Mexico. In compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting your consent to produce from the following wells drilled on the above described leases and operated by us into a common tank battery:

Gulf-State No. 1, 330' NL and 2310' EL, Sec. 22

Gulf-State No. 2, 330' NL and 2310' WL, Sec. 22

Both wells are producing from a common reservoir, the Grayburg Formation (Premier Sand), and have common ownership. No more than the two wells described above will be produced into the common tank battery.

If this request meets with your approval please so indicate by signing and returning two copies of this letter.

Very truly yours,

Castle and Wigzell

By H. Bruce Wigzell

Approved this 28 day of

Sept, 1959

Red Lake Oil Company

By H. Bruce Wigzell

September 24, 1959

Mr. H. Gordon Phillips
c/o Byers and Baker
P. O. Box 636
Artesia, New Mexico

Dear Sir,

You are the owner of an oil and gas lease adjoining leases operated by Castle and Wiggell in the NE/4 NW/4 and NW/4 NE/4 Section 22, T-17-S, R-28-E, Eddy County, New Mexico. In compliance with the New Mexico Oil Conservation Commission Rule 309 (a) we are requesting your consent to produce oil from the following wells drilled on the above described lands and operated by us into a common tank battery:

Gulf-State No. 1, 330' ML and 2310' ML, Sec. 22

Gulf-State No. 2, 330' ML and 2310' ML, Sec. 22

Both wells are producing from a common reservoir, the Grayhawk Formation (Premier Sand) and have common ownership. No more than the two wells described above will be produced into the common tank battery.

If this request meets with your approval please so indicate by signing and returning two copies of this letter.

Very truly yours,

Castle and Wiggell

By *H. Bruce Wiggell*

Approved this 24th day of
September, 1959

H. Gordon Phillips

By *Louis C. Baker*