

WILLIAM DOYLE
INTERVIEW

INTERVIEWER DOYLE

TYPE	DATES -	LIQUID
GAS		0/69/12

**LIQUID
GAS**

7184 LIQ GATHERER PERMIAN CORPORATION
138208 GAS GATHERER

130208 GAS GATHERING

SELECTION
FROM-T0
70-85

PRODUCTION DATA

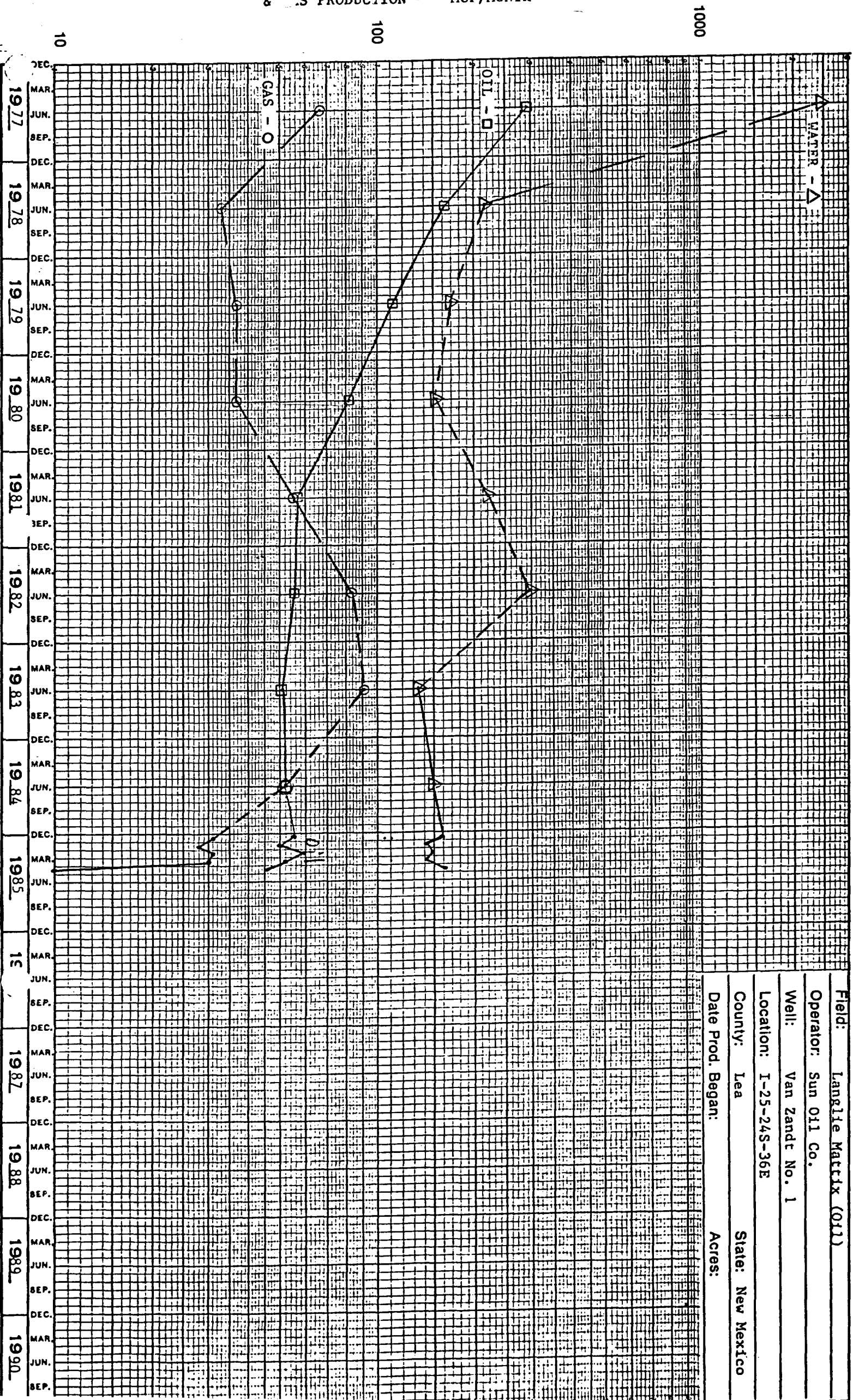
TR NR	WELLS FROM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	TID	AGE
77 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0			
	DAYS	0	0	0	0	0	0	0	0	0	1	0	1			
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	WATER	0	0	0	0	0	0	0	0	0	0	0	294	294	7478	294
	GAS	0	0	0	0	0	0	0	0	0	2387	0	84	2471	138275	67
78 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0			
	DAYS	1	1	1	1	1	1	1	1	1	1	1	1	0		
	OIL	237	138	194	171	191	180	166	143	133	133	148	139	1973	9451	164
	WATER	434	260	403	351	92	104	124	124	180	180	180	186	2618		218
	GAS	0	0	67	37	37	37	37	37	37	37	37	37	400	138675	40
79 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		
	DAYS	1	1	1	1	1	1	1	1	1	1	1	1	0		
	OIL	103	145	126	129	123	91	127	100	106	100	107	99	1356	10907	113
	WATER	109	168	186	183	156	180	186	186	180	168	180	186	2064		172
	GAS	37	37	37	37	37	37	37	37	37	37	37	37	444	139119	37
80 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		
	DAYS	1	1	1	1	1	1	1	1	1	1	1	1	0		
	OIL	102	100	84	68	82	70	86	73	61	84	74	79	983	11790	82
	WATER	168	150	186	150	150	85	155	155	135	144	156	203	1837		153
	GAS	37	37	37	37	37	37	37	37	37	37	37	37	444	139563	37
81 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		
	DAYS	1	1	1	1	1	1	1	1	1	1	1	1	0		
	OIL	69	65	76	82	52	57	59	56	66	65	31	60	679	12469	62
	WATER	175	168	217	210	217	210	0	336	360	224	270	279	2666		242
	GAS	37	37	37	37	37	37	0	93	84	93	84	93	669	140232	61
82 FLOW LIFT	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		
	DAYS	1	1	1	1	1	1	1	1	1	1	1	1	0		
	OIL	56	40	87	44	49	66	59	51	61	33	54	66	666	13135	56
	WATER	272	280	310	279	279	272	341	278	360	310	250	310	3574		298
	GAS	93	84	93	90	93	90	93	93	90	90	90	93	1002	141234	91

LEASE NAME VAN ZANDT
WELL 1
FOUR HARTMAN POOLE
LUGAIDH 251245 34E
WRIGHTS ID # 3022454625100SR
FIELD - LANGLEY HARTMAN 7 KMS 0 GRAYBANK SR
PRODUCTION UNIT # - 18085
CUM. PAID - LIQUID 0/6/912 CUMES - LIQUID 7184 LTO GATHERER PERMAN CORPORATION
GAS 0/6/912 GAS 138208 GAS GATHERER

SELECTION FROM-TO 70-85
PRODUCTION DATA

YR NR WELLS FROM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	IID	AVG
83 FLOW	0	0	0	0	0	0	0	0	0	0	0	0			
LIFT	1	1	1	1	1	1	1	1	1	1	1	1	352		29
DAYS	31	28	31	30	31	30	31	31	30	31	30	18	352		31
OIL	65	45	66	54	46	63	57	49	44	49	43	35	616		51
WATER	155	140	155	150	155	150	155	155	150	155	60	36	1616		135
GAS	93	84	93	90	93	90	93	93	90	93	90	93	1095	142329	91
84 FLOW	0	0	0	0	0	0	0	0	0	0	0	0			
LIFT	1	1	1	1	1	1	1	1	1	1	1	1	326		30
DAYS	24	29	28	30	31	0	31	31	30	31	30	31	326		52
OIL	74	53	53	54	54	46	94	18	59	13	47	59	624	14375	150
WATER	46	145	140	150	155	115	189	200	134	134	216	173	1799		52
GAS	72	84	81	86	89	30	31	31	30	31	30	31	626	142953	52
85 FLOW	0	0	0	0	0	0	0	0	0	0	0	0			
LIFT	1	1	1	1	1	0	0	0	0	0	0	0	151		30
DAYS	31	26	31	30	31	0	0	0	0	0	0	0	151		52
OIL	55	50	59	52	46	0	0	0	0	0	0	0	262	14637	52
WATER	152	142	148	142	163	0	0	0	0	0	0	0	753		151
GAS	31	28	31	30	0	0	0	0	0	0	0	0	120	143075	30

OIL & WATER PRODUCTION --- BBL/MONTH
& GAS PRODUCTION --- MCF/MONTH



Field: Langlie Mattox (Oil)
Operator: Sun Oil Co.
Well: Van Zandt No. 1
Location: I-25-24S-36E
County: Lea
State: New Mexico
Date Prod. Began: _____
Acres: _____

DW120M1
DOYLE HARTMAN, OIL OPERATOR
DWRBTS ENERGY DATA SYSTEM

RUN DATE 9/23/85 TIME 14:26:36

PAGE 1

LEASE NAME VAN 24M01
WELL 1
OPER SUN TEXAS CO

LOCATION 231245 36E

DWRBTS ID # 30224536E231FYRT FIELD - JALMAT TANSILL VT 7 RWYS (PROD GAS) VT PRODUCTION UNIT # - 53095

COME DATES - LIQUID 0/6/9/12 GUMES - LIQUID 0/6/9/12

0 LTO GATHERER 2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-TO
70-85

PRODUCTION DATA

YR MR WELLS PROD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AVG
70 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	315	413	455	435	503	611	611	934	1297	1286	1174	1414	9448	2735613	787
71 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	1338	1299	1589	1553	1767	1518	1764	1680	1621	1578	1500	1742	18945	2754562	1579
72 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	1673	1569	1539	1962	1302	1190	1699	1428	1450	1333	890	815	16850	2771412	1404
73 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	720	788	791	802	593	437	184	100	79	141	202	177	5014	2776426	418
74 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	376	126	98	171	191	160	121	83	123	118	132	56	1755	2776181	146
75 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0			0
OIL	0	0	0	0	0	0	0	0	0	0	0	0			0
WATER	0	0	0	0	0	0	0	0	0	0	0	0			0
GAS	106	133	166	163	128	153	272	228	157	67	63	76	1732	2779913	144

DW120W1
DOYLE HARTMAN, OIL OPERATOR
DWIGHTS ENERGY DATA SYSTEM

RUN DATE 9/25/85 TIME 14:24:36

PAGE 2

LEASE NAME VAN ZANDT
WELL 1
OPER SUN TEXAS CO

LOCATION 251245 34E DWIGHTS ID # 30224536231PVT FIELD - JALMAT TANSILL VT 7 RWRS (PRO GAS) VT PRODUCTION UNIT # - 53095

CUNE DATES - LIQUID 0/6/9/12 CUNES - LIQUID 0 LIG GATHERER 2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-ID
70-85

PRODUCTION DATA

YR NR WELLS PROD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AVG
76 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0		0	0
OIL	0	0	0	0	0	0	0	0	0	0	0	0		0	0
WATER	0	0	0	0	0	0	0	0	0	0	0	0		0	0
GAS	79	91	88	92	89	66	87	92	81	80	77	83	1005	2780918	84
77 FLOW	1	1	1	1	1	1	1	1	1	0	0	0			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	0	0	0	0	0	0	0	0	0		0	0
OIL	0	0	0	0	0	0	0	0	0	0	0	0		0	0
WATER	0	0	0	0	0	0	0	0	0	0	0	0		0	0
GAS	83	78	92	83	93	83	28	23	44	0	0	0	607	2781325	67

DWIGHTS ENERGY DATA SYSTEM RUN DATE 9/25/85 TIME 14:26:36

PAGE 1

LEASE NAME VAN LANDT

LOCATION 251245 JAE

DWIGHTS 1D 8 302265JAE251PKYT FIELD - JALMAT TANSILL VT 7 RWMS (PROD GAS) VT PRODUCTION UNIT 8 - 53095

WELL 1
OPER SUN TEXAS CO

CUME DATES - LIQUID 0/69/12 CUMES - LIQUID 0 LIQ SATURATER
GAS 0/69/12 GAS 2726165 GAS SATURATER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-10
70-85

TEST DATA

TEST DATE	WELLHEAD S/I PRESS	ROT HOLE PRESSURE	Z-FACTOR	P/Z	TEST DATE GAS CUME
70/08/07	219	234	.967	242	2,728,719
71/10/07	204	218	.969	225	2,750,098
72/08/07	307	329	.954	345	2,765,818
73/06/19	299	320	.955	335	2,775,383
74/06/17	256	274	.961	285	2,777,479
75/06/16	197	211	.970	218	2,778,939
76/06/01	236	253	.964	262	2,780,354
76/07/12	192	205	.971	211	2,780,452

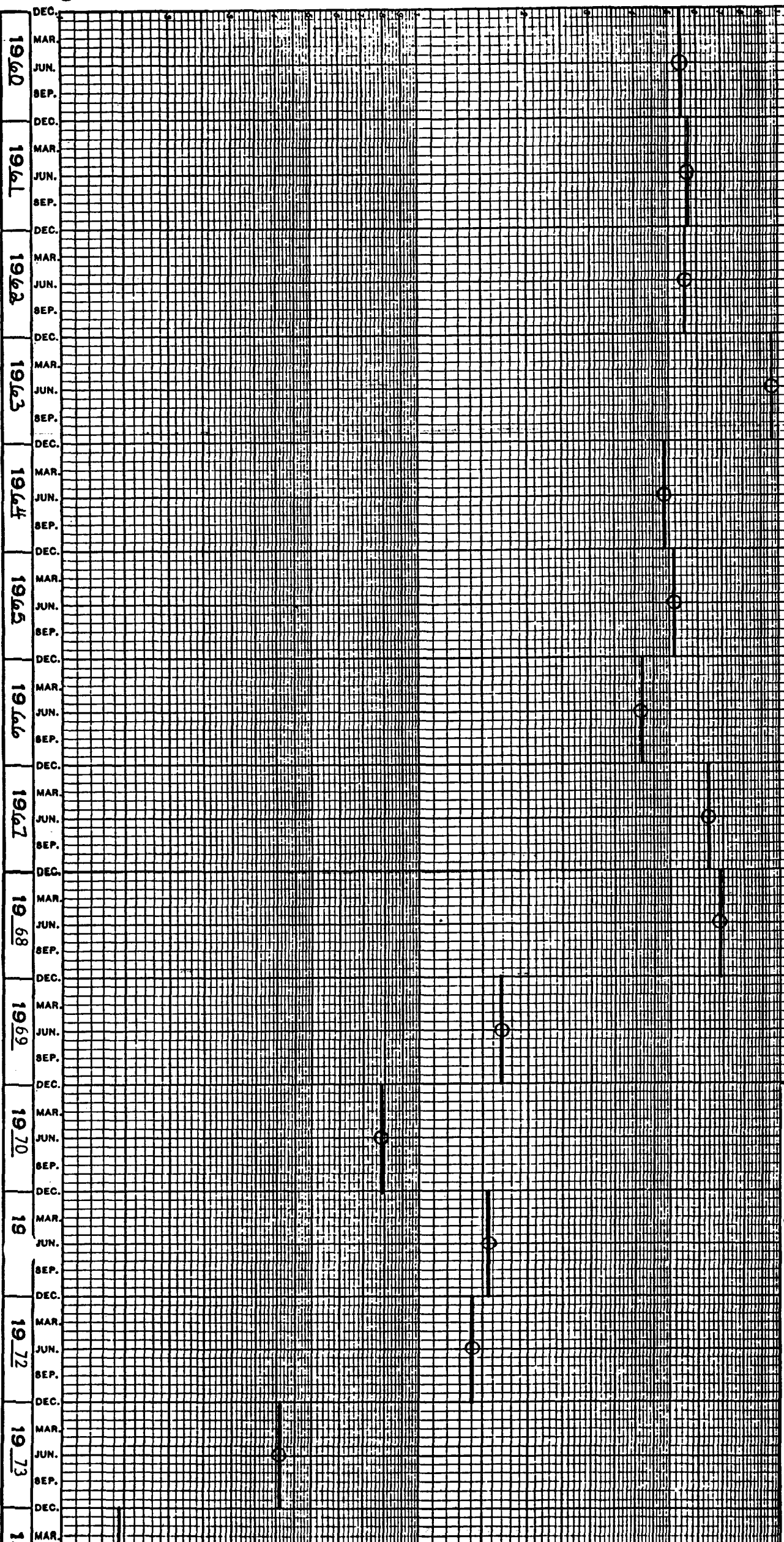
Gas Production - MCF/month

Cum: _____

1977 _____

Cum: 2781.5 MMCF

Field: Jalmat Gas
Operator: Sun Exploration & Production Co.
Well: Van Zandt No. 1
Location: T-25-24S-36E
County: Lea State: New Mexico
Date Prod. Began: Acres:



OIL PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific (R. Olsen)

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix

Spud Date: Original Completion Date:

Completion Interval (Oil):

Completion Date (Oil): First Production (Oil):

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

Year	No. of Mos.	Annual Oil Production (BBL)	Avg. Oil Rate (BBL/mo.)	Cum. Oil Production (MBO)			
1968	5	238	48	23.4			
1967	12	534	44	23.1			
1966	12	660	55	22.6			
1965	12	527	44	21.9			
1964	12	597	50	21.4			
1963	12	682	57	20.8			
1962	12	473	40	20.1			
1961	12	743	62	19.6			
1960	12	1053	88	18.9			
1959	12	1271	106	17.9			
1958	12	1939	162	16.6			
1957	12	1213	101	14.6			
1956	12	1170	97	13.4			
1955	12	1222	102	12.3			
1954	12	1445	120	11.0			
1953	12	1391	116	9.6			
1952	12	1828	152	8.2			
1951	12	2317	193	6.4			
1950	12	2589	216	4.1			
1949	6	1468	122	1.5			

Avg. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 Detail Summary

19 Detail Summary

Jan. July
Feb. Aug.
March Sept.
April Oct.
May Nov.
June Dec.

Jan. July
Feb. Aug.
March Sept.
April Oct.
May Nov.
June Dec.

Production (Y-T-D) 238 BBL

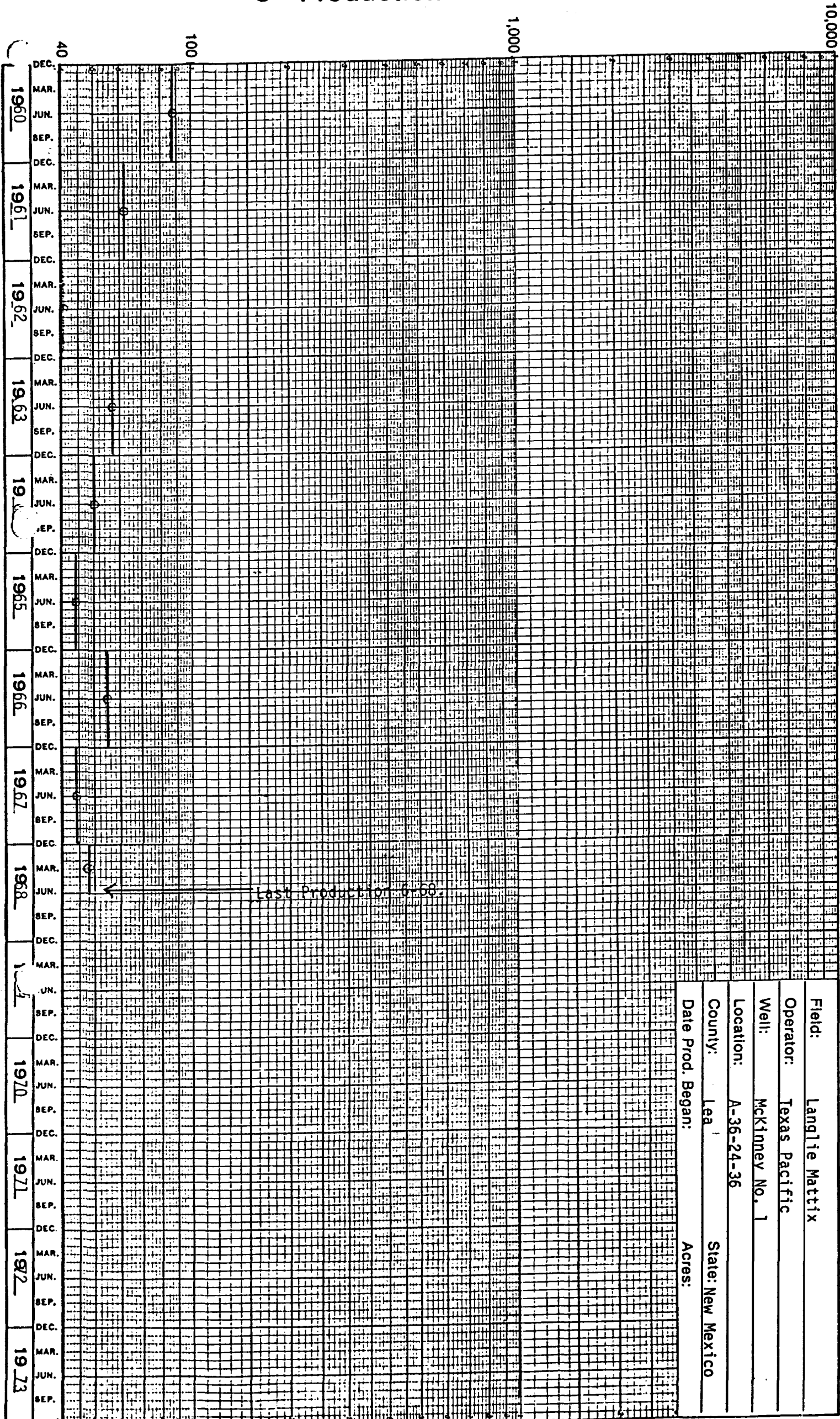
Avg. Rate (Y-T-D) 48 BBL/mo.

Days or Months (Y-T-D) 5 mos.

Oil Production - BBL/Month

6-1-68

Cum: 23.4 MBO



GAS PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific Oil

Well: McKinney No. 1

Location: A-36-24-36

Pool: _____ Lanqlie Mattix _____

Spud Date: _____ Original Completion Date: _____

Completion Interval (Gas): _____

Completion Date (Gas): _____ First Production (Gas): _____

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

[illegible]

Avq. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 67 Detail Summary

Jan.	<u>2589</u>	July	<u>2078</u>
Feb.	<u>829</u>	Aug.	<u>1663</u>
March	<u>892</u>	Sept.	<u>417</u>
April	<u>2384</u>	Oct.	<u>1631</u>
May	<u>1310</u>	Nov.	<u>994</u>
June	<u>2097</u>	Dec.	<u>1003</u>

19 68 Detail Summary

Jan.	1525	July	
Feb.	2600	Aug.	
March	1799	Sept.	
April	2004	Oct.	
May	2252	Nov.	
June	15	Dec.	

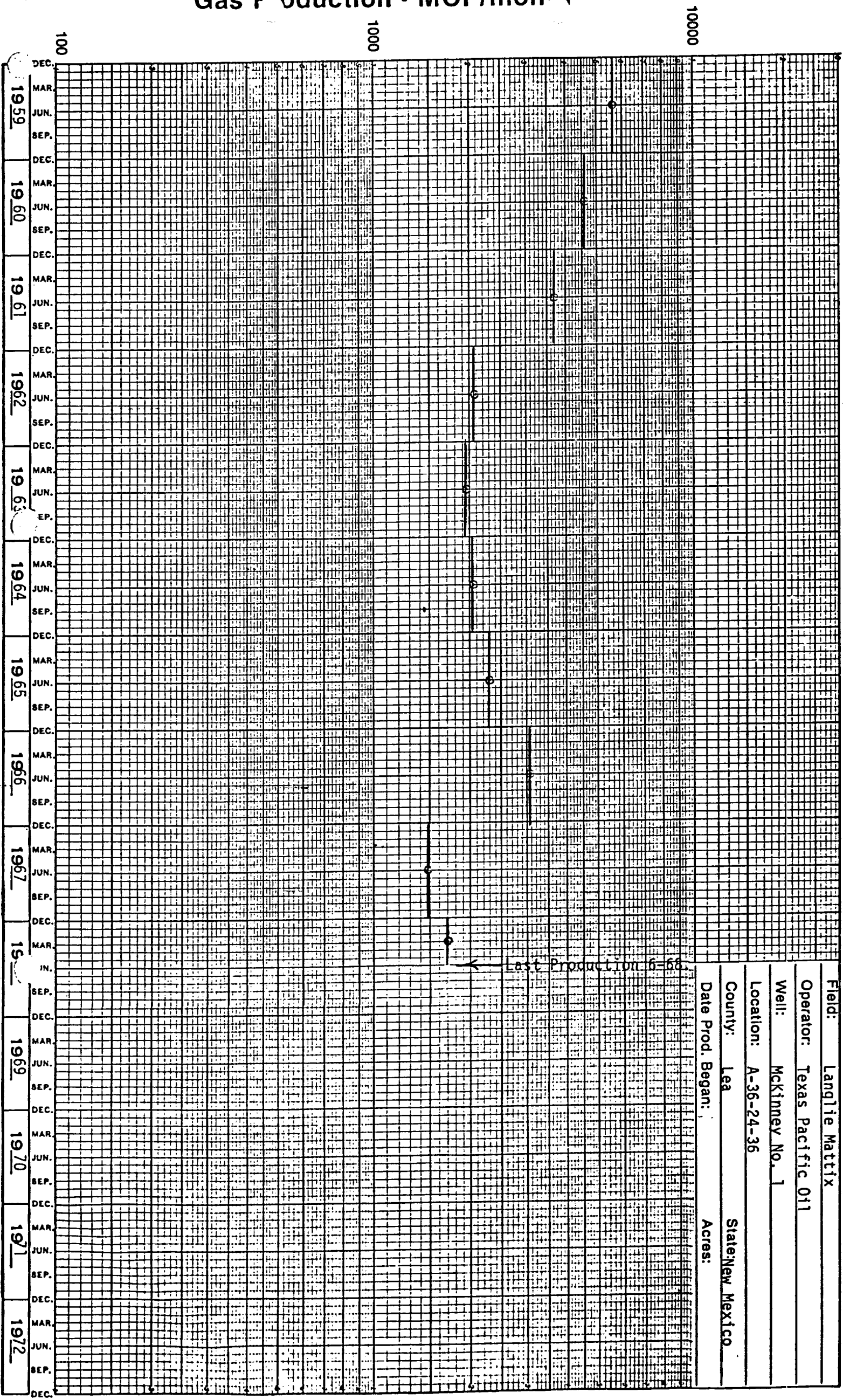
Production (Y-T-D) _____ 10195 MCF

Avg. Rate (Y-T-D) 1699 MCF/mo.

Days or Months (Y-T-D) 6 mos.

A-36-24-36

Gas Production - MCF/month



WATER DISPOSAL HISTORY

Date 10-5-83

Page 1 of 1

Operator: Sun Exploration & Production Co.

Well: McKinney No. 1

Location: A-36-24-36

Pool: Jalmat-Langlie Mattix

Spud Date: 3-7-49

Original Completion Date: 3-31-49

Completion Interval (Gas):

Completion Date (Gas):

First Production (Gas):

Remarks: 1-24-69: Well converted to water disposal in the interval 3140-3500.

[illegible]

83

18036 ¹⁹_____ Detail Summary

Jan. _____	22405	July _____
Feb. _____	23723	Aug. _____
March _____	25306	Sept. _____
April _____	23593	Oct. _____
May _____	23740	Nov. _____
June _____		Dec. _____

19_____ Detail Summary

Jan. _____ July _____
Feb. _____ Aug. _____
March _____ Sept. _____
April _____ Oct. _____
May _____ Nov. _____
June _____ Dec. _____

136803 BW

Production (Y-T-D) _____

6 nos

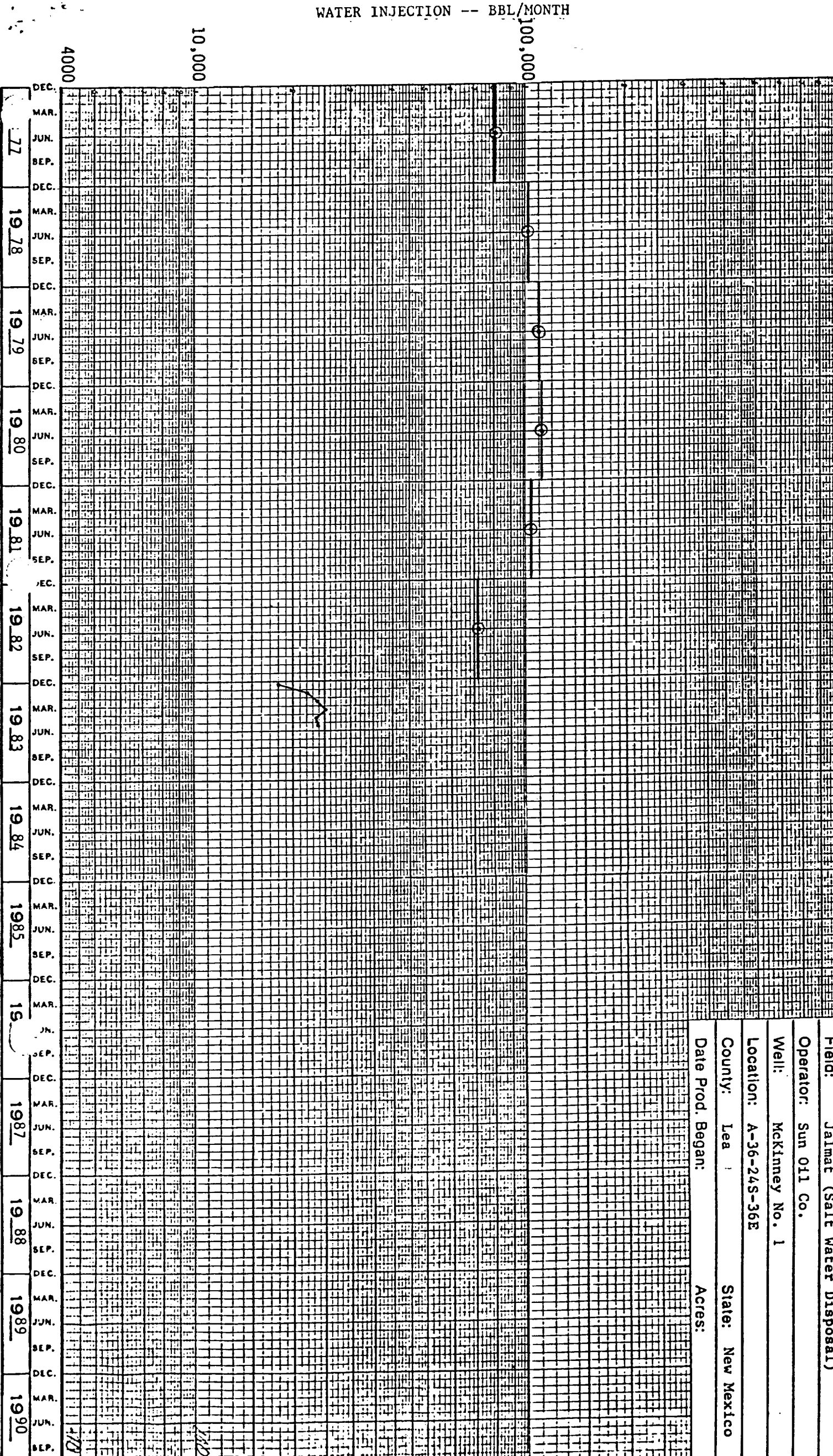
Days or Months (Y-T-D) _____ A-36-24-36

22801 BWPM

Avg. Rate (Y-T-D) 752 BPPD

752 BFPD

WATER INJECTION -- BBL/MONTH



Field: Jalmat (Salt Water Disposal)
Operator: Sun Oil Co.
Well: McKinney No. 1
Location: A-36-24S-36E
County: Lea State: New Mexico
Date Prod. Began: Acres:

LEASE NAME CUSTER STATE LOCATION 366245 346 DMLGHTS 10 & 30224534636600V7 FIELD - JALMAT TANSILL V1 7 RWRS (PRO GAS) VT PRODUCTION UNIT 8 - 92080
WELL 1
OPER HARTMAN DOYLE

SELECTION FROM-TO 1ST PRODUCTION 0/12/79 CUME DATES - LIQUID 0/00/00 CUMES - LIQUID 0 GAS 0 GAS SATHERER EL PASO NATURAL GAS COMPANY
70-85

VR NR WELLS PROD		PRODUCTION DATA														
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AVG
79 FLOW	LIFT	0	0	0	0	0	0	0	0	0	0	0	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	0	0	0	0	0	0	0	0	0	0	0	1057	1057		1057
80 FLOW	LIFT	1	1	1	1	1	1	1	1	1	1	1	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	9100	8770	9143	7036	7746	7332	7973	6666	6232	7041	7453	8471	93163	94220	7764
81 FLOW	LIFT	1	1	1	1	1	1	1	1	1	1	1	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	153	0	0	0	0	0	0	0
	GAS	8760	6540	5406	4797	5187	5407	5560	5551	5355	5609	5453	4567	68352	162472	5688
82 FLOW	LIFT	1	1	1	1	1	1	1	1	1	1	1	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	4250	3997	6934	6751	3363	4124	1604	5498	3614	2360	7416	8396	58527	220999	4877
83 FLOW	LIFT	1	1	0	1	1	1	1	1	1	1	1	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	9	6	0	30	12	30	13	23	30	4	8	31	156		18
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	2054	1956	0	3393	4369	9406	3663	5729	9173	1444	3127	10362	54928	275927	4993
84 FLOW	LIFT	1	1	1	1	1	1	0	0	0	0	1	1			
	DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL	31	29	31	30	15	0	0	0	0	0	23	31	190		27
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	9528	6913	8761	8069	3924	0	0	0	0	0	2760	5026	46543	322870	6706

08112001
DOYLE HARTMAN, OIL OPERATOR
DWIGHT'S ENERGY DATA SYSTEM
RUN DATE 9/25/85 TIME 14:26:34
PAGE 4
LEASE NAME CUSTER STATE
WELL 1
OPER HARTMAN DOYLE
LOCATION 366245 36E DWIGHTS ID # 30224536E3600YT FIELD - JALMAY TANKSILL YF 7 NWMS (PKD GAS) YF PRODUCTION UNIT # - 92080
CUMES DATES - LIQUID 0/00/00 CUMES - LIQUID 0 LIG GATHERER
GAS 0/00/00 GAS GAS GATHERER EL PASO NATURAL GAS COMPANY
SELECTION 1ST PRODUCTION 0/12/79
FROM TO
70-85

PRODUCTION DATA															
YR NR WELLS PRODN	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	TTB	AVG
85 FLOW	1	1	1	1	1	0	0	0	0	0	0	0			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	31	14	0	0	14	0	0	0	0	0	0	0	59		20
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0		0
WATER	39	36	45	39	45	0	0	0	0	0	0	0	204		41
GAS	5860	3205	0	0	3903	0	0	0	0	0	0	0	12968	335838	4323

DWIGHTS ENERGY DATA SYSTEM RUN DATE 9/29/85 TIME 14:26:36

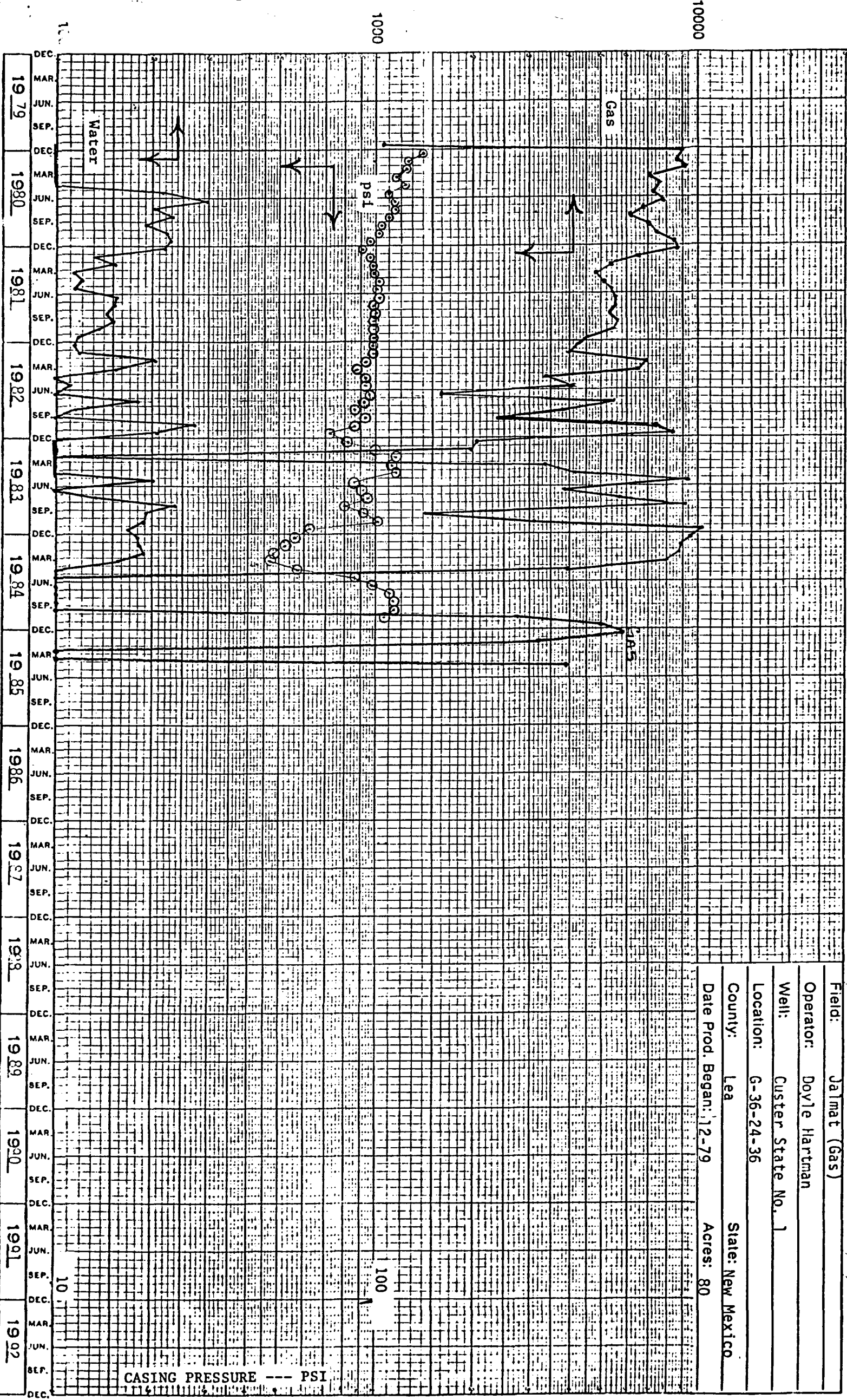
LEASE NAME CUSTER STATE LOCATION 366245 3AE DWIGHTS ID # 302245366366007 FIELD - JALMAT TANSILL VT 7 RMS (PROD GAS) VT PRODUCTION UNIT # - 92080

WELL 1 OPER HARTMAN DOYLE 1ST PRODUCTION 0/12/79 CUMED DATES - LIQUID 0/00/00 CUMES - LIQUID 0 LIQ GATHERER 0 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION FROM-10 70-85

TEST DATA					
TEST DATE	WELLHEAD S/I PRESS	BOT HOLE PRESSURE	Z-FACTOR	P/Z	TEST DATE GAS CUMED
80/05/22	139	0	.000	0	40,603
81/05/12	124	0	.000	0	121,731

Gas Production - (F/mon)



DM1120M1

DOYLE HARTMAN, OIL OPERATOR
DIGHTS ENERGY DATA SYSTEM

RUN DATE 9/25/85 TIME 14:26:36

PAGE 5

LEASE NAME LANGILE A STATE LOCATION 3612AS 36E DIGHTS ID # 30224536E36100YT FIELD - JALMAT TANSILL YT 7 RVRS (PRO GAS) YT PROPRATION UNIT # - 52795
WELL 3
OPER HARTMAN DOYLE
SELECTION FROM-TO 70-85
1ST PRODUCTION 0/04/83
CUME DATES - LIQUID 0/00/00 CUMES - LIQUID 0
GAS 0/00/00 GAS GAS GATHERER EL PASO NATURAL GAS COMPANY

PRODUCTION DATA

YR NR WELLS PRDUN	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AVG
83 FLOW	0	0	0	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	0	0	0	30	31	30	31	26	30	30	30	23	261		29
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0		0
WATER	0	0	0	0	0	0	0	0	0	0	0	0	0		0
GAS	0	0	0	12215	11843	11542	11670	8790	11056	10433	6986	4571	89106	89106	9901
84 FLOW	1	1	1	1	1	1	1	1	1	1	1	1			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	31	29	31	30	28	0	31	31	29	31	23	0	294		29
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0		0
WATER	0	0	1453	144	1303	516	856	716	510	631	1023	0	7152		795
GAS	11649	10561	11079	8429	4929	2095	2179	2086	2410	2011	1327	0	58755	147861	5341
85 FLOW	1	1	1	1	1	0	0	0	0	0	0	0			
LIFT	0	0	0	0	0	0	0	0	0	0	0	0			
DAYS	27	14	0	0	0	0	0	0	0	0	0	0	41		21
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0		0
WATER	512	455	453	537	247	0	0	0	0	0	0	0	2204		441
GAS	1267	733	5	0	0	0	0	0	0	0	0	0	2005	149866	668

DWIGHTS ENERGY DATA SYSTEM RUN DATE 9/25/85 TIME 14:26:36

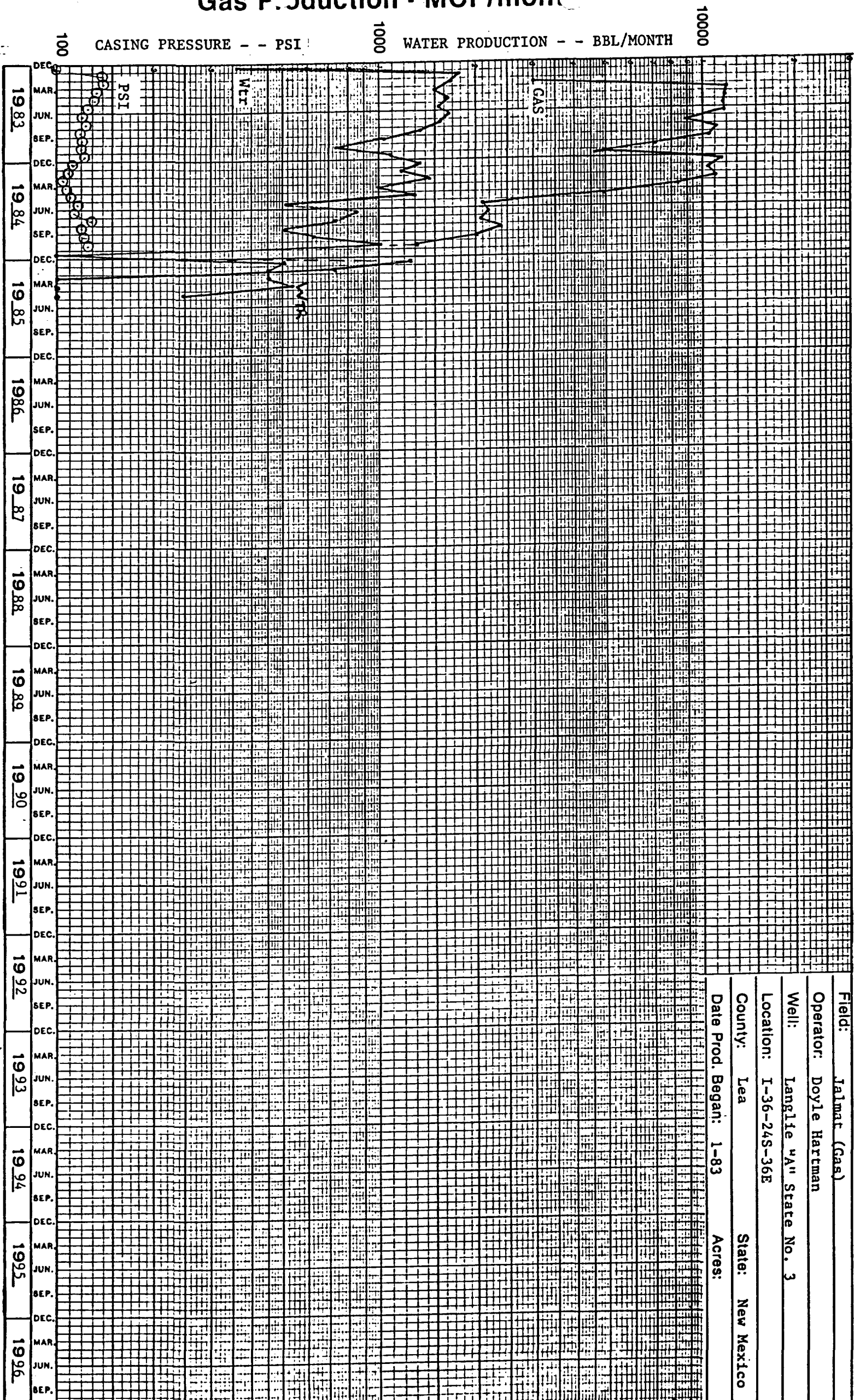
PAGE 3

LEASE NAME LANGLIS A STATE LOCATION 361245 36E DWIGHTS ID # 30224536E36100YT FIELD - JALMAT TANSILL YT 7 RWRS (PRO GAS) YT PROPRATION UNIT # - 52795
WELL 3
OPER HARTMAN DOYLE
SELECTION 1ST PRODUCTION 0/04/83
FROM-TO 0/00/00 CUMES - LIQUID 0 LIQ GATHERER
70-85 GAS 0/00/00 GAS GAS GATHERER EL PASO NATURAL GAS COMPANY

TEST DATA

TEST DATE	WELLHEAD S/I PRESS	BOT HOLE PRESSURE	Z-FACTOR	P/Z	TEST DATE	GAS CUME
83/05/17	143	0	.000	0	18,710	

Gas Production - MCF/month



DM120M1
DOYLE HARTMAN, OIL OPERATOR
DMLHNTS ENERGY DATA SYSTEM RUN DATE 9/25/85 TIME 14:21:25

PAGE 1

LEASE NAME FEDERAL JALMAT COM
WELL 1
OPER HARTMAN DOYLE

LOCATION 60235 37E DMLHNTS ID # 3022537E0600Y1 FIELD - JALMAT TANSILL VT 7 RWMS (PHO GAS) VT PRODUCTION UNIT # - 9385

SELECTION

CUMUL DATES - LIQUID 0/00/00 CURVES - LIQUID 0 LTO GATHERER
FROM-TO 70-85 GAS 0/00/00 GAS 0 GAS GATHERER EL PASO NATURAL GAS COMPANY

PRODUCTION DATA

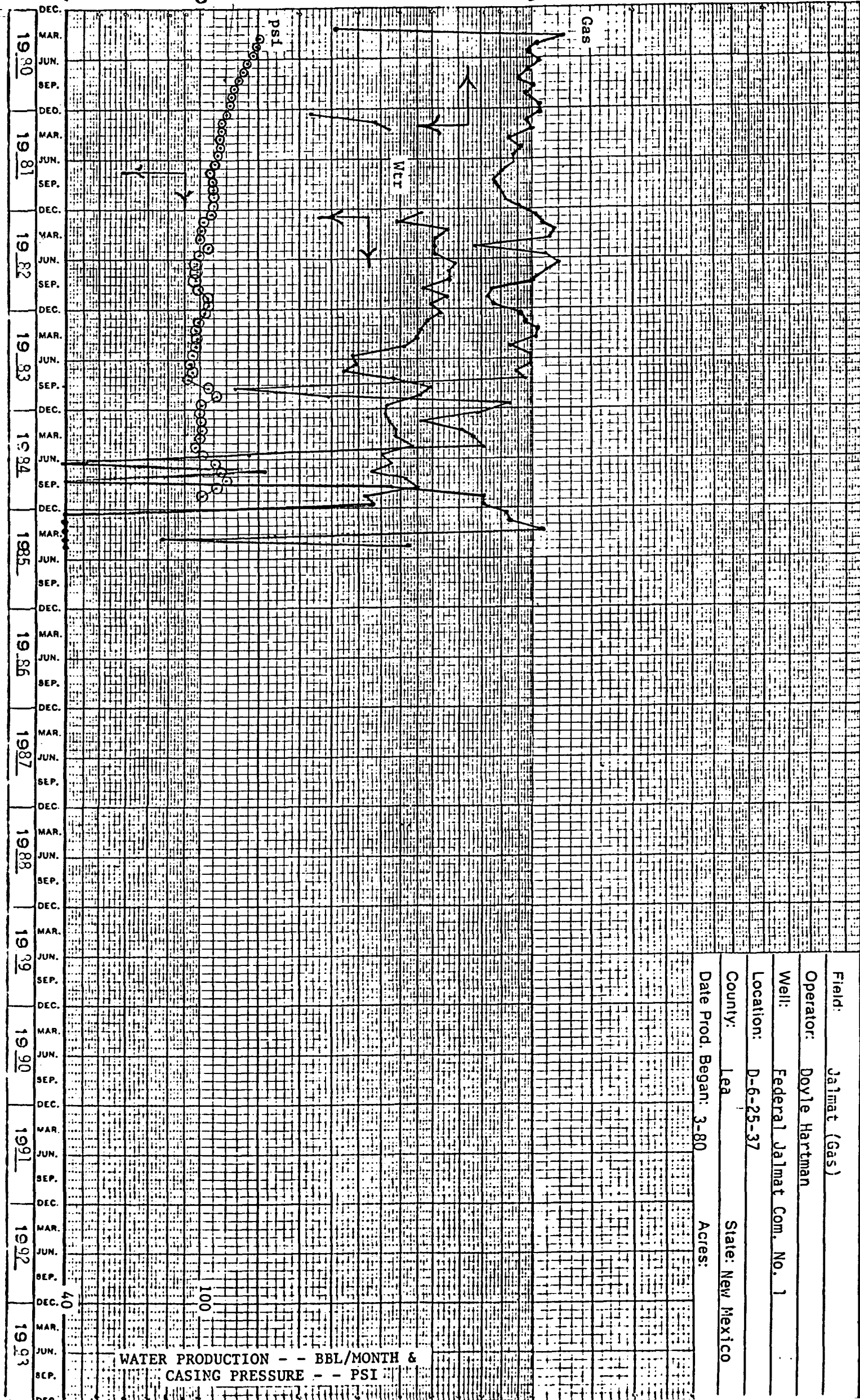
VR NR WELLS PRDGN	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	1TD	AVG
80 FLOW	0	0	1	1	1	1	1	1	1	1	1	1	1	1	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
GAS	0	0	2560	12382	10408	9770	10577	9699	9109	10036	9602	10488	94631	94631	9463
81 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
GAS	10659	9654	9974	8503	9364	9875	8744	8106	7686	7970	8287	9035	106857	201468	8935
82 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
GAS	11106	10718	11887	11467	6770	11008	12036	11097	10020	7594	7351	7643	118697	320175	9291
83 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	31	28	31	30	31	30	31	31	30	5	7	31	316	316	26
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
GAS	9215	9452	10366	10297	8470	9805	9853	6926	9428	1289	2461	8535	98127	416342	8177
84 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	31	29	31	30	31	0	2	6	2	15	30	31	238	238	22
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	0	0	397	387	434	354	0	330	417	453	315	243	3320	3320	319
GAS	4570	4699	6261	6652	7038	1401	304	1534	398	3767	7089	7132	52815	471117	4431
85 FLOW	1	1	1	1	1	0	0	0	0	0	0	0	0	0	
LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
DAYS	31	24	31	3	12	0	0	0	0	0	0	0	101	101	20
OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
WATER	163	174	283	128	165	0	0	0	0	0	0	0	833	833	167
GAS	8365	8217	10335	776	4228	0	0	0	0	0	0	0	32771	503638	6554

Gas Production - MCF/month

100,000

12-1-80

Cum: 84.1 MMCF



WATER PRODUCTION - - BBL/MONTH &
CASING PRESSURE - - PSI

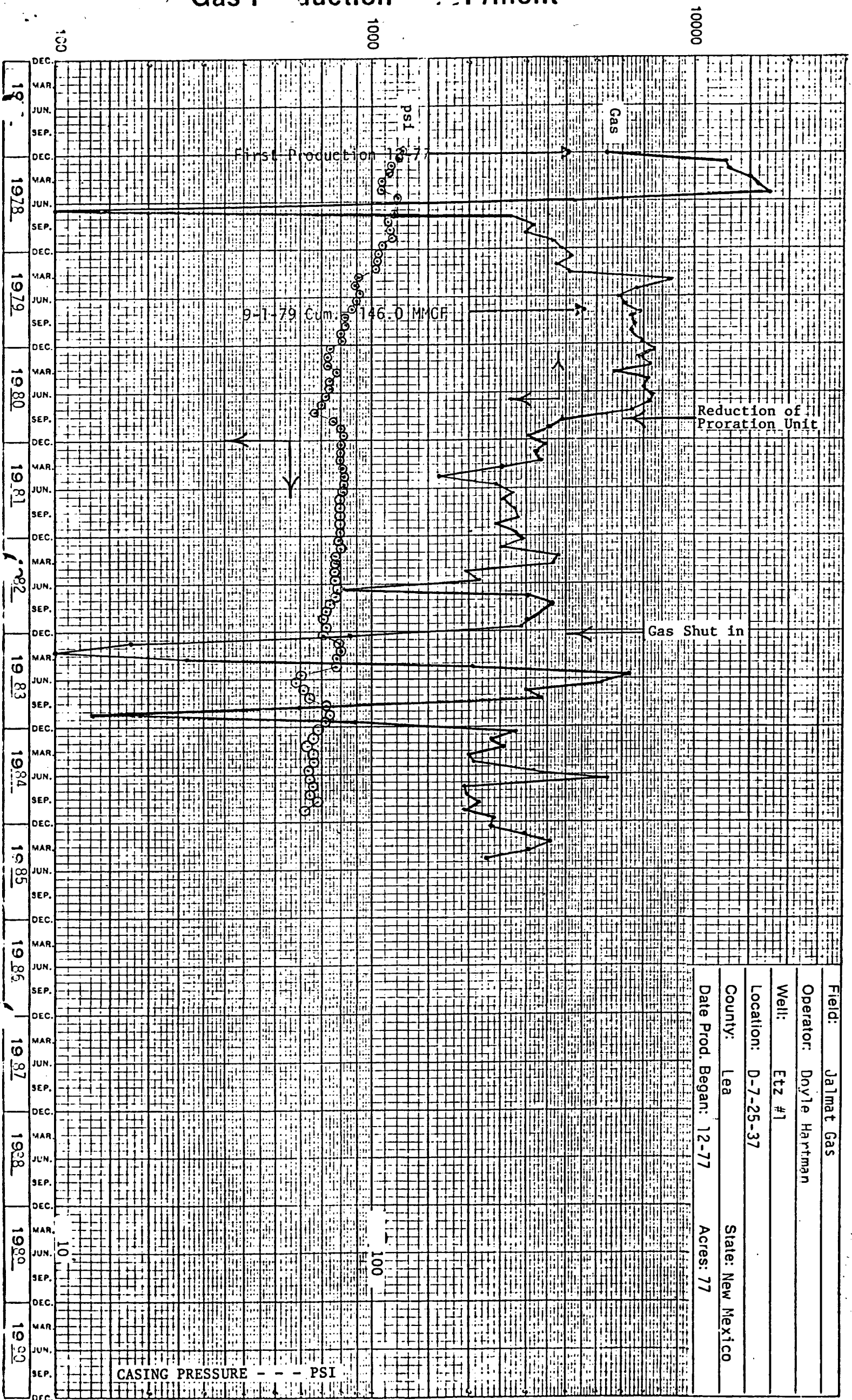
Field: Jalmat (Gas)
Operator: Doyle Hartman
Well: Federal Jalmat Com. No. 1
Location: D-6-25-37
County: Lea
State: New Mexico
Date Prod. Began: 3-80
Acres:

LEASE NAME ETZ 1
WELL 1
OPER HARTMAN DOYLE
LOCATION 70255 37E
DN120W1 ID # 3022537E0700VT
FIELD - JALMAT TANGILL VT 7 WWS (PRO GAS) YT
PRODUCTION UNIT # - 82425

SELECTION FROM-TO
70-85
1ST PRODUCTION 0/12/27
CUMC DATES - LIQUID 0/00/00
GAS 0/00/00
CUMES - LIQUID 0
GAS 0
0 L18 GATHERER
0 GAS GATHERER EL PASO NATURAL GAS COMPANY

PRODUCTION DATA															
YR NR WELLS PROD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	1TD	AVG
83 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	
	DAYS	31	6	1	30	31	30	0	23	30	4	1	13	200	
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	18
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	9215	176	91	183	2085	6334	6928	3007	3347	594	132	889	32981	340560
84 FLOW	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
	LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	
	DAYS	31	29	31	30	31	0	31	31	30	31	30	31	336	31
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	2794	2345	2586	2011	2078	3184	5432	1948	1971	2163	1944	2371	30627	371387
85 FLOW	1	1	1	1	1	0	0	0	0	0	0	0	0	0	
	LIFT	0	0	0	0	0	0	0	0	0	0	0	0	0	
	DAYS	29	26	31	28	19	0	0	0	0	0	0	0	133	27
	OIL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS	2363	2986	3586	3061	2279	0	0	0	0	0	0	0	14275	385662

Gas Production - ... F/month



BEFORE EXAMINER STOGNER
Oil Conservation Division
WATMAN Exhibit No. 4-B
Case No. 8722

ASSUMED CONSTANT NON-MATERIAL STATUS										TUBELINE OCC STATUS									
FROM MONTH	GRAPH ALLOWABLE MONTH	MONTHLY ALLOWABLE	ACTUAL MONTHLY PRODUCTION	WT AVG MONTHLY PRODUCTION	OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	MONTHLY ALLOWABLE	ACTUAL MONTHLY PRODUCTION	MONTHLY OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	STAT	CALC. DUE LESS OCC	DUE D/U						
02/80	1	13251.47	6636	8770	29.00	2144-	6636	8770	2144-	2568	N	4733-	4733-						
03/80	2	14222.11	7111	9144	31.00	1862-	7111	9143	2032-	727	N	4733-	4733-						
04/80	3	13273.50	6637	7036	30.00	399-	6637	7036	399-	328	N	4733-	4733-						
05/80	4	13916.10	6908	7746	31.00	838-	6908	7746	838-	610-	N	4633-	4633-						
06/80	5	13102.97	6551	7332	29.70	781-	6551	7332	781-	1291-	N	4733-	4733-						
07/80	6	13421.59	6711	7974	31.00	1263-	6711	7973	1262-	2553-	N	4734-	4734-						
08/80	7	11556.14	5778	6866	31.00	1088-	5778	6866	1088-	3641-	N	4734-	4734-						
09/80	8	12581.33	6291	6232	30.00	59	6291	6232	59	3582-	N	4734-	4734-						
10/80	9	11687.61	5844	7041	30.70	1197-	5844	7041	1197-	4779-	N	4734-	4734-						
11/80	10	12294.61	6147	7452	30.00	1306-	6147	7453	1306-	6085-	N	4733-	4733-						
12/80	11	12907.70	6454	8471	31.00	2017-	6454	8471	2017-	8102-	N	4733-	4733-						
01/81	12	13424.10	6712	8761	31.00	2049-	6712	8760	2048-	10150-	N	4734-	4734-						
02/81	13	12007.11	6004	6541	28.00	537-	6004	6540	536-	10686-	N	4735-	4735-						
03/81	14	12776.77	6388	5407	31.10	981	6388	5406	982	9704-	N	4736-	4736-						
04/81	15	12080.13	6040	4797	26.80	1243	6040	4797	1243	8461-	N	4736-	4736-						
05/81	16	12441.57	6221	5186	29.00	1035	6221	5187	1034	7427-	N	4735-	4735-						
06/81	17	11883.66	5942	5407	30.00	535	5942	5407	535	6892-	N	4735-	4735-						
07/81	18	11533.11	5767	5380	31.00	187	5767	5380	187	6705-	N	4735-	4735-						
08/81	19	12023.38	6012	5592	31.00	420	6012	5591	421	6284-	N	4736-	4736-						
09/81	20	12045.08	6023	5356	30.00	667	6023	5355	668	5616-	N	4737-	4737-						
10/81	21	12117.88	6059	5609	31.00	450	6059	5609	450	5166-	N	4737-	4737-						
11/81	22	11254.42	5627	5452	22.00	175	5627	5453	174	4922-	N	4736-	4736-						
12/81	23	13750.65	6875	4537	31.00	2308	6875	4537	2308	2684-	N	4736-	4736-						
01/82	24	13778.94	6789	4249	31.00	2740	6789	4250	2739	55	N	4735-	4735-						
02/82	25	12910.12	6455	3997	28.00	2458	6455	3997	2458	2513	N	4735-	4735-						
03/82	26	13992.32	6997	6734	31.00	2630	6997	6734	63	5133	N	4735-	4735-						
04/82	27	12946.16	6473	6752	30.00	279-	6473	6751	278-	4855	N	4736-	4736-						
05/82	28	11218.55	5609	3363	29.00	2246	5609	3363	2246	7101	N	4736-	4736-						
06/82	29	10556.68	5428	4123	20.00	1305	5428	4124	1304	8405	N	4735-	4735-						
07/82	30	11226.92	5613	1604	9.00	4009	5613	1604	4009	12414	N	4735-	4735-						
08/82	31	11226.94	5613	5499	24.00	114	5613	5498	115	12529	N	4736-	4736-						
09/82	32	10864.82	5432	3814	19.00	1618	5432	3814		0	N	9411	9411						
10/82	33	11226.97	5613	2380	9.00	3233	5613	2380		0	N	12644	12644						
11/82	34	13195.46	6598	7416	30.00	818-	6598	7416		0	N	11826	11826						
12/82	35	13459.46	6730	8395	31.00	1665-	6730	8396		0	N	10161	10161						
01/83	36	14590.20	7295	2054	7.90	5241	7295	2054		0	N	15402	15402						
02/83	37	13215.14	6608	2054	6.10	4620	6608	2054		0	N	20022	20022						
03/83	38	8954.29	4477	0	.00	4477	4477	0		0	N	24499	24499						
04/83	39	5549.43	2775	3393	10.00	618-	2775	3393		0	N	23981	23981						
05/83	40	6013.76	3407	4369	13.00	962-	3407	4369		0	N	22919	22919						
06/83	41	3463.20	1732	9405	30.00	1673-	1732	9406		0	N	15246	15246						
07/83	42	5761.66	2081	3682	14.00	1002-	2081	3683		0	N	14244	14244						
08/83	43	3900.81	1950	5729	18.90	3778-	1950	5729		0	N	10465	10465						
09/83	44	3022.03	1511	9173	26.00	7662-	1511	9173		0	N	2803	2803						
10/83	45	6319.58	3160	1444	4.10	1716	3160	1444		0	N	4519	4519						

ASSUMED CONSTRAINT NOT NEGINAL STATUS														TODAY'S DUE DATE STATUS	
PROD NO	MONTH	MONTHLY ALLOWABLE	MONTHLY ALLOWABLE AT = .50	ACTUAL MONTHLY PRODUCTION	MT AVG DAYS CUTOFF/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	MONTHLY ALLOWABLE	AMOUNT REQUEST	MONTHLY PRODUCTION	MONTHLY OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	STAT	CALC. DUE DATE		
05/83	1	6813.76	3407	12332	30.94	8825-	375	12182		0	8825-	N	8825-		
06/83	2	3462.20	1732	11995	30.00	10263-	360	11886		0	19088-	N	19088-		
07/83	3	3761.66	2881	12198	31.00	9317-	12182	12009		0	28405-	N	28405-		
08/83	4	3900.81	1950	9314	26.18	7364-	11886	9121		0	35769-	N	35769-		
09/83	5	3022.03	1511	11586	28.94	10075-	12009	11367		0	45844-	N	45844-		
10/83	6	6319.58	3160	10938	29.84	7778-	9121	10753		0	53622-	N	53622-		
11/83	7	10744.94	5372	7394	30.00	2022-	11367	7255		0	55644-	N	55644-		
12/83	8	11602.58	5801	4900	15.36	901	10753	4807		0	54743-	N	54743-		
01/84	9	15083.47	7542	11894	30.96	4352-	7255	11892		0	59095-	N	59095-		
02/84	10	14801.63	7401	10789	29.00	3388-	4807	10788		0	62483-	N	62483-		
03/84	11	13104.11	6552	11319	31.10	4767-	11892	11319		573	64831-	N	2419-		
04/84	12	3191.89	1596	8670	30.00	7074-	10788	8668		2120	71903-	N	2421-		
05/84	13	3132.61	1561	5156	27.76	3595-	1561	5155		3594-	87712-	N	9793		
06/84	14	3270.78	1639	2416	30.00	777-	1639	2416		777-	88489-	N	9793		
07/84	15	8212.70	4106	2491	31.01	1615	4106	2491		1615	86874-	N	9793		
08/84	16	8761.96	4381	2155	30.22	2226	4381	2154		2227	84647-	N	9792		
09/84	17	6797.04	3499	2417	28.93	1082	3499	2417		1082	83565-	N	9791		
10/84	18	7794.24	3697	2012	31.00	1685	3697	2011		1686	81879-	N	9791		
11/84	19	6512.31	4256	1327	21.00	2929	4256	1327		2929	78950-	N	9791		
12/84	20	10587.70	5294	1298	24.54	6046	5294	1298		6046	73656-	N	9791		
01/85	21	14687.18	7244	733	14.20	4780	7344	733		4780	671610-	N	9791		
02/85	22	11026.88	5513	733	14.20	4780	5513	733		4780	62830-	N	9791		
03/85	23	10161.06	5081	0	.00	6022	5081	0	941	5081	56808-	N	9791		
04/85	24	9060.52	4530	0	.00	4530	4530	0		4530	52278-	N	9791		
05/85	25	8073.39	4037	0	.00	4037	4037	0		4037	48241-	N	9791		
06/85	26	5168.54	2584	0	.00	2584	2584	0		2584	45657-	N	9791		
07/85	27	5071.44	2536	0	.00	2536	2536	0		2536	43121-	N	9791		
TOTAL		217924.03	108963	141334	583	33330-	33330-	941							
AVERAGE			4036	5305	21.63	1294-									

ASSUMED CONSTANT NON-MARKING STATUS

4-DIGITISED OCC STATUS

* CHANGE IN STATUS

FROM MONTH	MONTHLY GRAPH ALLOWABLE AF=1.00	MONTHLY ALLOWABLE AF=.25	ACTUAL MONTHLY PRODUCTION	WT AVG MONTHLY BASIS OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	MONTHLY ALLOWANCE	AMOUNT REDIST	MONTHLY PRODUCTION	MONTHLY OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	STAT	CALC. CME DUE LESS OCC DUE D/U	
03/78	1	15074.66	3769	14989 31.00	10975-	10975-	7236	245	14989	773-	28830-	N *	17855
04/78	2	13215.17	3304	15906 30.00	12602-	23517-	6344	15906	9562-	38392-	N	14815	
05/78	3	12475.34	3119	17528 31.30	14409-	37936-	5988	17528	11540-	49932-	N	11946	
06/78	4	11969.98	2992	4248 29.80	1256-	39242-	5746	4248	1498	48434-	N	9192	
07/78	5	11464.74	2866	0 .00	2866	36316-	5503	0	5503	42931-	N	6555	
08/78	6	11976.85	2994	2725 14.80	269	36107-	5749	0	0	0	N	36107-	
09/78	7	11636.70	2909	3145 30.00	236-	36333-	5586	0	3006	0	N	3643-	
10/78	8	12301.10	3075	3006 31.00	69	36274-	0	3006	3006-	34566-	*	1708-	
11/78	9	15779.99	3945	3630 30.00	315	35959-	0	3630	3630-	30622-	N	5337-	
12/78	10	16974.36	4244	3842 30.90	402	35557-	8148	3842	4306	26316-	*	9241-	
01/79	11	18060.59	4515	4138 31.00	377	35180-	8669	4138	4531	21785-	N	1395-	
02/79	12	23084.87	5771	3715 20.00	2056	33124-	11081	3715	7366	14419-	N	18705-	
03/79	13	22558.25	6390	4116 31.00	2274	30850-	12268	4115	8153	6266-	N	24584-	
04/79	14	22452.00	5613	8729 30.10	3116-	33966-	10777	8474	2303	3963-	N	30003-	
05/79	15	16597.39	4149	7000 30.90	2851-	34817-	7967	6692	1275	2688-	N	34129-	
06/79	16	15740.39	3935	5954 30.00	2019-	38836-	7555	5953	1602	1086-	N	37750-	
07/79	17	15972.42	3993	6167 31.00	2174-	41010-	7667	6167	1500	414	N	41424-	
08/79	18	15337.05	3909	6981 31.00	3072-	44082-	7506	6981	525	939	N	45021-	
09/79	19	13952.28	3408	6447 30.00	2859-	47041-	6697	6447	250	628	N	47669-	
10/79	20	13757.13	3439	6581 31.10	3142-	50183-	6603	6580	23	651	N	50634-	
11/79	21	14077.60	3519	6417 30.00	2898-	53081-	6757	6416	341	992	N	54073-	
12/79	22	15204.28	3801	6884 31.10	3663-	56144-	7298	6864	434	1426	N	57570-	
01/80	23	14573.27	3643	7581 31.00	3938-	60082-	6995	7581	586-	840	N	60922-	
02/80	24	13251.47	3313	6724 29.10	3411-	63493-	6361	6724	363-	477	N	63970-	
03/80	25	14222.11	3556	7357 31.00	3637-	67130-	6827	7356	529-	112	N	67242-	
04/80	26	13273.50	3318	5700 29.80	2382-	69512-	6371	5700	671	783	N	70295-	
05/80	27	13816.10	3454	7277 31.00	3823-	73335-	6632	7276	644-	139	N	73474-	
06/80	28	13102.97	3276	7003 30.00	3727-	77062-	6289	7002	713-	574	N	76489-	
07/80	29	13421.59	3355	7418 31.00	4063-	81125-	6442	7418	976-	1550-	N	79575-	
08/80	30	11556.14	2889	7300 31.00	4411-	85336-	5547	7300	1753-	3303-	N	82233-	
09/80	31	12531.33	3145	6493 30.00	3348-	88864-	6039	6493	454-	5783-	N	83101-	
10/80	32	11687.61	2922	3902 31.00	980-	89864-	3074	3902	828-	6763-	N	83101-	
11/80	33	12294.61	3074	3567 30.00	493-	90357-	0	3566	3566-	7255-	*	83102-	
12/80	34	12907.70	3227	3079 31.00	148	90209-	3227	3078	149	7106-	N	83103-	
01/81	35	13424.10	3356	3465 31.00	109-	90318-	3356	3466	110-	7216-	N	83102-	
02/81	36	12907.11	3002	3199 28.00	197-	90515-	3002	3200	198-	7414-	N	83101-	
03/81	37	12776.77	3194	3323 30.90	129-	90644-	3194	3324	130-	7544-	N	83100-	
04/81	38	12980.13	3020	2530 27.10	490	90154-	3020	2530	490	7054-	N	83100-	
05/81	39	12441.57	3110	1614 31.00	1496	88628-	3110	1613	1497	5557-	N	83101-	
06/81	40	11883.66	2971	2423 30.00	548	88110-	2971	2423	548	5009-	N	83101-	
07/81	41	11533.11	2683	2744 31.00	139	87971-	2683	2744	139	4870-	N	83101-	
08/81	42	12023.38	3006	2537 31.00	469	87562-	3006	2537	469	4401-	N	83101-	
09/81	43	12045.08	3011	2775 30.00	236	87266-	3011	2776	235	4166-	N	83100-	
10/81	44	12117.88	3029	2824 31.00	205	87061-	3029	2824	205	3961-	N	83100-	
11/81	45	11254.42	2814	2442 30.00	372	86659-	2814	2442	372	3589-	N	83100-	

ASSUMED CONSTANT NON-MARGINAL STATUS														FURNISHED OCC STATUS													
PROD MONTH	MONTHLY GROSS ALLOWABLE AF=1.00	MONTHLY ALLOWABLE AF=.25	ACTUAL MONTHLY PRODUCTION	UT AND MAINLY DAYS UNAVAILABLE	MONTHLY PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	MONTHLY ALLOWABLE	AMOUNT REST	MONTHLY PRODUCTION	MONTHLY OVER/UNDER PRODUCTION	CUMULATIVE OVER/UNDER PRODUCTION	STAT	CALC. DUE DOU														
12/81	46	13750.65	3438	2789	31.00	649	86040-	3438	2789	649	2940-	N	83100-														
01/82	47	13978.94	3495	2935	31.00	560	85480-	3495	2936	569	2281-	N	83099-														
02/82	48	12910.12	3228	2521	27.10	707	84773-	3228	2521	707	1674-	N	83099-														
03/82	49	13973.32	3498	3504	31.00	973	83800-	3498	3803	305-	700-	N	83100-														
04/82	50	12945.16	3237	3651	30.00	414-	84214-	3237	3650	413-	1113-	N	83101-														
05/82	51	11218.55	2805	1973	31.30	832	83382-	2805	1972	833	280-	N	83102-														
06/82	52	10655.68	2714	2152	27.80	562	82820-	2714	2152	562	282	N	83102-														
07/82	53	11226.92	2807	820	31.20	1987	80833-	2807	820	1987	2269	N	83102-														
08/82	54	11226.94	2807	3047	30.90	240-	81073-	2807	3046	239-	2030	N	83103-														
09/82	55	10864.82	2716	3661	30.00	945-	82018-	2716	3661	945-	1085	N	83103-														
10/82	56	11226.97	2807	3360	31.00	553-	82571-	2807	3360	553-	532	N	83103-														
11/82	57	13195.46	3299	3105	30.00	194	82377-	3299	3105	194	726	N	83103-														
12/82	58	13459.46	3365	2922	30.90	443	81934-	3365	2923	442	1168	N	83102-														
01/83	59	14590.20	3648	863	9.00	2785	79149-	3648	863	2785	3973	N	83102-														
02/83	60	13215.14	3304	176	2.00	3128	76021-	3304	176	3128	7081	N	83102-														
03/83	61	8954.29	2239	91	1.20	3427	72594-	2239	91	2148	10508	N	83102-														
04/83	62	5549.43	1387	267	3.00	1120	71474-	1387	267	1120	11628	N	83102-														
05/83	63	6813.76	1703	2086	14.00	383-	71857-	1703	2085	382-	11246	N	83103-														
06/83	64	2463.20	866	6334	30.00	5468	77325-	866	6334	5468-	5778	N	83103-														
07/83	65	5761.66	1440	5192	30.70	3752-	81077-	1440	6928	5488-	290	N	83103-														
08/83	66	3900.81	975	3007	23.00	2032-	83109-	975	3007	2032-	6-	N	83103-														
09/83	67	3022.03	756	3347	25.70	2591-	85700-	756	3347	2571-	2597-	N	83103-														
10/83	68	6319.58	1580	594	4.20	966	84714-	1580	594	966	1611-	N	83103-														
11/83	69	10744.94	2686	132	1.10	2554	82160-	2686	132	2554	943	N	83103-														
12/83	70	11602.58	2901	859	12.90	2012	80148-	2901	889	2012	2955	N	83103-														
01/84	71	15083.49	3771	2794	31.00	977	79171-	3771	2794	977	3932	N	83103-														
02/84	72	14801.63	3700	2345	28.80	1353	77816-	3700	2345	1355	5287	N	83103-														
03/84	73	13104.11	3276	2586	31.00	690	77126-	3276	2586		0	N	77126-														
04/84	74	3191.89	798	2011	30.00	1213-	78339-	798	2011		0	N	78339-														
05/84	75	3122.61	781	2079	29.50	1298-	79637-	781	2078		0	N	79637-														
06/84	76	3278.78	829	3184	17.30	2364-	82901-	829	3184		0	N	82901-														
07/84	77	8212.70	2053	5432	30.70	3379-	85380-	2053	5432		0	N	85380-														
08/84	78	8761.76	2190	1948	30.90	242	85138-	2190	1948		0	N	85138-														
09/84	79	6997.04	1749	1971	29.90	222-	85360-	1749	1971		0	N	85360-														
10/84	80	7394.24	1849	2163	31.00	314-	85674-	1849	2163		0	N	85674-														
11/84	81	8512.31	2128	1944	29.90	184	85490-	2128	1944		0	N	85490-														
12/84	82	10587.70	2647	2371	30.50	276	85214-	2647	2371		0	N	85214-														
01/85	83	14687.18	3672	2363	27.50	1309	83905-	3672	2363		0	N	83905-														
02/85	84	11026.83	2757	2986	26.10	229-	84134-	2757	2986		0	N	84134-														
03/85	85	10161.06	2540	3505	30.90	574-	84708-	2540	3506		0	N	84708-														
04/85	86	9060.52	2265	3017	27.10	752-	85460-	2265	3061		0	N	85460-														
05/85	87	8073.39	2018	2182	17.30	144-	85624-	2018	2279		0	N	85624-														
06/85	88	5189.54	1292	0	.00	1292	84332-	1292	0	1292		N	77125-														
07/85	89	5071.44	1268	1922	17.50	654-	84968-	1268	1922	654-	7801-	N	77125-														
TOTAL AVERAGE		1054329.85	263582	352006	2367	84986-	84986-	263582	352006	2367	84986-																

Date 5-6-85

NOTICE OF ASSIGNMENT OF ALLOWABLE TO A GAS WELL

The operator of the following well has complied with all the requirements of the Oil Conservation Division and the well is hereby assigned an allowable as shown below.

Date of Connection 12-27-79 Date of First Allowable or Allowable Change _____
Purchaser EPG Pool Jalmat
Operator Doyle Hartman Lease Custer State
Well No. 1 Unit Letter G Sec. 36 Twp. 24S Range 36E
Allocated Acreage 80 Revised Acreage _____ Difference _____
Acreage Factor .50 Revised Acreage Factor _____ Difference _____
Deliverability _____ Revised Deliverability _____ Difference _____
A x D Factor _____ Revised A x D Factor _____ Difference _____

Rick Brown

OCD District No. 4

CALCULATION OF SUPPLEMENTAL ALLOWABLE

Previous Status Adjustments.....

MONTH	NO. OF MO.	PREV. ALLOW.	REV. ALLOW.	PREV. PROD.	REV. PROD.	REMARKS
April						
May						
June						
July						
August						
September						
October						* Revised allowable due to computation error.
November						
December						
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						
January						
February						
March						
TOTALS						
Allowable Production Difference.....				13047+		
May Schedule O/U Status.....				1758+		
Revised March O/U Status.....				14805+		
Effective In June						Schedule
Current Classification				N		To

BEFORE EXAMINER STOGNER

Oil Conservation Division

~~HARTMAN~~ Exhibit No. 4C

Case No. 8722

Note: All gas volumes are in MCF@15.025 psia.

R. L. STAMETS, Division Director

By _____

MAY 6 1985

State of New Mexico
Energy/Minerals Department

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

Gas
Supplement
Number: NW-SF-SF SE-5369

Date 2-11-85

NOTICE OF ASSIGNMENT OF ALLOWABLE TO A GAS WELL

The operator of the following well has complied with all the requirements of the Oil Conservation Division and the well is hereby assigned an allowable as shown below.

Date of Connection 12-27-79 Date of First Allowable or Allowable Change _____
Purchaser EPG Pool Jalmat
Operator Doyle Hartman Lease Custer State
Well No. 1 Unit Letter G Sec. 36 Twp. 24S Range 36E
Dedicated Acreage 80 Revised Acreage _____ Difference _____
Acreage Factor .50 Revised Acreage Factor _____ Difference _____
Deliverability _____ Revised Deliverability _____ Difference _____
A x D Factor _____ Revised A x D Factor _____ Difference _____

RE Order No. R-7814

Rick Brown

OCD District No. 4

CALCULATION OF SUPPLEMENTAL ALLOWABLE

Previous Status Adjustments.....

MONTH	% OF MO.	PREV.ALLOW.	REV.ALLOW.	PREV.PROD.	REV.PROD.	REMARKS
April						
May						
June						
July						
August						RE: Order No. R-7814, 12-
September						79 to 12-84. Prod. vs. All
October						Unit has an underage of
November						4991+ 12-31-84.
December						
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						
January						
February						
March						
TOTALS						
Allowable Production Difference.....						
Feb. Schedule O/U Status.....						
Revised Dec. O/U Status.....						
4991+						
Effective In March Schedule						
Current Classification ^N To						

Note: All gas volumes are in MCF@15.025 psia.

R. L. STAMETS, Division Director

By _____

FEB 26 1985

DOYLE HARTMAN

Oil Operator

SUITE 312

C & K PETROLEUM BUILDING
MIDLAND, TEXAS 79701

(915) 684-4011 - 684-7122

July 6, 1976

BEFORE EXAMINER STOGNER

Oil Conservation Division

~~HARTMAN~~ Exhibit No. 5

Case No. 8722

Mr. Julian Stroud, Landman
Texas Pacific Oil Co.
P.O. Box 4067
Midland, Texas 79701

RE: Offer to Purchase Shallow Rights
SE/4 Section 25
T-24-S, R-36-E
Lea County, New Mexico

Dear Mr. Stroud:

I wish to submit an offer to purchase ~~Texas Pacific's~~ shallow producing rights in the 160-acre tract located in the SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico. I propose to pay Texas Pacific the amount of \$16,000.00 for a 100% W.I. participation in the oil and gas rights over the vertical interval from the surface to a depth of 4000 feet. Texas Pacific shall retain all oil and gas rights in the SE/4 Section 25 lying below a depth of 4000 feet.

The above purchase price shall also include the purchase of any lease or well equipment presently situated on the subject tract. However, if this offer is approved by Texas Pacific, I will assume all future responsibility for plugging any wells located in the SE/4 Section 25 in accordance with NMOCC rules and regulations or in accordance with any other state or federal regulations that may be applicable at the time of plugging.

In the event that Texas Pacific is unable to convey a 100% interest in the shallow leasehold estate, their share of the sale price shall be proportionately reduced.

If this request meets with Texas Pacific's approval, please prepare the necessary purchase agreement.

Sincerely yours,

Doyle Hartman
Doyle Hartman

De. Stroud
7-9-76

BEFORE EXAMINER STOGNER

Oil Conservation Division

~~HARTMAN~~ Exhibit No. 5

Case No. 8722

DH/dvl

25-24S-36E
(SE/4)

TEXAS PACIFIC OIL COMPANY, INC.

P. O. Box 4067
Midland, Texas 79701

July 9, 1976

*Lease purchase
offer file*

Mr. Doyle Hartman
312 C & K Petroleum Building
Midland, Texas 79701

RE: SE/4 Section 25-24S-36E
Lea County, New Mexico
TPOC Lease No. 2030-565

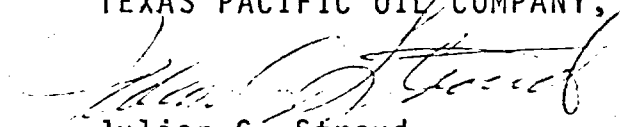
Dear Mr. Hartman:

We have carefully considered the sublease purchase offer contained in your letter of July 6, 1976, and do not desire to sell our interest in the property at this time.

However, your offer is appreciated, and we look forward to future business with you.

Yours very truly,

TEXAS PACIFIC OIL COMPANY, INC.


Julian C. Stroud
Landman

JCS/lrp

25-24S-36E

DOYLE HARTMAN

Oil Operator

SUITE 312

C & K PETROLEUM BUILDING
MIDLAND, TEXAS 79701

(915) 684.4011 - 684.7592

August 3, 1976

Mr. Julian Stroud, Landman
* Texas Pacific Oil Co.
P.O. Box 4067
Midland, Texas 79701

RE: Farmout Request
Langlie Mattix Interval
SE/4 Section 25
T-24-S, R-36-E
Lea County, New Mexico

Dear Mr. Stroud:

I wish to solicit a farmout over the Langlie Mattix interval on Texas Pacific's 160-acre tract located in the SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico. I propose to drill a 3600 feet Queen test on the subject tract and will commence drilling operations within 90 days after the execution of the farmout agreement.

Upon the successful completion of the initial test well as a Langlie Mattix producer, Texas Pacific shall assign me their lease covering the newly completed producing unit while retaining an overriding royalty equal to 27% of 8/8 ths less current royalty and overriding royalty obligations thus leaving me with a 73% NRI lease. Subsequent wells drilled on the farmout tract shall earn for me a like assignment.

I also agree to maintain a continuous development program allowing no more than 120 days between the completion of one well and the drilling of another or forfeit my rights to any unearned farmout acreage. Each assignment from Texas Pacific shall include all oil and gas rights over the vertical interval from the top of the Langlie Mattix Pool (at a depth of approximately 3375 feet) to 100 feet below total depth drilled. Texas Pacific shall retain all oil and gas rights lying above the Langlie Mattix Pool or deeper than 100 feet below total depth drilled.

If this request meets with Texas Pacific's approval, please prepare the necessary farmout agreement.

Sincerely yours,


Doyle Hartman

25-24S-36E
(S.E. 1/4)

~~TEXAS~~ PACIFIC OIL COMPANY, INC.
P. O. Box 4067
Midland, Texas 79701

August 18, 1976

Mr. Doyle Hartman
312 C & K Petroleum Building
Midland, Texas 79701

RE: SE/4 Section 25-24S-36E
Lea County, New Mexico
TPOC Lease No. 2030-565 A-H

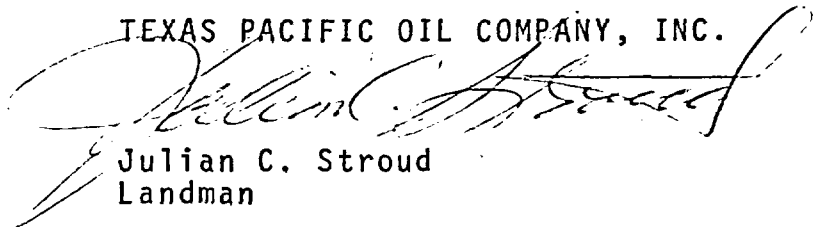
Dear Mr. Hartman:

This refers to your letter of August 3, 1976. We have carefully considered your farmout request, but at the present time, we are not interested in making a farmout on this property.

Thank you for your letter proposal.

Yours very truly,

TEXAS PACIFIC OIL COMPANY, INC.


Julian C. Stroud
Landman

JCS/lrp

25-24S-36E

DOYLE HARTMAN

Oil Operator

SUITE 312

C & K PETROLEUM BUILDING

MIDLAND, TEXAS 79701

(915) 684-4011 - 684-7592

December 20, 1976

Mr. Julian Stroud, Landman
Texas Pacific Oil Co.
P.O. Box 4067
Midland, Texas 79701

RE: Farmout Request
Langlie Mattix Interval
NW/4 SE/4 & SE/4 SE/4 Section 25
T-24-S, R-36-E
Lea County, New Mexico

Dear Mr. Stroud:

I wish to solicit a farmout over the Langlie Mattix Interval on Texas Pacific's 80-acre tract located in the NW/4 SE/4 and SE/4 SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico. I propose to drill a 3650 feet Queen test on the subject tract and will commence drilling operations within 90 days after the execution of the farmout agreement.

Upon the successful completion of the initial test well as a Langlie Mattix producer, Texas Pacific shall assign me their lease covering the newly completed producing unit while retaining an overriding royalty equal to 27% of 8/8 ths less current royalty and overriding royalty obligations thus leaving me with a 73% NRI lease. Subsequent wells drilled on the farmout tract shall earn for me a like assignment.

I also agree to maintain a continuous development program allowing no more than 120 days between the completion of one well and the drilling of another or forfeit my rights to any unearned farmout acreage. Each assignment from Texas Pacific shall include all oil and gas rights over the vertical interval from the top of the Langlie Mattix Pool (at a depth of approximately 3375 feet) to 100 feet below total depth drilled. Texas Pacific shall retain all oil and gas rights lying above the Langlie Mattix Pool or deeper than 100 feet below total depth drilled.

If this request meets with Texas Pacific's approval, please prepare the necessary farmout agreement.

Sincerely yours,

Doyle Hartman
Doyle Hartman

DH/dv1

25-24S-36E
(units J & P)

((

TEXAS PACIFIC OIL COMPANY, INC.

REGIONAL OFFICE
MIDLAND, TEXAS 79701

P. O. BOX 4087
1509 WEST WALL STREET

TEL. 915-684-5584
TWX. 910-895-5324

January 10, 1977

Mr. Doyle Hartman
312 C & K Petroleum Building
Midland, Texas 79701

RE: NW/4 SE/4 & SE/4 SE/4
Section 25-24S-36E
Lea County, New Mexico
TPOC Lease No. 2030-565

Dear Sir:

Reference is made to your letter of December 20, 1976, requesting a farmout of an interval under captioned property. We are presently evaluating this lease for further development and, therefore, are not interested in your proposal at present.

However, your interest and inquiry are appreciated.

Yours very truly,

TEXAS PACIFIC OIL COMPANY, INC.



Julian C. Stroud
Landman

JCS/lrp

23 24S-36E

copy

JAMES A. DAVIDSON
Oil & Gas Properties
P. O. BOX 494
MIDLAND, TEXAS 79702

February 1, 1979

(915) 682-6462 - OFFICE
694-5472 - RESIDENCE

Texas Pacific Oil Company, Inc.
P. O. Box 4067
Midland, Texas 79702

Re: Proposed Farmout
T-24-S, R-36-E
Lea County, New Mexico

Attention: Mr. J. D. Larremore

Gentlemen:

I have a farmout from Phillips to drill a 3400' Jalmat well
in the SW/4 NE/4 Section 36, T-24-S, R-36-E, Lea County, N. M.

In order to increase my acreage to 50% of a full proration unit
(80 acres) I propose that Texas Pacific farmout to me the following
tract to be included in the spacing unit for my well:

NE/4 NE/4 Section 36, T-24-S, R-36-E

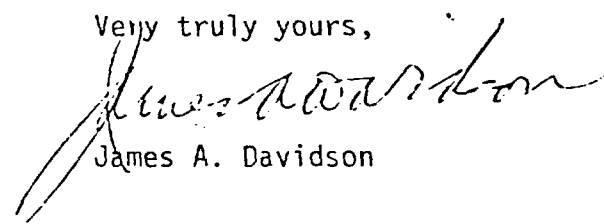
The terms of the farmout are as follows:

1. Commercial production to earn rights from surface to
100' below total depth drilled.
2. Texas Pacific to retain 30% of 8/8 override, absorbing
all royalty and other burdens, if any, so I would be
assigned a 70% net revenue interest.

You will recall that your present well on the above requested
farmout tract is a water disposal well into which you have
injected approximately six million barrels of water. Since
you only have this 40-acre tract in the immediate vicinity, it
appears to me not feasible for you to drill a well on this tract.

Please let me hear from you as soon as possible.

Very truly yours,



James A. Davidson

JAD/mv

bcc: Mr. E. M. Gorence
Phillips Petroleum Company
4001 Pembroke
Odessa, Texas 79762

NE 1/4 NE 1/4 Sec 36 T-24-S R-36-E

JAMES A. DAVIDSON
Oil & Gas Properties
P. O. BOX 494
MIDLAND, TEXAS 79702
February 26, 1979

(915) 682-6482 - OFFICE
694-5472 - RESIDENCE

Texas Pacific Oil Company, Inc.
P. O. Box 4067
Midland, Texas 79702

Re: Proposed Farmout
T-24-S, R-36-E
Lea County, New Mexico

Attention: Mr. Don Peters

Gentlemen:

Please refer to my letter to you of February 1, 1979,
proposing that Texas Pacific include its following tract
with my present farmout from Phillips:

NE/4 NE/4 Section 36, T-24-S, R-36-E

I am enclosing a copy of this letter for your reference.

Your consideration and reply will be very much appreciated.

Very truly yours,

James A. Davidson

JAD/mv

Enclosure as above

NE 1/4 NE 1/4 Sec 36 T-24-S R-36-E

CASE 6645: Application of Depco Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Apache Springs Unit Area, comprising 31,199 acres, more or less, of State, federal, and fee lands in Townships 10, 11, and 12 South, Ranges 30 and 31 East.

CASE 6646: Application of Belco Petroleum Corporation for approval of infill drilling and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of its James Ranch Unit Well No. 10 to be located in Unit H of Section 1, Township 23 South, Range 30 East, Morrow formation, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6638: (Continued from August 22, 1979, Examiner Hearing)

Application of Ladd Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Largo-Gallup and Basin-Dakota production in the wellbore of its Lindrith Well No. 24 located in Unit F of Section 4, Township 26 North, Range 7 West.

CASE 6647: Application of O. H. Berry for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Seven Rivers well to be located 1650 feet from the North line and 330 feet from the East line of Section 15, Township 24 South, Range 36 East, Jalmat Gas Pool, the NE/4 of said Section 15 to be dedicated to the well.

CASE 6648: Application of Morris R. Antweil for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Mississippian oil pool for its Landlady Well No. 1 located in Unit B of Section 8, Township 12 South, Range 32 East, and special rules therefor, including 160-acre oil well spacing and a 4,000 to 1 gas-oil ratio.

CASE 6649: Application of Morris R. Antweil for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be located 660 feet from the South line and 1980 feet from the East line of Section 5, Township 12 South, Range 32 East, the E/2 of said Section 5 to be dedicated to the well.

X CASE 6650: Application of Doyle Hartman for compulsory pooling, non-standard gas proration unit, and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the W/2 NE/4 of Section 36, Township 24 South, Range 36 East, to form an 80-acre non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6651: Application of Alpha Twenty-One Production Company for a non-standard proration unit, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of its El Paso Plant Well No. 1 at an unorthodox location 1650 feet from the South line and 660 feet from the West line of Section 32, Township 23 South, Range 37 East, Jalmat Gas Pool, is necessary to effectively and efficiently drain that portion of the non-standard proration unit, to comprise the N/2 SW/4 of said Section 32, which cannot be so drained by the existing well.

CASE 6652: Application of Shell Oil Company for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of a pressure maintenance project, all mineral interests in the North Hobbs Grayburg-San Andres Unit encompassing 10,650 acres, more or less, underlying all or portions of the following lands in Lea County, New Mexico: Sections 13, 14, 23, 24, 25, 26, and 36, Township 18 South, Range 37 East; Sections 17 thru 21 and 27 thru 34, Township 18 South, Range 38 East.

The unitized interval would be the Grayburg-San Andres Formation between the depths of 3,698 feet and 4,500 feet in Shell's State A Well No. 7, located in Unit H of Section 32, Township 18 South, Range 38 East.

Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations. (This case will be continued to September 19, 1979.)

CASE 6644: (Continued from September 19, 1979, Examiner Hearing)

Application of Tenneco Oil Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbores of its State K Com Well No. 12 located in Unit E of Section 16, Township 30 North, Range 9 West, and its Florence Well No. 60R in Unit L of Section 1, Township 29 North, Range 9 West.

CASE 6675: Application of Gifford, Mitchell & Wisenbaker for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pawnee Unit Area, comprising 3,840 acres, more or less, of State and federal lands in Township 26 South, Range 36 East.

CASE 6671: (Continued from September 19, 1979, Examiner Hearing)

Application of Chapman and Schneider for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Seven Rivers Reef formation in the open-hole interval from 3422 feet to 3504 feet in its I. B. Ogg "A" Well No. 3 located in Unit E of Section 35, Township 24 South, Range 36 East, Jalmat Pool.

CASE 6676: Application of Doyle Hartman for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36.

CASE 6677: Application of Texas Pacific Oil Company, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Arrowhead-Grayburg and Eumont production in the wellbore of its Elliott B-6 Well No. 1 located in Unit M of Section 6, Township 22 South, Range 37 East.

CASE 6678: Application of Texas Pacific Oil Company, Inc. for downhole commingling and a special casinghead gas allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry and Tubb production in the wellbore of its Eva Owens Well No. 1 located in Unit M of Section 25, Township 21 South, Range 37 East. Applicant further seeks an increase in the casinghead gas allowable for said well.

CASE 6660: (Continued from September 19, 1979, Examiner Hearing)

Application of B. & W. Oil Reclaiming for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NE/4 NE/4 of Section 34, Township 18 South, Range 26 East.

CASE 6679: Application of El Paso Natural Gas Company for a gas storage unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Washington Ranch Morrow Unit Area comprising the Morrow formation and the first 100 feet immediately above and below said formation underlying all or parts of Sections 21 thru 23, 26 thru 29, and 32 thru 36, Township 25 South, Range 24 East; Sections 1 thru 5 and 9 thru 14, Township 26 South, Range 24 East; and Sections 6, 7, and 18, Township 26 South, Range 25 East, Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico. Said unit area would be for the purpose of conducting a gas storage project and would comprise 12,158 acres, more or less, of State, federal and fee lands.

CASE 6630: (Continued from August 22, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and BS Mesa-Gallup production in the wellbore of its San Juan 27-4 Unit Well No. 37 located in Unit N of Section 33, Township 27 North, Range 4 West.

CASE 6680: Application of Robert C. Anderson for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of all production from his Ute Mountain Ute Lease, Wells Nos. 1, 3 and 4, located in Section 14, Township 31 North, Range 16 West.

CASE 6681: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Mississippian test well to be located 660 feet from the South line and 1100 feet from the West line of Section 31, Township 18 South, Range 26 East, the S/2 of said Section 31 to be dedicated to the well.

CASE 6680: (Continued from October 2, 1979, Examiner Hearing)

Application of Robert C. Anderson for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of all production from his Ute Mountain Ute Lease, Wells Nos. 1, 3 and 4, located in Section 14, Township 31 North, Range 16 West.

CASE 6631: (Continued from August 22, 1979, Examiner Hearing)

Application of Reserve Oil, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat gas and Langlie Mattix oil production in the wellbore of its Cooper Jal Unit Well No. 149-306 located in Unit J of Section 18, Township 24 South, Range 37 East.

Bates
CASE 6700: Application of Doyle Hartman for an unorthodox well location, a non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the NW/4 NW/4 and S/2 NW/4 of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 29; applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

Rector
CASE 6701: Application of Doyle Hartman for compulsory pooling, non-standard gas proration unit, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formations underlying the SE/4 of Section 30, Township 21 South, Range 36 East, Eumont Gas Pool, to form a 160-acre non-standard gas proration unit to be dedicated to his J. K. Rector Well No. 1 at an unorthodox location 2310 feet from the South line and 330 feet from the East line of said Section 30. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

CASE 6676: (Continued from October 2, 1979, Examiner Hearing)

Custer
Application of Doyle Hartman for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36.

CASE 6664: (Continued from September 19, 1979, Examiner Hearing)

Santa Fe
Application of Doyle Hartman for an unorthodox well location, two non-standard proration units and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 SW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 1, and also a 120-acre unit comprising the E/2 SW/4 and SW/4 SW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 330 feet from the South and West lines of the section; applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6662: (Continued from September 19, 1979, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla "A" Well No. 22Y located in Unit K of Section 24, Township 26 North, Range 4 West, to produce gas from the Blanco Mesaverde Pool through tubing and to commingle and produce the Wildhorse Gallup and Basin-Dakota zones through a parallel tubing string.

CASE 6702: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 27-5 Unit Well No. 67 located in Unit B of Section 31, Township 27 North, Range 5 West.

Dockets Nos. 42-79 and 43-79 are tentatively set for November 14 and 28, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

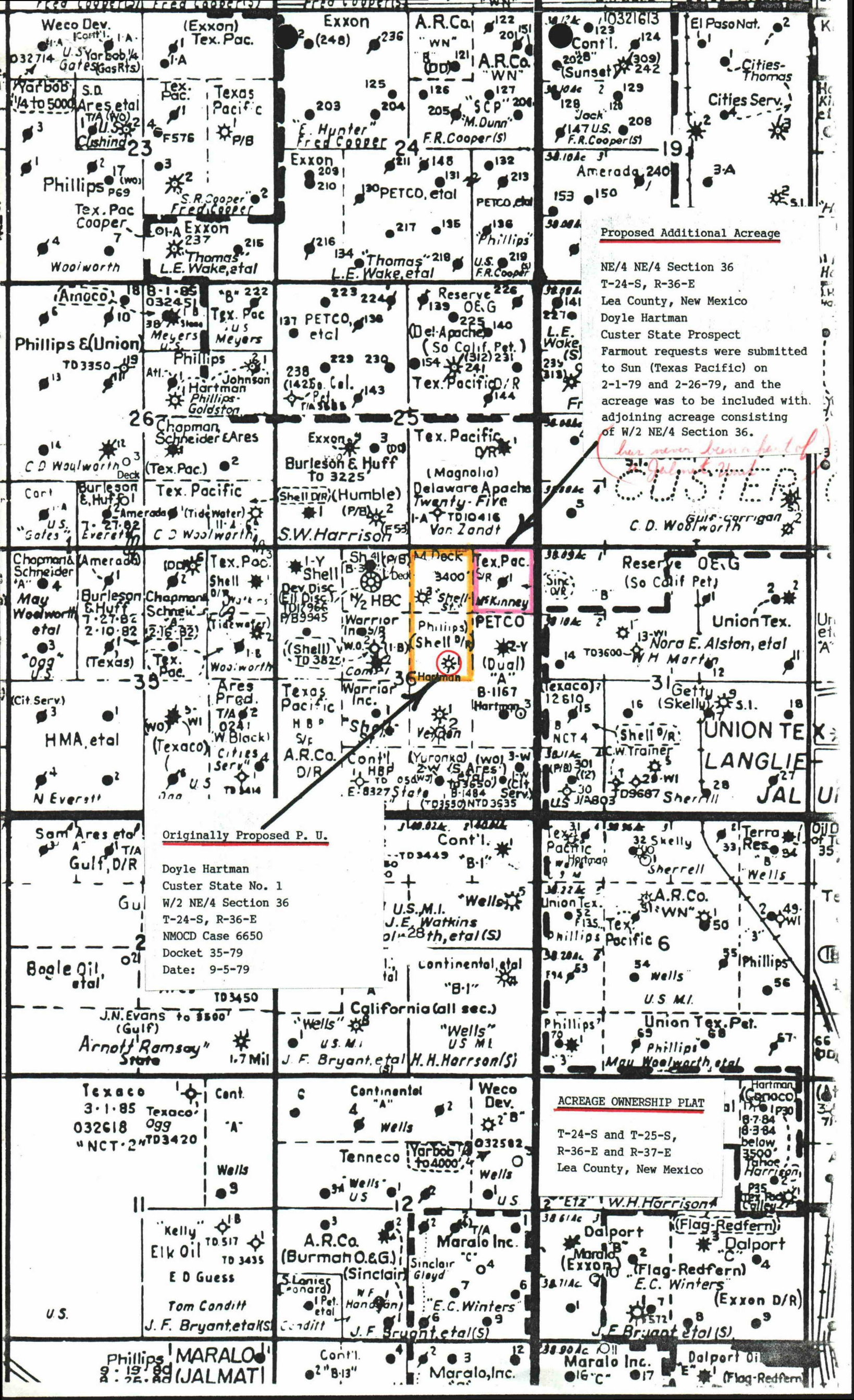
DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 1979

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CUSC
static*
- CASE 6706: Application of Consolidated Oil & Gas, Inc. for alternate filing requirements under the Natural Gas Policy Act of 1978, San Juan, Rio Arriba, and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks an order adopting alternate filing requirements under the Natural Gas Policy Act of 1978 whereby infill wells drilled in the Blanco Mesaverde and Basin-Dakota Pools pursuant to the pool-wide infill drilling findings and rules promulgated for said pools by Division Orders Nos. R-1670-T and R-1670-V, respectively, would qualify as new onshore production wells.
- CASE 6707: Application of Gulf Oil Corporation for a unit agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Southeast Bisti Unit Area, comprising 7,048 acres, more or less, of State and Federal lands in Townships 24 and 25 North, Range 10 West.
- CASE 6708: Application of Doyle Hartman for an unorthodox well location, non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36; applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6695: (Continued from October 17, 1979, Examiner Hearing)
- Application of Millard Deck Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the NE/4 NW/4 and NW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6709: Application of HNG Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 33, Township 16 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6710: Application of ARCO Oil and Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry and Montoya production in the wellbores of the following wells on its State Y Lease: No. 3 located in Unit B, No. 6 located in Unit H, and No. 7 located in Unit A, all in Section 25, Township 25 South, Range 37 East.
- CASE 6711: Application of Sun Oil Company of Delaware for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Mississippian test well to be located 660 feet from the North and East lines of Section 27, Township 14 South, Range 37 East, the E/2 of said Section 27 to be dedicated to the well.
- CASE 6712: Application of Sun Gas Company for approval of infill drilling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of its N.M. Federal "N" Well No. 6-E to be located in Unit P of Section 6, Township 30 North, Range 12 West, Basin-Dakota Pool, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6713: Application of Depco Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the White Ranch Unit Area, comprising 18,962 acres, more or less, of State, Federal, and fee lands in Townships 12 and 13 South, Ranges 29 and 30 East.

RECEIVED OCT 22 1979



Originally Proposed P. U.

Doyle Hartman
Custer State No. 1
W/2 NE/4 Section 36
T-24-S, R-36-E
NMOCD Case 6650
Docket 35-79
Date: 9-5-79

Proposed Additional Acreage

NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
Doyle Hartman
Custer State Prospect
Farmout requests were submitted
to Sun (Texas Pacific) on
2-1-79 and 2-26-79, and the
acreage was to be included with
adjoining acreage consisting
of W/2 NE/4 Section 36.

has never been a part of
CUSTER
C. D. Woolworth

Reserve O.E.G.
(So Calif Pet)
Union Tex.
Nora E. Alston, et al
W H Martin
Getty
(Skelly)
UNION TEX
LANGLIE
JAL UI

ACREAGE OWNERSHIP PLAT

T-24-S and T-25-S,
R-36-E and R-37-E
Lea County, New Mexico

Hartman
(Genco)
18-7-84
below
3500
Tahoe
Harrison
P35
Tex. Pac.
Calley

CUSTER STATE #1

LEASE # - 00510

PROD N DATE	G/L DATE	GROSS NCF	GROSS INCOME	PRICE	
12/79	5/80	1,084	1,975.15	1.82	
1979		1,084	1,975.15	1.82	AVG
1/80	5/80	9,334	17,124.51	1.83	
2/80	5/80	8,994	16,621.47	1.85	
2/80	6/81	0	1,852.85	.00	
3/80	5/80	9,378	19,111.57	2.04	
3/80	6/81	0	3,988.88	.00	
4/80	5/80	7,216	14,811.27	2.05	
4/80	9/80	7,216	15,429.89	2.14	
4/80	9/80	7,216	14,811.27	2.05	
4/80	6/81	0	2,474.92	.00	
5/80	6/80	7,944	16,432.15	2.07	
5/80	9/80	7,944	19,864.87	2.50	
5/80	9/80	7,944	16,432.15	2.07	
6/80	7/80	7,520	15,673.49	2.08	
6/80	9/80	7,520	15,673.49	2.08	
6/80	9/80	7,520	18,948.48	2.52	
7/80	8/80	8,178	17,157.63	2.10	
7/80	9/80	8,178	20,747.13	2.54	
7/80	9/80	8,178	17,157.63	2.10	
8/80	9/80	7,042	18,015.68	2.56	
9/80	10/80	6,392	16,656.63	2.61	
10/80	11/80	7,221	18,973.26	2.63	
1980		79,219	189,810.14	2.21	AVG
1/81	2/81	8,985	24,427.07	2.72	
2/81	3/81	6,708	18,398.91	2.74	
3/81	4/81	5,545	15,350.51	2.77	
4/81	5/81	4,920	14,005.37	2.85	
5/81	6/81	5,319	15,241.67	2.87	
6/81	7/81	5,545	15,993.65	2.88	
7/81	8/81	5,723	16,604.21	2.90	
8/81	9/81	5,735	16,480.09	2.87	
9/81	10/81	5,493	15,874.56	2.89	
10/81	11/81	5,753	16,755.96	2.91	
11/81	12/81	5,592	16,482.49	2.95	
11/81	1/82	0	426.70	.00	
12/81	1/82	4,684	13,897.39	2.97	
1981		70,002	199,065.38	2.86	AVG
1/82	2/82	4,358	13,042.99	2.99	
2/82	3/82	4,099	12,343.70	3.01	
3/82	4/82	7,112	21,602.59	3.04	
3/82	5/82	0	90.40	.00	
4/82	5/82	6,925	21,108.66	3.05	
4/82	6/82	0	669.00	.00	
5/82	6/82	3,449	10,536.76	3.06	

CUSTER STATE #1

LEI 2 # - 00510

PRODN DATE	G/L DATE	GROSS MCF	GROSS INCOME	PRICE	
5/82	7/82	0	175.50	.00	
6/82	7/82	4,229	12,638.15	2.99	
6/82	8/82	0	215.60	.00	
7/82	8/82	1,645	4,898.40	2.98	
7/82	9/82	0	420.50	.00	
8/82	9/82	5,640	16,958.52	3.01	
9/82	10/82	3,912	11,818.12	3.02	
9/82	11/82	0	309.20	.00	
10/82	11/82	2,441	7,569.07	3.10	
10/82	12/82	0	183.70	.00	
11/82	12/82	7,606	23,834.65	3.13	
12/82	1/83	8,610	27,750.16	3.22	
1982		60,026	184,893.47	3.05	AVG
1/83	2/83	2,107	6,837.72	3.25	
2/83	3/83	2,039	6,608.43	3.24	
4/83	5/83	3,480	11,365.93	3.27	
5/83	6/83	4,481	14,581.57	3.25	
6/83	7/83	9,646	30,837.64	3.20	
7/83	8/83	3,982	12,824.03	3.22	
8/83	9/83	5,876	19,063.92	3.24	
9/83	10/83	9,408	30,671.57	3.26	
10/83	11/83	1,481	4,850.34	3.28	
11/83	12/83	3,207	10,533.77	3.28	
12/83	1/84	10,627	35,153.09	3.31	
1983		56,334	183,328.01	3.25	AVG
1/84	2/84	9,772	32,417.05	3.32	
2/84	3/84	9,142	30,434.04	3.33	
3/84	4/84	9,006	31,391.23	3.49	
4/84	5/84	8,214	28,731.05	3.50	
5/84	6/84	4,025	14,127.48	3.51	
11/84	12/84	2,831	10,118.25	3.57	
12/84	1/85	5,157	17,222.04	3.34	
1984		48,147	164,441.14	3.44	AVG
1/85	2/85	6,010	20,132.52	3.35	
2/85	3/85	3,287	11,033.53	3.36	
5/85	6/85	4,003	13,420.34	3.35	
6/85	7/85	7,146	24,062.14	3.37	
7/85	8/85	7,284	24,628.60	3.38	
1985		27,730	93,277.13	3.36	AVG
TOTAL		342,542	1,016,810.42	2.87	AVG

DOYLE HARTMAN, OIL OPERATOR
YR -TO-DATE PRODUCTION FOR
VOLUMES CALCULATED AT 15.025 PSIA

RPT# 000003

RUN ON 9/20/85

LEASE# METER#

791203 58230 CUSTER STATE #1

	MCF GAS PRODUCED	BBLS OIL PRODUCED	BBLS H2O PRODUCED	DAYS PROD	LP PSIG	AUG TEMP	DATE ON STREAM	NRI %	ITD CUME GAS	ITD CUME OIL	OPERATOR - DOYLE HARTMAN
JANUARY	5861	39.00	29.0	29.0	10.25	51	12/27/79	.47460930	328739		
FEBRUARY	3205	36.00	14.2	14.2	10.00	53			331944		
MARCH		45.00							331944		
APRIL		39.00							331944		
MAY	3903	45.00	13.9	13.9	9.50	81			335847		
JUNE	6968	51.00	26.9	26.9	11.00	80			342815		
JULY	7103	69.00	31.0	31.0	9.00	86			349918		
AUGUST	6545	84.00	31.0	31.0	10.75	86			356463		

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

YTD 1985	33585	408.00	146.0	
ITD	356463	7920.00	1542.9	

	AUG CP	AUG TP	AUG CHOK	DAYS SHUTIN
	87	30		2
	89	32		13
	110	32		31
	117	32		30
	112	32		1
	92	32		3
	84	32		
	81	32		
		32		

96

524

Calculation of Lost Royalty
State of New Mexico Lease No. E-2388
(McKinney State Lease)
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico

Gross Income to Date (12-79 thru 7-85)
for an 80-acre proration unit: \$1,016,810.42

Gross Income for a 120-acre Top Allowable
Jalmat proration unit for period
12-79 thru 7-85: 1.5 x \$1,016,810.42=
\$1,525,215.60

Gross Income that would have been
Attributable to the McKinney State Lease:

120 acres	\$1,525,215.60
80 acres	(1,016,810.42)
40 acres	<u>\$ 508,405.18</u>

Total Royalty Attributable to 40-acre
McKinney State tract for period
12-79 thru 7-85: 12.5% of \$508,405.18=
\$ 63,550.65*

*The State of New Mexico has already been deprived of \$63,550.65 over the period 12-79 through 7-85 due to Sun's (Texas Pacific) failure to contribute in 1979 the subject tract (NE/4 NE/4 Section 36, T-24-S, R-36-E) to a 120-acre Jalmat proration unit consisting of W/2 NE/4 Section 36 and NE/4 NE/4 Section 36.

NET PROFITS PAYMENT HISTORY SUMMARIZED BY PROPERTY

JAL-OLSEN PROPERTIES:

PROP. NAME	FIELD NAME	OPERATOR	NR1	NR	WT	OIL GAS GROUP X	NR	NR HARTMAN	PAGE	1					
733642 VAN ZANDT															
DATE	GROSS BALS BOFO	GROSS MCF	GROSS MCF PD	NET TO SUM W. P. TAX	FROM TAX	GROSS	NET VALUE	EXPENSES	50 X NET PROFIT	NET PAYMENT	AVG \$/BBL	AVG \$/MCF	SOLD	50X TOT DEBITS	50X TOT CREDITS
81/07	.00	.00	.00	.00	.00	.00	.00	390.02	195.01-	.00	.00	.00			
81/08	.00	.00	.00	.00	.00	.00	.00	774.96	387.48-	.00	.00	.00			
81/09	3988.79	276.94	.00	1015.44	2696.41	992.90	851.76	829.78	23.525	.00	.00	.00			
81/10	.00	.00	.00	.00	.00	.00	.00	895.94	447.97-	.00	.00	.00			
81/11	.00	.00	.00	.00	.00	.00	.00	599.58	299.79-	.00	.00	.00			
81/12	251.39	17.45	.00	.00	233.94	.00	.00	559.67	162.87-	.00	.00	.00			
*	4240.18	294.39	.00	1015.44	2930.35	.00	.00	4213.07	641.36-	829.78	.00	.00		851.76	1493.12-
82/01	4168.06	289.03	.00	1011.45	2868.38	.00	.00	1083.59	892.40	858.67	23.931	.00			
82/02	.00	.00	.00	.00	.00	.00	.00	2489.70	1244.91-	.00	.00	.00			
82/03	.00	.00	.00	.00	.00	.00	.00	814.14	407.07-	.00	.00	.00			
82/04	3773.39	184.96	.00	769.82	2818.61	.00	.00	1636.60	591.01	158.10	23.710	.00			
82/05	.00	.00	.00	.00	.00	.00	.00	2433.55	1216.78-	.00	.00	.00			
82/06	100.12	.00	.00	.00	100.12	.00	.00	1243.39	571.64-	.00	.00	.00		1.138	
82/07	3235.22	218.19	.00	467.28	2549.75	.00	.00	1579.98	484.89	379.85	.00	.00		1.138	
82/08	100.12	.00	.00	.00	100.12	.00	.00	1101.97	500.93-	.00	.00	.00		1.138	
82/09	100.13	.00	.00	.00	100.13	.00	.00	933.01	416.44-	.00	.00	.00		1.032	
82/10	87.70	.00	.00	.00	87.70	.00	.00	1686.53	799.43-	.00	.00	.00		1.032	
82/11	4108.86	296.83	.00	1217.55	2594.48	.00	.00	1486.47	554.01	495.92	.00	.00		2.469-	
82/12	717.49-	55.81-	.00	451.81-	209.87-	.00	.00	2843.94	1526.91-	.00	.00	.00			
*	14956.91	933.31	.00	3014.29	11009.31	.00	.00	19332.89	4161.80-	1892.54	.00	.00		2522.31	6684.11-
83/01	90.62	.00	.00	.00	90.62	.00	.00	1773.07	841.23-	.00	.00	.00		1.030	
83/02	3945.26	262.97	.00	692.64	2989.65	.00	.00	1002.32	993.67	644.09	.00	.00		1.023	
83/03	81.86	.00	.00	.00	81.86	.00	.00	10873.88	5396.01-	.00	.00	.00		1.030	
83/04	90.63	.00	.00	.00	90.63	.00	.00	1048.17	478.77-	.00	.00	.00		1.030	
83/05	3670.39	250.39	.00	597.12	2822.88	.00	.00	780.92	1020.98	1024.20	21.381	.00		1.025	
83/06	178.32	.00	.00	.00	178.32	.00	.00	861.00	341.34-	.00	.00	.00		1.025	
83/07	.00	.00	.00	.00	.00	.00	.00	980.07	490.04-	.00	.00	.00			
83/08	3666.54	272.13	.00	569.95	2824.46	.00	.00	698.10	1063.18	.00	.00	.00		21.384	
83/09	.00	.00	.00	.00	.00	.00	.00	893.12	446.56-	.00	.00	.00			
83/10	.00	.00	.00	.00	.00	.00	.00	694.07	347.04-	.00	.00	.00			
83/11	.00	.00	.00	.00	.00	.00	.00	815.55	407.79-	.00	.00	.00			
83/12	4087.43	306.41	.00	624.33	3156.69	.00	.00	657.93	1249.38	.00	.00	.00		21.423	
*	15811.05	1091.90	.00	2484.04	12235.11	.00	.00	21078.20	4421.56-	1668.29	.00	.00		4327.21	8748.77-
84/01	.00	.00	.00	.00	.00	.00	.00	920.64	460.32-	.00	.00	.00			
84/02	.00	.00	.00	.00	.00	.00	.00	669.70	334.85-	.00	.00	.00			
84/03	3563.76	267.16	.00	534.65	2761.95	.00	.00	772.78	994.59	232.13	21.514	.00			
84/04	.00	.00	.00	.00	.00	.00	.00	743.34	371.67-	.00	.00	.00			
84/05	.00	.00	.00	.00	.00	.00	.00	852.77	426.39-	.00	.00	.00		6/00	
84/06	.00	.00	.00	.00	.00	.00	.00	203.09	101.53-	.00	.00	.00		6/00	

50% Net by Year

- 641.36

- 4161.80

- 4421.56

BEFORE EXAMINER STODNER
Oil Conservation Division
HARTMAN Exhibit No. 4
Case No. 8722

NET PROFITS PAYMENT HISTORY SUMMARIZED BY PROPERTY

JUL-Olsen PROPERTIES:

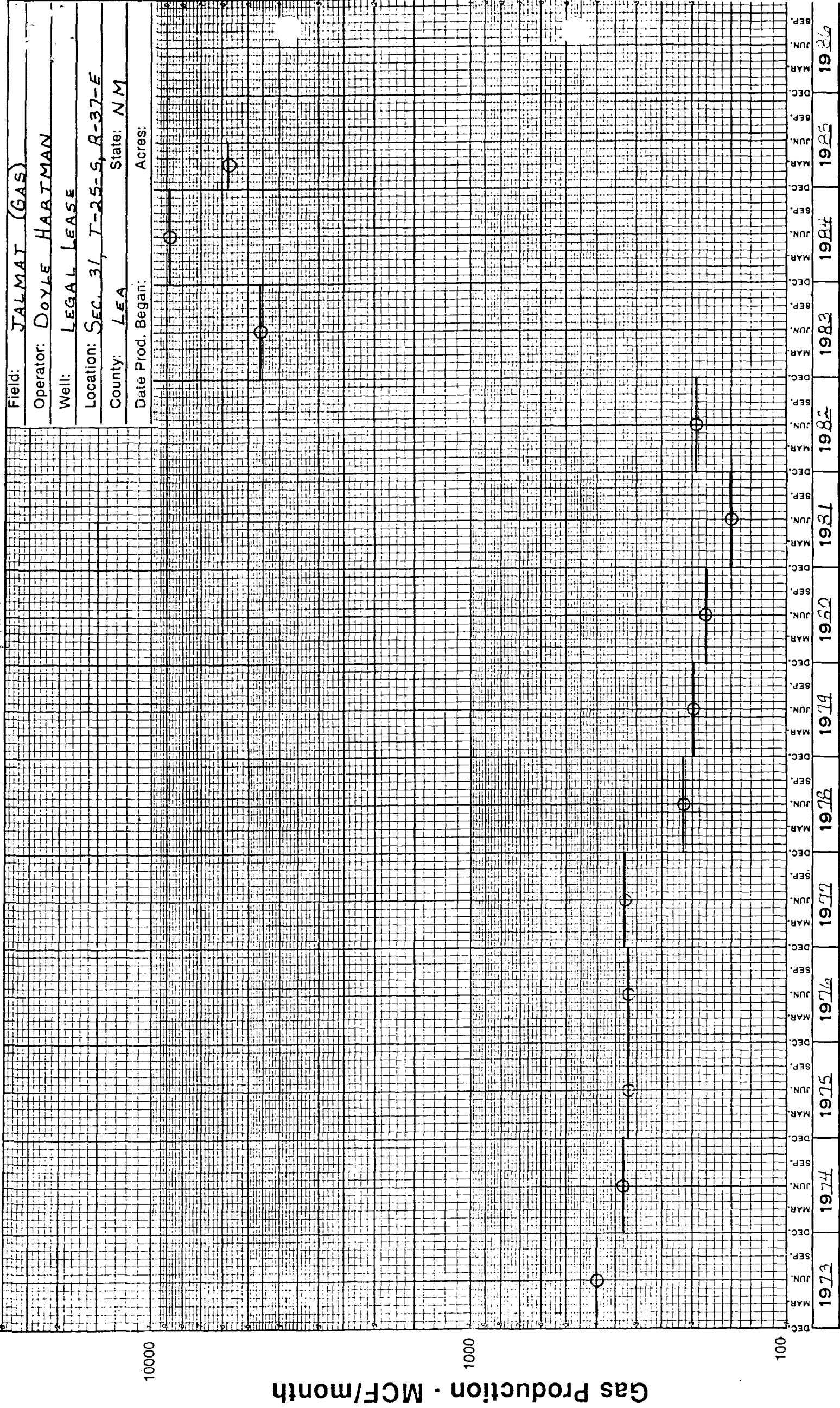
PROD# NAME	FIELD NAME	OPERATOR	NRI	WT	MR	MR HARTMAN	PAGE 2	
733642 UMI Z4NOT								
DATE	GROSS BBL	GROSS BOF	GROSS MCF	GROSS MCFPD	NET TO SUN			
	GROSS	PROD TAX	W. P. TAX	NET VALUE	EXPENSES	NET PROFIT	50 X	
						NET PAYMENT	AVG \$/BBL	
							AVG \$/MCF	
						SOLD		
				</				

50% Net Profit over period 7-81 through 11-84 (reflecting
Sun as operator) = -\$9054.79

Hartman owns 50% of interest Sun's ownership
in Van Zant & McKinney leases.

700
100

Cum:



Gas Production - MCF/month

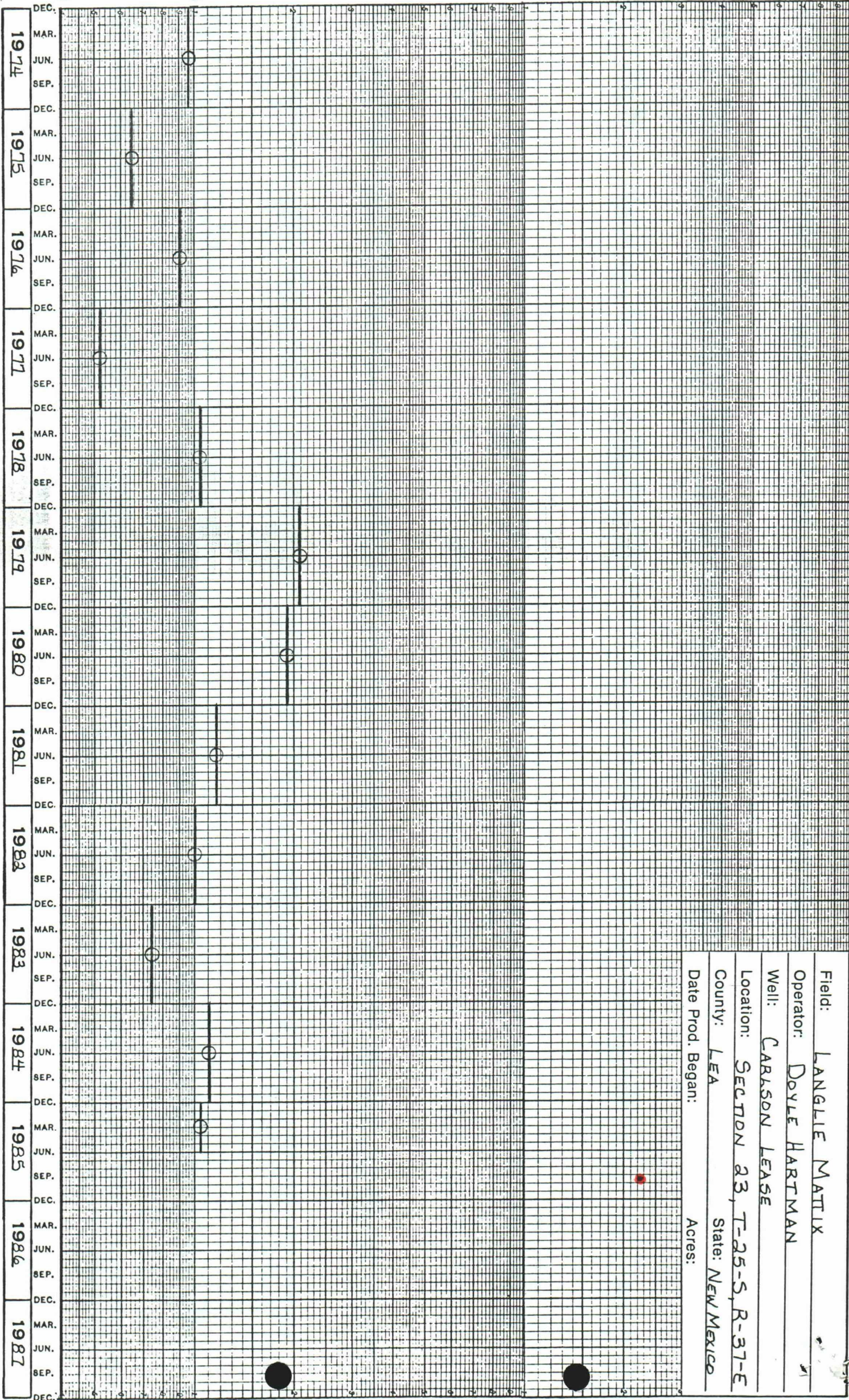
100,000

Cum: _____

10,000

1,000

400



Field:

LANGLEY MATLIX

Operator:

DOYLE HARTMAN

Well:

CARLSON LEASE

Location:

SECTION 23, T-25-S, R-37-E

County:

LEA State: NEW MEXICO

Date Prod. Began:

Acres:

DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

Revised 5-15-82

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____

COUNTY Lea STATE New Mexico FIELD Jalmat/Langlie-Mattix

LOCATION: SE/4 Section 25, T-24-S, R-36-E

DRILLING INTANGIBLES:

	PRODUCER	DRY HOLE
1. Drilling Cost: <u>3,800</u> Feet @ <u>13.50</u> Per Foot	<u>51,300</u>	<u>51,300</u>
2. Day Work <u>1 day @ 3,800</u>		
	<u>3,800</u>	<u>3,800</u>
3. Coring Service _____ Well Surveys _____	<u>12,000</u>	<u>12,000</u>
4. Bits and Reamers _____	<u>---</u>	<u>---</u>
5. Testing _____	<u>---</u>	<u>---</u>
6. Directional Drilling _____	<u>---</u>	<u>---</u>
7. Fuel _____ Water _____	<u>6,500</u>	<u>6,500</u>
8. Mud _____ Mud Logging _____	<u>8,100</u>	<u>8,100</u>
9. Cementing Service _____ Cement _____ Floats _____	<u>15,600</u>	<u>5,000</u>
10. Company Labor _____ Contract Labor _____	<u>9,500</u>	<u>3,600</u>
11. Surface Damages and Right-of-Way _____	<u>2,800</u>	<u>2,800</u>
12. Digging Pits _____ Filling Pits _____	<u>1,200</u>	<u>1,200</u>
13. Pit Lining _____	<u>1,500</u>	<u>1,500</u>
14. Roads & Bridges _____ Dredging & Grading _____	<u>8,000</u>	<u>8,000</u>
15. Acidizing <u>10,000</u> Fracturing <u>86,000</u> Perforating <u>4,000</u>	<u>100,000</u>	<u>---</u>
16. Plugging _____	<u>---</u>	<u>2,800</u>
17. Trucking Cost _____	<u>2,900</u>	<u>1,500</u>
18. Development Superintendence <u>14</u> days @ <u>\$500</u> /day	<u>7,000</u>	<u>3,500</u>
19. Rental Equipment _____	<u>4,500</u>	<u>500</u>
20. Swabbing and Testing _____	<u>10,500</u>	<u>---</u>
21. Legal and Professional Expenses:		
Product Price Determination _____	<u>2,400</u>	<u>2,400</u>
Regulatory Hearings _____ Other _____	<u>3,600</u>	<u>3,600</u>
22. Abstracts and Title Opinions _____	<u>4,300</u>	<u>4,300</u>
23. Geological, Geophysical and Land Support _____	<u>---</u>	<u>---</u>
24. Other Costs _____	<u>---</u>	<u>---</u>
25. Contingency @ <u>15</u> % _____	<u>38,500</u>	<u>18,400</u>
Total Intangibles	<u>294,000</u>	<u>140,800</u>

WELL EQUIPMENT:

26. Casing <u>400</u> Ft. of <u>9-5/8</u> @ <u>8.50</u> Per Ft.		
<u>3,800</u> Ft. of <u>7</u> @ <u>5.95</u> Per Ft.		
_____ Ft. of _____ @ _____ Per Ft.	<u>26,000</u>	<u>3,400</u>
27. Tubing <u>3,800</u> Ft. of <u>2-3/8</u> @ <u>2.75</u> Per Ft.	<u>10,450</u>	<u>---</u>
28. Casing Head _____	<u>1,300</u>	<u>1,300</u>
29. Xmas Tree or Pumping Connections _____	<u>4,600</u>	<u>---</u>
30. Pumping Unit _____	<u>19,500</u>	<u>---</u>
31. Engine/Motor Controller and Power System _____	<u>4,500</u>	<u>---</u>
32. Sucker Rods _____	<u>6,100</u>	<u>---</u>
33. Pump _____	<u>2,000</u>	<u>---</u>
34. Tank Battery _____	<u>2,600</u>	<u>---</u>
35. Separator or Dehydration Equip. _____	<u>2,400</u>	<u>---</u>
36. Metering Equipment _____	<u>---</u>	<u>---</u>
37. Flow Lines _____	<u>1,900</u>	<u>---</u>
38. Guards and Fences _____	<u>2,150</u>	<u>2,300</u>
39. Other Costs _____	<u>---</u>	<u>---</u>
40. Contingency @ <u>15</u> % _____	<u>12,500</u>	<u>1,000</u>
Total Tangibles	<u>96,000</u>	<u>8,000</u>
TOTAL COST OF WELL	<u>390,000</u>	<u>148,800</u>
Sun _____ Share at <u>55.25</u> %	<u>215,475</u>	<u>82,212</u>

REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry A. Newmyer Title Engineer Date 10-01-85

Revised 10-18-85
Date _____

Working Interest Ownership
Proposed 200-acre P.U.
Doyle Hartman
Van Zandt-McKinney "Com" No. 1
SE/4 Section 25 & NE/4 NE/4 Section 36
T-24-S, R-36-E

BEFORE EXAMINER STOGNER

Oil Conservation Division

~~HARTMAN~~ Exhibit No. 10

Case No. 8722

COMPANY	W.I. ACREAGE	GROSS ACRES	NET W.I. ACRES	NET W.I.-%
Doyle Hartman	NE/4 SE/4 Section 25	40	40.00	20.000
	S/2 SE/4 & NW/4 SE/4 Section 25	120	39.00	19.500
	NE/4 NE/4 Section 36	40	20.00	10.000
	Sub Total	200	99.00	49.50
Sun Exploration & Production Co.	S/2 SE/4 & NW/4 SE/4 Section 25	120	39.00	19.500
	NE/4 NE/4 Section 36	40	20.00	10.000
	Sub Total	160	59.00	29.50
ARCO	S/2 SE/4 & NW/4 SE/4 Section 25	120	42.00	21.00*
TOTAL		- - - -	200.00	100.00

* Agreed to Farm Out to Hartman 10/22/85

Total Hartman Interest = 49.50 + 21.00 = 70.500%



Sun Exploration and
Production Company
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 5573

April 13, 1984

SUBJECT: SALE OF SUN EXPLORATION AND PRODUCTION
COMPANY'S INTEREST IN CERTAIN PROPERTIES
IN TEXAS AND NEW MEXICO.
BID LETTER NOS. 84065, 84130, 84131, 84132,
84135, 84139

GENTLEMEN:

Sun Exploration and Production Company (Sun) invites you to submit bids for its leasehold interest and equipment located on the properties identified in the Summary Sheet attached hereto.

These properties are divided, for the purposes of this sale, into seven (7) separate bid packages. Each bid package is composed of one or more individual properties. Bids may be submitted by individual bid package numbers, but no bids for individual properties, if separated from the package in which they are listed, will be accepted. Please submit your bid offer on any one or more of these bid packages.

The following exhibits are attached hereto and made a part of each offering:

Exhibit A, contains leasehold interest offered for sale, terms and conditions of individual leases or retention of rights by Sun (as appropriate)

Exhibit B, contains:

- Item 1 - Property Information Sheet, Lease Routing Individual Lease and Notations
- Item 2 - Individual Lease Plat
- Item 3 - Major Equipment List
- Item 4 - Property Production History and Production Curves
- Item 5 - Individual Well Data Sheets

Exhibit C, contains bid sheets for use in bidding.

Sun, as non-operator of the Jasper City School Land "A", PN 568323, is not in a position to furnish individual well data and equipment information.

The amount of your bid for each individual property should be inserted on the appropriate line beside the property name on Exhibit C and the total amount of your bid should then be the sum of the individual bids. The individual property bid amounts offered are required for contacting third parties having preferential right to purchase. A copy of your bid should be returned in the self-addressed envelope provided which is marked "Sealed Bid No. SW-184". The second copy should be retained for

ONG60-SS

APR 19 1984

your files. Sun will not accept any bids other than those submitted on our form, Exhibit C. Each bid shall constitute a bona fide offer to purchase and shall be binding upon the bidder when submitted to Sun. No bid shall be considered if postmarked after May 8, 1984, and all bids will be opened on or about May 11, 1984. Sun reserves the right to reject any and all bids.

The terms and conditions of this sale are included in Attachment I. Upon notification to the successful bidder, full payment will be required within the time period specified in Attachment I. Unsuccessful bidders will also be notified after the effective date of sale.

After all bids are opened and a bid is awarded to the successful bidder, that party will be notified by May 15, 1984 of its successful bid. Upon receipt of letter of notification, a 10% down payment of the total bid price must be received by Sun within three working days. If payment of the 10% down payment is not received in the time period specified, that party will be declared ineligible to be the successful bidder for failure to comply with the Terms and Conditions of this Bid Letter. If the successful bid is then awarded to a subsequent party, the same Terms and Conditions of this Bid Letter shall apply. Payment in full of the balance of the total bid price shall be made by and all payments shall be in the form of a cashier's check, bank money order or wire transfer. Sun reserves the right, however, to reject any and all bids.

Please be advised that any conveyance made pursuant to this bid letter shall be made solely to the party submitting the bid who is determined to be the successful bidder.

Certain wells located on the properties listed herein may be inactive. If located in the State of Texas, these wells are subject to the plugging requirements of Texas Railroad Commission Statewide Rule 14(b) (2). Sun presently has an exception bond covering these inactive wells but the bond is not transferrable. The purchaser therefore should be familiar with all rules and regulations applicable thereto.

Certain properties listed on Exhibit A may be subject to preferential rights of purchase held by third parties. Although Sun anticipates no problem in obtaining waivers to such preferential rights, there is a possibility that some parties may choose to exercise their right. If this should occur and their offer is determined to be a bona fide offer, they will be awarded the bid, and the high bidder will be notified of such.

Certain properties listed on Exhibit A may require joint owner approval of the sale of Sun's interest. Written permission has been requested and Sun anticipates no problem in obtaining consent of the joint owner.

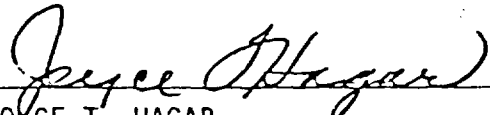
Specific items of information pertaining to individual properties are noted on Exhibit B, Item 1, Property Information Sheet and Lease Routing. Special attention should be given these notations as they pertain to salt water disposal, electrical connections, Bureau of Indian Affairs rentals, surface lease rentals, etc.

Information pertaining to Sun operated wells is available at Sun's District office, Sun Tower #24 Smith Road, Clay Desta Plaza, Midland Texas, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding holidays. Please contact John Crowder, (915) 688-0300 for an appointment.

Inquiries regarding the inspection of Sun-operated wells and equipment located on the properties should be made to the Production Foreman, or the Production Superintendent, shown on each individual Bid Package, Exhibit B, Item 1.

Yours truly,

SUN EXPLORATION AND PRODUCTION COMPANY


JOYCE T. HAGAR

JTH/pr
Enclosures

ONG60-SS

SOUTHWESTERN DISTRICT
SUMMARY SHEET
SW-184

BID PKG. NUMBER	PROPERTY NUMBER	SUN PROPERTY NAME	COUNTY	FIELD	STATE	FOOTNOTES WORKING		GROSS ACRES	NO. WELLS	DECEMBER, 1983		SUN'S RIGHTS TO BE SOLD	
						BELOW	INTEREST			SUN NET PRODUCTION			
										BOPD	MCFPD		
84132	481203	GREGORY "A"	LEA	LANGLIE MATTIX	NM	C,D	1.000000	0.800000	280	6	0.00	0.00	RIGHTS OUTLINED ON EXHIBIT A.
	481204	GREGORY "B"	LEA	RHODES	NM	C,D	1.000000	0.859375	80	1	3.44	36.95	RIGHTS OUTLINED ON EXHIBIT A.
	481207	GREGORY "C"	LEA	JALMAT	NM	C,D	0.583333	0.466667	40	1	0.00	0.00	RIGHTS OUTLINED ON EXHIBIT A.
	481206	GREGORY "C" A/C 2	LEA	LANGLIE MATTIX	NM	C,D	1.000000	0.859375	40	1	0.00	0.00	RIGHTS OUTLINED ON EXHIBIT A.
	481205	GREGORY "C" A/C 1	LEA	LANGLIE MATTIX	NM	C,D	0.500000	0.416260	40	1	0.00	0.00	RIGHTS OUTLINED ON EXHIBIT A.
	917739	JUSTISS SWD	LEA	LANGLIE MATTIX	NM	H	0.187500	0.000000	--	--	0.00	0.00	1/25TH INTEREST IN SWD TP 5115
	481211	GREGORY, L. L.	LEA	LANGLIE	NM	C,D	1.000000	0.859375	80	1	0.00	0.00	RIGHTS OUTLINED ON EXHIBIT A.
	481212	GREGORY, R. O.	LEA	LANGLIE	NM	C,D	1.000000	0.800000	80	2	3.20	3.20	RIGHTS OUTLINED ON EXHIBIT A.
84135	418135	CARLSON	LEA	LANGLIE	NM	C,D	0.750000	0.656250	80	2	0.00	32.16	RIGHTS OUTLINED ON EXHIBIT A.
	733642	VAN ZANDT	LEA	LANGLIE	NM	C,F	1.000000	0.799023	40	1	0.74	3.68	RIGHTS OUTLINED ON EXHIBIT A.
	456562	DRACHENBERG, E. M.	ANDREWS	FUHRMAN MASCHO	TX	G	1.000000	0.753906	640	16	3.02	30.91	RIGHTS OUTLINED ON EXHIBIT A.

SOUTHWESTERN DISTRICT
SUMMARY SHEET
SW-184

BID PKG. NUMBER	PROPERTY NUMBER	SUN PROPERTY NAME	COUNTY	FIELD	STATE	FOOTNOTES BELOW	WORKING INTEREST	INCOME INTEREST	GROSS ACRES	NO. WELLS	DECEMBER, 1983		SUN'S RIGHTS TO BE SOLD
											SUN NET PRODUCTION		
											<u>BOPD</u>	<u>MCFPD</u>	
84139	456555	DOSS, M. S.	GAINES	ROBERTSON, N.	TX		1.000000	0.820313	240	6	9.84	28.71	SURFACE TO A DEPTH OF 7490 FEET.
	456556	DOSS, M. S. -B-	GAINES	ROBERTSON, N.	TX		1.000000	0.812500	320	8	15.44	78.00	SURFACE TO A DEPTH OF FEET.
	917708	ROBERTSON SWD OPER-RICE	GAINES	ROBERTSON,	TX	I	0.083330	0.000000	--	0	0.00	0.00	CONTRACT T62008.

A. Preferential Right to Purchase.
B. This package contains a State of New Mexico lease and Purchaser should be aware of all rules and regulations applicable thereto.
C. The following properties are subject to Prudential Net Profits:

BID NO.	PROPERTY NO.	SUN PROPERTY NAME	AGREEMENT	INTEREST SUBJECT TO 50% NET PROFITS	
84131	444425	DANGLADE, F. J. #3	JAL-OLSEN	0.500000	W.I. 0.407715 I.I.
	444426	DANGLADE, F. J.	JAL-OLSEN	1.000000	W.I. 0.407715 I.I.
84132	481203	GREGORY "A"	JAL-OLSEN	1.000000	W.I. 0.800000 I.I.
	481204	GREGORY "B"	JAL-OLSEN	1.000000	W.I. 0.859375 I.I.
	481207	GREGORY "C"	JAL-OLSEN	0.500000	W.I. 0.400000 I.I.
	481206	GREGORY "C" A/C 2	JAL-OLSEN	1.000000	W.I. 0.859375 I.I.
	481205	GREGORY "C" A/C 1	JAL-OLSEN	0.500000	W.I. 0.416260 I.I.
	481211	GREGORY, L. L.	JAL-OLSEN	1.000000	W.I. 0.859375 I.I.
	481212	GREGORY, R. O.	JAL-OLSEN	1.000000	W.I. 0.800000 I.I.
	418135	CARLSON	JAL-OLSEN	0.750000	W.I. 0.656250 I.I.
	733642	VAN ZANDT	JAL-OLSEN	0.928125	W.I. 0.736133 I.I.

1525-84132, 481203, 481204, 481207, 481206, 481205,
481211, 481212, 418135, 733642, 917739

EXHIBIT "A"

Attached to and Made Part of
Bid Letter No. 84132

Lea County, New Mexico

LEASE NUMBER	LESSOR	LESSEE	DATE	RECORDING		DESCRIPTION OF PROPERTY	FOOTNOT REFERENCE
				DATA	Page		
				Book			
PN 481203 - GREGORY "A" 2 THRU 7; PN 481212 - GREGORY R 0; PN 481207 - GREGORY C							
T00707	U.S.A. LC-054667	Anderson-Pritchard	03/01/50	-	-	Insofar and only insofar as lease covers the E/2 SE/4, E/2 SW/4, W/2 NW/4, SE/4 NW/4 and the SW/4 SW/4, SW/4 SE/4 and the NE/4 NW/4 Sec. 33-T25S-R37E, limited from the surface down to a depth of 3,500 ft. as to oil rights only.	1,2,3,4,5,6,7
T20172	(formerly part of LC-032510-A)	Oil Corp. and Stanolind Oil and Gas Co.					
PN 481205 - GREGORY "C" A/C #1; PN 481206 - GREGORY "C" A/C #2; PN 481211 - L.L. GREGORY							
T20173	U.S.A. LC-032510 (b)	R. Olsen Oil Company and Anderson-Pritchard Oil Company	07/29/37	-	-	Insofar and only insofar as lease covers the NW/4 SE/4 Sec. 35-T25S-R37E, limited down to a depth of 3,424 feet, and the SE/4 NE/4, S/2 SE/4 Sec. 35-T25S-R37E, limited from surface down to a depth of 3,500 ft. as to oil rights only.	1,2,3,4,8
PN 917739 - JUSTISS SWD							
OPERATOR							
TP 5114	Rice Engineering and Operating, Inc.	Sun Oil Company	5/21/68	-	-	Insofar and only insofar as Salt Water Disposal Agreement covers Gregory C A/C 1.	
PN 481204 - GREGORY B							
T20196	U.S.A. NM-050216	Olsen Oil, Inc.	3/1/59	-	-	Insofar and only insofar as the lease covers the W/2 NW/4 Sec. 28-T26S-R37E from the surface down to 3,500 ft.	1,3,4,7,9

1525-84132, 481203, 481204, 481207, 481206, 481205,
481211, 481212, 48135, 733642, 917739

Lea County, New Mexico

LEASE NUMBER	LESSOR	LESSEE	DATE	RECORDING		DESCRIPTION OF PROPERTY	FOOTNOTE REFERENCE
				DATA	Page		
PN 418135 - CARLSON							
T20219	U.S. A. NM-0766	Union Texas Natural Gas Corp. and Joseph E. Seagrams & Sons, Inc.	11/1/61	-	-	Insofar and only insofar as lease covers the SE/4 SE/4 Sec. 23-T25S-R37E and SE/4 NE/4 Sec. 26-T25S-R37E limited from the surface down to 4,000 feet as to oil rights only.	1,13,14,15
PN 733642 - VANZANDT							
T20193	M.M. Miller	R. Olsen	11/29/48	74	393	Insofar and only insofar as it covers the NE/4 SE/4 Section 25-T24S-R36E, limited from surface down to 4000' only.	1,10,11
T20193-001	General Crude Oil Co.	R. Olsen	11/9/48	74	206	Insofar and only insofar as it covers the NE/4 SE/4 Section 25-T24S-R36E, limited from surface down to 4000' only.	1,10,11
T20193-002	J.C. McIntyre and Lydia McIntyre	R. Olsen	12/15/48	75	317	Insofar and only insofar as it covers the NE/4 SE/4 Section 25-T24S-R36E, limited from the surface down to 4000' only.	1,10,11
T20193-003	Munance Corporation	R. Olsen	12/1/48	74	516	NE/4 SE/4 of Section 25-T24S-R36E, limited from the surface down to 4000' only.	1,10,11
T20193-004	Magnolia Petroleum Co.	R. Olsen	12/17/48	75	105	NE/4 SE/4 of Section 25-T24S-R36E, limited from the surface down to 4000' only.	1,10,11,12

1525-84132, 481203, 481204, 481207, 481206, 481205,
481211, 481212, 418135, 733642, 917739

Lea County, New Mexico

LEASE NUMBER	LESSOR	LESSEE	DATE	RECORDING DATA	DESCRIPTION OF PROPERTY	FOOTNOTE REFERENCE
				Book	Page	

PN 733642 - VANZANDT - Cont'd

T20193-005	Western Natural Gas Company	R. Olsen	1/27/49	75	516	NE/4 SE/4 of Section 25-T24S-R36E, limited from the surface down to 4000' only.	1,10,11
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FOOTNOTE REFERENCES

1. Subject to Prudential Net Profits Agreement (Jal-Olsen) dated 4-1-66 by and between Prudential Insurance Company of America Texas Pacific Oil Company, Inc. (Contr. DC-9768-T).
2. Subject to Gas Operating and Development Contract dated 11-6-39 between Anderson-Prichard Oil Corp. and R. Olsen Oil Company "Oil Operators" and El Paso Natural Gas Company, "Gas Operator", (Contract TP-1861).
3. Subject to Contract dated 11-16-38 between Anderson-Prichard, R. Olsen Oil Company and the W-K Royalty Company, as amended by Amendment to Contract dated 5-31-39, (Contract TP-1858).
4. Subject to Contract dated 7-16-36 by and between Stanolind Oil and Gas Co. as Grantor and Uscan Oil Company and Anderson-Prichard Oil Corp. as Grantees, (Contr. TP-1858).
5. Subject to Gas Sales Contract dated 1-1-76 with El Paso Natural Gas, (Contr. G-52164).
6. Subject to Gas Sales Contract dated 1-1-76 with El Paso Natural Gas, (Contr. G-52170).
7. Subject to Gas Sales Contract dated 9-15-48 with El Paso Natural Gas, (Contr. G-52169).
8. Subject to Gas Sales Contract dated 1-1-76 with El Paso Natural Gas, (Contr. G-52152).
9. Subject to Gas Sales Contract dated 4-11-78 with El Paso Natural Gas, (Contr. G-52234).
10. Subject to Operating Agreement dated 11-30-48 between R. Olsen (Sun) as operator and Roy H. Sowell as Non-Operator, (Contr. TP-1822).
11. Subject to Casinghead Gas Sales Contract with Sun as the Seller and El Paso Natural Gas Company as the Buyer dated 1-1-76 (Contract #G-52164).
12. Subject to Unitization Agreement dated 7-26-49 between Magnolia Petroleum Company as lessor and R. Olsen Oil company as lessee.
13. Subject to Letter Agreement dated 10-4-57 between El Paso Natural Gas and R. Olsen.
14. Subject to Gas Sales Contract dated 1-1-80 with El Paso Natural Gas, (Contr. G-52184).
15. Subject to Drilling and Operating Agreement dated 11-2-36 between Sun as Operator and Ajax Drilling Corporation as Non-Operator, (Contr. TP-854).

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

April 19, 1984

Sun Exploration and Production Company
Post Office Box 2880
Dallas, Texas 75221-2880

Attention: Ms. Joyce Hager
Divestment Department

Re: Sale of Production
Bid Letter No. 84132

Gentlemen:

Reference is made to our phone conversation with you today concerning Property No. 733642--Van Zandt Lease in Lea County, New Mexico in Bid Package Number 84132.

The above noted property for the Van Zandt lease describes the land to be included in the bid as follows:

T-24-S, R-26-E, Lea County, New Mexico
Section 25: NE/4 SE/4 (40 acres)
limited from surface down to 4,000 feet only

In this regard, please find enclosed the following pertaining to the Van Zandt lease, taken from the files of the Hobbs office of the New Mexico Oil Conservation Division:

1. NMOCD well plat dated November 27, 1953, wherein the entire SE/4 of Section 25 was dedicated to a Jalmat producer.
2. Letter dated May 25, 1954, with plat attached showing the entire SE/4 of Section 25 was dedicated to a Jalco (Jalmat) producer.
3. NMOCD form dated May 28, 1954, showing this was a "normal 160-acre unit" for the Jalco Pool (now Jalmat Pool).
4. Page 33 of the Southeast New Mexico Gas Proration Schedule for May, 1977, showing that the Van Zandt lease was still producing from the Jalmat Pool with an acreage dedication of 160-acres.
5. NMOCD Form C-103 dated March 3, 1978, showing that Texas Pacific plugged off Jalmat perforations and recompleted to the Langlie Mattix Pool (which is immediately below the Jalmat).
6. As to Sun's ownership (160 acres), enclosed is a page from the Texas Pacific (now Sun) conveyance to Prudential.

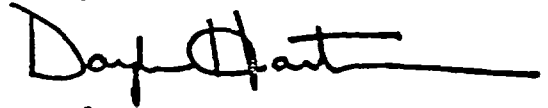
As you are aware, the spacing for the Langlie Mattix is 40-acres which is the tract that you have corresponding to the above noted property number.

In summary, you show on Exhibit "A" to Bid Package Number 84132 that the rights to be assigned are from surface to 4,000 feet. This interval includes both the Jalmat Pool Interval (160-acre spacing) and the Langlie Mattix Pool Interval (40-acre spacing).

Therefore, a successful bidder on Bid Package Number 84132 who might desire to plug back the Van Zandt No. 1 to the Jalmat Pool Interval would be precluded from doing so due to a deficiency of acreage for a 160 acre normal Jalmat Pool proration unit. We are planning to bid on this package and as you can see from the enclosed data, we are making a serious effort to properly analyze these properties. It therefore appears to be in the best interests of all concerned (Sun, Prudential, the successful bidder, and the mineral owners) that this bid package be amended to provide that the acreage to be assigned to the Van Zandt well be 160 acres consisting of the SE/4 of Section 25, T-24-S, R-36-E. This will allow the successful bidder the right to fully develop the interval to be assigned (ie, surface to 4,000 feet).

Thank you for your consideration and please advise should you need anything further from us. We need an answer as soon as possible since it will have a material effect on the amount of our bid.

Very truly yours,



Doyle Hartman

DH/mh

cc: Ms. Judy Hail-Sun-Dallas
Mr. John Crowder-Sun-Midland
Mr. Tom Hobbs-Sun-Midland
Ms. Marcia Faycus-Sun-Dallas

US-357

CONSERVATION COMMISSION

Date Nov 27, 1953R. OLSEN OIL COMPANY

Operator

Van Zandt

Lease

Name of Producing Formation QueenPool CooperNo. Acres Dedicated to the Well 160

SECTION

25

TOWNSHIP

24

RANGE

25

✓ 660'
 660'
 1

probably
approved
under
R-520

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name Dwight W. StarnPosition Geological EngineerRepresenting R. Olsen Oil CompanyAddress Drawer 131 Jal, New Mexico



R. OLSEN OIL COMPANY

XXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX

Box 625, Jal, New Mexico

May 25, 1954

New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Re: Van Zandt
NE SE Sec. 25,
T24S, R36E

Attn: Mr. S. J. Stanley

Dear Sir:

After a thorough check of our files, we find the above captioned well is not an open hole completion in the Queen pay as previously reported, but is producing gas from the Yates zone through perforations 2920-2950 and 2960-3020. A Lane Wells bridge plug is set in the 7" casing at 3300 sealing off the Queen zone.

Since this well is carried on the oil proration schedule as a Queen gas well under the Langlie-Mattix field, we desire that it be carried on the gas proration schedule as a Yates gas well in the Jalco gas pool and assigned a gas allowable based on 160 acre unit.

Attached are corrected Forms C-104, C-110 and Gas Plat for the well.

Yours very truly,

R. OLSEN OIL COMPANY

Aaron Cummings

AARON CUMMINGS
Gas Engineer

AC:mp

Att: 3

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2045
HOBBS, NEW MEXICO

DATE May 28, 1954

TO: R. Olsen Oil Company
Box 625, Jal, New Mexico

GENTLEMEN:

Form C-104 for your	<u>Van Zandt</u>	<u>1 I</u>	<u>25-24-36</u>	<u>Jalco</u>
	LEASE	WELL	S.T.R.	POOL

has been approved, however, since this well is:

- () An unorthodox location,
- () Located on an unorthodox proration unit,
- () Outside the boundaries of a designated pool,

it will be necessary for you to;

- () Comply with the provisions of Rule 4 of Commission Order _____
- () Comply with the provisions of Rule 7 of Commission Order _____
- () File form C-123

Pending further Commission action this unit will be assigned an _____ acre allowable.

Normal 160 Acre Unit

OIL CONSERVATION COMMISSION
by Stanley J. Staley

CCC/ms

cc/ Transporter El Paso Natural Gas Company

NEW MEXICO OIL CONSERVATION COMMISSION

Supersedes Old
C-102 and C-103
Effective 1-1-63

SUNDRY NOTICES AND REPORTS ON WELLS DO NOT USE THIS FORM FOR NOTICES TO PLUG OR ABANDON OR TO REOPEN A WELL TO A DIFFERENT RESERVOIR. USE SEPARATE FORM FOR REPORT ON PRODUCTION, GRADING, OR OTHER OPERATIONS.

1. ☒ WELL ☐ GAS WELL ☐ OTHER

2. Name of Operator
Texas Pacific Oil Company, Inc.

3. Address of Operator
P. O. Box 4067, Midland, Texas 79701

4. Location of Well
NIT LETTER I 1980 FEET FROM THE south LINE AND 660 FEET FROM east LINE, SECTION 25 TOWNSHIP 24-S RANGE 36-E NEPR.

5. Elevation (Show whether DF, RT, GR, etc.)
GR 3279'

6. Indicate Type of Lease
State ☐ Free ☒

7. State Oil & Gas Lease No.

8. Unit Agreement Name

9. Name of Lease Name
Van Zandt

10. Well No.
1

11. Field and Pool, or Wildcat
Langlie Mattix

12. County
Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
FOR REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
CHARITLY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPER. ☐	PLUG AND ABANDONMENT ☐
OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOG ☐	

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-20-77 To plug off existing producing zone (Jalmat) and reopen previously thru TA Langlie Mattix

9-26-77 POH w/production equipment, set cement retainer at 2851'. Located casing leak between 427'-457'. Sat RBP at 2791'. Cemented w/230 sx. Class "C" w/2% CaCl. SI w/300#. WIH w/6 1/8" bit and drilled cement to 438'. Tested squeeze to 500#, held OK. POH w/RBP. Squeezed perfs 2920'-3020' w/50 sx. Class "C" w/.5% D-59 & 3# salt/s followed by 100 sx. Class "C" w/2% CaCl. Standing squeeze of 1500#.

9-27-77 Drlg cement to 2970'. Perfs leaking at 2950'-3020'. Resqueezed thru w/50 sx. Class "C" w/5% D-59 & 3# salt/sk. and 50 sx. Class "C" w/ 2% CaCl. SI w/2000# PSI. Drilled cement to 3030', tested csg to 500 psi f/30 mins., held OK. Drilled on CIBP at 3074' & pushed to 3160'. WIH w/overshot and recovered packer and tubing (259'). Left 55' tubing in hole. CO to 3491'. Ran GR log from 3488' to 2000'. GIH w/packer and set at 3030'. Acidized OH 3315'-3488' w/2500 gals. 15% HCl Acid. Reset packer at 2838' and set pumping equipment.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

W. J. McPherson TITLE Dist. Operations Supt. DATE 3-3-78

BY _____ TITLE _____ DATE _____

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land owned by Assignor is .37890625.

TRACT 50 - STATE "B" LEASE

All interest in and to oil and gas lease No. B-1513, dated December 27, 1932, from the State of New Mexico to Stanolind Oil and Gas Company, insofar as said lease covers the following described land;

Lot Four (4) and the Southeast Quarter of the Southwest Quarter (SE/4 SW/4) of Section 18, Township 21 South, Range 37 East, Lea County, New Mexico,

down to the depth of 4000 feet, subject to the following:

- (1) An overriding royalty interest of 1/32nd of all the oil, gas and other minerals produced.
- (2) Operating Contract by and between Stanolind Oil and Gas Company and Olsen-Blount Drilling Company, dated 9/26/45.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land owned by Assignor is .84375.

TRACT 51 - VAN ZANDT (ROOG) LEASE

All interest in and to the following described oil and gas leases:

- (a) Oil and gas lease dated November 29, 1948, from M. M. Miller, et ux, to R. Olsen, recorded in Book 74, Page 393.
- (b) Oil and gas lease dated November 9, 1948, from General Crude Oil Company to R. Olsen, recorded in Book 74, Page 206.
- (c) Oil and gas lease dated December 15, 1948, from J. C. Mc Intyre, et ux, to R. Olsen, recorded in Book 75, Page 317.
- (d) Oil and gas lease dated December 1, 1948, from Munance Corporation to R. Olsen, recorded in Book 74, Page 516.
- (e) Oil and gas lease dated December 17, 1948, from Magnolia Petroleum Company to R. Olsen, recorded in Book 75, Page 105.
- (f) Oil and gas lease dated January 27, 1949, from Western Gas Company to R. Olsen, recorded in Book 75, Page 516.
- (g) Oil and gas lease dated June 22, 1949, from Western Natural Gas Company to R. Olsen, recorded in Book 78, Page 340.
- (h) Oil and gas lease dated June 14, 1949, from Magnolia Petroleum Company to R. Olsen Oil Company, recorded in Book 80, Page 145.
- (i) Oil and gas lease dated June 30, 1949, from Munance Corporation to R. Olsen, recorded in Book 80, Page 149.

(j) I N T E N T I O N A L L Y
O M I T T E D

Insofar as said leases cover all or any portion of the following described land:

The Southeast Quarter (SE/4) of Section 25, Township 24 South, Range 36 East, Lea County, New Mexico,

and insofar and only insofar as said leases as to the NE/4 SE/4 of said Section 25 cover an undivided 297/320ths interest in the oil, gas and other minerals to a depth of 4000 feet and an undivided 5/16th interest in the oil, gas and other minerals below 4000 feet, subject to excess royalties aggregating 369/5120ths of all oil produced and 297/5120ths of all gas produced; and as to the W/2 SE/4 and SE/4 SE/4 an

undivided 297/320ths interest in all gas produced, and an undivided 185/320ths interest in all oil produced to a depth of 3625 feet; an undivided 205/320ths interest in all gas produced and an undivided 185/320ths interest in all oil produced from 3625 feet to a depth of 4000 feet; and an undivided 5/16ths interest in all oil, gas and other minerals below the depth of 4000 feet, subject to excess royalties on all gas produced of 297/5120ths to a depth of 3625 feet and excess royalties on all gas produced of 41/1024ths from 3625 feet to 4000 feet, and excess royalties on oil of 33/1024ths as to all depths down to 4000 feet, and excess royalties on oil and gas of 3/24ths as to all depths below 4000 feet, subject to the following;

- (1) Contract and Operating Agreement dated November 30, 1948, between R. Olsen and Roy H. Sowell, et ux, and Amendment thereto, dated September 30, 1949.
- (2) Unitization Agreement dated July 26, 1945, between Magnolia Petroleum Company, R. Olsen Oil Company and R. Olsen, recorded in Book 48, Page 501.
- (3) Amendment to Oil and Gas Lease dated June 30, 1949, executed by Munroe Corporation, recorded in Book 48, Page 439.
- (4) Amendment to Oil and Gas Lease dated June 22, 1949, executed by Western Natural Gas Company, recorded in Book 48, Page 4.
- (5) Designation of Unitized Acreage dated September 8, 1949, by Vulcan Drilling Company, recorded in Book 49, Page 330.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land above 3625 feet owned by Assignor is .7541015 as to all dry gas produced and .7361328 as to all oil and casinghead gas produced.

TRACT 52 - VAN ZANDT (SO. CALIF.) LEASE

All interest in and to the following described oil and gas leases:

- (a) Oil and Gas Lease dated November 29, 1948, from M. M. Miller, et ux, to R. Olsen, recorded in Book 73, Page 393.
- (b) Oil and Gas Lease dated November 9, 1948 from General Crude Oil Company to R. Olsen, recorded in Book 74, Page 206.
- (c) Oil and Gas Lease dated December 13, 1948, from J. C. McIntyre, et ux, to R. Olsen, recorded in Book 75, Page 317.
- (d) Oil and Gas Lease dated September 8, 1960, from General Crude Oil Company to Olsen Oils, Inc., recorded in Book 188, Page 347.

Insofar as said leases cover all or any portion of the following described land:

The Northeast Quarter (NE/4) of Section 25, Township 24 South, Range 36 East, Lea County, New Mexico,

and insofar and only insofar as said leases cover an undivided 105/320ths interest in the oil, gas and other minerals to a depth of 4000 feet and an undivided 5/16ths interest in the oil, gas and other minerals below the depth of 4000 feet, subject to an excess royalty interest of 1/1024th of total production of oil, gas and other minerals above 4000 feet and 5/24ths below 4000 feet.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land above 4000 feet owned by Assignor is .2861328.

TRACT 53 - WINBERLEY LEASE

A. All interest in and to the following described oil and gas leases:

- (a) Oil and Gas Lease dated April 16, 1938, from Sam D. Winberley, et ux, to Western Natural Gas Company, recorded in Book 25, Page 136.



**Sun Exploration and
Production Company**
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 5573

April 30, 1984

Mr. Doyle Hartman
P. O. Box 10426
Midland, TX 79702

RE: Bid Package No. 84132
Van Zandt
Lea County, New Mexico

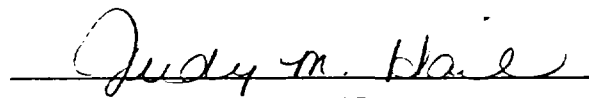
Dear Mr. Hartman:

In response to your letter of April 19, 1984 concerning the above referenced bid package, we have reviewed your request to enlarge the acreage for sale in this lease. At this time we feel we must decline your request due to other activities Sun is pursuing in this area.

Thank you for your interest in this package. If you have any other questions or comments, please feel free to call me at (214) 890-5574..

Sincerley,

SUN EXPLORATION & PRODUCTION COMPANY


JUDY M. HAIL

JMH/dc

This Assignment and Conveyance dated September 13, 1984, by and between The Prudential Insurance Company of America, a New Jersey Corporation, Prudential Plaza, Newark, New Jersey 07101 (hereinafter called "Prudential"), and Doyle Hartman, 500 North Main, Post Office Box 10426, Midland, Texas 79702 (hereinafter called "Hartman")

WITNESSETH:

WHEREAS, by that certain instrument entitled "Conveyance of Oil and Gas Properties and Agreement with respect thereto" dated January 20, 1961, (herein called the "Olsen-Texas Pacific Conveyance") from R. Olsen, Olsen Oils, Inc., a Delaware Corporation, and Jal Oil Company, Inc., a New Mexico Corporation, as Assignors, to Texas Pacific Coal and Oil Company, a Texas Corporation (hereinafter called "Texas Pacific"), as Assignee, said Assignors conveyed to Texas Pacific, among other things, the interests in the oil, gas and mineral leases, mineral, royalty, and overriding royalty interests described in the exhibits attached to said instrument (hereinafter referred to as the "subject interests"), a copy of such exhibits being attached hereto as Exhibit "C", and made a part hereof by reference, excepting therefrom and reserving to said Assignors four separate production payments (hereinafter and in said Olsen-Texas Pacific Conveyance called the "Paramount Production Payment", the "Secondary Production Payment", the "Tertiary Production Payment", and the "Quaternary Production Payment"); and

WHEREAS, by that certain instrument entitled "Conveyance of Paramount Production Payment" dated January 20, 1961, R. Olsen, Olsen Oils, Inc., and Jal Oil Company, Inc. assigned to Prudential the Paramount Production Payment created under the Olsen-Texas Pacific Conveyance; and

WHEREAS, the recording data with respect to said Olsen-Texas Pacific Conveyance and Paramount Production Payment Conveyance is set forth on Exhibit "A", attached hereto, and made a part hereof, and reference is hereby made to the Olsen-Texas Pacific Conveyance and the Conveyance of the Paramount Production Payment, as they appear of record, for a more complete description of said production payment, and the right, title, interest, estate, remedies, powers and privileges constituting and appertaining thereto and for all other purposes relating hereto; and

WHEREAS, by virtue of that certain instrument of conveyance dated November 1, 1963, as amended (hereinafter referred to as the "Texas Pacific-Seagram Conveyance"), by and between Texas Pacific and Joseph Seagram and Sons, Inc. consisting of Part I, being a conveyance from Texas Pacific to Seagram of the subject interests, wherein there was reserved and retained by Texas Pacific a production payment (therein referred to as the "Texas Pacific Production Payment"), and Part II, being a conveyance from Texas Pacific to Glanville Minerals Corporation of such Texas Pacific Production Payment, subject to the other production payments created in the Olsen-Texas Pacific Conveyance referred to above, all as more particularly set forth and described in the Texas Pacific-Seagrams Conveyance; and

WHEREAS, by that certain instrument entitled "Conveyance of Paramount Production Payment and Reservation of Reserved Production Payment and Conveyance of Net Profits Overriding Royalty" dated April 1, 1966 (hereinafter referred to as the "Prudential-Seagram Conveyance") by and between Prudential and Seagram, and wherein Prudential conveyed the Paramount Production Payment to Seagram, and Seagram conveyed to Prudential a Net Profits Overriding Royalty Interest covering the subject interest, all as more particularly set forth and described in said Prudential-Seagrams Conveyance; and

WHEREAS, the recording data with respect to the Texas Pacific-Seagram Conveyance, and the Prudential-Seagram Conveyance is set forth on Exhibit "B" attached hereto, and made a part hereof by reference; and

WHEREAS, Prudential desires to transfer, and Hartman desires to acquire the Net Profits Overriding Royalty Interest created in the Prudential-Seagram Conveyance, subject to the terms, covenants, exceptions, and conditions herein contained;

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand paid by Hartman, the receipt and sufficiency of which are hereby acknowledged, Prudential, by these presents does hereby bargain, sell, transfer, convey and assign to Hartman, his heirs, personal representatives, successors and assigns, said Net Profits Overriding Royalty Interest, including, without limitation, all of the right, title and interest of any kind vested in Prudential in the Net Profits Overriding Royalty Interest, by, or which Prudential now has, or may become entitled to under, or by virtue of the above described Agreements, together with all oil, gas and other minerals which are produced, which have accrued, or shall accrue to said Net Profits Overriding Royalty Interest, subsequent to the effective date hereof, and the proceeds thereof. It is further the intent of Prudential and Hartman that Prudential is conveying herein any and all interests it may have in the Net Profits Overriding Royalty Interest insofar as the same covers the leases and oil and gas interests described on Exhibit "C" attached hereto, whether or not all of the lands covered by said leases and oil and gas interests are specifically described on Exhibit "C". PROVIDED, HOWEVER, THERE IS EXPRESSLY EXCEPTED AND EXCLUDED from this Assignment and Conveyance Tract No. 54 shown on Page 39 of Exhibit "C" designated as the "Winningham Lease", and Tract No. 5 shown on Page 51 of Exhibit "C" designated as the "Walton Lease", insofar as it covers the NW/4 Section 10, Block 26, PSL Survey, Winkler County, Texas, and Prudential specifically excepts and reserves all right, title and interest it may own therein.

TO HAVE AND TO HOLD said Net Profits Overriding Royalty Interest covering the subject interests, together with said rights, titles, powers, interests and other matters, unto Hartman, his heirs, personal representatives, successors and assigns, forever, subject only to the terms, conditions, reservations, exceptions and exclusions which are set forth herein.

Other Provisions

A. Subject to the further terms and provisions hereof, it is hereby expressly agreed and understood that it is the intent of the parties that Prudential herein conveys, and Hartman herein acquires and accepts, without limitation, all powers, privileges, expressed and/or implied warranties, causes of action, choses in action, rights and privileges attributable to actions of State and Federal administrative agencies and other rights which have now accrued, or may at some time in the future accrue to Prudential, or any of its predecessors in title, by virtue of all of the above described conveyances and agreements. It is further agreed that Hartman may litigate or cause to be litigated any cause of action now accrued, or at some time in the future accruing to Hartman which arises out of, results from, or relates to facts, circumstances, or transactions which have occurred prior to, or occur subsequent to the effective date hereof, irrespective of whether the parties have knowledge of such prior facts, circumstances, or transactions as of the effective date. Provided, however, that to the extent Prudential is, or may be a party to any proceeding or suit arising out of, resulting from, or relating to its ownership of the interests conveyed hereby, Prudential shall have the right to participate therein with counsel of its own selection, provided, however, neither party may settle such claim or proceeding except upon the mutual agreement of the parties that such settlement shall not jeopardize or compromise the rights of the non-settling party.

B. Prudential and Hartman specifically hereby covenant and agree that the terms of this instrument of conveyance shall be subject to all of the terms, covenants and conditions of the Prudential-Seagrams Conveyance, insofar as it covers and affects the rights and relationships of Prudential and Hartman herein, and the terms and conditions of such Conveyance are incorporated herein by reference.

Prudential covenants and warrants that has the legal right and authority to grant, bargain, sell, convey, assign, transfer, set over and deliver said Net Profits Overriding Royalty Interest, and all of the rights, titles, interests, estates, remedies, powers and privileges appurtenant or incident thereto. This conveyance is executed without warranty of any kind, except that Prudential hereby binds itself and its successors and assigns to warrant and forever defend said Net Profits Overriding Royalty Interest and all of the rights, titles, interests, estates, remedies, powers and privileges appurtenant or incident thereto onto its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Prudential, but not otherwise, subject to the provisions hereof. PROVIDED, however, Hartman shall be fully subrogated to the rights of Prudential under any covenants or warranties of title made by Prudential's predecessors in title, to the extent transferrable. PROVIDED, further, however, this limited or special warranty is in all respects subject to (1) those tracts specifically excepted above from this Assignment and Conveyance; (2) any actions taken with respect to the subject interests by the owner(s) thereof in the ordinary course of business with the acquiescence and/or consent of Prudential, which occurred more than six (6) months prior to the effective date hereof; (3) those agreements, contracts, instruments, overriding royalties, production payments, and other matters specifically set out in Exhibit "C" as burdening the subject interests, and any amendments thereto (provided, however, that any referenced such agreements or other instruments shall not be deemed to constitute recognition by the parties that any such agreement or other instrument is valid, except to the extent that the agreement or other instrument is presently in force or effect), and (4) any valid and subsisting instrument of record affecting the subject interests.

D. References in certain of the descriptions contained in Exhibit "C" to the fractional gross production to which any party is entitled to receive, net revenue interest (or words of similar import), the fractional expenses to which any party is to pay for, a working interest (or words of similar import), are not to be construed as a representation or warranty of any kind or character, and shall not enlarge or diminish in any manner the interest conveyed hereby.

E. Prudential agrees to hold Hartman harmless from, and to indemnify him for, any amounts which he may be required to refund to any third party resulting from the collection of any wellhead price for natural gas, or crude oil produced from the subject interests, prior to the effective date of this conveyance, which is in violation of any Federal or State natural gas wellhead or crude oil pricing statutes or regulations now in effect, or which may have been effective in the past.

F. Prudential and Hartman agree to execute and deliver all additional instruments as may be necessary or appropriate to fully effectuate the terms and conditions hereof, including but not limited to such other and additional instruments as may be necessary to correct or more fully describe and identify the properties and interests herein intended to be conveyed, or such instruments as may be required by the appropriate governmental agencies having jurisdiction over such State and Federal lands as are covered by the subject interests.

G. Any and all notices, requests, demands, reports or other instruments at any time required or permitted to be given or furnished under the terms of this agreement shall be deemed sufficiently given or furnished or served if in writing, and delivered to such party or any officer thereof or deposited in the United States mail in a sealed envelope, registered or certified, with sufficient postage prepaid, addressed to such party at its address stated above, or such other address as the party to be addressed shall have designated by written notice.

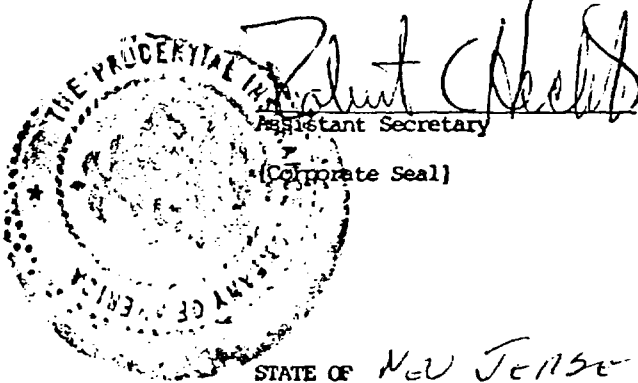
H. The terms, covenants and conditions contained herein shall be deemed to be covenants running with the lands covered by the subject interest, and all such provisions herein shall inure to the benefit of and be binding upon the respective successors and assigns of Prudential and Hartman, and all references herein to Prudential or Hartman shall include their respective heirs, personal representatives, successors and assigns.

1. WITNESS WHEREOF, the parties hereto caused this instrument to be duly executed on the date first above written but effective at the respective locations of the subject interests as of 12:01 a.m. September 1, 1984, in several counterparts (one of which with all the property descriptions included in Exhibit "C" is on file at the office of Prudential, one of which with all of said property descriptions is on file at the office of Hartman and one of which with all of said property descriptions is to be recorded in Lea County, New Mexico), each of which counterparts is an original and all of which are identical, except that, to facilitate recordation or filing in counties other than Lea County, New Mexico, there are omitted from certain counterparts those property descriptions in Exhibit "C" which contain specific descriptions of property located in recording or filing jurisdictions other than the jurisdiction in which the particular counterpart is to be recorded. Each of the counterparts hereof so executed shall for all purposes be deemed to be an original, and all of such counterparts shall together constitute but one and the same instrument.

BOOK 434 PAGE 721

ATTEST:

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA



Assistant Secretary

(Corporate Seal)

By Matthew J. Chanin
Vice President

Doyle Hartman
DOYLE HARTMAN

STATE OF NEW JERSEY §
COUNTY OF ESSEX §

BE IT REMEMBERED THAT, I, ROBERT J. McNEIL,
a Notary Public duly qualified, commissioned, sworn and acting in and
for the State and County aforesaid and residing in such State and
County, and being authorized in such State and County to take acknowl-
edgements, hereby certify that on SEPT 13 1984:

There personally appeared before me each of the following
persons, each being the designated officer of the corporation specified
opposite his name and each known to me to be such officer, each such
corporation being a party to the foregoing instrument:

MATTHEW J. CHANIN, Vice President, and
ROBERT J. McNEIL, Assistant Secretary of
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey
Corporation;

NEW MEXICO The foregoing instrument was acknowledged before me this
date by each such person, the designated officer of the
corporation specified opposite his name, on behalf of such
corporation.

OKLAHOMA Before me personally appeared each such person, to me
known to be the identical person who subscribed the name
of the maker thereof to the foregoing instrument as the
designated officer of the corporation specified opposite
his name, and acknowledged to me that he executed the same
as his free and voluntary act and deed, and as the free
and voluntary act and deed of such corporation, for the
uses and purposes therein set forth.

TEXAS Before me this day personally appeared each such person,
personally known to me to be the person whose name is
subscribed to the foregoing instrument as the designated
officer of the corporation specified opposite his name,
and personally known to me to be such officer of such

corporation, and acknowledged to me that he executed such instrument in the capacity therein stated for the purposes and consideration therein expressed, for and on behalf of and as the act and deed of such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official Seal in the City of NEWARK, 25521 County, NEW JERSEY on the day and year first above written.



[Signature]
Notary Public, State of NEW JERSEY
A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires July 25, 1989
print name

My Commission Expires:

STATE OF Texas
COUNTY OF midland

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BE IT REMEMBERED THAT, I, Michelle Nemere, a Notary Public duly qualified, commissioned, sworn and acting in and for the State and County aforesaid and residing in such State and County, and being authorized in such State and County to take acknowledgements, hereby certify that on September 14, 1984:

There personally appeared before me the following person, and known to me to be such person, such person being a party to the foregoing instrument:

Doyle Hartman

NEW MEXICO The foregoing instrument was acknowledged before me this date by Doyle Hartman, on his own behalf.

OKLAHOMA Before me personally appeared Doyle Hartman, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein set forth.

TEXAS Before me this day personally appeared Doyle Hartman, personally known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed such instrument in the capacity therein stated for the purposes and consideration therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official Seal in the City of midland, midland County, State of Texas on the day and year first above written.

Michelle Nemere
Notary Public, State of

print name

My Commission Expires:

MICHELLE NEMERE, Notary Public
My Commission Expires October 25, 1985

Lots 1, 2 and 3 and the East Half of the Northwest Quarter (E/2 NW/4) and the Northeast Quarter of the Southwest Quarter (NE/4 SW/4) and the Southeast Quarter (SE/4) of Section 19 and the East Half (E/2) and the North Half of the Southwest Quarter (N/2 SW/4) of Section 20, all in Township 20 South, Range 34 East, Lea County, New Mexico,

subject to the following:

- (1) Operating Agreement dated November 25, 1941, between The W-K Royalty Company, R. Olsen Oil Company and Cities Service Oil Company, as amended by Agreement dated May 16, 1949 between R. Olsen Oil Company, E. A. Culbertson and Cities Service Oil Company, providing for operation of the leasehold estates by Cities Service Oil Company.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land owned by Assignor is .0175.

TRACT 38 - MCKINNEY - STATE LEASE

All interest in and to oil and gas lease No. E-2388, dated January 10, 1949, from the State of New Mexico to Western Natural Gas Company, insofar as said lease covers the following described land:

Northeast Quarter of the Northeast Quarter (NE/4 NE/4) and the West Half of the Southwest Quarter (W/2 SW/4) of Section 36, Township 24 South, Range 36 East, Lea County, New Mexico,

down to a depth of 4000 feet, and subject to the following, to-wit:

- (1) An overriding royalty of 1/16th of total production of gas and 1/8th of total production of oil, which is reduced to 1/16th of total production of oil when wells are placed on artificial lifts.
- (2) Assignment, dated April 8, 1949, from Western Natural Gas Company to R. Olsen Oil Company.

The fractional share of the gross oil, gas and other minerals produced from the above described land above the depth of 4000 feet owned by Assignor is .75, but as to high pressure gas and liquid hydrocarbons .8125.

TRACT 39 - MEYERS B-1 LEASE

An undivided one-half (1/2) interest in the operating rights, to a depth of 4000 feet below the surface, under the

Northwest Quarter (NW/4) of Section 13, Township 24 South, Range 36 East, Lea County, New Mexico,

said operating rights being created by that certain Operating Agreement dated May 21, 1947 between Anderson-Prichard Oil Corporation and R. Olsen Oil Company, insofar as said Operating Agreement relates to the following described lease:

Oil and Gas Lease dated June 1, 1956, being an exchange lease, issued in exchange for a "b" lease, issued by the Secretary of the Interior of the United States to Anderson-Prichard Oil Corporation and R. Olsen Oil Company, said lease bearing Serial No. Las Cruces 054665(b), formerly a part of Serial No. Las Cruces 032451(b),

and an undivided one-half (1/2) interest in and to the above described lease, insofar as said lease covers the above described land as to all depths, subject to the following:

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land owned by Assignor is .37890625.

TRACT 50 - STATE "B" LEASE

All interest in and to oil and gas lease No. B-1553, dated December 27, 1932, from the State of New Mexico to Stanolind Oil and Gas Company, insofar as said lease covers the following described land:

Lot Four (4) and the Southeast Quarter of the Southwest Quarter (SE/4 SW/4) of Section 18, Township 21 South, Range 37 East, Lea County, New Mexico,

down to the depth of 4000 feet, subject to the following:

- (1) An overriding royalty interest of 1/32nd of all the oil, gas and other minerals produced.
- (2) Operating Contract by and between Stanolind Oil and Gas Company and Olsen-Blount Drilling Company, dated 9/26/45.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land owned by Assignor is .84375.

TRACT 51 - VAN ZANDT (ROOC) LEASE

All interest in and to the following described oil and gas leases:

- (a) Oil and gas lease dated November 29, 1948, from M. M. Miller, et ux, to R. Olsen, recorded in Book 74, Page 393.
- (b) Oil and gas lease dated November 9, 1948, from General Crude Oil Company to R. Olsen, recorded in Book 74, Page 206.
- (c) Oil and gas lease dated December 15, 1948, from J. C. McIntyre, et ux, to R. Olsen, recorded in Book 75, Page 317.
- (d) Oil and gas lease dated December 1, 1948, from Munance Corporation to R. Olsen, recorded in Book 74, Page 516.
- (e) Oil and gas lease dated December 17, 1948, from Magnolia Petroleum Company to R. Olsen, recorded in Book 75, Page 105.
- (f) Oil and gas lease dated January 27, 1949, from Western Gas Company to R. Olsen, recorded in Book 75, Page 516.
- (g) Oil and gas lease dated June 22, 1949, from Western Natural Gas Company to R. Olsen, recorded in Book 78, Page 340.
- (h) Oil and gas lease dated June 14, 1949, from Magnolia Petroleum Company to R. Olsen Oil Company, recorded in Book 80, Page 145.
- (i) Oil and gas lease dated June 30, 1949, from Munance Corporation to R. Olsen, recorded in Book 80, Page 149.
- (j) Oil and gas lease dated September 8, 1960, from General Crude Oil Company to Olsen Oils, Inc., recorded in Book 188, Page 347,

insofar as said leases cover all or any portion of the following described land:

The Southeast Quarter (SE/4) of Section 25, Township 24 South, Range 36 East, Lea County, New Mexico,

and insofar and only insofar as said leases as to the NE/4 SE/4 of said Section 25 cover an undivided 297/320ths interest in the oil, gas and other minerals to a depth of 4000 feet and an undivided 5/16th interest in the oil, gas and other minerals below 4000 feet, subject to excess royalties aggregating 389/5120ths of all oil produced and 297/5120ths of all gas produced; and as to the W/2 SE/4 and SE/4 SE/4 an

undivided 297/320ths interest in all gas produced, and an undivided 185/320ths interest in all oil produced to a depth of 3625 feet; an undivided 205/320ths interest in all gas produced and an undivided 185/320ths interest in all oil produced from 3625 feet to a depth of 4000 feet; and an undivided 5/16ths interest in all oil, gas and other minerals below the depth of 4000 feet, subject to excess royalties on all gas produced of 297/5120ths to a depth of 3625 feet and excess royalties on all gas produced of 41/1024ths from 3625 feet to 4000 feet, and excess royalties on oil of 33/1024ths as to all depths down to 4000 feet, and excess royalties on oil and gas of 5/24ths as to all depths below 4000 feet, subject to the following:

- (1) Contract and Operating Agreement dated November 30, 1948, between R. Olsen and Roy H. Sowell, et ux, and Amendment thereto, dated September 30, 1949.
- (2) Unitization Agreement dated July 26, 1945, between Magnolia Petroleum Company, R. Olsen Oil Company and R. Olsen, recorded in Book 48, Page 501.
- (3) Amendment to Oil and Gas Lease dated June 30, 1949, executed by Munance Corporation, recorded in Book 48, Page 439.
- (4) Amendment to Oil and Gas Lease dated June 22, 1949, executed by Western Natural Gas Company, recorded in Book 48, Page 4.
- (5) Designation of Unitized Acreage dated September 8, 1949, by Uscon Drilling Company, recorded in Book 49, Page 330.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land above 3625 feet owned by Assignor is .7541015 as to all dry gas produced and .7361328 as to all oil and casinghead gas produced.

TRACT 52 - VAN ZANDT (SO. CALIF.) LEASE

All interest in and to the following described oil and gas leases:

- (a) Oil and Gas Lease dated November 29, 1948, from M. M. Miller, et ux, to R. Olsen, recorded in Book 73, Page 393.
- (b) Oil and Gas Lease dated November 9, 1948 from General Crude Oil Company to R. Olsen, recorded in Book 74, Page 206.
- (c) Oil and Gas Lease dated December 15, 1948, from J. C. McIntyre, et ux, to R. Olsen, recorded in Book 75, Page 317.
- (d) Oil and Gas Lease dated September 8, 1960, from General Crude Oil Company to Olsen Oils, Inc., recorded in Book 188, Page 347,

Insofar as said leases cover all or any portion of the following described land:

The Northeast Quarter (NE/4) of Section 25, Township 24 South, Range 36 East, Lea County, New Mexico,

and insofar and only insofar as said leases cover an undivided 105/320ths interest in the oil, gas and other minerals to a depth of 4000 feet and an undivided 5/16ths interest in the oil, gas and other minerals below the depth of 4000 feet, subject to an excess royalty interest of 1/1024th of total production of oil, gas and other minerals above 4000 feet and 5/24ths below 4000 feet.

The fractional share of the gross oil, gas and other hydrocarbons produced from the above described land above 4000 feet owned by Assignor is .2861328.

TRACT 53 - WIMBERLEY LEASE

A. All interest in and to the following described oil and gas leases:

- (a) Oil and Gas Lease dated April 16, 1938, from Sam D. Wimberley, et ux, to Western Natural Gas Company, recorded in Book 35, Page 156.

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10428

MIDLAND, TEXAS 79702

(915) 684-4011

September 6, 1985

Sun Exploration & Production Company
Post Office Box 1861
Midland, Texas 79702

Attention: Mr. Tom Hobbs
District Land Manager

Re: Proposed Farmout or
Lease Purchase
SE/4 Section 25,
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
Jal-Olsen NM-A2-38
NM-A2-52
(200 acres)

Gentlemen:

During the past eighteen months, Doyle Hartman has acquired various oil and gas interests from both Sun Exploration & Production Company and The Prudential Insurance Company of America covering both the SE/4 Section 25 and NE/4 NE/4 Section 36, T-24-S, R-36-E, Lea County, New Mexico. After a recent review of the subject acreage, we have determined that an infill Jalmat gas well needs to be immediately drilled on the presently non-producing Jalmat acreage with the new infill well to be dedicated to a new 200 acre Jalmat gas proration unit consisting of:

T-24-S, R-36-E

Section 25: SE/4 (fee acreage)

✓ Section 36: NE/4 NE/4 (State of New Mexico
Lease No. E-2388)

Our proposed new well will be drilled as a 3,800' Queen test in order to also test the Langlie Mattix Pool interval as to the subject acreage. Therefore, we respectfully request that you cooperate with the drilling of our proposed new Van Zandt-McKinney "Com" No. 1 infill Jalmat test in one of the following ways:

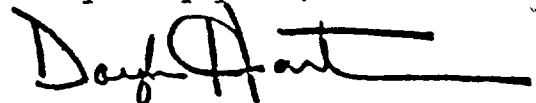
1. Sun may join as a working interest participant in the drilling of the proposed 3,800' Queen test as to its 55.25 gross% working interest (a net 27.625% excluding our 50% Prudential Net Profits interest). In this regard, please find enclosed two copies of our AFE and Detail Well Estimate covering the proposed Van Zandt-McKinney "Com" No. 1. If you chose this option, please execute one copy of the enclosed AFE and return it to this office

as soon as possible. Upon receipt of your executed AFE, we will immediately forward to you a Model Form AAPL Operating Agreement.

2. As a second alternative, Sun may elect to farmout to us its interest in the proposed new proration unit while retaining a 30% of 8/8ths gross overriding royalty interest (proportionately reduced), absorbing all burdens, so that operator would be assigned a 70% net revenue interest. The farmout agreement shall provide for 120-day continuous development with the oil and gas rights earned to be limited to the interval from the surface to 100' below total depth drilled as to each NMOC proration unit.
3. As a third alternative, we are willing to purchase Sun's net interest in both tracts (Van Zandt and McKinney) for a total of \$50,000. Assigned rights shall cover oil and gas rights over the interval from the surface to 4,000 feet.
4. Being that the present production from our Van Zandt No. 1 (Langlie Mattix producer) in the SE/4 Section 25 can only be classified as marginally economic, we must move forward as quickly as possible with the drilling of our proposed new infill Jalmat well in order to prevent further erosion of our interest in the SE/4 Section 25. Therefore, if we do not promptly hear from you regarding this request, we will be required to file for compulsory pooling of Sun's interest in the SE/4 Section 25 and the NE/4 NE/4 Section 36.

In summary, the above proposed alternatives appear to be highly satisfactory options for Sun and will: 1) facilitate the drilling of a badly needed new well on the subject acreage, 2) assist in the protection of the correlative rights of the working interest owners, net profits owners, and the mineral owners as to the proposed infill proration unit, and 3) will maximize the recovery of any remaining reserves and will prevent the future waste of a valuable natural resource. Please let us hear from you in this regard as soon as possible.

Very truly yours,



Doyle Hartman

DH/mh

cc: Mr. Robert Strand
Atwood, Malone, Mann and Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. James P. Boldrick
Rassman, Gunter & Boldrick
1801 W. Wall
Midland, Texas 79701

Mr. R. L. Thompson
Sun Exploration and Production Company
Post Office Box 2880
Dallas, Texas 75221

Mr. Bruce Wellborne
Sun Exploration and Production Company
Post Office Box 1861
Midland, Texas 79702

Mr. Rick Everitt
Sun Exploration and Production Company
Post Office Box 1861
Midland, Texas 79702

Mr. William F. Carr
Campbell & Black, P. A.
Post Office Box 2088
Santa Fe, New Mexico 87501

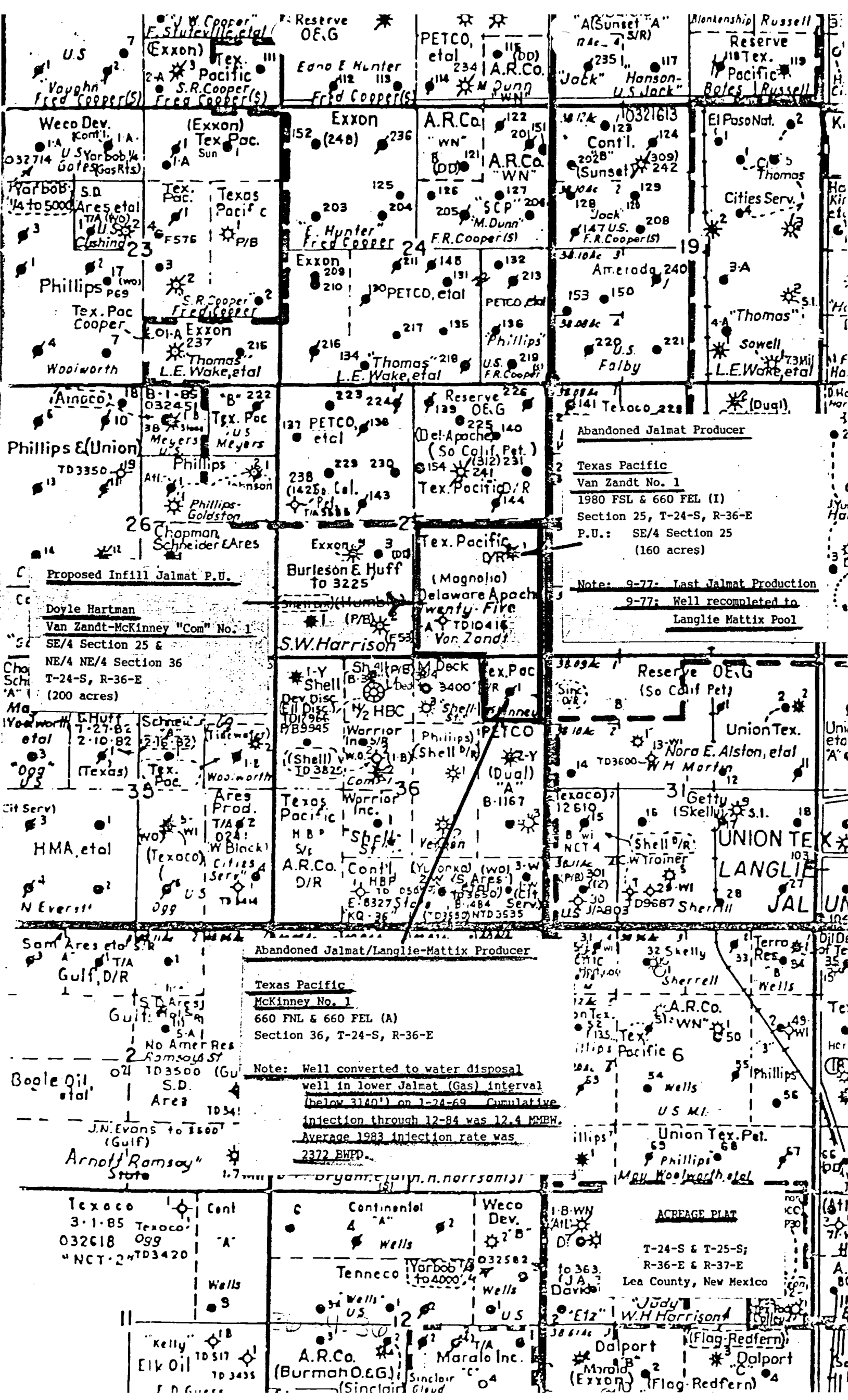
Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. Jim Baca
State of New Mexico
Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

Mr. William P. Aycock
1207 W. Wall
Midland, Texas 79701

Ms. Marcia Faykus
Sun Exploration and Production Company
Post Office Box 2880
Dallas, Texas 75221-2880



DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____

COUNTY Lea STATE New Mexico FIELD Jalnat/Langlie-Mattix

LOCATION: 990 FNL & 990 FEL, Sec. 25, T-24-S, R-36-E

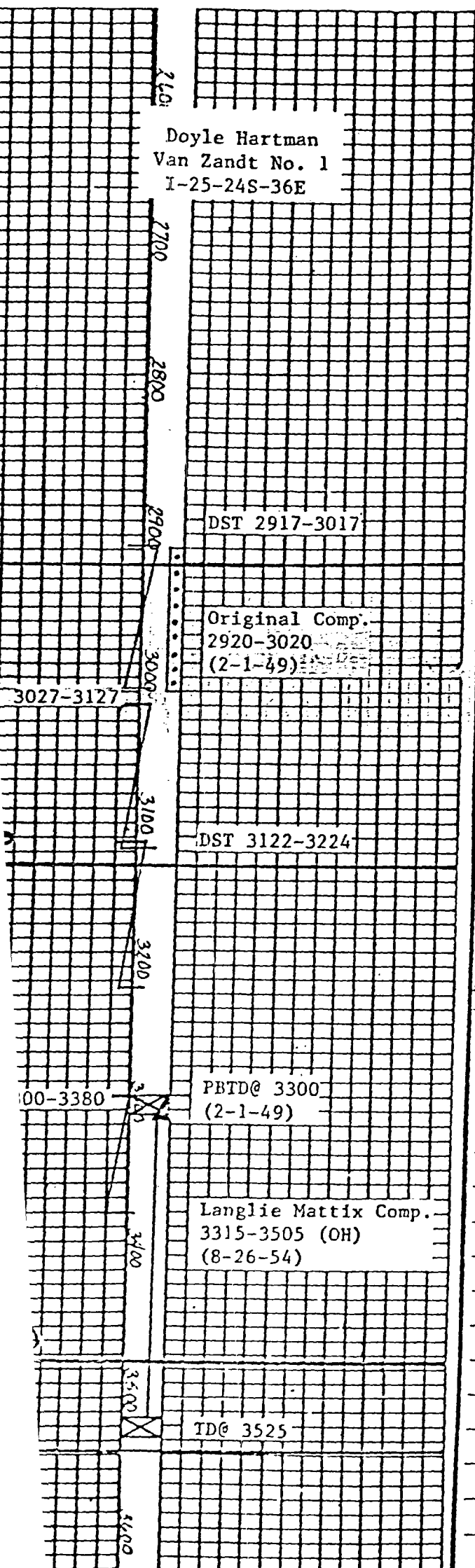
DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	3,800	Feet @ 13.50	51,300	51,300
2.	Day Work	1 day @ 3,800			
				3,800	3,800
3.	Coring Service		Well Surveys	12,000	12,000
4.	Bits and Reamers			---	---
5.	Testing			---	---
6.	Directional Drilling			---	---
7.	Fuel		Water	6,500	6,500
8.	Mud		Mud Logging	8,100	8,100
9.	Cementing Service		Cement Floats	15,600	5,000
10.	Company Labor		Contract Labor	9,500	3,600
11.	Surface Damages and Right-of-Way			2,800	2,800
12.	Digging Pits		Filling Pits	1,200	1,200
13.	Pit Lining			1,500	1,500
14.	Roads & Bridges		Dredging & Grading	8,000	8,000
15.	Acidizing 10,000	Fracturing 86,000	Perforating 4,000	100,000	---
16.	Plugging			---	2,800
17.	Trucking Cost			2,900	1,500
18.	Development Superintendence 14	days @ \$500	/day	7,000	3,500
19.	Rental Equipment			4,500	500
20.	Swabbing and Testing			10,500	---
21.	Legal and Professional Expenses:				
	Product Price Determination			2,400	2,400
	Regulatory Hearings			3,600	3,600
	Other			4,300	4,300
22.	Abstracts and Title Opinions				
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ 15	%		38,500	18,400
	Total Intangibles			294,000	140,800
WELL EQUIPMENT:					
26.	Casing	400	Ft. of 9-5/8 @ 8.50 Per Ft.		
		3,800	Ft. of 7 @ 5.95 Per Ft.		
			Ft. of @ Per Ft.	26,000	3,400
27.	Tubing	3,800	Ft. of 2-3/8 @ 2.75 Per Ft.	10,450	---
28.	Casing Head			1,300	1,300
29.	Xmas Tree or Pumping Connections			4,600	---
30.	Pumping Unit			19,500	---
31.	Engine/Motor Controller and Power System			4,500	---
32.	Sucker Rods			6,100	---
33.	Pump			2,000	---
34.	Tank Battery			2,600	---
35.	Separator or Dehydration Equip.			2,400	---
36.	Metering Equipment			---	---
37.	Flow Lines			1,900	---
38.	Guards and Fences			2,150	2,300
39.	Other Costs			---	---
40.	Contingency @ 15	%		12,500	1,000
	Total Tangibles			96,000	8,000
TOTAL COST OF WELL				390,000	148,800
Sun Exploration & Production Share at 55.25 %				215,475	82,212

REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry A. Nunn Title Engineer Date 9-05-85
Title _____ Date _____

Working Interest Ownership
Proposed 200-acre P.U.
Doyle Hartman
Van Zandt-McKinney "Com" No. 1
SE/4 Section 25 & NE/4 NE/4 Section 36
T-24-S, R-36-E

<u>COMPANY</u>	<u>W.I. ACREAGE</u>	<u>GROSS ACRES</u>	<u>NET W.I. ACRES</u>	<u>NET W.I.-%</u>
Doyle Hartman				
	NE/4 SE/4 Section 25	40	40.00	20.000
	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	<u>NE/4 NE/4 Section 36</u>	<u>40</u>	<u>20.00</u>	<u>10.000</u>
	Sub Total	200	95.25	47.62
Sun Exploration & Production Co.				
	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	<u>NE/4 NE/4 Section 36</u>	<u>40</u>	<u>20.00</u>	<u>10.000</u>
	Sub Total	160	55.25	27.62
ARCo	S/2 SE/4 & NW/4 SE/4 Section 25	120	42.00	21.00
Mobil	S/2 SE/4 & NW/4 <u>SE/4 Section 25</u>	120	<u>7.50</u>	<u>3.75</u>
<u>TOTAL</u>	- - - -	- - - -	200.00	100.00



COMPANY	Doyle Hartman
	(Sun Exploration & Production Co.)
WELL	Van Zandt No. 1
FIELD	Jalmat (Gas)/Langlie Mattix
LOCATION	1980 FSL & 660 FEL (I)
	Section 25, T-24-S, R-36-E
	(24-36-25-I)
COUNTY	Lea
STATE	New Mexico
ELEVATIONS:	KB _____
	DF 3279
	GL _____
	9-06-85

COMPLETION RECORD	
SPUD DATE	11-6-48
COMP. DATE	2-1-49
TD	3525
PBTD	3300 (2-1-49)
CASING RECORD	10 3/4 @ 300 w/150
	7 @ 3315 w/300
PERFORATING RECORD	Perf: 2920-3020 w/150
	(Yates)
STIMULATION	Natural
IP	IPF= 3780 MCFGPD + 0 BOPD
GOR	GR
TP	CP 415 (SICP=1150)
CHOKE	TUBING 2" @ 2700
REMARKS	DST 2917-3017: OP 10". GTS 4".
	No gauge. OCMTS 6". FP 200#.
	DST 3027-3127: OP 60". Rec
	375' sul wtr.
	DST 3122-3224: OP 80". R 360' GCM.
	DST 3300-3380: OP 90". GTS 60".
	8-26-54: DO to 3505. PETROFRAC OH
	3315-3505. IPF= 30 BOPD. GOR 10,890.
	10-77: Abd Jalmat. Returned Langlie
	Mattix to production.
	Last Jalmat Prod: 9-77
	Jalmat Cum: 2781.5 MCF
	5-85 Langmat Cum Prod: 14.6 MBO
	143 MCF
	1985 Langmat Avg Prod: 2 BOPD
	5 MCFPD

DATE 02/04/2012
DOYLE HARTMAN, OIL OPERATOR
NIGHTS ENERGY DATA SYSTEM
LEASE NAME VAN ZANDT
WELL 1
OPER SUN TEXAS CO

RUN DATE 9/05/85

TIME 11:54:143

PAGE 1

LOCATION 251245 34E
NIGHTS ID # 30224534E251PKT
FIELD - JALPAT TANSILL TT 7 RMS (PRO GAS) TT
PROBATION UNIT # - 53095
CUMES DATES - LIQUID 0/69/12 CUMES - LIQUID GAS
0 LID GATHERER
2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-TO
70-85

PRODUCTION DATA

YR	MR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AGE
70 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		315	413	453	433	503	611	611	934	1297	1286	1174	1414	9448	2735613	787
71 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		1338	1299	1589	1553	1767	1518	1764	1680	1621	1578	1500	1742	18949	2754562	1579
72 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		1673	1569	1539	1962	1302	1190	1699	1428	1450	1333	890	815	16850	2771412	1404
73 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		720	788	791	802	593	437	184	100	79	141	202	177	5014	2776426	418
74 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		376	126	98	171	191	160	121	83	123	118	132	56	1725	2778181	146
75 FLOW		1	1	1	1	1	1	1	1	1	1	1	1			
LIFT		0	0	0	0	0	0	0	0	0	0	0	0			
DAYS		0	0	0	0	0	0	0	0	0	0	0	0			
OIL		0	0	0	0	0	0	0	0	0	0	0	0			
WATER		0	0	0	0	0	0	0	0	0	0	0	0			
GAS		106	133	166	163	128	153	292	228	157	67	63	76	1732	2779913	144

14712042

DOYLE HARTMAN, OIL OPERATOR
DAUGHTS ENERGY SYSTEM

RUN DATE 9/05/85 TIME 11:24:43

PAGE 2

LEASE NAME VAN ZANDT
WELL 1
OPER SUN TEXAS CO

LOCATION 25124S 34E

DAUGHTS ID # 30224534E251PKYT FIELD - JAWAY TANSILL YT 7 RURS (PRO GAS) YT PRODRATION UNIT # - 53095

0 LIO GATHERER

CUMES DATES - LIQUID 0/69/12 CUMES - LIQUID GAS
GAS 0/69/12

272616S GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-TO
70-85

PRODUCTION DATA

YR	MR	WELLS	PRODN	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AVS
76 FLOW LIFT				1	1	1	1	1	1	1	1	1	1	1	1			
		DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0		0
		OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		GAS		79	91	88	92	89	66	87	92	81	80	77	83	1005	2780918	84
77 FLOW LIFT				1	1	1	1	1	1	1	1	1	0	0	0			
		DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0		0
		OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		GAS		83	78	92	83	93	83	28	23	44	0	0	0	607	2781525	67

DAUGHTS ENERGY DATA SYSTEM RUN DATE 9/05/85 TIME 11:54:43 PAGE 1
LEASE NAME VAN ZANDT LOCATION 251245 346 RIGHTS ID 302245346251245 FIELD - JAWAT TANSILL YF 7 RWS (PRO GAS) YF PRODRATION UNIT 0 - 53095
WELL 1 OPER SUN TEXAS CO CUMES DATES - LIQUID 0/69/12 CUMES - LIQUID 0 LIO GATHERER 2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY
SELECTION FROM-TO 70-85

TEST DATA

TEST DATE	WELL HEAD S/I PRESS	ROT HOLE PRESSURE	Z-FACTOR	P/Z	TEST DATE	GAS CUMES
70/08/07	219	234	.967	242	70/08/07	2,729,719
71/10/07	204	218	.969	225	71/10/07	2,750,098
72/08/07	307	329	.954	345	72/08/07	2,765,818
73/06/19	299	320	.955	335	73/06/19	2,775,383
74/06/17	256	274	.961	285	74/06/17	2,777,479
75/06/16	197	211	.970	218	75/06/16	2,778,959
76/06/01	236	253	.964	262	76/06/01	2,780,354
76/07/12	192	205	.971	211	76/07/12	2,780,452

US-387

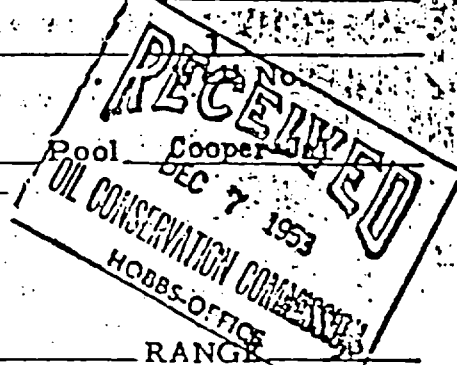
OIL CONSERVATION COMMISSION

Date November 27, 1953

R. OLSEN OIL COMPANY
OperatorVan Zandt
Lease

Name of Producing Formation Queen

No. Acres Dedicated to the Well 160



SECTION	25	TOWNSHIP	24	RANGE

25

✓ 660' 660' 1

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name Dwight W. Stinson
Position Geological Engineer
Representing R. Olsen Oil Company
Address Drawer 121 Jal, New Mexico

(over)

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2045
HOBBS, NEW MEXICO

DATE May 28, 1954

TO: R. Olsen Oil Company
Box 625, Jal, New Mexico

GENTLEMEN:

Form C-104 for your	<u>Van Zandt</u>	<u>1 I</u>	<u>25-24-36</u>	<u>Jalco</u>
	<u>LEASE</u>	<u>WELL</u>	<u>S.T.R.</u>	<u>POOL</u>

has been approved, however, since this well is:

- () An unorthodox location,
- () Located on an unorthodox proration unit,
- () Outside the boundaries of a designated pool,

it will be necessary for you to;

- () ~~Comply with the provisions of Rule 4 of Commission Order~~
- () Comply with the provisions of Rule 7 of Commission Order
- () File form C-123

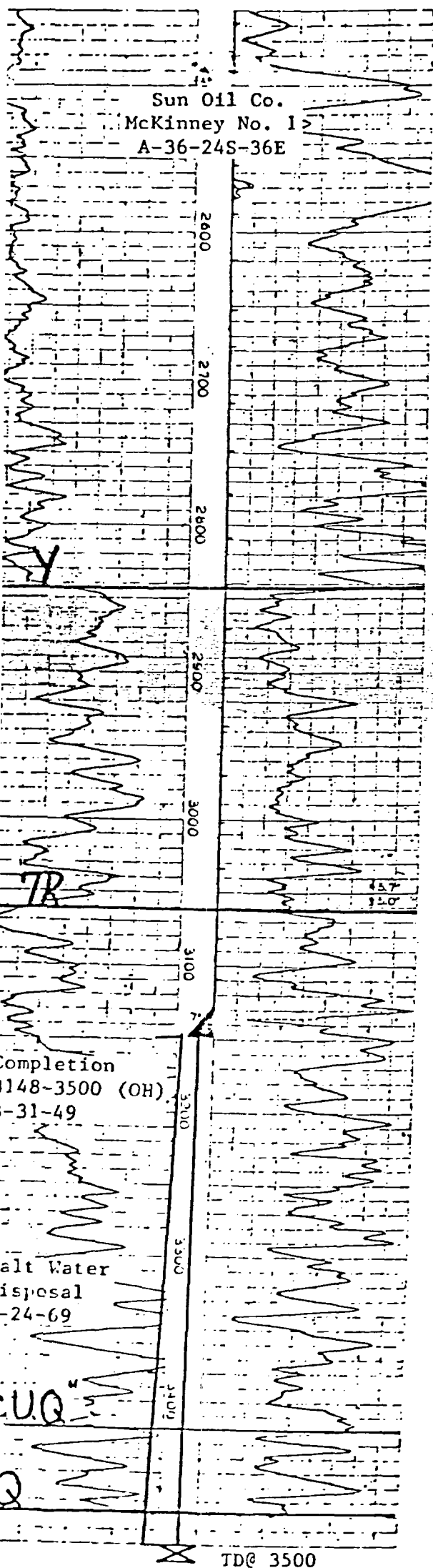
Pending further Commission action this unit will be assigned an _____ acre allowable.

Normal 160 Acre Unit

OIL CONSERVATION COMMISSION
by Stanley J. Stanley

CCC/ms

cc/ Transporter El Paso Natural Gas Company



COMPANY

(Texas Pacific/R. Olsen)

WELL McKinney No. 1

FIELD Jalmat-Langlie Mattix

LOCATION 660 FNL & 660 FEL (A)

Sec. 36, T-24-S, R-36-E

(24-36-36-A)

COUNTY Lea

STATE New Mexico

ELEVATIONS:

KB

DF 3269

4-25-83

GL

COMPLETION RECORD

SPUD DATE 3-7-49 COMP. DATE 3-31-49

TD 3500 PBTD 3500

CASING RECORD 10 3/4 @ 278 w/175

7 @ 3148 w/500

PERFORATING RECORD OH: 3148-3500

(Seven Rivers-Queen)

STIMULATION Natural

IP IPF= 9 BOPD + 2000 MCFPD*

GOR GR

TP CP

CHOKE 15/64 TUBING @

REMARKS DST 3148-3500: F/9 BOPD + 6000 MCFPD.

*Sample Shows

2855-2950: Sand. Very good show of gas.

3390-3490: Sucrosic dolomite. Fair to good show of oil.

1-24-69: Well converted to water disposal from 3140-3500.

1-83 Cum. Wtr. Inj.: 12211 MBW

1982 Avg. Wtr. Inj: 2372 BWPD

C.

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific Oil

Well: McKinney No. 1

Location: _____ A-36-24-36 _____

Pool: _____ Lanqlie Mattix /Jalmat

Spud Date: _____ Original Completion Date: _____

Completion Interval (Gas): _____

Completion Date (Gas): _____ First Production (Gas): _____

Remarks: _____ No Gas Production available prior to 1-1-59. _____

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

Year	No. of Mos.	Annual Gas Production (MCF)	Avg. Gas Rate (MCF/mo.)	*Cum. Gas Production (MMCF)			
1968	6	10195	1699	334.7			
1967	12	17887	1490	324.5			
1966	12	37008	3084	306.6			
1965	12	27808	2317	269.6			
1964	12	24535	2044	241.8			
1963	12	23836	1985	217.3			
1962	12	25034	2086	193.5			
1961	12	44361	3697	168.5			
1960	12	55736	4645	124.1			
1959	12	68352	5696	68.4			

Avg. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 67 Detail Summary19 68 Detail Summary

Jan.	<u>2589</u>	July	<u>2078</u>
Feb.	<u>829</u>	Aug.	<u>1663</u>
March	<u>892</u>	Sept.	<u>417</u>
April	<u>2384</u>	Oct.	<u>1631</u>
May	<u>1310</u>	Nov.	<u>994</u>
June	<u>2097</u>	Dec.	<u>1003</u>

Jan.	<u>1525</u>	July	<u> </u>
Feb.	<u>2600</u>	Aug.	<u> </u>
March	<u>1799</u>	Sept.	<u> </u>
April	<u>2004</u>	Oct.	<u> </u>
May	<u>2252</u>	Nov.	<u> </u>
June	<u>15</u>	Dec.	<u> </u>

Production (Y-T-D) _____ 10195 MCF

Avg. Rate (Y-T-D) 1699 MCF/mo.

Days or Months (Y-T-D) 6 mos.

OIL PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific (R. Olsen)

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix/Jalmar

Spud Date: _____ Original Completion Date: _____

Completion Interval (Oil): _____

Completion Date (Oil): _____ First Production (Oil): _____

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

Year	No. of Mos.	Annual Oil Production (BBL)	Avg. Oil Rate (BBL/mo.)	Cum. Oil Production (MBBL)			
1968	5	238	48	23.4			
1967	12	534	44	23.1			
1966	12	660	55	22.6			
1965	12	527	44	21.9			
1964	12	597	50	21.4			
1963	12	682	57	20.8			
1962	12	473	40	20.1			
1961	12	743	62	19.6			
1960	12	1053	88	18.9			
1959	12	1271	106	17.9			
1958	12	1939	162	16.6			
1957	12	1213	101	14.6			
1956	12	1170	97	13.4			
1955	12	1222	102	12.3			
1954	12	1445	120	11.0			
1953	12	1391	116	9.6			
1952	12	1828	152	8.2			
1951	12	2317	193	6.4			
1950	12	2589	216	4.1			
1949	6	1468	122	1.5			

Avg. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 _____ Detail Summary

Jan. _____	July _____
Feb. _____	Aug. _____
March _____	Sept. _____
April _____	Oct. _____
May _____	Nov. _____
June _____	Dec. _____

19 _____ Detail Summary

Jan. _____	July _____
Feb. _____	Aug. _____
March _____	Sept. _____
April _____	Oct. _____
May _____	Nov. _____
June _____	Dec. _____

Production (Y-T-D) 238 BBL

Avg. Rate (Y-T-D) 48 BBL/mo.

Days or Months (Y-T-D) 5 mos.

WATER DISPOSAL HISTORY

Date 10-5-83

Page 1 of 1

Operator: Sun Exploration & Production Co.

Well: McKinney No. 1

Location: A-36-24-36

Pool: Jalmat-Langlie Mattix

Spud Date: 3-7-49

Original Completion Date: 3-31-49

Completion Interval (Gas):

Completion Date (Gas):

First Production (Gas):

Remarks: 1-24-69: Well converted to water disposal in the interval 3140-3500.

[illegible]

8.3

180¹⁹₃₆

Detail Summary

19.

Detail Summary

Jan.	22405	July	
Feb.	23723	Aug.	
March	25306	Sept.	
April	23593	Oct.	
May	23740	Nov.	
June		Dec.	

Jan. _____ July _____
Feb. _____ Aug. _____
March _____ Sept. _____
April _____ Oct. _____
May _____ Nov. _____
June _____ Dec. _____

136803 BW

22801 BAPM

Production (Y-T-D) _____

Avg. Rate (Y-T-D) 752 BEPD

Days or Months (Y-T-D) _____ A-36-24-36

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 1, 1985

Sun Exploration & Production Co.
Post Office Box 1861
Midland, Texas 79702

Attention: Mr. Tom Hobbs

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

By letter dated September 6, 1985, we furnished you a copy of our AFE for our newly proposed Van Zandt-McKinney "Com" No. 1 well to be located in the SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico and to be dedicated to the above-described 200-acre tract.

Please be advised that the well location given on the AFE previously furnished you on September 6, 1985 was incorrect. We are enclosing for your approval two copies of our revised AFE showing the correct proposed location to be 1650 FSL and 990 FEL, Section 25, T-24-S, R-36-E, Lea County, New Mexico.

We again respectfully request that you give consideration to our letter of September 6, 1985 and cooperate in the drilling of a badly needed Jalmat gas well.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

MH/cg
Enclosure

REVISED

DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____COUNTY Lea STATE New Mexico FIELD Jalmat/Langlie-MattixLOCATION: 1650 FSL & 990 FEL, Sec. 25, T-24-S, R-36-E

DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	3,800	Feet @ 13.50 Per Foot	51,300	51,300
2.	Day Work	1 day @ 3,800			
				3,800	3,800
3.	Coring Service		Well Surveys	12,000	12,000
4.	Bits and Reamers			---	---
5.	Testing			---	---
6.	Directional Drilling			---	---
7.	Fuel		Water	6,500	6,500
8.	Mud		Mud Logging	8,100	8,100
9.	Cementing Service		Cement Floats	15,600	5,000
10.	Company Labor		Contract Labor	9,500	3,600
11.	Surface Damages and Right-of-Way			2,800	2,800
12.	Digging Pits		Filling Pits	1,200	1,200
13.	Pit Lining			1,500	1,500
14.	Roads & Bridges		Dredging & Grading	8,000	8,000
15.	Acidizing 10,000	Fracturing 86,000	Perforating 4,000	100,000	---
16.	Plugging			---	2,800
17.	Trucking Cost			2,900	1,500
18.	Development Superintendence	14	days @ \$500 /day	7,000	3,500
19.	Rental Equipment			4,500	500
20.	Swabbing and Testing			10,500	---
21.	Legal and Professional Expenses:				
	Product Price Determination			2,400	2,400
	Regulatory Hearings Other			3,600	3,600
22.	Abstracts and Title Opinions			4,300	4,300
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ 15 %			38,500	18,400
	Total Intangibles			294,000	140,800
WELL EQUIPMENT:					
26.	Casing	400	Ft. of 9-5/8 @ 8.50 Per Ft.		
		3,800	Ft. of 7 @ 5.95 Per Ft.		
			Ft. of @ Per Ft.	26,000	3,400
27.	Tubing	3,800	Ft. of 2-3/8 @ 2.75 Per Ft.	10,450	---
28.	Casing Head			1,300	1,300
29.	Xmas Tree or Pumping Connections			4,600	---
30.	Pumping Unit			19,500	---
31.	Engine/Motor Controller and Power System			4,500	---
32.	Sucker Rods			6,100	---
33.	Pump			2,000	---
34.	Tank Battery			2,600	---
35.	Separator or Dehydration Equip.			2,400	---
36.	Metering Equipment			---	---
37.	Flow Lines			1,900	---
38.	Guards and Fences			2,150	2,300
39.	Other Costs				
40.	Contingency @ 15 %			12,500	1,000
	Total Tangibles			96,000	8,000
TOTAL COST OF WELL				390,000	148,800
Sun				215,475	82,212
Share at 55.25 %					

REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry G. Nummy Title Engineer Date 10-01-85

Approved _____ Title _____ Date _____

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 18, 1985

Sun Exploration and Production Company
Sun Tower #24
Smith Road ClayDesta Plaza
Midland, Texas 79705

Attention: Mr. Rick Everett

Re: Proposed Infill Well
SE/4 Section 25 and
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico

Gentlemen:

With reference to our conversations concerning the captioned proposal pertaining to the drilling of the proposed infill well, this is to advise that Hartman does not wish to change in any way his proposal submitted to Sun on September 6, 1985.

Since 1976 we have made a number of proposals pertaining to further development drilling in Sections 25 and 36, T-24-S, R-36-E, and until now, Sun has shown no interest in any development of these leases during the past nine years.

We have been in contact with the State Land Office and they also agree that the McKinney lease (NE/4 NE/4 Section 36) should be included in our proposed 200-acre unit. They realize that this lease will never get credit for any of its remaining recoverable Jalmat reserves if it is not put in the proposed proration unit at this time. They realize that the State has been denied thousands of dollars due to Sun's failure to put this tract in a proration unit in the past, even though they have been presented the opportunity to include this lease in a producing top-allowable Jalmat (Gas) proration unit.

Further, from an operational and technical standpoint, Hartman is much more experienced as to the shallow producing zones in this area than Sun. This has been demonstrated by the results of recent drilling of Doyle Hartman on properties formerly owned by Sun.

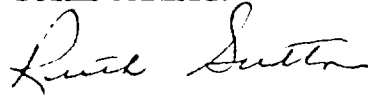
As the owner of the largest paying interest in the proposed 200-acre proration unit, we have given Sun the opportunity to join, farmout, or sell their interest. As far as we are concerned, Sun still has these opportunities, and we are not going to make any unnecessary changes in our proposal at this time.

Concerning the location of the proposed infill well, studies (including a survey to determine surface conditions) are now being performed to determine the exact location. However, the proposed new infill well will be drilled at a standard location as provided under Jalmat (Gas) pool rules unless surface obstructions prevent the well from being located at an optimum standard location.

Since six weeks have passed since we first contacted you without hearing anything from Sun, we are surprised to learn that you will be opposing us. You are hereby advised that we will proceed with our scheduled hearing before the Oil and Gas Commission on October 23, 1985.

Very truly yours,

DOYLE HARTMAN



Ruth Sutton
Landman

RS/dr

cc: Mr. William F. Carr
Campbell & Black
Post Office Box 2208
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

Mr. Robert H. Strand
Atwood, Malone, Mann & Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. Dan Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Hinkle, Cox, Eaton, Coffield & Hensley
Attn: Harold Hensley
200 Blanks Building
Midland, Texas 79701

Hinkle, Cox, Eaton, Coffield & Hensley
Attn: Rocky Isbell
200 Blanks Building
Midland, Texas 79701


**Sun Exploration and
Production Company**

Sun Tower
ClayDesta Plaza
No 24 Smith Rd Suite 600
Midland TX 79705
915 688 0532

October 21, 1985

Doyle Hartman
P. O. Box 10426
Midland, TX 79702

Re: Proposed Van Zandt A
#1 Well, SW/4 Section 25,
T-24-S, R-36-E
Lea County, New Mexico

Sun Lease #T-20193

Dear Mr. Hartman;

Sun Exploration and Production Company proposes the drilling of the captioned well at a location 1980' FSL and 1980' FEL of Section 25, to be drilled to a depth of 3800'.

Enclosed for your evaluation are two (2) copies of the AFE. Should your interest be limited to the Jalmat Pool, gross costs will be allocated as follows:

Tangibles	\$ 50,000.00
Intangibles	165,000.00
Equipment	13,000.00
Total (Completed)	\$228,000.00
Total (Dry Hole)	\$120,000.00

If this proposal is acceptable to you, please execute one (1) copy of the AFE and return to my attention. At such time, we will begin contract preparation.

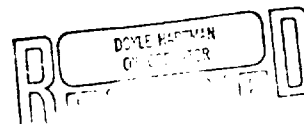
Sincerely,

SUN EXPLORATION AND PRODUCTION COMPANY


Richard H. Everett III
Senior Landman

cjw

Enclosure(s)



OCT 21 1985

SUN OIL CO. (DELAWARE) ☐ 100% CO-OP ☐ OBO ☒ C.O.-P.I.		ORIGINATING LOCALITY SOUTHWESTERN DISTRICT		POLLING CONTROL EST. AMOUNT \$ 10,000			OIL ☒ WATER ☐ AIR		GAS ☐		AFE NUMBER S 1320 DATE 10/18/85				
AMOUNT REQUESTED \$ 171,275		EXPENDITURE BUDGETED ☐ YES ☒ NO ☐ PARTIALLY		YEAR _____		COMPLETE FOR OBO APPROPRIATIONS ONLY									
EST. COMPLETION DATE		PROPERTY ID NUMBER		PROPERTY NAME VAN ZANDT A		WELL NO. 1		TOTAL DEPTH 3,800'		OPERATOR'S NAME JALMAT/LANGLIE-MATTIX		AFE NUMBER			
PROSPECT NAME		PROSPECT ID NUMBER		CLASSIFICATION D - MIS CODE B1		FIELD JALMAT/LANGLIE-MATTIX						MUNICIPALITY/PARISH/COUNTY LEA		PROVINCE/STATE NEW MEXICO	
PRIMARY OBJECTIVE ☒ OIL ☐ GAS ☐ PLANT LIQUID		PREDICTED NET RESERVES MMCF/OR M BBLS: _____		M BBLS/OR MMCF: _____		MMCF/OR M BBLS: _____		SUN WI: 0.5525				SUN INC. I: _____		TYPE: _____	
NON DRILLING PROJECT DESCRIPTION DRILL & COMPLETE 3800' JALMAT/LANGLIE-MATTIX WELL. 1980' FSL & 1980' FEL, SEC. 25, T-24-S, R-36-E (NOTE: IF USED 7" CSG & 2-3/8" TBG AVAILABLE, THE TANGIBLE COSTS COULD BE REDUCED $\pm$ \$13,000)															
INTANGIBLE (\$000s)		PRODUCER		DRY HOLE		TANGIBLE (\$000s)		PRODUCER		DRY HOLE					
40 LOCATION	_____	15	_____	15	_____	PIPE 9-5/8" (400')	_____	7	_____	7	_____				
41 RIG MOVE	_____	_____	_____	_____	_____	PIPE	_____	_____	_____	_____	_____				
42 FOOTAGE \$12/FT.	_____	46	_____	46	_____	PIPE 7" (3800')	_____	41	_____	---	_____				
43 DAY WORK	_____	4	_____	4	_____	PIPE	_____	_____	_____	_____	_____				
44 BITS AND RMRS	_____	_____	_____	_____	_____	PIPE 2-3/8" (3800')	_____	12	_____	---	_____				
45 FUEL	_____	_____	_____	_____	_____	PIPE	_____	_____	_____	_____	_____				
46 WATER	_____	5	_____	5	_____	PIPE	_____	_____	_____	_____	_____				
47 MUD AND CHEM	_____	6	_____	6	_____	WELLHEAD	_____	4	_____	2	_____				
48 CMT AND CMTG SER	_____	20	_____	8	_____	OTHER	_____	6	_____	1	_____				
49 DIRECTIONAL SER	_____	_____	_____	_____	_____	TOTAL TANGIBLE \$		70,000	\$		10,000				
50 RENTALS	_____	10	_____	3	_____	TOTAL DRILLING COST \$		310,000	\$		125,000				
51 MUD LOGGING	_____	_____	_____	_____	_____	SUN'S NET COST \$		171,275	\$		69,063				
52 DST AND TSTG EQPT	_____	_____	_____	_____	_____										
53 CORING	_____	_____	_____	_____	_____										
54 LOGS-WLT-SWC	_____	12	_____	12	_____										
55 CSG/TBG TOOLS AND SER	_____	2	_____	--	_____										
56 COMPLETION RIG 20 Days	_____	25	_____	--	_____										
57 PERFORATING 5 Sets	_____	10	_____	--	_____										
58 STIMULATION 5 Acid/2 Frac	_____	50	_____	--	_____										
59 SUPERVISION	_____	12	_____	4	_____										
60 TRANSPORTATION	_____	3	_____	1	_____										
61 MISC/CONTINGENCY	_____	20	_____	11	_____										
TOTAL INTANGIBLE \$		240,000		\$		115,000									
APPROVAL LEVEL															
APPROVED: <i>[Signature]</i>		DISTRICT		HEADQUARTERS		CORPORATE		JOINT OWNER(S) APPROVAL OBTAINED							
CONCURRENCE: <i>[Signature]</i>															
DISAPPROVED:															
DATE: <i>10-18-85</i>															

AUTHORITY FOR EXPENDITURE

SUN-5406-C

ACCOUNTING USE ONLY

SUN OIL CO. (DELAWARE)		ORIGINATING LOCALITY		POLLUTION CONTROL			AFE NUMBER	
☐ 100% CO-OP ☐ OBO ☒ C.O. - P.I.		Southwestern District		EST. AMOUNT		OIL	GAS	S1320
AMOUNT REQUESTED		EXPENDITURE BUDGETED		COMPLETE FOR OBO APPROPRIATIONS ONLY			DATE	
\$42,700		☐ YES ☒ NO ☐ PARTIALLY		OPERATOR'S NAME			10-21-85	
EST. COMPLETION DATE		YEAR						
PROPERTY NUMBER		PROPERTY NAME			WELL NO.		TOTAL DEPTH	
NA		Van Zandt A			1			
PROSPECT NAME				PROSPECT NUMBER		CLASSIFICATION		MIS CODE
						PD		B-1
FIELD				MUNICIPALITY/PARISH/COUNTY		PROVINCE/STATE		
Jalmat/Langlie-Mattix				Lea		New Mexico		
PRIMARY OBJECTIVE		SUN WORKING INTEREST		PREDICTED NET RESERVES (M BBLs OR M MCF)		CLASS AND RESERVE		CLASS AND RESERVE
☒ OIL ☒ GAS ☐ PLANT LIQUID		Jalmat Langlie-Mattix .43359 :578125 Jalmat Langlie-Mattix .355225 :473628						
PROJECT DESCRIPTION								

Surface equipment for new well

ECONOMICS: DETAIL COST - ITEMIZE (NEW MONEY INVESTMENT & EXPENSE - 100% & SUN'S NET) (COMPANY LABOR & STOCK): GIVE STATEMENT OF ECONOMICS

ITEM	NEW MONEY		COMPANY		TOTAL
	TANGIBLE	INTANGIBLE	EQUIPMENT	LABOR	
114 PT-Pumping Unit & Pad	\$	\$1,000	\$16,000	\$	\$17,000
Gas Engine			10,000		10,000
Flowline		500	500		1,000
Rods & Insert Pump	9,000				9,000
Wellhead Equipment	1,500				1,500
(stuffing box, pmpg tee, etc)					
Valves & Fittings	3,000			1,200	4,200
3 - 300 Bbl Tanks	9,000	1,000			10,000
Heater Treater		1,000	8,000		9,000
Separator	3,500	1,000			4,500
Transportation		2,000			2,000
Contingencies	2,600	650	3,450	100	6,800
	\$28,600	\$7,150	\$37,950	\$1,300	\$75,000

TOTAL AFE: \$75,000

Sun Net: \$42,700

SW
Wikstrom/Bowen/nc

APPROVAL LEVEL	DISTRICT	HEADQUARTERS	CORPORATE	JOINT OWNER(S)
APPROVED	<i>Bruce Wilson</i>			APPROVAL OBTAINED
CONCURRENCE	<i>Tom Alder</i>			
DISAPPROVED				
DATE	10-21-85			

AUTHORITY FOR EXPENDITURE-DRILLING

9880

SUN OIL CO. (DELAWARE) ☐ 100% CO-OP ☐ OBO ☒ C.O.-P.I.		ORIGINATING LOCALITY SOUTHWESTERN DISTRICT		POLLUTION CONTROL <table border="1"> <tr> <td>EST. AMOUNT</td> <td></td> <td>OIL</td> <td>GAS</td> </tr> <tr> <td>\$ 10,000</td> <td></td> <td>X</td> <td></td> </tr> <tr> <td></td> <td></td> <td>AIR</td> <td></td> </tr> </table>			EST. AMOUNT		OIL	GAS	\$ 10,000		X				AIR		AFE NUMBER S 1320 DATE 10/18/85	
EST. AMOUNT		OIL	GAS																	
\$ 10,000		X																		
		AIR																		
AMOUNT REQUESTED \$ 171,275 EST. COMPLETION DATE		EXPENDITURE BUDGETED ☐ YES YEAR _____ ☒ NO ☐ PARTIALLY		COMPLETE FOR OBO APPROPRIATIONS ONLY OPERATOR'S NAME _____ AFE NUMBER _____																
PROPERTY ID NUMBER		PROPERTY NAME VAN ZANDT A		WELL NO. 1		TOTAL DEPTH 3,800'														
PROSPECT NAME		PROSPECT ID NUMBER		CLASSIFICATION D - MIS CODE B1																
FIELD JALMAT/LANGLIE-MATTIX		MUNICIPALITY/PARISH/COUNTY LEA		PROVINCE/STATE NEW MEXICO																
PRIMARY OBJECTIVE ☒ OIL ☐ GAS ☐ PLANT LIQUID		PREDICTED NET RESERVES <table border="1"> <tr> <td>MMCF/OR</td> <td>M BBLs/OR</td> <td>MMCF/OR</td> </tr> <tr> <td>M BBLs:</td> <td>MMCF:</td> <td>M BBLs:</td> </tr> </table>						MMCF/OR	M BBLs/OR	MMCF/OR	M BBLs:	MMCF:	M BBLs:							
MMCF/OR	M BBLs/OR	MMCF/OR																		
M BBLs:	MMCF:	M BBLs:																		
SUN WI: 0.5525 SUN INC. I:		TYPE:		TYPE:		TYPE:														

NON DRILLING PROJECT DESCRIPTION

DRILL & COMPLETE 3800' JALMAT/LANGLIE-MATTIX WELL.
 1980' FSL & 1980' FEL, SEC. 25, T-24-S, R-36-E

(NOTE: IF USED 7" CSG & 2-3/8" TBG AVAILABLE, THE TANGIBLE COSTS COULD BE REDUCED ±\$13,000)

	INTANGIBLE (\$000s)	PRODUCER	DRY HOLE		TANGIBLE (\$000s)	PRODUCER	DRY HOLE
40	LOCATION	15	15	PIPE	9-5/8" (400')	7	7
41	RIG MOVE			PIPE			
42	FOOTAGE \$12/FT.	46	46	PIPE	7" (3800')	41	---
43	DAY WORK	4	4	PIPE			
44	BITS AND RMRS			PIPE	2-3/8" (3800')	12	---
45	FUEL			PIPE			
46	WATER	5	5	PIPE			
47	MUD AND CHEM	6	6	WELLHEAD		4	2
48	CMT AND CMTG SER	20	8	OTHER		6	1
49	DIRECTIONAL SER						
50	RENTALS	10	3				
51	MUD LOGGING						
52	DST AND TSTG EQPT						
53	CORING						
54	LOGS-WLT-SWC	12	12				
55	CSG/TBG TOOLS AND SER	2	--				
56	COMPLETION RIG 20 Days	25	--				
57	PERFORATING 5 Sets	10	--				
58	STIMULATION 5 Acid/2 Frac	50	--				
59	SUPERVISION	12	4				
60	TRANSPORTATION	3	1				
61	MISC/CONTINGENCY	20	11				

TOTAL INTANGIBLE \$ 240,000 \$ 115,000
 TOTAL TANGIBLE \$ 70,000 \$ 10,000
 TOTAL DRILLING COST \$ 310,000 \$ 125,000
 SUN'S NET COST \$ 171,275 \$ 69,063

Steve Spurling 10/18/85
 Steve Spurling

APPROVAL LEVEL	DISTRICT	HEADQUARTERS	CORPORATE	JOINT OWNER(S) APPROVAL OBTAINED
APPROVED:	<i>[Signature]</i>			
CONCURRENCE:	<i>[Signature]</i>			
DISAPPROVED:				
DATE:	10-18-85			

AUTHORITY FOR EXPENDITURE

SUN-5406-C

ACCOUNTING USE ONLY

SUN OIL CO. (DELAWARE)		ORIGINATING LOCATION		POLLUTION CONTROL			AFE NUMBER	
☐ 100% CO-OP ☐ OBO ☒ C.O. - P.I.		Southwestern District		EST. AMOUNT		OIL	GAS	S1320
				\$		WATER		DATE
						NOISE		10-21-85
						AIR		
AMOUNT REQUESTED		EXPENDITURE BUDGETED		COMPLETE FOR OBO APPROPRIATIONS ONLY				
\$42,700		☐ YES ☒ NO ☐ PARTIALLY		OPERATOR'S NAME				
EST. COMPLETION DATE		YEAR		AFE NUMBER				
PROPERTY NUMBER		PROPERTY NAME			WELL NO.		TOTAL DEPTH	
NA		Van Zandt A			1			
PROSPECT NAME				PROSPECT NUMBER		CLASSIFICATION		MIS CODE
						PD		B-1
FIELD				MUNICIPALITY/PARISH/COUNTY		PROVINCE/STATE		
Jalmat/Langlie-Mattix				Lea		New Mexico		
PRIMARY OBJECTIVE		SUN WORKING INTEREST		PREDICTED NET RESERVES (M BBLs OR M MCF)		CLASS AND RESERVE		CLASS AND RESERVE
☒ OIL ☒ GAS ☐ PLANT LIQUID		Jalmat/Langlie-Mattix .43359		578125				
		Jalmat/Langlie-Mattix .355225						
		Jalmat/Langlie-Mattix .473628						
PROJECT DESCRIPTION								

Surface equipment for new well

ECONOMICS: DETAIL COST - ITEMIZE (NEW MONEY INVESTMENT & EXPENSE - 100% & SUN'S NET) (COMPANY LABOR & STOCK): GIVE STATEMENT OF ECONOMICS

ITEM	NEW MONEY		COMPANY		TOTAL
	TANGIBLE	INTANGIBLE	EQUIPMENT	LABOR	
114 PT-Pumping Unit & Pad	\$	\$1,000	\$16,000	\$	\$17,000
Gas Engine			10,000		10,000
Flowline		500	500		1,000
Rods & Insert Pump	9,000				9,000
Wellhead Equipment	1,500				1,500
(stuffing box, pmpg tee, etc)					
Valves & Fittings	3,000			1,200	4,200
3 - 300 Bbl Tanks	9,000	1,000			10,000
Heater Treater		1,000	8,000		9,000
Separator	3,500	1,000			4,500
Transportation		2,000			2,000
Contingencies	2,600	650	3,450	100	6,800
	\$28,600	\$7,150	\$37,950	\$1,300	\$75,000

TOTAL AFE: \$75,000
Sun Net: \$42,700

SW
Wikstrom/Bowen/nc

TXS

APPROVAL LEVEL	DISTRICT	HEADQUARTERS	CORPORATE	JOINT OWNER(S)
APPROVED	<i>Bruce Wilson</i>			APPROVAL OBTAINED
CONCURRENCE	<i>Tom Solder</i>			
DISAPPROVED				
DATE	10-21-85			

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

September 6, 1985

ARCO Oil and Gas Company
Post Office Box 1610
Midland, Texas 79702

Attention: Jeff Knight
Landman

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

During the past eighteen months, Doyle Hartman has acquired various oil and gas interests from both Sun Exploration & Production Company and The Prudential Insurance Company of America covering both the SE/4 Section 25 and NE/4 NE/4 Section 36, T-24-S, R-36-E, Lea County, New Mexico. After a recent review of the subject acreage, we have determined that an infill Jalmat gas well needs to be immediately drilled on the presently non-producing Jalmat acreage with the new infill well to be dedicated to a new 200 acre Jalmat gas proration unit consisting of:

T-24-S, R-36-E

Section 25: SE/4 (fee acreage)

Section 36: NE/4 NE/4 (State of New Mexico
Lease No. E-2388)

Our proposed new well will be drilled as a 3,800' Queen test in order to also test the Langlie Mattix Pool interval as to the subject acreage. Therefore, we respectfully request that ARCO cooperate with the drilling of our proposed new Van Zandt-McKinney "Com" No. 1 infill Jalmat test in one of the following ways:

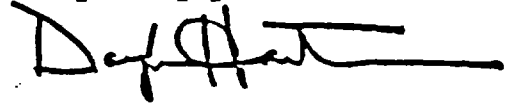
1. ARCO may join as a working interest participant in the drilling of the proposed 3,800' Queen test as to its net 21% $[(35\% \times .75 \times 160) \div 200]$ working interest in the proposed 200-acre Jalmat proration unit (ARCO also owns a 1/16 of 8/8ths ORRI in the NE/4 NE/4 Section 36). In this regard, please find enclosed two copies of our AFE and Detail Well Estimate covering the proposed Van Zandt-McKinney "Com" No. 1. If ARCO chooses this option, please execute one copy of the enclosed AFE and return it to this office as soon as

possible. Upon receipt of your executed AFE, we will immediately forward to you a Model Form AAPL Operating Agreement.

2. As a second alternative, ARCO may elect to farmout to us its currently unleased minerals in the proposed new proration unit while retaining a 30% of 8/8ths gross overriding royalty interest (proportionately reduced) absorbing all burdens, so that operator would be assigned a 70% net revenue interest. The farmout agreement shall provide for 120-day continuous development with the oil and gas rights earned to be limited to the interval from the surface to 100' below total depth drilled as to each NMOC proration unit.
3. As a third alternative, we are willing to take a lease on ARCO's unleased oil and gas rights in the above-described acreage for \$800.00/net acre, 1/8th royalty, and a two-year term.
4. Being that the present production from our Van Zandt No. 1 (Langlie Mattix producer) in the SE/4 Section 25 can only be classified as marginally economic, we must move forward as quickly as possible with the drilling of our proposed new infill Jalmat well. This drilling must be performed in order to prevent further erosion of our interest in the SE/4 Section 25. Therefore, if we do not promptly hear from you regarding this request, we will be required to file for compulsory pooling of ARCO's unleased minerals in the SE/4 Section 25.

In summary, the above proposed alternatives appear to be highly satisfactory options for ARCO and will: 1) facilitate the drilling of a badly needed new well on the subject acreage, 2) assist in the protection of the correlative rights of the various working interest owners, net profits owners, and the mineral owners as to the proposed infill proration unit, and 3) will maximize the recovery of any remaining reserves and will prevent the future waste of a valuable natural resource. Please let us hear from you in this regard as soon as possible.

Very truly yours,



Doyle Hartman

DH/mh

cc: Mr. Robert Strand
Atwood, Malone, Mann and Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. James P. Boldrick
Rassman, Gunter & Boldrick
1801 W. Wall
Midland, Texas 79701

✓ Mr. William F. Carr
Campbell & Black, P. A.
Post Office Box 2088
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. Jim Baca
State of New Mexico
Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

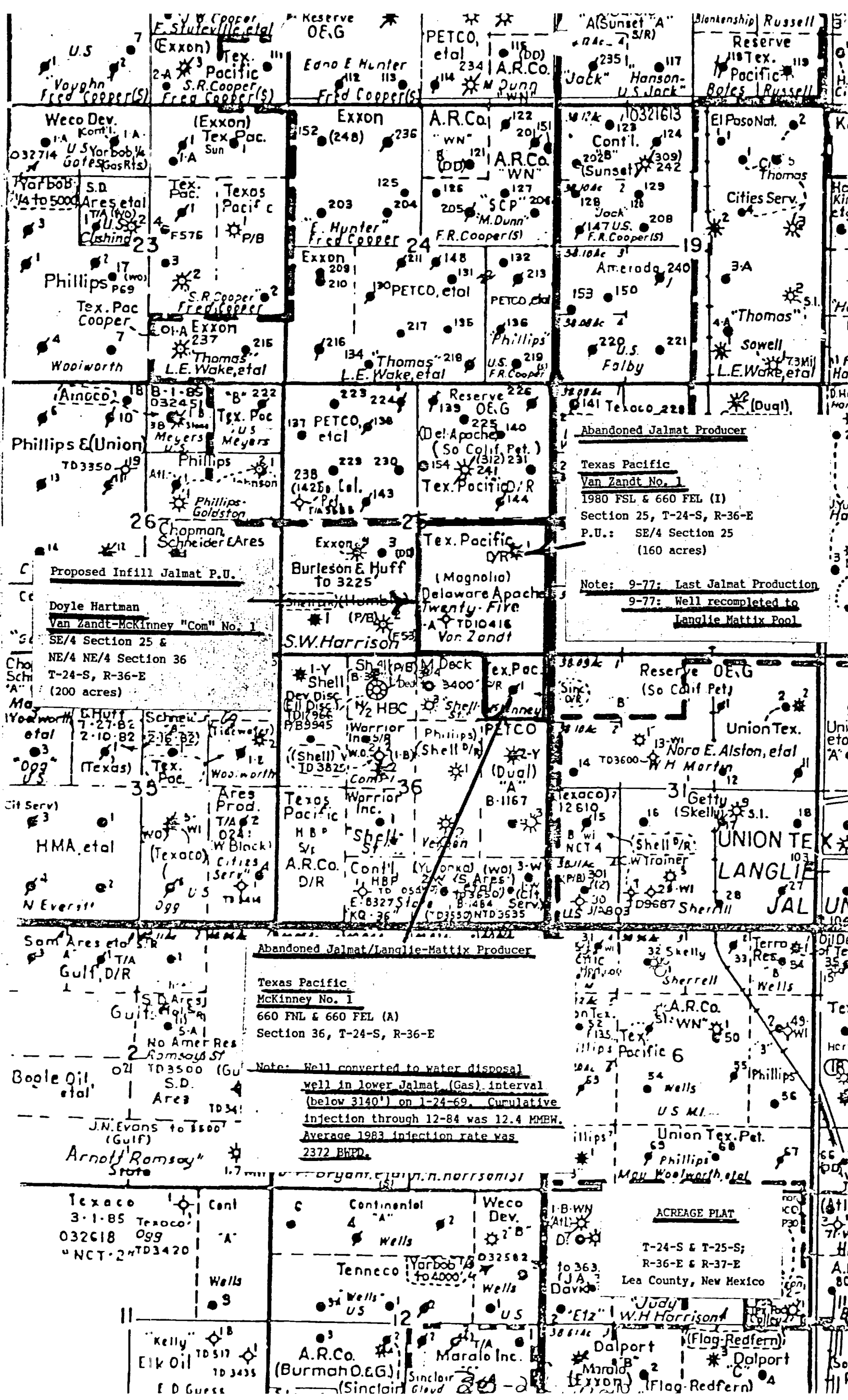
Mr. William P. Aycock
1207 W. Wall
Midland, Texas 79701

Ms. Marcia Faykus
Sun Exploration & Production Company
Post Office Box 2880
Dallas, Texas 75221-2880

Mr. R. L. Thompson
Sun Exploration & Production Company
Post Office Box 2880
Dallas, Texas 75221-2880

Mr. Bruce Wellborne
Sun Exploration & Production Company
Post Office Box 1861
Midland, Texas 79702

Mr. Rick Everitt
Sun Exploration & Production Company
Post Office Box 1861
Midland, Texas 79702



Revised 5-15-82

DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____

COUNTY Lea STATE New Mexico FIELD Jalmat/Langlie-Mattix

LOCATION: 990 FNL & 990 FEL, Sec. 25, T-24-S, R-36-E

DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	<u>3,800</u>	Feet @ <u>13.50</u> Per Foot	<u>51,300</u>	<u>51,300</u>
2.	Day Work	<u>1 day @ 3,800</u>			
				<u>3,800</u>	<u>3,800</u>
3.	Coring Service		Well Surveys	<u>12,000</u>	<u>12,000</u>
4.	Bits and Reamers			---	---
5.	Testing			---	---
6.	Directional Drilling			---	---
7.	Fuel		Water	<u>6,500</u>	<u>6,500</u>
8.	Mud		Mud Logging	<u>8,100</u>	<u>8,100</u>
9.	Cementing Service		Cement Floats	<u>15,600</u>	<u>5,000</u>
10.	Company Labor		Contract Labor	<u>9,500</u>	<u>3,600</u>
11.	Surface Damages and Right-of-Way			<u>2,800</u>	<u>2,800</u>
12.	Digging Pits		Filling Pits	<u>1,200</u>	<u>1,200</u>
13.	Pit Lining			<u>1,500</u>	<u>1,500</u>
14.	Roads & Bridges		Dredging & Grading	<u>8,000</u>	<u>8,000</u>
15.	Acidizing	<u>10,000</u>	Fracturing <u>86,000</u> Perforating <u>4,000</u>	<u>100,000</u>	---
16.	Plugging			---	<u>2,800</u>
17.	Trucking Cost			<u>2,900</u>	<u>1,500</u>
18.	Development Superintendence	<u>14</u>	days @ <u>\$500</u> /day	<u>7,000</u>	<u>3,500</u>
19.	Rental Equipment			<u>4,500</u>	<u>500</u>
20.	Swabbing and Testing			<u>10,500</u>	---
21.	Legal and Professional Expenses:				
	Product Price Determination			<u>2,400</u>	<u>2,400</u>
	Regulatory Hearings		Other	<u>3,600</u>	<u>3,600</u>
22.	Abstracts and Title Opinions			<u>4,300</u>	<u>4,300</u>
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ <u>15</u> %			<u>38,500</u>	<u>18,400</u>
			Total Intangibles	<u>294,000</u>	<u>140,800</u>
WELL EQUIPMENT:					
26.	Casing	<u>400</u>	Ft. of <u>9-5/8</u> @ <u>8.50</u> Per Ft.		
		<u>3,800</u>	Ft. of <u>7</u> @ <u>5.95</u> Per Ft.		
			Ft. of @ Per Ft.	<u>26,000</u>	<u>3,400</u>
27.	Tubing	<u>3,800</u>	Ft. of <u>2-3/8</u> @ <u>2.75</u> Per Ft.	<u>10,450</u>	---
28.	Casing Head			<u>1,300</u>	<u>1,300</u>
29.	Xmas Tree or Pumping Connections			<u>4,600</u>	---
30.	Pumping Unit			<u>19,500</u>	---
31.	Engine/Motor Controller and Power System			<u>4,500</u>	---
32.	Sucker Rods			<u>6,100</u>	---
33.	Pump			<u>2,000</u>	---
34.	Tank Battery			<u>2,600</u>	---
35.	Separator or Dehydration Equip.			<u>2,400</u>	---
36.	Metering Equipment			---	---
37.	Flow Lines			<u>1,900</u>	---
38.	Guards and Fences			<u>2,150</u>	<u>2,300</u>
39.	Other Costs				
40.	Contingency @ <u>15</u> %			<u>12,500</u>	<u>1,000</u>
			Total Tangibles	<u>96,000</u>	<u>8,000</u>
			TOTAL COST OF WELL	<u>390,000</u>	<u>148,800</u>
	ARCO Oil and Gas Company	Share at <u>21</u> %		<u>81,900</u>	<u>31,248</u>

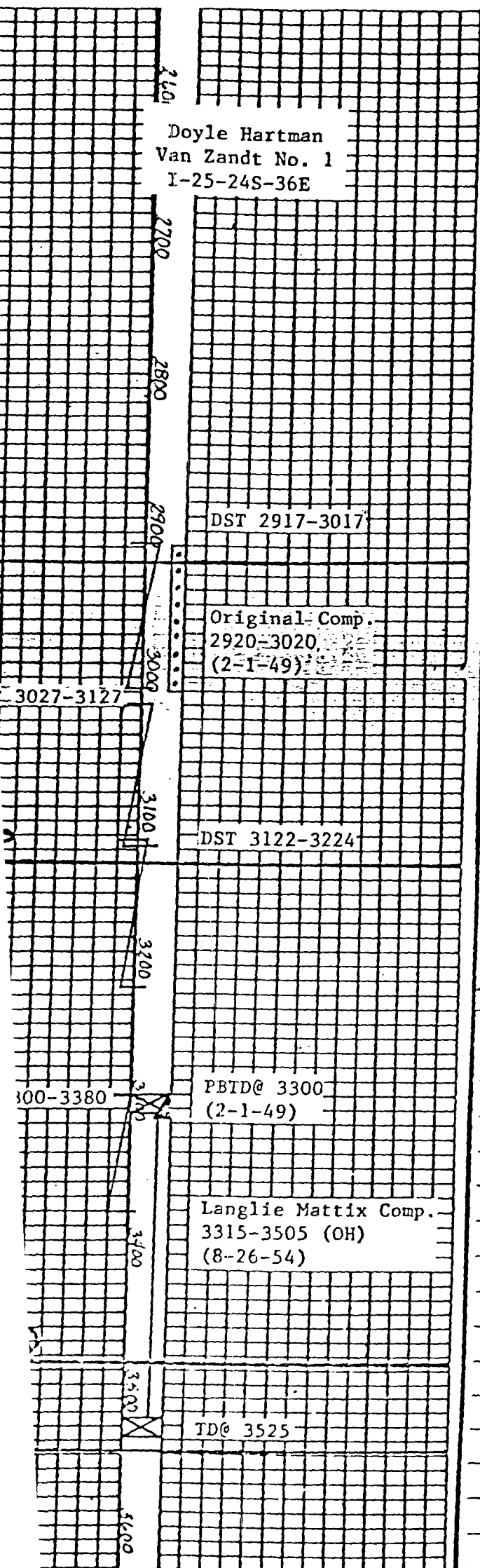
REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry A. Nemyer Title Engineer Date 9-05-85

Title _____ Date _____

Working Interest Ownership
Proposed 200-acre P.U.
Doyle Hartman /
Van Zandt-McKinney "Com" No. 1
SE/4 Section 25 & NE/4 NE/4 Section 36
T-24-S, R-36-E

<u>COMPANY</u>	<u>W.I. ACREAGE</u>	<u>GROSS ACRES</u>	<u>NET W.I. ACRES</u>	<u>NET W.I.-%</u>
Doyle Hartman	NE/4 SE/4 Section 25	40	40.00	20.000
	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	<u>NE/4 NE/4 Section 36</u>	<u>40</u>	<u>20.00</u>	<u>10.000</u>
	Sub Total	200	95.25	47.62
Sun Exploration & Production Co.	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	<u>NE/4 NE/4 Section 36</u>	<u>40</u>	<u>20.00</u>	<u>10.000</u>
	Sub Total	160	55.25	27.62
ARCO	S/2 SE/4 & NW/4 SE/4 Section 25	120	42.00	21.6
Mobil	S/2 SE/4 & NW/4 <u>SE/4 Section 25</u>	120	<u>7.50</u>	<u>3.75</u>
<u>TOTAL</u>	---	---	200.00	100.00



COMPANY	Doyle Hartman	
	(Sun E ration & Production Co.)	
WELL	Van Zandt No. 1	
FIELD	Jalmat (Gas)/Langlie Mattix	
LOCATION	1980 FSL & 660 FEL (I)	
	Section 25, T-24-S, R-36-E	
	(24-36-25-I)	
COUNTY	Lea	
STATE	New Mexico	
ELEVATIONS:	KB	
	DF	3279
	GL	
	9-06-85	

COMPLETION RECORD			
SPUD DATE	11-6-48	COMP. DATE	2-1-49
TD	3525	PBTD@	3300 (2-1-49)
CASING RECORD	10 3/4 @ 300 w/150		
	7 @ 3315 w/300		
PERFORATING RECORD	Perf: 2920-3020 w/150		
	(Yates)		
STIMULATION	Natural		
IP	IPF= 3780 MCF/GPD + 0 BOPD		
GOR	GR		
TP	CP 415 (SICP=1150)		
CHOKE	TUBING 2" @ 2700		
REMARKS	DST 2917-3017: OP 10". GTS 4".		
	No gauge. OCMTS 6". FP 200#.		
	DST 3027-3127: OP 60". Rec		
	375' sul wtr.		
	DST 3122-3224: OP 80". R 360' GCM.		
	DST 3300-3380: OP 90". GTS 60".		
	8-26-54: DO to 3505. PETROFRAC OH		
	3315-3505. IPF= 30 BOPD. GOR 10,890.		
	10-77: Abd Jalmat. Returned Langlie		
	Mattix to production.		
	Last Jalmat Prod: 9-77		
	Jalmat Cum: 2781.5 MCF		
	5-85 Langmat Cum Prod: 14.6 MBO		
	143 MCF		
	1985 Langmat Avg Prod: 2 BOPD		
	5 MCFPD		

DWIGHTS ENERGY DATA SYSTEM RUN DATE 9/05/85 TIME 11154143 PAGE 1
LEASE NAME VAN ZANDT LOCATION 251245 346 DWIGHTS TO 4 30224536251PKT FIELD - JALPAT TMSILL Y7 7 ROPS (PRO GAS) Y7 PRODUCTION UNIT 9 - 53095
WELL 1 CUMES DATES - LIQUID 0/69/12 CUMES - LIQUID 0 LIO GATHERER
OPER SUN TEXAS CO GAS 0/69/12 GAS 2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-TO
70-85

TEST DATA

TEST DATE	WELLHEAD S/I PRESS	ROT HOLE PRESSURE	Z-FACTOR	P/Z	TEST DATE GAS CUMES
70/08/07	219	234	.967	242	2,729,719
71/10/07	204	218	.969	225	2,750,098
72/08/07	307	329	.954	345	2,765,818
73/06/19	299	320	.955	335	2,775,383
74/06/17	256	274	.961	285	2,777,479
75/06/16	197	211	.970	218	2,778,959
76/06/01	236	253	.964	262	2,780,354
76/07/12	192	205	.971	211	2,780,452

Date November 27, 1953R. OLSEN OIL COMPANY

Operator

Van Zandt

Lease

Name of Producing Formation QueenNo. Acres Dedicated to the Well 160SECTION 25TOWNSHIP 24RANGE 25

25

✓ 660'

660'

1

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name Demetrius W. StarnPosition Geological EngineerRepresenting R. Olsen Oil CompanyAddress Drayton 1st, Del., New Mexico

(over)

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2045
HOBBS, NEW MEXICO

DATE May 28, 1954

TO: R. Olsen Oil Company
Box 625, Jal, New Mexico

GENTLEMEN:

Form C-104 for your Van Zandt 1 I 25-24-36 Jalco
LEASE WELL S.T.R. POOL

has been approved, however, since this well is:

- () An unorthodox location,
- () Located on an unorthodox proration unit,
- () Outside the boundaries of a designated pool,

it will be necessary for you to;

- () Comply with the provisions of Rule 4 of Commission Order _____
- () Comply with the provisions of Rule 7 of Commission Order _____
- () File form C-123

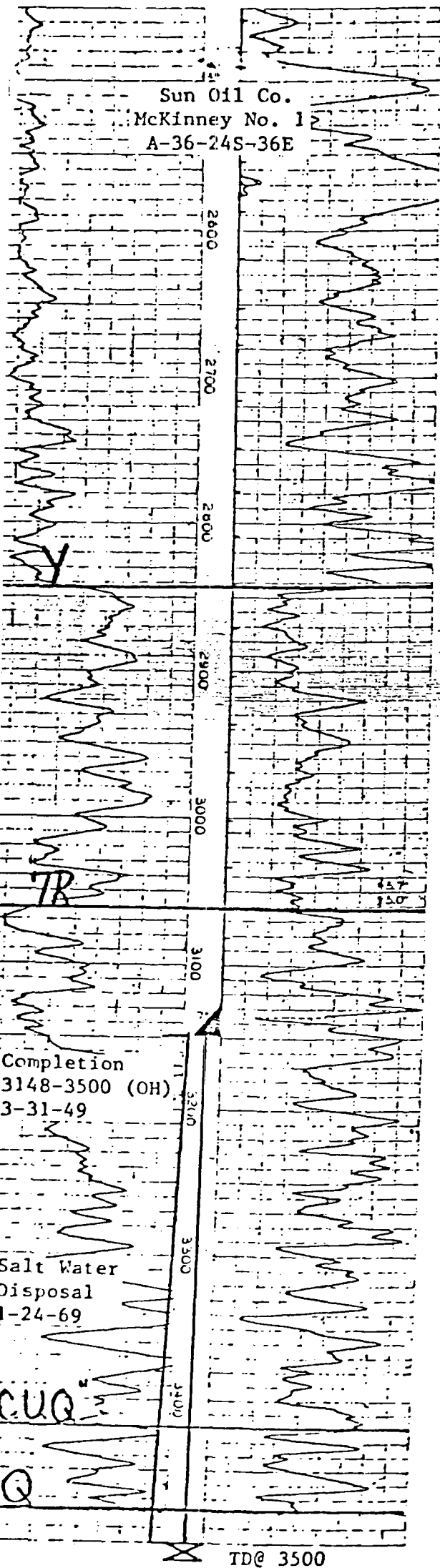
Pending further Commission action this unit will be assigned an _____ acre
allowable.

Normal 160 Acre Unit

OIL CONSERVATION COMMISSION
by Stanley J. Stanley

CCG/ms

cc/ Transporter El Paso Natural Gas Company



COMPANY _____
(Texas Pacific/R. Olsen)
WELL _____ McKinney No. 1
FIELD _____ Jalmat-Langlie Mattix
LOCATION _____ 660 FNL & 660 FEL (A)
Sec. 36, T-24-S, R-36-E
(24-36-36-A)
COUNTY _____ Lea
STATE _____ New Mexico
ELEVATIONS: KB _____
DF 3269
4-25-83 GL _____

COMPLETION RECORD

SPUD DATE 3-7-49 COMP. DATE 3-31-49
TD 3500 PBTD 3500
CASING RECORD 10 3/4 @ 278 w/175
7 @ 3148 w/500

PERFORATING RECORD OH: 3148-3500
(Seven Rivers-Queen)

STIMULATION Natural

IP IPF= 9 BOPD + 2000 MCFPD*

GOR GR

TP CP

CHOKE 15/64 TUBING @

REMARKS DST 3148-3500: F/9 BOPD + 6000 MCFPD.

*Sample Shows

2855-2950: Sand. Very good show of
gas.

3390-3490: Sucrosic dolomite. Fair to
good show of oil.

1-24-69: Well converted to water
disposal from 3140-3500.

1-83 Cum. Wtr. Inj.: 12211 MBW

1982 Avg. Wtr. Inj: 2372 BWPD

GAS PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific Oil

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix /Jalmat

Spud Date: _____ Original Completion Date: _____

Completion Interval (Gas): _____

Completion Date (Gas): _____ First Production (Gas): _____

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

[illegible]19 67 Detail Summary

19 68 Detail Summary

Jan. 2589 July 2078

Jan. 1525 July

Feb. 829 Aug. 1663

Feb. 2600 Aug.

March 892 Sept. 417

March 1799 Sept.

April 2384 Oct. 1631

April 2004 Oct. 2004

May 1310 Nov. 994May 2252 Nov.

June 2097 Dec. 1003

June 15 Dec.

Production (Y-T-D) 10195 MCF

Avg. Rate (Y-T-D) 1699 MCF/mo.

Days or Months (Y-T-D) 6 mos.

OIL PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific (R. Olsen)

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix/Jalmar

Spud Date: _____ Original Completion Date: _____

Completion Interval (Oil): _____

Completion Date (Oil): _____ First Production (Oil): _____

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

Year	No. of Mos.	Annual Oil Production (BBL)	Avg. Oil Rate (BBL /mo.)	Cum. Oil Production (MBO)		
1968	5	238	48	23.4		7
1967	12	534	44	23.1		
1966	12	660	55	22.6		
1965	12	527	44	21.9		
1964	12	597	50	21.4		
1963	12	682	57	20.8		
1962	12	473	40	20.1		
1961	12	743	62	19.6		
1960	12	1053	88	18.9		
1959	12	1271	106	17.9		
1958	12	1939	162	16.6		
1957	12	1213	101	14.6		
1956	12	1170	97	13.4		
1955	12	1222	102	12.3		
1954	12	1445	120	11.0		
1953	12	1391	116	9.6		
1952	12	1828	152	8.2		
1951	12	2317	193	6.4		
1950	12	2589	216	4.1		
1949	6	1468	122	1.5		

Avg. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 _____ Detail Summary

Jan. _____ July _____
 Feb. _____ Aug. _____
 March _____ Sept. _____
 April _____ Oct. _____
 May _____ Nov. _____
 June _____ Dec. _____

19 _____ Detail Summary

Jan. _____ July _____
 Feb. _____ Aug. _____
 March _____ Sept. _____
 April _____ Oct. _____
 May _____ Nov. _____
 June _____ Dec. _____

Production (Y-T-D) 238 BBL

Avg. Rate (Y-T-D) 48 BBL/mo.

Days or Months (Y-T-D) 5 mos.

WATER DISPOSAL HISTORY

Date 10-5-83

Page 1 of 1

Operator: Sun Exploration & Production Co.

Well: McKinney No. 1

Location: A-36-24-36

Pool: Jalmat-Langlie Mattix

Spud Date: 3-7-49

Original Completion Date: 3-31-49

Completion Interval (Gas):

Completion Date (Gas):

First Production (Gas):

Remarks: 1-24-69: Well converted to water disposal in the interval 3140-3500.

[illegible]

83

18036¹⁹

Detail Summary

19_____ Detail Summary

Jan	22405	July	
Feb.	23123	Aug.	
March	25306	Sept.	
April	23593	Oct.	
May	23740	Nov.	
June		Dec.	

Jan. _____ July _____
Feb. _____ Aug. _____
March _____ Sept. _____
April _____ Oct. _____
May _____ Nov. _____
June _____ Dec. _____

136803 BW

22801 BTM

Production (Y-T-D) _____

Avg. Rate (Y-T-D) 752 ERPO

Days or Months (Y-T-D) _____ A-36-24-36

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 1, 1985

ARCo Oil & Gas Company
Post Office Box 1610
Midland, Texas 79702

Attention: Mr. Jeff Knight

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

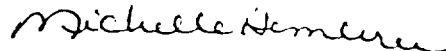
By letter dated September 6, 1985, we furnished you a copy of our AFE for our newly proposed Van Zandt-McKinney "Com" No. 1 well to be located in the SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico and to be dedicated to the above-described 200-acre tract.

Please be advised that the well location given on the AFE previously furnished you on September 6, 1985 was incorrect. We are enclosing for your approval two copies of our revised AFE showing the correct proposed location to be 1650 FSL and 990 FEL, Section 25, T-24-S, R-36-E, Lea County, New Mexico.

We again respectfully request that you give consideration to our letter of September 6, 1985 and cooperate in the drilling of a badly needed Jalmat gas well.

Very truly yours,

DOYLE HARTMAN



Michelle Hembree
Administrative Assistant

MH/cg
Enclosure

DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

REVISED

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____COUNTY Lea STATE New Mexico FIELD Jalmat/Langlie-MattixLOCATION: 1650 FSL & 990 FEL, Sec. 25, T-24-S, R-36-E

DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	<u>3,800</u>	Feet @ <u>13.50</u> Per Foot	<u>51,300</u>	<u>51,300</u>
2.	Day Work	<u>1 day @ 3,800</u>			
				<u>3,800</u>	<u>3,800</u>
3.	Coring Service		Well Surveys	<u>12,000</u>	<u>12,000</u>
4.	Bits and Reamers			<u>---</u>	<u>---</u>
5.	Testing			<u>---</u>	<u>---</u>
6.	Directional Drilling			<u>---</u>	<u>---</u>
7.	Fuel		Water	<u>6,500</u>	<u>6,500</u>
8.	Mud		Mud Logging	<u>8,100</u>	<u>8,100</u>
9.	Cementing Service		Cement Floats	<u>15,600</u>	<u>5,000</u>
10.	Company Labor		Contract Labor	<u>9,500</u>	<u>3,600</u>
11.	Surface Damages and Right-of-Way			<u>2,800</u>	<u>2,800</u>
12.	Digging Pits		Filling Pits	<u>1,200</u>	<u>1,200</u>
13.	Pit Lining			<u>1,500</u>	<u>1,500</u>
14.	Roads & Bridges		Dredging & Grading	<u>8,000</u>	<u>8,000</u>
15.	Acidizing <u>10,000</u>	Fracturing <u>86,000</u>	Perforating <u>4,000</u>	<u>100,000</u>	<u>---</u>
16.	Plugging			<u>---</u>	<u>2,800</u>
17.	Trucking Cost			<u>2,900</u>	<u>1,500</u>
18.	Development Superintendence	<u>14</u>	days @ <u>\$500</u> /day	<u>7,000</u>	<u>3,500</u>
19.	Rental Equipment			<u>4,500</u>	<u>500</u>
20.	Swabbing and Testing			<u>10,500</u>	<u>---</u>
21.	Legal and Professional Expenses:				
	Product Price Determination			<u>2,400</u>	<u>2,400</u>
	Regulatory Hearings		Other	<u>3,600</u>	<u>3,600</u>
22.	Abstracts and Title Opinions			<u>4,300</u>	<u>4,300</u>
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ <u>15</u> %			<u>38,500</u>	<u>18,400</u>
			Total Intangibles	<u>294,000</u>	<u>140,800</u>
WELL EQUIPMENT:					
26.	Casing	<u>400</u>	Ft. of <u>9-5/8</u> @ <u>8.50</u> Per Ft.		
		<u>3,800</u>	Ft. of <u>7</u> @ <u>5.95</u> Per Ft.		
			Ft. of @ Per Ft.	<u>26,000</u>	<u>3,400</u>
27.	Tubing	<u>3,800</u>	Ft. of <u>2-3/8</u> @ <u>2.75</u> Per Ft.	<u>10,450</u>	<u>---</u>
28.	Casing Head			<u>1,300</u>	<u>1,300</u>
29.	Xmas Tree or Pumping Connections			<u>4,600</u>	<u>---</u>
30.	Pumping Unit			<u>19,500</u>	<u>---</u>
31.	Engine/Motor Controller and Power System			<u>4,500</u>	<u>---</u>
32.	Sucker Rods			<u>6,100</u>	<u>---</u>
33.	Pump			<u>2,000</u>	<u>---</u>
34.	Tank Battery			<u>2,600</u>	<u>---</u>
35.	Separator or Dehydration Equip.			<u>2,400</u>	<u>---</u>
36.	Metering Equipment			<u>---</u>	<u>---</u>
37.	Flow Lines			<u>1,900</u>	<u>---</u>
38.	Guards and Fences			<u>2,150</u>	<u>2,300</u>
39.	Other Costs				
40.	Contingency @ <u>15</u> %			<u>12,500</u>	<u>1,000</u>
			Total Tangibles	<u>96,000</u>	<u>8,000</u>
			TOTAL COST OF WELL	<u>390,000</u>	<u>148,800</u>
	ARCo		Share at <u>21</u> %	<u>81,900</u>	<u>31,248</u>

REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry A. Henry Title Engineer Date 10-01-85

Approved _____ Title _____ Date _____

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 8, 1985

ARCo Oil & Gas Company
Post Office Box 1610
Midland, Texas 79702

Attention: Mr. Doug Johnson

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

Reference is made to our previous correspondence and conversations concerning the formation of the captioned 200-acre Jalmat Gas proration unit. Details for this proposal are outlined in our letter to you dated September 9, 1985.

Since we have not yet been advised of your decision, and in order to give you more time to evaluate the proposed operation, the hearing scheduled before the New Mexico Oil Conservation Division has been continued until October 23, 1985.

However, we still need to know your decision so that we will know how to proceed during these next two weeks.

Thank you for your prompt attention.

Very truly yours,

DOYLE HARTMAN

Ruth Sutton

Ruth Sutton *JK*
Landman

RS/dr

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 21, 1985

ARCo Oil & Gas Company
Post Office Box 1610
Midland, Texas 79702

Attention: Mr. Doug Johnson

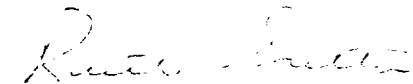
Re: Proposed Infill Well
SE/4 Section 25 &
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico

Gentlemen:

Enclosed for your information is a copy of our letter to Sun dated
October 18, 1985.

Very truly yours,

DOYLE HARTMAN



Ruth Sutton
Landman

RS/dr

Enclosure

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 18, 1985

Sun Exploration and Production Company
Sun Tower #24
Smith Road ClayDesta Plaza
Midland, Texas 79705

Attention: Mr. Rick Everett

Re: Proposed Infill Well
SE/4 Section 25 and
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico

Gentlemen:

With reference to our conversations concerning the captioned proposal pertaining to the drilling of the proposed infill well, this is to advise that Hartman does not wish to change in any way his proposal submitted to Sun on September 6, 1985.

Since 1976 we have made a number of proposals pertaining to further development drilling in Sections 25 and 36, T-24-S, R-36-E, and until now, Sun has shown no interest in any development of these leases during the past nine years.

We have been in contact with the State Land Office and they also agree that the McKinney lease (NE/4 NE/4 Section 36) should be included in our proposed 200-acre unit. They realize that this lease will never get credit for any of its remaining recoverable Jalmat reserves if it is not put in the proposed proration unit at this time. They realize that the State has been denied thousands of dollars due to Sun's failure to put this tract in a proration unit in the past, even though they have been presented the opportunity to include this lease in a producing top-allowable Jalmat (Gas) proration unit.

Further, from an operational and technical standpoint, Hartman is much more experienced as to the shallow producing zones in this area than Sun. This has been demonstrated by the results of recent drilling of Doyle Hartman on properties formerly owned by Sun.

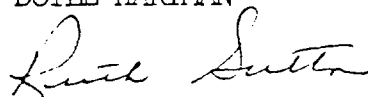
As the owner of the largest paying interest in the proposed 200-acre proration unit, we have given Sun the opportunity to join, farmout, or sell their interest. As far as we are concerned, Sun still has these opportunities, and we are not going to make any unnecessary changes in our proposal at this time.

Concerning the location of the proposed infill well, studies (including a survey to determine surface conditions) are now being performed to determine the exact location. However, the proposed new infill well will be drilled at a standard location as provided under Jalmat (Gas) pool rules unless surface obstructions prevent the well from being located at an optimum standard location.

Since six weeks have passed since we first contacted you without hearing anything from Sun, we are surprised to learn that you will be opposing us. You are hereby advised that we will proceed with our scheduled hearing before the Oil and Gas Commission on October 23, 1985.

Very truly yours,

DOYLE HARTMAN



Ruth Sutton
Landman

RS/dr

cc: Mr. William F. Carr
Campbell & Black
Post Office Box 2208
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

Mr. Robert H. Strand
Atwood, Malone, Mann & Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. Dan Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Hinkle, Cox, Eaton, Coffield & Hensley
Attn: Harold Hensley
200 Blanks Building
Midland, Texas 79701

Hinkle, Cox, Eaton, Coffield & Hensley
Attn: Rocky Isbell
200 Blanks Building
Midland, Texas 79701

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

September 6, 1985

Mobil Producing Texas & New Mexico, Inc. :
Post Office Box 633
Midland, Texas 79702

Attention: Mr. M. C. Selber

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

During the past eighteen months, Doyle Hartman has acquired various oil and gas interests from both Sun Exploration & Production Company and The Prudential Insurance Company of America covering both the SE/4 Section 25 and NE/4 NE/4 Section 36, T-24-S, R-36-E, Lea County, New Mexico. After a recent review of the subject acreage, we have determined that an infill Jalmat gas well needs to be immediately drilled on the presently non-producing Jalmat acreage with the new infill well to be dedicated to a new 200 acre Jalmat gas proration unit consisting of:

T-24-S, R-36-E

Section 25: SE/4 (fee acreage)
Section 36: NE/4 NE/4 (State of New Mexico
Lease No. E-2388)

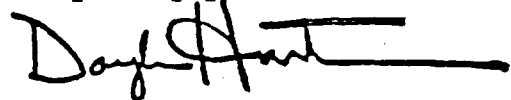
Our proposed new well will be drilled as a 3,800' Queen test in order to also test the Langlie Mattix Pool interval as to the subject acreage. Therefore, we respectfully request that Mobil cooperate with the drilling of our proposed new Van Zandt-McKinney "Com" No. 1 infill Jalmat test in one of the following ways:

1. Mobil may join as a working interest participant in the drilling of the proposed 3,800' Queen test as to its net 3.75% $[(.0625 \times .75 \times 160) \div 200]$ working interest in the proposed 200-acre Jalmat proration unit. In this regard, please find enclosed two copies of our AFE and Detail Well Estimate covering the proposed Van Zandt-McKinney "Com" No. 1. If Mobil chooses this option, please execute one copy of the enclosed AFE and return it to this office as soon as possible. Upon receipt of your executed AFE, we will immediately forward to you a Model Form AAPL Operating Agreement.

2. As a second alternative, Mobil may elect to farmout to us its currently unleased minerals in the proposed new proration unit while retaining a 30% of 8/8ths gross overriding royalty interest (proportionately reduced) absorbing all burdens, so that operator would be assigned a 70% net revenue interest. The farmout agreement shall provide for 120-day continuous development with the oil and gas rights earned to be limited to the interval from the surface to 100' below total depth drilled as to each NMOCD proration unit.
3. As a third alternative, we are willing to take a lease on Mobil's unleased oil and gas rights in the above-described acreage for \$800.00/net acre, 1/8th royalty, and a two-year term.
4. Being that the present production from our Van Zandt No. 1 (Langlie Mattix producer) in the SE/4 Section 25 can only be classified as marginally economic, we must move forward as quickly as possible with the drilling of our proposed new infill Jalmat well. This drilling must be performed in order to prevent further erosion of our interest in the SE/4 Section 25. Therefore, if we do not promptly hear from you regarding this request, we will be required to file for compulsory pooling of Mobil's unleased minerals in the SE/4 Section 25.

In summary, the above proposed alternatives appear to be highly satisfactory options for Mobil and will: 1) facilitate the drilling of a badly needed new well on the subject acreage, 2) assist in the protection of the correlative rights of the various working interest owners, net profits owners, and the mineral owners as to the proposed infill proration unit, and 3) will maximize the recovery of any remaining reserves and will prevent the future waste of a valuable natural resource. Please let us hear from you in this regard as soon as possible.

Very truly yours,



Doyle Hartman

DH/mh

cc: Mr. Joe D. Ramey
Post Office Box 6016
Hobbs, New Mexico 88241

Mr. Robert Strand
Atwood, Malone, Mann and Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. James P. Boldrick
Rassman, Gunter & Boldrick
1801 W. Wall
Midland, Texas 79701

Mr. William F. Carr
Campbell & Black, P. A.
Post Office Box 2088
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. Jim Baca
State of New Mexico
Commissioner of Public Lands
Post Office Box 1148
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

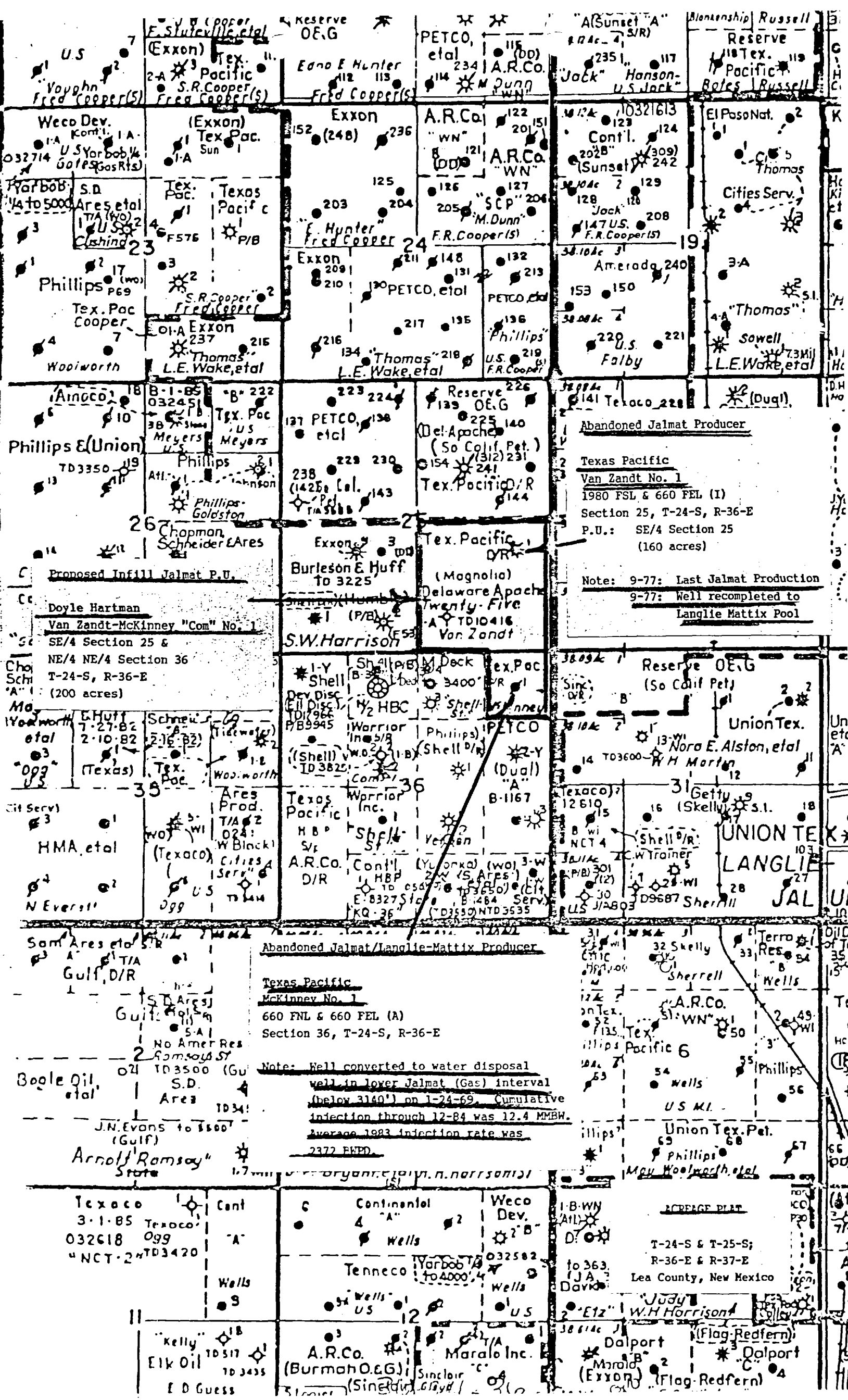
Mr. William P. Aycock
1207 W. Wall
Midland, Texas 79701

Ms. Marcia Faykus
Sun Exploration & Production Company
Post Office Box 2880
Dallas, Texas 75221-2880

Mr. R. L. Thompson
Sun Exploration & Production Company
Post Office Box 2880
Dallas, Texas 75221-2880

Mr. Bruce Wellborne
Sun Exploration & Production Company
Post Office Box 1861
Midland, Texas 79702

Mr. Rick Everitt
Sun Exploration & Production Company
Post Office Box 1861
Midland, Texas 79702



DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____

COUNTY Ira STATE New Mexico FIELD Jalmit/Langlie-Mattix

LOCATION: 990 FNL & 990 FEL, Sec. 25, T-24-S, R-36-E

DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	3,800	Feet @ 13.50	51,300	51,300
2.	Day Work	1 day @ 3,800			
				3,800	3,800
3.	Coring Service		Well Surveys	12,000	12,000
4.	Bits and Reamers			---	---
5.	Testing			---	---
6.	Directional Drilling			---	---
7.	Fuel		Water	6,500	6,500
8.	Mud		Mud Logging	8,100	8,100
9.	Cementing Service		Cement Floats	15,600	5,000
10.	Company Labor		Contract Labor	9,500	3,600
11.	Surface Damages and Right-of-Way			2,800	2,800
12.	Digging Pits		Filling Pits	1,200	1,200
13.	Pit Lining			1,500	1,500
14.	Roads & Bridges		Dredging & Grading	8,000	8,000
15.	Acidizing 10,000	Fracturing 86,000	Perforating 4,000	100,000	---
16.	Plugging			---	2,800
17.	Trucking Cost			2,900	1,500
18.	Development Superintendence 14	days @ \$500	/day	7,000	3,500
19.	Rental Equipment			4,500	500
20.	Swabbing and Testing			10,500	---
21.	Legal and Professional Expenses:				
	Product Price Determination			2,400	2,400
	Regulatory Hearings		Other	3,600	3,600
22.	Abstracts and Title Opinions			4,300	4,300
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ 15	%		38,500	18,400
	Total Intangibles			294,000	140,800
WELL EQUIPMENT:					
26.	Casing	400	Ft. of 9-5/8 @ 8.50	Per Ft.	
		3,800	Ft. of 7 @ 5.95	Per Ft.	
			Ft. of @	Per Ft.	26,000
27.	Tubing	3,800	Ft. of 2-3/8 @ 2.75	Per Ft.	3,400
28.	Casing Head			1,300	1,300
29.	Xmas Tree or Pumping Connections			4,600	---
30.	Pumping Unit			19,500	---
31.	Engine/Motor Controller and Power System			4,500	---
32.	Sucker Rods			6,100	---
33.	Pump			2,000	---
34.	Tank Battery			2,600	---
35.	Separator or Dehydration Equip.			2,400	---
36.	Metering Equipment			---	---
37.	Flow Lines			1,900	---
38.	Guards and Fences			2,150	2,300
39.	Other Costs				
40.	Contingency @ 15	%		12,500	1,000
	Total Tangibles			96,000	8,000
TOTAL COST OF WELL				390,000	148,800
Mobil Oil Corporation Share at 3.75				14,625	5,580

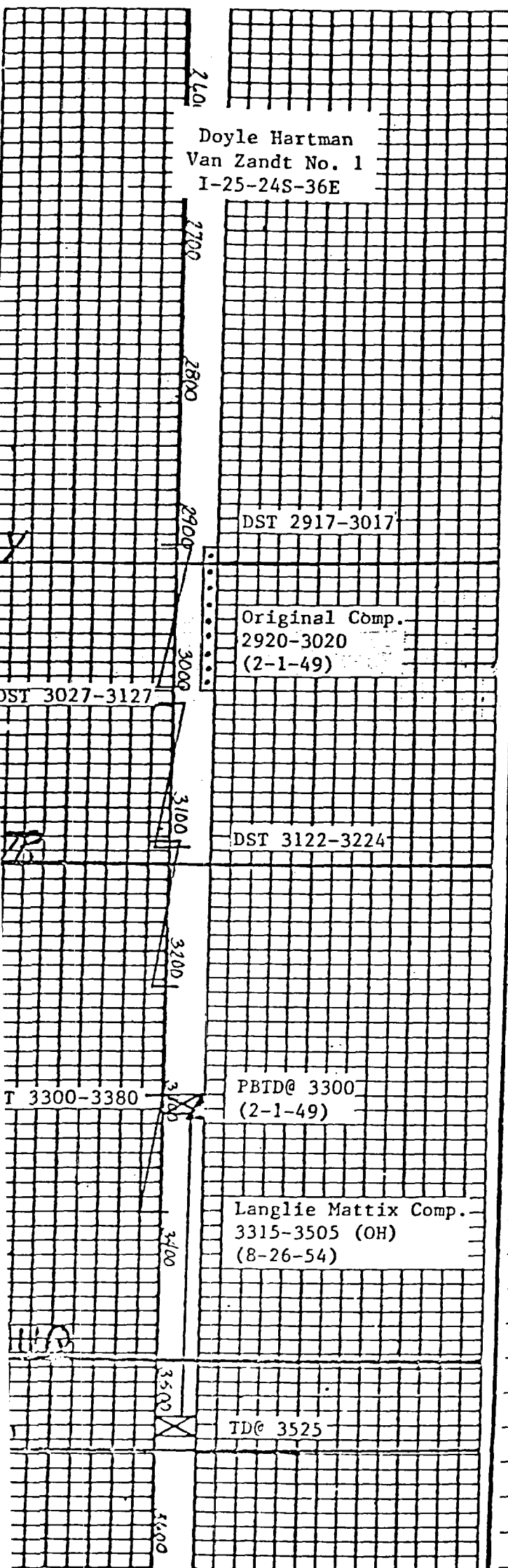
REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Larry A. Nunn Title Engineer Date 9-05-85

Title _____ Date _____

Working Interest Ownership
Proposed 200-acre P.U.
Doyle Hartman
Van Zandt-McKinney "Com" No. 1
SE/4 Section 25 & NE/4 NE/4 Section 36
T-24-S, R-36-E

COMPANY	W.I. ACREAGE	GROSS ACRES	NET W.I. ACRES	NET W.I.--8
Doyle Hartman	NE/4 SE/4 Section 25	40	40.00	20.000
	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	NE/4 NE/4 Section 36	40	20.00	10.000
	Sub Total	200	95.25	47.62
Sun Exploration & Production Co.	S/2 SE/4 & NW/4 SE/4 Section 25	120	35.25	17.625
	NE/4 NE/4 Section 36	40	20.00	10.000
	Sub Total	160	55.25	27.62
ARCO	S/2 SE/4 & NW/4 SE/4 Section 25	120	42.00	21.000
Mobil	S/2 SE/4 & NW/4 SE/4 Section 25	120	7.50	3.75
	TOTAL	- - - -	200.00	100.00



COMPANY (Sun Exploration & Production Co.)

WELL Van Zandt No. 1

FIELD Jalmat (Gas)/Langlie Mattix

LOCATION 1980 FSL & 660 FEL (I)

Section 25, T-24-S, R-36-E

(24-36-25-I)

COUNTY Lea

STATE New Mexico

ELEVATIONS:

KB

DF 3279

9-06-85

GL

COMPLETION RECORD

SPUD DATE 11-6-48

COMP. DATE 2-1-49

TD 3525

PBTD 3300 (2-1-49)

CASING RECORD 10 3/4 @ 300 w/150

7 @ 3315 w/300

PERFORATING RECORD Perf: 2920-3020 w/150

(Yates)

STIMULATION Natural

IP IPF= 3780 MCF/GPD + 0 BOPD

GOR

GR

TP

CP

415 (SICP=1150)

CHOKE

TUBING 2"

@ 2700

REMARKS

DST 2917-3017: OP 10". GTS 4".

No gauge. OCMTS 6". FP 200#.

DST 3027-3127: OP 60". Rec

375' sul wtr.

DST 3122-3224: OP 80". R 360' GCM.

DST 3300-3380: OP 90". GTS 60".

8-26-54: DO to 3505. PETROFRAC OH

3315-3505. IPF= 30 BOPD. GOR 10,890.

10-77: Abd Jalmat. Returned Langlie
Mattix to production.

Last Jalmat Prod: 9-77

Jalmat Cum: 2781.5 MCF

5-85 Langmat Cum Prod: 14.6 MBO

143 MCF

1985 Langmat Avg Prod: 2 BOPD

5 MCFPD

1 BOPD

DU120W2
DOYLE HARTMAN, OIL OPERATOR
DOWD'S ENERGY DATA SYSTEM

RUN DATE 9/05/85 TIME 11:54:43

PAGE 1

LEASE NAME VAN ZANDT
WELL 1
OPER SUN TEXAS CO

LOCATION 251249 34E

DWIGHTS ID # 30224534E251249 FIELD - JUMAT TMSILL YI 7 RURS (PRO GAS) YI

PRODUCTION UNIT # - 53095

SELECTION FROM-TO 70-BS

DATE DATES - LIQUID GAS 0/69/12 0/69/12

0 LIO GATHERER
2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

PRODUCTION DATA

YR	NR	WELLS	FROM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	17D	AUG
70	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	9448	2735413	787
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		315	413	455	435	503	611	611	611	934	1297	1286	1174	1414	9448	2735413	787
71	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	18949	2754562	1579
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		1338	1299	1589	1533	1767	1518	1518	1764	1680	1621	1578	1500	1742	18949	2754562	1579
72	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	16850	2771412	1404
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		1673	1569	1539	1962	1302	1190	1190	1699	1428	1450	1333	890	815	16850	2771412	1404
73	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	5014	2776426	418
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		720	788	791	802	593	437	437	184	100	79	141	202	177	5014	2776426	418
74	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	1755	2778181	146
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		376	126	98	171	191	160	160	121	83	123	118	132	56	1755	2778181	146
75	FLOW	LIFT		1	1	1	1	1	1	1	1	1	1	1	1	1732	2779913	141
	DAYS		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	OIL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS		106	133	166	163	128	153	153	292	228	157	67	63	76	1732	2779913	141

10-11-2002
ROYLE WATMAN, OIL OPERATOR
DUIGTS ENERGY DATA SYSTEM
RUN DATE 9/05/85 TIME 11:15:143
PAGE 2
LEASE NAME VAN ZWINT
WELL 1
OPER SUN TEXAS CO
LOCATION 251245 36E
DUIGTS ID # 30224536E251PKYT
FIELD - JALMAT TANSILL YT 7 RURS (PRO GAS) YT
PRODUCTION UNIT # - 53095
DUPE DATES - LIQUID GAS
0/69/12 0/69/12
0 LIO GATHERER
2726165 GAS GATHERER EL PASO NATURAL GAS COMPANY

SELECTION
FROM-TO
70-85

PRODUCTION DATA

YR	MR	WELLS	PRODIN	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	ITD	AUG
76	FLOW			1	1	1	1	1	1	1	1	1	1	1	1			
	LIFT			0	0	0	0	0	0	0	0	0	0	0	0			
	DAYS			0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS			79	91	88	92	89	66	87	92	81	80	77	83	1005	2780918	84
77	FLOW			1	1	1	1	1	1	1	1	1	1	1	1			
	LIFT			0	0	0	0	0	0	0	0	0	0	0	0			
	DAYS			0	0	0	0	0	0	0	0	0	0	0	0	0		0
	OIL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	WATER			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	GAS			83	78	92	83	93	83	28	23	44	0	0	0	607	2781525	67

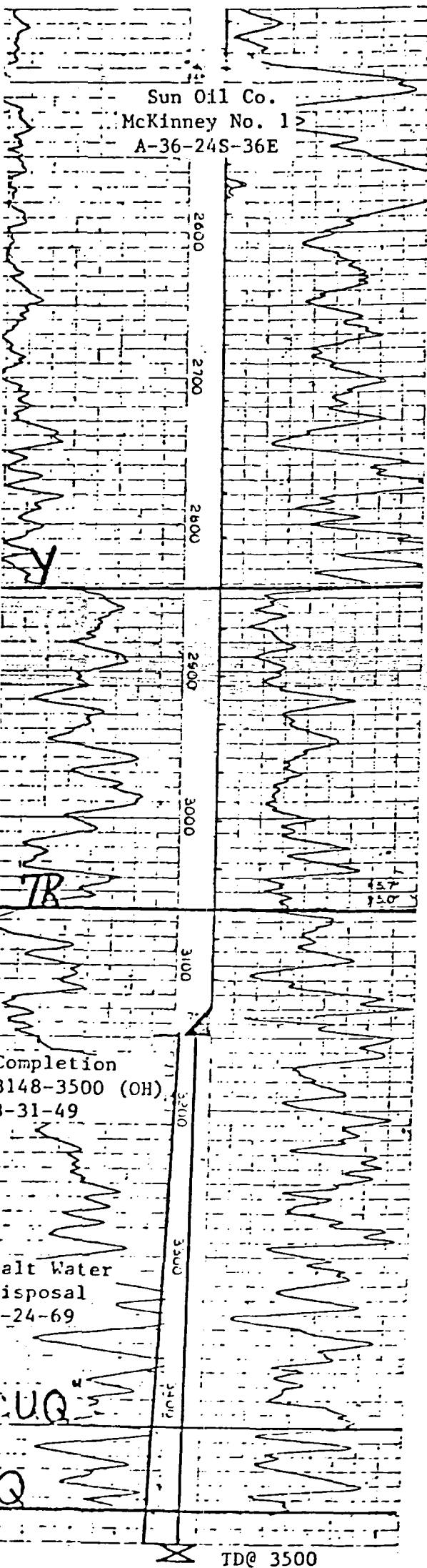
Date November 27, 1953R. OLSEN OIL COMPANY
OperatorVan Zandt
LeaseName of Producing Formation QueenNo. Acres Dedicated to the Well 160SECTION 25 TOWNSHIP 24 RANGE 25

			✓ 660' 1 660' →

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name Daniel Watson
Position Geological Engineer
Representing R. Olsen Oil Company
Address Drawer 151, Del, New Mexico

(over)



COMPANY _____
(Texas Pacific/R. Olsen)
WELL _____ McKinney No. 1
FIELD _____ Jalmat-Langlie Mattix
LOCATION _____ 660 FNL & 660 FEL (A)
Sec. 36, T-24-S, R-36-E
(24-36-36-A)
COUNTY _____ Lea
STATE _____ New Mexico
ELEVATIONS: KB _____
DF 3269
4-25-83 GL _____

COMPLETION RECORD

SPUD DATE 3-7-49 COMP. DATE 3-31-49

TD 3500 PBTD 3500

CASING RECORD 10 3/4 @ 278 w/175
7 @ 3148 w/500

PERFORATING RECORD OH: 3148-3500
(Seven Rivers-Queen)

STIMULATION Natural

IP IPF= 9 BOPD + 2000 MCFPD*

GOR GR

TP CP

CHOKE 15/64 TUBING @

REMARKS DST 3148-3500: F/9 BOPD + 6000 MCFPD.

*Sample Shows

2855-2950: Sand. Very good show of
gas.

3390-3490: Sucrosic dolomite. Fair to
good show of oil.

1-24-69: Well converted to water
disposal from 3140-3500.

1-83 Cum. Wtr. Inj.: 12211 MBW

1982 Avg. Wtr. Inj: 2372 MBW

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2045
HOBBS, NEW MEXICO

DATE May 28, 1954

TO: R. Olsen Oil Company
Box 625, Jal, New Mexico

GENTLEMEN:

Form C-104 for your	<u>Van Zandt</u>	<u>1 I</u>	<u>25-24-36</u>	<u>Jalco</u>
	<u>LEASE</u>	<u>WELL</u>	<u>S.T.R.</u>	<u>POOL</u>

has been approved, however, since this well is:

- () An unorthodox location,
- () Located on an unorthodox proration unit,
- () Outside the boundaries of a designated pool,

it will be necessary for you to;

- () Comply with the provisions of Rule 4 of Commission Order _____
- () Comply with the provisions of Rule 7 of Commission Order _____
- () File form C-123

Pending further Commission action this unit will be assigned an _____ acre allowable.

Normal 160 Acre Unit

OIL CONSERVATION COMMISSION
by Stanley J. Stanley

CCG/ms

cc/ Transporter El Paso Natural Gas Company

GAS PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific Oil

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix /Jalmat

Spud Date: _____ Original Completion Date: _____

Completion Interval (Gas): _____

Completion Date (Gas): _____ First Production (Gas): _____

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLs.

[illegible]19 67 Detail Summary

19 68 Detail Summary

Jan.	2589	July	2078
Feb.	829	Aug.	1663
March	892	Sept.	417
April	2384	Oct.	1631
May	1310	Nov.	994
June	2097	Dec.	1003

Jan.	<u>1525</u>	July	<u> </u>
Feb.	<u>2600</u>	Aug.	<u> </u>
March	<u>1799</u>	Sept.	<u> </u>
April	<u>2004</u>	Oct.	<u> </u>
May	<u>2252</u>	Nov.	<u> </u>
June	<u>15</u>	Dec.	<u> </u>

Production (Y-T-D) 10195 MCF

Avg. Rate (Y-T-D) 1699 HCF/mo.

Days or Months (Y-T-D) 6 mos.

OIL PRODUCTION HISTORY

Date 9-9-80

Page 1 of 1

Operator: Texas Pacific (R. Olsen)

Well: McKinney No. 1

Location: A-36-24-36

Pool: Langlie Mattix/Jalmar

Spud Date: Original Completion Date:

Completion Interval (Oil):

Completion Date (Oil): First Production (Oil):

Remarks: No Gas Production available prior to 1-1-59.

*Cum. production 1-1-59 to 7-1-68. Last Production 6-68.

Well converted to Salt-water disposal 1-24-69.

Cum. Water disposal thru 5-80 = 9,405,000 BBLS.

Year	No. of Mos.	Annual Oil Production (BBL)	Avg. Oil Rate (BBL/mo.)	Cum. Oil Production (MBO)			
1968	5	238	48	23.4			
1967	12	534	44	23.1			
1966	12	660	55	22.6			
1965	12	527	44	21.9			
1964	12	597	50	21.4			
1963	12	682	57	20.8			
1962	12	473	40	20.1			
1961	12	743	62	19.6			
1960	12	1053	88	18.9			
1959	12	1271	106	17.9			
1958	12	1939	162	16.6			
1957	12	1213	101	14.6			
1956	12	1170	97	13.4			
1955	12	1222	102	12.3			
1954	12	1445	120	11.0			
1953	12	1391	116	9.6			
1952	12	1828	152	8.2			
1951	12	2317	193	6.4			
1950	12	2589	216	4.1			
1949	6	1468	122	1.5			

Avg. GOR 1-1-59 to 7-1-68 = 64,365 SCF/STB.

19 Detail Summary

Jan. July
Feb. Aug.
March Sept.
April Oct.
May Nov.
June Dec.

19 Detail Summary

Jan. July
Feb. Aug.
March Sept.
April Oct.
May Nov.
June Dec.

Production (Y-T-D) 238 BBL

Avg. Rate (Y-T-D) 48 BBL/mo.

Days or Months (Y-T-D) 5 mos.

WATER DISPOSAL HISTORY

Date 10-5-83

Page 1 of 1

Operator: Sun Exploration & Production Co.

Well: McKinney No. 1

Location: A-36-24-36

Pool: Jalmat-Langlie Mattix

Spud Date: 3-7-49

Original Completion Date: 3-31-49

Completion Interval (Gas):

Completion Date (Gas): _____ First Production (Gas): _____

Remarks: 1-24-69: Well converted to water disposal in the interval 3140-3500.

[illegible]

83

18036 19 Detail Summary

19_____ Detail Summary

Jan	22405	July	
Feb.	23723	Aug.	
March	25306	Sept.	
April	23593	Oct.	
May	23740	Nov.	
June		Dec.	

Jan. _____	July _____
Feb. _____	Aug. _____
March _____	Sept. _____
April _____	Oct. _____
May _____	Nov. _____
June _____	Dec. _____

136803 BW

22801 EAPM

Production (Y-T-D) 6 nos

Avg. Rate (Y-T-D) 752 BHPD

Days or Months (Y-T-D) _____ A-36-24-36

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P. O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 1, 1985

Mobil Producing Texas & New Mexico, Inc.
Post Office Box 633
Midland, Texas 79702

Attention: M. C. Selber

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

By letter dated September 6, 1985, we furnished you a copy of our AFE for our newly proposed Van Zandt-McKinney "Com" No. 1 well to be located in the SE/4 Section 25, T-24-S, R-36-E, Lea County, New Mexico and to be dedicated to the above-described 200-acre tract.

Please be advised that the well location given on the AFE previously furnished you on September 6, 1985 was incorrect. We are enclosing for your approval two copies of our revised AFE showing the correct proposed location to be 1650 FSL and 990 FEL, Section 25, T-24-S, R-36-E, Lea County, New Mexico.

We again respectfully request that you give consideration to our letter of September 6, 1985 and cooperate in the drilling of a badly needed Jalmat gas well.

Very truly yours,

DOYLE HARTMAN

Michelle Hembree

Michelle Hembree
Administrative Assistant

MH/cg
Enclosure

DOYLE HARTMAN
OIL OPERATOR
500 N. MAIN STREET
MIDLAND, TEXAS

REVISED

AUTHORIZATION FOR EXPENDITURE AND DETAIL WELL ESTIMATE

LEASE NAME Van Zandt-McKinney WELL NO. 1 W.I. _____

COUNTY Lea STATE New Mexico FIELD Jalmat/Langlie-Mattix

LOCATION: 1650 FSL & 990 FEL, Sec. 25, T-24-S, R-36-E

DRILLING INTANGIBLES:				PRODUCER	DRY HOLE
1.	Drilling Cost	3,800	Feet @ 13.50 Per Foot	51,300	51,300
2.	Day Work	1 day @ 3,800			
				3,800	3,800
3.	Coring Service		Well Surveys	12,000	12,000
4.	Bits and Reamers			---	---
5.	Testing			---	---
6.	Directional Drilling			---	---
7.	Fuel		Water	6,500	6,500
8.	Mud		Mud Logging	8,100	8,100
9.	Cementing Service		Cement Floats	15,600	5,000
10.	Company Labor		Contract Labor	9,500	3,600
11.	Surface Damages and Right-of-Way			2,800	2,800
12.	Digging Pits		Filling Pits	1,200	1,200
13.	Pit Lining			1,500	1,500
14.	Roads & Bridges		Dredging & Grading	8,000	8,000
15.	Acidizing	10,000	Fracturing 86,000 Perforating 4,000	100,000	---
16.	Plugging			---	2,800
17.	Trucking Cost			2,900	1,500
18.	Development Superintendence	14	days @ \$ 500 /day	7,000	3,500
19.	Rental Equipment			4,500	500
20.	Swabbing and Testing			10,500	---
21.	Legal and Professional Expenses:				
	Product Price Determination			2,400	2,400
	Regulatory Hearings Other			3,600	3,600
22.	Abstracts and Title Opinions			4,300	4,300
23.	Geological, Geophysical and Land Support				
24.	Other Costs				
25.	Contingency @ 15 %			38,500	18,400
	Total Intangibles			294,000	140,800
WELL EQUIPMENT:					
26.	Casing	400	Ft. of 9-5/8 @ 8.50 Per Ft.		
		3,800	Ft. of 7 @ 5.95 Per Ft.		
			Ft. of @ Per Ft.	26,000	3,400
27.	Tubing	3,800	Ft. of 2-3/8 @ 2.75 Per Ft.	10,450	---
28.	Casing Head			1,300	1,300
29.	Xmas Tree or Pumping Connections			4,600	---
30.	Pumping Unit			19,500	---
31.	Engine/Motor Controller and Power System			4,500	---
32.	Sucker Rods			6,100	---
33.	Pump			2,000	---
34.	Tank Battery			2,600	---
35.	Separator or Dehydration Equip.			2,400	---
36.	Metering Equipment				---
37.	Flow Lines			1,900	---
38.	Guards and Fences			2,150	2,300
39.	Other Costs				
40.	Contingency @ 15 %			12,500	1,000
	Total Tangibles			96,000	8,000
TOTAL COST OF WELL				390,000	148,800
Mobil Share at 3.75 %				14,625	5,580

REMARKS: Our projected cost for drilling and completing the proposed infill well is \$339,000. This cost is for a routine well with no problems. With the addition of a 15% contingency for possible problems, the total cost comes to \$390,000 for a completed well.

Originated by Louie A. Newman Title Engineer Date 10-01-85

Approved _____ Title _____ Date _____

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 2, 1985

Mobil Producing Texas & New Mexico, Inc.
Post Office Box 633
Midland, Texas 79702

Attention: Mr. M. C. Selber

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

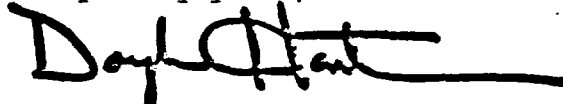
In reference to your telephone conversation today with our office concerning our newly proposed infill Jalmat (gas) well, our files do not reflect a Communitization Agreement covering the 160 acres consisting of the SE/4 Section 25, T-24-S, R-36-E as you have indicated, and as a result, we were unaware of its existence at the time we wrote our letter of September 6, 1985 requesting Mobil's cooperation in the drilling of a new well. Therefore, in order to complete our files, we respectfully request a copy of the Communitization Agreement between Magnolia and R. Olsen covering the 160 acre consisting of the SE/4 Section 25.

In the meantime, our title attorney is presently out of town, and upon his return he may possibly request that Mobil sign a ratification or possible amendment of the unitization agreement with R. Olsen covering the SE/4 Section 25.

Furthermore, during our compulsory pooling hearing before the New Mexico Oil Conservation Division scheduled for October 9, 1985 for a new infill Jalmat well, we will submit to the Commission a copy of the original Communitization Agreement between R. Olsen and Magnolia.

In conclusion, we believe that this letter clarifies the current ownership of the Magnolia interest and we very much appreciate your prompt research into this subject. We hope to receive a copy of the Communitization Agreement as soon as possible so that we can present it at next week's hearing.

Very truly yours,


Doyle Hartman

DH/mh

cc: Mr. Robert Strand
Atwood, Malone, Mann and Turner
Post Office Drawer 700
Roswell, New Mexico 88201

Mr. Richard L. Stamets
State of New Mexico
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Mr. William F. Carr
Campbell & Black, P. A.
Post Office Box 2208
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. James A. Davidson
Post Office Box 494
Midland, Texas 79702

Mr. William P. Aycock
1207 West Wall
Midland, Texas 79701

Mobil Producing Texas & New Mexico, Inc.
Post Office Box 633
Midland, Texas 79702

Attention: Mr. Kent Johnston

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

October 10, 1985

Mobil Producing Texas & New Mexico, Inc.
Post Office Box 633
Midland, Texas 79702

Attention: M. C. Selber

Re: Proposed Infill Well
Jalmat Gas Pool
SE/4 Section 25
NE/4 NE/4 Section 36
T-24-S, R-36-E
Lea County, New Mexico
(200 acres)

Gentlemen:

Reference is made to our previous correspondence and conversations concerning the formation of the captioned 200-acre Jalmat Gas proration unit. Details for this proposal are outlined in our letter to you dated September 9, 1985.

Since there is some question as to whether or not Mobil's interest is leased, and in order to give us more time to make that detailed determination, the hearing scheduled before the New Mexico Oil Conservation Division has been continued until October 23, 1985.

We will contact you as soon as we have more information.

Very truly yours,

DOYLE HARTMAN

Ruth Sutton

Ruth Sutton *RS*
Landman

KS/dr

P 176 152 356

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014
\$ Form 3800, Feb. 1982

Sent to Sun Expl. & Production	
Street and No. P. O. Box 1861	
P.O. State and ZIP Code Midland, Texas 79702	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date 10/14/85 cv	

PS Form 3811, July 1983 447-848

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Sun Exploration & Production Co.
P. O. Box 1861
Midland, Texas 79702
Attn: Tom Hobbs

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 176 152 356

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X

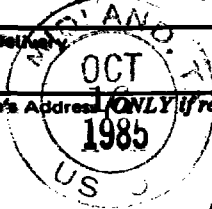
6. Signature - Agent

X

7. Date of Delivery

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

DOMESTIC RETURN RECEIPT



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
LOURDES A. MARTINEZ

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

October 14, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Sun Exploration & Production Co.
Post Office Box 1861
Midland, Texas 79702
Attn: Tom Hobbs

BEFORE EXAMINER STOGNER

Oil Conservation Division

HARTMAN Exhibit No. 11

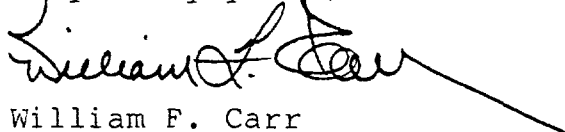
Case No. 8722

Re: Case 8722: Application of Doyle Hartman for Compulsory Pooling, a Non-Standard Proration Unit and an Unorthodox Location, Lea County, New Mexico.

Dear Mr. Hobbs:

Enclosed is a copy of the docket for the Oil Conservation Division Examiner hearings scheduled for Wednesday, October 23, 1985. Sun Exploration & Production Company has an interest which may be affected by the above-referenced case.

Very truly yours,


William F. Carr

WFC/cv
enclosure

P 176 152 357

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-448-014 Form 3800, Feb. 1982	Sent to Arco Oil & Gas Company	
	Street and No. P. O. Box 1610	
	P. O., State and ZIP Code Midland, TX 79702	
	Postage	\$
	Certified Fee	
	Special Delivery Fee	
	Restricted Delivery Fee	
	Return Receipt Showing to whom and Date Delivered	
	Return receipt showing to whom, Date, and Address of Delivery	
	TOTAL Postage and Fees	\$
Postmark or Date 10/14/85 cv		

PS Form 3811, July 1983 447-945

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 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 service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Arco Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702
Attn: Joe Matthews

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 176 152 357

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

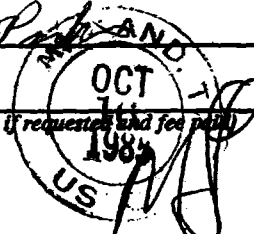
X

6. Signature - Agent

X *Paul J. ...*

7. Date of Delivery

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



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
LOURDES A. MARTINEZ

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

October 14, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Arco Oil & Gas Company
Post Office Box 1610
Midland, Texas 79702
Attn: Joe Matthews

Re: Case 8722: Application of Doyle Hartman for Compulsory
Pooling, a Non-Standard Proration Unit and an Unorthodox
Location, Lea County, New Mexico.

Dear Mr. Matthews:

Enclosed is a copy of the docket for the Oil Conservation
Division Examiner hearings scheduled for Wednesday, October 23,
1985. Arco Oil & Gas Company has an interest which may be
affected by the above-referenced case.

Very truly yours,



William F. Carr

WFC/cv
enclosure

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014
 PS Form 3800, Feb. 1982

Sent to	
Mobil Producing TX & NM, Inc.	
Street and No.	
P. O. Box 633	
P.O., State and ZIP Code	
Midland, Texas 79701	
Postage	
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	
10/14/85 cv	

PS Form 3811, July 1983 447-945

DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Mobil Producing TX & NM, Inc.
P. O. Box 633
Midland, Texas 79702
Attn: Hector Guerra

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 176 152 358

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

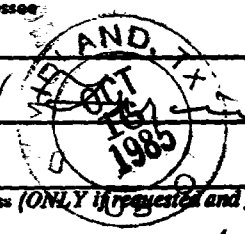
X

6. Signature - Agent

[Signature]

7. Date of Delivery

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



[Signature]

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
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SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

October 14, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

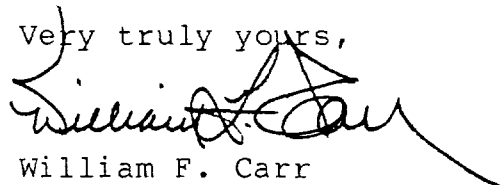
Mobil Producing Texas and
New Mexico, Inc.
Post Office Box 633
Midland, Texas 79702
Attn: Hector Guerra

Re: Case 8722: Application of Doyle Hartman for Compulsory
Pooling, a Non-Standard Proration Unit and an Unorthodox
Location, Lea County, New Mexico.

Dear Mr. Guerra:

Enclosed is a copy of the docket for the Oil Conservation
Division Examiner hearings scheduled for Wednesday, October 23,
1985. Mobil Producing Texas and New Mexico, Inc. has an interest
which may be affected by the above-referenced case.

Very truly yours,



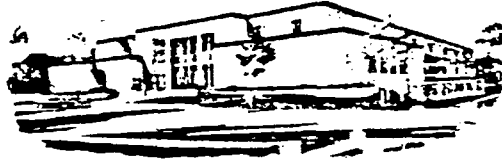
William F. Carr

WFC/cv
enclosure

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

October 22, 1985

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Case 8722

Gentlemen:

The Commissioner of Public Lands hereby supports and endorses Mr. Doyle Hartman's application for a non-standard 200 acre proration unit consisting of the SE $\frac{1}{4}$ Section 25 and the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 36, Township 24 South, Range 36 East, Lea County. The NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36 is the only state acreage not included in any proration unit for the gas production from the Jalmat Gas Pool in this area.

It is essential that this NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36 be included in a proration unit and receive its fair share of the production from the Jalmat Gas Pool to keep this acreage from being drained and for the protection of correlative rights of this Trust Land.

Sincerely,

Ray D. Graham, Director
Oil and Gas Division

BEFORE EXAMINER STOGNER

Oil Conservation Division

HARTMAN Exhibit No. 12

Case No. 8722