

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 5, 1961

Mr. Jose Maria Martinez
Park View, New Mexico

Dear Mr. Martinez:

By Commission Order No. R-1960, a copy of which is enclosed, all of the mineral interests in the SW/4 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, were force-pooled to form a 160-acre gas proration unit. This unit includes the S/2 SW/4 of Section 2 in which you own a 17/30 undivided interest.

This order was issued pursuant to Section 65-3-14 (c) of the New Mexico Statutes Annotated, 1953 Compilation, and its effect is to place the mineral interest in your acreage into a common pool with the mineral interests of all other persons in the 160-acre unit in order that a well can be economically drilled and assigned a full allowable. This order in no way affects your ownership in the surface of the land; it only affects your interest in the Tapacito-Pictured Cliffs Gas Pool.

The effect of this force-pooling order upon you is to recognize you as a royalty owner to the extent of 1/8 of your proportionate interest in the 160-acre tract and to recognize you as the owner of what is termed a working interest in the remaining 7/8 of your proportionate interest in the unit. This means that you will receive payment, without charge of operating costs, for your royalty interest beginning as soon as a well is drilled and is producing on this unit. You will also receive payment for your working interest, but rather than receiving any money immediately, this payment will be delayed until 110 per cent of your proportionate share of the well costs have been paid out of money from the production of gas. It is possible, and even probable,

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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Mr. Jose Maria Martinez
Park View, New Mexico

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that in several years the well will be paid for and you will then begin receiving payments for your working interest.

The force-pooling order does not, in any way, deprive you from receiving payment for the gas that will be produced from under your land. In fact, were it not for this order, it is quite probable that you would never derive any benefit from your mineral interest ownership in this land.

I am hoping that this explanation of the effect of force-pooling will help you understand what has been done by this order. If there are additional questions you would like to ask about this matter, please feel free to call upon us.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/RSM/esr
Enclosure

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 6, 1962

Mr. Manuel Sanchez
Attorney at Law
54 Lincoln Avenue
Santa Fe, New Mexico

Dear Mr. Sanchez:

This letter will acknowledge receipt of three copies of an itemized statement of well costs on Southern Union Production Company's Well No. 1, SW/4 of Section 2, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, as required to be submitted by Commission Order No. R-1960 entered in Case No. 2249 on May 5, 1961.

Very truly yours,

RICHARD S. MORRIS
Attorney

RSM/og

File 2249
R-1960 5/5/61

SOUTHERN UNION PRODUCTION COMPANY

MAIN OFFICE CCC

MARTINEZ #1
T-25-N, R-3-W, SW¹/₄ of Section 2
Rio Arriba County, New Mexico

Well - 7069
Lease- 8209
Page 1 of 3

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Ref.	Description	June	July	August	Sept.	October	Total Actual
So. 71	Administrative Overhead			\$125.00			\$125.00
So. 71	Company Labor			495.00	\$219.00		714.00
So. 72	Company Auto			125.00	90.00	2.00	217.00
So. 74	1627' 1 1/2" Tubing 275 Jal-Conweld 50 2040' 1 1/2" Tubing 275 Jal-Conweld 50			508.00	1,166.00		508.00 1,166.00
101-013	251' 2 3/8" Tubing 470 J55 <251'> 2 3/8" Tubing 470 J55			152.00	<153.00>		152.00 <153.00>
101-016 101-068	154' 2 7/8" Tubing 650 J55 26' 5 1/2" Casing 1550 J55 Used to build cattleguard - Left for Martinez after completion of well			120.00 49.00			120.00 49.00
101-026	3962' 3 1/2" Tubing 930 N80 <91'> 3 1/2" Tubing 930 N80			6,185.00	<142.00>		6,185.00 <142.00>
101-332	201' 8 5/8" Casing 3200 J55			842.00			842.00
370-102	30 Gal. Premium Auto Gas			10.00			10.00
501-724	2 1 1/2" Plug Lift.			37.00			37.00
931-265	1 Xmas Tree Assembly 10" 400 X 6" 600			400.00			400.00
				\$9,048.00	\$1,180.00	\$ 2.00	\$10,230.00

<u>Ref.</u>	<u>Description</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>Sept.</u>	<u>October</u>	<u>Total Actual</u>
So. 75 12274	Jose Maria Martinez - For surface damages	\$530.00					\$530.00
10719(438)	Jeffries - Eaves, Inc. - Haul 3940' 3 1/2" Tubing to Martinez #1 Well			\$217.00			217.00
10719(439)	New Mexico Tankers, Inc. - Haul drilling water to Martinez #1 Well			1,135.00			1,135.00
10747	Fleegeer Drilling, Inc. - Drill 3850'			11,666.00			11,666.00
10775	Basin Builders Supply - 2-8 X 10 - 14 Rough Pine - 187'			29.00			29.00
10776	Murphy Welding - 10 Hours making cattleguard			72.00			72.00
10812	Goodno Welding & Mfg. Inc. - Welded on slip on shoe; welded crack on gas separator; belled out 8" Jt. of pipe and cut off threads			7.00			7.00
10917(432)	T. S. Schmitz - Water for drilling & frac for Martinez #1			250.00			250.00
10917(433)	Road right of way to Martinez #1			60.00			60.00
10913(453)	Jeffries - Eaves, Inc. - Haul 3900' - 1 1/2" Tubing and 2 3/8" Tubing to Martinez #1				217.00		217.00
10999(449)	B. F. Walker, Inc. - Haul 6 Jts. 8 5/8" Casing to Martinez #1				132.00		132.00
10999(459)	New Mexico Tankers, Inc. - Haul frac water to Martinez #1				1,092.00		1,092.00
11016	Ernest G. Motto - Build location & pit on Martinez #1				388.00		388.00
11027	Baroid Division Drilling Mud				373.00		373.00
11029	B & R Service, Inc. - Temperature Survey on 3 1/2" Casing				102.00		102.00
11030	B J Service, Inc. - Special Services				570.00		570.00
11044	McCullough Tool Co. - Logging Service				969.00		969.00
11045	Monarch Construction Co. - Move & install cattleguard				146.00		146.00
		\$530.00		\$22,484.00	\$5,169.00	\$ 2.00	\$28,185.00

<u>Ref.</u>	<u>Description</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>Sept.</u>	<u>October</u>	<u>Total Actual</u>
11105	Dowell - Special Services				\$5,001.00		\$5,001.00
11107	Drilling Mud - Baroid				1,826.00		1,826.00
11147	Signal Oilfield Service				1,337.00		1,337.00
11154	B J Service, Inc. - Special Services				1,062.00		1,062.00
11192	Atomic Sign Service - Metal Well Sign				18.00		18.00
11193	Murphy Welding Co. - Make pin collar & perforate 1 1/2" Tubing. Cut off 3 1/2" Casing & set slips				7.00 68.00		7.00 68.00
11222	Shaffer Tool Works, Inc. - Ram blocks W/Rubbers				20.00		20.00
11240	The Western Company - Special Services				678.00		678.00
11248	Jones & Laughlin Supply Division - M & S				15.00		15.00
11343	Basin Industrial Company - Fishing Tool Rental				83.00		83.00
11352	Leonard & Youtsey - Fill pits & clean up location				227.00		227.00
11117(474)	Mountain States Telephone				11.00		11.00
11415	M.B.R. Inc. - Clean up location					74.00	74.00
11437	Lane Wells Company - Logging Company					663.00	663.00
11477	Mountain States Telephone					9.00	9.00
11554	Jones & Laughlin Supply Division - M & S					53.00	53.00
11596	Deacon Supply Company - Valve Sealant					2.00	2.00
88123	Southwestern Bell Telephone Co. - Telephone Bill to Mr. Sanchez - Santa Fe		2.00				2.00
		\$530.00	\$ 2.00	\$22,484.00	\$15,522.00	\$803.00	\$39,341.00



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB 25 1957

In Reply Refer to:
O&G: NM 014856

Land Office
P. O. Box 1251
Santa Fe, New Mexico

N 11130

February 19, 1957 Oil and Gas

DECISION

Lease date
September 1, 1954

Assignor: H. C. Langston

Assignment
Filed or completed:
February 10, 1956

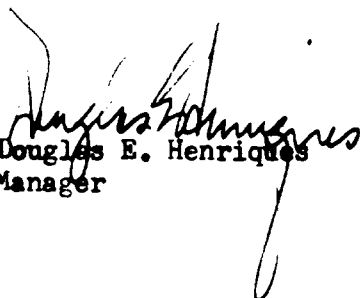
Assignee: Southern Union Gas Company

Assignment Approved

The above-captioned assignment of oil and gas lease is hereby approved, effective on the first day of the lease month following the date of its filing or completion.

Acceptable evidence of the qualifications and holdings of the assignee under the Mineral Leasing Act, as amended, has been filed. The showing as to overriding royalties and payments out of production conforms to the regulations.

3% overriding royalty reserved.


Douglas E. Henriques
Manager

Orig: Assignee(w/asgmt.)
cc:Assignor
cc:O&G Supv.(3)

MAIN OFFICE OCC

1961 APR 13 AM 8:03

April 10, 1961

State of New Mexico
OIL CONSERVATION COMMISSION
P. O. Box 871
Santa Fe.

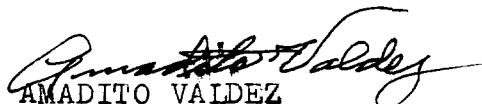
Gentlemen:

This is to acknowledge receipt of your notice relative to case #2249, in the matter of the Application of Southern Union Production Company for an order force pooling interests for the formation of a standard drilling and proration unit in the Tapacito Pictured Cliff Pool consisting of the SW $\frac{1}{2}$ Section 2, T. 25 N., R. 3W, set for examiner hearing April 19, 1961 at Santa Fe, New Mexico.

I wish to inform you that I do not agree to force pooling and unitization of the interests in said unit.

Thank you for your consideration.

Very truly yours,


AMADITO VALDEZ
722 West Sheridan Road
Chicago 13, Illinois

AV/mj

April 15, 1961

Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

Gentlemen:

This letter is in reply to the application of Southern Union Production Company concerning an order force pooling interests for the formation of a standard drilling and production unit in the Tapacito Pictured Cliff Pool consisting of the SW $\frac{1}{4}$ Section 2, T. 25 N., R. 3 W.

I have no objection to the drilling of a well on my property as long as:


1. I am not obligated in any way to produce or contribute funds that will be used in the drilling of this well.
2. That I receive a distribution of profits in the event of production.

I have made no other provision for use of the property.

Yours truly,

Luis Martinez

gcp

A handwritten signature in cursive script that reads "Luis Martinez". The signature is written in dark ink and is positioned below the typed name "Luis Martinez".

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

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

P. O. BOX 871
SANTA FE

May 5, 1961

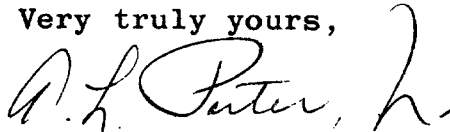
Mr. Manuel Sanchez
Attorney at Law
P. O. Box 666
Santa Fe, New Mexico

Re: Case No. 2249
Order No. R-1960
Applicant:
Southern Union Production
Company

Dear Sir:

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

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

OTHER Jose Maria Martinez

Printed copies sent to all interested parties.

April 18, 1961

4429 No. Whipple
Chicago 25, Ill.

State of New Mexico
Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico No. 2249

Dear Sirs;

The letter sent each and everyone concerning the Southren Union Production Company Forse Pool, for Tapasita Cliff Pool for April 19 was mistakenly sent back.

It was address to me at 2737 W. 18th Chicago 5, Illinios. It should have read; 4429 No. Whipple, Chicago 25, Illinos.

If it is not to late I would appreciate it if you in return mail it back to me this time to the right address.

Thank you for your trouble,

Sincerely your

Eliverta Johnson

*duplication
+ letter mailed
4-15-61
JK*

MANUEL A. SANCHEZ
ATTORNEY AT LAW
BATTS BUILDING
SANTA FE, NEW MEXICO

POST OFFICE BOX 666

TELEPHONE YUCCA 3-4631

June 13, 1961

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Enclosed is photostat copy of Exhibit 3 in Cause No. 2249
Oil Conservation Commission of New Mexico.

At the hearing we requested withdrawal of the original
exhibit and filing a photostat copy of the same.

Yours very truly,

Manuel A. Sanchez

YRS/JF
Enc.