







BEFORE EXAMINER STOGNER

Oil Conservation Division

Foran Exhibit No. 1

Case No. 9289



Proposed Rouse #1-5 Well  
 East Townsend Prospect  
 12,300' Morrow Test  
 Township 16 South - Range 36 East  
 Lea County, New Mexico

Section 5



*Celestine has no interests in the proposed units.*

*Non-Standard for all*

BEFORE EXAMINER STOGNER

Oil Conservation Division

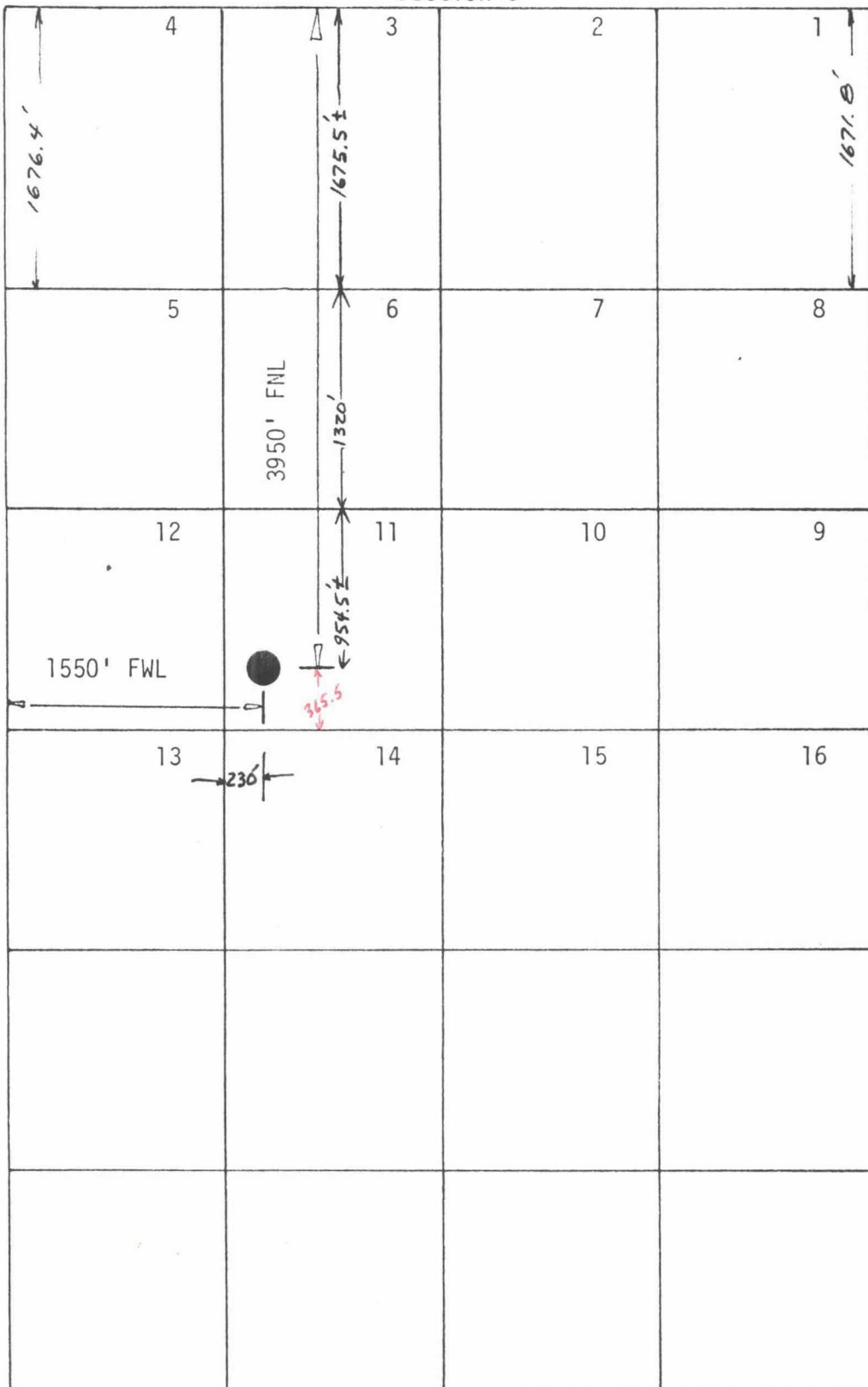
*Foran* Exhibit No. 2

Case No. 9289



Proposed Rouse #1-5 Well  
East Townsend Prospect  
12,300' Morrow Test  
Township 16 South - Range 36 East  
Lea County, New Mexico

Section 5



BEFORE EXAMINER STOGNER  
Oil Conservation Division  
FORAN Exhibit No. 3  
Case No. 9289

BEFORE EXAMINER STOGNER

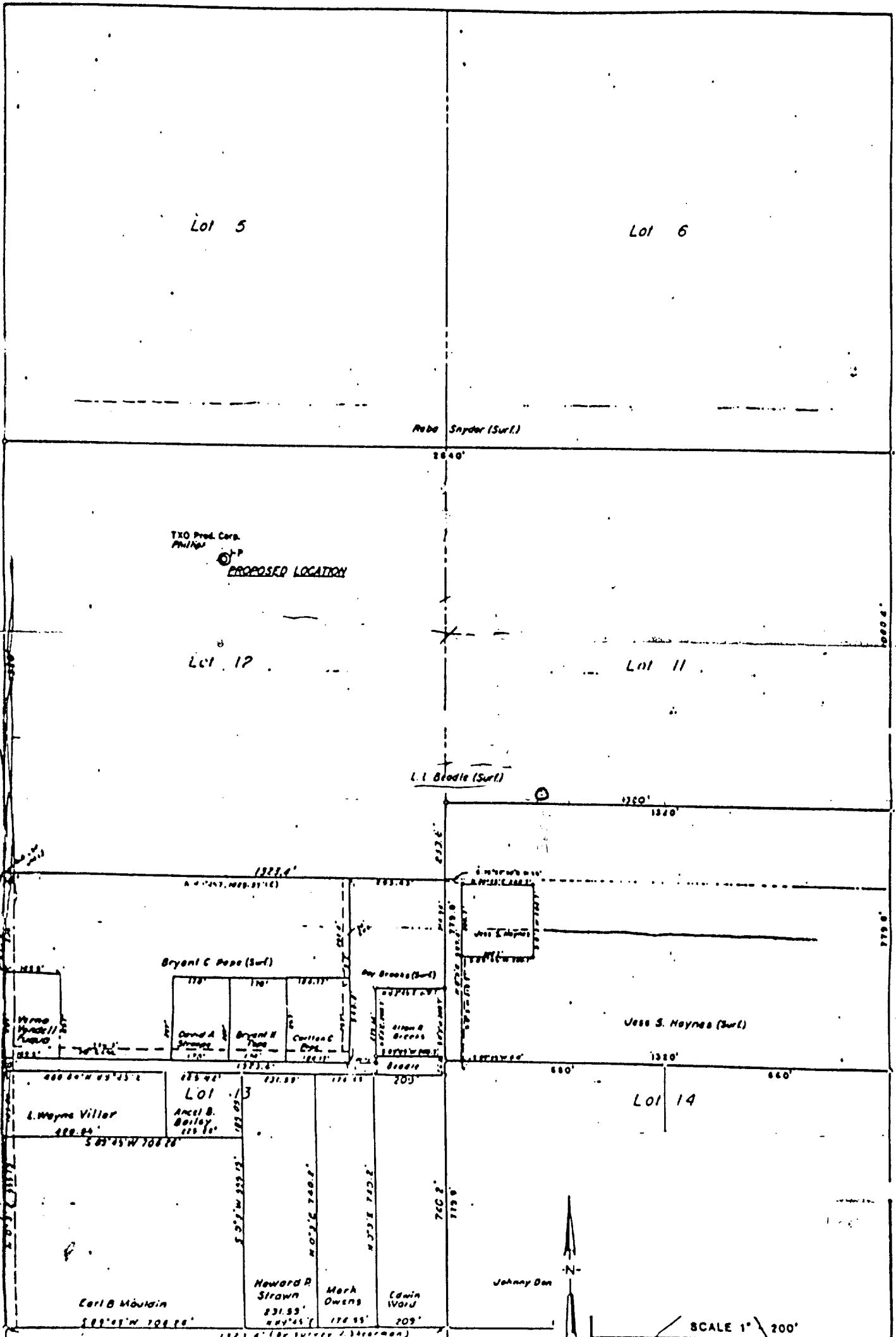
Oil Conservation Division

FORAN 4

Case No. 9289

RECEIVED 10-19-87

10-19-87



**JERRY L. WILLIAMS**  
ATTORNEY AT LAW  
13 WEST WASHINGTON  
POST OFFICE BOX 910  
LOVINGTON, NM 88260  
(505) 396-3053

RECEIVED JAN 21 1988

January 18, 1988

Foran Oil Company  
Attn: Joe Foran  
Suite 158, Pecan Creek  
8340 Meadow Road  
Dallas, TX 75231

Re: Variance for oil and  
gas well in Lot 11,  
Section 5, Township 16  
South, Range 36 East,  
N.M.P.M., Lea County, New  
Mexico

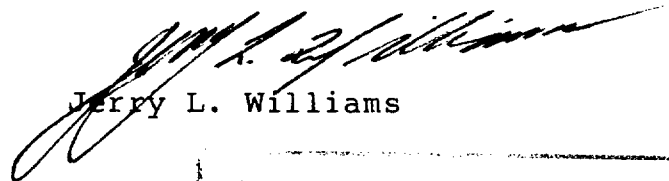
Dear Joe:

This letter is to advise that we have finally received from the Lovington--Lea County Extraterritorial Zoning Authority a conformed copy of the Variance for the proposed well immediately northwest of Lovington.

I am enclosing herewith for your records a copy of the Variance; and by copy of this letter, I am advising your Petroleum Consultant, John C. Maxey, of the securing and recording of the Variance.

Should either you or Mr. Maxey have any questions, please do not hesitate to contact me; however, before concluding, I would like to thank you for allowing me to be of service to your company in this matter.

Very truly yours,



Jerry L. Williams

JLW/spc  
Enclosure

Copy to: John C. Maxey  
Petroleum Consultant  
7224 Old Kent Rd.  
Amarillo, TX 79109

|                           |
|---------------------------|
| BEFORE ENGINEER STOGNER   |
| Oil Conservation Division |
| Foran Section 5           |
| Case No. 9289             |

OUTSTANDING INTERESTS - East Townsend Prospect

Lots 11-14 and SW/4 (320 ac.)  
 Section 5, T16S-R36E  
 Lea County, N.M.

DEBORAH CHAMBER STOGNER  
 DISTRICT ATTORNEY  
 FORAM  
 Case No. 9289

*Maple*

*Sharon*

*Wendy*

T.X.O.  
 900 Wilco Bldg.  
 Midland, TX 79701

Net Acres      % of Unit

67.212      21.004

Net Acres      % of Unit

51.667      64.58376

Net Acres      % of Unit

25.8315      64.57868

C.E. Corrigan and the  
 Hugh Corrigan III Trust  
 c/o C.L. Ware  
 2500 Castleford Rd.  
 Midland, TX 79705

2.2265625      .6958

.3515625      .43945

.1757813      .43945

Diana Brunel  
 5622 E. 97th Street  
 Tulsa, OK 74137-4914

2.2619025      .70684

.3571452      .44643

.1785713      .44643

Raynette Bluffin Littlel  
 165-A Wiseman Way  
 Upland, CA 91786

1.1309524      .353423

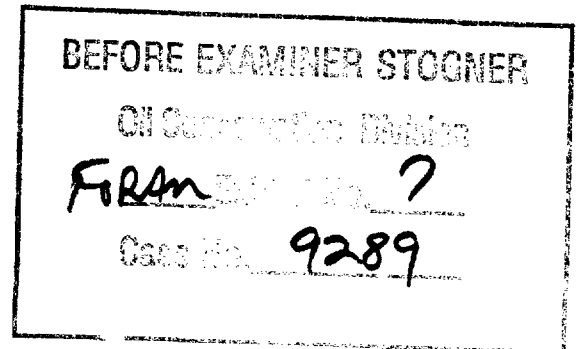
.17857143      .22321

.0892857      .22321

TXO PRODUCTION CORP.  
900 WILCO BUILDING  
MIDLAND, TEXAS 79701  
915/682-7992

December 14, 1987

Foran Oil Company  
Suite 158, Pecan Creek  
8340 Meadow Road  
Dallas, TX 75251



Attn: Mr. Joe Foran

Re: Farmout proposal  
Lots 11 through 14,  
Section 5,  
T-16-S, R-36-E  
Lea County, New Mexico

Dear Joe:

TXO has received and reviewed your Rouse #1-5 well proposal on the above referenced tract in Lea County, New Mexico. TXO does not wish to participate in the drilling of this 12,800' Morrow test, but would prefer to farm out its leasehold interest in Lots 11 through 14, Section 5, T-16-S, R-36-E, under the following terms and conditions:

1. Foran Oil Company will commence, or cause to be commenced, a 12,800' Morrow test on the farmout acreage, or acreage pooled therewith, on or before June 1, 1988.
2. TXO will deliver a 75% net revenue lease to Foran Oil Company, with the option to convert any retained overriding royalty interest into a 25% working interest at payout of the well.
3. The successful completion of a well will earn Foran an assignment on a spacing unit basis, i.e. Foran Oil Company will earn 80 acres around the wellbore in an oil producing formation (Strawn) and 320 acres around the wellbore in a gas formation (Morrow).

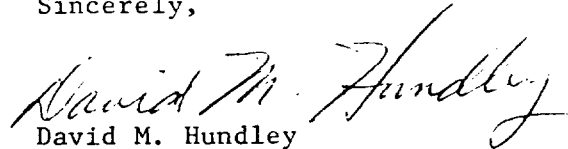
We realize this proposal does not provide for a subsequent farmout well should the Rouse #1-5 be successfully completed or recompleted as an oil well. Presently TXO management does not wish to farmout more than one proration unit inasmuch as our leasehold in Lots 11 through 14 in Section 5 is less than 100%. We realize you may choose to seek a compulsory pooling order for the Rouse #1-5 and I do not think that TXO would oppose your efforts in that regard.



Foran Oil Company  
December 14, 1987  
Page Two

Please give me a call once you have had a chance to review this offer should you have any questions or want to discuss this matter further. If the foregoing terms are acceptable to Foran Oil Company, please let me know and I will prepare and submit for your review and execution a Farmout Agreement as soon as possible.

Sincerely,

  
David M. Hundley  
District Landman

DMH/sf

**FORAN OIL COMPANY**

SUITE 158, PECAN CREEK

8340 MEADOW ROAD

DALLAS, TEXAS 75231

(214) 373-8792

October 16, 1987

Mr. David Hundley  
Texas Oil and Gas Corp.  
900 Wilco Building  
Midland, TX 79701

Re: Well Proposal  
East Townsend Prospect  
Section 5, T16S-R36E  
Lea County, New Mexico

Dear David:

I enjoyed visiting with you this week. As we discussed, Foran Oil Company proposes to drill a 12,300' Morrow test within Section 5, T16S-R36E, Lea County, New Mexico. Foran would be happy to have TXO as a partner in this proposed test and an AFE has been enclosed for TXO's execution, should you desire to participate.

If TXO does not wish to participate, Foran would respectfully request a farmout of your interest upon the following basic terms in support of such test:

1. Foran to commence or cause to be commenced the drilling of a 12,300' Morrow test within Section 5, T16S-R36E, Lea County, New Mexico on or before December 31, 1987.

2. Upon completion of said well as a dry hole or producer, TXO agrees to assign 100% of its right, title and interest in Lots 11, 12, 13, 14 of Section 5, T16S-R36E save and except the proration unit described to the TXO Phillips 1-P well from the surface to the base of the Wolfcamp formation as to that acreage contained within the proration spacing units as prescribed by the Oil and Gas Commission of New Mexico from the surface of the earth to the deepest depth drilled.

3. TXO shall reserve an overriding royalty interest equal to the difference between existing lease burdens and twenty two and one-half percent (22.5%).

4. TXO shall receive all pertinent well information.

Mr. David Hundley  
October 16, 1987  
Page Two

Please indicate your intentions for the commitment of your interest by initialling the appropriate option below, signing both copies and returning one (1) copy to me.

Should you have any questions, please let me know.

Very truly yours,



Joseph Wm. Foran  
President

JWF/sb

----- Option 1 - Participate

----- Option 2 - Farmout under the basic terms  
outlined herein.

AGREED TO AND ACCEPTED THIS  
----- DAY OF OCTOBER, 1987.

TEXAS OIL AND GAS CORP.

By:-----

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to: 4. Article Number  
P-709 496 931

Mr. David Hundley.  
Texas Oil & Gas Corp.  
900 Wilco Building  
Midland, TX 79701

Type of Service:  
☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

8. Addressee's Address (**ONLY** if requested and fee paid)

5. Signature - Addressee  
X

6. Signature - Agent  
X *D. Hundley*

7. Date of Delivery  
*Feb 10*



**FORAN OIL COMPANY**

SUITE 158, PECAN CREEK  
8340 MEADOW ROAD  
DALLAS, TEXAS 75231  
(214) 373-8792

January 8, 1988

C.E. Corrigan  
Hugh Corrigan III  
c/o Mr. C.L. Ware  
2500 Castleford Road  
Midland, Texas 79705

RE: Offer to Lease  
Section 5: Lots 13, 14, and  
the South 7.5 acres of Lot 11  
and the South 7.5 acres of  
Lot 12, T16S - R36E  
Lea County, New Mexico

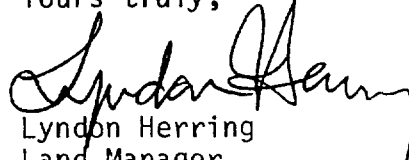
Dear Mr. Ware:

Foran Oil Company has agreed to change the primary term on your Oil and Gas Lease form, but on further review, we find your lease form to be excessively burdensome. We have enclosed our Oil and Gas Lease form should you care to lease. If you agree to lease, we have no problem with furnishing you with the well information, and you or your representatives are welcome to visit our offices to inspect our geological data.

If you are not willing to lease under these conditions or if you prefer, you are welcome to participate for your proportionate share in the drilling of this well. An AFE is enclosed for your review.

Please inform us at your earliest convenience which of the above outlined options you wish to take. If I can be of any assistance, please call me at (214) 373-8795 or at the above printed telephone number.

Yours truly,

  
Lyndon Herring  
Land Manager

BEFORE EXAMINER STOGNER

Oil and Gas Division

Foran Lot 13, 14, and 8

Case No. 9289

CLASS POSTAGE  
MAIL SERVICES 1988

ONE PRINCE

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

C.E. Corrigan III  
Hugh Corrigan III  
c/o C.L. Ware  
2500 Castleford Road  
Midland, TX 79705

4. Article Number

P 640 662 165

Type of Service:

☐ Registered  
☐ Certified  
☐ Insured  
☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X *[Signature]*

6. Signature - Agent

X *[Signature]*

7. Date of Delivery

2/11/88

PS Form 3811, Feb. 1985

DOMESTIC RETURN RECEIPT

**FORAN OIL COMPANY**

SUITE 158, PECAN CREEK  
8340 MEADOW ROAD  
DALLAS, TEXAS 75231  
(214) 373-8792

12/7/87

Mrs. Diana Brunel  
5622 East 97th Street  
Tulsa, Oklahoma 74137-4914

RE: Oil and Gas Lease  
Sec. 5, T16S-R36E  
Our E. Townsend Prospect  
Lea County, New Mexico

Dear Mrs. Brunel:

Following my telephone conversation last Friday evening with your husband regarding your unleased mineral interest in the noted section, please find attached two copies of an oil and gas lease along with a draft for \$452.38 which reflect the terms that were agreed to on your behalf. According to our records, you own an undivided 1/42nd mineral interest under Section 5: Lots 13 and 14 and the South 7.5 acres of Lot 11 and the South 7.5 acres of Lot 12, Township 16 South, Range 36 East, Lea County, New Mexico, being 2.2619 net mineral acres in all.

Please complete one copy of the lease by inserting the name of your depository bank on the face of the lease, placing your signature and social security number on the back of the lease, and having it notarized. Then submit the completed lease along with the draft to your bank as a collection item. Your bank will transmit the package to our bank in Dallas for approval and payment.

Thankyou for your consideration in this matter. If you have any questions, please do not hesitate to contact me at 214/373-8795.

Very truly yours,

Lyndon Herring  
Land Manager

Attach.

LH/rac

|                         |
|-------------------------|
| BEFORE EXAMINER STOGNER |
| SIGNATURE               |
| <u>FORAN</u> <u>9</u>   |
| Case No. <u>9289</u>    |

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in "RETURN TO" space on the reverse side. Failure to do this will prevent card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

DIANA BRUNEL  
5622 E. 97th St.  
TC/34, Ok. 74137-4914

4. Article Number

D-570-535-089

Type of Service:

☐ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee

6. Signature - Agent

7. Date of Delivery

10-18-87

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT



**FORAN OIL COMPANY**

SUITE 158, PECAN CREEK  
8340 MEADOW ROAD  
DALLAS, TEXAS 75231  
(214) 373-8792

December 3, 1987

Raynette Bluffin Littell  
165-A Wiseman Way  
Upland, CA 91786

RE: Oil and Gas Lease  
Section 5, T16S-R36E  
Our E. Townsend Prospect  
Lea County, New Mexico

Dear Mrs. Littell:

Attached are two copies of an Oil and Gas Lease along with a draft for \$113.10 as payment for same. At your request I consulted Mr. Darks yesterday regarding your terms and it was agreed that you would lease your interest to Foran Oil Company for \$100.00 per net mineral acre as a cash bonus for a three year paid-up primary term with an option to renew for an additional two years at \$100.00 per net mineral acre with a one-sixth (1/6) royalty.

According to our records you own an undivided 1/84th mineral interest under the 95 gross acres described on the lease which totals 1.1309 net mineral acres.

Please insert the name of your depository bank on the face of the lease, place your signature on the space provided on the back of the lease, and have it acknowledged by a notary public. Then submit the completed lease along with the draft to your bank as a collection item. Your bank will transmit the package to our bank in Dallas for approval and payment.

Thankyou for your consideration in this matter. If you have any questions, please do not hesitate to contact me.

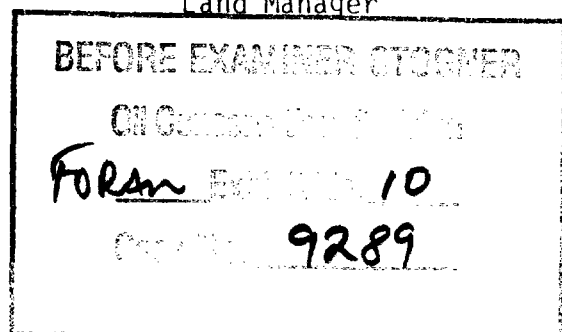
Very truly yours,

Lyndon Herring  
Land Manager

cc. Mr. Herbert Maxwell Darks  
313 S.W. 103rd Street  
Oklahoma City, OK 73139

Attach.

LH/rac



**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

Raynette Blokkittell  
165-A Wisconsin  
Upland, Calif. 91786

4. Article Number

D-640-662-134

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

PS Form 3811, Feb. 1986

DOMESTIC RETURN RECEIPT

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF FORAN OIL COMPANY  
FOR COMPULSORY POOLING AND  
UNORTHODOX WELL LOCATION  
LEA COUNTY, NEW MEXICO.

CASE: 9289

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054) I hereby certify that on December 16, 1987, notice of the hearing, and a copy of the application for the above referenced case, was mailed at least twenty days prior to hearings originally set for January 6, 1988 to the operators and interested parties listed in Exhibit "A" of the Application.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 16<sup>th</sup> day of  
December, 1987.

  
Notary Public

My Commission Expires:

9-26-91

|                          |
|--------------------------|
| BEFORE ME, NOTARY PUBLIC |
| FORAN OIL COMPANY        |
| Case No. <u>9289</u>     |

# EXHIBIT "A"

|   | <u>Interest</u> | <u>Net Acres</u> | <u>Unit<br/>Interest</u> |
|---|-----------------|------------------|--------------------------|
| TXO Production Corp.<br>900 Wilco Building<br>Midland, Texas 79701  | Assorted        | 67.2231          | 21.0072                  |
| Hugh Corrigan III Trust<br>C. E. Corrigan<br>C/o C. L. Ware<br>2500 Castleford Road<br>Midland, Texas 79705 | .0234375        | 2.2265625        | .006958                  |
| J. Patrick Corrigan Trust<br>c/o Doug Ferguson<br>P. O. Drawer 432<br>Midland, Texas 79702                  | .0078125        | .7421875         | .023193                  |
| Diana Brunell<br>5622 E. 97th Street<br>Tulsa, Oklahoma 74137   | .02380952       | 2.2617           | .70678                   |
| Raynette Bluffin Littell<br>165-A Wiseman Way<br>Upland, California 91786                                   | .01190476       | 1.1308           | .3534                    |



● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

|   |  |  |  |
|---|--|--|--|
| 1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address.               |  | 2. <input type="checkbox"/> Restricted Delivery.   |  |
| 3. Article Addressed to:  |  | 4. Article Number<br><b>P484052535</b>   |  |
| Hugh Corrigan III Trust<br>C. E. Corrigan<br>C/O C. L. Ware<br>2500 Castleford Road<br>Midland, Texas 79705 |  | Type of Service:<br><input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured<br><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD<br><input type="checkbox"/> Express Mail |  |
| 5. Signature - Addressee<br><b>X</b>  |  | 8. Addressee's Address (ONLY if requested and fee paid)<br><b>2500 Castleford<br/>Midland, TX 79705</b>  |  |
| 6. Signature - Agent<br><b>X</b>  |  | Always obtain signature of addressee or agent and DATE DELIVERED.  |  |
| 7. Date of Delivery<br><b>12-18</b>   |  |  |  |

PS Form 3811, Feb. 1986 *Jovan-See 5-1/6/88* DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

|   |  |  |  |
|---|--|--|--|
| 1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address.                                     |  | 2. <input type="checkbox"/> Restricted Delivery.   |  |
| 3. Article Addressed to:  |  | 4. Article Number<br><b>P-484052519</b>  |  |
| Henry A. Miller, Jr.<br>Margaret Ann Miller Carrico<br>Henry A. Miller, III<br>Suite 600, 363 W. Wall St.<br>Midland, Texas 79701 |  | Type of Service:<br><input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured<br><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD<br><input type="checkbox"/> Express Mail |  |
| 5. Signature - Addressee<br><b>X</b>  |  | 8. Addressee's Address (ONLY if requested and fee paid)<br><b>same</b>   |  |
| 6. Signature - Agent<br><b>X</b>  |  | Always obtain signature of addressee or agent and DATE DELIVERED.  |  |
| 7. Date of Delivery<br><b>12-17-81</b>  |  |  |  |

PS Form 3811, Feb. 1986 *Jovan 1/6/88* DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

Diana Brunell  
5622 E. 97th Street  
Tulsa, Oklahoma 74137

4. Article Number

484 052 536

Type of Service:

☒ Registered  
☒ Certified  
☐ Insured  
☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
X  
6. Signature - Agent  
X  
7. Date of Delivery

PS Form 3811, Feb. 1986 Juan Dec 5 - 1/6/88 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

J. Patrick Corrigan Trust  
c/o Doug Ferguson  
P. O. Drawer 432  
Midland, Texas 79702

4. Article Number

484 052 538

Type of Service:

☒ Registered  
☒ Certified  
☐ Insured  
☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
X  
6. Signature - Agent  
X  
7. Date of Delivery

PS Form 3811, Feb. 1986 Juan Dec 5 1/6/88 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

TXO Production Corp.  
900 Wilco Building  
Midland, Texas 79701

4. Article Number

484 052 537

Type of Service:

☒ Registered  
☒ Certified  
☐ Insured  
☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
X  
6. Signature - Agent  
X  
7. Date of Delivery

PS Form 3811, Feb. 1986 Juan Dec 5 - 1/6/88 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

Raynette Bluffin Littell  
165-A Wiseman Way  
Upland, California 91786

4. Article Number

484 057 509

Type of Service:

☒ Registered  
☒ Certified  
☐ Insured  
☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
X  
6. Signature - Agent  
X  
7. Date of Delivery

PS Form 3811, Feb. 1986 Juan Dec 5 1/6/88 DOMESTIC RETURN RECEIPT

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
FORAN OIL COMPANY FOR COMPULSORY  
POOLING AND UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

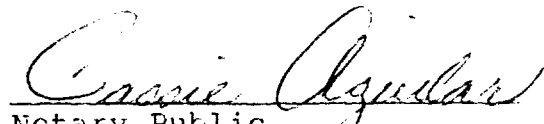
CASE: 9289

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054)  
I hereby certify that on January 11, 1988, notice of the  
hearing, and a copy of the application for the above  
referenced case, was mailed at least twenty days prior to  
hearings originally set for February 3, 1988 to the  
operators and interested parties listed in Exhibit "B"  
and Exhibit "C" of the Application.

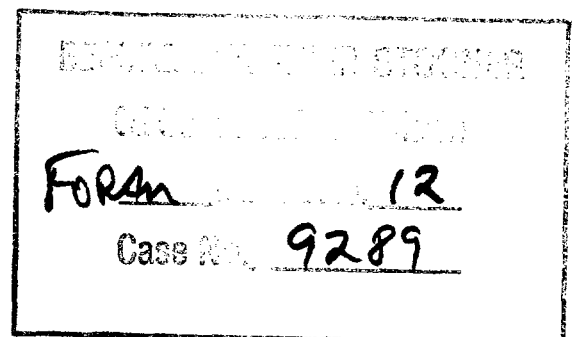
  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 2nd day of  
February, 1988.

  
Notary Public

My Commission Expires:

4-26-91



# Exhibit "B"

|  | 320-Acre Unit |            | 80-Acre Unit |            | 40-Acre Unit |            |
|--|---------------|------------|--------------|------------|--------------|------------|
|  | Net           | Percentage | Net          | Percentage | Net          | Percentage |
| TXO Production Corporation<br>900 Wilco Building<br>Midland, Texas 79701                                   | 67.212        | 21.004     | 51.667       | 64.5838    | 25.8315      | 64.5787    |
| Hugh Corrigan III Trust<br>C.E. Corrigan<br>c/o C. L. Ware<br>2500 Castleford Road<br>Midland, Texas 79705 | 2.2265625     | .6958      | .3516        | .4395      | .1758        | .4395      |
| Diana Brunell<br>5622 E. 97th Street<br>Tulsa, Oklahoma 74137  | 2.2619        | .70684     | .3571        | .4464      | .1786        | .4464      |
| Raynette Bluffin Littell<br>165-A Wiseman Way<br>Upland, California 91786                                  | 1.1309        | .3534      | .1786        | .2232      | .0893        | .2232      |

## EXHIBIT "B"



EXHIBIT "C"

OFFSET OPERATORS

Charles B. Gillespie, Jr.  
Gillespie Oil & Gas  
P. O. Box 8  
Midland, Texas 79702  
Attn: Mr. William R. Crow

TXO Production Corporation  
900 Wilco Building  
Midland, Texas 79701

Hugh Corrigan III Trust  
C. E. Corrigan  
c/o C. L. Ware  
2500 Castleford Road  
Midland, Texas 79705

J. Patrick Corrigan Trust  
c/o Doug Ferguson  
P. O. Drawer 432  
Midland, Texas 79702

Diana Brunell  
5622 E. 97th Street  
Tulsa, Oklahoma 74137

Raynette Bluffin Littell  
165-A Wiseman Way  
Upland, California 91786

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:  
J. Patrick Corrigan Trust  
c/o Doug Ferguson  
P. O. Drawer 432  
Midland, Texas 79702

4. Article Number  
P 131 072 004

Type of Service:  
☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee  
Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

Signature - Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:  
Charles B. Gillespie, Jr.  
Gillespie Oil & Gas  
P. O. Box 8  
Midland, Texas 79702

4. Article Number  
P 131 072 005

Type of Service:  
☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee  
Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

Signature - Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

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1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:  
TXO Production Corporation  
900 Wilco Building  
Midland, Texas 79701

4. Article Number  
P 131 072 009

Type of Service:  
☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee  
Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

Signature - Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

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3. Article Addressed to:  
TXO Production Corporation  
900 Wilco Building  
Midland, Texas 79701

4. Article Number  
P 131 072 009

Type of Service:  
☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee  
Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

Signature - Agent  
of Delivery  
1, Feb. 1986  
Janan 2/3/88 DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:  
Raynette Bluffin Littlell  
165-A Wiseman Way  
Upland, California 91786

4. Article Number  
P 131 072 006

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☒ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
*Raynette Littlell*

6. Signature - Agent

7. Date of Delivery

PS Form 3811, Feb. 1986 *Jean 2/3/88* DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:

TXO Production Corporation  
900 Wilco Building  
Midland, Texas 79701

4. Article Number  
P-484 051 651

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☒ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
*Jean*

6. Signature - Agent

7. Date of Delivery

PS Form 3811, Feb. 1986 *Jean 2/3/88* DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to:  
Mr. Charles B. Gillespie,  
550 W. Texas, Suite 670  
Box 8  
Midland, Texas 79702

4. Article Number  
P-484 057 309

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☒ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
*John Cunningham*

6. Signature - Agent

7. Date of Delivery

PS Form 3811, Feb. 1986 *Jean 2/3/88* DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

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3. Article Addressed to:

Hugh Corrigan III Trust  
C. E. Corrigan  
c/o C. L. Ware  
2500 Castleford Road  
Midland, Texas 79705

4. Article Number  
P 131 072 008

Type of Service:

☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☒ Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee  
*Jean*

6. Signature - Agent

7. Date of Delivery

PS Form 3811, Feb. 1986 *Jean 2/3/88* DOMESTIC RETURN RECEIPT

Examiner StegnerCase No. 9289EXHIBIT NO. 13 Foran

Foran Oil Company

Date: 1-29-88

Prospect Name: West Lovington  
 County: Lea  
 State: New Mexico

Project: Drill a 12300' Morrow  
 test, plug back and  
 complete in Strawn

|  |                          | Dryhole | Comp   | Total  |
|--|--------------------------|---------|--------|--------|
| Location & Damages                       |                          | 23000   | 1500   | 24500  |
| Drilling Footage                         | 12300' @ \$13.65/ft      | 167895  |        | 167895 |
| Drilling Daywork                         | \$4200/day               | 16800   | 4200   | 21000  |
| Cementing & Services                     |                          | 14000   | 9300   | 23300  |
| Drill Stem Test & Coring                 |                          | 11200   |        | 11200  |
| Logging                                  |                          | 25000   |        | 25000  |
| Geological                               | \$400/day 24 days        | 9600    |        | 9600   |
| Mud Materials                            |                          | 29500   |        | 29500  |
| Trucking, Labor, Csg Crew, Yellow Jacket |                          | 12800   | 3700   | 16500  |
| Supervision                              | \$350/day 58 days        | 14000   | 6300   | 20300  |
| Bits & Rentals PVT, Mud Cleaner, etc     |                          | 10500   | 5500   | 16000  |
| Fuel/Water                               |                          | 5500    | 1200   | 6700   |
| Combined Fixed Rate                      |                          | 5000    | 2500   | 7500   |
| Plugging & Abandonment                   |                          | 9300    |        | 0      |
| Well Surveys/Testing                     | BHP survey               |         |        | 0      |
| Completion Unit                          | \$1400/day 8 days        |         | 11200  | 11200  |
| Centralizers & Float Equip               |                          | 1000    | 650    | 1650   |
| Perforating/Logging                      | CBL/perf                 |         | 7500   | 7500   |
| Frac/Acid/Other                          |                          |         | 2500   | 2500   |
| Contingency                              |                          | 25000   | 5000   | 30000  |
| Subtotal Intangibles                     |                          | 380095  | 61050  | 441145 |
| Casing Conductor                         |                          |         |        | 0      |
| Casing Surface                           | 450' 13 3/8 @ \$24.50/ft | 11025   |        | 11025  |
| Casing Inter                             | 4700' 8 5/8 @ \$14.60/ft | 68620   |        | 68620  |
| Casing Liner                             |                          |         |        | 0      |
| Casing Production                        | 11600' 5 1/2 @ \$9.95/ft |         | 115420 | 115420 |
| Tubing                                   | 11600' 2 3/8 @ \$3.25/ft |         | 37700  | 37700  |
| Well Head                                |                          | 4000    | 3000   | 7000   |
| Other Sub-Surface Equipment              |                          |         |        | 0      |
| Tanks                                    |                          |         | 7500   | 7500   |
| Separators & Heaters                     |                          |         | 14500  | 14500  |
| Flow Lines                               |                          |         | 3000   | 3000   |
| Rods/Downhole                            |                          |         | 3000   | 3000   |
| Pump Unit & Engine                       |                          |         |        | 0      |
| Installation Costs                       |                          | 2500    | 10000  | 12500  |
| Non-Controllable Equipment               |                          |         | 5000   | 5000   |
| Subtotal Tangibles                       |                          | 86145   | 199120 | 285265 |
| Subtotal Intangibles                     |                          | 380095  | 61050  | 441145 |
| Totals                                   |                          | 466240  | 260170 | 726410 |

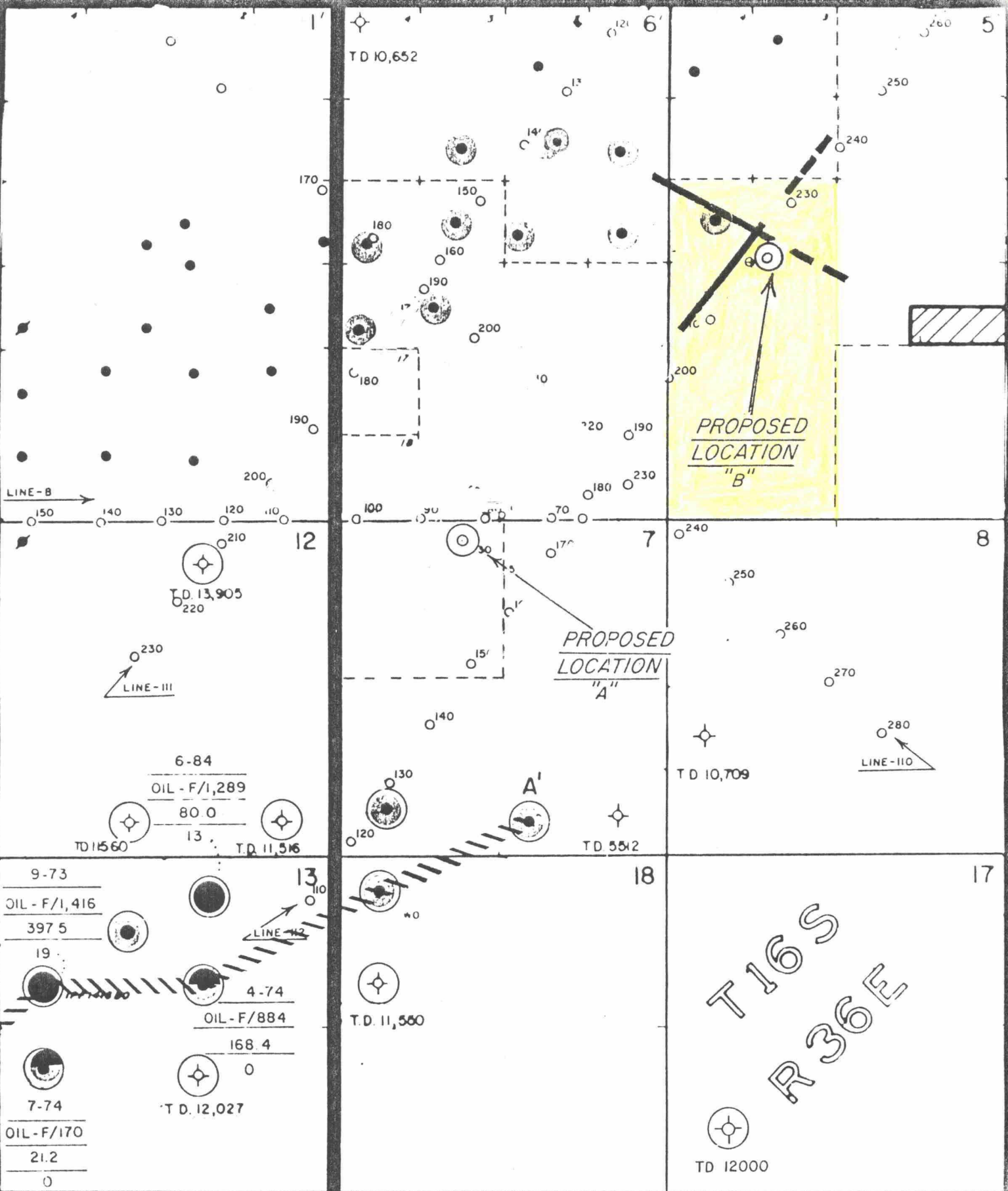
Prepared By: John Mafey

BEFORE EXAMINER STOGNER

Oil Contamination Division

FORAM Sub No. 13

Case No. 9289



#### LEGEND

- WOLFCAMP
- STRAWN
- ACREAGE

STRAWN "B" BANK REFLECTION ANOMALY

- "FAIR"
- "GOOD"

#### PRODUCTION CODE

|             |   |                                      |
|-------------|---|--------------------------------------|
| 9-73        | = | DATE 1st PRODUCTION                  |
| OIL - 1,416 | = | IP OIL/GAS - (BOPD or MMCF)          |
| 396         | = | CUM. PROD. (MBO or MMCF)             |
| 27          | = | AVG. MAY, '87' PROD. (BOPD or MCFPD) |

Examiner Stogner

Case No. 9289

EXHIBIT NO. 14 Foran



### WEST LOVINGTON PROSPECT

LEA COUNTY, NEW MEXICO

#### LOCATION AND PRODUCTION MAP

PRODUCTION DATA BY: FROSTY GILLIAM

GEOLOGY M.E. CAUSEY

SEISMIC INTERP. C.D. HIBBITTS

DATE 5/87

SCALE 1"=2,000'

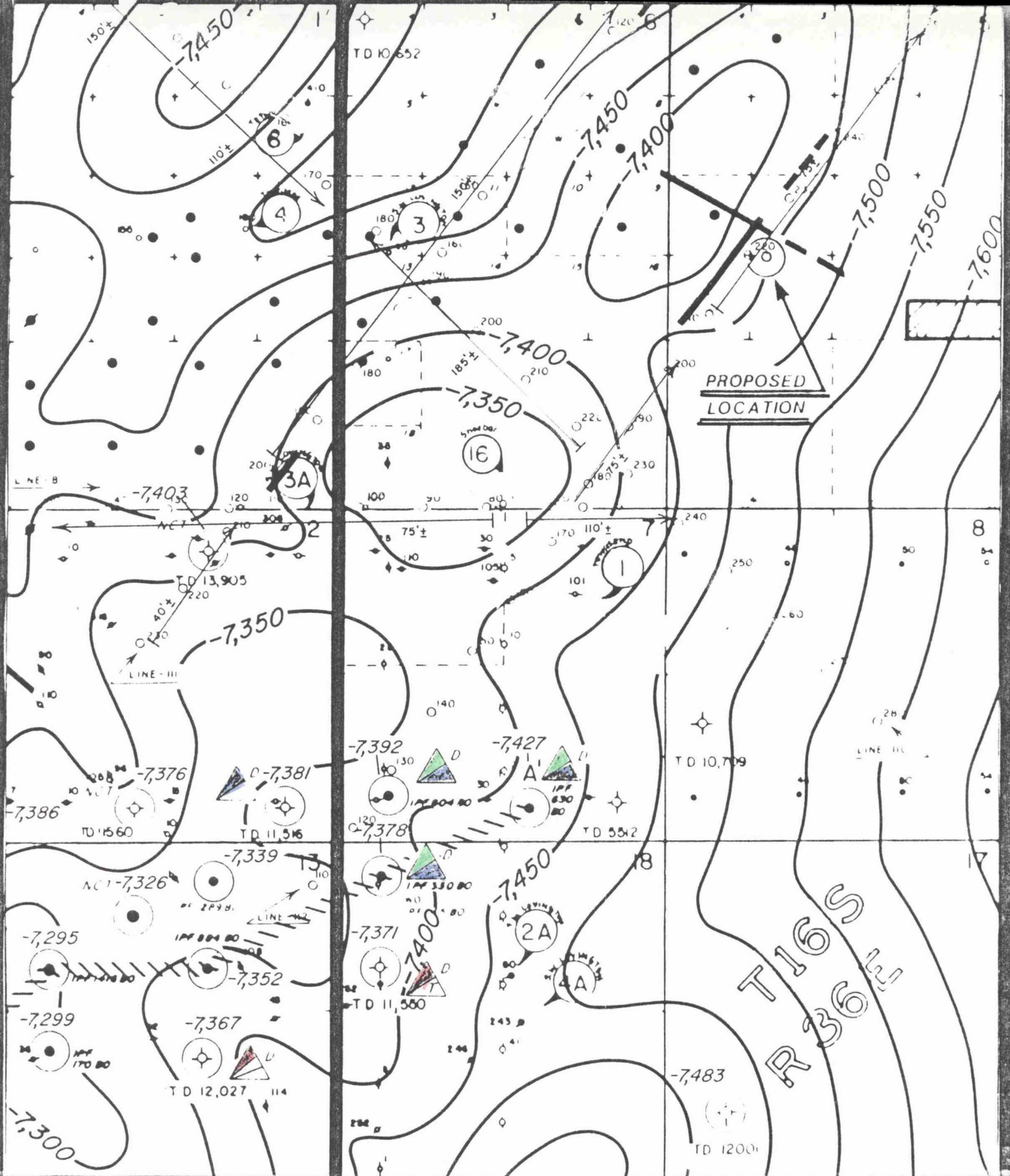
BEFORE EXAMINER STOGNER

Oil Conservation Division

Form Exhibit No. 14

Case No. 9289





# **LEGEND**

N/A NO INFORMATION AVAILABLE

NCT NO CORES OR TESTS

NLA NO LOGS AVAILABLE

NDE NOT DEEP ENOUGH

△ CORE

△ DRILL STEM TEST

△ PRODUCTION TEST

▲ TEST REC. GAS

▲ TEST REC. OIL

▲ TEST REC. WATER

△ TESTED "TIGHT"

STRAWN "B" BANK REFLECTION ANOMALY

----- "FAIR"

———— "GOOD"

→ SEISMIC DIP

Examiner Stagner

Case No. 9289

EXHIBIT NO. 15 Foran



**WEST LOVINGTON PROSPECT**

LEA COUNTY, NEW MEXICO

**STRUCTURE**

**TOP of STRAWN "B"**

**C.I. = 50'**

GEOLOGY M.E. CAUSEY

SEISMIC INTERP. C.D. HIBBITTS

DATE 5/87 REV 12/87

SCALE 1"=2,000'



BEFORE EXAMINER STOGNER

Oil Conservation Division

Foran Exhibit No. 15

Case No. 9289

## VARIANCE FOR EXTRA-TERRITORIAL ZONING ORDINANCE

CONCERNING A VARIANCE FROM THE LOVINGTON--LEA COUNTY EXTRA-TERRITORIAL ZONING AUTHORITY FOR OIL AND GAS WELL IN LOT 11 OF SECTION 5, TOWNSHIP 16 SOUTH, RANGE 36 EAST, N.M.P.M.

At a regularly called meeting of the Lovington--Lea County Extraterritorial Zoning Authority on the 10th day of December, 1987, held at the Lea County Courthouse in Lovington, New Mexico, at 8:30 A.M. and a quorum of members of said Authority being present, and

WHEREAS, Foran Oil Company has filed a Petition with the Extraterritorial Zoning Authority that a variance be granted allowing Petitioner to drill an oil or gas well, and if successful, to equip and operate said well with electric production equipment, storage facilities and transportation facilities, in Lot 11 of Section 5, Township 16 South, Range 36 East, N.M.P.M., at a surface location located 1,550 feet from the west line and 3,950 feet from the north line of said Section 5, and

WHEREAS, the Extraterritorial Zoning Commission approved the Petition of Petitioner on November 2, 1987, and

WHEREAS, the Lovington--Lea County Extraterritorial Zoning Authority finds good cause for a variance, and

WHEREAS, the Lovington--Lea County Extraterritorial Zoning Authority finds Petitioner has met all legal requirements herein.

NOW, THEREFORE, BE IT RESOLVED that Petitioner be, and hereby is, granted a variance to the Lovington--Lea County Extraterritorial Zoning Ordinance for the purpose of

allowing Foran Oil Company to drill and equip an oil and/or gas well at a location which lies 1,550 feet from the west line and 3,950 feet from the north line of Section 5, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and if such well is successfully completed, to obtain commercial production, to equip and operate said well with production equipment, storage facilities and transportation facilities necessary for the well's operation.

LOVINGTON--LEA COUNTY EXTRA-  
TERRITORIAL ZONING AUTHORITY

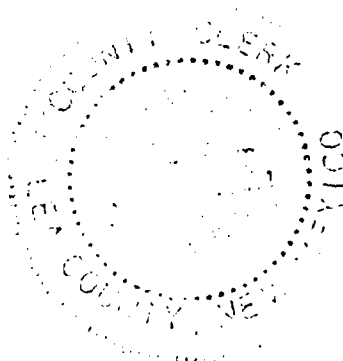
By *Arthur W. McCarly*  
Chairman

ATTEST:  
*Norma Bengel*  
Secretary

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

JAN 15 1988

at 3:26 o'clock P. M  
and recorded in Book \_\_\_\_\_  
Page \_\_\_\_\_  
Shirley Hooper, Lea County Clerk  
By *Shm* Deputy



|                           |                       |
|---------------------------|-----------------------|
| BEFORE EXAMINER STOGNER   |                       |
| Oil Conservation Division |                       |
| <u>Foran</u>              | Exhibit No. <u>16</u> |
| Case No.                  | <u>9289</u>           |

20856