

Care 6218

RANDOLPH M. RICHARDSON

OIL AND GAS LAND AND UNIT CONSULTANT

FEDERAL - STATE - FEE

P. O. BOX 819

ROSWELL, NEW MEXICO 88201

March 21, 1978

OFFICE 505 622-8801

HOME 505 622-7985

In Re: Tequilla Unit
Eddy County, New Mexico

Ms. Lynn Teschendorf
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Ms. Teschendorf:

Attached are three copies of application and copy of Unit Agreement for the Tequilla Unit.

Although the application requests a hearing at the earliest available time, please put this unit on either May 3 or May 10 hearing dates. I will be on vacation on April 19.

Thank you very much.

Yours truly,



R. M. Richardson

RMR:cmg

Enclosures



United States Department of the Interior

GEOLOGICAL SURVEY

Care
6218
APR 07 1978

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 03 1978

Randolph M. Richardson, III
P. O. Box 819
Roswell, New Mexico 88201

Gentlemen:

Your application of January 25, 1978, filed with the Assistant Area Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Tequila unit, embracing 4,825.93 acres, more or less, in Eddy County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act, as Amended.

Pursuant to unit plan regulations 30 CFR 226, the land requested as outlined on your plat marked "Exhibit 'A', Tequila Unit Area" is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test all formations of Pennsylvanian age or to a depth of 10,500 feet. Your proposed use of the Form of Agreement for Unproved Areas, modified as shown in your application, will be accepted, provided it is further modified by adding the following section:

"FOREST LAND STIPULATION. Notwithstanding any other terms and conditions contained in this agreement, all of the stipulations and conditions of the individual leases between the United States and its lessees or their successors or assigns embracing lands within the unit area included for the protection of lands or functions under the jurisdiction of the Secretary of Agriculture shall remain in full force and effect the same as though this agreement had not been entered into, and no modification thereof is authorized except with the prior consent in writing of the Regional Forester, United States Forest Service, Alamogordo, New Mexico."

If conditions are such that further modification of said standard form is deemed necessary, two copies of the proposed modifications with

appropriate justification must be submitted to this office through the Oil and Gas Supervisor for preliminary approval.

In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to Roswell, New Mexico for the Supervisor's approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the 1968 reprint of the aforementioned form.

Inasmuch as this agreement involves State lands, we are sending a copy of the letter to the Commissioner of Public Lands. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts or clearance from the State.

Sincerely yours,

William H. Stebbins

Regional Conservation Manager
For the Director

Enclosure

cc:
Com. Pub. Lands, Santa Fe
NMOCC, Santa Fe



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124

Albuquerque, New Mexico 87125

RECEIVED

MAY 25 1979

6-2 '8

Inexco Oil Company
Attention: Mr. Sam S. Reeves, Jr.
1100 Milam Building, Suite 1900
Houston, Texas 77002

Gentlemen:

Your request of April 26, 1979, for a six-month extension of time in which to commence drilling the second test well under the terms of the Tequilla unit agreement, No. 14-08-0001-16915, Eddy County, New Mexico, has been approved on this date subject to like approval by the Commissioner of Public Lands and the Oil Conservation Division, both of the State of New Mexico. Therefore, the second unit test well is now required to be commenced before midnight on January 31, 1980.

Copies of the approved extension are being distributed to the appropriate Federal offices and one copy is returned herewith. A copy of this approval letter is also being sent to the office of the State Agencies cited above.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

Oil and Gas Supervisor, SRMA

cc:
NMOCD, Santa Fe (1tr. only)
Com. Pub. Lands, Santa Fe (1tr. only)



INEXO OIL COMPANY

November 27, 1978

New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Ms. Lynn Teschendorf

no. 6218

Re: Tequila, NM-122
Tequila Federal Unit
Eddy County, New Mexico

Gentlemen:

Pursuant to your Order No. R-5726, Case No. 6218, enclosed please find one copy of the Tequila Unit Agreement showing approval by the U.S.G.S., Commissioner of Public Lands and Consent and Ratification forms from the parties thereto.

If anything further is needed, please advise so.

Yours very truly,

INEXO OIL COMPANY

Tom L. Dodds

Tom L. Dodds
Area Landman

TLD/vr

Enc.

State of New Mexico



Commissioner of Public Lands

November 30, 1979

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Inexco Oil Company
1100 Milam Building, Suite 1900
Houston, Texas 77002

62/8

Re: Tequilla Unit
Eddy County, New Mexico
TERMINATION

ATTENTION: Mr. Sam S. Reeves, Jr.

Gentlemen:

This letter is to officially notify you that the Tequilla Unit Agreement has been terminated by this office, effective as of July 30, 1979, for failure to comply with Section 9 of the unit agreement. Your request to the USGS for an extension of time in which to drill your second well was never filed nor approved by this office.

Please notify all interested parties of this action.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505-827-2748

AJA/RDG/s

cc: OCD-Santa Fe, New Mexico ✓
 USGS-Roswell, New Mexico
 USGS-Albuquerque, New Mexico



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201

December 5, 1978

Inexco Oil Company
Attn: Mr. Tom L. Dodds
1100 Milan Bldg., Suite 1900
Houston, Texas 77002

No. 6218

Gentlemen:

In our letter dated November 15, 1978, concerning the Tequilla Unit Agreement, Eddy County, New Mexico, we inadvertently used the wrong unit number, 14-08-0001-16914. The correct number for this unit is 14-03-0001-16915.

Please change your records to reflect the correct number for this unit.

Sincerely yours,

CHARLES SIMS
for Area Petroleum Accountant

cc: NMOSD, Santa Fe
Com. Public Lands, Santa Fe

This Copy for



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124
Albuquerque, New Mexico 87125

NOV 15 1978

no. 6218

Inexco Oil Company
Attention: Mr. Tom L. Dodds
1100 Milam Building, Suite 1900
Houston, Texas 77002

Gentlemen:

Four approved copies of the Tequila unit agreement, Eddy County, New Mexico, are enclosed. Such agreement has been assigned No. 14-08-0001-16914 and is effective the same date as approved.

You are requested to furnish the Commissioner of Public Lands, the Oil Conservation Division, both of the State of New Mexico, and all other interested principals with appropriate evidence of this approval.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

Oil and Gas Supervisor, SRMA

Enclosures (4)

cc:
NMOCD, Santa Fe (1tr. only) ← *this is a copy for*
Com. Pub. Lands, Santa Fe (1tr. only)

Unit Name TEQUILLA UNIT (EXPLORATORY)
 Operator INEXO OIL COMPANY
 County EDDY

DATE	OCC CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	SEPARATION FEE	SEGREGATION CLAUSE	TEEM
APPROVED	OCC ORDER NO. 6218	DATE	ACREAGE	STATE	FEDERAL	SEPARATION FEE	SEGREGATION CLAUSE	TEEM
Commissioner	Commission	11-15-78	4,825.93	990.46	3,045.46	790.01	Yes	5 Trs,
11-8-78	5-12-78							

UNIT AREA

TOWNSHIP 23 SOUTH, RANGE 23 EAST, NMPM
 Sec. 28: S/2
 Sec. 29: S/2
 Secs. 31, 32, 33, A11

TOWNSHIP 24 SOUTH, RANGE 22 EAST, NMPM
 Sec. 1: E/2
 Sec. 12: A11

TOWNSHIP 24 SOUTH, RANGE 23 EAST, NMPM
 Sec. 5: W/2
 Sec. 6: A11
 Sec. 7: W/2

TERMINATED
 11-30-78
 CH: 7-30-79

*for failure to comply with
 Section 9 of the unit agreement.
 Their request for extension of time
 in which to drill the 2nd well
 was never filed nor approved
 by this office and with the
 215 BS,*

Unit Name TEQUILLA UNIT (EXPLORATORY)
 Operator INEXCO OIL COMPANY
 County EDDY

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED		ACREAGE	LESSEE
							DATE	ACRES		
8	L-7034	C.S.	32	23S	23E	Lots 1, 2, 3, 4, N/2SW/4, NE/4, SE/4NW/4, N/2SE/4	10-23-78	550.44		Depco, Inc.
9	LG-279-1	Pub. Bldgs.	5	24S	23E /	Lots 3, 4, S/2NW/4, SW/4	10-5-78	320.02		Inexco Oil Company
10	LG-5027	C.S.	32	23S	23E	N/2NW/4, SW/4NW/4			120.00	Cal-Mon Oil Company

TERMINATED
 11-30-79
 7-30-79

NOT COMMITTED