		Congress of the congress of th	Service Street	Antonio Petrofino (S. 81) / C	Land Market 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	9289
The state of the s		1 Tellering 18 on N B		199	- 1-0a	
The state of the s	11 4 1 30000 1 1 -	5 - 2 - 2 - 2 - 4 - 4 - 4 - 4 - 4 - 4 - 4				
Common Control of Cont		1 5 6 6 = 1	A C KINDO	~ Y 3 30 allen		
LOVINGION  TOTAL STATE OF THE S	- Tri	2 5 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	K. habail K. hab	EST 8-15 EN	11 11 11 11 11 11 11 11 11 11 11 11 11	
IOVINGION  TOTAL  TOTAL	2 62 3 60	-2)- heed 1.0	200			
CONCLETE AND ADDRESS OF THE PROPERTY OF THE PR	Gramman	Power High	0		5	
OPEN COPEN CONTRACTOR OF THE STATE OF THE ST	(48)	O'Neil Proposition of the Control of	2050111	T ( 12) / N		
	(OP 1-1)	1 1 1 1 1 1				
	THE APPLIE	0	The state of the s			
Company of the compan	N 10 8 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	Holy Comment			A CO CO	
Company of the state of the sta	The state of the s	2 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		According to the second	The state of the s	
Copy (Copy (		B-1337	The state of the s	Control of the contro		
A CONTROL OF THE PROPERTY OF T	10 and 10					
	GE SO		A A TECHNICAL CONTROL OF THE CONTROL	The Control of the Co	M. VIII CO.	
No. of the state o	NOPER STATE		To the second se	20 (2) (2) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4		
2 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	NIT BY		Franco	Amerodo  1.15 de mil.  1.15 de	AND CONTROL OF THE PARTY OF THE	×
The state of the s	The state of the s	Permital Falls	V. Procris (S)	Votes Pet. Administration Administra	AARCA WARE	
Case EXH EXH	A CONTRACTOR OF THE PARTY OF TH	American Statement of the Control of	(Morsholl e. (Atepaz)E	A (Property Section of the Control o	W.A. Manager	Exan Case
BIT NO.    Character   Charact	Ha Freed	a	¢ , ,	939 F362		liner S
A A A A A A A A A A A A A A A A A A A		6 to 3 4 3 3 3	Annal	Mensonis Lin-ook Sinne Sinne Sinne Ministrativ Arteroda Lin-ook Lin-ook Lin-ook Arteroda Lin-ook Lin-ook Arteroda Lin-ook Lin-ook Arteroda Lin	ZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZZ	tagne
Monacomo (Commission of Automotion of Automo	0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	A me est la me e	Monsomb 12-1-90 12-1-90 12-1-90 13-1-90 15-1-90 16-1-90 17-	Algebra (Section 1997)  Algebr	
Company for the first of the fi	STATE OF THE STATE	Constant of the second	Branco III	G. D. Wéllsomeo  R. H. San	5 2 2	

NAME OF THE OWNER, WHEN PERSON AND PARTY OF THE OWNER, WHEN PERSON
INER STOGNER
tion Division
it 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 2 yes his Interes 8 FNL 3950 11 12 10 → 954.5± 1550' FWL 16 14 15 13

June Mary June 1

BEFORE EXAMINER STOGNER

Oil Conservation Division

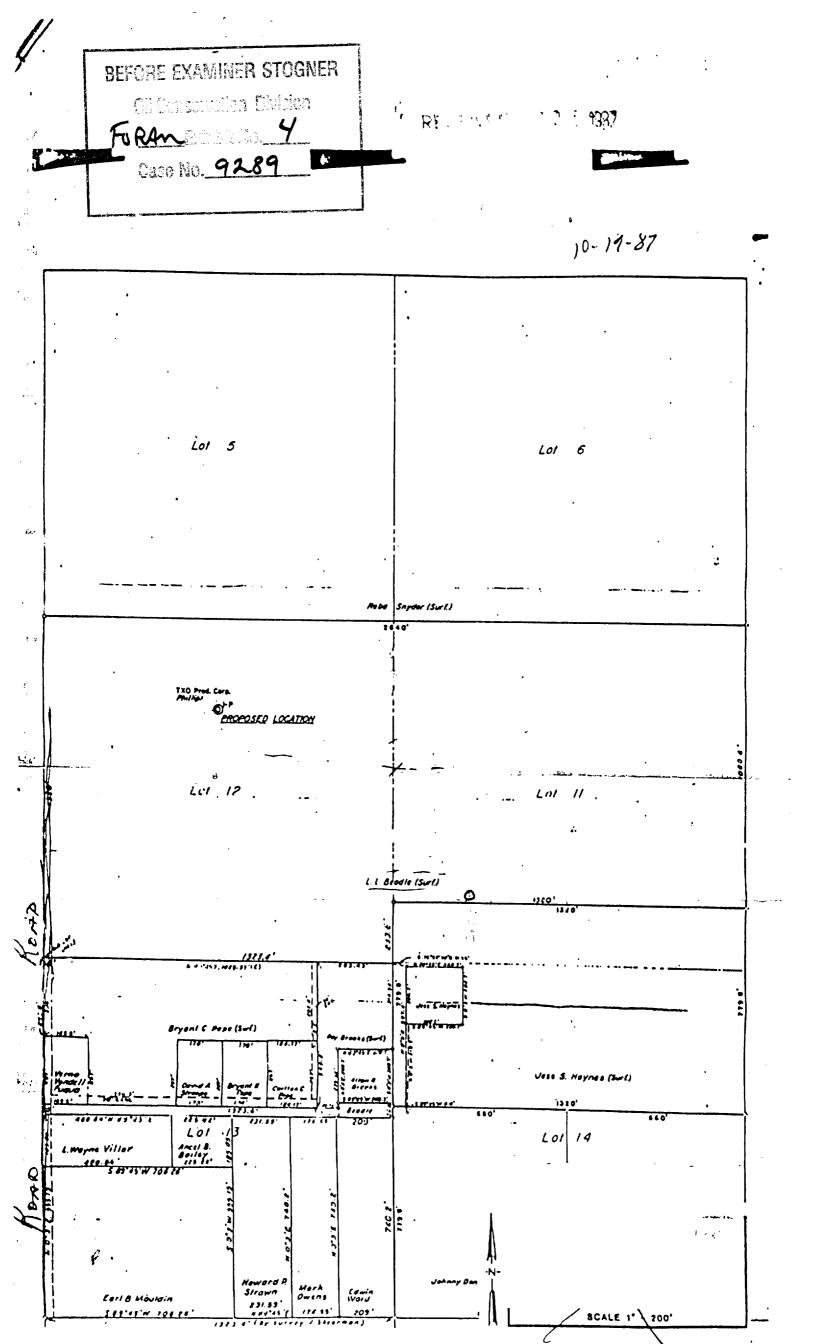
TO RAM Exhibit No. 2

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

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



# JERRY L. WILLIAMS

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

RECEIVED JAM 2 1 1888

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,

rry L. Williams

JLW/spc Enclosure

Copy to: John C. Maxey
Petroleum Consultant
7224 Old Kent Rd.

Amarillo, TX 79109

BEFORE IN MEER STOGNER

Ci Carani in Rivin

Form 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.

67.212 21.004	Net Acres % of Unit	320 Acre Unit
51,667 64.58376	Net Acres % of Unit	Shawer 80 Acre Unit

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

Raynette Bluffin Littell 165-A Wiseman Way Upland, CA 91786	Diana Brunel 5622 E. 97th Street Tulsa, OK 74137-4914	C.E. Corrigan and the Hugh Corrigan III Trust c/o C.L. Ware 2500 Castleford Rd. Midland, TX 79705
1.1309524	2.2619025	2.2265625
پ 353423	ر 70684	ំ6958
.17857143	3571452	.3515625
. 22321	.44643	.43945
.0892857	.1785713	.1757813
. 22321	,44643	°43945

Form 6 PERSONAL CHARACTER STOOMER Case No. 9289 

40 Acre Unit

Net Acres

25.8315 % of Unit 64.57868

TXO PRODUCTION CORP.

900 WILCO BUILDING

MIDLAND, TEXAS 79701

915/682-7992

December 14, 1987

BEFORE EXAMINER STOGNER
OIL STOCKER
FIRM
Gass 9289

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

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, Tl6S-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, Tl6S-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 you 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

terms

JWF/sb

Option 1 - Participate
Option 2 - Farmout under the basic outlined herein.
AGREED TO AND ACCEPTED THIS  DAY OF OCTOBER, 1987.
TEXAS OIL AND GAS CORP.
Bv:

PS Form 3811, Feb. 1986  DOMESTIC R	78-10	7. Date of Delivery	Signature	X signature — Addressee  X requested and fee paid)		lco Building d, TX 79701	Texas Oil & Gas Corp.   Radistrared	P-709 496	3. Article Addressed to: 4. Article Number	1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery.	Put your address ir "RETURN TO" space on the reverse side. Failure t this will prevent this card from being retued to you. The return receipt fee will provide you theme 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.	SENDER: Complete items 1 and 2 when additional services are desired, and complete item; 3 and 4
DOMESTIC RETURN RECEIPT				id)	VERED.	COD	Insuraci	931		d Delivery.	this will prevent this ne of the person re available. Consult	plete iterie: 3 and 4.

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

REFORE EVANDEDER STOGMEN

Cifes or de biding

Form 101 11 10 8

Case No. 9289

LASS POSTAGE, IL SERVICES ISB

S. Signatury Addressee (OXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		2500 Castle ford Road Certified Certified	Hugh Corrigan III Type of Service	.E. Corrigan P 640 662	3. Article Addressed to: 4. Article Number	. Show to whom delivered, date, and addressee's address. 2. R	<u>delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	card from being returned to you. The return receipt fee will provide you the name of the person
8. Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	lnsured cop	vice:	62 165	<b>A</b>	2. Restricted Delivery.	are available. Consult	ame of the person

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 11 and the 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

FORAM 9289

7. Date of Delivery   0 - / 8 - 2 7   PS Form 3811, Feb. 1986	6. Signature — Agent X	5. Signaphre — Addressee		TO/54.0% 74/37-49/3	100	3. Article Addressed to:	<ol> <li>Show to whom delivered, date, and addressee's address</li> </ol>	he dat	Put your address: "RETURN TO" snace on the reverse side Failure this will prevent
DOMESTIC RETURN RECEIPT		8. Addressee's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured COD	1 Type of Service:	4. Article Number	ress. 2. Aestricted Delivery.	ill provide you theame of the person he following services are available. Consult :e(s) requested.	rsp side Failure this will prevent

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.

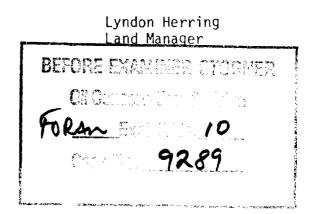
Thankyou for your consideration in this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,

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

Attach.

LH/rac



DOMESTIC RETURN RECEIPT	PS Form 3811, Feb. 1986
	7. Date of Delivery
	×
	6. Signature - Agent
requested and fee paid)	×
8. Addressee's Address (ONLY if	5. Signature — Addressee
Always obtain signature of addressee or agent and DATE DELIVERED.	3 /2
Express Mail	Doland Calif. All St.
Begistered   Insured	165-4 JOSOMANDAN
Type of Service:	
121-662-134	Rivnote Dialization
4. Article Number	3. Article Addressed to:
ess. 2. Restricted Delivery.	<ol> <li>Show to whom delivered, date, and addressee's address</li> </ol>
i(s) requested.	postmaster for fees and check box(es) for additional service(s) requested
e following services are available. Consult	card from being returned to you. The return receipt fee will provide you the name of the person delivery. For additional fees the following services are available. Consult
se side. Failure to do this will prevent this	Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this
ices are desired, and complete items 3 and 4.	SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

÷

# 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 day of December, 1987.

Notary Public

My Commission Expires:

9-26-91

Foran 11 Case No. 9289

# EXHIBIT "A"

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

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:  Type of Service:  Registered  Barry A. Miller, III  Suite 600, 363 W. Wall St.  Express Mail  Always obtain signature of addressee or agent and DATE DELIVERED.  5. Signature — Addressee  8. Addressee's Address (ONLY if requested and fee paid)  7. Date of Delivery  7. Date of Delivery	DOMESTIC RETURN RECEIPT	PS Form 3811, Feb. 1986
he return receipt fee will p y. For additional fees the fees for additional service(s) ite, and addressee's address ite, and addressee's address ite.  Or Carrico  III  WELL St.  9761	Same	7. Date of Delivery $(3.17-6.1)$
he return receipt fee will p  Y. For additional fees the f es) for additional service(s tte, and addressee's address tte, and addressee's address  T. Callico  Rell St.  9781	3	6. Signature – Agérit X
he return receipt fee will p y. For additional fees the f es) for additional servicels ite, and addressee's address or Callico	8. Addressee's Address (ON requested and fee paid)	S. Signature — Addressed Williams Control of the Co
and from being returned to you. The return receipt fee will provide you the name of the delivered from being returned to you. The return receipt fee will provide you the name of the delivered to and the date of delivery. For additional fees the following services are available postmaster for fees and check box(es) for additional service(s) requested.  1. □ Show to whom delivered, date, and addressee's address.  2. □ Restricted Delivered.  4. Amicle Number  4. Amicle Number  Type of Service:  **Registered**  **Registered	Always obtain signature of agent and DATE DELIVER	
and from being returned to you. The return receipt fee will provide you the name of this delivered to and the date of delivery. For additional fees the following services are available postmaster for fees and check box(es) for additional service(s) requested.  1. A Show to whom delivered, date, and addressee's address.  2. Restricted Dustricted Dustriced Dustricted Dustricted Dustricted Dustricted Dustricted Dustri		oliet, III 363 W. Well exes 79761
and from being returned to you. The return receipt fee will provide you the name of the delivered to and the date of delivery. For additional fees the following services are availa cost, master for fees and check box(es) for additional service(s) requested.  1. Dishow to whom delivered, date, and addressee's address.  2. Dishow to whom delivered, date, and addressee's address.  3. Article Addressed to:	Type of Service:	et Kan Miller
card from being returned to you. The return receipt fee will provide you the name of the delivered to and the date of delivery. For additional fees the following services are availated by the fees and check box(es) for additional service(s) requested.  1. (1) Show to whom delivered, date, and addressee's address.  2. (1) Restricted Delivery.	4. Article Number f-484 CS 2.	
and from being returned to you. The return receipt fee will provide you the name of the delivered to and the date of delivery. For additional fees the following services are availal postmaster for fees and check box(es) for additional service(s) requested.	ľ	1. A Show to whom delivered, date, and addressee's addressee's
Dut want addrage in the "BETHENI TO" energy on the reverse side Failure to do this will	side. Failure to do this will provide you the name of the provide you the name of the following services are availal s) requested.	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.

PS Form 3811, Feb. 1986 Lower Lac 5 /	7. Date of Delivery 1 <b>DEC 18 1097</b>	6. Signature — Agent	5. Signature – Addressee X.		erguson er 432 exas 79702	J. Patrick Corrigan Trust	3. Article Addressed to:	1. A Show to whom delivered, date, and addressee's address	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.	SENDER: Demplete items 1 and 2 when additional services are desired, and complete items 3 and 4.	1	PS Form 3811, Feb. 1986	7. Date of Delivery	X Signature - Agent	* Show ( Swarf )	5. Signature – Addressee		Tulsa, Oklahoma 74137	8	3. Article Addressed to:	1. A Show to whom delivered, date, and addressee's address	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 postpraster for fees and check box(es) for additional service(s) requested.	SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and Purk Volume address in the "BETHEN TO" space on the reverse side. Failure to do this will prevent this
6 88 DOMESTIC RETURN RECEIPT		FEENOTIME	8. Addressne's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured COD	Type of Service:	Article I	ress. 2. Restricted Delivery.	rse side. Failure to do this will prevent this ill provide you the name of the person he following services are available. Consult 26(s) requested.	vices are desired, and complete items 3 and 4.		M DOMESTIC RETURN RECEIPT		CH.	requested and fee paid)	8. Addressee's Address (ONLY if	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured COD	Type of Service:	4. Apicle Number 05 2 5 3 6	dress. 2. Restricted Delivery.	will provide you the name of the person the following services are available. Consult ice(s) requested.	area side Failure to do this will prevent this
PS Form 38	, Date of	X X	X Signatur	TI CO				1. A Sho	card from delivered t	SENDE	•	PS Form 381	, Constant	X	6. Signature	5. Signature		Mit d	TXC	-	3/Arrielo A	delivered to postmaster	Put your ad

I, Feb. 1986

Josan Stc 5 - 1/6/88

DOMESTIC RETURN RECEIPT

peing returned to you. The return receipt fee will provide you the name of the person yand the date of delivery. For additional fees the following services are available. Consult for fees and check box(es) for additional service(s) requested. Wilco Building O Production Corp. dress in the "RETURN TO" space on the reverse side. Failure to do this will prevent this R: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. lland, Texas 79701 elivery ddressed to: to whom delivered, date, and addressee's address. Addressee Agent Registered
Certified
Express Mail 8. Addressee's Address (ONLY if agent and DATE DELIVERED. Always obtain signature of addressee or 4. Article Nymber 415 wall requested and fee paid, Type of Service: Restricted Delivery. 052 537 #1700 

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 costmaster for fees and check box(es) for additional service(s) requested.

e – Addressee 165-A Wiseman Way Raynette Bluffin Littell w to whom delivered, date, and addressee's address. re - Agent Pland, California Addressed to: 91786 Registered

Certified

Express Mail 8. Addressee's Address (ONLY if agent and DATE DELIVERED. Always obtain signature of addressee or requested and fee paid) Type of Service: 2. Restricted Delivery. insured COD

ouan secs

1/0/

DOMESTIC RETURN RECEIPT

4

# 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 And day of February, 1988.

Notary Public

My Commission Expires:

9-26-91

Form 12 Case 9289

# Exhibit "B"

	320- <i>f</i>	320-Acre Unit	80-1	80-Acre Unit	40-A	40-Acre Unit
	Net	Percentage	Net	Percentage	Net	Percentase
TXO Production Corporation 900 Wilco Building Midland, Texas 79701	67.212	21.004	51.667	64.5838	25.8315	64.5787
Hugh Corrigan III Trust C.E. Corrigan c/o C. L. Ware 2500 Castleford Road Midland, Texas 79705	2.2265625	.6958	.3516	.4395	.1758	. 4395
Diana Brunell 5622 E. 97th Street Tulsa, Oklahoma 74137	2.2619	.70684	.3571	.4464	.1786	. 4464
Raynette Bluffin Littell 165-A Wiseman Way Upland, California 91786	1.1309	.3534	.1786	.2232	.0893	.2232

EXHIBIT "B"

Page 1 of 2

# 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

	3. Acticle Addressed to: Charles B. Gillespie, Jr. Gillespie Oil & Gas P. O. Box 8 Midland, Texas 79702  Attn: Mr. William R. Crow 5. Signature - Addressee	SENDER: Complete items 1 and 2 when additional revices 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 delivered to and the date of delivery. For additional fees the following services are available. Consult Show to whom delivered, date, and addressee's address.	nature — Agent of Delivery	3. Article Addressed to:  J. Patrick Corrigan Trust c/o Doug Ferguson P. O. Drawer 432 Midland, Texas 79702	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 postmarker for fees and check box(es) for additional service(s) requested.  1. Person to whom delivered, date, and addressee's address.  2. Restricted Delivery.
8. Addressee's Address (ONLY if requested and fee paid)  CLUE  B. Addressee's Address (ONLY if requested and fee paid)  CLUE  CONTROL OF THE PROPERTY OF THE P	P 131 072 005  Type of Service:  Registered Certified Conditions Mail  Always obtain signature of addressee or agent and DATE DELIVERED.	PS For PS DOMESTIC RETURN RECEIPT PS For Ps	8. Addressee's Address (ONLYI) requested and fee paid) X  6. Sig X  7. Da	4. Article Number  P 131 072 004  Type of Service:  Begistered Certified Certified Express Mail  Always obtain signature of addressee or agent and DATE DELIVERED.	4.

PS Form 3811, Feb. 1986 Lanan 2/8/88	7. Date of Delivery	6. Signature — Agent X	5. Signature – Addressee		Midland, Texas 79701	900 Wilco Building	3. Article Addressed to: TXO Production Corporation	<ol> <li>Show to whom delivered, date, and addressee's address</li> </ol>	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.
DOMESTIC RETURN RECEIP		41) time	8. Addressee's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured Certified COD Express Mail	Type of Service:	4. Article Number P 131 072 009	ess. 2. Restricted Delivery.	ices are desired, and complete items 3 and 4 se side. Failure to do this will prevent this I provide you the name of the person e following services are available. Consult (s) requested.

S Form 3811, Feb. 1986 Jonan 2/3/88	/. Date of Delivery	S. Signature — Agent	300		Midiand, Texas /9/01	o Buildi	TXO Production Corporation P	Show to whom delivered, date, and addressee's address	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 postmy date for fees and check box(es) for additional service(s) requested.	PS Form 3811, Feb. 1986 Lower 2/3/88	7. Date of Delivery	6. Signature — Agent X	S. Signaydre - Addressee, Lt. (8.	AI agu	Upland, California 91786	165-A Wiseman Way	Raynette Bluffin Littell P	Show to whom delivered, date, and addressee's address	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 postmarer for fees and check box(es) for additional service(s) requested.	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
DOMESTIC RETURN RECEIPT		415 WW & CO	8. Addressee's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured Certified COD Express Mail	Type of Service:	P-484 051 651	2. Restricted Delivery.	re desired, and complete items 3 and 4.  a. Failure to do this will prevent this ide you the name of the person owing services are available. Consult quested.	DOMESTIC RETURN RECEIP			8. Addressee's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured Certified COD	Type of Service:	P 131 072 006	2. Restricted Delivery.	vide you the name of the person lowing services are available. Consult aquested.	are desired, and complete items 3 and 4.  e. Failure to do this will prevent this
PS Form 3811, Feb. 1986 Javan 2/3/88	7. Date of Delivery	6. Signature Agent X	S. Signature 7 Addressee William	and, reads	/o c 500	Corrigan	3. Article Addressed to: Hugh Corrigan III Trust	1. Show to whom delivered, date, and addressee's address.	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 postmayter for fees and check box(es) for additional service(s) requested.	PS Form 3811, Feb. 1986 - Ocan 2/3/88	7. Date of Delivery	6. Signature – Agent	x Late Lenninglan		Midland, Texas 79702		Charles B. Gill	3. Article Addressed to:	delivered to and the detection of the person delivered to and the delivery. For additional fees the following services are available. Consult posting ster for fees and check box(es) for additional service(s) requested.	SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 ar Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this
DOMESTIC RETURN RECEIPT	Mild X	2500 Casa to d	8. Addressee's Address (ONLY if requested and fee paid).	Always obtain signature of addressee or agent and DATE DELIVERED.	Regimered Insured Constitution Con	Type of Service:	4. Article Number P 131 072 008	Iress. 2. Restricted Delivery.	vices are desired, and complete items 3 and rse side. Failure to do this will prevent this ill provide you the name of the person he following services are available. Consult re(s) requested.	DOMESTIC RETURN RECEIPT		556 1200	8. Addressne's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured Cortified COD	Type of Service:	P-484 057 309	ess. 2. L. Restricted Delivery.	I provide you the name of the person of collowing services are available. Consult (2) (3) requested.	rices are desired, and complete items 3 are side. Failure to do this will prevent this

_				· · •	*	***			
PS Form 3811, Feb. 1986 Joian 2/3/88	7. Date of Delivery	6. Signature - Agent	S. Signazure - Addressed X Chi Cummafam	-	Box 8 Midland, Texas 79702	550 W. Texas, Suite 670	Mr. Charles B. Gillespie,	1. A Show to whom delivered, date, and addressee's address	SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 are 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.
DOMESTIC RETURN RECEIPT		536 12000	8. Addressed's Address (ONLY if requested and fee paid)	Always obtain signature of addressee or agent and DATE DELIVERED.	Registered Insured Certified COD	Type of Service:	P-484 057 309	ss. 2. Restricted Delivery.	ces are desired, and complete items 3 ar e side. Failure to do this will prevent this provide you the name of the person following services are available. Consult(2) (s) requested.

	DOMESTIC RETURN RECEIPT	s Form 3811, Feb. 1986 Juan 2/3/88
~ .	VEO 3	7. Date of Delivery
	1 2 Company 2018 6	6. Signature – Agent X
	8. Addressue's Address (ONLY if requested and fee paid).	5. Signature 7 Addressee
	Always obtain signature of addressee or agent and DATE DELIVERED.	Minimalia, resas (2002)
•	Regimered Insured COD	c/o C. L. Ware 2500 Castleford Road widland Tevas 79705
	Type of Service:	E. Corrigan
•	P 131 072 008	Hugh Corrigan III Trust
	4. Article Number	3. Article Addressed to:
•	s. 2. Restricted Delivery.	1. Show to whom delivered, date, and addressee's address
	side. Failure to do this will prevent this provide you the name of the person following services are available. Consult requested.	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.

Examiner Stogner

Case No. 9289

EXHIBIT 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

The Company of the Co		a ompia oa	111 OUT (((V)))
	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 day			9600
Mud Materials	29500		29500
Trucking, Labor, Csg Crew, Yellow Jacket	12800	3700	16500
Supervision \$350/day 58 day		6300	20300
Bits & Rentals PVT, Mud Cleaner, etc	10500	5500	16000
Fuel/Water	5500	1200	6700
Combined Fixed Rate	5000	2500	7500
Plugging & Abandonment		2300	
	9300		21
Well Surveys/Testing BHP survey		44000	0
Completion Unit \$1400/day 8 day		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	
Casing Conductor			Ø
Casing Surface 450' 13 3/8 @ \$24.50/ft	11025		11025
Casing Inter 4700' 8 5/8 @ \$14.60/ft	68620		68620
Casing Liner			Ø
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
·		3000	3000
Flow Lines Rods/Downhole		3000	
		שששב	3000
Pump Unit & Engine Installation Costs	acas	10000	40500
	2500	10000	12500
Non-Controllable Equipment		5000 	5000
Subtotal Tangibles	86145		285265
Subtotal Intangibles	380095	61050	441145
Totals	466240	260170	726410

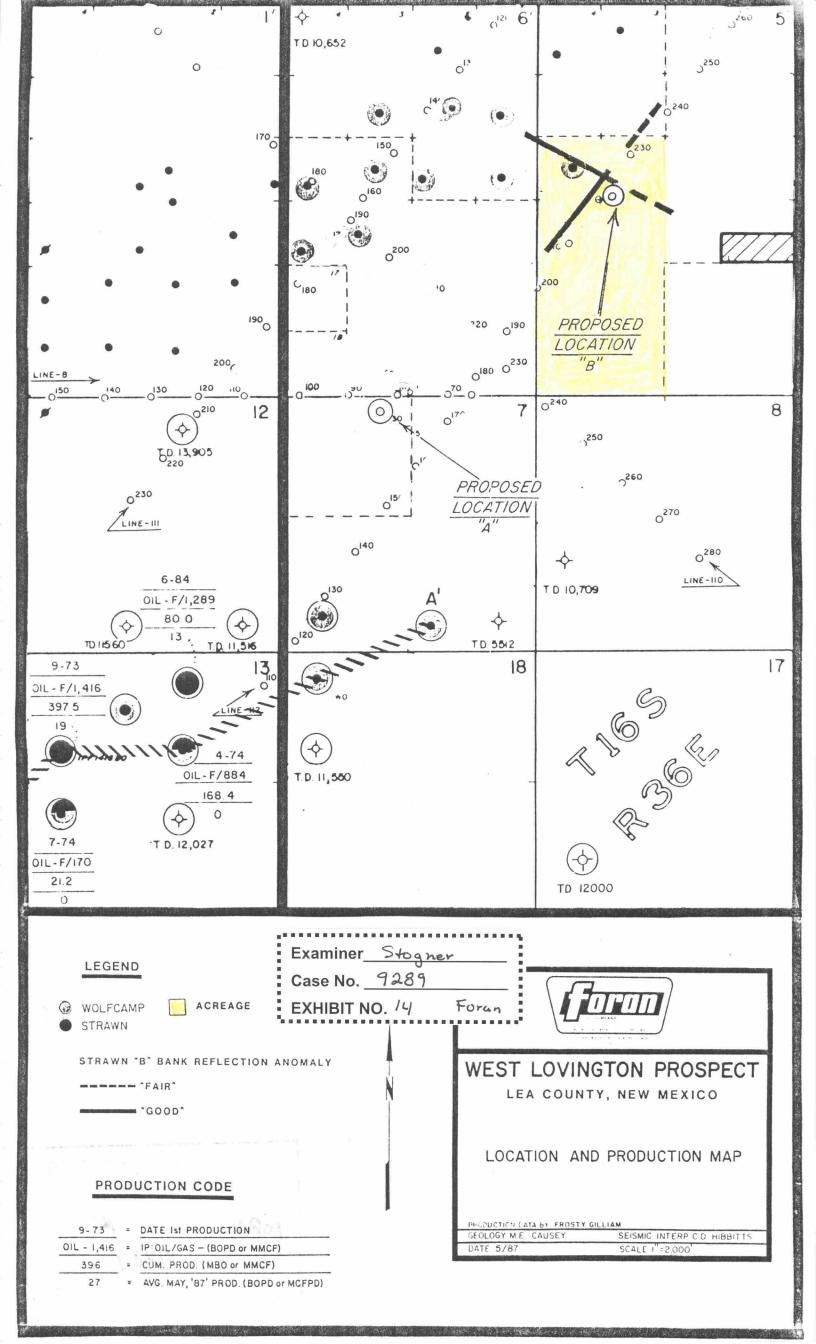
Prepaired By: John Mafey

BEFORE EXAMINER STOGNER

Of Carmagian Distin

Form 1900.13

Cass Ro. 9289

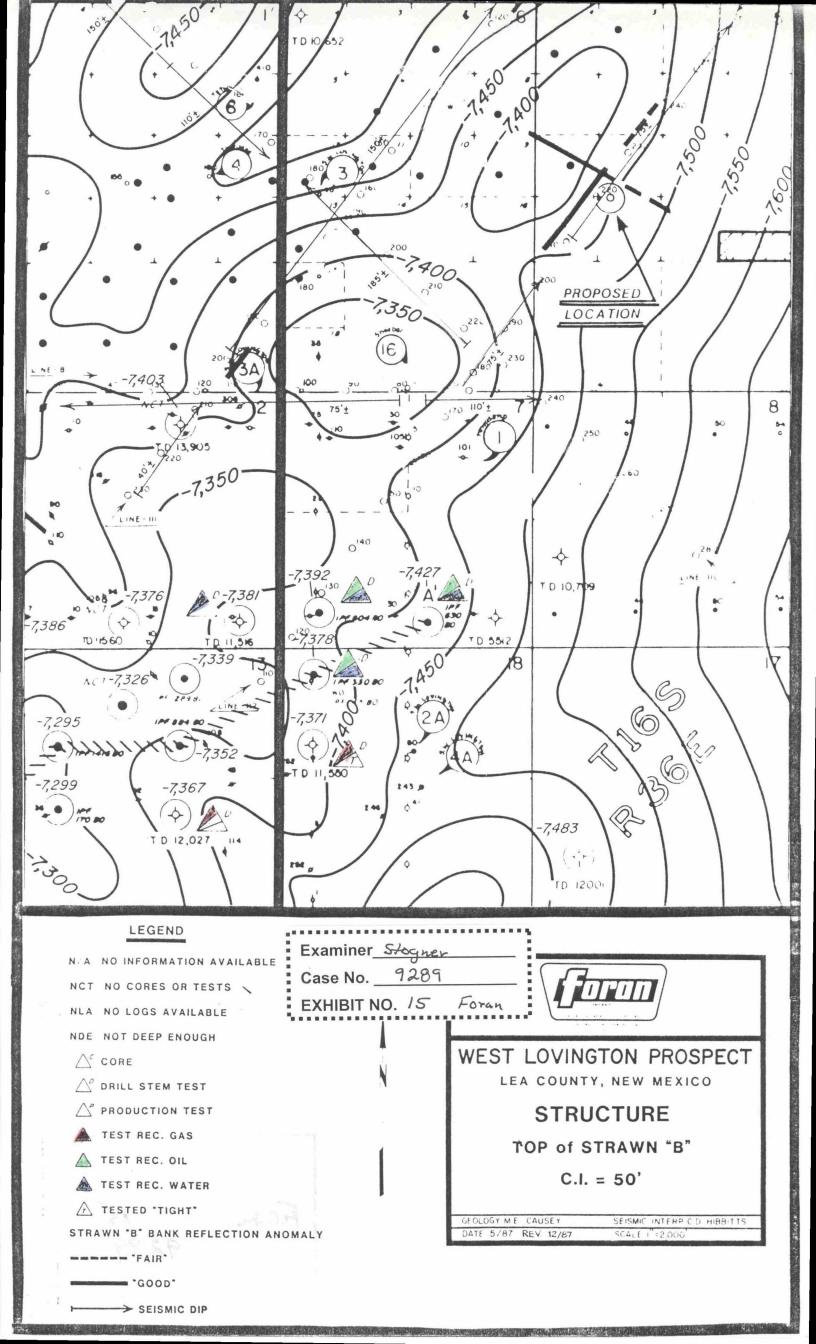


BEFORE EXAMINER STOGNER

Oil Conservation Division

Form Exhibit No. 14

Case No. 9289



BEFORE EXAMINER STOGNER

Oil Conservation Division

FORAN Exhibit No. 15

Case No. 9289

# 20656

### 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

Chairman

ATTEST:

Secretary

## STATE OF NEW MEXICO COUNTY OF LEA FILED

JAN 15 1988

at 3:26 o'clock 1. M

Page
Shirley Hooper, Lea County Clerk

Shirley Hooper, Lea County Clerk

By \_\_\_\_\_ Deputy

BEFORE EXAMINER STOGNER

Oil Conservation Division

Fream

Exhibit No /

Case No. \_ 9289