

CASE NO.

7558

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
14 April 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of MGF Oil Corporation for CASE
compulsory pooling, Lea County, New 7558
Mexico.

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William F. Carr, Esq.
CAMPBELL, BYRD, & BLACK P.A.
Jefferson Place
Santa Fe, New Mexico 87501

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

For A. J. Welborn and
Winifred Sue Campbell:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

I N D E X

OPENING ARGUMENT

4

WENDALL M. GIBSON

Direct Examination by Mr. Carr 13

Cross Examination by Mr. Stamets 23

Cross Examination by Mr. Kellahin 31

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

E X H I B I T S

	3
MGF Exhibit One, Plat	15
MGF Exhibit Two, Title Opinion	16
MGF Exhibit Three, Letters	19
MGF Exhibit Four, AFE	21
Welborn Exhibit One, Lease	37

1
2 MR. STAMETS: We'll call next Case 7553.

3 MR. PEARCE: That is the application of
4 MGF Oil Corporation for compulsory pooling, Lea County, New
5 Mexico.

6 MR. CARR: May it please the Examiner, my
7 name is William F. Carr, with the law firm Campbell, Byrd, &
8 Black, P. A., of Santa Fe, appearing on behalf of the applicant.

9 I will have two witnesses.

10 MR. KELLAHIN: If the Examiner please,
11 I'm Tom Kellahin of Santa Fe, New Mexico. I'm appearing on
12 behalf of two royalty owners, A. J. Welborn, that's W-E-L-B-O-R-N,
13 and a Winifred Sue Campbell, like in Campbell, Byrd, and Black.

14 If the Examiner please, my client has
15 specifically requested that in their behalf I ask for contin-
16 uance of the hearing in this case. My telephone conversations
17 in which Mr. Welborn requested my representation of him and
18 his sister occurred late in the morning on Monday of this
19 week.

20 He advises me that the notice of the
21 hearing was sent to him by Mr. Carr, a notice dated April 6th,
22 only eight days before the hearing. It's my recollection that
23 he received that notice sometime this weekend and he has not,
24 because of the short period of time, has not had an opportunity
25 to prepare his case and arrange to come to Santa Fe. He's a

1 resident of Ft. Worth, Texas.

2
3 And at his request, I am requesting that
4 the case be set over to the next convenient Examiner docket
5 so that he might appear.

6 MR. CARR: Mr. Examiner, we have dealing,
7 "WE" meaning MGF, with Mr. Welborn and his sister for in ex-
8 cess of two to three months, at least, and he has been fully
9 advised as to the plans of MGF in this area.

10 We would submit that he has had plenty
11 of time to decide what action he should take and how he should
12 be represented in this proceeding.

13 We therefor oppose the continuance. If
14 you decide the grant the continuance, we would like some as-
15 surance that Mr. Welborn does in fact intend to appear at any
16 subsequent hearing pursuant to this matter.

17 MR. STAMETS: Mr. Kellahin, did you ascer-
18 tain the seriousness of Mr. Welborn's concern in this case,
19 based on your phone call?

20 MR. KELLAHIN: Yes, sir. I can express
21 to you what he has told me. He and his sister own in fee
22 a certain fraction of the minerals under the north half of
23 this proration unit. They have an interest, an undivided in-
24 terest then, in the 80 acres which would be the north half
25 of the southeast quarter.

1
2 As I understand it, his mineral interest
3 that he and his sister own has been leased to the applicant
4 in May of '79 under a primary term of three years, which lease
5 expires in late May of this year, and that the parties used
6 a printed lease form that contained a pooling clause in the
7 lease form, and as a result of the negotiations and specific
8 agreements of both Mr. Welborn, his sister, and the applicant
9 in this case, the pooling clause by agreement was deleted.

10 Mr. Welborn's position is that the appli-
11 cant cannot now do something that he's contracted that he
12 would not do. His position is that they can't diminish the
13 royalty to be paid to him by dedicating his 80-acre interest,
14 the fractional interest, in a proration unit which contained
15 greater acreage, and that at the time they received the lease
16 the applicant well knew what the spacing requirements were
17 and they specifically agreed not to pool his acreage with
18 other acreage. He believes it violates his lease and he wants
19 to come tell you about it.

20 And that basically is the nature of the
21 dispute.

22 MR. CARR: Mr. Stamets, two things. First
23 of all, this is an Examiner hearing. Mr. Welborn and Ms.
24 Campbell are parties of record and if they want to ask for a
25 de novo hearing they could do that and I assume it wouldn't

1
2 cost them any more to prepare for that than for a continued
3 hearing in this matter.

4 Secondly, there is dispute as to what the
5 exact terms of the lease mean, and the lease does have the
6 pooling clause crossed out. It has typed in the lease a
7 Pugh clause which provides that, among other things, that if
8 a gas well is -- the acreage is dedicated to a gas well it
9 shall be on 160 acres and the form is nearly -- as nearly a
10 square as possible, as practicable, and so when you read all
11 of this together, there's a real question as to what the
12 lease says, whether or not crossing out a pooling clause
13 means you agree not to pool or whether the lease is then
14 silent on it.

15 But what it involves is an interpretation
16 of a contract and that's not a matter of the Oil Commission.
17 The Commission operates under a statute which is very narrow.
18 When you have interest owners who cannot voluntarily agree,
19 for whatever their reasons, whether it's interpreting a legal
20 premise or not, they haven't been able to agree and the in-
21 terests are not all pulled together and committed to the
22 drilling of this well.

23 And when you have that situation the party
24 who proposes to drill and has a right to drill can come to you,
25 and that's what we're doing, and we would submit that if there

1

8

2 is a question as to the meaning of this contract, that the
3 Welborns and Campbells should go to court, post appropriate
4 security so that we would not be damaged, and they should take
5 the matter up in the proper form.

6 But we're here, having timely filed an
7 application, having dealt with these people in good faith,
8 and are here asking you to rule on our application so we can
9 under these leases develop this acreage as a prudent operator
10 would develop this acreage.

11 If they want to come back for a hearing
12 de novo, they have that right, but we submit that we have done
13 everything prerequisite to the hearing and we have a right to
14 the hearing today, as we have requested.

15 MR. STAMETS: Mr. Kellahin, I have a ten-
16 dency to agree with Mr. Carr in this matter. It would sound
17 as though the issues that your clients wish to place before
18 the Examiner are not really appropriate to a compulsory pooling
19 hearing.

20 MR. KELLAHIN: With all due respect, Mr.
21 Stamets, it is not us who seeks to place this matter before
22 you for a decision. We are contending that even if you do enter
23 an order in this case, it is void as to the interests of Wel-
24 born and Campbell and the Commission can't adjudicate something
25 the parties contracted not to do.

1
2 And if you're denying my motion for a
3 continuance, I have a second motion.

4 MR. STAMETS: Okay, I'll deny your motion
5 for a continuance, and we'll hear the second motion.

6 MR. KELLAHIN: I will be the first to ad-
7 mit that in the time that I could devote to this yesterday
8 I have not completely researched the question about whether
9 when we have this nature of a difficulty, a leasing arrange-
10 ment, whether the Commission has jurisdiction to proceed and
11 what impact a Division order for pooling would have upon the
12 parties.

13 Be that as it may, I would move to dis-
14 miss the application.

15 I have simply written out and cited some
16 case authority, and by no means is that research exhaustive
17 or certainly complete, but it is again our position, as I've
18 already stated, that as to the royalty interests of my client,
19 the application ought to be dismissed.

20 MR. CARR: May it please the Examiner, I
21 would like to respond to this, having just received this
22 three paragraph argument. I do have a couple of comments.

23 First of all, I have a serious question
24 as to whether or not a lessee can contract away the police
25 power of the State of New Mexico to pool tracts for the drilling

1
2 of a well, and I think the matter certainly would merit ad-
3 ditional research. That could be done prior to a de novo
4 hearing.

5 Second paragraph, deletion of the pooling
6 clause represents the unambiguous expression of the intent of
7 the parties. Well, if that were the only thing done to these
8 leases, that might be an arguable point.

9 But they've also typed in a Pugh clause
10 which talks about dedicating 160 acres to gas wells on this
11 lease, a tract substantially in the form of a square, or as
12 nearly to it as is practicable to do that.

13 I don't think what you're -- I think you're
14 being asked again to rule on an interpretation of the lease
15 contract and I think you have no jurisdiction to do that.

16 I would submit we're entitled to a hearing.
17 We have complied with all the prerequisites for the hearing
18 and ask that you go ahead and hear this matter. If Mr. Kellahin
19 and his clients are serious about this and not just trying to
20 delay this matter past the expiration of the lease, then they
21 can seek a de novo hearing and they can come forward at that
22 time.

23 MR. PEARCE: Mr. Kellahin, in reading
24 Section 70-2-17, New Mexico Statutes Annotated, 1978, the
25 compulsory pooling statute, that statute provides that where,

1
2 however, such owner, or owners, have not agreed to pool their
3 interests, and one such separate owner, or owners, who has
4 the right to drill, has drilled, or proposes to drill a well
5 on said unit for a common source of supply, the Division, to
6 avoid the drilling of unnecessary wells and to protect cor-
7 relative rights, or to prevent waste, shall pool all or any
8 part of such lands or interests, or both, in the spacing or
9 proration unit as a unit.

10 My question is, is it your contention
11 that applicant in this matter does not have the right to
12 drill a well on this land?

13 MR. KELLAHIN: As I understand it, the
14 applicant doesn't intend to drill on this land. He intends
15 to dedicate my client's land to a proration unit. The physi-
16 cal well will not be located on any of the leased acreage.

17 MR. PEARCE: In your opinion does he have
18 the right to drill a well where he proposes to drill?

19 MR. KELLAHIN: I don't know what his
20 leasing arrangement is. I assume that that is in order, he
21 ought to have the right to drill that well.

22 The question is whether he can dedicate
23 my client's interest in the north half to a proration unit
24 consisting of the southeast quarter, and then, if he does so,
25 what impact that has on his payment of my client. The royalty

1
2 interest is my client here. Obviously, a number of questions
3 and in the short period of time I've been involved I can't
4 even hopefully master the question, much less give you an
5 adequate answer, Mr. Pearce. And that's the whole point in
6 my making a motion for continuance. I think it's ludicrous
7 to go through the mechanics here and I don't have my client
8 present; I've made one phone call with him; I hardly have
9 mastered the facts, and, you know, I can't cross examine the
10 witness. We're placed at a great disadvantage for which I
11 think it would be inappropriate to proceed.

12 MR. STAMETS: Mr. Kellahin, I'm going to
13 overrule your motion for dismissal in this case. Again, it
14 would appear to me that the issues that your client seeks are
15 not appropriate in this forum in this case, and I don't feel
16 like he's being denied any rights due him in this case.

17 Under the circumstances we'll proceed
18 with the hearing. Mr. Carr, you may proceed.

19 Oh, I guess we've got another witness to
20 swear.

21 MR. CARR: There's an additional witness
22 who needs to be sworn.

23
24 (Witness sworn.)
25

1
2
3 MR. CARR: At this time we would call Mr.
4 Gibson.

5
6 WENDALL M. GIBSON
7 being called as a witness and being previously sworn upon his
8 oath, testified as follows, to-wit:

9
10 DIRECT EXAMINATION

11 BY MR. CARR:

12 Q Will you state your name and place of
13 residence?

14 A Wendall M. Gibson, Midland, Texas.

15 Q By whom are you employed and in what capa-
16 city?

17 A MGF Oil Corporation, Division Landman.

18 Q And you are the witness who just testified
19 as a landman in the previous case?

20 A Yes, sir.

21 Q Are you familiar with the application
22 filed on behalf of MGF in this case?

23 A Yes, I am.

24 Q Are you familiar with the subject acreage?

25 A Yes.

1
2 Q Are you familiar with the subject well?

3 A Yes.

4 MR. CARR: Are the witness' qualifications
5 as a landman acceptable?

6 MR. STAMETS: They are.

7 Q Mr. Gibson, will you state briefly what
8 MGF seeks with this application?

9 A We seek to compulsory pool the southeast
10 quarter of Section 31, all mineral interests from the surface
11 down through the Seven Rivers formation. We're seeking the
12 proration unit of 160 acres on an orthodox location, and pro-
13 ration of 160 acres.

14 Q What is the status of this well?

15 A We are fixing to stake a location. We
16 have not drilled it, waiting on --

17 Q Did you previously come before this Com-
18 mission or one of its Examiners and obtain a pooling order
19 for this well?

20 A Yes, sir.

21 Q And when was that?

22 A This was February the 17th.

23 Q And what acreage did you obtain a pooling
24 order for?

25 A The 40 acres, the southeast of the south-

1
2 east quarter of Section 31.

3 Q Will you please refer to what has been
4 marked for identification as MGF Exhibit Number One, identify
5 this and explain what it shows?

6 A This is a land plat depicting the 160
7 acres proposed for the Jay Wright Well in an orthodox loca-
8 tion. It also reflects the offsetting ownership and as again
9 stated, the hatched brown shows the leasehold interest we have
10 in this area, and it also depicts the proposed well location.
11 Again we intend to drill it if the drilling program, if the
12 wells come in then we will drill the proposed well.

13 Q What formation is the primary objective?

14 A Seven Rivers.

15 Q And is this a standard proration unit
16 for the Seven Rivers formation?

17 A It is.

18 Q I believe this plat indicates certain
19 locations proposed by MGF, is that correct?

20 A Yes, sir.

21 Q But as in the prior hearing, only one of
22 those wells has been drilled to date.

23 A Right.

24 Q And which well is that?

25 A A Jay Wright Well, and we are drilling the

1
2 Sun well but we're back on location on it.

3 Q And where is the Sun well?

4 A That's over in Section 32 in the south
5 half of the southwest quarter of 32.

6 Q And a number of other wells are indicated
7 in the southern portion of this plat, is that correct?

8 A Yes, sir.

9 Q Did any of these wells penetrate the
10 Seven Rivers formation?

11 A Yes.

12 Q Is there any production shown from any
13 of those wells?

14 A No.

15 Q Will you now refer to what has been marked
16 for identification as Exhibit Number Two and identify this
17 for Mr. Stamets?

18 A This shows the title opinions in the
19 south half southeast quarter of Section 31 of the undivided
20 mineral interests under same. It shows what is leased and
21 what's unleased and their interest owned, each one.

22 Q Attached to that is there a breakdown of
23 the ownership interests underneath the north half of the south-
24 east quarter?

25 A Yes, on the back is the same thing on the

north half southeast quarter of Section 31, also depicts the same thing, the owner and their interest, undivided interest.

Q What percent of the working interest under the entire southeast quarter does MGF represent at this hearing today?

A 77 percent.

Q What percent of the working interest under the north half of the southeast quarter do you represent?

A We have 100 percent.

Q And under the south half of the southeast quarter?

A We've got 54 percent.

Q Now will you refer to this Exhibit Number Two and summarize for the Examiner the efforts you have made to locate and to obtain voluntary joinder from all interest owners in this spacing unit?

A Well, as stated before, some of these interest owners, we were not -- we were not able to locate them, which was the same situation before, and I have a file here where we have written to the Chamber of Commerce, banks, vital records, vital statistics, records, and I think since we started, 1978 and '79, we have made a diligent effort to locate these people, which we have not been able to do on about three parties under this.

1

2

Q And who are the unknown owners?

3

A The O. Mason heirs, which own a 1/60th,

4

which is a half an acre under 80 acres and it would be a

5

quarter of an acre under 160-acre pooling; L. P. Wright,

6

which is a 1/320ths, which is a quarter of an acre under the

7

whole 80 and R. A. Fermin, another 1/320th interest, or a

8

quarter of an acre under 80 acres.

9

Q Are those the only people you've been

10

unable to locate?

11

A Yes.

12

Q Now there are other people you've been

13

able to locate who have not voluntarily joined, is that correct?

14

A Right.

15

Q Would you review who they are and what

16

efforts you've made to obtain their voluntary joinder?

17

A Okay, under Roy G. Barton, number 47. Mr.

18

Barton has committed to lease, voluntarily lease; however, I

19

called again, called his office, he's been out of town for

20

two or three weeks and he has indicated that he will lease,

21

and I have sent him a lease but we have not got it in hand,

22

and Sabine Production Company has their own interest. They

23

have a 4-acre tract, 4 acres under this tract, and also the

24

executive rights for 3.875, and I have sent them leases and

25

a letter and they also volunteer that they will either join

1
2 or lease this interest in the very near future.

3 Kirby Exploration, they said they would
4 either go under the penalty or will lease, and they're in the
5 process of making up their mind, and so they -- I've got
6 letters to that effect to them.

7 And NAR has a leasehold interest in it and
8 we have a farmout from NAR, which we will work with them on
9 the farmout of their leasehold interest, but like I say, we
10 have not completed and without it in hand, I wanted to add
11 these people to the compulsory pooling.

12 That just about takes care of all of it.

13 Q Have you given notice to each of these
14 individuals of the hearing today?

15 A Yes.

16 Q And copies of our letter to each of these
17 individuals is noted as Exhibit Number Four?

18 A Mr. Welborn and Ms. Campbell, and I have
19 talked with Welborn on the phone as early as Monday. I've
20 talked to Sabine, their attorney, and they're in the process
21 of either joining or leasing to us.

22 North American, I've already stated on
23 North American. Priscilla A. Kite, we have hers already in
24 hand. Kirby, they're still the same as Sabine, whether they
25 are going to join or lease. Roy G. Barton has stated that he

1
2 will lease, and Edward T. Dreisen, the people in California,
3 I called her and she said they're on -- they should be on
4 their way this week, but they're going to lease. And Mr.
5 Carter, the Carter brothers, we have their leases in hand,
6 and Mr. Chrisman, we have his lease in hand.

7 So we've got the largest percentage of
8 these already.

9 Q Now, I believe you indicated that you have
10 100 percent of the working interest under the north half of
11 the southeast quarter, is that correct?

12 A Correct.

13 Q And that is on the assumption that the
14 lease from Ms. Campbell and Mr. Welborn are valid, is that
15 right?

16 A That's true.

17 Q And if that is not correct, then you
18 might -- then you're also requesting that the working interest
19 of those two individuals be pooled.

20 A Right, true.

21 Q In your opinion has MGF made a good faith
22 effort to obtain voluntary joinder in the proposed well of
23 all non-committed interests?

24 MR. KELLAMIN: I object to that question,
25 Mr. Stamets. It calls for a conclusion from this witness

1
2 which is the provence of the Examiner to make as to whether
3 the applicant has made a good faith effort. He can describe
4 what effort he has made. Whether it is good faith or not is
5 your decision, not his.

6 MR. CARR: I would just note the form of
7 the question was whether or not in his opinion he had done
8 that, and I think he's entitled as a landman to make an opin-
9 ion whether or not he's attempted to get --

10 MR. KELLAHIN: I object to the form of
11 the question.

12 MR. STAMETS: We will allow the witness
13 to answer the question. Of course, the Examiner will make
14 his own determination depending on the facts.

15 A Yes, sir, we have. I have correspondence,
16 letters we have made to -- through the years up to recent
17 months to these people, and I think, in my opinion, we have
18 made a diligent effort.

19 Q Will you refer to what has been marked
20 for identification as MGF Exhibit Five, identify this and ex-
21 plain what it shows?

22 A This is the AFE for the J State Well;
23 proposed TD of 3200 feet, or formation of Seven Rivers, for
24 a gas well. It shows the completed well at \$295,900 and to
25 casing point \$174,800. This AFE depicts the most current

cost we feel is for this area.

Q Are these costs in line with what is being charged by other operators in the area for similar wells?

A Yes, it is.

Q Have you made an estimate of the overhead and administrative costs to be charged while drilling and producing the subject well?

A Yes, we have.

Q And what are those figures?

A \$3500 for the drilling and \$400 a day for the well operation.

A Are these costs in line with what's being charged by other operators in the area?

MR. STAMETS: What was the second figure, please?

A \$400.

Q And do you recommend that these costs be incorporated into any order which results from this hearing?

A I do.

Q Does MGF request to be designated as operator of the proposed well?

A Yes, we do.

Q In your opinion will granting this application be in the best interests of conservation, the prevention

1
2 of waste, and the protection of correlative rights?

3 A Yes, it will.

4 Q Will MCF call an additional witness to
5 testify as to the risk factor involved?

6 A Yes, we will.

7 Q Were Exhibits One and Two, Four and Five
8 prepared by you or under your direction and supervision?

9 A They were.

10 MR. CARR: At this time, Mr. Stamets, we
11 would offer Exhibits One, Two, Four, and Five.

12 MR. STAMETS: These exhibits will be ad-
13 mitted.

14 MR. CARR: I have nothing further of Mr.
15 Gibson on direct.

16
17 CROSS EXAMINATION

18 BY MR. STAMETS:

19 Q Mr. Gibson, I'd like to go back to Exhibit
20 Two. I'm not sure that I understood all of your testimony
21 relative to that exhibit.

22 The exhibit shows -- it shows the owner-
23 ship.

24 A Yes, sir.

25 Q First under the south half of the proration

1
2 unit.

3 A Yes, sir.

4 Q And then second, under the north half.

5 The last page is the ownership under the north half --

6 A Yes, sir.

7 Q -- is that correct?

8 Now on the first three pages over on the
9 lefthand side there are letters "UL, MGF, NAR", and --

10 A Yes, sir. What --

11 Q -- so on. What do those mean?

12 A Unleased -- up there at the top. See the
13 status right up there? It says fee simple title.

14 Q Okay.

15 A And then the next paragraph, status, un-
16 leased, MGF leased, NAR leased.

17 Q All right. Now let's take for example the
18 number two there.

19 A Yes, sir.

20 Q MGF has the lease.

21 A Yes, sir.

22 Q John H. Costello was the original owner
23 in the hearing. Now, does that mean that all of that lease,
24 or that portion of the lease, is already dedicated to this
25 well? There is no forced pooling affecting that interest?

1
2 A Ask me that again.

3 Q All right. What I'm trying to determine
4 is that if any of those interests which are shown on this ex-
5 hibit which you have an MGF out to the side by, if any of those
6 interests are being --

7 A No, sir.

8 Q -- compulsory pooled.

9 A Now with MGF, our leases -- let me make
10 sure -- all our leases were taken with a lease form where we
11 had the right to -- yes, sir, we have -- we used a lease form
12 where we can pool.

13 Q So we would be concerned with those that
14 are unleased.

15 A Yes, sir.

16 Q Plus the Barton, Sabine, Kirby, and the
17 NAR interest, which you have already mentioned?

18 A Yes, sir.

19 Q All right.

20 A The main thing, Mr. Examiner, is the un-
21 leased lot, those we could not locate, like the Oka, Mason
22 heirs, and those working interests that we couldn't locate,
23 and like I say, it's about an acre, but that's the main thing
24 here, and then the other people that have not committed, al-
25 though they have verbally committed, we have not received the

1
2 lease in hand, so we want those, too.

3 Q Okay, now what about the interests on the
4 last page? Now, is --

5 A We have --

6 Q Are all of these affected by that contro-
7 versial lease?

8 A No, sir. We have -- the only thing we've
9 got is just the -- these are leased; it's 100 percent leased
10 except the Alonzo J. Welborn, and undivided 7/128th interest,
11 and his sister, Winifred Sue Campbell, an undivded 7/128th
12 interest. All the rest of them we have that have the pooling
13 provisions, except this one, in the Welborn and Campbell are
14 the only --

15 Q Okay. Now, by what date had you notified
16 all of these interests with the exception of the ones you
17 couldn't locate, of your desire to lease or have them join in
18 the drilling of this well?

19 A Well, it's been -- when did we mail these
20 out?

21 Q And let me -- let me go back and ask this
22 question better. In order for this hearing to be brought be-
23 fore us, under normal circumstances MGF must have made a valid
24 attempt to gain voluntary agreement on this, and so I'm not
25 asking you when you sent out notice of hearing.

1
2 A Oh, all right, yes, sir.
3 Q I'm asking you when you --
4 A Well, I talked to --
5 Q -- had contacted everybody except the
6 three that you could not locate addresses for.
7 A Well, Mr. Welborn, we talked to him sever-
8 al times the last several months and he's got --
9 Q Have you ever sent him a letter?
10 A No, I talked to him on the phone.
11 Q And so you have no correspondence, no
12 copies of any correspondence to any of these people showing
13 that you made an attempt to get hold of them and get voluntary
14 agreement?
15 A Just with Welborn and Campbell. I talked,
16 the only thing I've done is talked to him on the phone about
17 that.
18 Q How about all these other unleased parties?
19 A Well, we have pooling.
20 Q Well, how about -- well, let's see, let's
21 try number seven on the first page, Lewis F. Bruner?
22 A We, well now, that, we have made the ef-
23 fort with Sabine. Sabine has the pool -- executory rights
24 on that, and I've got letters for Sabine, and they're going --
25 they're the ones said they're either going to lease or commit

1
2 or join us in the well.

3 MR. STAMETS: Let's go off the record.

4
5 (Thereupon discussion was had
6 off the record.)

7
8 MR. STAMETS: Back on the record. Mr.
9 Gibson, since we -- while we were off the record you've given
10 me copies of a couple of letters here, one to Sabine and one
11 to Roy G. Barton. These letters represent the types of letters
12 which you have sent to all of the parties that you have not
13 acquired the interest in -- in this acreage?

14 A. Yes, sir.

15 MR. STAMETS: Let's go back off the re-
16 cord.

17
18 (Thereupon discussion was had
19 off the record.)

20
21 MR. STAMETS: Back on the record.

22 Q Mr. Gibson, during this period off the
23 record you've handed me a copy of the January 28th, 1982, to
24 Richard Lyons, which indicates the -- that you had been in
25 contact with Mr. Lyons relative to this well, that you are

1
2 submitting certain information to him relative to voluntary
3 agreement.

4 Is this letter illustrative of the types
5 of efforts that you've made to gain voluntary agreement with
6 most of the parties, with the possible exception of the Wel-
7 born/Campbell interest?

8 A Yes, sir.

9 Q Okay. Now, relative to the Welborn/Camp-
10 bell interest, would you describe to me when you began to
11 make contact with those interests and what the nature of such
12 contact was?

13 A Well, we, Mr. Welborn called us several
14 months ago to start off and asked about the well location and
15 what we were planning to do, because his lease expires in
16 May. And I told him our proposed plan, and then since we were
17 drilling another well and we had our location staked, and he
18 wanted to know about it, which -- after we got a dry hole on
19 a well south of his property, that well was not drilled.
20 And that we planned to drill some Seven Rivers gas and that we
21 would have to force pool, or pool, I didn't say force pool,
22 but we'd have to pool some of those -- the acreage to get the
23 160-acre tract.

24 And we talked about his lease and with the
25 80 acres out by itself, with the north 80 acres to get the

160 acres, and he himself said, well, apparently you can do that.

And so that's -- I didn't think any more about that until he called Monday and asked if we were going to drill a well and I said yes, we're going to. And he received, I guess the notification of the hearing. In his own terms he told me, well, he wasn't going to fool with it; that, you know, for gas he didn't think it was worth that much.

And I said, well, we're going to have to fool with it and go ahead and start with our drilling program, that we feel like there's a well where that is, and maybe later on before 5-29 we'll get up and drill in the north -- if this looks all right we'll even drill up on his property to the north.

And that seemed to satisfy him and that's -- I told him that we were in the process of drilling this and we had to do it and if we could work out something, and he says, well, he'd give us another lease, you know, which we don't need another lease right now at 5-29-82, is when this expires.

Q Did you subsequent to that conversation make any attempts to get Mr. Welborn or Ms. Campbell to join in the drilling of this well?

A. Well --

1
2 Q Or do you feel that you need to.

3 A Well, I don't think --

4 Q Do you feel that your lease requires that
5 you do this?

6 A I don't think our lease, in my opinion,
7 that we -- that with this proration unit he permits us to do
8 in paragraph 16 of this lease, I think we have that right,
9 but like I say, that may be for another court to figure. But
10 now let me say this, I did not -- did not talk to Ms. Campbell
11 because Mr. Welborn represented, he said he speaks for his
12 sister, and he -- and I told him what we planned to do and he
13 thought, even himself, he stated himself that he thought the
14 lease gave us that right, so I didn't have any question on it.

15 MR. STAMETS: Mr. Kellahin, do you have
16 some questions of this witness?

17 MR. KELLAHIN: Yes, sir. May I see the
18 Commission file on this case, to show me the application as
19 filed or amended or whatever?
20

21 CROSS EXAMINATION

22 BY MR. KELLAHIN:

23 Q Mr. Gibson, you've told Mr. Stamets in
24 response to a question he asked you that your understanding
25 of the Welborn/Campbell lease was such that you didn't think

1
2 it was necessary to pool it. Was that not your statement?

3 A No. That with the -- we didn't want to
4 take any chances; that we had a right under our lease with
5 paragraph sixteen, to go ahead. We went ahead and --

6 Q So you went ahead and included them in
7 there as royalty interest owners in order to resolve any
8 doubt you might have about what the lease says?

9 A Right.

10 Q Who did your title opinions, your Exhibit
11 Number Two?

12 A Hinkle.

13 Q The firm, the Hinkle firm?

14 A Yes, we have a Hinkle and we have another
15 one over in Roswell.

16 Q Yes, sir, what particular attorney was
17 the author of --

18 A Well, we had -- I don't know exactly on
19 this one. I haven't got all the titles, but it's Doug Luns-
20 ford in Roswell did some for us and we had another firm;
21 this latest one has been done by Hinkle, Coffield, Doug Luns-
22 ford in Roswell.

23 Q I'm having trouble matching Exhibit Two
24 with the percentages on the application, and perhaps I can
25 just make it real simple here --

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A. Okay.

Q -- Mr. Gibson, by showing you the application and asking you, despite the title information in Exhibit Two, are not the people you intend to pool and the interests to be pooled those attached on the exhibit to the application?

A. Right.

Q All right.

A. Now this -- okay.

Q Now Welborn/Campbell interest we talked about is under an existing lease to MGF Oil and Gas Corporation.

A. Right.

Q And do you have a copy of that lease?

A. Yes.

Q May I see it?

Did you negotiate this lease with --

A. No, sir.

Q -- Mr. Welborn and Campbell interest in May of '79?

A. No, sir.

Q Do you know what individual with your company negotiated this lease, Mr. Gibson?

A. No. I could find out but I don't know

1
2 offhand.

3 Q Have you brought with you today, Mr. Gib-
4 son, all of your correspondence with Mr. Welborn or Ms. Camp-
5 bell concerning their lease interest in this proration unit?

6 A No, all I had was telephone conversation.

7 Q You don't have any written communication,
8 then, with them.

9 A No.

10 Q And you searched your file and none
11 exists? Is that yes or no?

12 A Yes.

13 Q The first written communication to Mr.
14 Welborn and Ms. Campbell concerning the fact that a pooling
15 hearing would be held on April 14th is Mr. Carr's letter of
16 April 6th, is that not true?

17 A Right.

18 Q Prior to the April 6th date, Mr. Gibson,
19 what, if any, communications did you have verbally with either
20 Mr. Welborn or Ms. Campbell?

21 A In, like I said, about a month ago I
22 talked to Mr. Welborn, or he called and I in turn called him
23 several times about drilling the well. He wanted to know what
24 we were doing and I told him our drilling program and what
25 we were going to do on our gas well; that we were going to have

1
2 to get 160-acre proration on some of that.

3 Q Prior to that time of the sending of the
4 April 6th letter by Mr. Carr did you advise Mr. Welborn that
5 in an abundance of caution, or whatever reason, you felt it
6 was interest to pool his royalty interest in order to form
7 this proration unit?

8 A Ask that again?

9 Q Yes, sir. Prior to April 6th of '82 did
10 you inform Mr. Welborn and Ms. Campbell that they were to be
11 subject of a pooling?

12 A Yes.

13 Q And what did you tell them?

14 A That the 80 acres to the north of the 80
15 acres we would probably pool with the 80 acres to the south
16 in order to get a well. He was wanting a well drilled and
17 I told him as close as we were drilling at this time would be
18 the pooling of the 80 acres and with the 80 acres to the south.

19 Q There were at that time uncommitted working
20 interests in the 80 acres to the north, were there not?

21 A Not to the north. To the south.

22 Q You would have -- all right, I'm not clear.
23 I'm not trying to argue with you, I just can't understand it.

24 Did you tell Mr. Welborn and Ms. Campbell
25 that not only did you have to pool that acreage but you had

1
2 to pool their specific interest in that acreage?

3 A Yes.

4 Q We're not talking about --

5 A I didn't talk to Ms. Campbell; I just
6 talked to Mr. Welborn.

7 Q All the conversations were with Mr. Wel-
8 born?

9 A Yes, sir.

10 Q All right.

11 A He stated he represented Campbell.

12 Q And your communications with him were that
13 you were going to have to pool his interest?

14 A Right.

15 Q In order to form a proration unit?

16 A Right.

17 Q And what was your reason for doing so?

18 A 160-acre --

19 Q Yes, sir.

20 A -- proration unit for Seven River gas.

21 Q And that is because the pooling clause
22 had been stricken in the lease, is that not true?

23 A Right. Right, we did --

24 Q There's no other reason to include him in
25 the pooling, then, because of the absence of this pooling

1
2 clause. That's the only reason to include him in the forced
3 pooling action, is it not?

4 A Right, we --

5 MR. KELLAHIN: If the Examiner please,
6 we'd like to mark this and introduce it as Exhibit Number One,
7 I guess, Welborn Exhibit Number One.

8 MR. CARR: We have no objection to it.

9 MR. STAMETS: We will allow this to be
10 done either at this time or subsequent to the hearing, Mr.
11 Kellahin.

12 Q All right, after the April 6th letter,
13 then, if I understood you correctly, you had a conversation
14 with Mr. Welborn on the telephone which took place this last
15 Monday.

16 A Yes, sir.

17 Q All right. Apart from that one phone con-
18 versation on Monday and this previous phone conversation
19 several months ago, were there any more than the two telephone
20 conversations?

21 A Yeah, we talked with him, oh, last fall.
22 He called. He's called several times and I've had to call him
23 back, wanting to know what our program, drilling program, and
24 things like that were, and if we was going to drill on him,
25 and I told him right now our drilling program was a dry hole;

1
2 looked like we wouldn't, you know, wasn't going to go north
3 on him to start with.

4 Q All right.

5 MR. KELLAHIN: Mr. Stamets, we would move
6 at this time to dismiss this hearing. We believe that the
7 application filed doesn't comply with Division Rule 1203.
8 The date of the hearing is April 14th. The application was
9 filed on April 5th. We believe the applicant has missed the
10 ten-day period, and you have no other choice but to dismiss
11 the case.

12 MR. CARR: May it please the Examiner,
13 the application, whatever date it was filed, stamped in on,
14 was filed, checking with the Commission ten days prior to the
15 hearing. I don't know what the date on the stamp says but it
16 was timely filed application, and maybe we should call Ms.
17 Davidson in and ask her to testify to that.

18 MR. KELLAHIN: Mr. Carr's cover letter
19 that accompanies the application is dated on April 5th, which
20 is the same date it is stamped and it fails to make the ten-
21 day rule.

22 MR. STAMETS: Mr. Carr, do you have any
23 other explanation for the date on your letter?

24 MR. CARR: No, I don't. We checked with
25 the Commission as to when the applications needed to be filed

1 and filed it on the day it needed to be filed.

2 I can't tell you anything about it except
3 I could check the timesheets at home. It appears to me that
4 whatever the dates are they, you know, without anything to the
5 contrary, have to speak for themselves.
6

7 I can -- I did call and confirm this and
8 it seems to me it was related to something with Good Friday,
9 but I can't -- I can't tell you. Or Easter, the 4th was on
10 a Sunday.

11 I don't -- I don't know how you'd count
12 that, Mr. Stamets.

13 MR. STAMETS: Well, we will take a very
14 short recess.

15
16 (Thereupon a recess was
17 taken.)

18
19 MR. STAMETS: Given the circumstances,
20 the Examiner has no choice but to dismiss this application.

21 And there being nothing else on the docket
22 today the hearing is adjourned.

23
24 (Hearing concluded.)
25

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7558 heard by me on 4-14 19 82
Richard L. Starn, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 195-B

Santa Fe, New Mexico 87501

Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7558
Order No. R-6966

APPLICATION OF MGF OIL CORPORATION
FOR COMPULSORY POOLING, IEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 14, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 3rd day of May, 1982, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That as the written application was not submitted within 10
days prior to the hearing date as provided in Rule 1203 of the
Division Rules and Regulations, Case 7558 must be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 7558 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director



S E A L

OIL AND GAS LEAS

BOOK 318 PAGE 242

AGREEMENT, Made and entered into the 29th day of May, 1979, by and between
Alonzo J. Welborn, dealing in his sole and separate property,
P.O. Box 423, Alvarado, Texas 76009
whose post office address is _____, hereinafter called Lessor (whether one or more) and
MGF OIL CORPORATION
whose post office address is Midland, Texas, hereinafter called Lessee:

WITNESSETH, That the Lessor, for and in consideration of TEN & NO/100 DOLLARS
cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised,
leased and let, and by these presents does grant, demise, lease and let exclusively unto the said Lessee, the land hereinafter described, with the
exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas or
whatsoever nature or kind, with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save and take care
of said products, all that certain tract of land situated in the County of Lea

State of New Mexico, described as follows, to-wit: Down to but not below a
depth of 100 feet below the deepest depth drilled on the leased premises during the
primary term hereof:

Township 19 South, Range 39 EastSection 31: NW/4, and N/2 S/2

and containing 320 acres, more or less, three(3) years

1. It is agreed that this lease shall remain in force for a term of three(3) years from this date and as long thereafter as oil or gas of whatsoever
nature or kind is produced from said leased premises.
If, at the expiration of the primary term of this lease, oil or gas is not being produced on the leased premises but
Lessee is then engaged in drilling or re-working operations thereon, then this lease shall continue in force so long as operations are being continu-
ously prosecuted ON SUCH WELL.

If after discovery of oil or gas on said land the production thereof should cease from any cause
after the primary term, this lease shall not terminate if Lessee commences additional drilling or re-working operations within ninety (90) days from
date of cessation of production or from date of completion of dry hole. If oil or gas shall be discovered and produced as a result of such opera-
tions at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil or gas is produced from the leased
premises IN COMMERCIAL QUANTITIES.

2. This is a PAID-UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated, except as other-
wise provided herein, to commence or continue any operations during the primary term. Lessee may at any time or times during or after the pri-
mary term surrender this lease as to all or any portion of said land and as to any strata or stratum by delivering to Lessor or by filing for record a
release or releases, and be relieved of all obligation thereafter accruing as to the acreage surrendered.

3. In consideration of the premises the said Lessee covenants and agrees:

1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal 1/5

part of all oil produced payable on or before the last day of each succeeding month for the months in which the oil and/or gas was produced,

2nd. To pay Lessor 1/5 of the gross proceeds each year, payable monthly for the gas from each well where gas only is
found, while the same is being used off the premises, and if used in the manufacture of gasoline a royalty of 1/5 payable

monthly at the prevailing market rate for gas.

3rd. To pay Lessor for gas produced from any oil well and used off the premises or in the manufacture of gasoline or any other product
a royalty of 1/5 of the proceeds, at the mouth of the well, payable monthly at the prevailing market rate.

4. Where gas from a well capable of producing gas is not sold or used, Lessee may pay or tender as royalty to the royalty owners One
Dollar per year per net royalty acre retained hereunder, such payment or tender to be made on or before the anniversary date of this lease next
ensuing after the expiration of 90 days from the date such well is shut in and thereafter on or before the anniversary date of this lease during the
period such well is shut in. If such payment or tender is made, it will be considered that gas is being produced within the meaning of this lease
up to, but not beyond: June 1, 1984.

5. If said Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties
(including any shut-in gas royalty) herein provided for shall be paid the Lessor only in the proportion which Lessor's interest bears to the whole
and undivided fee.

6. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operation thereon, except water from
the wells of Lessor.

7. When requested by Lessor, Lessee shall bury Lessee's pipe line below plow depth.

8. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of Lessor.

9. Lessee shall pay for damages caused by Lessee's operations on said land.

10. Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and
remove casing.

11. The rights of Lessor and Lessee hereunder may be assigned in whole or part. No change in ownership of Lessor's interest (by assignment
or otherwise) shall be binding on Lessee until Lessee has been furnished with notice, consisting of certified copies of all recorded instruments or
documents and other information necessary to establish a complete chain of record title from Lessor, and then only with respect to payments
thereafter made. No other kind of notice, whether actual or constructive, shall be binding on Lessee. No present or future division of Lessor's
ownership as to different portions or parcels of said land shall operate to enlarge the obligations or diminish the rights of Lessee, and all Lessee's
operations may be conducted without regard to any such division. If all or any part of this lease is assigned, no leasehold owner shall be liable for
any act or omission of any other leasehold owner.

12. Lessee, at its option, is hereby given the right and power at any time and from time to time as a recurring right, either before or after
production, as to all or any part of the land described herein and as to any one or more of the formations hereunder, to pool or unitize the lease-
hold estate and the mineral estate covered by this lease with other land, lease or leases in the immediate vicinity for the production of oil and gas,
or separately for the production of either, when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authority
similar to this exists with respect to such other land, lease or leases. Likewise, units previously formed to include formations not producing oil or
gas, may be reformed to exclude such non-producing formations. The forming or reforming of any unit shall be accomplished by Lessee executing
and filing of record a declaration of such unitization or reformation, which declaration shall describe the unit. Any unit may include land upon
which a well has theretofore been completed or upon which operations for drilling have theretofore been commenced. Production, drilling or re-
working operations or a well shut in for want of a market anywhere on a unit which includes all or a part of this lease shall be treated as if it were
production, drilling or reworking operations or a well shut in for want of a market under this lease. In lieu of the royalties elsewhere herein speci-
fied, including shut-in gas royalties, Lessor shall receive on production from the unit so pooled royalties only on the portion of such production
allocated to this lease; such allocation shall be that proportion of the unit production that the total number of surface acres covered by this lease
and included in the unit bears to the total number of surface acres in such unit. In addition to the foregoing, Lessee shall have the right to unitize,
pool, or combine all or any part of the above described lands as one or more of the formations thereunder with other lands in the same general
area by entering into a cooperative or unit plan of development or operation approved by any governmental authority and, from time to time,
with like approval, to modify, change or terminate any such plan or agreement and, in such event, the terms, conditions and provisions of this
lease shall be deemed modified to conform to the terms, conditions, and provisions of such approved cooperative or unit plan of development or
operation and, particularly, all drilling and development requirements of this lease, express or implied, shall be satisfied by compliance with the
drilling and development requirements of such plan or agreement, and this lease shall not terminate or expire during the life of such plan or agree-
ment. In the event that said above described lands or any part thereof, shall hereafter be operated under any such cooperative or unit plan of
development or operation whereby the production therefrom is allocated to different portions of the land covered by said plan, then the produc-
tion allocated to any particular tract of land shall, for the purpose of computing the royalties to be paid hereunder to Lessor, be regarded as having
been produced from the particular tract of land to which it is allocated and not to any other tract of land; and the royalty payment to be made
hereunder to Lessor shall be based upon production only as so allocated. Lessor shall formally express Lessor's consent to any cooperative or unit
plan of development or operation adopted by Lessee and approved by any governmental authority by executing the following declaration:

13. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and
this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented
by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

14. Lessor hereby agrees that the Lessee shall have the right at any
time to redeem for Lessor, by payment, any mortgages, taxes or other liens on the above described lands, in the event of default of payment by
Lessor and be subrogated to the rights of the holder thereof, and the undersigned Lessors, for themselves and their heirs, successors and assigns,
hereby surrender and release all right of dower and homestead in the premises described herein, insofar as said right of dower and homestead may
in any way affect the purposes for which this lease is made, as recited herein.

15. Should any one or more of the parties hereinafter named as Lessor fail to execute this lease, it shall nevertheless be binding upon all
such parties who do execute it as Lessor. The word "Lessor," as used in this lease, shall mean any one or more or all of the parties who execute
this lease as Lessor. All the provisions of this lease shall be binding on the heirs, successors and assigns of Lessor and Lessee.

16. Notwithstanding anything to the contrary contained herein, if Lessee secures
production during the primary term of this lease, it is understood and agreed that
this lease shall expire on June 1, 1984, except as to the following speci-
fied acreage around each well then producing or capable of producing in commercial
quantities and/or each well then being drilled which is, within a reasonable time
thereafter, completed as a commercial producer: (1) 40 acres around each oil well
and/or (2) 160 acres around each gas well and/or (3) such larger proration units
as are prescribed for such wells by the Oil and Gas Conservation Commission of
New Mexico or other lawful authority having jurisdiction, such tracts
to be in as near the form of a square as practical. At such time, Lessee will
promptly deliver to Lessor a partial release covering the unearned acreage and depths.
IN WITNESS WHEREOF, this instrument is executed on the date first above written.

STATE OF TEXAS } ss.
 COUNTY OF Tarrant }

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
 Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st
 day of May, 1979, personally appeared Alonzo J. Welborn

_____ to me known to be the identical person_____ described in and who executed
 the within and foregoing instrument of writing and acknowledged to me that he _____ duly executed the same as his _____ free
 and voluntary act and deed for the uses and purposes therein set forth, and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires 6-2-81 Lucille M. Morris - In and for Tarrant County, Texas - Notary Public.

STATE OF _____ } ss.
 COUNTY OF _____ }

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
 Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this _____
 day of _____, 19_____, personally appeared _____

_____ and _____
 _____ to me known to be the identical person_____ described in and who executed
 the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free
 and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____
 _____ Notary Public.

State of _____ } ss.
 County of _____ }

ACKNOWLEDGMENT (For use by Corporation)

On this _____ day of _____, A. D. 19_____, before me personally
 appeared _____, to me personally known, who, being by
 me duly sworn, did say that he is the _____ of _____

_____ and that the seal affixed to said instrument is the corporate seal of said corpora-
 tion and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said
 _____ acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A. D. 19_____.

(SEAL) _____ Notary Public.

My Commission expires _____

9221

STATE OF NEW MEXICO
 COUNTY OF LEA
 FILED

JUL 26 1979

at 1:35 o'clock P. M.
 and recorded in Book 318
 Page 242
 By Jane Rice Smith County Clerk
pt Deputy

Dated _____ 19____

No. Acres

County

Term

This instrument was filed for record on the

day of _____ 19____ at _____

o'clock _____ M., and duly recorded in

Volume _____ Page _____

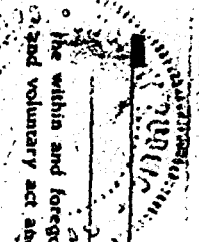
of the records of this office.

County Clerk.

By _____ Deputy.
 When recorded return to _____

COUNTY OF Tarrant, Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this 31st day of May, 1979, personally appeared Alonzo J. Welborn



to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth, and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
Lucille H. Morris
(Lucille H. Morris) - In and for Tarrant County, Texas - Notary Public

STATE OF Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
COUNTY OF Tarrant, Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT - INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this

day of 19, personally appeared

and

to me known to be the identical person, described in and who executed the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires

Notary Public

State of _____
County of _____
ACKNOWLEDGMENT (For use by Corporation)

On this _____ day of _____, A. D. 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of _____

and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A. D. 19____.

(SEAL)

Notary Public

My Commission expires _____

9221

2

STATE OF NEW MEXICO
COUNTY OF LEA
FILED
JUL 26 1979
1:35
and recorded in Book 137
Page 242
Jane Rice-Smith County Clerk
By [Signature] Deputy

Dated _____ 19____
No. Acres _____
County _____
Term _____
This instrument was filed for record on the _____ day of _____ 19____ at _____ o'clock _____ M., and duly recorded in Volume _____ Page _____ of the records of this office.
County Clerk
By _____ Deputy

When recorded return to

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

NGF EXHIBIT NO. 1

CASE NO. 7558

March 26, 1982

TITLE OPINION IN RE:

S/2 of SE/4 Section 31, Township 19 South, Range 39 East,
N.M.P.M., Lea County, New Mexico

FEE SIMPLE TITLE: Fee simple title to the oil, gas and other minerals in and under the above described land is shown to be vested in the following owners as indicated, to-wit:

STATUS: UL - unleased; MGF - leased; NAR - leased

	<u>OWNER</u>	<u>UNDIVIDED MINERAL INTEREST OWNED</u>
UL	1) Oca Mason Heirs Jean Marie Johansen, et vir. Dan Myron James Mason Franklin Keith Mason	1/160
MGF	2) John H. Costello (John H. Harrington Interest)	3/160
MGF	3) Bella Steiner, a widow	3/320
MGF	4) June D. Speight	3/32
NAR	5) Henry D. Beddford	1/32
MGF	6) Georgiana S. Kane	3/320
UL	7) Louis F. Breuner	1/320
UL	8) Ellis Rudy	3/320
UL	9) Henry Schaefer	1/640
UL	10) Janice R. Magee and Betty J. Catlin	1/320
UL	11) Joseph F. Woodsum	1/160
UL	12) Suits E. Strasinger and/or Maude Strasinger	1/320
UL	13) Dr. Edwin Merrithew	1/640
UL	14) Ruby R. Fulmer	1/320
UL	15) Alice C. Hardy	1/320
UL	16) Irving G. Downs	1/640
UL	17) A. C. and/or Blanche E. Edler	1/160
UL	18) Edward Seymour Osborne	1/160
MGF	19) Frank A. Elliott, Jr.	1/160
MGF	20) Charles K. Elliott	1/160
UL	21) Libby P. Wright	1/320
MGF	22) Henry A. and/or Blanche Oliver	1/320
MGF	23) Richard S. Oliver and Linda Oliver (Heirs of Andrew W. Oliver)	1/320

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

MGF EXHIBIT NO. 2
CASE NO. 7553

MGF	24)	Ann Ellen Dekker (Heir of Lottie Oliver)	1/320
UL	25)	R. A. Thurmon	1/320
MGF	26)	H. Dillard Schenck	1/16
MGF	27)	H. Dillard Schenck (Life Est.)	1/16
MGF	28)	Kirby D. Schenck	5/128
MGF	29)	H. B. Fuqua, Tr. U/W/O Dolores Mooers, Dec'd.	7/240
MGF	30)	Maria Mooers Heater	7/480 /
MGF	31)	The First National Bank of Fort Worth, Trustee	3/160 ✓
NAR	32)	S. C. Bilberry	1/32
MGF	33)	Lillian Herdon	3/320
NAR	34)	Florence Louise Whitsett Woods	7/320
MGF	35)	New Mexico Bank & Trust Co., J. E. Simmons and Beulah Simmons	3/32
NAR	36)	Pat Alston Ward	1/32
MGF	37)	Richard Lyons Moore	35/3840
MGF	38)	Michael H. Moore	35/3840
MGF	39)	Stephen Scott Moore	35/3840
UL	40)	Priscilla A. Kyte, Conservator of the Est. of David Bond Kyte	1/128
UL	41)	Betty M. Dreessen	1/128
UL	42)	Betty M. Dreessen and Ingrid D. Powell, Trustees	1/128
MGF	43)	Bank of Calif. Nat'l. Assoc., Tr. for Betty K. Dreessen	64% of 1/128
MGF	44)	Bank of Calif. Nat'l. Assoc., Tr. for Cecile Mariee Dreessen	12% of 1/128
MGF	45)	Craig C. Powell & Ingrid D. Powell, Trs. for C&I Powell Tr.	12% of 1/128
UL	46)	Edward T. Dreessen, Jr.	12% of 1/128
UL	(47)	Roy G. Barton	35/1280
MGF	48)	Promco, Inc.	1/640
MGF	49)	Robert W. Wakefield	1/1280
MGF	50)	David D. Wakefield	1/1280
MGF	51)	John L. Pratt, III	1/1280
MGF	52)	Frank Grier Wakefield	1/1280

Page 3 of fee simple title

MGF	53)	Andrew Oil and Gas Royalties	3/640
NAR	54)	The Hefner Company	9/160
MGF	55)	Gladys Berry	1/640
MGF	56)	Doris A. Wilk	1/640
MGF	57)	Mark and/or Bessie Whelan	1/640
MGF	58)	Arlon Bernice Bray	1/1280
MGF	59)	Beatrice Blackburn	1/1280
UL	60)	Sabine Production Company	1/20
NAR	61)	The Blanco Company	1/16
UL	62)	Kirby Exploration Company	9/128

TITLE OPINION IN RE:)
 The oil, gas and other minerals)
 in and under the Northwest Quarter)
 (NW/4) and the North Half of the)
 South Half (N/2S/2) of Section 31,)
 Township 19 South, Range 39 East,)
 N.M.P.M., Lea County, New Mexico.)

(b) Fee simple title to the oil, gas and other minerals in and under the North Half of the Southeast Quarter (N/2SE/4) of Section 31, Township 19 South, Range 39 East, N.M.P.M., Lea County, New Mexico, is shown to be vested in the following owners as indicated, to-wit:

<u>OWNER</u>	<u>UNDIVIDED MINERAL INTEREST OWNED</u>
Robert Thomas Hartley	An undivided 1/16 interest
Teddy Lowe Hartley	An undivided 1/16 interest
Coy S. Lowe	An undivided 1/8 interest
Larry K. Lowe	An undivided 1/16 interest
Loretta D. Lowe	An undivided 1/16 interest
Daryl L. Lowe	An undivided 1/16 interest
Shana Lowe Conine	An undivided 1/16 interest
Charles D. Sands	An undivided 1/32 interest
Alonzo J. Welborn	An undivided 7/128 interest
Winifred Sue Campbell	An undivided 7/128 interest
John J. Christmann	An undivided 7/64 interest
Jones Robinson Company, a partnership	An undivided 1/16 interest
Anderson Carter (life estate)	An undivided 1/32 interest
Powhatan Carter, Jr., (life estate)	An undivided 1/32 interest
New Mexico Bank and Trust Company, Trustee under terms of Trust created under Wills of J. E. and Beulah H. Simmons, deceased	An undivided 1/16 interest
Mary Frances Cusack	An undivided 1/256 interest
John Patrick Cusack, Jr.	An undivided 3/2,048 interest
John Patrick Cusack, Jr., Trustee under terms of Trust created by Last Will of J. P. Cusack, deceased	An undivided 1/1,024 interest
Michael F. Cusack	An undivided 3/2,048 interest
Samedan Oil Corporation	An undivided 1/128 interest
Mo-Tex Supply Company	An undivided 3/64 interest

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. SERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Alonzo J. Welborn
P.O. Box 423
Alvaredo, Texas 76009

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982 Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

<p>BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION WFC EXHIBIT NO. <u>4</u> CASE NO. <u>7558</u></p>		<p>● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.</p>		<p>(CONSULT POSTMASTER FOR FEES)</p> <p>1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery .. <input type="checkbox"/> RESTRICTED DELIVERY <small>(The restricted delivery fee is charged in addition to the return receipt fee.)</small></p>		<p>TOTAL \$</p>	
<p>3. ARTICLE ADDRESSED TO: Alonzo J. Welborn P.O. Box 423 Alvaredo, Texas 76009</p>				<p>ARTICLE NUMBER P 327 407 487</p>		<p>4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL</p>	
<p>(Always obtain signature of addressee or agent) I have received the article described above.</p>							
<p>SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent</p> <p><i>Alonzo J. Welborn</i></p>		<p>DATE OF DELIVERY APR 9 1982</p>		<p>5. ADDRESSEE'S ADDRESS (Only if requested)</p>		<p>6. ADDRESSEE'S ADDRESS (Only if requested)</p>	
<p>7. UNABLE TO DELIVER BECAUSE:</p>							

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KENNETH W. GORTHEV

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2808
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 961-6043

April 6, 1982

Alonzo J. Welborn
P.O. Box 423
Alvaredo, Texas 76009

Re: New Mexico Oil Conservation Division Case 7558
Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

EXHIBIT NO. 4

CASE NO. 7558

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

☒ Show to whom and date delivered — c

☐ Show to whom, date, and address of delivery.. — c

2. ☐ RESTRICTED DELIVERY — c

(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$ _____

3. ARTICLE ADDRESSED TO:

Alonzo J. Welborn
P.O. Box 423
Alvaredo, Texas 76009

4. TYPE OF SERVICE:

☐ REGISTERED ☐ INSURED

☒ CERTIFIED ☐ COD

☐ EXPRESS MAIL

ARTICLE NUMBER

P 327 407 487

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7A. EMPLOYEE'S
INITIALS

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. CORTNEY

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 986-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Winifred Sue Campbell
1717 Norfolk, Apt. 2419
Lubbock, Texas 79416

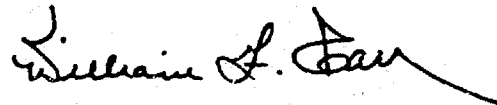
Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the document for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

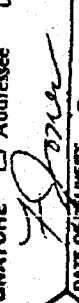
Very truly yours,



William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.		CONSULT POSTMASTER FOR FEES	
1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery ..		TOTAL \$	
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)		3. ARTICLE ADDRESSED TO: Winifred Sue Campbell 1717 Norfolk, Apt. 2419 Lubbock, TX 79416	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL		ARTICLE NUMBER P 327 407 488	
(Always obtain signature of addressee or agent) I have received the article described above.			
SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent 		DATE OF DELIVERY 4/11/82	
6. ADDRESSEE'S ADDRESS (Only if requested)		POSTMARK APR 9 1982	
7. UNABLE TO DELIVER BECAUSE		7a. EMPLOYEE'S INITIALS	

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HAROLD BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
ERADFORD C. BERGEC
WILLIAM G. WARELE
KENNETH W. GORTNEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 588-4421
TELECOPIER: (505) 583-6043

April 6, 1982

Winifred Sue Campbell
1717 Norfolk, Apt. 2419
Lubbock, Texas 79416

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

PS Form 3811, Dec. 1980

SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery..	
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$	
3. ARTICLE ADDRESSED TO: Winifred Sue Campbell 1717 Norfolk, Apt. 2419 Lubbock, TX 79416	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL	ARTICLE NUMBER P 327 407 488
(Always obtain signature of addressee or agent)	
I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent <i>W. Carr</i>	
5. DATE OF DELIVERY 4/14/82	POSTMARK APR 14 1982
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 982-6043

April 6, 1982

Sabine Production Company
Post Office Box 3083
Midland, Texas 79702

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982 Oil Conservation Division Examiner Hearing.

You may have an interest that possibly will affect the executive rights for:

Louis F. Breuner	.0015625 WI
Ellis Rudy	.0046875 WI
Henry Schaefer	.0007812 WI
Janice R. Magee and Betty J. Catlin	.0015625 WI
Joseph F. Woodsum	.003125 WI
Suits E. Strasinger and wife,	.0015625 WI
Maude Strasinger	
Dr. Edwin Merrithew	.0007812 WI
Ruby R. Fulmor	.0015625 WI
Alice C. Handy	.0015625 WI
A.C. and/or Blanche E. Elder	.003125 WI
Edward Seymour Osborne	.003125 WI

Very truly yours,

WFC:jh
w/enc.

CERTIFIED MAIL -
RETURN RECEIPT REQUEST

PS Form 3800, Apr. 1976

CONSULT POSTMASTER FOR FEES		OPTIONAL SERVICES	POSTAGE	SPECIAL DELIVERY	REGISTERED MAIL	CERTIFIED MAIL
OPTIONAL SERVICES						
RETURN RECEIPT SERVICE						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						
CERTIFIED MAIL						
SPECIAL DELIVERY						
REGISTERED MAIL						

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. SERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-8043

April 6, 1982

Sabine Production Company
Post Office Box 3083
Midland, Texas 79702

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982 Oil Conservation Division Examiner Hearing.

You may have an interest that possibly will affect the executive rights for:

Louis F. Breuner
Ellis Rudy
Henry Schaefer
Janice R. Magee and Betty J. Catlin
Joseph F. Woodsum
Suits E. Strasinger and wife,
Maude Strasinger
Dr. Edwin Merrithew
Ruby R. Fulmor
Alice C. Handy
A.C. and/or Blanche E. Elder
Edward Seymour Osborne

.0015625 WI
.0046875 WI
.0007812 WI
.0015625 WI
.003125 WI
.0015625 WI

.0007812 WI
.0015625 WI
.0015625 WI
.003125 WI
.003125 WI

Very truly yours,

WFC:jh
w/enc.

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

P 327 407 486
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Sabine Production Co.</i>	
STREET AND NO. <i>P.O. Box 3083</i>	
P.O., STATE AND ZIP CODE <i>Midland, TX 79702</i>	
POSTAGE	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE
	SPECIAL DELIVERY RESTRICTED DELIVERY
OPTIONAL SERVICES	RETURN RECEIPT SERVICE
	SHOW TO WHOM AND DATE DELIVERED SHOW TO WHOM DATE AND ADDRESS OF DELIVERY SHOW TO WHOM DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY
TOTAL POSTAGE AND FEES	
POSTMARK OR DATE	

PS Form 3800, Apr. 1976

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

April 6, 1982

Sabine Production Company
P.O. Box 3083
Midland, TX 79702

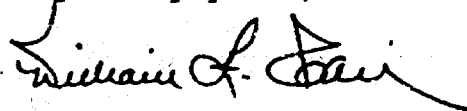
Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,



William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

PS Form 3800, Apr. 1976

CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	
CERTIFIED FEE	SPECIAL DELIVERY
REGISTERED MAIL	REGISTERED MAIL
POSTAGE	POSTAGE
POSTMARK OR DATE	POSTMARK OR DATE
TOTAL POSTAGE AND FEES	TOTAL POSTAGE AND FEES

SENT TO
STREET AND NO.
PO BOX 3083
MIDLAND, TX 79702

NO INSURANCE COVERAGE PROVIDED--
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P 327 407 498

RECEIPT FOR CERTIFIED MAIL

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
MARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 1208
SANTA FE, NEW MEXICO 87301
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

April 6, 1982

Sabine Production Company
P.O. Box 3083
Midland, TX 79702

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327 407 498
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

PS Form 3800, Apr. 1976

SENT TO <i>Sabine Production Co.</i>	
STREET AND NO. <i>Box 3083</i>	
P.O., STATE AND ZIP CODE <i>Midland, TX 79702</i>	
POSTAGE	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE
	SPECIAL DELIVERY RESTRICTED DELIVERY
OPTIONAL SERVICES	RETURN RECEIPT SERVICE
	SHOW TO WHOM AND DATE DELIVERED
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	
POSTMARK OR DATE	

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. SERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 6, 1982

North American Royalties, Inc.
850 Empire Plaza
Midland, TX 79701

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P 327 407 497

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED --
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO
North American Royalties, Inc.
850 Empire Plaza
Midland, TX 79701

DATE AND TIME
APR 14 1982 10:00 AM
POSTAGE

CONSULT POSTMASTER FOR FEES	
CERTIFIED MAIL	
SPECIAL DELIVERY	
REGISTERED MAIL	
RETURN RECEIPT REQUESTED	
POSTAGE	
TOTAL POSTAGE AND FEES \$	

POSTMARK OR DATE

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
MARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. CORTNEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

April 6, 1982

North American Royalties, Inc.
850 Empire Plaza
Midland, TX 79701

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P 327 407 497

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
<i>North American Inc.</i>	
STREET AND NO.	
<i>850 Empire Plaza</i>	
CITY, STATE AND ZIP CODE	
<i>Midland, TX 79701</i>	
POSTAGE	
CERTIFIED FEE	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
SIGNATURE AND DATE	
ADDRESS OF DELIVERY	
SIGNATURE AND DATE	
ADDRESS OF DELIVERY	
TOTAL POSTAGE AND FEES	
POSTMARK OR DATE	

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WAROLE
KENN W. GORTHEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

Priscilla A. Kyte
Conservator of the Estate of
Savid Bond Kyte
802 Alameda Padre Serra
Santa Barbara, CA 93103

P 327 407 496

RECEIPT FOR CERTIFIED MAIL

**NO INSURANCE COVERAGE PROVIDED--
NOT FOR INTERNATIONAL MAIL**

(Sec Reverse)

SENT TO
STREET AND NO
8024 Hamedda Padre Serra
P.O. STATE AND ZIP CODE
Santa Barbara, CA 93103

[illegible]

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HAROLD D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTNEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 986-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Priscilla A. Kyte
Conservator of the Estate of
Savid Bond Kyte
802 Alameda Padre Serra
Santa Barbara, CA 93103

Re: New Mexico Oil Conservation Division Case 7558
Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327 407 496

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Priscilla A. Kyte</i>	
STREET AND NO. <i>802 Alameda Padre Serra</i>	
P.O. STATE AND ZIP CODE <i>Santa Barbara, CA 93103</i>	
POSTAGE	
CERTIFIED FEE	•
SPECIAL DELIVERY	•
RESTRICTED DELIVERY	•
SHOW TO WHOM AND DATE DELIVERED	•
SHOW TO WHOM, DATE AND ADDRESS OF RETURN	•
SHOW TO WHOM AND DATE DELIVERY WITH RESTRICTED DELIVERY	•
RETURN RECEIPT SERVICE	•
POSTAGE AND FEES	•
TOTAL POSTAGE AND FEES \$	
POSTMARK OR DATE	

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

April 6, 1982

Kirby Exploration Company
P.O. Box 1745
Houston, TX 77001

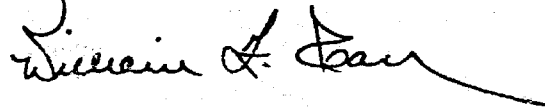
Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,



William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P 327 407 495

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO Kirby Exploration Co. S: P.O. BOX 1745 Houston, TX 77001		P.O. BOX AND ZIP CODE Houston, TX 77001		POSTAGE	
CERTIFIED MAIL		OPTIONAL MAIL SERVICE		RETURN RECEIPT SERVICE	
CONSULT POSTMASTER FOR FEES		TOTAL POSTAGE AND FEES		POSTMARK OR DATE	

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BEUGE
WILLIAM G. WARDLE
KEENE W. GORTNEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2808
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELETYPE: (505) 903-8043

April 6, 1982

Kirby Exploration Company
P.O. Box 1745
Houston, TX 77001

Re: New Mexico Oil Conservation Division Case 7558
Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327. 407 495

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Kirby Exploration Co</i>	
STREET AND NO. <i>Box 1745</i>	
P.O., STATE AND ZIP CODE <i>Houston, TX 77001</i>	
POSTAGE	
CERTIFIED MAIL	
SPECIAL DELIVERY	
REGISTERED MAIL	
SPECIAL DELIVERY AND REGISTERED MAIL	
SPECIAL DELIVERY AND REGISTERED MAIL WITH RESTRICTED DELIVERY	
SPECIAL DELIVERY AND REGISTERED MAIL WITH RESTRICTED DELIVERY AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	
POSTMARK OR DATE	

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Roy G. Barton
P.O. Box 978
300 West Taylor Street
Hobbs, NM 88240

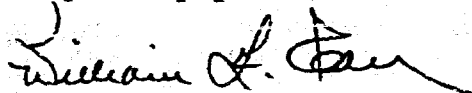
Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,



William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.		ARTICLE NUMBER	
(CONSULT POSTMASTER FOR FEES)		ARTICLE NUMBER	
1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery		4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL	
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)		P 327 407 494	
TOTAL \$		(Always obtain signature of addressee or agent)	
3. ARTICLE ADDRESSED TO: Roy G. Barton Box 978 - 300 West Taylor St. Hobbs, NM 88240		I have received the article described above. SIGNATURE <input checked="" type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent	
		DATE <i>APR 14 1982</i>	
		6. ADDRESSEE'S ADDRESS (Only if requested)	
		7. UNABLE TO DELIVER REASON: 7a. EMPLOYEE'S INITIALS	

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HAROLD BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BEAUC
WILLIAM G. WARDLE
NORMAN W. GORTHEV

JEFFERSON PLACE
SUITE 1 - 110 NORTH QUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 888-4442
TELECDPIER: (505) 983-6043

April 6, 1982

Roy G. Barton
P.O. Box 978
300 West Taylor Street
Hobbs, NM 88240

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

MFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

14-00000-100-1000

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery..

2. ☐ RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
Roy G. Barton
Box 978 - 300 West Taylor St.
Hobbs, NM 88240

4. TYPE OF SERVICE: ARTICLE NUMBER
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL
P 327 407 494

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☒ Addressee ☐ Authorized agent
Roy G. Barton

5. DATE OF DELIVERY POSTMARK
APR 14 1982

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 986-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Edward T. Dreessen, Jr.
27447 Edgerton Rd.
Los Altos Hills, CA 94022

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQ

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.		(CONSULT POSTMASTER FOR FEES)	
1. The following services are requested (check one): <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery		TOTAL \$ _____	
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)		3. ARTICLE ADDRESSED TO: Edward T. Dreessen, Jr. 27447 Edgerton Rd. Los Altos Hills, CA 94022	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL		ARTICLE NUMBER P 327 407 493	
(Always obtain signature of addressee or agent) I have received the article described above.			
SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent <i>Edward T. Dreessen, Jr.</i>		DATE OF DELIVERY 1982 POSTMARK	
5. ADDRESSEE'S ADDRESS (Only if registered)		7a. EMPLOYEE'S INITIALS	
7. UNABLE TO DELIVER BECAUSE:			

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
SEAFORD C. BERGE
WILLIAM G. WARDLE
LEWIS W. GORTNEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 986-4421
TELECDPIER: (505) 983-6043

April 6, 1982

Edward T. Dreesen, Jr.
27447 Edgerton Rd.
Los Altos Hills, CA 94022

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQURE

Form 311, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery..

2. ☐ RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO:
Edward T. Dreesen, Jr.
27447 Edgerton Rd.
Los Altos Hills, CA 94022

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
P 327 407 493

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized Agent
Edward T. Dreesen, Jr.

5. DATE OF DELIVERY 1982 POSTMARK

6. ADDRESSEE'S ADDRESS (Only if required)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-8043

April 6, 1982

Betty M. Dreessen
27447 Edgerton Rd.
Los Alton Hills, CA 94022

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982 Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the above-referenced cases.

Very truly yours,

William F. Barr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327 407 492

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED--
NO? FOR INTERNATIONAL MAIL

(See Reverse)

[illegible]

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Betty M. Dreesen
27447 Edgerton Rd.
Los Alton Hills, CA 94022

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327 407 492

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO <i>Betty M. Dreesen</i>	
STREET AND NO. <i>27447 Edgerton Rd.</i>	
DO., STATE AND ZIP CODE <i>Los Alton Hills, CA 94022</i>	
POSTAGE	
CERTIFIED FEE	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	
POSTMARK OR DATE	

OPTIONAL SERVICES
RETURN RECEIPT SERVICE

CONSULT POSTMASTER FOR FEES

PS Form 3800, Apr. 1979

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. SERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECDPIER: (505) 983-6043

April 6, 1982

Mr. Powhatan Carter, Jr.
P.O. Box 328
Ft. Sumner, NM 88119

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUE

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.		(CONSULT POSTMASTER FOR FEES)	
1. The following services is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered <input type="checkbox"/> Show to whom, date, and address of delivery		2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)	
3. ARTICLE ADDRESSED TO: Powhatan Carter, Jr. P.O. Box 328 Ft. Sumner, NM 88119		TOTAL \$	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL		ARTICLE NUMBER P 327 407 491	
(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent <i>William F. Carr</i>			
5. ADDRESSER'S ADDRESS (Only if requested) DATE APR 8 1982		POSTMARK EXAMINER N APR 10 1982	
6. ADDRESSEE'S ADDRESS (Only if requested)		7a. EMPLOYEE'S INITIALS <i>WFC</i>	
7. UNABLE TO DELIVER REASON:			

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEITH W. GORTNEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECDPIER: (505) 532-6043

April 6, 1982

Mr. Powhatan Carter, Jr.
P.O. Box 328
Ft. Sumner, NM 88119

Re: New Mexico Oil Conservation Division Case 7558
Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUE

PS Form 3811, Dec 1980

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.	
(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one).	
<input checked="" type="checkbox"/> Show to whom and date delivered.....	1
<input type="checkbox"/> Show to whom, date, and address of delivery..	1
2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)	
TOTAL \$	
3. ARTICLE ADDRESSED TO: Powhatan Carter, Jr. P.O. Box 328 Ft. Sumner, NM 88119	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL	ARTICLE NUMBER P 327 407 491
(Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent <i>Powhatan Carter</i>	
5. DATE OF DELIVERY APR 8 1982	POSTMARK APR 8 1982 FT. SUMNER, NM
6. ADDRESSEE'S ADDRESS (Only if requested)	
7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS <i>W</i>

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 6, 1982

Mr. Anderson Carter
P.O. Box 725
Lovington, NM 88260

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982 Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the above-referenced cases.

Very truly yours,

William F. Shaw

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P 327 407 490

RECEIPT FOR CERTIFIED MAIL

**NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)**

See Reverse)

CONSULT POSTMASTER FOR FEES		1
OFFICIAL SERVICES	RETURN RECEIPT SERVICE	1
SPECIAL DELIVERY RESTRICTED DELIVERY POST TO WHOM AND DATE DELIVERED POST TO WHOM AND DATE DELIVERED POST TO WHOM AND DATE DELIVERED POST TO WHOM AND DATE DELIVERED		1 1 1 1 1 1 1 1
TOTAL POSTAGE AND FEES		5
POSTMARK OR DATE		

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HAROLD BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KENNETH W. GORTLEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

April 6, 1982

Mr. Anderson Carter
P.O. Box 725
Lovington, NM 88260

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

P. 327 407 490
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		<i>Anderson Carter</i>	
STREET AND NO.		<i>Box 725</i>	
P.O., STATE AND ZIP CODE		<i>Lovington, N.M. 88260</i>	
POSTAGE			
CERTIFIED FEE	SPECIAL DELIVERY		
	RESTRICTED DELIVERY		
	SHOW TO WHOM AND DATE DELIVERED		
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY		
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		
OPTIONAL SERVICES	RETURN RECEIPT SERVICE		
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		1	

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL S. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTNEY

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-0043

April 6, 1982

Mr. John J. Cristmann, Jr.
1500 Broadway - Suite 800
Lubbock, Texas 79401

Re: New Mexico Oil Conservation Division Case 7558

Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

● SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.		(CONSULT POSTMASTER FOR FEES)	
1. The following service is requested (check one). <input checked="" type="checkbox"/> Show to whom and date delivered..... <input type="checkbox"/> Show to whom, date, and address of delivery.....		2. <input type="checkbox"/> RESTRICTED DELIVERY (The restricted delivery fee is charged in addition to the return receipt fee.)	
3. ARTICLE ADDRESSED TO: John J. Cristmann, Jr. 1500 Broadway - Suite 800 Lubbock, TX 79401		TOTAL \$	
4. TYPE OF SERVICE: <input type="checkbox"/> REGISTERED <input type="checkbox"/> INSURED <input checked="" type="checkbox"/> CERTIFIED <input type="checkbox"/> COD <input type="checkbox"/> EXPRESS MAIL		ARTICLE NUMBER P 327 407 489	
I have received the article described above. SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent			
5. DATE OF DELIVERY APR 8 1982		6. ADDRESSEE'S ADDRESS (Only if required)	
7. UNABLE TO DELIVER BECAUSE:		7a. EMPLOYEE'S INITIALS	

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
HAROLD BYRD
BRUCE D. BLACK
MICHAEL S. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMBA W. CORTNEY

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

April 6, 1982

Mr. John J. Cristmann, Jr.
1500 Broadway - Suite 800
Lubbock, Texas 79401

Re: New Mexico Oil Conservation Division Case 7558
Gentlemen:

Enclosed is a copy of the docket for the April 14, 1982
Oil Conservation Division Examiner Hearing.

You may have an interest that will be affected by the
above-referenced cases.

Very truly yours,

William F. Carr

William F. Carr

WFC:jh
w/enc.

CERTIFIED MAIL
RETURN RECEIPT REQUEST

PS Form 3811, Dec. 1980

• SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space
on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☒ Show to whom and date delivered
☐ Show to whom, date, and address of delivery..

2. ☐ RESTRICTED DELIVERY
(The restricted delivery fee is charged in addition to
the return receipt fee.)

TOTAL \$

3. ARTICLE - ADDRESSEE TO:
John J. Cristmann, Jr.
1500 Broadway - Suite 800
Lubbock TX 79401

4. TYPE OF SERVICE: ARTICLE NUMBER
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL
P327 407 489

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

5. DATE OF DELIVERY
5/6/82

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL.

LUBBOCK, TEXAS
APR 8 1982

AUTHORITY FOR EXPENDITURE

Operator: MGF Oil Corp. Type of Operation: Drilling: Gas Well Date: 3-19-82
 Lease: J. Speight Well No. 1 Field: House County: Lea
 Location: 660' FEL & 660' FSL Sec. 31, T-19-S, R-39-E Prospect: Nadine

AFE No. _____ Proposed T.D. 3200' Formation Seven-Rivers

INTANGIBLE DRILLING COSTS

		Completed Well	To Casing Point
216-009	Road, Location & Survey	18,000	18,000
216-008	Damages	2,500	2,500
216-002	Drilling-Footage: 3200 ft. @ 19.00/ft.	60,800	60,800
216-003	Drilling, daywork: 1 days @ 5400 /day	5,400	5,400
216-021	Fuel	-	-
216-033	Water	8,000	8,000
216-020	Bits	-	-
216-004	Mud and Chemicals	4,000	4,000
216-006	Cement Services	20,000	20,000
216-025	DST's Coring ft. Mud Logging Days	-	-
216-015	Logging	8,000	5,000
216-016	Perforating	3,000	-
216-011	Treating-Acidize/frac	10,000	-
216-014	Well Service Unit	15,000	-
216-013	Rental Equipment	5,000	3,000
216-005	Trucking	10,000	5,000
216-022	Frac Oil & Wash Oil	-	-
216-023	Labor	5,000	3,000
216-034	Direct Supervision	7,000	5,000
216-036	Contingencies 8%	14,500	11,200

WELL EQUIPMENT

\$ 196,200 \$ 150,900

	Casing	Footage	Size	Grade	Thread	Weight	Price		
214-001	Surf.	1700'	8 5/8	K-55	ST&C	24#	12.85	21,900	21,900
214-002	Inter.								
214-003	Prod.	3200'	5 1/2	K-55	ST&C	15.50	8.35	26,700	-
	Pipe Insp								
	Liner								
	Coated	500'	5 1/2	-	-		3.30	1,700	-
214-004	Tubing	3000'	2 3/8	J-55	EUE	4.7	3.80	11,400	-
214-015	Well Head	8 5/8 x 5 1/2 x 2 3/8	2000 x 2000 x 2000					10,000	2,000
214-005	Pumping Equipment								
214-014	Packers/Anchors							3,000	-

Total \$ 74,700 \$ 23,900

LEASE EQUIPMENT

214-011	Tanks 1-210 bbl press tnk 1-210 bbl	6,000	-
214-024	Separation Equipment Stack Pack	6,000	-
214-012	Line Pipe	2,000	-
214-013	Fittings	3,000	-
214-016	Installation	8,000	-

APPROVAL: Working Interest Owners

Total \$ 25,000 \$ -

Geologic _____
 Land _____
 Managerial _____

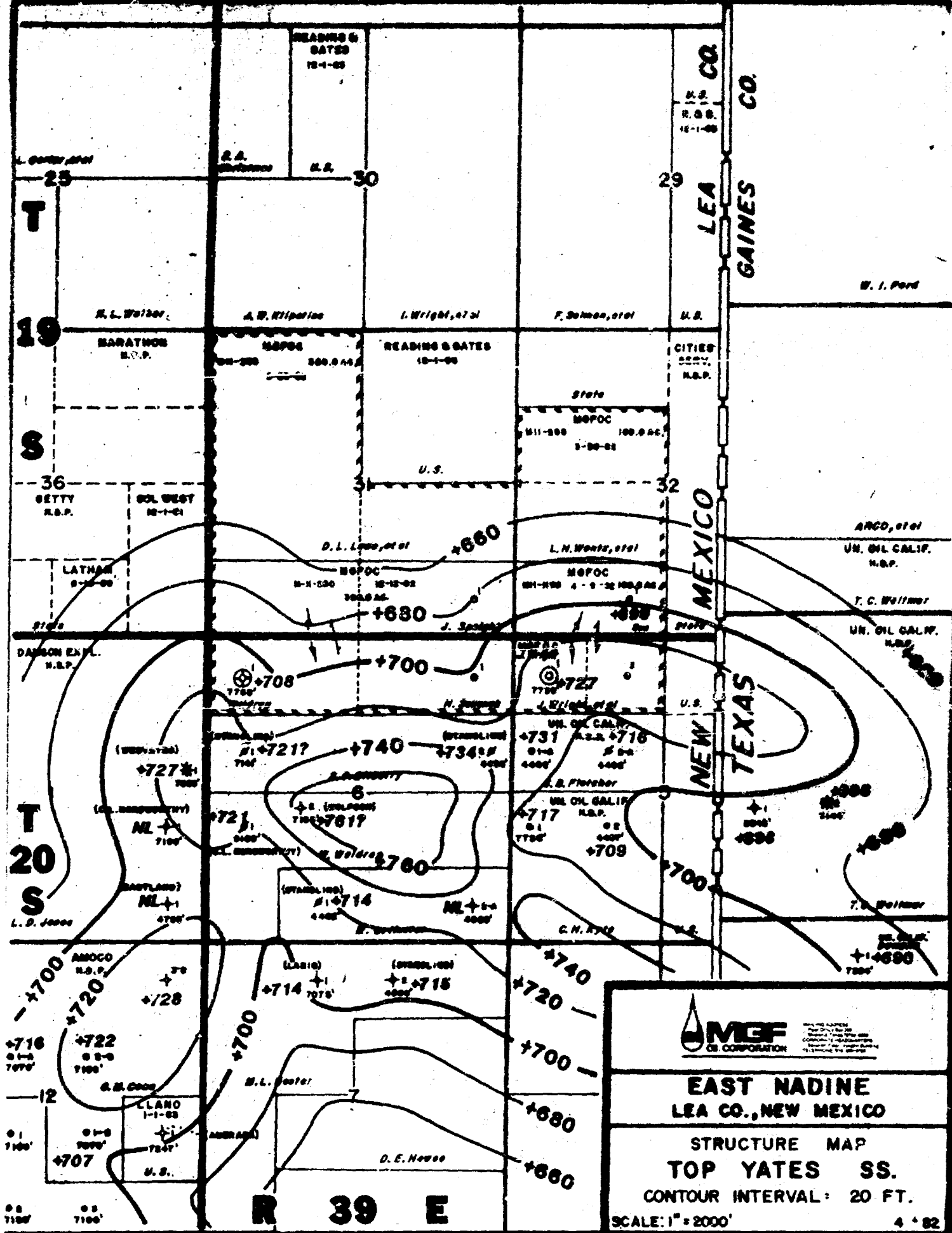
Total AFE \$ 295,900 \$ 174,800

_____%W.I. TO \$ _____ \$ _____

Working Interest Owner Approval:
 This AFE is approved for the account of _____
 By: _____ Date: _____

Remarks: _____

BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
MGF	EXHIBIT NO. <u>5</u>
CASE NO.	<u>7558</u>



BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

NGE EXHIBIT NO. 6

CASE NO. 7558

Dockets No. 11-82 and 12-82 are tentatively set for April 28 and May 12, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 14, 1982

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for May, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7536:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit A. H. Bernstein and all other interested parties to appear and show cause why the Allan Well No. 1 located in Unit F, Section 23, Township 29 North, Range 13 West, San Juan County, should not be re-entered and plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7537:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit F. K. Umbarger, Trustee and all other interested parties to appear and show cause why the Davis Pooled Unit Well No. 1, located in Unit I, Section 27, Township 29 North, Range 11 West, San Juan County, should not be re-entered and plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7538:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Francis L. Harvey and all other interested parties to appear and show cause why the Pinkstaff Estate Well No. 1, located in Unit A, Section 29, Township 29 North, Range 10 West, San Juan County, should not be re-entered and plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7539:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit B.M.N.S. Company, American Employers Insurance and all other interested parties to appear and show cause why the following wells: Waggoner No. 1, Brown No. 2, Wyper No. 2, located in Units K, M, and O, respectively, of Section 29, Township 30 North, Range 12 West, San Juan County, should not be plugged and abandoned in accordance with Division-approved plugging programs.
- CASE 7540:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Pauly-Anderson-Pritchard and all other interested parties to appear and show cause why the Maloy Well No. 1, located in Unit P, Section 16, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7541:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit E. J. Miley and all other interested parties to appear and show cause why the Hare (Ransom) Well No. 1, located in Unit N, Section 14, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7542:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Benson-Montin-Greer Drilling Corporation, Hartford Accident and Indemnity Company, and all other interested parties to appear and show cause why the following wells: Dustin No. 1, located in Unit K, Section 6, and the Gallegos Canyon Unit No. 2, located in Unit K, Section 35, both in Township 29 North, Range 12 West, and the Segal No. 1, located in Unit K, Section 10, and the Price No. 1, located in Unit N, Section 15, both in Township 31 North, Range 13 West, San Juan County, should not be plugged and abandoned in accordance with Division-approved plugging programs.
- CASE 7543:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Calvin Petroleum Corporation, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why the Kaempf SWD Well No. 1, located in Unit N, Section 19, Township 30 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7544: Application of Dinero Operating Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North and East lines of Section 20, Township 22 South, Range 28 East, Morrow formation, the N/2 of said Section 20, to be dedicated to the well.

CASE 7545: Application of Baker Engineering for a non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 258.16-acre non-standard gas proration unit for the Morrow formation comprising all of partial Section 32, Township 26 South, Range 30 East.

CASE 7546: Application of Sonny's Oil Field Services, Inc. for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at its salt water disposal site in the NW/4 NE/4 of Section 29, Township 18 South, Range 38 East.

CASE 7547: Application of Anadarko Production Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 2550 feet from the North line and 1350 feet from the West line of Section 15, Township 22 South, Range 37 East, Penrose Skelly Pool, the SE/4 NW/4 of said Section 15 to be dedicated to the well.

CASE 7517: (Continued from March 31, 1982, Examiner Hearing)

Application of Anadarko Production Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 1450 feet from the South line and 1400 feet from the West line of Section 15, Township 22 South, Range 37 East, Penrose Skelly Pool, the NE/4 SW/4 of said Section 15 to be dedicated to the well.

CASE 7548: Application of Tahoe Oil & Cattle Co. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4932 feet to 4992 feet in its Schwalbe Well No. 1, located in Unit P of Section 21, Township 9 South, Range 37 East, West Sawyer-San Andres Pool.

CASE 7549: Application of H. L. Brown for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Pennsylvania gas well location 609 feet from the South line and 1665 feet from the East line of Section 32, Township 15 South, Range 32 East, the S/2 of said Section 32 to be dedicated to the well, an existing well which is to be deepened.

CASE 7550: Application of Harvey E. Yates Company for the Rescission of Order No. R-6918, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Order No. R-6918, which compulsorily pooled the Atoka-Morrow formation underlying the N/2 of Section 19, Township 8 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Applicant now seeks the rededication of the E/2 of said Section 19 to the aforesaid well without compulsory pooling.

CASE 7551: Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the E/2 of Section 21, Township 11 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7552: Application of Merriam Oil & Gas Company for compulsory pooling, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Gallup formation underlying the S/2 SE/4 of Section 20, Township 23 North, Range 6 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7553: Application of Fred Pool Drilling Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation, underlying the SW/4 of Section 17, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7520: (Continued and Readvertised)

Application of Lewis B. Burleson, Inc. for compulsory pooling and a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Pool underlying a 30-acre non-standard oil proration unit comprising the N/2 of the Easternmost 60 acres of the NW/4 of Section 15, Township 24 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7554: Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the Drinkard formation underlying the NW/4 SW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7555: Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the Drinkard formation underlying the SW/4 NW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7556: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the San Andres formation underlying the NE/4 NW/4 of Section 5, Township 20 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7557: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Seven Rivers formation underlying the SW/4 of Section 32, Township 19 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7558: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Seven Rivers formation underlying the SE/4 of Section 31, Township 19 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7515: (Continued from March 31, 1982 Examiner Hearing)

Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying all or portions of Townships 26 and 27 North, Range 12 and 13 West, Township 28 North, Range 13 West, Township 29 North, Ranges 13 through 15 West, and Township 30 North, Ranges 14 and 15 West, containing 164,120 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

Page 4 of 5

Examiner Hearing - WEDNESDAY - APRIL 14, 1982

CASE 7559: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending certain pools in Lea and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Mississippian production and designated as the Caudill-Mississippian Gas Pool. The discovery well is the Moran Exploration, Inc. Gann Well No. 1 located in Unit D of Section 9, Township 15 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 9: NW/4

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the North Dora-Pennsylvanian Pool. The discovery well is the Enserch Exploration, Inc. Collier Well No. 1 located in Unit I of Section 29, Township 4 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: E/2

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Johnson Ranch-Morrow Gas Pool. The discovery well is the Mesa Petroleum Company Jackson Unit Well No. 1 located in Unit G of Section 22, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 22: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the East Triste Draw-Delaware Pool. The discovery well is the Getty Oil Company Getty 28 State Well No. 1 located in Unit J of Section 28, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 28: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Triste Draw-Morrow Gas Pool. The discovery well is the Amoco Production Company State IG Com Well No. 1 located in Unit B of Section 32, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 32: N/2

(f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Vaca Draw-Wolfcamp Gas Pool. The discovery well is the HMG Oil Company Bell Lake 11 Federal Well #1 located in Unit B of Section 11, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 11: N/2

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the West Vacuum-Bone Spring Pool. The discovery well is the Amoco Production Company State HS Com Well No. 1 located in Unit K of Section 9, Township 18 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

(h) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Granite Wash production and designated as the South Tannehill-Granite Wash Gas Pool. The discovery well is the Threshold Development Company Harris 14 Well No. 1 located in Unit B of Section 14, Township 6 South, Range 33 East, NMPM, currently classified as producing from the Pennsylvanian formation and in the Tannehill-Pennsylvanian Gas Pool. The well has been re-evaluated and the producing interval is more correctly defined as Granite Wash. Said pool would comprise:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 14: N/2

- (i) ABOLISH the Tanneyhill-Pennsylvanian Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described as:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 14: All

- (j) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 7: SE/4

- (k) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 4: N/2
Section 5: NE/4

- (l) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 33: NW/4

- (m) EXTEND the Bootleg Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM
Section 17: W/2

- (n) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 9: N/2

- (o) EXTEND the North Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 16: SE/4
Section 20: NE/4

- (p) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 14: All

- (q) EXTEND the Sowell-Morrow Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 11: NW/4

- (r) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 9: NE/4

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF MGF OIL CORPORATION FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

Case 7558

MOTION TO DISMISS APPLICATION

Comes now, A. J. Welborn and Winifred Sue Campbell, by and through their attorneys, Kellahin & Kellahin, and move to dismiss the compulsory pooling application in so far as it affects their interests herein and as grounds therefore state:

STATEMENT OF FACTS

A. J. Welborn and Winifred Sue Campbell each own a portion of the oil and gas minerals underlying the N/2SE/4 of Section 31, T19S, R39E, Lea County. In May, 1979, both Mr. Welborn and Mrs. Campbell leased their minerals to the applicant, MGF Oil Corporation. The parties used a printed form oil and gas lease which contained a pooling clause. By agreement, the parties specifically deleted the pooling clause and signed the lease.

MGF Oil Corporation now seeks to "cure" the deletion of the pooling clause from the lease, by requesting the New Mexico Oil Conservation Division to order that the Welborn-Campbell interests be pooled.

ARGUMENT

Can a lessee, who contracts with his lessor not to have a pooling clause in his lease, obtain a compulsory pooling order from the New Mexico Oil Conservation Division pooling his lessor's interest? The answer is no.

The deletion of the pooling clause represents the unambiguous expression of the intent of the parties that the lessee shall not pool the lessor's interest with any other acreage. See Gibson v. Turner, 156 Tex. 289, 294 SW 2nd, 70 O. & G.R. 1212 (1956); Harris v. Griffith, 210 S 2nd 629, 28 O. & G.R. 398 (Miss. 1968); Atlantic Refining Co. v. Shell Oil Co., 217 La, 576, 46 S. 2nd 907 (1950).

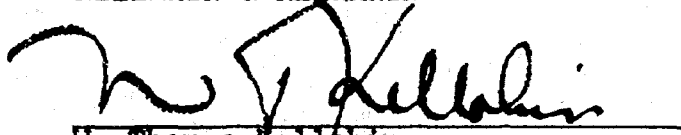
It is well recognized that regulatory commissions are not authorized by the provisions of pooling statutes to adjudicate private controversies as to the construction of instruments or related matters. See 6 Williams & Meyers, Oil & Gas Law Sec. 941.2.

CONCLUSION

MGF Oil Corporation now seeks to do what they specifically contracted not to do. Accordingly, the Movants requests that the application be dismissed as to their respective interests herein.

Respectfully submitted,

KELLAHIN & KELLAHIN


W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501
(505) 982-4285

CAMPBELL, BYRD & BLACK, P.A.

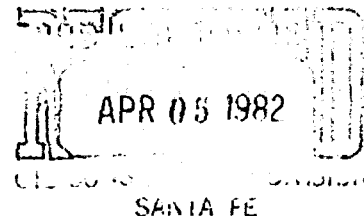
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE
KEMP W. GORTHEY

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 5, 1982

Mr. Joe D. Ramey
Division Director
Oil Conservation Division
New Mexico Department of Energy
& Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501



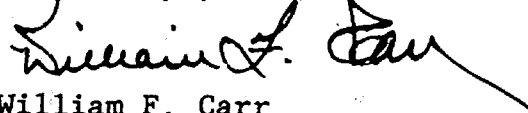
Re: Application of MGF Oil Corporation for Compulsory
Pooling, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of MGF Oil Corporation
in the above-referenced matter.

The applicant requests that this matter be included on the
docket for the examiner hearing scheduled to be held on April
14, 1982.

Very truly yours,


William F. Carr

WFC:jh

w/enc.

cc: Mr. W.M. "Hoot" Gibson

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF MGF OIL CORPORATION FOR
COMPULSORY POOLING LEA COUNTY,
NEW MEXICO

CASE 7558

APR 05 1982

APPLICATION

Comes now, MGF OIL CORPORATION, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests from the surface through the Seven Rivers formation in and under the SE/4 of Section 31, Township 19 South, Range 39 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Division:

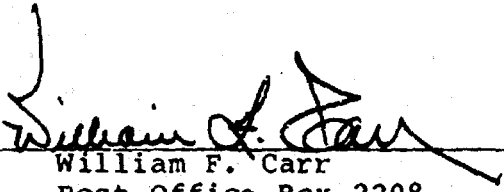
1. Applicant is the owner of 64.9% of the working interest in and under the SE/4 of said Section 31, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to a well to be drilled at an orthodox location in said Section 31.
3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the SE/4 of said Section 31 except the following:
SEE ATTACHED SCHEDULE
4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and assessing a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD & BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

CASE 7558

SCHEDULE TO BE ATTACHED TO AND
MADE PART OF PARAGRAPH 3 OF APPLICATION

Alonzo J. Welborn	.0273437 RI
Winifred Sue Campbell	.0273437 RI
John J. Christmann, Jr.	.0546875 MI
Anderson Carter, Jr.	.015625 MI
Powhatan Carter	.015625 MI
Betty M. Dreesen	.0019531 WI
Edward T. Dressen, Jr.	.0004687 WI
Priscilla A. Kyte, Conservator of the Estate of David Bond Kyte	.0039062 WI
Roy G. Barton	.0136718 WI
Kirby Exploration Company	.0351562 WI
North American Royalties, Inc.	.1171875 WI
Sabine Production Co.	.025WI
Sabine Production Co., Executive Rights for:	
Louis F. Breuner	.0015625 WI
Ellis Rudy	.0046875 WI
Henry Schaefer	.0007812 WI
Janice R. Magee and Betty J. Catlin	.0015625 WI
Joseph F. Woodsum	.003125 WI
Suits E. Strasinger and wife, Maude Strasinger	.0015625 WI
Dr. Edwin Merrithew	.0007812 WI
Ruby R. Fulmor	.0015625 WI
Alice C. Handy	.0015625 WI
A.C. and/or Blanche E. Elder	.003125 WI
Edward Seymour Osborne	.003125 WI

Order

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7558
Order No. 1-6966

APPLICATION OF MGF OIL CORPORATION
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

RR *JDR* *WPP*
ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 14, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of April, 1982, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

*That as the written application was not
submitted within 10 days prior to the hearing
date as provided in Rule 1203 of the
Division Rules and Regulations, Case 7558
must be dismissed.*

IT IS THEREFORE ORDERED:

That Case No. 7558 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY,
Director

Memo

From

FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To Called in by Bill Carr
3/24/82

MGF Oil Corporation
Compulsory Pooling
Lea County

from surface down through
the Seven Rivers formation

SE1/4 31-T195-R39E

660/54E

OIL CONSERVATION COMMISSION-SANTA FE

