

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 25, 1958

Mr. Gordon Llewellyn  
Aztec Oil & Gas Company  
920 Mercantile Securities Bldg.  
Dallas, Texas

Dear Mr. Llewellyn:

We enclose a copy of Order R-1285 issued November 21, 1958, by the Oil Conservation Commission in Case 1545, which was heard on November 13th.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

bp  
Encl.

*Typed copy of  
R-1285 sent to  
Paul Clark, Se. Union,  
Farmington - 11-25-58  
BP*

U  
O  
P  
Y

CLASS OF SERVICE

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

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201

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

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L FRA 120 PD AR=FARMINGTON NMEX 22 4:25 PMM=

A L PORTER, OIL CONSERVATION COMMISSION= 1958 DEC 22 PM 4 45

SANTA FE NMEX=

5-2841  
5-7565

THE OPERATORS IN THE VERDE GALLUP POOL AND THE GALLEGOS GALLUP POOL HAVE NOT RECEIVED ANY ORDERS CONCERNING THE RESULTS OF CASE NUMBER 1545 AND CASE 1544 WILL YOU PLEASE ADVISE THE OPERATORS AS TO THE DECISION MADE ON THESE CASES=

EWELL N WALSH EL PASO NATURAL GAS PRODUCTS CO==

= 1545 1544 =

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

# CARROLL DRILLING CO. INC.

DIAL DA 5-2201  
DA 5-2459

P. O. BOX 337  
FARMINGTON, NEW MEXICO  
October 7, 1958

The Honorable Oil Conservation Commission of  
The State of New Mexico

Gentlemen:

C. M. Carroll, being operator of a lease jointly owned with El Paso Natural Gas Products Company, located in the Verde Gallup field of San Juan County, New Mexico, respectfully requests that the Commission consider an exception to its rule 5021 (A) of its regulations in regard to limiting oil production to 125% of the daily top unit allowable. It is our understanding that this authority is vested in the Commission without formal hearing by rule 5021 (B) of the Commission's rules.

Carroll has drilled and completed six (6) wells producing from the Gallup formation in the above mentioned field and at this writing is completing a seventh (7th) well and drilling an eighth (8th) well on Ute Mountain Tribal Lease No. 14-20-151-44 composed of all of sections thirteen (13) and fourteen (14), Township 31N, Range 15W, San Juan County, New Mexico. These wells are more fully described in Exhibit "A" attached and made a part hereof.

This request is made because of the difficulty experienced in trying to comply with a daily allowable set forth by the Commission. No electricity is available at this time and the well pumps are being powered by multi-cylinder gas engines operating on propane. In an effort to comply with the Commission's regulation, the pump stroke has been reduced to a minimum travel and speed and in most cases daily production still exceeds that allowed. Efficiency of operation is reduced and parafin trouble increased under the above operating procedure, and pumping and switching problems created for operating personnel.

In view of the existing difficulties, it is respectfully requested that the Commission grant an exception to Rule 5021 (A) as regards Ute Mountain Tribal Lease No. 14-20-151-44 of the Verde Gallup oil pool, and allow this lease to be produced on a monthly allowable per well, or grant a higher tolerance on daily production.

Very truly yours,

C. M. Carroll

By *R. Owen*  
Roy Owen

*Docket Mailed  
11-3-58 DP*

RO:dmr



DIAL DA 5-2201  
DA 5-2459

P. O. BOX 337  
FARMINGTON, NEW MEXICO  
October 7, 1958

EXHIBIT "A"

Description of well locations, C. M. Carroll, Ute Mountain  
Tribal Lease No. 14-20-151-44, Township 31N, Range 15W,  
San Juan County, New Mexico.

<u>Well Name</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Initial Potential</u>
Ute #1	P	14	240
Ute #2	F	14	119
Ute #3	M	13	180
Ute #4	J	14	180
Ute #5	E	14	72
Ute #A-1	P	13	216
Ute #A-2	H	13	Being completed
Ute #A-3	N	14	Being drilled

EL PASO NATURAL GAS PRODUCTS COMPANY

1958 OCT 10 1:03 PM EL PASO, TEXAS  
October 9, 1958

ADDRESS REPLY TO:  
POST OFFICE BOX 1565  
FARMINGTON, NEW MEXICO

Mr. A. L. Porter, Jr.  
Secretary - Director  
Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

We request administrative approval for exception to Rule 502, Section I, Sub-Section - A, of the New Mexico Oil Conservation Commission Rules and Regulations, in order that the following wells might be produced at more than the 125 percent of the daily top unit allowable set forth in the Verde-Gallup Pool. These wells are:

<u>LEASE</u>	<u>WELL NO.</u>	<u>U.</u>	<u>S. T. R.</u>
Malco Copple	1	N	7-30-15
Malco Copple	2	C	5-30-15
Malco Copple	3	E	5-30-15
Malco Copple	5	G	6-30-15
Malco Copple	6	G	5-30-15
Malco Copple	8	A	5-30-15
Malco Copple	10	O	6-30-15
Ute	6	M	11-31-15
Ute	7	K	11-31-15
Ute	8	E	11-31-15
Ute	9	I	11-31-15
Ute	10	M	12-31-15
Ute	11	O	12-31-15
Ute	12	K	12-31-15
Ute	13	C	12-31-15

The reasons for requesting this exception are as follows:

1. Surface and sub-surface equipment on the wells has been designed for maximum production. Due to the past and present unit allowable we are only able to stay within the daily tolerance by the addition of equipment which increases the cost of the wells.

2. In some cases the producing rate of the wells is low enough that the fluid level is not lowered enough to allow break through of gas to run the pumping unit. In

*Docket Mailed  
11-3-58 JBP*

that case it is necessary to install some means for furnishing fuel for the pump engine.

3. The low production rates have seemed to increase the paraffin problems in the wells considerably. Therefore, it is necessary to take some means to eliminate this paraffin problem, thereby increasing the operating costs on the wells.

4. In some cases due to bad weather, the field personnel are unable to go to some of the wells because of road and terrain conditions. In this case wells that are only produced for a few hours a day to stay within the daily production tolerance, are unable to be produced every day and can have a loss in production.

5. The wells have a low gas-oil ratio, the ratio being in the range fifty (50) to one thousand (1,000) cubic feet of gas per barrel of oil. The small amount of gas that is not being used for fuel gas is being vented due to no gas gathering system in the pool.

It is our understanding that all operators in the Verde-Gallup Pool are making a similar application, therefore, a copy of this application will not be sent to them.

Thank you very much for your cooperation in this matter.

Very truly yours,



Ewell N. Walsh  
Division Petroleum Engineer

ENW:EW

cc: Emery Arnold-1  
W. T. Hollis-1  
J. C. Vandiver-2

MAIN OFFICE OCC

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BUILDING

DALLAS 1, TEXAS

1958 OCT 9 AM 8:16  
QUILMAN B. DAVIS  
SECRETARY AND GENERAL ATTORNEY

October 8, 1958

Mr. A. L. Porter, Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Pete:

In accordance with our telephone conversation yesterday, I am enclosing Aztec's application, in triplicate, for an exception to Rule 502 I (a).

You will note that this application is substantially in the same form as that filed by Pubco and, of course, if it is at all possible we would like to have the exception effective as of the same date as Pubco obtained theirs.

Should there be any further questions in connection with this matter, please do not hesitate to call me.

With best personal regards, I am

Yours very truly,

*Quilman*

QBD:NL  
Encs.

*Docket mailed  
11-3-58  
BR*

**AZTEC OIL & GAS COMPANY**  
920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

1958 OCT 9 AM 9:15

October 8, 1958

AIR MAIL

Mr. A. L. Porter, Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: Application of Aztec Oil & Gas  
Company for an Exception to  
Rule 502 I (a) of the Commission's  
Regulations, Verde Gallup Oil  
Pool, San Juan County, New Mexico

Dear Mr. Porter:

Aztec Oil & Gas Company hereby submits its application for administrative approval of an exception to Rule 502 I (a) to permit Applicant to produce its wells in the Verde Gallup oil pool, San Juan County, New Mexico, at rates in excess of the one hundred twenty-five per cent (125%) of such wells' daily unit allowable, and in support thereof Applicant states and shows the following:

1.

Applicant has heretofore drilled and completed eleven (11) wells producing from the Gallup formation in the Verde Gallup oil pool, San Juan County, New Mexico. The wells which have been drilled to date by Applicant on its oil and gas leases within the boundary of the Verde Gallup oil pool are described in Exhibit "A" attached hereto and made a part of this application for all purposes. Most



of these wells were completed and equipped at considerable expense to Applicant prior to regulation of the production from the Verde Gallup oil pool by the Oil Conservation Commission and at a time when the production from such pool fluctuated from ten (10) barrels of oil per day to fifty-two (52) barrels of oil per day as a result of purchaser or pipeline proration.

2.

Applicant has made every effort to obtain electricity as a well pump power source; however, this source of power is not available in the Verde Gallup pool at the present time, and of necessity Applicant is using casinghead gas and butane as fuel for its pumping unit engines. Applicant has endeavored to comply with the Commission's regulations by setting the pump travel on the minimum stroke setting and by running the pumping unit engines at as slow a rate at which they will operate, with the result that on a number of Applicant's wells which have one and one-half inch ( $1\frac{1}{2}$ " ) pump bores at sixteen (16) strokes per minute on a twenty-one inch (21" ) stroke, the wells still produce seventy-one (71) barrels of oil per day at approximately eighty per cent (80%) efficiency, which is in excess of the daily tolerance permitted by Rule 502 I (a). In order to comply with the tolerance rule as presently designated, the pumps would have to be reduced to eleven (11) strokes per minute, which would cause inefficient operation of the pumping unit engines. Applicant's equipment was designed and installed to give maximum efficiency at eighteen (18) strokes

per minute, and variations from this speed cause excessive equipment wear and loss of efficiency, and it becomes increasingly difficult to balance such pumping units. Furthermore, due to the slow rates of production, paraffin problems have become quite severe in the Verde Gallup oil pool, and further reduced daily production rates tend to aggravate the paraffin situation. The difficulties created by these circumstances are compounded and it becomes extremely difficult to meet daily production quotas during the winter months because of extreme weather conditions.

3.

Although the above situation is applicable only to a portion of Applicant's wells in the Verde Gallup pool, the switching problem for Applicant's field personnel is the same as if such problem were applicable to all of Applicant's wells and, therefore, Applicant requests an exception to Rule 502 I (a) for all of its wells in the Verde Gallup pool.

4.

Applicant's wells have an extremely low gas-oil ratio, being in the range of two hundred (200) to four hundred (400) cubic feet of gas per barrel of oil. The minor amount of casinghead gas which is not used for wellhead fuel is being vented, and as a consequence there is no problem of maintaining steady production rates.

5.

Applicant submits that the granting of this application will

Mr. A. L. Porter  
Page #4  
October 8, 1958

prevent waste and will not be detrimental to the correlative rights of the offset owners, but will prevent further economic loss to Applicant.

6.

Applicant has today mailed to each of the parties listed on Exhibit "B" hereto, and who are all operators in the Verde Gallup pool to the best of Applicant's knowledge and belief, a copy of this application.

WHEREFORE, Applicant respectfully requests that the Secretary of the Commission approve the requested exception from Rule 502 I (a) of the Commission's Rules and Regulations as to all of Applicant's wells described in Exhibit "A" attached hereto.

Respectfully submitted,

AZTEC OIL & GAS COMPANY

By Quilman B. Davis  
General Attorney

STATE OF TEXAS )  
COUNTY OF DALLAS )

Quilman B. Davis, being first duly sworn, hereby states that he is General Attorney of Aztec Oil & Gas Company, the Applicant in the foregoing application; that he has executed said application on behalf of Aztec Oil & Gas Company; that he has read said application and, to the best of his knowledge, information and belief, all statements of fact therein contained are true and correct.

Quilman B. Davis  
Quilman B. Davis

Sworn to and subscribed before me, the undersigned authority, this 8th day of October, 1958.

My Commission Expires:  
June 1, 1959

Naomi D. Langran  
Notary Public in and for  
Dallas County, Texas

EXHIBIT "A"

to

AZTEC OIL & GAS COMPANY'S

APPLICATION FOR AN EXCEPTION TO RULE 502 I (a)

VERDE GALLUP OIL POOL

SAN JUAN COUNTY, NEW MEXICO

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Wells to which captioned Application pertains:

<u>Well Name</u>	<u>Location</u>		<u>Township</u>	<u>Range</u>
	<u>Unit</u>	<u>Section</u>		
Ute Indian #1-E	E	20	31 North	14 West
Ute Indian #2-E	K	20	31 North	14 West
Ute Indian #1-D	P	24	31 North	15 West
Ute Indian #2-D	N	23	31 North	15 West
Ute Indian #2	G	10	31 North	15 West
Ute Indian #3	J	10	31 North	15 West
Ute Indian #1	P	10	31 North	15 West
Ute Indian #3-AX	A	15	31 North	15 West
Ute Indian #5-A	C	15	31 North	15 West
Ute Indian #4-A	G	15	31 North	15 West
Ute Indian #1-A	I	15	31 North	15 West
Ute Indian #2-A	G	16	31 North	15 West

EXHIBIT "B"

to

AZTEC OIL & GAS COMPANY'S

APPLICATION FOR AN EXCEPTION TO RULE 502 I (a)

VERDE GALLUP OIL POOL

SAN JUAN COUNTY, NEW MEXICO

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Skelly Oil Company  
Post Office Box 426  
Attention: Mr. Earl Cosper  
Superintendent  
Farmington, New Mexico

Humble Oil & Refining Company  
Post Office Box 1268  
Attention: Mr. E. G. Hays  
District Petroleum Engineer  
Farmington, New Mexico

El Paso Natural Gas Products Company  
Post Office Box 1565  
Attention: Mr. Ewell N. Walsh  
Division Petroleum Engineer  
Farmington, New Mexico

Pubco Petroleum Corporation  
Post Office Box 1419  
Attention Mr. Frank Gorham  
Albuquerque, New Mexico

Carroll Production Company  
Post Office Box 337  
Attention: Mr. Claude M. Carroll  
Farmington, New Mexico

Southern Union Gas Company  
1104 Burt Building  
Attention: Mr. A. M. Weiderkehr  
Dallas 1, Texas

Tennessee Gas Transmission Company  
Post Office Box 1772  
Attention: Mr. Patterson Lay  
District Superintendent  
Casper, Wyoming

Gulf Oil Corporation  
Post Office Box 3313  
Attention: Mr. W. D. Mitchell  
Area Production Superintendent  
Durango, Colorado

Pan American Petroleum Corporation  
Post Office Box 899  
Attention: Mr. J. W. Brown  
District Engineer  
Roswell, New Mexico

Three States Natural Gas Company  
Post Office Box 67  
Attention: Mr. John Carothers  
Assistant District Superintendent  
Farmington, New Mexico

Standard Oil Company of Texas  
Post Office Box 635  
Attention: Mr. R. H. Dubitzky  
District Geologist  
Albuquerque, New Mexico

MAIN OFFICE OCC  
1958 OCT 14 AM 8:28  
SOUTHERN UNION GAS COMPANY  
COURT BUILDING  
DALLAS 1, TEXAS

October 10, 1958

AIR MAIL

Mr. A. L. Porter, Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: Application of Southern Union Gas  
Company for an Exception to Rule  
502 I (a) of the Commission's  
Regulations, Verde Gallup Oil  
Pool, San Juan County, New Mexico

Dear Mr. Porter:

Southern Union Gas Company hereby submits its application for administrative approval of an exception to Rule 502 I (a) to permit it to produce its wells in the Verde Gallup oil pool, San Juan County, New Mexico, at rates in excess of the one hundred twenty-five per cent (125%) of such wells' daily unit allowable, and in support thereof Applicant represents the following:

1.

Applicant has to date drilled and completed eleven (11) wells producing from the Gallup formation in the Verde Gallup oil pool in San Juan County, New Mexico. These wells are described in the attached Exhibit "A". Most of these wells were completed and equipped at considerable expense to Applicant prior to regulation of the production from the Verde Gallup oil pool by the Commission and at a time when the production from such pool varied from ten (10) barrels of oil per day to fifty-two (52) barrels

Mr. A. L. Porter  
Page #2  
October 10, 1958

of oil per day as a result of purchaser or pipeline proration.

2.

Electricity is not available in the Verde Gallup pool at the present time as a well pump power source, and of necessity Applicant is using casinghead gas and butane as fuel for its pumping unit engines. Applicant has endeavored to comply with the Commission's regulations by setting the pump travel on the minimum stroke setting and by running the pumping unit engines at as slow a rate at which they will operate, with the result that on a number of Applicant's wells which have one and one-half inch ( $1\frac{1}{2}$ " ) pump bores at sixteen (16) strokes per minute on a twenty-one inch (21" ) stroke, the wells still produce seventy-one (71) barrels of oil per day at approximately eighty per cent (80%) efficiency, which is in excess of the daily tolerance permitted by Rule 502 I (a). In order to comply with the tolerance rule as presently designated, the pumps would have to be reduced to eleven (11) strokes per minute, which would cause inefficient operation of the pumping unit engines. Applicant's equipment was designed and installed to give maximum efficiency at eighteen (18) strokes per minute, and variations from this speed cause excessive equipment wear and loss of efficiency, and it becomes increasingly difficult to balance such pumping units. Furthermore, due to the slow rates of production, paraffin problems have become quite severe in the Verde Gallup oil pool, and further reduced daily production rates tend to aggravate the paraffin situation. The difficulties created by these circumstances

Mr. A. L. Porter  
Page #3  
October 10, 1958

are compounded and it becomes extremely difficult to meet daily production quotas during the winter months because of extreme weather conditions.

3.

The above situation is applicable to all but two of Applicant's wells in the Verde Gallup pool, but even for these two wells the switching problem for Applicant's field personnel is the same and, therefore, Applicant requests an exception to Rule 502 I (a) for all of its wells in the Verde Gallup pool.

4.

Applicant's wells have an extremely low gas-oil ratio, being in the range of two hundred (200) to six hundred (600) cubic feet of gas per barrel of oil. The minor amount of casinghead gas which is not used for wellhead fuel is being vented, and as a consequence there is no problem of maintaining steady production rates.

5.

Applicant submits that the granting of this application will prevent waste and will not be detrimental to the correlative rights of the offset owners, but will prevent further economic loss to Applicant.

6.

Applicant has this date mailed a copy of this application to each of the parties listed on Exhibit "B" hereto, and to the best of Applicant's knowledge and belief they are all the operators in the Verde Gallup pool.

WHEREFORE, Applicant respectfully requests that the Secretary of



Mr. A. L. Porter  
Page #4  
October 10, 1958

the Commission approve the requested exception from Rule 502 I (a) of the Commission's Rules and Regulations as to all of Applicant's wells described in Exhibit "A" attached hereto.

Respectfully submitted,

SOUTHERN UNION GAS COMPANY

By A. M. Wiederkehr  
Manager, Exploration Department

STATE OF TEXAS )  
COUNTY OF DALLAS )

A. M. Wiederkehr, being first duly sworn, hereby states that he is Manager of the Exploration Department of Southern Union Gas Company, the Applicant in the foregoing application; that he has executed said application on behalf of Southern Union Gas Company; that he has read said application and, to the best of his knowledge, information and belief, all statements of fact therein contained are true and correct.

A. M. Wiederkehr  
A. M. Wiederkehr

Sworn to and subscribed before me, the undersigned authority, this 10th day of October, 1958.

Barlene Denton  
Notary Public in and for  
Dallas County, Texas

My Commission Expires:  
June 1, 1959

EXHIBIT "A"

to

SOUTHERN UNION GAS COMPANY'S

APPLICATION FOR AN EXCEPTION TO RULE 502 I (a)

VERDE GALLEP OIL POOL

SAN JUAN COUNTY, NEW MEXICO

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Wells to which captioned Application pertains:

<u>Well Name</u>	<u>Location</u>		<u>Township</u>	<u>Range</u>
	<u>Unit</u>	<u>Section</u>		
Ute Indian #1-17	E	17	31 North	14 West
Ute Indian #3-17	C	17	31 North	14 West
Ute Indian #1-23	B	23	31 North	15 West
Ute Indian #2-23	L	23	31 North	15 West
Ute Indian #3-23	C	23	31 North	15 West
Ute Indian #4-23	J	23	31 North	15 West
Ute Indian #5-23	H	23	31 North	15 West
Ute Indian #1-24	D	24	31 North	15 West
Ute Indian #2-24	A	24	31 North	15 West
Ute Indian #4-24	L	24	31 North	15 West
Ute Indian #5-24	F	24	31 North	15 West

**EXHIBIT "B"**

to

**SOUTHERN UNION GAS COMPANY'S**

**APPLICATION FOR AN EXCEPTION TO RULE 502 I (a)**

**VERDE GALLUP OIL POOL**

**SAN JUAN COUNTY, NEW MEXICO**

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Skelly Oil Company  
Post Office Box 426  
Attention: Mr. Earl Cosper  
Superintendent  
Farmington, New Mexico

Tennessee Gas Transmission Company  
Post Office Box 1772  
Attention: Mr. Pattersen Lay  
District Superintendent  
Casper, Wyoming

Humble Oil & Refining Company  
Post Office Box 1268  
Attention: Mr. E. G. Hays  
District Petroleum Engineer  
Farmington, New Mexico

Gulf Oil Corporation  
Post Office Box 3313  
Attention: Mr. W. D. Mitchell  
Area Production Superintendent  
Durango, Colorado

El Paso Natural Gas Products Company  
Post Office Box 1565  
Attention: Mr. Ewell N. Walsh  
Division Petroleum Engineer  
Farmington, New Mexico

Pan American Petroleum Corporation  
Post Office Box 899  
Attention: Mr. J. W. Brown  
District Engineer  
Roswell, New Mexico

Pubco Petroleum Corporation  
Post Office Box 1419  
Attention: Mr. Frank Gorham  
Albuquerque, New Mexico

Three States Natural Gas Company  
Post Office Box 67  
Attention: Mr. John Carothers  
Assistant District Superintendent  
Farmington, New Mexico

Carroll Production Company  
Post Office Box 337  
Attention: Mr. Claude M. Carroll  
Farmington, New Mexico

Standard Oil Company of Texas  
Post Office Box 635  
Attention: Mr. R. H. Dubitzky  
District Geologist  
Albuquerque, New Mexico

Aztec Oil & Gas Company  
920 Mercantile Securities Building  
Attention: Mr. Quilman B. Davis  
Dallas 1, Texas

NEW MEXICO OIL CONSERVATION COMMISSION CASE NO. 1545

AZTEC'S EXHIBIT "A"

- (1) 50% Interest wells operated by Aztec Oil & Gas Company for which it is requesting an exception to Rule 502(I)(a) in the Verde Gallup Oil Pool (Southern Union Gas Company has remaining 50% interest):

<u>Well</u>	<u>Unit Location</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Ute Indian #1	P	10	31N	15W
Ute Indian #2	G	10	31N	15W
Ute Indian #3	J	10	31N	15W
Ute Indian #1-A	I	15	31N	15W
Ute Indian #2-A	G	16	31N	15W
Ute Indian #3-AX	A	15	31N	15W
Ute Indian #4-A	G	15	31N	15W
Ute Indian #5-A	G	15	31N	15W

- (2) 50% Interest Wells operated by Southern Union Gas Company for which they are requesting an exception to Rule 502(I)(a) in the Verde Gallup Oil Pool (Aztec has remaining 50% interest):

Ute Indian #1-17	E	17	31N	14W
Ute Indian #3-17	C	17	31N	14W
Ute Indian #1-23	B	23	31N	15W
Ute Indian #2-23	L	23	31N	15W
Ute Indian #1-24	D	24	31N	15W
Ute Indian #2-24	A	24	31N	15W

- (3) 100% Interest wells operated by Aztec Oil & Gas Company for which it is requesting an exception to Rule 502(I)(a) in the Verde Gallup Oil Pool:

Ute Indian #1-D	P	24	31N	15W
Ute Indian #2-D	N	24	31N	15W
Ute Indian #3-D	P	23	31N	15W
Ute Indian #1-E	E	20	31N	14W
Ute Indian #2-E	K	20	31N	14W
Ute Indian #3-E	K	17	31N	14W
*Ute Indian #4-E	G	20	31N	14W
*Ute Indian #5-E	G	17	31N	14W

- (4) 100% Interest Wells operated by Southern Union Gas Company for which they are requesting an exception to Rule 502(I)(a) in the Verde Gallup Oil Pool:

Ute Indian #3-23	C	23	31N	15W
Ute Indian #4-23	J	23	31N	15W
Ute Indian #5-23	H	23	31N	15W
Ute Indian #4-24	L	24	31N	15W
Ute Indian #5-24	F	24	31N	15W
*Ute Indian #2-17	M	17	31N	14W
*Ute Indian #1-20	M	20	31N	14W

\*Well now drilling