

DEVONIAN GAS & OIL COMPANY

TELEPHONE EXpress 1-3797

2003 COMMONWEALTH BLDG.
PITTSBURGH 22, PA.

March 11, 1960

Mr. Emory C. Arnold
New Mexico Oil Conservation Office
100 Rio Brazos Road
Aztec, New Mexico



Dear Mr. Arnold:

RE : Federal Well #1
NE NW Section 4, Township 29 North,
Range 12 West, Sand Juan County, N. M.

Reference is made to your letter of March 7, 1960,
addressed to Texas Eastern Transmission Corporation, a photo
copy enclosed.

We transmit herewith a photostatic copy of the Assignment
of Texas Eastern's interest to us in connection with their holdings
in the Northeast Quarter of the Northwest Section 4, 29 N, 12 W
as shown therein.

We have not been notified by Texas Eastern of their desire
to be included in the above Well, nor have they put up their share
of the money as provided in the instrument in the event they wished
to participate directly.

Under the circumstances, we feel that our contract up to
this point is in order, and would appreciate your advising us, if
after reviewing the Assignment, that our position is correct.

By copy of this letter, we are asking Texas Eastern to
advise us what their latest position is, and what we need to do,
if anything, under the circumstances.

Very truly yours,

DEVONIAN GAS & OIL COMPANY


J. B. Hurley, President

JBH/rg

Enc.

CC. Mr. Wm. G. Berry, Midland, Texas

Mr. Walter E. Belt, Jr.- Houston Texas

New Mexico Oil Conservation Commission

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

March 7, 1960

**Texas Eastern Transmission Corporation
615 Midland Tower Building
Midland, Texas**

Attn: Mr. William G. Berry, Division Landman

**Re: Acreage Dedication, Devonian Gas
and Oil #1 Federal, NM# Sec. 4-89W-12W**

Dear Sir:

Attached are copies of the Notice of Intention to Drill filed by Devonian Gas and Oil Company on the subject well, along with Form C-126, Well Location and Acreage Dedication Plat. I am also sending Form C-104, Request for Allowable, and copies of correspondence between this office and the Devonian Gas and Oil Company regarding the above unit.

You will note that Devonian Gas & Oil has shown on Form C-126 that they own the lease on the NM# of Section Four. This, however, is not consistent with the letter written this office by Mr. J.B. Hurley, President of Devonian Gas and Oil Company on June 3, 1959. If your company owns acreage within this quarter-section, then the acreage dedication plat filed by Devonian Gas and Oil Company was in error. Due to the above discrepancies Form C-110, Authorization to Transport Gas, was approved in error by this office under the assumption that Devonian Gas and Oil owned the lease covering the Northwest Quarter of Section 4. If your company will send us some sort of affidavit testifying to the ownership of acreage within the quarter-section we will immediately cancel Form C-110 and notify the pipeline company to stop purchasing gas from this well.

I am sending Devonian Gas and Oil Company a copy of this letter so that they will be advised of this claim.

Yours very truly

BCA:hm

**cc: Mr. Oliver Payne
OCC, Santa Fe, N.M.**

**Berry C. Arnold
Supervisor, District #3**

**Devonian Gas & Oil Co.
Pittsburgh, Pennsylvania**