

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION
TULSA, OKLAHOMA

The Federal Land Bank of Wichita
Wichita, Kansas

Gentlemen:

Attached to this letter is a copy of the Black Mesa Unit Agreement dated MARCH 28, 1946, which agreement has been, or is to be, recorded in the records of Union County, New Mexico.

This agreement is in accordance with the terms of that certain oil and gas lease executed by The Federal Land Bank of Wichita to C. R. Board, dated June 3, 1944, and assigned to The Pure Oil Company on January 19, 1946, and under which you now hold a royalty interest.

Also attached to this letter are eight (8) copies of the Consent and Ratification of the Unit Agreement for each tract under which you hold an interest. We would appreciate it if you would sign eight (8) copies of each Consent and Ratification and have your signature acknowledged and return same to The Pure Oil Company, P. O. Box 271, Tulsa 2, Oklahoma, at your earliest convenience.

Please acknowledge receipt of the above by signing this letter in the lower left hand corner and returning same in the self-addressed envelope.

Yours very truly

THE PURE OIL COMPANY

By ~~J. D. McNutt~~
J. D. McNutt

Received copy of Black Mesa Unit Agreement and 8 copies of Consent and Ratification,

Date 5/3/46

THE FEDERAL LAND BANK OF WICHITA

By Gordon Hunter
Vice President

but did not see fit to sign same

Copy of this was given to Gordon 5/3/46
AH

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

J. D. McNUTT

MANAGER

March 22, 1946

Mr. Charles S. Rexroad
210 So. Webb Street
Brandonville, West Va.

Dear Sir:

Attached is a copy of the Black Mesa Unit Agreement, which includes a map outlining an area of 33,030.36 acres in Townships 30, 31 and 32 North, Ranges 36 and 37 East, Union County, New Mexico.

This area has been designated by the Department of Interior, Washington, D. C., as a logical area for exploration and development as a unit of any oil or gas deposits which may be discovered. Of this proposed unit area The Pure Oil Company has under lease, or committed to lease, 32,510.36 acres, or 98.44%.

The Pure Oil Company contemplates drilling a test well in this area, which, under Government regulations must be commenced within six months after final approval of the Unit Agreement. You own an oil and gas lease on the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5-31N-37E, which you have been unwilling to sell to us, and therefore you are hereby invited to execute the unit agreement as working interest owner. If, however, you do not care to include your acreage in the unit, and participate in the operations and expense of development, please indicate your refusal by signing this letter and returning it to this office, together with the enclosed agreement.

Please give this your prompt attention.

Very truly yours,

THE PURE OIL COMPANY

By: 
J. D. McNutt.

Received copy of Black Mesa Unit Agreement. I do not desire to execute the Unit Agreement submitted.



Address

3/29 1946
Date.

Address

ALL QUOTATIONS SUBJECT TO CHANGE WITHOUT NOTICE.

ALL AGREEMENTS CONTINGENT UPON STRIKES, FIRES, ACTS OF THE GOVERNMENT AND CARRIERS, AND ALL OTHER CAUSES BEYOND OUR CONTROL.

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

J. D. McNUTT
MANAGER

April 6,
~~March 22,~~ 1946

Mr. David Barry, Jr.,
5829 West 3rd Street
Los Angeles, California

Dear Sir:

Attached is a copy of the Black Mesa Unit Agreement, which includes a map outlining an area of 33,030.36 acres in Townships 30, 31 and 32 North, Ranges 36 and 37 East, Union County, New Mexico.

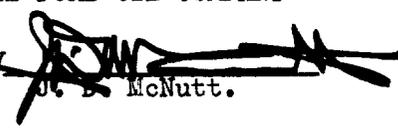
This area has been designated by the Department of Interior, Washington, D. C. as a logical area for exploration and development as a unit of any oil or gas deposits which may be discovered. Of this proposed unit area The Pure Oil Company has under lease, or committed to lease, 32,510.36 acres, or 98.44%.

The Pure Oil Company contemplates drilling a test well in this area, which, under Government regulations must be commenced within six months after final approval of the Unit Agreement. You own an undivided one-half interest (unleased) in the $W\frac{1}{2}NW\frac{1}{4}$; $SE\frac{1}{2}NW\frac{1}{4}$; $N\frac{1}{2}SW\frac{1}{4}$; $W\frac{1}{2}SE\frac{1}{4}$; $SE\frac{1}{4}$ of Sec. 14, $E\frac{1}{2}NE\frac{1}{4}$; $NE\frac{1}{4}SE\frac{1}{4}$ Sec. 23, and $NW\frac{1}{4}$ & $NW\frac{1}{4}SW\frac{1}{4}$ Sec. 24, Twp. 31 North, Rge. 36 East, which you have been unwilling to lease to us, and therefore you are hereby invited to execute the unit agreement as working interest owner. If, however, you do not care to include your acreage in the unit, and participate in the operations and expense of development, please indicate your refusal by signing this letter and returning it to this office, ~~together with the enclosed agreement.~~

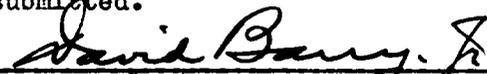
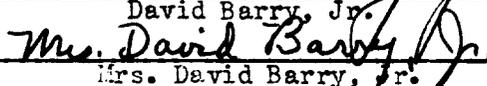
Please give this your prompt attention.

Yours very truly,

THE PURE OIL COMPANY

By 
J. D. McNutt.

Received copy of Black Mesa Unit Agreement. We do not desire to execute the Unit Agreement submitted.


David Barry, Jr.

Mrs. David Barry, Jr.

Address

Date.

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

J. D. McNUTT
MANAGER

March 22, 1946

Mr. H. C. Collister
1409 So. Glenwood Avenue
Springfield, Illinois

Dear Sir:

Attached is a copy of the Black Mesa Unit Agreement, which includes a map outlining an area of 33,030.36 acres in Townships 30, 31 and 32 North, Ranges 36 and 37 East, Union County, New Mexico.

This area has been designated by the Department of Interior, Washington, D. C., as a logical area for exploration and development as a unit of any oil or gas deposits which may be discovered. Of this proposed unit area The Pure Oil Company has under lease, or committed to lease, 32,510.36 acres, or 98.44%.

The Pure Oil Company contemplates drilling a test well in this area, which, under Government regulations must be commenced within six months after final approval of the Unit Agreement. You own an oil and gas lease on the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36-31N-36E, which you have been unwilling to sell to us, and therefore you are hereby invited to execute the unit agreement as working interest owner. If, however, you do not care to include your acreage in the unit, and participate in the operations and expense of development, please indicate your refusal by signing this letter and returning it to this office, together with the enclosed agreement.

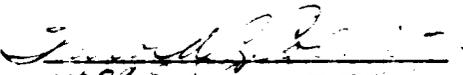
Please give this your prompt attention.

Very truly yours,

THE PURE OIL COMPANY

By 
J. D. McNutt.

Received copy of Black Mesa Unit Agreement. I do not desire to execute the Unit Agreement submitted.


1409 So. Glenwood Avenue
Springfield, Illinois
Address

27 March 1946
Date.

March 22, 1946

Mr. Ellis Laffery
4002 Madison Street
Chicago, Illinois

Dear Sir:

Attached is a copy of the Black Mesa Unit Agreement, which includes a map outlining an area of 33,000.36 acres in Townships 30, 31 and 32 North, Ranges 36 and 37 East, Union County, New Mexico.

This area has been designated by the Department of Interior, Washington, D.C., as a logical area for exploration and development as a unit of any oil or gas deposits which may be discovered. Of this proposed unit area The Pure Oil Company has under lease, or committed to lease, 32,510.36 acres, or 98.44%.

The Pure Oil Company contemplates drilling a test well in this area, which, under Government regulations must be commenced within six months after final approval of the Unit Agreement. You own an oil and gas lease on the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 20-36E-37N., which you have been unwilling to sell to us, and therefore you are hereby invited to execute the unit agreement as working interest owner. If, however, you do not care to include your acreage in the unit, and participate in the operations and expense of development, please indicate your refusal by signing this letter and returning it to this office, together with the enclosed agreement.

Please give this your prompt attention.

Very truly yours,

THE PURE OIL COMPANY,


J. B. SMITH

Received copy of Black Mesa Unit Agreement. I do not desire to execute the Unit Agreement submitted.



4002 Madison St. 3-29-46

ILLEGIBLE

U.S. DEPARTMENT OF POSTAL BUSINESS

POSTMARK OF DELIVERING OFFICE

LAND DEPARTMENT

Return to THE PURE OIL COMPANY

(NAME OF SENDER)

Street and Number, or Post Office Box, } BOX 271

REGISTERED ARTICLE TULSA, OKLAHOMA

No. 220156

INSURED PARCEL

No. _____

TULSA, OKLAHOMA.

Form 3811 Rev. 1-4-40

RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

1 _____ (Signature or name of addressee)

2 _____ (Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of delivery _____, 194

CERTIFICATION--DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior by the act of August 8, 1946 (Public Law 696, 79th Cong., 2d Sess.), which amended the act of February 25, 1920, as amended (41 Stat. 437, 30 U.S.C. secs. 181, et seq.), I hereby take the following action this

2 day of December, 1946:

A. Certify and determine that the unit plan of development and operation in the attached agreement for the development and operation of the Black Mesa Unit Area, Union County, New Mexico, is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources therein.

B. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement



Assistant Secretary of the Interior.

CERTIFICATE OF APPROVAL

STATE OF NEW MEXICO

The undersigned, having this day examined an agreement for the co-operative or unit operation and development of a prospective oil or gas field or area, which agreement is entitled "Black Mesa Unit Agreement, Union County, New Mexico," entered into between The Pure Oil Company, Operator, and likewise subscribed by numerous Royalty Owners, to which agreement this certificate is attached; and

WHEREAS, upon examination thereof, the Commissioner finds:

- a. That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said field;
- b. That under the operations proposed, the State will receive its fair share of the recoverable oil or gas in place under its lands in the area affected;
- c. That the agreement is in other respects for the best interest of the State;
- d. That the agreement provides for the unit operation of the field, for the allocation of production, and the sharing of proceeds from a part of the area covered by the agreement on an acreage basis as specified in the agreement.

NOW, THEREFORE, by virtue of the authority conferred upon me by Chapter 93 of the Laws of the State of New Mexico, 1943, approved April 14, 1943, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said agreement, as to the lands of the State of New Mexico included in said Black Mesa Unit Agreement, and subject to all the provisions of the aforesaid Chapter 93 of the Laws of the State of New Mexico, 1943.

Executed this 19th day of October, A. D. 1946.


Commissioner of Public Lands of
the State of New Mexico

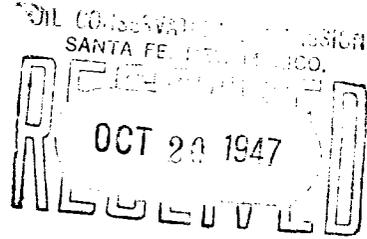
ILLEGIBLE

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO

TULSA, OKLAHOMA

October 16, 1947



Graham
10/16/47

Call

Mr. John E. Miles
Commissioner of Public Lands
Santa Fe, New Mexico

Dear Sir:

In connection with the termination of the Black Mesa Unit Agreement, we enclose copy of letter from H. J. Dunbar, together with copy of Application for Approval of Termination of Black Mesa Unit Agreement, Union County, New Mexico.

Very truly yours,



C. E. BARNES

CEB/lb
Enc.

CC: Mr. R. R. Spurrier, ✓
Oil Conservation Commission
Santa Fe, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION FOR APPROVAL
OF BLACK MESA UNIT AGREEMENT,
UNION COUNTY, NEW MEXICO:

NO. _____

AMENDMENT TO PETITION

Comes now the Pure Oil Company and files this amendment to its petition heretofore filed in this cause and represents to the Commission as follows:

That in its Black Mesa Unit Agreement filed herein your petitioner inadvertently omitted a provision which should have been a part of Section 21 of said agreement, wherein it is provided that the Secretary of the Interior, under the Acts of Congress of March 4, 1931 and August 21, 1935, could alter or modify from time to time, in his discretion, the rate of prospecting and development, that provision omitted being that such action on the part of the Secretary of the Interior should be "within the limits made or fixed by this Commission".

Your petitioner prays such omission be considered as a part of its petition herein and that any approval of such agreement by this Commission or the Secretary of the Interior or the Commissioner of Public Lands be conditioned on the right and authority of this Commission to fix the rate of prospecting and development.

THE PURE OIL COMPANY

By:

Alvin Richards
atly.

1025

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Sir:

On September 24, 1947, M. B. Wraether, Director of the United States Geological Survey, approved permission of the United States mail agreement, Union County, New Mexico, I-S c. No. 422. The report of the Geological Survey indicates that termination of the mail agreement was approved by the Commissioner, State of New Mexico, the State of New Mexico on August 7, 1947. This mail agreement was originally approved on December 2, 1943, and is terminated effective September 14, 1947.

One approved copy of your application for termination is being retained for your records. Only two copies of the mail agreement of the State of New Mexico were furnished to the Geological Survey to complete the files of the Survey.

Very truly yours,



H. J. Duncan,
For the Director.

Enclosure - 17.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Gentlemen:

On September 23, 1947, W. D. Wrather, Director of the United States Geological Survey, approved termination of the Elack Mesa unit agreement, Union County, New Mexico, I-Sec. No. 490. The records of the Geological Survey indicate that termination of the unit agreement was approved by the Commissioner, Public Lands for the State of New Mexico on August 7, 1947. This unit agreement was originally approved on December 2, 1946, and is terminated effective September 23, 1947.

One approved copy of your application for termination is enclosed for your records. Only two copies of approval of termination by the State of New Mexico were furnished and these have been retained to complete the files of the Survey.

Very truly yours,


H. J. Duncan,
For the Director.

Enclosure 497.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Gentlemen:

On September 23, 1947, W. E. Wrather, Director of the United States Geological Survey, approved termination of the Black Mesa unit agreement, Union County, New Mexico, I-Sec. No. 450. The records of the Geological Survey indicate that termination of the unit agreement was approved by the Commissioner, Public Lands for the State of New Mexico on August 5, 1947. This unit agreement was originally approved on December 2, 1946, and is terminated effective September 23, 1947.

One approved copy of your application for termination is enclosed for your record. Only two copies of approval of termination by the State of New Mexico were furnished and these have been retained to complete the files of the Survey.

Very truly yours,



H. J. Duncan,
For the Director.

Enclosure 497.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Gentlemen:

On September 26, 1947, W. E. Wrather, Director of the United States Geological Survey, approved termination of the Black Mesa unit agreement, Union County, New Mexico, I-Sec. No. 460. The records of the Geological Survey indicate that termination of the unit agreement was approved by the Commissioner, Public Lands for the State of New Mexico on August 5, 1947. This unit agreement was originally approved on December 2, 1946, and is terminated effective September 26, 1947.

One approved copy of your application for termination is enclosed for your record. Only two copies of approval of termination by the State of New Mexico were furnished and these have been retained to complete the files of the Survey.

Very truly yours,



H. J. Duncan,
For the Director.

Enclosure 427.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Gentlemen:

On September 26, 1947, W. E. Wrather, Director of the United States Geological Survey, approved termination of the Black Mesa unit agreement, Union County, New Mexico, I-Sec. No. 460. The records of the Geological Survey indicate that termination of the unit agreement was approved by the Commissioner, Public Lands for the State of New Mexico on August 5, 1947. This unit agreement was originally approved on December 2, 1946, and is terminated effective September 26, 1947.

One approved copy of your application for termination is enclosed for your record. Only two copies of approval of termination by the State of New Mexico were furnished and these have been retained to complete the files of the Survey.

Very truly yours,



H. J. Duncan,
For the Director.

Enclosure 427.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

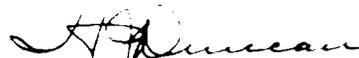
The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Gentlemen:

On September 26, 1947, W. E. Wrather, Director of the United States Geological Survey, approved termination of the Black Mesa unit agreement, Union County, New Mexico, I-Sec. No. 460. The records of the Geological Survey indicate that termination of the unit agreement was approved by the Commissioner, Public Lands for the State of New Mexico on August 5, 1947. This unit agreement was originally approved on December 2, 1946, and is terminated effective September 26, 1947.

One approved copy of your application for termination is enclosed for your record. Only two copies of approval of termination by the State of New Mexico were furnished and these have been retained to complete the files of the Survey.

Very truly yours,



H. J. Duncan,
For the Director.

Enclosure 427.

ILLEGIBLE

L CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

August 20, 1946

Mr. Alvin Richards
The Pure Oil Company
P. O. Box 271
Tulsa, Oklahoma

Re: Case 87 - Pure Oil Company - Black Mesa
Unit Agreement.

Dear Mr. Richards:

The above captioned case is set for September 13 at 10 A.M.,
Santa Fe, New Mexico.

Please acknowledge receipt of the enclosed notice.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MSH

C
O
P
Y

STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

Case 87

August 5, 1947

Mr. Roy O. Yarbrough
P. O. Box 1545
Hobbs, New Mexico

ATTENTION: Miss Gardner

Dear Roy:

Thanks for your letter of July 28, 1947.

The information you gave enabled us to straighten out a filing error and thus secure the information needed by the Land Commissioner to terminate the Black Mesa Unit Agreement in Union County.

Very truly yours,

GEORGE A. GRAHAM
Attorney,
Oil Conservation Commission

GAG:bsp

C
O
P
Y

NEW MEXICO
OIL CONSERVATION COMMISSION

GOVERNOR JOHN J. DEMPSEY
CHAIRMAN
LAND COMMISSIONER JOHN E. MILES
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND TREASURER



Santa Fe, New Mexico

Box 1545
Hobbs, New Mexico
July 28, 1947



Case 87

Mr. George A. Graham, Attorney
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

~~Dear~~ Dear Mr. Graham:

In reply to your letter of July 25, 1947, in regard to the Report of Result of Plugging, Form C-103, on the Pure Oil Company, Black Mesa Unit well located in the NESWNE in Section 6, Township 30 N, Range 37 E, the report was approved in this office on June 2, 1947. The Original thereof was sent to the Santa Fe Office with that weeks mail.

I have sent the forms requested by your office under seperate cover.

Very truly yours,

Roy Yarbrough

Oil & Gas Inspector

cg

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

1026 SEVENTEENTH ST., N. W.
WASHINGTON 6, D. C.

July 23rd, 1946.

****BLACK MESA UNIT AGREEMENT.****

Mr. Alvin Richards,
The Pure Oil Company,
P. O. Box 271,
Tulsa, Oklahoma.

Dear Mr. Richards:

For your information, the Black Mesa Unit Agreement, submitted by the Pure Oil Company to the U S Geological Survey at Roswell, N.M., duly arrived in Washington, and passed thru all the necessary Divisions of the Interior Department.

The Agreement was approved as written, and the approval has been initialed on the Agreement by all the various Divisions, and it has now been submitted to the Secretary for his signature, which is the final step.

Should we at this time, ask any change in the Agreement, it means that the Agreement must be recalled from the Secretary's desk; - the necessary change made in the wording, and the amended Agreement resubmitted to the Geological Survey at Roswell, N. M., and then, thence again to Washington, and thru all the necessary Divisions, such as the Geological Survey, the Mineral Division, the Law Board, and back to the Secretary. This is the decision of the Department of the Interior. In addition to this, the amended Agreement must be approved by all the signatories of the Unit Agreement.

As it now stands, the Agreement as written, initialed and approved by all the Divisions down the line is considered in effect an approved agreement and only requires the Secretary's signature. I understand that in the past, Unit Agreements worded the same as the Black Mesa Agreement have been accepted by the State of New Mexico. The right of the State of New Mexico to control oil pro ration is freely admitted by the Interior Department. If the State of New Mexico will accept the Agreement as written, it will save our Company months of time in getting started. We know from experience that it requires months of time to get a new Agreement approved, and an amended agreement takes the same procedure as a new Agreement. This is especially true now with the Interior Department short of help and swamped with new applications and new Agreements of all sorts.

Sincerely yours,



WALTER DU MONT.

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

July 17, 1946

Mr. Alvin Richards
The Pure Oil Company
Southwestern Producing Division
Tulsa, Oklahoma

Re: Pure Oil Company: Black Mesa Unit Agreement, Union
County, New Mexico.

Dear Mr. Richards:

Reference is to your letter of July 9 enclosing petition for approval of Black Mesa Unit Agreement, Union County.

Detailed examination reveals the failure to include the following phrase: "within the limits made or fixed by the Commission", in Section 21, Rate of Prospecting, Development and Production, line 8 following the words "development and", in said line. The inclusion of this phrase was in the Picacho Unit Agreement, Lincoln County, form taken as standard as to those matters pertaining to State control and has been included in every unit agreement approved by the Commission since that time. It is presumed that the phrase in question must have been left out by some oversight. With the inclusion of the phrase the pertinent portion of the sentence involved should read as follows, the phrase in question being underlined:

"All production and the disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under any Federal or State statute; provided, that the Secretary of the Interior is vested with authority pursuant to the amendatory acts of March 4, 1931, and of August 21, 1935, supra, to alter or modify from time to time, in his discretion, the rate of prospecting and development and, within the limits made or fixed by the Commission, the quantity and rate of production under this agreement.

If the agreement has not already been executed, the phrase can be easily included. If the agreement has been executed, either a revised executed copy could be filed or, if more convenient, an executed supplement including the change could be filed.

C
O
P
Y

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

ALVIN RICHARDS, ATTORNEY

July 9, 1946

Mr. Carl Livingston, Attorney,
Oil Conservation Commission,
Santa Fe, New Mexico.

Dear Mr. Livingston:

Re: Black Mesa Unit Agreement,
Union County, New Mexico.

We are to day in receipt of a letter from the Commissioner of Public Lands, Mr. John E. Miles, advising that the above agreement has been examined and found satisfactory as to form and substance, which would authorize proceedings before the Oil Conservation Commission, the final certificate to be executed after a hearing on findings of the Commission.

Following the procedure which you outlined when I was there a short time ago, I am enclosing you herewith a petition for filing with the Oil Conservation Commission.

I am also enclosing for filing, detached, a geological report and map, marked Exhibit "A", which I understand will not be generally exhibited to the public. This same geological statement and map was filed with the Commissioner of Public Lands, and I only have one executed copy left, which I trust will be sufficient. If more copies are required I can file photostats.

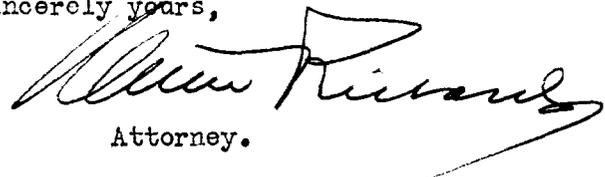
I am also enclosing a copy of the Unit Agreement. I left a copy or two with you when I was there, and I assume this additional copy will be sufficient for your needs at this time. We of course will file executed copies with you at or about the time of the hearing.

I would appreciate it very much if you would expedite the hearing of this as much as possible and advise me as soon as you can when a hearing can be held.

Also, if after examining these papers there is anything that is lacking I would appreciate your letting me know so that I can supply you with anything you need, and I trust if there is anything lacking that will be necessary to supply you, that it will not delay the advertising and setting of the matter down for hearing.

With kindest regards, I am,

Sincerely yours,


Attorney.

AR:M

Encl. 3.

ALL QUOTATIONS SUBJECT TO CHANGE WITHOUT NOTICE.

ALL AGREEMENTS CONTINGENT UPON STRIKES, FIRES, ACTS OF THE GOVERNMENT AND CARRIERS AND ALL SERVICES.

WILDLIFE CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

August 24, 1946

AIRMAIL

Union County Leader
Attention: C. E. Lough
Clayton, New Mexico

Re: Notice for Publication
Case No. 37

Gentlemen:

In reply to your letter of August 22, the legal advertisement in the above captioned matter sent you under date of August 20 is intended to be published next or earliest time it is possible to do so. As pointed out in said letter it is to be published once. Please be sure to proof read it and send publisher's affidavit upon publication.

Very truly yours,

Chief Clerk & Legal Adviser

CEL:MSH

C
O
P
Y

C
O
P
Y

THE PURE OIL COMPANY
P. O. BOX 271
Tulsa 2, Okla.

MINERAL CONSERVATION COMMISSION
NEW MEXICO
RECEIVED
JUL 21 1947

July 18, 1947

Mr. John E. Miles
Commissioner of Public Lands
Santa Fe, New Mexico

Dear Mr. Miles:

We are enclosing herewith original and two copies of Application for Approval of Termination of Black Mesa Unit Agreement Indec. No. 260, covering an area of 33,000.36 acres in Townships 30, 31 and 32 North, Ranges 36 and 37 East, N. M. P. M., Union County, New Mexico.

The Pure Oil Company has drilled two dry holes on the unitized lands, as follows:

- Well #1 - NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 13, Township 31 North, Range 36 East.
Date commenced: 12-30-46.
Total Depth: 351 1/2 Ft.
Plugged and abandoned: 3-1-47.
- Well #2 - NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6, Township 30 North, Range 37 East.
Date commenced: 1-20-47.
Total Depth: 350 Ft.
Plugged and abandoned: 5-23-47.

We respectfully request your approval of the enclosed Application for Approval of Termination of Black Mesa Unit Agreement.

If there is any additional information, or any further requirements necessary, we shall be glad to furnish same upon request.

Very truly yours,

C. S. BARNES

CMB
Enc.

Mr. R. R. Spurrier
Santa Fe, New Mexico ✓

ILLEGIBLE

CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Richards

-2-

7-17-46

You will be advised of the date when your petition is set for hearing. Ordinarily all pending petitions that are ready for hearing are set at the same time. I believe it would be expedient to advise as soon as is possible whether the agreement with the included phrase in question or a supplement to the agreement containing such phrase will be ready for filing in due course.

Very truly yours,

Chief Clerk & Legal Adviser

CHL:MSH

cc Foster Morrell

C. E. Barnes, Landsman

Pure Oil Co., Tulsa

George Graham

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Oil Conservation Commission,
State of New Mexico,
Santa Fe, New Mexico.

Gentlemen:

Reference is made to the unit agreement for the Black Mesa area, Union County, New Mexico, approved December 2, 1946, I-Sec. 460.

Departmental letter of September 6 to The Pure Oil Company stated that the certificate of approval of the unit agreement would contain the following statement:

Determine and certify that the exercise of authority to control the quantity and rate of production provided in section 21 of said agreement shall be restricted within the limits made or fixed by the State Conservation Commission of New Mexico.

I very much regret that through oversight the foregoing provision was omitted when the certificate was prepared for Departmental approval. The various counterparts of the agreement now have been distributed and correction of the oversight at this time can be accomplished only by a modification of the unit agreement duly executed by all parties signing or approving the original instrument.

Your attention is invited to the fact that under the terms of section 21 of the unit agreement as now approved no control may be exercised by the Secretary of the Interior over the quantity and rate of production from privately owned or State owned land in the absence of specific written approval by your Commission. The foregoing omission therefore affects only the Federal land in the unit area which comprises about 26.7 per cent of the total unit are, and which is edge acreage to a large extent. Furthermore, the Federal acreage is interspersed with State and privately owned land.

Unless production control is made effective as to the whole of any single pool or deposit, it is not only ineffective but prejudicial to the land on which the control is exercised. Therefore it is inconceivable to me that an instance ever could arise under this unit agreement as approved where any production control would be exercised without the approval of your Commission.

In the light of the foregoing discussion, I trust you will consider the unit agreement acceptable without further modification. If, however, you consider it absolutely necessary that the unit agreement be amended, the unit operator will be called upon to submit such amendment.

Very truly yours,


Director.

OIL CONSERVATION COMMISS I
SANTA FE, NEW MEXICO

C
O
P
Y

December 12, 1946

Alvin Richards, Esquire
The Pure Oil Company
Tulsa, Oklahoma

Re: Case 87

Dear Alvin:

The approved agreement in the above caption matter, forwarded with your letter of December 10, is today filed in the case.

With kindest personal regards.

Very truly yours,

Chief Clerk & Legal Adviser

DBL:MSH

P.S. As requested in your letter enclosed please find a set of C-101s, notice of intention to drill a well, and two bond forms -- the one-well bond form and the blanket bond form. If you contemplate drilling two or more wells, it doubtless would be more convenient to supply blanket bond. The one-well bond is to be written in the sum of \$5000. Both require corporate surety. From time to time you will need other forms as required by the regulations. These are distributed from the field office at Hobbs, to which office your superintendent may apply whenever he so desires.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Recd. 12-9-46

Oil Conservation Commission,
State of New Mexico,
Santa Fe, New Mexico.

Gentlemen:

You are hereby advised that under date of December 2, 1946, C. Girard Davidson, Assistant Secretary of the Interior, approved the unit agreement for the Black Mesa Area involving land in Union County, New Mexico. This agreement was approved by your Commission on October 8, and by the Commissioner of Public Lands for the State of New Mexico on October 19, 1946.

It is understood that the unit operator, The Pure Oil Company, will furnish you with a conformed copy of the approved agreement for your record.

Very truly yours,



H. J. Duncan,
For the Director.

RS

STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

October 23, 1947

The Pure Oil Company
P. O. Box 271
Tulsa, Oklahoma

ATTENTION: C. E. Barnes

Gentlemen:

This acknowledges receipt of photostat copies of the letter from H. J. Duncan dated September 30, 1946 and of application for approval for termination of the Black Mesa unit agreement, Union County, New Mexico.

The papers will be filed in Case No. 87 on the docket of the Commission. According to the records of this office, the Black Mesa Unit agreement is terminated.

Respectfully yours,

GEORGE A. GRAHAM
Attorney
Oil Conservation Commission

CAG:bsp

C

O

P

Y

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

ALVIN RICHARDS, ATTORNEY

August 22, 1946.

Mr. Carl B. Livingston, Attorney,
Oil Conservation Commission,
Santa Fe, New Mexico.

Dear Mr. Livingston:

Re: Case No. 87 - The Pure Oil Company,
Black Mesa Unit Agreement.

I was very glad to get your letter of August 20th, advising that the above captioned case is set for hearing September 13th, at Santa Fe. I also acknowledge receipt of a copy of the notice by publication. I shall be on hand on this date, or a day or two before and go over the matter with you, and will bring witnesses for the hearing.

Yours truly,



Attorney

AR/M

STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

October 23, 1947

The Pure Oil Company
P. O. Box 271
Tulsa, Oklahoma

ATTENTION: C. E. Barnes

Gentlemen:

This acknowledges receipt of photostat copies of the letter from H. J. Duncan dated September 30, 1946 and of application for approval for termination of the Black Mesa unit agreement, Union County, New Mexico.

The papers will be filed in Case No. 87 on the docket of the Commission. According to the records of this office, the Black Mesa Unit agreement is terminated.

Respectfully yours,

GEORGE A. GRAHAM
Attorney
Oil Conservation Commission

CAG:bsp

C

O

P

Y

IL CONSERVATION COMMISSIO
SANTA FE, NEW MEXICO

August 20, 1946

Union County Leader
Clayton, New Mexico

Re: Notice for Publication
Case No. 87

Gentlemen:

Please publish the enclosed notice once, immediately.
Please proof read the notice carefully and send a copy
of the paper carrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND PUBLISHER'S
AFFIDAVIT.

For payment please submit statement in duplicate accompanied
by executed voucher. The necessary form is enclosed.

Very truly yours,

Chief Clerk & Legal Adviser

CBL:MSH

C
O
P
Y

INDEPENDENT WEEKLY

Union County Leader

PUBLISHED THURSDAY

C. E. LOUGH, PUBLISHER
E. F. LOUGH, BUSINESS MANAGER

Clayton, New Mexico

Aug 22, 1946

New Mexico Air Conservation Com.

Santa Fe, N. M.

Gentlemen: We are in receipt of Legal, Case 87, which arrived here this morning—too late for this publication which we mail Wednesday evening. We will run in next week's paper unless we hear otherwise, also please advise if it should run more than one time.

Thanks

C. E. Lough

THE PURE OIL COMPANY

GENERAL OFFICES, 35 EAST WACKER DRIVE, CHICAGO.

SOUTHWESTERN PRODUCING DIVISION

TULSA, OKLAHOMA

ALVIN RICHARDS, ATTORNEY

December 10, 1946

Mr. Carl B. Livingston
Attorney
Oil Conservation Commission
Santa Fe, New Mexico

Case 87-

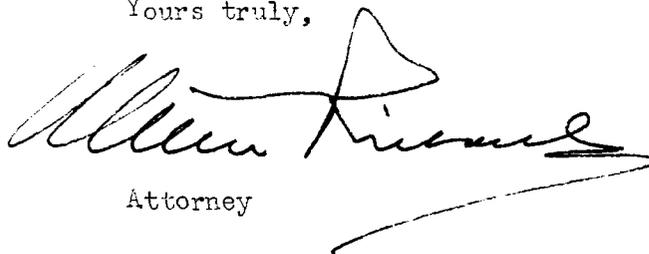
Re: Black Mesa Unit Agreement -
Union County, New Mexico.

Dear Sir:

We have finally procured final approval of the above agreement by the Secretary of the Interior, and I am enclosing herewith a full and completely executed copy of this agreement, together with all consents and ratifications. You will note attached a photostatic copy of the certification and approval by the Secretary of the Interior. This will give you a complete record of this entire transaction.

As it is our intention to begin a well in this area shortly, I would appreciate it very much if you would let me have some blanks, as outlined in your general rules which includes the bond and the various forms C-101 and upwards. I take it from the regulations that the minimum bond is \$5,000.00 and the blanket bond may be executed for \$10,000.00. As far as I know we have no other wells drilling in the state and presume we have no bond on file with you. I would appreciate it if you would advise us with reference to this matter.

Yours truly,



Attorney

AR:NR
encl.