21/35/710 PC NA

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638

Midland. Texas 79702

Phone 915 686-9869 FAX 915 683-1649

June 18, 2002

JUN 2 0 ?

Mr. William V. Jones, Jr., PE New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

RE: **SECOND** PROPOSAL TO COMMINGLE NATURAL GAS

Dear Mr. Jones:

Please find attached *second* proposal to commingle four Federal wells on Lease number NM 05791 located in San Juan, New Mexico. Bobby Vigil directed me to use a Sundry Notice to accomplish this proposal. There are four wells on NM 05791. Proposed commingling should be as follows:

Federal M#1 (20317) commingled with Federal M#3 (25888).

Sent individually in duplicate.

Federal M#1A (25846) commingled with Federal M#2 (25855) Sent individually in duplicate.

For you information, the only changes from the first transmittal are in the cover letter and attachments. In the cover letter additional questions from William Jones and Jim Lovato are addressed. As for the attachments, please find gas analysis for all of the wells and a copy of the letter sent out to interest owners.

Thanking you in advance for your prompt attention, 915 686-9869, Phyllis R. Gunter.

Sincerely,

Phyllis P Sunter

Phyllis R. Gunter

Prg

attachments

Phoenix (Pr	op: 26852) v	vells in	Sec 3,	, T27I	N, K8W.	Phoenix (Prop: 26852) wells in Sec 3, T27N, R8W. All Federal, All Gas, No Plugged.	Gas, No P	lugged.					•						
API	WELL NAME	Š	EW	UL1	UL2 TV	WELL NAME NS EW UL1 UL2 TVD Orig FORM (or NOTES) STATUS	VOTES) S	STATUS	Latest Pool	GAS2002)IL2002 V	VAT2002	3AS2001	OIL2001	WAT2001	GAS2002 OIL2002 WAT2002 GAS2001 OIL2001 WAT2001 GAS2000 OIL2000 WAT2000	 	WAT2000	2002 POOL
30-045-20317	30-045-20317 Fed M #001 1190S 1800W N N	11908	1800W	z	N 6644	4	¥.		BLANCO-Mvrd (Pro GAS)	4308	0	0	19883	ις.	45	19591	0	0	72319
30-045-25846	30-045-25846 Fed M #001A 1500N 1680W F	1500N	1680W	ш	F 4850	20	AC	ACTIVE E	BLANCO-Mvrd (Pro GAS)	10714	0	0	43599	0	0	43413	ر	0	72319
30-045-25855	30-045-25855 Fed M #002 1220N 1590W C	1220N	1590W	ပ	3 3311	11	AC		OTERO CHACRA (GAS)	670	0	0	829	0	0	825	0	0	82329
30-045-25888	10-045-25888 Fed M #003 1700S 1800W K	1700S	1800W	¥	K 3325	25	AC	ACTIVE (OTERO CHACRA (GAS)	740	0	0	1451	0	0	1431	0	0	82329
30-045-30807	Fed M #001B	1850S	1850W	¥	<u> </u>	30-045-30807 Fed M #001B 1850S 1850W K K 0 BLANCO MESAVERDE NO COMPL	RDE NC	COMPL		0	0	6	0	0	Ô	0	0	0	0

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638

Midland, Texas 79702

Phone 915 686-9869 FAX 915 686-7798

June 18, 2002

Mr. William V. Jones, Jr., PE New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505 Jim Lovato
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401

RE: SECOND APPLICATION FOR PROPOSED SURFACE COMMINGLING & LEASE MEASUREMENT WELLS OPERATED BY PHOENIX HYDROCARBONS FEDERAL M #1A AND FEDERAL M #2 SAN JUAN COUNTY, NM

Dear Mr. Jones and Mr. Lovato:

Phoenix is submitting this **Second** Sundry Notice to request your approval for the surface commingling of natural gas produced from two wells operated by Phoenix, the Federal M#1A and Federal M#2. Both wells are located on Federal Lease NM-05791. The CPD sales meter is located on the lease and will not require off-lease measurement, but will require approval for surface commingling. (Attachment #1)

Only natural gas will be surface commingled. Phoenix took over operations August 1, 2000 and there has been no water or condensate production from the M#2 since we took operations over. The M#1A does make less than one barrel of water per month and less oil per month.

The Federal M#1A was completed January 23, 1984 in the Blanco Mesaverde, API #30-045-25846. The Federal M #1A is located in Section 3, T-27N, R-8W; 1500' FSL and 1680' FWL. (Attachment #2)

The Federal M#2 is approximately 280' North of the M#1A. The wells share a 3 Phase Separator and Universal compressor. The Federal M#2 was completed February 28, 1984 in the Largo Chacra, API #30-045-25855. The M#2 is located in Section 3, T-27N, R-8W; 1220' FNL and 1590' FWL. (Attachment #3)

Attachment #4 is a hand drawn map of the San Juan Basin wells operated by Phoenix. The Federal M #1A is highlighted.

Attachment #5 shows the interest ownership summary for the Federal M #1A and the Federal M#2. Attachment 6 includes the address of the interest owners.

PROPOSED ALLOCATION PROCEDURE

72 hour test on the M#1A = 110 MCFPD M#1A(CPD) average sales = 128 MCFPD Production for the M#2 128 (-) 110 = 18 MCFPD

> M#1A = 110 MCFPD 86% M#2 = 18 MCFPD 14% 128 MCFPD 100%

Phoenix's method of allocation for the properties will be based on a well test. This office was in contact with Mr. Lovato, (505) 599-6367; he stated that the method Phoenix has been using is acceptable to the BLM provided the owners do not object. The pumper will shut one well (M#1A) in for 72 hours to calculate the production from the producing well (M#2); and, by deducting (M#2) from the commingled total volume from both wells (M#1A & M#2), following 72 hours volume, (M#1A & M#2)-(M#2)=volume for well (M#1A). The production will be allocated by these percentages, provided both wells produce the same number of days per month. The days produced monthly will come from the pumper's report.

In answer to Mr. Lovato's additional questions:

The M#1A and M#2 are purged or vented individually; therefore there is no allocation methodology for purging or venting.

The M#1A and M#2 go through a 3 Phase Separator, although the Chacra is dry gas. The M#1A Mesaverde produces + barrel of water per month and less oil per month. The Separator uses no fuel.

The M#1A and M#2 go through a compressor that requires 6 MCFPD to operate.

M#1A	=	86% x 6 =	5 MCFPD
M#2	=	$14\% \times 6 =$	1 MCFPD

Gas analysis reports are attached, M#1A CPD (Attachment 8), M#1A (Attachment 9) and M2 (Attachment 10).

	ВТ	TU
	DRY	WET
M#1A	1367	1343
M#2	1167	1146
M#1A CPD	1323	1300

The commercial value is greater commingled than sold individually. Weaker wells, i.e. M#2, often do not have enough pressure to enter the sales line, but when commingled with a stronger well both are able to enter the sales line. Selling gas from both the M#1A and M#2 is of greater value than plugging or shutting the M#1A or M#2 in because they can't buck the line pressure.

The sound mechanical integrity of the surface commingling system is dependent upon physical monitoring of the wells. The wells are flowing gas wells that do not use an allocation meter.

Physically monitoring and verifying that both wells are producing test the surface commingled system's integrity daily.

Testing frequency of each well for accurate allocation verification would be a 72-hour well test performed annually on each well.

As per Mr. Jones' letter dated May 17, 2002, please fund (Attachment 7) which is a copy of the letter sent to each interest owner.

Thanking you in advance for your prompt attention. Please do not hesitate to contact me, Phyllis R. Gunter at 915 686-9869.

Sincerely,

Phyllis R. Gunter

Phyllis & Gunter

Prg

Cc: files

Jim Lovato

Form 3160-5 (August 1999)

Signature

UNITED STATES

FORM APPROVED OMB No. 1004-0135

(Magast 1997)	DEPARTMENT OF THE			1	Expires November 30, 2000	
	BUREAU OF LAND MAN	IAGEMENT		5. Leas	se Serial No.	
SU	NDRY NOTICES AND REP	ORTS ON WELLS	}		05791	
Do not u	se this form for proposals t	o drill or to re-ente	er an		dian, Allottee or Tribe Name	
abandon	ed well. Use Form 3160-3 (AF	PD) for such propos	als.	J	dian, money of Tribe (vaine	
SUBMITII	N TRIPLICATE - Other inst	ructions on rever	se side	7. If Ur	nit or CA/Agreement, Name and/or	No
1. Type of Well						
Oil Well A Gas W	eil Other				Name and No.	
2. Name of Operator					eral M #1A	
	carbons Operating Cor			9. API		
3a. Address	2 11 1 77 70700	3b. Phone No. (inclu	•		045-25846	
	3, Midland, TX 79702	(915) 686-9	869		and Pool, or Exploratory Area	
4. Location of Well (Footage	z, Sec., T., R., M., or Survey Description	n)			nco Mesaverde	_
1500' FNI. & 16	580' FWL; Sec. 3, T27	N. R8W		11. Count	ty or Parish, State	
1500 1112 0 1		.,		San	Juan NM	
		0 t) (D10 4 mm) 1 4 mm				
	APPROPRIATE BOX(ES) TO			REPORT, C	OR OTHER DATA	
TYPE OF SUBMISSION	V	Т	YPE OF ACTION			
	Acidize	☐ Deepen	Production (Sta	rt/Resume)	☐ Water Shut-Off	
Notice of Intent	Alter Casing	Fracture Treat	☐ Reclamation		☐ Well Integrity	
Subsequent Report	Casing Repair	New Construction	☐ Recomplete		Other Surface	
3 Subsequent Report	Change Plans	Plug and Abandon	Temporarily Al	bandon	Commingle	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal			
If the proposal is to deepen Attach the Bond under whi	pleted Operation (clearly state all pertindirectionally or recomplete horizontal ch the work will be performed or prove involved operations. If the operation. Final Abandonment Notices shall be easy for final inspection.)	ly, give subsurface location vide the Bond No. on file results in a multiple come	ons and measured and tr with BLM/BIA. Required	ue vertical dep ired subsequer in a new inter	pths of all pertinent markers and zo nt reports shall be filed within 30 c ryal a Form 3160-4 shall be filed a	nes iay
Proposal to S	Surface Commingle Nat	ural Gas with	:			
	NM 05791					
	Federal #2					
	30 045-258	355				
	Proposal At	tached				
					•	
14. I hereby certify that the fore	going is true and correct	ı				==
Name (Printed/Typed)		Title A				
Phyllis R. Gunt	ter	I IIIC A	gent			

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

6-18-02

Date

Title

Office

Phyllis & Gunter

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638

Midland, Texas 79702

Phone 915 686-9869 FAX 915 686-7798

April 18, 2002

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505 Jim Lovato
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401

RE: PROPOSED SURFACE COMMINGLING & LEASE MEASUREMENT TWO WELLS OPERATED BY PHOENIX HYDROCARBONS FEDERAL M #1A AND FEDERAL M #2 SAN JUAN COUNTY, NM

Dear Ms. Wrotenbery and Mr. Lovato:

Phoenix is submitting this Sundry Notice to request your approval for the surface commingling of natural gas produced from two wells operated by Phoenix, the Federal M#1A and Federal M#2. Both wells are located on Federal Lease NM-05791. The CPD sales meter is located on the lease and will not require off-lease measurement, but will require approval for surface commingling. (Attachment #1)

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The Federal M#2 is approximately 280' North of the M#1A. The wells share a 3 phase separator and Universal compressor. The Federal M#2 was completed February 28, 1984 in the Largo Chacra, API #30-045-25855. The M#2 is located in Section 3, T-27N, R-8W; 1220' FNL and 1590' FWL. (Attachment #3)

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> M#1A = 110 MCFPD 86% M#2 = 18 MCFPD 14% 128 MCFPD 100%

Please do not hesitate to call, 915 686-9869, Phyllis R. Gunter.

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

Lease Serial No. NM 05791

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Ī	7.	If Unit or CA/Agreement, Name and/or No.
1		

If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instru	SUBMIT IN TRIPLICATE - Other instructions on reverse side	
1. Type of Well		
Oil Well 🖾 Gas Well 🔲 Other		8. Well Name and No.
2. Name of Operator		Federal M #2
Phoenix Hydrocarbons Operating Cor	rp.	9. API Well No.
3a. Address	3b. Phone No. (include area code)	30-045-25855
P O Box 3638, Midland, TX 79702	(915) 686-9869	10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)		Otera Chacra
1220' FNL & 1590' FWL; Sec. 3, T27N, R8W		11. County or Parish, State
·		San Juan, NM
12 CHECK APPROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTICE	REPORT OR OTHER DATA

TYPE OF SUBMISSION		TYPE OF ACTION					
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Start/Resume) Reclamation Recomplete Temporarily Abandon Water Disposal	Water Shut-Off Well Integrity Other Surface Commingle			

Proposal to Surface Commingle Natural Gas with:

NM 05791 Federal M #1A 30-045-25846

Proposal Attached

 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) 		
Phyllis R. Gunter	Title Agent	
Signati Phyllis A Lunter	Date 6-18-02	?
THIS SPACE FOR FEDERA	L OR STATE OFFICE U	SE
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warn certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.	ant or lease Office	

Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638 Midland, Texas 79702 Phone 915 686-9869 FAX 915 686-7798

April 18, 2002

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Jim Lovato
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, NM 87401

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Please do not hesitate to call, 915 686-9869, Phyllis R. Gunter.

STATE OF NEW MEXICO HERGY AND MINURALS DEPARTMENT

1.2

C'L CONSERVATION DIVISION

P. O. BOX 2088

Form C-102

FEDERAL M #1A (CPD)

SANTA FE, NEW MEXICO 87591.

Revised 10-1-78

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				DEC - 5 1983
assigned to the well	until all inte	erests have bee	n consolidated (by	
Sec.			Notice R. C. Position PRESI Compan AAA C. Date	DENT
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	assigned to the well erwise) or until a nor	Sec. 3 PECI BUREAU OF LA FARMINGTON I	assigned to the well until all interests have bee crwise) or until a non-standard unit, eliminating a sec. 3 RECEIVED OCT 1 983 BUREAU OF LAND KANAGENER FARMINGTON RESPURCE ARE ATTACHMENT 2	assigned to the well until all interests have been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminating such interests, has been consolidated (by erwise) or until a non-standard unit, eliminat

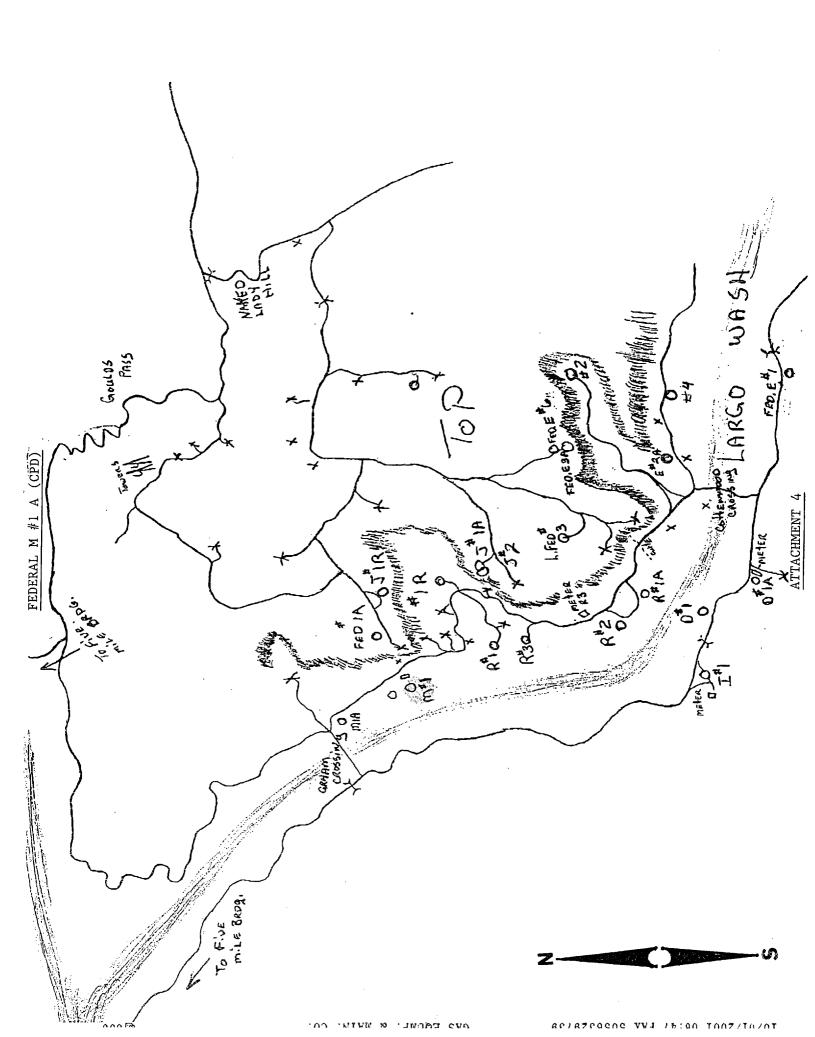
FEDERAL M #1 A(CPD)

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Lease				g ; ya kad digeningkan ng at transmission to taminy kathibit ya ng asasasasan menengan	Well No.
AAA OPERAT	ING COMPANY,	INC.	FEDERAL "M"		S
Unit Letter	Section	Township	Range	County	
C	3	271/	1.8	San Juan	
Actual Footage Local	*	orth une md	1590 fee	Mont	
Ground Level Elev:	feet from the Producing For	11110 0110	Poul	t from the West	line Dedicated Acreage:
5836	Chacra	mac ₂ on	P001	1	160 Acres
	an one lease is	·	ell by colored pencil o		CONTRACTOR OF THE PROPERTY OF
	ommunitization, ı	ifferent ownership is mitization, force-pool nswer is "yes," type o	ing.etc?	have the interests of	all owners been consoli-
If answer in this form in No allowab	s "no," list the necessary.) le will be assign	owners and tract desc	criptions which have a	consolidated (by com	munitization, unitization, approved by the Commis-
1590	Se		CELVED	Name R. C. WY Position	CERTIFICATION certify that the information con- rein is true and complete to the phnowledge and belief. YNN - PRESIDENT RATING COMPANY, INC.
		7 / 1	ON 2 81993 FLA ED SAME ANTAL ON RESPONDE AREA	shown on notes of under my is true a	certify that the well location this plat was plotted from field actual surveys made by me or supervision, and that the same and correct to the bost of my and belief.
		A	ATTACHMENT 3	Date Survey JUNE Registered F and Land Fred 3 Certificate N	Professional Engineer Surveyor



RUN DATE: Thursday April 18, 2002 3:17 PM

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI LISTING BY LEASE

FOR LEASES 351017 THRU 351020 ----LEASE------ OWN TAX SUS HND INT COSTS OIL REV GAS REV 351019 FEDERAL M-2 SAN JUAN NM BC500 BURK C. MURCHISON (BCM TRUST) P 1 .00700000 .00502500 .00502500 BE110 W.R. BEAVERS, M.D. P 1 .16406250 .11777344 .11777344 BL130 BLACK HOLE RANCH CORP. P 1 .08750000 .06281250 .06281250 BP110 BPAMERICA PRODUCTION COMPANY P 2 .00000000 .10000000 .10000000 BR553 E.B. BROOKS, JR. P 2 .00000000 .02000000 .02000000 CA500 BURK C. MURCHISON (CAM TRUST) P .00700000 .00502500 .00502500 CE500 BURK C. MURCHISON (CEM TRUST) P .00700000 .00502500 .00502500 CO826 JESSICA ANN CORTEZ TRUST P .00000000 .00250000 .00250000 DA955 DAWSON FAMILY TRUST P .00000000 .01000000 .01000000 2 DE112 DEALEY FAMILY LTD. P 1 .05468750 .03925780 .03925780 DL500 BURK C. MURCHISON (DLM TRUST) P 1 .00700000 .00502500 .00502500 EN375 ENERGEN RESOURCES CORPORATION P 2 .00000000 .01750000 .01750000 GFB GFB ACQUISITIONS - I, LLP P 1 .32986113 .23405147 .23405147 HE150 HEARN CAPITAL, LTD. P 1 .17500000 .12562500 .12562500 MMS MINERALS MANAGEMENT SERVICE T G 5 .00000000 .12500000 .12500000 PU761 PURE RESOURCES, L.P. P 2 .00000000 .00750000 .00750000 RU663 MURCHISON CAPITAL PTNRS LLC P 1 .14000000 .10050000 .10050000 RU774 THE A. WILLIAM RUTTER TRUST ₽ 2 .00000000 .00125000 .00125000 RU775 THE DOROTHY T. RUTTER TRUST P 2 .00000000 .00125000 .00125000 TRI TRANSREPUBLIC RESOURCES, INC. P 1 .01388887 .00985479 .00985479 WK500 BURK C. MURCHISON (WKM TRUST) P 1 .00700000 .00502500 .00502500 TOTALS: 21 OWNERS 1.00000000 1.00000000 1.00000000 351018 FEDERAL M-1A SAN JUAN 1 .00700000 .00513000 .00513000 P BC500 BURK C. MURCHISON (BCM TRUST) .16406250 .12023440 .12023440 P BE110 W.R. BEAVERS, M.D. P .08750000 .06412500 .06412500 BL130 BLACK HOLE RANCH CORP. .00000000 .08500000 .08500000 BP110 BPAMERICA PRODUCTION COMPANY P P 1 .12500000 .08875000 .08875000 BR553 E.B. BROOKS, JR. P .00000000 .02000000 .02000000 BR553 E.B. BROOKS, JR. P 1 .00700000 .00513000 .00513000 CA500 BURK C. MURCHISON (CAM TRUST) P .00700000 .00513000 .00513000 CE500 BURK C. MURCHISON (CEM TRUST) 1 .00000000 .01000000 .01000000 P DA955 DAWSON FAMILY TRUST 2 1 .05468750 .04007810 .04007810 P DE112 DEALEY FAMILY LTD. 1 .00700000 .00513000 .00513000 P DL500 BURK C. MURCHISON (DLM TRUST) 2 .00000000 .01750000 .01750000 Þ EN375 ENERGEN RESOURCES CORPORATION P 1 .20991163 .15623422 .15623422 GFB GeB ACQUISITIONS - I. LLP P 1 .17500000 .12825000 .12825000 HE150 HEARN CAPITAL, LTD. T G 5 .00000000 .12500000 .12500000 MMS MINERALS MANAGEMENT SERVICE .00000000 .00750000 .00750000 PU761 PURE RESOURCES, L.P. P 2 P .14000000 .10260000 .10260000 RU663 MURCHISON CAPITAL PTNRS LLC 1 P .00000000 .00125000 .00125000 2 RU774 THE A. WILLIAM RUTTER TRUST P .00000000 .00125000 .00125000 2 RU775 THE DOROTHY T. RUTTER TRUST P .00883837 .00657828 .00657828 1 TRI TRANSREPUBLIC RESOURCES, INC. P .00700000 .00513000 .00513000 WK500 BURK C. MURCHISON (WKM TRUST) 1.00000000 1.00000000 1.00000000

21 OWNERS

TOTALS:

RUN DATE: Thursday April 18, 2002 11:13 AM

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

LEASE	OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
	WK500 75-6393054 BURK C. MURCHISON (WKM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	BP110 73-0466080 BPAMERICA PRODUCTION COMPANY P.O. BOX 277897 ATLANTA, GA 30384-7985 918 925-4800	.00000000	.08500000	.08500000	OVERRIDING ROYALTY
	BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.12500000	.08875000	.08875000	WORKING INTEREST
	BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.00000000	.02000000	.02000000	OVERRIDING ROYALTY
	CA500 75-6399738 BURK C. MURCHISON (CAM TRUST) 1450 THREE LINCOLN CENTER 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	CE500 75-6392939 BURK C. MURCHISON (CEM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	DA955 76-6049139 DAWSON FAMILY TRUST C/O ROBBIN R. DAWSON P.O. BOX 1507 PANHANDLE, TX 79068-1507	.00000000	.01000000	.01000000	OVERRIDING ROYALTY
	DE112 75-2824870 DEALEY FAMILY LTD. 250 HIGHLAND PARK VILLAGE SUITE 100-311 DALLAS, TX 75205-2789	.05468750	.04007810	.04007810	WORKING INTEREST
	DL500 75-6392940 BURK C. MURCHISON (DLM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

CURRENT LEASE: 351018 FEDERAL M-1A

LEASE	OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
	EN375 63-0808872 ENERGEN RESOURCES CORPORATION 605 21ST STREET NORTH BIRMINGHAM, AL 35203-2707	.00000000	.01750000	.01750000	OVERRIDING ROYALTY
	GFB 01-0552588 GFB ACQUISITIONS - I, LLP P.O. BOX 3638 MIDLAND, TX 79702 915 686-9869	.20991163	.15623422	.15623422	WORKING INTEREST
	HE150 75-2929693 HEARN CAPITAL, LTD. 109 NORTH RIVERCREST DRIVE FT WORTH, TX 76107 817 625-9974	.17500000	.12825000	.12825000	WORKING INTEREST
	MMS 84-0848646 MINERALS MANAGEMENT SERVICE RMP P.O. BOX 580 DENVER, CO 80217	.00000000	.12500000	.12500000	MINERAL INTEREST
	PU761 75-2715696 PURE RESOURCES, L.P. P.O. BOX 910552 DALLAS, TX 75391-0552	.00000000	.00750000	.00750000	OVERRIDING ROYALTY
	RU663 75-2403305 MURCHISON CAPITAL PTNRS LLC 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.14000000	.10260000	.10260000	WORKING INTEREST
	RU774 75-6415363 THE A. WILLIAM RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING ROYALTY
	RU775 75-6467231 THE DOROTHY T. RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING ROYALTY
	TRI 75-2768707 TRANSREPUBLIC RESOURCES, INC. P.O. BOX 3638 MIDLAND, TX 79702	.00883837	.00657828	.00657828	WORKING INTEREST

BC500 75-6392937 .00700000 .00513000 .00513000 WORKING INTEREST
BURK C. MURCHISON (BCM TRUST)
1450 THREE LINCOLN CENTRE
5430 LBJ FREEWAY
DALLAS, TX 75240

BE110 463-52-8798 .16406250 .12023440 WORKING INTEREST
W.R. BEAVERS, M.D.
3613 CEDAR SPRINGS RD
DALLAS, TX 75219
214 528-4718

.08750000 .06412500 .06412500 WORKING INTEREST

BL130 75-2402678 BLACK HOLE RANCH CORP. C/O GLENN SODD P.O. BOX 837 CORSICANA, TX 75151

NUMBER OF TRACE. SCINIC PRESENT M 2					
CURRENT LEASE: 351019 FEDERAL M-2					
LEASE	OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
151019 FEDERAL M-2					<u></u> -
	BC500 75-6392937 BURK C. MURCHISON (BCM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
	BE110 463-52-8798 W.R. BEAVERS, M.D. 3613 CEDAR SPRINGS RD DALLAS, TX 75219 214 528-4718	.16406250	.11777344	.11777344	WORKING INTEREST
	BL130 75-2402678 BLACK HOLE RANCH CORP. C/O GLENN SODD P.O. BOX 837 CORSICANA, TX 75151	.08750000	.06281250	.06281250	WORKING INTEREST
	BP110 73-0466080 BPAMERICA PRODUCTION COMPANY P.O. BOX 277897 ATLANTA, GA 30384-7985 918 925-4800	.00000000	.10000000	.10000000	OVERRIDING ROYALT
	BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.00000000	.02000000	.02000000	OVERRIDING ROYALT
	CA500 75-6399738 BURK C. MURCHISON (CAM TRUST) 1450 THREE LINCOLN CENTER 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
	CE500 75-6392939 BURK C. MURCHISON (CEM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
	CO826 75-6545956 JESSICA ANN CORTEZ TRUST CORTEZ MICHELLE BLEDSOE TTEE 4811 HALLMARK DRIVE DALLAS, TX 75229 214 692-9840	.0000000	.00250000	.00250000	OVERRIDING ROYALT
	DA955 76-6049139 DAWSON FAMILY TRUST C/O ROBBIN R. DAWSON P.O. BOX 1507 PANHANDLE, TX 79068-1507	.00000000	.01000000	.01000000	OVERRIDING ROYALT

DEALEY FAMILY LTD. 250 HIGHLAND PARK VILLAGE

SUITE 100-311

DE112 75-2824870 .05468750 .03925780 .03925780 WORKING INTEREST

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

CURRENT LEASE: 351019 FEDERAL M-2

LEASE	OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
	DL500 75-6392940 BURK C. MURCHISON (DLM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
	EN375 63-0808872 ENERGEN RESOURCES CORPORATION 605 21ST STREET NORTH BIRMINGHAM, AL 35203-2707	.00000000	.01750000	.01750000	OVERRIDING ROYALTY
	GFB 01-0552588 GFB ACQUISITIONS - I, LLP P.O. BOX 3638 MIDLAND, TX 79702 915 686-9869	.32986113	.23405147	.23405147	WORKING INTEREST
	HE150 75-2929693 HEARN CAPITAL, LTD. 109 NORTH RIVERCREST DRIVE FT WORTH, TX 76107 817 625-9974	.17500000	.12562500	.12562500	WORKING INTEREST
	MMS 84-0848646 MINERALS MANAGEMENT SERVICE RMP P.O. BOX 580 DENVER, CO 80217	.00000000	.12500000	.12500000	MINERAL INTEREST
	PU761 75-2715696 PURE RESOURCES, L.P. P.O. BOX 910552 DALLAS, TX 75391-0552	. 00000000	.00750000	.00750000	OVERRIDING ROYALTY
	RU663 75-2403305 MURCHISON CAPITAL PTNRS LLC 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.1400000	.10050000	.10050000	WORKING INTEREST
	RU774 75-6415363 THE A. WILLIAM RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING' ROYALTY
	RU775 75-6467231 THE DOROTHY T. RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING ROYALTY
	TRI 75-2768707 TRANSREPUBLIC RESOURCES, INC. P.O. BOX 3638 MIDLAND, TX 79702	.01388887	.00985479	.00985479	WORKING INTEREST
	WK500 75-6393054	.00700000	.00502500	.00502500	WORKING INTEREST

BURK C. MURCHISON (WKM TRUST) 1450 THREE LINCOLN CENTRE

5430 LBJ FREEWAY

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638 Midland, Texas 79702

Phone 915 686-9869 FAX 915 683-1649

June 6, 2002

RE: COMMINGLING OF FEDERAL M#1A AND FEDERAL M#2, SAN JUAN, NM

Dear Working and Royalty Interest Owner:

As you know the above referenced wells have been surface commingled for the last ten years. The M#2 is a weak well and could not buck the sales line pressure, but when commingled with the M#1A the pressure is strong enough to sale gas from both wells. Phoenix is proposing to use the same well test allocation formula that Bledsoe had been using to allocate the production and sales from these wells. The Federal M#1A produces maybe ½ bbl of condensate and only trace of water.

PROPOSED ALLOCATION PROCEDURE

72 HOUR TEST ON THE M#1A = 110 MCFPD M#1A(CPD) AVERAGE SALES = 128 MCFPD PRODUCTION FOR THE M#2 128(-)110 = 18 MCFPD

> M#1A = 110 MCFPD 86% M#2 = 18 MCFPD 14% 128 MCFPD 100%

Phoenix proposes to perform the 72 hour well test monthly.

We have applied to the New Mexico Energy, Minerals and Natural Resources Department and Bureau of Land Management authorities, at the BLM's request, for a commingling permit. The New Mexico Energy, Minerals and Natural Resources Department does not consider the well test allocation method to be fair and prudent. To be fair and prudent we have been advised "that allocation gas meters will be required on all wells in each of these applications. If all cost and revenue interests are identical, allocation meters are required on all but one (1) of the wells to be commingled." This applies to all products of which there is only gas.

I spoke with Mr William V. Jones, Jr., PE, New Mexico Energy, Minerals and Natural Resources, at 505-476-3448, who sent the requirements to Phoenix. Mr. Jones felt like we could secure and place the required continuous monitoring allocation meters for around \$4,000.00 each well or \$8,000.00 for both wells. Since these wells are marginal and you will be buying these meters, Phoenix is suggesting that you call Mr. Jones with any questions you might have as to the economic benefits of this requirement.

	Sincerely,
	Phyllis R. Gunter
Prg	
files	
Please elect below:	M#1A CPD
Continue monthly well test allocation	1
Install and maintain continuous moni	toring allocation meters
	Signature
	Printed Name
	Date

CORPORATE MEASUREMENT SYSTEM **GPM CERTIFICATE REPORT**

03/27/2002 10:37:00

01/01/2002 00:00:00 Prod Date :

Page 1 of 1

EP FIELD SERVICES--SAN JUAN

Certificate of Gas Analysis

Sample Desc: FEDERAL M #1A CPD

Sample Id: 97559

Effective Date: 1/1/02 00:00:00

Sample Type: Spot

Sample Date: 12/8/01 00:00:00

Sampled By:

Chromatograph Id: N/A

Analyzed Date:

Analyzed By: FSLAB

Analysis Id:

Sample Frequency: SEMIANNUALLY

GPA Version: GPA 2145-97

Pressure Base: 14.73

Temperature: Pressure:

Component	Mole %	GPM
Methane:	75.2600	
Ethane:	12.5000	3.3432
Propane:	6.7800	1.8682
lso Butane:	1.0600	0.3468
Butane:	1.9500	0.6148
Iso Pentane:	0.5800	0.2122
Pentane:	0.4400	0.1594
Neo Pentane:	0.0000	0.0000
Hexane:	0.4700	0.2051
Heptane:	0.0000	0.0000
Nonane:	0.0000	0.0000
Octane:	0.0000	0.0000
Decane:	0.0000	0.0000
H2s:	0.0000	
Sub Total GPM:	99.0400	6.7496

Inerts	Mole %	
Carbon Dioxide:	0.6500	
Nitrogen:	0.3100	
Hydrogen:	0.0000	
Oxygen:	0.0000	
Helium:	0.0000	
Argon:	0.0000	
Carbon Monoxide:	0.0000	
Total Mole %:	100.0000	

Gravity: 0.7670

BTU: 1323.0

Saturated BTU: 1300.3

Remarks:



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

PH220004 62300 - 10015

CUST. NO.

WELL/LEASE INFORMATION

CUSTOMER NAME

PHOENIX HYDROCARBONS FEDERAL M#1A

SOURCE PRESSURE WELL HEAD 80 PSIG

WELL NAME COUNTY/ STATE

NM SAN JUAN

SAMPLE TEMP

72 DEG.F

LOCATION FELÖ **FORMATION**

CUST, STN.NO.

WELL FLOWING DATE SAMPLED SAMPLED BY

6/5/02 D. BAYS

FOREMAN/ENGR.

MESA VERDE

REMARKS

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	0.310	0.0000	0.00	0.0030
CO2	0.725	0.0000	0.00	0.0110
METHANE	72.128	0.0000	730.15	0.3995
ETHANE	14,119	3.7768	250.43	0.1466
	7.637	2.1048	192.60	0.1163
PROPANE	1.164	0.3807	37.94	0.0234
HOUTANE	2.136	0.6735	69.84	0.0429
N-BUTANE	0.617	0.2258	24.74	0.0154
LPENTANE	0.474	0.1717	19.05	0.0118
N-PENTANE HEXANE PLUS	0.690	0.3010	35.47	0.0222
TOTAL	100,000	7.6343	1,360.22	0.7920

14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

.. @ 14,730 PSIA & 60 DEG. F.

1.0044 COMPRESSIBLITY FACTOR (1/Z)1,366.6 BTUCU.FT (DRY) CORRECTED FOR (1/Z) 1.342.8 BTU/CU.FT (WET) CORRECTED FOR (1/Z) 0.7958 REAL SPECIFIC GRAVITY

14,730 PSIA & 60 DEGREES F **ANALYSIS RUN AT**

DRY BTU @ 14.660	1,359.2	CYLINDER#	030
DRY BTU @ 14.696	1,363.4	CYLINDER PRESSURE	71 PSIG
DRY BTU @ 14.730	1,366.6	DATERUN	8/12/02
DRY BTU @ 15.025	1,394.0	ANALYSIS RUN BY	JANA CARANTA

ATTACHMENT 9



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

PH220005 62300 - 10020

CUST. NO.

WELL/LEASE INFORMATION

CUSTOMER NAME WELL NAME COUNTY/ STATE

PHOENIX HYDROCARBONS

FEDERAL M #2

SAN JUAN

CHACRA

NM

SOURCE PRESSURE SAMPLE TEMP WELL HEAD 30 PSIG 70 DEG.F

WELL FLOWING

DATE SAMPLED SAMPLED BY

6/5/02 D. BAYS

FOREMANENCR.

REMARKS

LOCATION

FORMATION

CUST, STN.NO.

FELD

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	0.180	0.0000	0.00	0.0017
CO2	0.397	0.0000	0.00	0.0060
METHANE	87,669	0.0000	887.47	0.4856
ETHANE	6.584	1.7559	116.43	0.0681
PROPANE	2.980	0.8213	75.15	0.0454
HBUTANE	0.533	0.1743	17.37	0.0107
N-BUTANE	0.776	0.2447	25.37	0.0156
HPENTANE	0.262	0.0959	10.51	0.0065
N-PENTANE	0.182	0.0659	7.31	0.0045
HEXANE PLUS	0.457	0.1994	23.49	0.0147
TOTAL	100.000	3.3574	1,163.10	0.6589

^{.6} 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

1.0029 COMPRESSIBLITY FACTOR (1/Z)BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1,166.7 1,148.4 BTUCU.FT (WET) CORRECTED FOR (1/2) 0.6609 **REAL SPECIFIC GRAVITY**

ANALYSIS RUN AT 14,730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1,160.4 CYLINDER # **KFL121** DRY BTU @ 14.696 1,164.0 **PSIG** CYLINDER PRESSURE 23 **DRY BTU @ 14.730** 1,166.7 6/12/02 DATE RUN DRY BTU @ 15.025 **ANALYSIS RUN BY** JANA CARANTA 1,190.1

[~] Q 14,730 PSIA & 60 DEG. F.

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

Lease Serial No. NM 05791

San Juan NM

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. Type of Well Well Name and No. Oil Well A Gas Well Other Federal M #1A Name of Operator 9. API Well No. Phoenix Hydrocarbons Operating Corp 3b. Phone No. (include area code) 30-045-25846 3a. Address 10. Field and Pool, or Exploratory Area P. O. Box 3638, Midland, TX 79702 (915) 686-9869 Location of Well (Footage, Sec., T., R., M., or Survey Description) Blanco Mesaverde 11. County or Parish, State 1500' FNL & 1680' FWL; Sec. 3, T27N, R8W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Deepen Acidize Production (Start/Resume) ☐ Water Shut-Off Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation **New Construction** Casing Repair Recomplete 🖾 Other Surface Subsequent Report Plug and Abandon Change Plans Temporarily Abandon Comming1e Final Abandonment Notice Convert to Injection Plug Back Water Disposal

Proposal to Surface Commingle Natural Gas with:

NM 05791 Federal #2 30 045-25855

Proposal Attached

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)		
Phyllis R. Gunter	Title Agent	
f fliftles & secret	Date 6-18-02	
THIS SPACE FOR FEDERAL	OR STATE OFFICE	USE
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrancertify that the applicant holds legal or equitable title to those rights in the subject to which would entitle the applicant to conduct operations thereon.	office	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter w	person knowingly and will	fully to make to any department or agency of the Unit

^{13.} Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS not use this form for proposals to drill or to re-enter an

Lease Serial No. NM 05791

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.			6. If Indian	, Allottee or Tribe Name	
SUBMIT IN T	RIPLICATE - Other instr	uctions on revers	se side	7. If Unit of	CA/Agreement, Name and/or No.
1. Type of Well Oil Well Gas Well Name of Operator				<u> </u>	11 M #2
3a. Address	rbons Operating Co	3b. Phone No. (include) (915) 686-9	•		No25855 Pool, or Exploratory Area
4. Location of Well (Footage, Sec 1220 'FNL & 1590	T., R., M., or Survey Description, TEVL; Sec. 3, T27)		Otera 11. County or	Chacra
12. CHECK AF	PROPRIATE BOX(ES) TO	INDICATE NATU	RE OF NOTICE, R	EPORT, OR	OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Star Reclamation Recomplete Temporarily Ab	, C	Water Shut-Off Well Integrity Other Surface Commingle

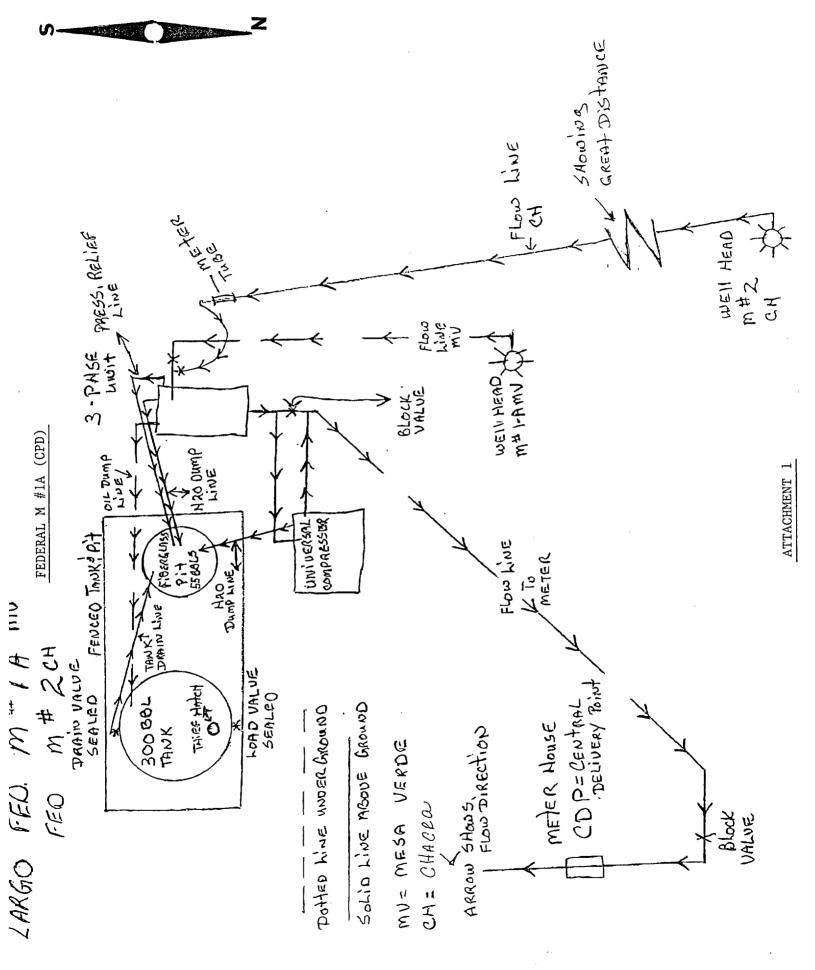
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Proposal to Surface Commingle Natural Gas with:

NM 05791 Federal M #1A 30-045-25846

Proposal Attached

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)		
Phyllis R. Gunter Title	Agent	
Signati Phyllis A Hunter Date	6-18-02	
THIS SPACE FOR FEDERAL OF	STATE OFFICE USE	
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	



STATE OF NEW MEXICO HERGY AND MINERALS DEPARTMENT

Form C-102 Revised 10-1-78

JANTA FE. NEW MEXICO 87591

		All dister	ices must be f	rom the out	er boundaries -	of the Section	п.			
rates				Lugse			JUL II.		Well No.	
AAA OPERATIN	G COMPANY,	INC.		FEDE	CRAL "M"				lA	
Letter Se	ction	Township		Range	0	Country	M COST			
F	3	27N			8W	San	Juan			
ial Fostage Lucatio		_		- 40						
		North	line and	1680) 10	et from the	West	11	ne	
ind Level Elev.	Producing Fo			Pool					·d Acreage:	
5835	Mesa Ver	rde						3.	20	Acres
. Outline the a	one lease is				-			•		working
. If more than control by comm	nunitization, u		force-poolir	ig. etc?		have the	interests et		iers been 6	
If answer is 'this form if ne No allowable v forced-pooling	cessary.) vill be assigne	ed to the we	ll until all	interests	have been	consolidat	ed (by comm	nunitiza	tion, uniti	ization,
<u> 16807</u>	1500			 	· 		toined her:	in is true knowledg	ICATION the information and complete and belief.	te to the
	Sec			1 1 1			Company AAA OPER Date October	ATING		INC.
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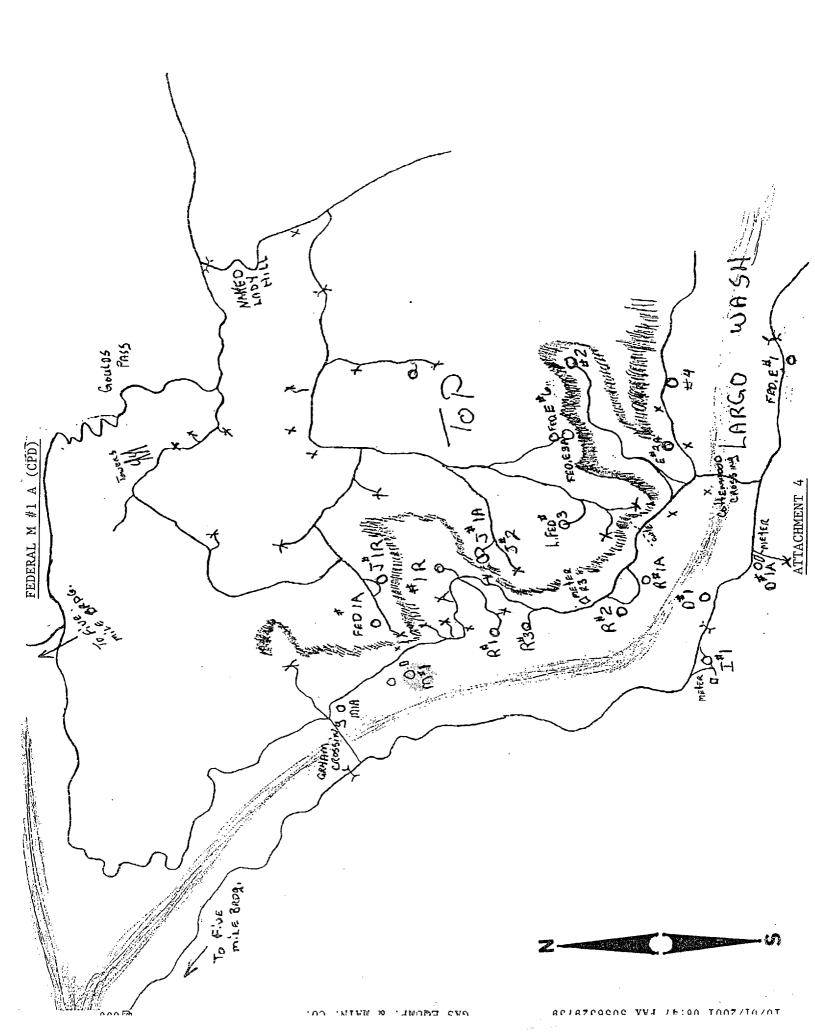
FEDERAL M #1 A(CPD)

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

(Seminario de la Companya del Companya de la Companya de la Companya del Companya de la Companya	NO VENEZO SERVENZA DE COMPANIO E PROPERTO CONTRACTORIO POR CONTRACTORIO POR CONTRACTORIO POR CONTRACTORIO POR	MIL (III) III)	normality of 10111	markenomenamenen	malerianismentos Voltagos (1)	me Section	11. Allen er en ek kunder kunden er en	en de la composition
Operator			Lea	se				Well No.
AAA OPERAT	ING COMPANY,	INC.		FEDERAL '	нМи			5
Unit Letter	Section	Township		Range		County	_	
С] 3	27N		<u>84</u>		San	Juan	
Actual Footage Loc 1220		lorth	line and	.590	feet	from the	West	line
Ground Level Elev: 5836	Producing For Chacra		Pool					Dedicated Acreage:
医眼性畸形 医克尔特氏性皮肤 计电路电话通知的 经产品 医阴影动物	e acreage dedica	ted to the sul	bject well h	y colored p	encil o	r hachur	e marks on	Spartings and and control to the control of the con
	an one lease is	dedicated to	the well, ou	itline each a	and ide	ntify the	ownership	thereof (both as to working
	in one lease of dommunitization, i		-		well,	have the	interests of	of all owners been consoli-
Yes	☐ No If a	nswer is "yes,	'type of co	nsolidation				
	is "no;" list the	owners and tra	act descripti	ons which h	ave ac	tually be	en consoli	dated. (Use reverse side of
No allowal	ole will be assign						-	mmunitization, unitization, n approved by the Commis-
	2642			1			r	CERTIFICATION
	1223			1			tained h	r certify that the information con- nerein is true and complete to the my\u00e4knowledge and belief.
. 1590				1		1	<u></u>	ley
				- !			\ 	YNN - PRESIDENT
	////			1		12		RATING COMPANY, INC.
				1			10-03	-83
	Se	C.	The Control of	EIVE	D		Date	
				? 8/1983 -				
		E315	REAU OF LA. MINISTOIL R	AERONHOE A	mend PREA			y certify that the well location on this plot was plotted from field
	1			1			1	f actual surveys made by me or y supervision, and that the same
	1			1			is true	and correct to the bost of my
							Anow red	ga and berren.
	1						Date Surve	eyed
	1							Professional Enginee:
			ATTA	CHMENT 3			Fred	S. Aerr Tr.
				!			Certificate	No.



PAGE 2

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P

P

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI LISTING BY LEASE

FOR LEASE	S 351017 THRU	J 351020													
LEASE	}		0	OWN	ER			OWN T	AX SU	S HND	INT	COSTS	OIL REV	GAS REV	
351019	FEDERAL M-2		SAN J	מודד	N.	NM									
331017	I doblidad in z						(BCM TRUST)		P		1	00700000	.00502500	00502500	
					.R. BEAVE				P		1	.16406250			
					LACK HOLE				P		1	.08750000	.06281250		
							ON COMPANY		P		2	.00000000	.10000000	.06281250	
					.B. BROOK				P		2	.00000000	.02000000		
							(CAM TRUST)		P		1	.00700000	.00502500	.02000000	
							(CEM TRUST)		P		1	.00700000	.00502500		
					ESSICA AN		·		P		2	.00000000	.00302300	.00502500	
					AWSON FAM				P		2	.00000000	.01000000	.00250000	
					EALEY FAM				P		1	.05468750	.03925780	.01000000	
							(DLM TRUST)		P		1	.00700000	.00502500	.03925780	
							CORPORATION		P		2	.00000000		.00502500	
			GFB		FB ACQUIS				P		1	.32986113	.01750000	.01750000	
					EARN CAPI				P		1	.17500000	.12562500	.23405147	
			MMS			•	T SERVICE		r G		5	.00000000	.12502500	.12562500	
					URE RESOU				. P		2	.00000000	.00750000	.12500000	
						-	PTNRS LLC		P		1	.14000000	.10050000	.00750000	
							TER TRUST		P		2	.00000000	.00125000	.10050000	
							TER TRUST		P		2	.00000000	.00125000	.00125000	
			TRI				URCES, INC.		P		1	.01388887	.00125000	.00125000	
							(WKM ·TRUST)		P		1	.00700000		.00985479	
		TOTALS:			WNERS		(May IRODI)		•		*	1.00000000	.00502500 1.00000000	1.00000000	
		-												committee	
351018	FEDERAL M-1A		SAN J	IAUL	N	NM									
			BC500) BI	URK C. MU	RCHISON	(BCM TRUST)		P		1		.00513000		
			BE110	O W	.R. BEAVE	RS, M.D.			P		1	.16406250			
					LACK HOLE				P		1	.08750000			
			BP110	0 B	PAMERICA :	PRODUCTI	ON COMPANY		P		2		.08500000		
			BR553	3 E	.B. BROOK	S, JR.			P		1		.08875000		
					.B. BROOK				P		2		.02000000		
							(CAM TRUST)		P		1	.00700000			
				-	-		(CEM TRUST)		Þ		1	.00700000	.00513000	.00513000	
					AWSON FAM		ST ·		P		2		.01000000		
			DE112	2 D	EALEY FAM	ILY LTD.			P		1	.05468750	.04007810	.04007810	
			DL500	0 B	URK C. MU	RCHISON	(DLM TRUST)		P		1	.00700000	.00513000	.00513000	
			EN375	5 E	NERGEN RE	SOURCES	CORPORATION		P		2	.00000000	.01750000		
			GFB	G	H ACQUIS	ITIONS -	· I, LLP		P		1	.20991163	.15623422		
			HE150	0 н	EARN CAPI	TAL, LTI).		P		1	.17500000			
			MMS	M	IINERALS M	ianagemen	T SERVICE		T G		5	.00000000			
			PU761	1 P	URE RESOU	RCES, L.	P.		P		2	.00000000			
			RU663	3 M	TURCHISON	CAPITAL	PTNRS LLC		P		1	.14000000			
			RU774				TTER TRUST		P		2	.00000000	.00125000		
				- ~			morron com		מ		2	0000000	00125000	00125000	

21 OWNERS

TOTALS:

RU775 THE DOROTHY T. RUTTER TRUST

TRI TRANSREPUBLIC RESOURCES, INC.

WK500 BURK C. MURCHISON (WKM TRUST)

RUN DATE: Thursday April 18, 2002 11:13 AM

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

CURRENT LEASE: 351018 FEDERAL M-1A					
LEASE	OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
	WK500 75-6393054 BURK C. MURCHISON (WKM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	BP110 73-0466080 BPAMERICA PRODUCTION COMPANY P.O. BOX 277897 ATLANTA, GA 30384-7985 918 925-4800	.00000000	.08500000	.08500000	OVERRIDING ROYALTY
	BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.12500000	.08875000	.08875000	WORKING INTEREST
	BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.00000000	.02000000	.0200000	OVERRIDING ROYALTY
	CA500 75-6399738 BURK C. MURCHISON (CAM TRUST) 1450 THREE LINCOLN CENTER 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	CE500 75-6392939 BURK C. MURCHISON (CEM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00513000	.00513000	WORKING INTEREST
	DA955 76-6049139 DAWSON FAMILY TRUST C/O ROBBIN R. DAWSON P.O. BOX 1507 PANHANDLE, TX 79068-1507	.00000000	.01000000	.01000000	OVERRIDING ROYALTY
	DE112 75-2824870 DEALEY FAMILY LTD. 250 HIGHLAND PARK VILLAGE SUITE 100-311 DALLAS, TX 75205-2789	.05468750	.04007810	.04007810	WORKING INTEREST
	DL500 75-6392940	.00700000	.00513000	.00513000	WORKING INTEREST

ATTACHMENT 6

BURK C. MURCHISON (DLM TRUST) 1450 THREE LINCOLN CENTRE

5430 LBJ FREEWAY DALLAS, TX 75240

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

CURRENT LEASE: 351018 FEDERAL M-1A ----LEASE------ OWNER INFORMATION COST DDI OIL DDI GAS DDI INTEREST TYPE EN375 63-0808872 .00000000 .01750000 .01750000 OVERRIDING ROYALTY ENERGEN RESOURCES CORPORATION 605 21ST STREET NORTH BIRMINGHAM, AL 35203-2707 GFB 01-0552588 .20991163 .15623422 .15623422 WORKING INTEREST GFB ACQUISITIONS - I, LLP P.O. BOX 3638 MIDLAND, TX 79702 915 686-9869 HE150 75-2929693 .17500000 .12825000 .12825000 WORKING INTEREST HEARN CAPITAL, LTD. 109 NORTH RIVERCREST DRIVE FT WORTH, TX 76107 817 625-9974 MMS 84-0848646 .00000000 .12500000 .12500000 MINERAL INTEREST MINERALS MANAGEMENT SERVICE RMP P.O. BOX 580 DENVER, CO 80217 PU761 75-2715696 .00000000 .00750000 .00750000 OVERRIDING ROYALTY PURE RESOURCES, L.P. P.O. BOX 910552 DALLAS, TX 75391-0552 RU663 75-2403305 .14000000 .10260000 .10260000 WORKING INTEREST MURCHISON CAPITAL PTNRS LLC 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240 RU774 75-6415363 .00000000 .00125000 .00125000 OVERRIDING ROYALTY THE A. WILLIAM RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702 RU775 75-6467231 .00000000 .00125000 .00125000 OVERRIDING ROYALTY THE DOROTHY T. RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702 75-2768707 .00883837 .00657828 .00657828 WORKING INTEREST

TRANSREPUBLIC RESOURCES, INC.

P.O. BOX 3638 MIDLAND, TX 79702 BC500 75-6392937 .00700000 .00513000 .00513000 WORKING INTEREST
BURK C. MURCHISON (BCM TRUST)
1450 THREE LINCOLN CENTRE
5430 LBJ FREEWAY
DALLAS, TX 75240

BE110 463-52-8798 .16406250 .12023440 .12023440 WORKING INTEREST W.R. BEAVERS, M.D.
3613 CEDAR SPRINGS RD
DALLAS, TX 75219
214 528-4718

BL130 75-2402678 .08750000 .06412500 .06412500 WORKING INTEREST

BLACK HOLE RANCH CORP. C/O GLENN SODD P.O. BOX 837 CORSICANA, TX 75151

PHOENIX HYDROCARBONS OPER CORP

LEASE DDI OWNERS REPORT

 $\label{eq:continuous_problem} \mathcal{L}_{i} = \left(\begin{array}{ccc} \mathbf{e}^{i} & \mathbf{e}^{i} \\ \mathbf{e}^{i} & \mathbf{e}^{i} \end{array} \right) = \left(\begin{array}{ccc} \mathbf{e}^{i} & \mathbf{e}^{i} \\ \mathbf{e}^{i} & \mathbf{e}^{i} \end{array} \right)$

		LEASE DDI OWNERS	S REPO	RT		
CURRENT LEA	SE: 351019 FEDERAL M-2					
LEASE		OWNER INFORMATION	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
351019	FEDERAL M-2			 =···		
		BC500 75-6392937 BURK C. MURCHISON (BCM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
		BE110 463-52-8798 W.R. BEAVERS, M.D. 3613 CEDAR SPRINGS RD DALLAS, TX 75219 214 528-4718	.16406250	.11777344	.11777344	WORKING INTEREST
		BL130 75-2402678 BLACK HOLE RANCH CORP. C/O GLENN SODD P.O. BOX 837 CORSICANA, TX 75151	.08750000	.06281250	.06281250	WORKING INTEREST
		BP110 73-0466080 BPAMERICA PRODUCTION COMPANY P.O. BOX 277897 ATLANTA, GA 30384-7985 918 925-4800	.00000000	.10000000	.1000000	OVERRIDING ROYALTY
		BR553 462-44-4282 E.B. BROOKS, JR. 4925 GREENVILLE AVE, #1025 DALLAS, TX 75206	.00000000	.02000000	.0200000	OVERRIDING ROYALTY
		CA500 75-6399738 BURK C. MURCHISON (CAM TRUST) 1450 THREE LINCOLN CENTER 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
		CE500 75-6392939 BURK C. MURCHISON (CEM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
		CO826 75-6545956 JESSICA ANN CORTEZ TRUST CORTEZ MICHELLE BLEDSOE TTEE 4811 HALLMARK DRIVE DALLAS, TX 75229 214 692-9840	.00000000	.00250000	.00250000	OVERRIDING ROYALTY
		DA955 76-6049139 DAWSON FAMILY TRUST C/O ROBBIN R. DAWSON P.O. BOX 1507 PANHANDLE, TX 79068-1507	.00000000	.01000000	.01000000	OVERRIDING ROYALTY

DE112 75-2824870

DEALEY FAMILY LTD. 250 HIGHLAND PARK VILLAGE

SUITE 100-311

.05468750 .03925780 .03925780 WORKING INTEREST

PHOENIX HYDROCARBONS OPER CORP

CURRENT LEASE: 351019 FEDERA	LEASE DDI OWNERS	S REPO	кт		
LEASE	·	COST DDI	OIL DDI	GAS DDI	INTEREST TYPE
	DL500 75~6392940 BURK C. MURCHISON (DLM TRUST) 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.00700000	.00502500	.00502500	WORKING INTEREST
	EN375 63-0808872 ENERGEN RESOURCES CORPORATION 605 21ST STREET NORTH BIRMINGHAM, AL 35203-2707	.00000000	.01750000	.01750000	OVERRIDING ROYALTY
	GFB 01-0552588 GFB ACQUISITIONS - I, LLP P.O. BOX 3638 MIDLAND, TX 79702 915 686-9869	.32986113	.23405147	.23405147	WORKING INTEREST
	HE150 75-2929693 HEARN CAPITAL, LTD. 109 NORTH RIVERCREST DRIVE FT WORTH, TX 76107 817 625-9974	.17500000	.12562500	.12562500	WORKING INTEREST
	MMS 84-0848646 MINERALS MANAGEMENT SERVICE RMP P.O. BOX 580 DENVER, CO 80217	.00000000	.12500000	.12500000	MINERAL INTEREST
	PU761 75-2715696 PURE RESOURCES, L.P. P.O. BOX 910552 DALLAS, TX 75391-0552	.00000000	.00750000	.00750000	OVERRIDING ROYALTY
	RU663 75-2403305 MURCHISON CAPITAL PINRS LLC 1450 THREE LINCOLN CENTRE 5430 LBJ FREEWAY DALLAS, TX 75240	.14000000	.10050000	.10050000	WORKING INTEREST
	RU774 75-6415363 THE A. WILLIAM RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING ROYALTY
	RU775 75-6467231 THE DOROTHY T. RUTTER TRUST P.O. BOX 3186 MIDLAND, TX 79702	.00000000	.00125000	.00125000	OVERRIDING ROYALTY
	TRI 75-2768707 TRANSREPUBLIC RESOURCES, INC.	.01388887	.00985479	.00985479	WORKING INTEREST

.00700000 .00502500 .00502500 WORKING INTEREST

P.O. BOX 3638 MIDLAND, TX 79702

WK500 75-6393054

5430 LBJ FREEWAY

BURK C. MURCHISON (WKM TRUST) 1450 THREE LINCOLN CENTRE

PHOENIX HYDROCARBONS OPERATING CORPORATION

415 WEST WALL, SUITE 703 MIDLAND, TX 79701 P. O. BOX 3638 Midland, Texas 79702

Phone 915 686-9869 FAX 915 683-1649

June 6, 2002

RE: COMMINGLING OF FEDERAL M#1A AND FEDERAL M#2, SAN JUAN, NM

Dear Working and Royalty Interest Owner:

As you know the above referenced wells have been surface commingled for the last ten years. The M#2 is a weak well and could not buck the sales line pressure, but when commingled with the M#1A the pressure is strong enough to sale gas from both wells. Phoenix is proposing to use the same well test allocation formula that Bledsoe had been using to allocate the production and sales from these wells. The Federal M#1A produces maybe ½ bbl of condensate and only trace of water.

PROPOSED ALLOCATION PROCEDURE

72 HOUR TEST ON THE M#1A = 110 MCFPD M#1A(CPD) AVERAGE SALES = 128 MCFPD PRODUCTION FOR THE M#2 128(-)110 = 18 MCFPD

> M#1A = 110 MCFPD 86% M#2 = 18 MCFPD 14% 128 MCFPD 100%

Phoenix proposes to perform the 72 hour well test monthly.

We have applied to the New Mexico Energy, Minerals and Natural Resources Department and Bureau of Land Management authorities, at the BLM's request, for a commingling permit. The New Mexico Energy, Minerals and Natural Resources Department does not consider the well test allocation method to be fair and prudent. To be fair and prudent we have been advised "that allocation gas meters will be required on all wells in each of these applications. If all cost and revenue interests are identical, allocation meters are required on all but one (1) of the wells to be commingled." This applies to all products of which there is only gas.

I spoke with Mr William V. Jones, Jr., PE, New Mexico Energy, Minerals and Natural Resources, at 505-476-3448, who sent the requirements to Phoenix. Mr. Jones felt like we could secure and place the required continuous monitoring allocation meters for around \$4,000.00 each well or \$8,000.00 for both wells. Since these wells are marginal and you will be buying these meters, Phoenix is suggesting that you call Mr. Jones with any questions you might have as to the economic benefits of this requirement.

economic benefits of this requiremen	t.
	Sincerely,
	Phyllis R. Gunter
Prg	
files	
Please elect below:	M#1A CPD
Continue monthly well test allocation	
Install and maintain continuous monit	toring allocation meters
	Signature
	Printed Name
	Date

CORPORATE MEASUREMENT SYSTEM **GPM CERTIFICATE REPORT**

03/27/2002 10:37:00

Prod Date: 01/01/2002 00:00:00

Page 1 of 1

EP FIELD SERVICES--SAN JUAN

Certificate of Gas Analysis

Sample Desc: FEDERAL M #1A CPD

Sample Id: 97559

Effective Date: 1/1/02 00:00:00

Sample Date: 12/8/01 00:00:00

Sample Type: Spot Sampled By:

Chromatograph Id: N/A

Analyzed Date:

Analyzed By: FSLAB

Analysis Id:

Sample Frequency: SEMIANNUALLY

GPA Version: GPA 2145-97

Pressure Base: 14.73

Temperature:

Pressure:

Component	Mole %	GPM	
Methane:	75.2600		
Ethane:	12.5000	3.3432	
Propane:	6.7800	1.8682	
Iso Butane:	1,0600	0.3468	
Butane:	1.9500	0.6148	
iso Pentane:	0.5800	0.2122	
Pentane:	0.4400	0.1594	
Neo Pentane:	0.0000	0.0000	
Hexane:	0.4700	0.2051	
Heptane:	0.0000	0.0000	
Nonane:	0.0000	0.0000	
Octane:	0.0000	0.0000	
Decane:	0.0000	0.0000	
H2s:	0.0000		
Sub Total GPM:	99.0400	6.7496	

Inerts	Mole %
Carbon Dioxide:	0.6500
Nitrogen:	0.3100
Hydrogen:	0.0000
Oxygen:	0.0000
Helium:	0.0000
Argon:	0.0000
Carbon Monoxide:	0.0000
•	

Total Mole %: 100.0000

Gravity: 0.7670

BTU: 1323.0

Saturated BTU: 1300.3

Remarks:



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO. CUST. NO.

PH220004 62300 - 10015

WELL/LEASE INFORMATION

CUSTOMER NAME

WELL NAME

COUNTY/ STATE LOCATION

FELD **FORMATION** CUST, STN.NO. PHOENIX HYDROCARBONS

FEDERAL M#1A

MESA VERDE

SAN JUAN

NM

SOURCE

PRESSURE

SAMPLE TEMP WELL FLOWING

DATE SAMPLED SAMPLED BY

FOREMAN/ENGR.

WELL HEAD

80 PSIG 72 DEG.F

N

6/5/02 D. BAYS

REMARKS

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	0.310	0.0000	0.00	0.0030
CO2	0.725	0.0000	0.00	0.0110
METHANE	72,128	0.0000	730.15	0.3995
ETHANE	14.119	3.7768	250.43	0.1488
PROPANE	7.637	2.1048	192.60	0.1163
HBUTANE	1.164	0.3807	37.94	0.0234
N-BUTANE	2.136	0.6735	69.84	0.0429
HPENTANE	0.617	0.2258	24.74	0.0154
N-PENTANE	0.474	0.1717	19.05	0.0118
HEXANE PLUS	0.690	0.3010	35.47	0.0222
TOTAL	100.000	7.6343	1,360.22	0.7920

·Q 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

.. Q 14,730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR (1/Z)BTU/CU.FT (DRY) CORRECTED FOR (1/Z) BTU/CU.FT (WET) CORRECTED FOR (1/Z) **REAL SPECIFIC GRAVITY**

1,342,8 0.7958

1.0044

1,366.6

ANALYSIS RUN AT 14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.660 1,359.2 DRY BTU @ 14.696 1,363.4 DRY BTU @ 14.730 1,366.6 DRY BTU @ 15.025 1,394.0

CYLINDER # CYLINDER PRESSURE **DATE RUN**

030 **PSIG** 71

ANALYSIS RUN BY

6/12/02

JANA CARANTA

ATTACHMENT 9



2030 AFTON PLACE FARMINGTON, N.M. 87401 (505) 325-6622

ANALYSIS NO.

PH220005 62300 - 10020

CUST, NO.

WELL/LEASE INFORMATION

CURTOMER NAME WELL NAME

COUNTY/ STATE

LOCATION

FORMATION

CUST.STN.NO.

FIELD

PHOENIX HYDROCARBONS

FEDERAL M #2

SAN JUAN

CHACRA

NM

COURCE PRESSURE **WELL HEAD**

SAMPLE TEMP

30 PSIG 70 DEG.F

WELL FLOWING DATE SAMPLED

N 6/5/02

SAMPLED BY

D. BAYS

FOREMAN/ENGR.

REMARKS

ANALYSIS

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	0.180	0.0000	0.00	0.0017
CO2	0.397	0.0000	0.00	0.0060
METHANE	87.669	0.0000	887.47	0.4858
ETHANE	6.564	1.7559	116.43	0.0681
PROPANE	2.980	0.8213	75.15	0.0454
LBUTANE	0.533	0.1743	17.37	0.0107
N-BUTANE	0.778	0.2447	25.37	0.0156
LPENTANE	0.262	0.0959	10.51	0.0065
N-PENTANE	0.182	0.0659	7.31	0.0045
HEXANE PLUS	0.457	0.1994	23.49	0.0147
TOTAL	100.000	3.3574	1,163.10	0.6589

1.0029

1,166.7

1,148.4

0.6609

·Q 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

.. @ 14,730 PSIA & 60 DEG. F.

COMPRESSIBLITY FACTOR (1/Z)BTUICU.FT (DRY) CORRECTED FOR (1/Z) BTUICU.FT (WET) CORRECTED FOR (1/Z) **REAL SPECIFIC GRAVITY**

14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 1,160.4 DRY BTU @ 14.696 1,184.0 DRY BTU @ 14.730 1,166.7 DRY BTU @ 15.025 1,190.1

ANALYSIS RUN AT

CYLINDER # CYLINDER PRESSURE DATE RUN

KFL121 PSIG 23 6/12/02

ANALYSIS RUN BY

JANA CARANTA

ATTACHMENT 10