

Case No.

2567

Application, Transcript,

Small Exhibits, Etc.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1962

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner.

CASE 2537: (Reopened)

Application of J. C. Williamson for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Westates-Federal Well No. 8 located in Unit E of Section 1, Township 25 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the North Justis-McKee Pool and an undesignated Montoya pool with the production of oil from both zones to be through parallel strings of tubing.

CASE 2564:

Application of Tidewater Oil Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its A. B. Coates "C" Well No. 18, located in Unit I, Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Justis-Blinbry, Justis Tubb-Drinkard and Justis Ellenburger Pools through parallel strings of 2 3/8-inch tubing.

CASE 2565:

Application of J. Glenn Turner for a dual completion and an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the dual completion (conventional) of his Nye Well No. 9-1 at an unorthodox location 1810 feet from the North line and 900 feet from the West line of Section 9, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to produce gas from the Blanco Mesaverde Gas Pool and the Basin Dakota Gas pool through parallel strings of 1 1/2-inch and 2 1/16-inch tubing.

CASE 2566:

Application of Newmont Oil Company for an amendment to Orders No. R-1110, R-1110-A and R-111-B, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order amending Orders No. R-1110, R-1110-A and R-1110-B to define the proper limits of its Square Lake Pool Waterflood Project, Eddy County, New Mexico, to establish rules for expansion of the flood within the defined area, and to provide for capacity allowables for said area.

- CASE 2567: Application of Redfern & Herd, Inc., for a force-pooling order, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin-Dakota Gas Pool underlying the S/2 Section 11, Township 29 North, Range 13 West, San Juan County, New Mexico, to be dedicated to a well to be drilled in the SE/4 SE/4 of said Section 11.
- CASE 2568: Application of Redfern & Herd, Inc., for a force-pooling order, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin-Dakota Gas Pool underlying the E/2 Section 15, Township 29 North, Range 13 West, San Juan County, New Mexico, to be dedicated to a well to be drilled in the SE/4 NE/4 of said Section 15.
- CASE 2569: Application of Texaco Inc., for a quintuple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order approving the quintuple completion (tubingless) of its G. L. Erwin "B" NCT-2 Well No. 3, located in Unit I, Section 35, Township 24 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Waddell, McKee, Fusselman, Devonian, and Drinkard zones, North Justis Field, through parallel strings of 2 7/8 and 2 3/8 inch casing cemented in a common well bore.

SUPPLEMENTAL DOCKET: EXAMINER HEARING - WEDNESDAY MAY 23, 1962
9 A.M. CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, N. M.

The following case will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter Alternate Examiner.

CASE 2570:

Application of Cities Service Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State "AD" Well No. 2, located 3300 feet from the North line and 660 feet from the East line of Section 22, Township 10 South, Range 32 East, Lea County, New Mexico, as an oil-oil dual completion in the San Andres and Pennsylvanian formations in the Mescalero field with the production of oil to be through strings of 2-inch and 1½ or 1¼-inch tubing utilizing a crossover assembly.

GOVERNOR
EDWIN L. MECHAM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

June 7, 1962

Mr. Howard Bratton
Hervey, Dow & Hinkle
Attorneys at Law
Box 10
Roswell, New Mexico

Re: Case No. 2567
Order No. R-2257
Applicant:
Redfern & Herd, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC x

OTHER

Cases' 25670256 F

Heard 5-23-62

Rec. 5-23-62

1. It would seem to me appropriate to Grant the forced pooling on both of these cases in accordance with our F.P. Policy.

Ed. J. G.

BEST AVAILABLE COPY

BEST AVAILABLE COPY

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

APPLICATION OF REDFERN & HERD, INC. FOR
AN ORDER POOLING A 320-ACRE GAS PRORATION
UNIT IN THE BASIN-DAKOTA GAS POOL, THE S $\frac{1}{2}$
OF SECTION 11, TOWNSHIP 29 NORTH, RANGE
13 WEST, N.M.P.M., SAN JUAN COUNTY, NEW
MEXICO.

Case No. 561

APPLICATION

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

COMES NOW Redfern & Herd, Inc. and applies to the Commission
for an Order pooling all mineral interests in the Basin-Dakota Gas
Pool in the S $\frac{1}{2}$ of Section 11, Township 29 North, Range 13 West,
N.M.P.M., San Juan County, New Mexico, to form a 320-acre gas pro-
ration unit to be dedicated to a well to be drilled by Redfern &
Herd, Inc. in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, Township 29 North, Range
13 West, N.M.P.M.

In support thereof, Applicant states:

1. That he has made diligent effort to identify and to locate
all owners of interest in the proposed proration unit.

2. That he has made fair and reasonable offers to each non-
consenting interest owner whose identity and address is known.

3. That, although he has made fair and reasonable offers and
has been diligent in his efforts to form the proposed proration unit,
there are non-consenting interest owners in the subject proration
unit who have not agreed to the pooling of their interests. A list
of the names and addresses, to the best of Applicant's knowledge and
belief, of such non-consenting interest owners is attached to this
application as Exhibit "A".

Accepted
Marked
2/10/62

4. That, to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in the proration unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in the Basin-Dakota Gas Pool, all interests in the proration unit should be pooled.

WHEREFORE, Applicant requests:

1. This application be set for hearing before an Examiner at the earliest possible date.

2. That upon hearing, the Commission enter its order pooling all interests in the Basin-Dakota Pool in the $S\frac{1}{2}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M., San Juan County, New Mexico, to form a 320-acre gas proration unit to be dedicated to a well to be drilled by Redfern & Herd, Inc. in the $SE\frac{1}{4}SE\frac{1}{4}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

3. That Redfern & Herd, Inc. be designated the operator of the said unit.

4. That Redfern & Herd, Inc. be authorized to withhold the proceeds from production attributable to each non-consenting working interest until such time as each interest's share of costs have been recovered, plus 50% thereof as a charge for the risk involved in the drilling of the well.

5. That the Commission determine the cost of operating the subject well and that Redfern & Herd, Inc. be authorized to withhold from production the proportionate share of such cost attributable to each non-consenting working interest.

6. For such other and further order of the Commission as is necessary to pool all interests in the Basin-Dakota Gas Pool in the S $\frac{1}{2}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M., San Juan County, New Mexico.

Respectfully submitted,

Redfern & Herd, Inc.

By

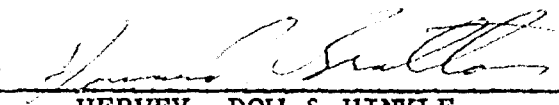

HERVEY, DOW & HINKLE
P. O. Box 10
Roswell, New Mexico
Attorneys for Applicant

EXHIBIT "A"

Names and Addresses
of
Non-Consenting Interest Owners

Fant Roberts
1013 Schofield Lane
Farmington, New Mexico

Ed Parris
3732 Echo Trail
Fort Worth, Texas

Merle Feller
2340 Grove Street
Boulder, Colorado

Doro Guarco
Notch Road
Granby, Connecticut

H. L. Bigler
122 North Wall
Farmington, New Mexico

C. R. Huntington
122 North Wall Avenue
Farmington, New Mexico

James F. Hum
206 South Miller
Farmington, New Mexico

El Paso Natural Gas Co.
Texas Street at Stanton
El Paso, Texas

George E. Young
P. O. Box 630
Monte Vista, Colorado

Billie Faye Hammer

George A. Rutherford, Jr.
1609 Sagebrush Trail S.E.
Albuquerque, New Mexico

Harry T. Driver
1205 Stagecoach Road, S.E.
Albuquerque, New Mexico

M. A. Jacobson
812 Lafayette Drive N.E.
Albuquerque, New Mexico

Henry Weinhofen
c/o Jim Hum, P.O.Box 1325
Farmington, New Mexico

Century Drilling Company
1204 East Broadway
Farmington, New Mexico

Citizens Bank of Farmington
Farmington, New Mexico

Philip Voutirin
P. O. Box 686
Farmington, New Mexico

William T. Daniel, and wife
Ruby Dickerson Daniel
502 East 15th, Farmington, N.M.

Chester R. Eden and wife,
Billie J. Eden
233 Sierra S.E., Albuquerque, N.M.

Robert L. Batten, Jr.
c/o D.J.Barnes 4021 County Club
Road, Farmington, New Mexico

D. J. Barnes
4021 County Club Road
Farmington, New Mexico

John C. McCulloch
1917 Chilton Court
Farmington, New Mexico

*Back
made
5/10/62*

A. D. Leslie c/o Office Supply &
Service Company, 2212 East Main
Farmington, New Mexico

C. L. McKinney, and wife
Opal McKinney
P. O. Box 716, Farmington, N.M.

Roy Owen, d/b/a Associated Investors, a copartnership
Petroleum Club Plaza Building
Farmington, New Mexico

State Electric Supply Company
1024 First N.W.
Albuquerque, New Mexico

Texaco Inc.
101 South Behrend
Farmington, New Mexico

Troy P. Kennedy
826 East Navajo
Farmington, New Mexico

Tri-State Amusement Corp.
711 Orchard
Farmington, New Mexico

Jim Johnson
c/o Chester R. Eden
233 Sierra S.E., Albuquerque, N.M.

Roy C. Hays, and wife Cora B. Hays
913 North Loma Linda
Farmington, New Mexico

Dresser Industries, Inc.
P. O. Box 1407
Houston 3, Texas

Vinson Supply Company
P. O. Box 1860
Tulsa, Oklahoma

The Youngstown Sheet & Tube Company
2420 East Main Street
Farmington, New Mexico

Skelly Oil Company
P. O. Box 436
Kansas City 41, Missouri

Ervin Jones, and wife Ethel Smith Jones
P.O. Box 422
Farmington, New Mexico

R. E. Willis
c/o C. L. McKinney
P.O.Box 716, Farmington, New Mexico

Elizabeth Willis
c/o C. L. McKinney
P. O. Box 716, Farmington, New Mexico

C. Roy Shaw
c/o C. L. McKinney
P.O.Box 716, Farmington, New Mexico

Sheila Willis Shaw
c/o C. L. McKinney
P.O.Box 716, Farmington, New Mexico

Ben T. Thomas, and wife Juanita B. Thomas
310 Gladeview Drive
Farmington, New Mexico

*Receipts
mailed 5/10/62*

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA 163 KB397

1962 MAY 21 PM 3 50

K DVH488 PD=FAX DENVER COLO 21 322P MSB=57

A L PORTER JR=

NEX MEXICO OIL CONSERVATION COMMISSION STATE

LAND OFFICE BLDG SANTA FE NMEX=

THIS IS IN REGARD TO EXAMINER HEARINGS SCHEDULED FOR MAY 23 IN WHICH TEXACO HAS INTEREST:

CASE 2567

TEXACO HAS VOLUNTARILY AGREED TO COMMIT ITS INTEREST IN BESIN-DAKOTA IN 1.74 ACRES IN NW SE SEC 11-29N-13W.

CASE 2568

TEXACO HAS NOT COMMITTED ITS INTEREST IN TRACTS COMPRISING ABOUT 19 ACRES IN SE 1/4 SEC 15-29N-13W.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

TEXACO IS NOT CONTESTING FORCE-POOLING OF INTERESTS IN
BASIN DAKOTA GAS POOL IN E1/2 SEC 15-29N-13W=

J F NEILL TEXACO INC PO BOX 2100 1570 GRANT ST
DENVER 1 COLO==

1962 MAY 21 PM 3 157

MAIN OFFICE 000

BEST AVAILABLE COPY

23 2567 1.74 11-29N-13W 2568 19 SE1/4 15-29N-13W E1/2
15-29N-13W...

NY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1962

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iqg/

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 23, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Redfern & Herd, Inc., for a
force-pooling order, San Juan County, New Mexico,
Applicant, in the above-styled cause, seeks an
order force-pooling all mineral interests in the
Basin-Dakota Gas Pool underlying the S/2 Section
11, Township 29 North, Range 13 West, San Juan
County, New Mexico, to be dedicated to a well to
be drilled in the SE/4 SE/4 of said Section 11.

) CASE 2567

IN THE MATTER OF:

Application of Redfern & Herd, Inc., for a force-
pooling order, San Juan County, New Mexico.
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order force-pooling all mineral interests in the
Basin-Dakota Gas Pool underlying the E/2 Section
15, Township 29 North, Range 13 West, San Juan
County, New Mexico, to be dedicated to a well to
be drilled in the SE/4 NE/4 of said Section 15.

) CASE 2568

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: Case 2567.

MR. BRATTON: Howard Bratton on behalf of the applicant.

We have one witness and we can put on both 2567 and 2568 at the
same time, if it would suit the Commission.

MR. UTZ: 2567 and 2568 will be consolidated for the
purposes of testimony only.

(Witness sworn.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



WILLIAM B. JOHNSTON

called as a witness, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name, by whom you are employed and in what capacity?

A William B. Johnston, Redfern & Herd, Inc., as a landman.

Q Are you familiar with the applications in these two cases, Mr. Johnston?

A Yes.

Q Are you familiar with the matters leading up to it and the efforts of Redfern & Herd to obtain leases and/or communitization agreements in the areas?

A Yes.

Q Turning first to Case 2567, you seek an order force-pooling the mineral interests in the Basin-Dakota Gas Pool under the South Half of 11, 29 North, 13 West, is that correct?

A That's right.

Q And that's to be dedicated to a well to be drilled in the Southeast of the Southeast of 11?

A That's right.

Q That well has not been drilled as yet?

A No.

(Whereupon, Applicant's Exhibit No. 1 marked for identification.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1192

ALBUQUERQUE, N. M.
PHONE 243-6691

Q Mr. Johnston, will you refer to Exhibit No. 1, the big map on the board? Does that reflect the status of that tract insofar as Redfern & Herd's lease and the unleased acreage in it?

A Yes, I believe so. The colored acreage is the acreage in which we have leases or commitments from those having leases.

Q And the white acreage is the unleased acreage?

A That's right.

Q Is this located right in the south part of Farmington?

A In generally the southeast part of Farmington, the southeast edge of the town of Farmington.

Q As the map reflects, it's pretty severely chopped up by virtue of being subdivided for homes and shopping centers and other ownerships, is it?

A Right. This is the Aztec area, and, of course, you see the numerous small tracts on both sides of the area. Over here you get into the residential subdivision, which is extremely divided.

Q And the well itself would be located --

A Down in this portion here (indicating).

Q -- south and east of the highway, considerably?

A Yes.

(Whereupon, Applicant's Exhibit No. 2 marked for identification.)

Q Mr. Johnston, referring to a tabulation that has been marked as Exhibit No. 2, does that reflect the same information as



is shown on the map as to the tracts which you have not been able to lease or obtain agreements to joint operate?

A That's right. We checked this list with red checks, I believe, showing the tracts that are uncolored on this map. Now there are one or two parties that are on the list which have agreed to, subsequent to the listing being prepared, have agreed to lease. In the last day or two, one or two have called me, but they're shown on there because we don't have a lease in hand.

Q But the red checked entries on the Exhibit No. 2 are the ones that you do not have leases from, or operating agreements?

A Right.

Q Mr. Johnston, what efforts have you made to obtain leases or operating agreements from these owners?

A Some two years ago we started leasing in this tract and we acquired leases on most of the relatively large tracts. We employed brokers, we employed an independent landman on the ground making personal contact with all of those that live on the ground or operate their businesses. During the last several months we have secured title information on many of these chopped-up, cut-up areas, and from that title information have written letters to all of those that have not been leased, some of which had been personally contacted, had not been leased from; and we followed up with those letters, we made identical offers to all unleased small tract owners and we followed up those letters with second letters indicating to those people that we reluctantly must file



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 326-1182ALBUQUERQUE, N. M.
PHONE 243 6691

this force-pool application in order to get the unit put together and drill our well.

Q You did either examine the title or obtain take-offs as to the ownership of all of the tracts in this half section, is that correct?

A Yes. We either had abstracts on it or secured from an abstractor title information, and secured such additional information as was available from tax rolls and what-not on the leases.

Q In addition to the many personal contacts, do I understand you have written two letters to each one of these non-consenting owners?

A Essentially, that is correct. There are a few that probably have only received one letter due to recent title examination to where that the owner was just recently revealed.

Q In those letters, what did you offer each of these owners, Mr. Johnston?

A We made the blanket offer of \$60.00 per acre or the usual 1/8 royalty or no cash and a quarter royalty.

Q Is this consistent with the acreage that you have leased in this area?

A That is the highest price, to my knowledge, that we have paid in that area. Most of the acreage was acquired at a small amount less.

Q Is this acreage on the north edge of the Basin?

A Generally it's in the northwest area that produces from



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325 1102

ALBUQUERQUE, N. M.
PHONE 243 6691

the Dakota, I believe.

Q You may have paid different prices in the heart of the Basin, but this is the price at which you have leased your other acreage in this edge of the Basin?

A Yes, at this price or less.

Q So you have contacted by mail or in person every known mineral interest owner in this section?

A Yes.

Q And you have, through title examinations and through searches of the County records, determined to your satisfaction the mineral owners in the area?

A Reasonably so, yes.

Q Do you have some that are in question?

A No, not specifically.

Q You are still offering and desirous of leasing this acreage rather than force-pooling, if anybody is willing to go ahead and lease at this time?

A Yes. I have had one or two calls since apparently the applications were mailed out to the parties, and I informed each of them that we would voluntarily, and prefer to voluntarily accept a lease on the same basis that we had leased from other people, and we will continue to do so up through the drilling of the well.

Q As a matter of fact, it would be much simpler if it were leased, would it not?

A We would prefer to have 100 percent participation,



voluntarily.

Q Mr. Johnston, you have asked for a risk factor as to non-consenting working interest owners, is that correct?

A Yes.

Q Is that based on the location of the well with relation to the Basin?

A Yes. There are step-out wells.

Q As to this well, is there any offsetting production from the Dakota?

A Yes, there's a well in the East Half of 14 which I believe would be considered a direct offset to this well unit.

Q Is there any to the north?

A Not a direct offset.

Q Or to the west?

A No.

MR. BRATTON:: If the Examiner please, frankly we do not have any expert evidence; we don't propose to put on expert evidence as to the geology, the risk. We would ask the Commission to take administrative notice of its recent hearings on the Basin-Dakota Pool and the fact that there are wells of different characteristics brought in in the Basin-Dakota Pool; some are dry holes and some are economic failures, and we ask the Commission to take administrative notice of that fact and judge this well on that basis.

Q (By Mr. Bratton) As to your operating costs, Mr.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 355-1167

ALBUQUERQUE, N. M.
PHONE 243-6591



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1142ALBUQUERQUE, N. M.
PHONE 243-6691

Johnston, what operating costs do you anticipate and request the Commission to establish in connection with this unit?

A We have included in proposed operating agreements on these units an administrative overhead of \$100.00 per well. I would estimate it would cost an additional \$50.00 per well per month to handle the actual field operation of these wells.

Q Now the \$100.00 a month is what you've proposed in your joint operating agreements to those who want to join, to operate with you?

A That's right.

Q Is the reason for that because of the diverse ownership and the fact that you are going to have a number of small non-consenting owners?

A The administration of these units will be, as you can readily see, a voluminous task, and if you account to these owners monthly or quarterly or however you account to them, it's going to be an administrative chore. For that reason, we have raised our administrative overhead to \$100.00 a month per well. We normally include \$50.00 per month.

Q But that would be one where you do not have the problems of this multiple ownership?

A Right, that's the reason.

Q Is Redfern & Herd to be the operator of the well?

A Right.

Q In your opinion, Mr. Johnston, to protect the correlative



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rights of Redfern & Herd and of the non-consenting working interest owners, is it necessary to enter a force-pooling order in this case?

A We feel so.

Q Would Redfern & Herd be agreeable to a provision in the order that any non-consenting working interest owner would be afforded the opportunity to pay his share of well costs within thirty days after the well is completed and after a schedule of the costs are furnished to the non-consenting working interest owner?

A Yes, we would agree to that.

Q That would be without any risk factor as to such person?

A Yes.

MR. BRATTON: If the Examiner please, perhaps it might be better, if the Examiner or the Commission attorney have any questions as to this particular application, to ask them at this time before we get mixed up in the other one.

MR. UTZ: Yes, sir, I think that's a good idea.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Johnston, where do you intend to locate the well, or have you staked the location?

A Yes, we intend to locate the well in the Southeast of the Southeast Quarter. I might add, this map does not reflect the river, but it's to be located south of the river, and we have before



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the Commission an unorthodox location application for this well.

Q Due to topography?

A Yes.

MR. MORRIS: Does that well have a name?

A We're calling that one the Farmington Unit.

MR. UTZ: No. 1?

A Yes.

MR. UTZ: Are there any other questions?

MR. MORRIS: Yes.

BY MR. MORRIS:

Q Mr. Johnston, just to clarify this one point, Mr. Bratton has asked the Commission to take administrative notice that the usual risks that are involved in the drilling of Dakota wells, and I suppose that would be equally applicable to other wells in any pool, there are always certain risks -- are there any particular unusual risks with respect to any of these wells?

A Well, they are step-out locations producing from wells capable of producing, I don't think these offsets are on the line. They are, we consider, edge Dakota wells, generally in the north-west area, that's known to produce from the Dakota; and in an area that we would not consider the prime Dakota area.

Q Other than geological considerations, are you going to, at the location of your well -- is that in the City of Farmington, is there housing?

A No.



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Q Or other topographic obstructions in the immediate area?

A No. This well here falls in a cultivated field.

MR. UTZ: Would that be on the south bank of the Animas?

A It's southeast of the river, yes, sir.

Q (By Mr. Morris) With respect to the non-consenting owners in this unit, is it a possibility that there are, say, unknown heirs which you have not been able to locate or even to ascertain the identities of that might have some interest in this unit?

A There's that possibility, I would say. We've tried to diligently check all available records short of spending a lot of money acquiring an absolute abstract. I think you would have to admit that there's certainly that possibility.

Q Then there would also be the possibility that Redfern & Herd might have in its possession proceeds from production from the well which would not be actually distributed to the owners of interest?

A Well, I would say our normal policy --

Q One would follow the other, would it not?

A -- following the production of a well would be to examine even more diligently all available records and ascertain the ownership.

Q Assume with me, Mr. Johnston, that you cannot distribute some of the funds that come into your hands for various reasons, one of which might be that you couldn't find the person to whom it



should be distributed. What disposition do you feel that Redfern & Herd might make of that money; would they be willing to place it in escrow for distribution to the proper owner of those funds?

A Yes.

MR. MORRIS: I believe that's all I have.

MR. UTZ: Are there other questions of the witness?

You may proceed to 2568.

REDIRECT EXAMINATION

BY MR. BRATTON:

Q Mr. Johnston, with relation to Case 2568, that covers a Dakota well to be located in the East Half of Section 15, 29 North, 13 West, is that correct?

A That's correct.

Q That well has not been drilled?

A No, sir.

Q Your statements as to your knowledge of the background and events leading up to this application apply equally to this one as to the previous case?

A Yes, sir.

(Whereupon, Applicant's Exhibit 1, Case 2568, marked for identification.)

Q Referring to what has been marked as Exhibit No. 1 in Case 2568, is that likewise a map showing the leased and unleased area in the half section?

A That's right.

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Q The yellow area is under lease to Redfern & Herd?

A That's right.

Q And also the pink area at the north there, I believe that has come in?

A That's right. We had an undivided interest under that tract, and I have, subsequent to coloring the map, secured the lease on the other undivided interest.

Q So it also is under lease to Redfern & Herd?

A Right.

(Whereupon, Applicant's Exhibit 2, Case 2568, marked for identification.)

Q Exhibit No. 2 is a list of the owners of the unleased tracts, those unleased tracts being the ones with red checkmarks on that list, is that correct?

A Yes, that's unleased and uncommitted. There are some relatively large tracts in this area on which other companies have leases.

Q Without referring to those at the moment, as to the unleased interest, are your statements as to the efforts you've made to determine the ownership, and the efforts you have made to obtain leases, those statements you made in the previous case, equally applicable here?

A That's right.

Q And your statements as to your continued willingness to lease from any of these non-consenting owners?



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A That's right.

Q As to the tracts on which there are leases, I believe those are both Texaco tracts, are they not?

A Yes, that's right.

Q Have you been and are you negotiating with Texaco as to those interests?

A That's right. We have asked them to join in this unit.

Q And you are awaiting a further reply from them, is that correct?

A Yes, their last letter indicated we would be advised shortly.

Q Regardless of the order which might be entered in this case, you prefer to joint operate or take a farmout from Texaco?

A Yes.

Q Where is your well to be located in this half section?

A It will be in the Southeast Quarter Northeast Quarter, it's immediately south and east of the river again. On that map, I believe the river is drawn in. It also falls within an open cultivated or pasture-type tract.

Q As to this application as well as the previous one, you are willing to put in escrow those moneys which it might not be possible to distribute by virtue of not being able to determine owners or contact owners, is that correct?

A Yes, we would be agreeable.

Q And your offer to lease is still open to any of these



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owners through the drilling of the well?

A That's right.

Q Is there anything peculiar about this location as far as the risk factor, as Mr. Morris asked you about the previous case?

A The actual location of this well is a little further from any producing well. However, on a well unit basis it is a direct offset.

Q In one direction?

A Yes, sir, to the south.

Q But there is no offset to the west or north or east?

A No.

Q Your operating costs would be the same?

A Yes.

MR. BRATTON: I believe we have nothing further at this time. I would offer Applicant's Exhibits 1 and 2 in both cases.

Q (By Mr. Bratton) These were prepared by you or under your supervision?

A They were prepared by our attorney.

MR. UTZ: Without objections, exhibits in -- this would be Exhibit 1, also?

MR. BRATTON: Yes, sir, the big map will be Exhibit 1 in each case and the list of ownerships Exhibit 2 in each case.

MR. UTZ: Exhibits 1 and 2 in Cases 2567 and 2568 will be entered into the record in the cases.



RECROSS EXAMINATION

BY MR. UTZ:

Q Do you have this well located?

A Yes, it's to be in the Southeast Quarter Northeast Quarter immediately south and east of the river.

MR. MORRIS: Have you given that well a name?

A Yes, that's what we call our Farmington Unit B Well 1.

MR. UTZ: Any other questions?

MR. MORRIS: Yes, sir.

BY MR. MORRIS:

Q Mr. Johnston, in the operating agreements which have been signed with some of the interest owners in these units, what allowance has been made for the risk involved in the drilling of the well, if any?

A Well, our operating agreement has a standard provision for additional wells; however, there is no express provision in connection with this well. Since normally these Dakota units are one well units, I mean if they agree to drill this well, they take 100 percent, we have asked no one to sign any agreement providing for a risk factor on the initial well.

Q Some of the interests that have joined the operating agreements are to be carried interests, though, are they not?

A No.

Q They all agree to pay their costs in advance of the drilling of the well?

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A Well, not in advance, ordinarily, but ordinarily we bill them at completion of the well.

Q None of the interests have made arrangements with you to pay their costs of the well out of production?

A No, sir.

Q Mr. Johnston, in your title searches, or searches for interest owners in these two units, have you ever come upon a person by the name of Bonnie Minor, the Administratrix of the J. W. Dickey Estate?

A Yes, that is the small triangular piece there in the Southeast Northeast Quarter. We have put forth a lot of effort over the last eighteen months to acquire that property in fee or lease it or do almost anything. Now most recently we were given a list of the, supposedly a list of all of the heirs, and we have now written to all those heirs making them the same offer that we made everyone else.

MR. MORRIS: For the record, Mr. Examiner, the Commission has received a letter from Mr. Johnston Jeffries, Attorney at Law in Aztec, New Mexico, who represents Bonnie Minor, the Administratrix of the J. W. Dickey Estate to which I have just referred. He did not in his letter refer to the exact acreage which the Dickey Estate owns, and I did not know to which application it might be applicable. I would like to offer his letter in the record of Case 2568. Mr. Jeffries wants to be sure that they are included in whatever unit is formed in this particular area.

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MR. BRATTON: I believe that is correct.

MR. MORRIS: I have just shown that particular letter to Mr. Bratton, and I believe --

MR. BRATTON: That is correct.

MR. MORRIS: That's all the questions I have.

MR. UTZ: Are there any other questions of the witness?
The witness may be excused.

(Witness excused.)

MR. UTZ: Any other statements in this case?

MR. MORRIS: Yes, sir. The Commission has received a letter from Skelly Oil Company with reference to Case 2567, stating that Skelly is agreeable to pooling as requested by the applicant in that case.

MR. UTZ: The case will be taken under advisement.

* * * * *



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PHONE 243-6691

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings was reported by me in stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 9th day of June, 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 256242568 heard by me on May 23, 1962.

Thurston, Examiner
New Mexico Oil Conservation Commission



REDFERN & HERD, INC.

WILCO BUILDING
MIDLAND, TEXAS

POST OFFICE BOX 1747
TELEPHONE MUTUAL ~~XXXXXX~~ 35184

November 7, 1962

IN REPLY REFER TO
FILE:

Re: Farmington Unit #1 - S/2 Section 11, T-29-N, R-13-W,
San Juan County, New Mexico
(Oil Conservation Case No. 2567 - Order No. R-2257)

TO: ALL NON-CONSENTING OWNERS

Enclosed is a copy of the Statement of Costs which we have expended in drilling the above well.

Under the Order of the Oil Conservation Commission, we are to afford any non-consenting owner a thirty (30) day notice in which to pay his share of the well costs.

Unless we receive your share of the costs as indicated on the attached list of non-consenting owners on or before thirty (30) days after receipt of this letter, we shall presume that you elect not to pay your share of the costs and in lieu thereof, the Operator will recover your share of the costs, plus twenty-five percent (25%) thereof, out of seven-eighths (7/8ths) of your share of the production from this well.

Very truly yours,

REDFERN & HERD, INC.

Wm. B. Johnston
Wm. B. Johnston

WBJ:lk

Attachments

REDFERN & HERD, INC.

LOCATION: The S/2 of Section 11, Township 29 North,
Range 13 West, San Juan County, New Mexico.

LEASE NAME Farmington Unit
DRILLING ~~EXPENSES~~

| Code 1 | INTANGIBLE DEVELOPMENT | Well # | Well # | Well # 1 | |
|---------|---|-------------|-----------------------------|--------------|-------------|
| 1-1-1 | Drilling (Footage) 5984' @ \$3.70 + tax | | | \$ 22,362 21 | |
| 1-1-2 | Daywork, W/DP | | | | |
| 1-3 | Daywork, WO/DP | | | | |
| 1-2 | Labor | | | 3,510 63 | |
| 1-3 | Trucking | | | 147 40 | |
| 1-4 | Roads, Loc. & Damages | | | 444 15 | |
| 1-5 | Power, Fuel & Water | | | | |
| 1-6-1 | Materials, Supplies & Rentals | | | 1,553 03 | |
| 1-6-2 | Mud & Chemicals | | | 3,452 29 | |
| 1-7-1 | Surveys & Test | | | 948 60 | |
| 7-2 | Cement & Cementing | | | 2,051 29 | |
| 7-3 | Perforating & Treating | | | 6,761 32 | |
| 1-8 | Geological & Engineering | | | 1,035 30 | |
| | Coring | | | | |
| | Core Analysis | | | | |
| | Other (Includes Plugging) | | | 841 86 | |
| | Total Intangible | | | | \$43,108.08 |
| Code 3 | WELL EQUIPMENT | | | | |
| 3-1-1 | Casing | | | 8,745 90 | |
| 3-1-2 | Tubing | | | 2,714 74 | |
| 3-1-3 | Rods | | | | |
| 3-2 | Well Head Connections | | | 1,845 04 | |
| 3-4 | Pumping Equipment | | | | |
| 3-5 | Other | | | | |
| | Total Well Equipment | | | | |
| Code 4 | LEASE EQUIPMENT | | | | |
| 4-1 | Tank Batteries & Treating Equipment | | | | |
| 4-6 | Lease Lines | | | | |
| 4-7 | Fittings | | | | |
| 4-8 | Other Equipment | | | 583 73 | |
| | Total Lease Equipment | | | | |
| | Total Lease & Well Equipment | | | | \$13,889.41 |
| Code 6 | LEASE OPERATIONS | | | | |
| 6-1 | Labor-Contract & Payroll | | | | |
| 6-2 | Repairs & Supplies | | | | |
| 6-3 | Automobile & Truck | | | | |
| 6-4 | Power, Fuel & Water | | | | |
| 6-6 | Cleanout, Pulling & Workover | | | | |
| 6-7 | Misc. Direct Expense | | | | |
| 6-8 | Taxes & Insurance | | | | |
| 6-10 | Retirement & Abandonment | | | | |
| 6-11 | Administrative Charges | | | | |
| 6-12 | Misc. Indirect Expense | | | | |
| | Total Lease Operations | | | | |
| | TOTAL COST, MONTH OF | | | | \$56,997.49 |
| | Intangible Development | Equipment | LEASE OPERATIONS | | |
| R | | | | | |
| H | | | | | |
| JV | | | | | |
| 100 % - | \$43,108.08 | \$13,889.41 | | \$56,997.49 | |

REDFERN & HERD, INC.

Farmington Unit #1
 S/2 Section 11, T-29-N, R-13-W,
San Juan County, New Mexico

CARRIED INTERESTS

| <u>NAME</u> | <u>NET ACRES</u> | <u>INTEREST PERCENTAGE</u> | <u>SHARE OF COST</u> |
|--|------------------|----------------------------|----------------------|
| Tri-State Amusement Company, Inc. | .1595 | .049844% | \$ 28.41 |
| Roy C. Hays and wife, Cora B. Hays | .1250 | .039063 | 22.26 |
| Vinson Supply Company | .2189 | .068406 | 38.99 |
| State Electric Supply Company | 1.1570 | .361563 | 206.08 |
| Leo Pearson and wife, Dorothy J. Pearson, (Joint Tenants) | .1312 | .041000 | 23.37 |
| Troy P. Kennedy | 1.2698 | .396812 | 226.17 |
| Jim Johnson & Chester R. Eden | 8.3896 | 2.621750 | 1,494.33 |
| William Thomas Daniel and wife, Ruby Dickinson | | | |
| Daniel, (Joint Tenants) | 1.1363 | .355094 | 202.39 |
| Fant Roberts | 1.5000 | .468750 | 267.18 |
| Doro Guarco | .5804 | .181375 | 103.38 |
| Hans Van Ness Allen | 1.0258 | .320562 | 182.71 |
| Merle Feller, et ux | .2123 | .066344 | 37.81 |
| Ed Parris | .3920 | .122500 | 69.82 |
| Stanley J. Gilmer | .8365 | .261406 | 148.99 |
| Dresser Industries, Inc. | 1.7613 | .550406 | 313.72 |
| Ervin Jones and wife, Ethel Smith Jones, (Joint Tenants) | .8952 | .279750 | 159.45 |
| Ben B. Thomas and wife, Juanita B. Thomas, (Joint Tenants) | .7254 | .226688 | 129.21 |
| C. L. McKinney and wife, Opal McKinney, (Joint Tenants) | .9245 | .288906 | 164.67 |
| Chester R. Eden and wife, Billie J. Eden | .2880 | .090000 | 51.30 |
| Robert J. Batley, D. J. Barnes, John C. McCulloch, A.D. Leslie, Roy Owen, D/B/A Associated Investors, a co-partnership | .3120 | .097500 | 55.57 |
| Billie Faye Hammer | .2303 | .071969 | 41.02 |
| George A. Rutherford, Jr. | .2303 | .071969 | 41.02 |
| Harry T. Driver | .2303 | .071969 | 41.02 |
| M. A. Jacobson | .2303 | .071968 | 41.02 |
| R. E. Willis | .0987 | .030844 | 17.58 |
| Elizabeth B. Willis | .0987 | .030844 | 17.58 |
| C. Roy Shaw | .0987 | .030844 | 17.58 |
| Sheila Willis Shaw | .0987 | .030843 | 17.58 |
| | <u>23.3567</u> | <u>7.298969</u> | <u>\$4,160.21</u> |

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2567
Order No. R-2257

APPLICATION OF REDFERN & HERD, INC.
FOR A FORCE-POOLING ORDER, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 23, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of June, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Redfern & Herd, Inc., seeks an order pooling all mineral interests in the Basin-Dakota Gas Pool in the S/2 of Section 11, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant has made diligent effort to identify and to locate all owners of interest in the proposed proration unit.
- (4) That the applicant has made fair and reasonable offers to lease or to communitize with respect to each non-consenting interest owner whose identity and address is known.
- (5) That although the applicant has made fair and reasonable offers and has been diligent in its efforts to form the proposed proration unit, there remain non-consenting interest owners in the subject proration unit who have not agreed to the pooling of their interests.

(6) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said proration unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in the Basin-Dakota Gas Pool, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit.

(7) That the applicant proposes to dedicate the subject proration unit to its Farmington Unit Well No. 1, to be located in the ~~Basin-Dakota Gas Pool~~ said Section 11.

(8) That the applicant seeks permission to withhold the proceeds from production attributable to each non-consenting working interest until such time as each interest's share of the costs of said well has been recovered, plus 50 percent thereof as a charge for the risk involved in the drilling of the well.

(9) That \$75.00 per month should be fixed as the cost of operating the subject well and each non-consenting working interest owner should be assessed with his share of such cost, to be paid out of production.

(10) That the applicant should furnish the Commission and each known non-consenting working interest owner in the subject unit an itemized schedule of well costs within 30 days following the date the subject well is completed.

(11) That any non-consenting working interest owner should be afforded the opportunity to pay his share of well costs within 30 days from the date the schedule of well costs is furnished him by the applicant in lieu of paying his share of costs out of production.

(12) That any non-consenting working interest owner not electing to pay his share of well costs within 30 days from the date said schedule is furnished him should have his share of the well costs withheld from production plus 25 percent thereof as a reasonable charge for the risk involved in drilling the well.

(13) That all proceeds from production from the subject well which are not disbursed for any reason should be placed in escrow in San Juan County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership.

(14) That Redfern & Herd, Inc. should be designated the operator of said unit.

IT IS THEREFORE ORDERED:

(1) That all mineral interests, whatever they may be, in the Basin-Dakota Gas Pool in the S/2 of Section 11, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, are hereby pooled to form a 320-acre gas proration unit. Said unit shall be dedicated to the Farmington Unit Well No. 1, to be located in the SE/4 SE/4 of said Section 11.

(2) That Redfern & Herd, Inc. is hereby designated the operator of said unit.

(3) That Redfern & Herd, Inc. is hereby authorized to withhold the proceeds from production attributable to each non-consenting working interest until such time as each interest's share of well costs has been recovered, plus 25 percent thereof as a charge for the risk involved in the drilling of the well.

(4) That \$75.00 per month is fixed as the cost of operating the subject well, and Redfern & Herd, Inc. is hereby authorized to withhold from production the proportionate share of such cost attributable to each non-consenting working interest.

(5) That any unsevered mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs and charges under the terms of this order.

(6) That any well costs or charges which are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(7) That the applicant shall furnish the Commission and each known non-consenting working interest owner in the subject unit an itemized schedule of well costs within 30 days following the date the subject well is completed.

(8) That any non-consenting working interest owner shall have the right to pay his share of well costs to Redfern & Herd, Inc. within 30 days from the date the schedule of well costs is furnished him by Redfern & Herd, Inc., in lieu of paying his share of well costs out of production. In the event any such owner elects to pay his share of well costs as provided for in this paragraph, he shall remain liable for operating costs but shall not be liable for risk charges.

(9) That all proceeds from production from the subject well which are not disbursed for any reason shall be placed in escrow

-4-

CASE No. 2567

Order No. R-2257

in San Juan County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. The Commission shall be notified as to the name and address of said escrow agent.

(10) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

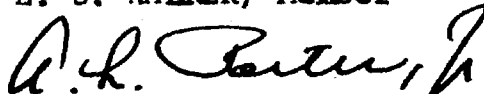
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



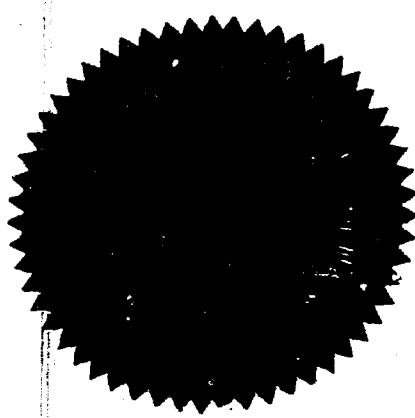
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



A. L. PORTER, Jr., Member & Secretary



EST/

5-2-24
EXHIBIT 2C ✓

To Title Opinion No. 18,473

Sullivan Subdivision

8.65 acres

~~S.W. 1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.
(Now Sullivan Subdivision)

Owners:

Block 1

Lots 1, 2, 3, 4:

Lots 5, 6, 7:

Lot 8:

Lot 9:

Lot 10:

Lot 11:

Lot 12:

Mid-Continent Supply Company

Elmer E. Folsom, et al

Jim Argosnes

~~Mid-Continent Supply Company~~ *Our business*

J. H. Hicks

C. R. Huntington *1/2 11th Range 42*

James F. Egan ✓

Block 2

Lots 1, 2, 3, 4, 5:

Lot 6:

Lot 7:

Lots 8, 9:

Cummins Sales & Service

John W. Watson et ux

Marie Feller et ux ✓

George E. Young et ux

Block 3

Lots 1, 2:

Lots 3, 4:

Lot 5:

Lots 6, 7:

Lots 8, 9:

Lots 10, 11, 12:

Jack James et al

Beverett B. King et ux

Franklin S. Weathers et ux

B. C. Dodson

Ed Farris ✓

Michael J. Malcoff & Co.

Tract B-1

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North 3 acres of ~~S.W. 1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

Owners:

W. W. Knudsen et ux, Mabel H.
Knudsen, joint tenants

Tract B-2

South 2 acres of ~~S.W. 1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

Owners:

Walter B. Bear et ux, Anita E.
Bear, joint tenants

FAIRVIEW Village Subdivision

✓ 116 E² of Lot 22, Block 1, ~~R~~ Chester F. Eden
✓ 170 W² of Lot 22, Block 1, A.D. Leslie, et al

Tract B-3

~~SW1/4NW1/4SW1/4~~ and all of the ~~SW1/4NW1/4SW1/4~~ lying North of the Highway in Section 11, Township 29 North, Range 13 West, N.M.P.M.

EXCEPT a tract of land described as: Beginning at a point which is South 0°11' West 3360.4 feet from the Northeast corner of the ~~NW1/4NW1/4~~ of Section 11, Township 29 North, Range 13 West;
THENCE South 0°11' West 200 feet to a point in the North right-of-way line of U.S. Highway 550, being the intersection of said North right-of-way line and the East line of the ~~SW1/4SW1/4~~ of said Section;
THENCE South 72°46' West along said right-of-way line 674.8 feet;
THENCE North 0°11' West, 300 feet;
THENCE North 72°46' East, 150 feet;
THENCE South 0°11' West, 150 feet;
THENCE North 72°46' East, 308.1 feet;
THENCE North 0°11' East, 50 feet;
THENCE North 72°46' East, 216.7 feet to the point of beginning;
AND EXCEPT a tract of land: Beginning at a point which is South 0°11' West, 3208.20 feet;
THENCE South 72°46' West, 517.59 feet from the Northeast corner of the ~~NW1/4NW1/4~~ of said Section 11;
THENCE South 72°46' West, 157.21 feet;
THENCE North 0°11' East, 250 feet;
THENCE North 89°40' East, 150 feet;
THENCE South 0°11' West, 204.3 feet to the point of beginning.

Owners:

Thomas T. Davis et ux, Mary Isabel Davis, and Walter D. Baer et ux, Anita H. Baer

Tract B-4

0.34 acres

Beginning at a point which is South 0°11' West 3152.92 feet;
THENCE South 89°40' West, 489.12 feet from the Northeast corner of the ~~NW1/4NW1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE South 0°11' West, 101.35 feet;
THENCE South 89°40' West, 150 feet;
THENCE North 0°11' East, 100 feet;
THENCE North 89°40' East, 150 feet to point of beginning.

Owners:

J. C. Mooren, Jr. et ux, Lucille Mooren, joint tenants

Tract B-5

Beginning at a point which is South 0°11' West 3208.20 feet and South 72°46' West 517.59 feet from the Northeast corner of the ~~NW1/4NW1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE South 72°46' West, 157.21 feet;
THENCE North 0°11' East, 150 feet;
THENCE South 89°40' East, 150 feet;
THENCE South 0°11' West, 102.95 feet to point of beginning.

Owner:

Marine National Exchange Bank

Tract A-6

Beginning at a point which is South 0°11' West 3260.6 feet;
THENCE South 72°46' West 124.8 feet from the Northeast corner
of NE 1/4 of Section 11, Township 29 North, Range 13 West, T.M.P.M.;
THENCE South 0°11' West, 150 feet;
THENCE South 72°46' West, 150 feet;
THENCE North 0°11' East, 150 feet;
THENCE North 72°46' East, 150 feet to point of beginning.

Owner:

7 to 11 Feed Store, a partnership
consisting of Jack Hughes & Hubby
Fraser

Tract A-7

.663 acres

Beginning at a point which is 17.5 feet North 72°46' East from the
intersection of the West line of the NE 1/4 of Section 11, Township
29 North, Range 13 West, T.M.P.M., and the North line of U.S. Highway
No. 550, which point is in the East line of a public road;
THENCE North 0°11' East, 150 feet along the East line of public road;
THENCE North 72°46' East, 200 feet;
THENCE South 0°11' West, 150 feet to a point in the North line of U.S.
Highway No. 550;
THENCE South 72°46' West, 200 feet along North line of U.S. Highway
No. 550 to the point of beginning.

Owner:

Major Oil & Gas Co.

Tract A-8

Beginning at a point which is South 0°11' West, 3260.6 feet, thence
South 72°46' West, 329.8 feet from the Northeast corner of the NE 1/4
of Section 11, Township 29 North, Range 13 West, T.M.P.M.;
THENCE South 72°46' West, 145 feet;
THENCE North 0°11' East, 150 feet;
THENCE North 72°46' East, 125 feet;
THENCE South 7°22' East, 145.28 feet to the point of beginning.

Owner:

William T. Brown Daniel
Hubby Fraser Daniel

Tract A-9

Beginning at a point which is South 0°11' West, 3260.6 feet thence
South 72°46' West 329.8 feet from the Northeast corner of the NE 1/4
of Section 11, Township 29 North, Range 13 West, T.M.P.M.;
THENCE South 72°46' West, 100 feet;
THENCE North 7°22' West, 145.28 feet;
THENCE North 72°46' East, 125.1 feet;
THENCE South 4°31' West, 124.61 feet to point of beginning.

Owner:

Major Oil & Gas Co.

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Tract A-10

0.75 acres

Beginning at a point in the East line of the ~~NE1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M., which is South 0° 11' West, 3410.6 feet from the Northeast corner of the ~~NE1/4~~ of said Section 11;
THENCE South 0° 11' West, 130 feet to the North line of U.S. Highway 390;
THENCE South 72° 46' West, 229.8 feet;
THENCE North 4° 51' East, 134.61 feet;
THENCE North 72° 46' East, 216.7 feet to point of beginning.

Owner:

El Paso Natural Gas Products Company

Tract A-11

0.25 acres

Beginning at a point which is South 0° 11' West, 3410.6 feet from the Northeast corner of the ~~NE1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE South 0° 11' West, 50 feet;
THENCE South 72° 46' West, 216.7 feet;
THENCE North 0° 11' East, 50 feet;
THENCE North 72° 46' East, 216.7 feet to point of beginning.

Owner:

El Paso Natural Gas Products Company

Tract A-1

2.3 acres

~~NE1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

Owners:

James Frank Reichard et ux, Fawn Reichard, joint tenants

Tract A-2

1.25 acres

~~NE1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

Owner:

J. F. Rogers et ux, Lois Rogers, joint tenants

Tract A-3

1.25 acres

~~NE1/4~~ of Section 11, Township 29 North, Range 13 West, N.M.P.M.

Owner:

Eva S. Rogers et vir, G. H. Rogers, joint tenants

(husband now deceased)

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Tract C-4

1.5 acres, more or less

North 99 feet of ~~S $\frac{1}{4}$ N $\frac{1}{4}$ W $\frac{1}{4}$~~ SW $\frac{1}{4}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M., more particularly described as follows: Beginning at a point in the West line of Section 11, Township 29 North, Range 13 West, N.M.P.M., from which the Northwest corner of the SW $\frac{1}{4}$ of Section 11 bears North 0°06' East, 330 feet; THENCE North 89°57' East, 660 feet; THENCE South 0°06' West, 99 feet; THENCE South 89°57' West, 660 feet; THENCE North 0°06' East, 99 feet to place of beginning.

(Now Block 2 of Schofield-Roberts Subdivision)

Owners:

Fant Roberts et ux, community property

Tract C-5

3.5 acres, more or less

South 231 feet of ~~S $\frac{1}{4}$ N $\frac{1}{4}$ W $\frac{1}{4}$~~ SW $\frac{1}{4}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M., more particularly described as follows: Beginning at a point which lies South 0°06' West, 429 feet from Northwest corner of SW $\frac{1}{4}$ of Section 11; THENCE North 89°57' East, 660 feet; THENCE South 0°06' West, 231 feet; THENCE South 89°57' West, 660 feet; THENCE North 0°06' East, 231 feet to point of beginning.

(Now Block 1 of Schofield-Roberts Subdivision)

Owners:

Lot 1:

Kathryn Pearson, whose husband is T. C. Pearson

Lots 2, 3, 4, 5, 6, 7,

$\frac{1}{2}$ of Lot 8:

C. B. Schofield

$\frac{1}{2}$ of Lot 8:

James B. Burton et ux

Lots 9, 10:

Blake Touchstone et ux

Lot 11:

Walter T. Berg et ux

Tract M-1

2.267 acres

Beginning at the Northwest corner of SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11, Township 29 North, Range 13 West, N.M.P.M.; THENCE North 75°18' East, 200 feet; THENCE South 2°0' East, 640 feet to center of North Furmanston ditch; THENCE following center line of ditch until it crosses West line of Section 11; THENCE North 0°1' East, 516 feet to point of beginning.

Owner:

El Paso Natural Gas Company

Tract M-1

1.767 acres

Beginning at the Northwest corner which is a point on the southerly line of U.S. Highway 550, 125.60 feet North 73°21' East along line from T-Rail Highway marker opposite Station 34 + 83.35 on center line survey of Highway, said point being approximately 200 feet North 73°21' East along southerly line of Highway from its intersection with West line of Section 11;

THENCE North 73°21' East, 150 feet to Northeast corner;

THENCE South 0°57' East, 487.45 feet to Southeast corner; a point in center line of North Farmington Ditch;

THENCE South 49°14'20" West along center line of ditch, 100 feet to Southwest corner;

THENCE North 0°57' West, 367.25 feet to point of beginning.

Owner:

Gardner Brothers Drilling Company,
a corporation

Tract M-2

.995 acres

That portion of the NW 1/4 of Section 11, Township 29 North, Range 13 West, N.M.P.M., described as beginning at a point on the southerly line of U.S. Highway No. 550, at a point designated as State Highway right-of-way marker, Station 83.65, North 73°21' East, 275.6 feet to the original Northwest corner of the San Juan Hotel Corporation property;

THENCE South 0°57' East, 10.4 feet to Corner No. 1, the new Northwest corner;

THENCE North 73°21' East, 100 feet to Corner No. 2, along the new right-of-way line of U.S. Highway 550;

THENCE South 0°57' East, 423.61 feet to Corner No. 3;

THENCE South 49°14'20" West, 123.32 feet to Corner No. 4;

THENCE North 0°57' West, 477.03 feet to Corner No. 1 and the place of beginning, containing .995 acres, more or less.

Owners:

George E. Young, Billie Pope
Bauer, George A. Rutherford,
Jr., Erny T. Driver, M. A.
Jacobson

Tract M-3

That part of the NW 1/4 of Section 11, Township 29 North, Range 13 West, N.M.P.M., described as beginning at a point 410.3 feet East of a point on the West line of the NW 1/4 of said Section 11, from which the Northwest corner of said Section bears North 0°23' East, 3729.1 feet, said point of beginning being also Station 47.20 on the South right-of-way line of new U.S. Highway 550;

THENCE South 0°57' East, 410.3 feet;

THENCE North 49°14'20" East, 4.25 feet;

THENCE North 60°14'30" East, 209.23 feet;

THENCE North 1°23' East, 209.7 feet to a point on the South right-of-way line of said U.S. Highway 550;

THENCE South 73°27' East along said right-of-way line 203 feet to the point of beginning.

Owner:

San Juan Hotel Corporation

Tract H-2

The East 100 feet of the following described land and real estate, to-wit:
Beginning at the Northwest corner of the SW¹/₄ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE North 75°18' East, 863 feet to the center of the County Road;
THENCE South 358 feet to the center of the North Farmington Ditch;
THENCE following the center line of said ditch until it crosses the West line of said Section 11;
THENCE North 00°11' East, 616 feet to the point of beginning.

Owner: Henry Weibesen

Tract V-1

2.199 acres

Beginning at the intersection of the North edge of U.S. Highway 350 with the West line of SE¹/₄ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE North 69°36' East along public road, 175 feet;
THENCE North 581 feet;
THENCE South 69°36' West, 175 feet parallel to Highway 350;
THENCE South 581 feet to point of beginning.

Owner: Dresser Industries, Inc., a Delaware corporation

Tract V-2

.99 acre

Beginning North 69°36' East, 175 feet from intersection of the North line of U.S. Highway 350 with West line of the SE¹/₄ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE North 1°13' East, 420.4 feet to iron stake;
THENCE South 88°47' East, 111.6 feet;
THENCE South 1°13' West, 376.2 feet to North line of Highway;
THENCE South 69°36' West, 120 feet to point of beginning.

Owner: The Young, Green Sheet & Tube Company

Tract V-3

.890

Beginning North 69°36' East, 295 feet from intersection of the North line of U.S. Highway 350 with the West line of the SE¹/₄ of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
THENCE North 1°13' East, 376.2 feet;
THENCE South 88°47' East, 97.5 feet to iron stake;
THENCE South 1°13' West along County road, 327.5 feet to North line of Highway 350;
THENCE South 69°36' West, 183 feet along highway line to point of beginning.

Owner: Sylvia Jones et al, Ethel Ruth Jones, John Thomas

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Tract V-4

A strip of land 50 feet in width East and West, and approximately 1618.3 feet in length North and South, more particularly described as follows:

Beginning at the North side of U.S. Highway 330 at a point North 69°36' East, 400 feet from the point where the North line of said Highway intersects the West line of the SW 1/4 of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
 THENCE North 69°36' East, 53.3 feet;
 THENCE North along the North line of the SW 1/4 of Section 11, 1618.3 feet;
 THENCE West 50 feet;
 THENCE South to point of beginning.

Owners:

R. E. Willis, Elizabeth Willis,
 C. Roy Shaw, Phyllis Willis Shaw
 (each one-fourth)

Tract V-5

Beginning at a point North 69°36' East, 433.8 feet from the point where the West line of the SW 1/4 of Section 11, Township 29 North, Range 13 West, N.M.P.M., intersects the North line of U.S. Highway 330;
 THENCE North 69°36' East, 110 feet along said Highway;
 THENCE North 460.5 feet;
 THENCE West 102.4 feet, more or less, to street;
 THENCE South 500 feet to point of beginning.

Owners:

Don S. Thomas et ux, Jeanita S. Thomas, joint tenants

Tract D-5 Vootirin

1,000

Tract V-6

Beginning at a point that is North 69°36' East, 343.8 feet from the point where the North line of the right-of-way of U.S. Highway 330 intersects the West line of the SW 1/4 of Section 11, Township 29 North, Range 13 West, N.M.P.M.;
 THENCE North 0°39' East, 460.5 feet, more or less;
 THENCE West 102.4 feet to street running North and South;
 THENCE North 0°39' East, 61.3 feet;
 THENCE South 89°01' East, 233.33 feet;
 THENCE South 0°40' West, 464.31 feet;
 THENCE West 161.95 feet to the point of beginning.

Owners:

C. L. McKinney et ux, Opal McKinney

- ✓ VIII SKELLY 2,000
- ✓ III TEXACO 1,950
- ✓ XIV STATE Electric 909
- ✓ XV Troy P. Kennedy 1,012
- ✓ XVII Chester R. Eden, et al 9,780
- ✓ XVI VINSON, TRI-STATE, Hays 352 (value)

HEAD FOR A FORCE POOLING SLIDE,
San Juan County, New Mexico.