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TELEGRAM

1201 (4-60) W. P. MARSHALL, PRESIDENT

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K TUA280 DL PD=FAX TUESA &KLA 27 1159A CST= A L PORTER JR, SECRETARY AND DIRECTOR= OIL CONSERVATION COMMISSION STATE LAND OFFICE

BLDG SANTA FE NMEX=

REFERENCE CASES NO. 3240 AND 3241 SET FOR APRIL 28, 1965. AMERADA PETROLEUM COPORATION HAS A SUBSTANTIAL INTEREST IN THE CENTRAL DRINKARD UNIT, THEREFORE, URGES THE COMMISSION APPROVE THE APPLICATION OF GULF OIL CORPORATION TO INSTITUTE SECONDAY RECOVERY OPERATIONS, AND THE UNIT AGREEMENT=

AMERADA PETROLEUM CORP R S CHRISTIE=

=3240 3241 28 **1**965=b CIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

3240

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT

January 23, 1976

MIDLAND DISTRICT

P. O. Drawer 1150 Midland, Texas 79701

DISTRICT PRODUCTION MANAGER

R. F. Ward, Jr.
DISTRICT OPERATIONS MANAGER

C. E. Fields

DISTRICT SERVICES MANAGER
A. J. Evans, Jr.

DISTRICT ENVIRONMENTAL & SAFETY MANAGER

J. C. Howard

B. L. Choate

DISTRICT EMPLOYEE RELATIONS MANAGER

Case No. 5474
Order No. R-5030
Tract 1, Central Drinkard Unit S/2 of NW/4 Sec. 1, T-21-S,
R-37-E, Lea County, New Mexico

The Commissioner of Public Lands for the State of New Mexico P. O. Box 1148 Santa Fe, New Mexico 87501

Attention: Mr. Ray D. Graham

Gentlemen:

Enclosed is an original Ratification of Agreements Entitled "Unit Agreement" and "Unit Operating Agreement" executed on January 12, 1976 by Partnership Properties Co.

By Order No. R-5030, the Central Drinkard Unit Agreement was amended to extend the upper vertical limits from a depth of 6440 feet to 6330 feet to include the Drinkard Gas Zone.

Subsequent to amending and extending the vertical limits of the captioned unit it was discovered that Amerada Hess Corporation, a working interest owner, had previously conveyed its rights in the extended interval by mesne conveyances to Partnership Properties Co. In



The Commissioner of Public Lands
for the State of New Mexico - - 2 -

January 28, 1976

order that your files may be complete, the above mentioned Ratification is hereby submitted for your records. This constitutes one-hundred per cent approval of all working interest owners in the Central Drinkard Unit.

Yours very truly,

sole, of E. A. WARD, JR.

R. F. WARD, JR.

RJB:kb

cc:

of the State of New Mexico
P. O. Box 2088

Santa Fe, New Mexico 87501

RATIFICATION OF AGREEMENTS ENTITLED "UNIT AGREEMENT" AND "UNIT OPERATING AGREEMENT"

CENTRAL DRINKARD UNIT LEA COUNTY, NEW MEXICO

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, certain instruments entitled the Central Drinkard Unit Agreement and the Central Drinkard Unit Operating Agreement were executed as of the 1st day of January, 1965, by various persons for conducting Unit Operations with respect to the Drinkard Oil Zone being the interval from 6590 feet to 6440 feet in and under land located in Lea County, New Mexico, as more particularly described in said agreements; and,

WHEREAS, effective July 1, 1975, the Central Drinkard Unit Agreement was amended to extend the upper vertical limits from a depth of 6440 feet to 6330 feet to include the Drinkard Gas Zone; and,

WHEREAS, Petro-Lewis Natural Gas Program 1973-2 and Petro-Lewis Natural Gas Program 1973-3 are now the owners of oil and gas rights in the extended interval under Tract 1 of the Unit Area, as more particularly described in the Unit Agreement; and,

WHEREAS, Partnership Properties Co., a General Partnership, holds record title as nominee for Petro-Lewis Natural Gas Program 1973-2 and Petro-Lewis Natural Gas Program 1973-3 to said described oil and gas rights; and,

WHEREAS, Exhibits "A" and "B" attached to and made a part of said Unit Agreement identify the separately owned tracts which are a part of the Drinkard Unit; and,

WHEREAS, the undersigned represent that they are working interest owners as defined in said Unit Agreement in Tract 1 identified by said Exhibits; and,

WHEREAS, the undersigned working interest owners being familiar with the contents thereof desire to ratify and confirm said Unit Agreement and Unit Operating Agreement and to commit their interest to the Central Drinkard Unit:

NOW, THEREFORE, the undersigned owners of a working interest do hereby ratify and confirm said Unit Agreement and Unit Operating Agreement with respect to all of their interest in Tract 1 identified by said Exhibits, thereby becoming parties thereto to the same extent as if the undersigned had executed the agreements or counterparts thereof on the dates set forth therein, but with the express understanding that the undersigned owners' participation is to be limited to the Drinkard Gas Zone only being the interval from 6440 feet to 6330 feet in the percentages as set out in Exhibit "A" attached hereto and made a part of this ratification for all purposes.

IN WITNESS WHEREOF, the undersigned parties have executed this instrument on the date set forth below opposite its signature.

Kssistant Secretary

PETRO-LEWIS NATURAL GAS PROGRAM 1973-2 By: Petro-Lewis Funds, Inc.

General Partner

David A. Frawley, Vice President

Date:	By: Petro-Lewis Funds, Inc. General Partner
Attest: Assistant Secretary	By David A. Frawley, Vice President
Date:	PARTNERSHIP PROPERTIES CO. A General Partnership
Attest: John R. Hazlett	By David A. Frawley, Mix Proposition (C) General Partner
STATE OF COLORADO I ss.	
CITY AND COUNTY OF DENVER	
known to me to be a Vice Presiden Partner for Petro-Lewis Natural G acknowledged to me that he execut and consideration herein expresse	ed said instrument for the purposes d, and as the act of said partnership.
Given under my hand and	official seal this day of
	Notary Public
My commission expires:	Expires Sept. 8, 1979
CTATE OF COLORADO Y	
STATE OF COLORADO I ss.	
CITY AND COUNTY OF DENVER I	\mathcal{D} .
known to me to be a General Partn Colorado general partnership, and said instrument for the purposes as the act of said partnership.	, a notary public, on this known to me to be ed to the foregoing instrument, and er of PARTNERSHIP PROEPRTIES CO., a acknowledged to me that he executed and consideration herein expressed, and
Given under my hand and 1976.	official seal this 19 day of
Trickly, 1910.	Motary Public
My commission expines: "y no establish Ex	xpires Sep t. 8, 1979

My commission expires:

EXHIBIT "A"

Attached to and made a part of the Ratification of Agreements entitled "Unit Agreement" and "Unit Operating Agreement", Central Drinkard Unit, Lea County, New Mexico.

WORKING INTEREST PARTICIPATION IN THE CENTRAL DRINKARD UNIT

	Tract One	Unit
Drinkard Oil Zone (6590' - 6440')		
Partnership Properties Co.	0%	0%
Drinkard Gas Zone (6440' - 6330')		
Partnership Properties Co.	100%	3.1434%

Harry day & we Gulf Oil Corporation ROSWELL PRODUCTION DISTRICT W. B. Hopkins P. O. Drawer 1938 DISTRICT MANAGER Roswell, New Mexico 88201 March 23, 1965 M. I. Taylor DISTRICT PRODUCTION MANAGER F. O. Mortlock DISTRICT EXPLORATION MANAGER H. A. Rankin DISTRICT SERVICES MANAGER Secretary Director New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico 87501 Re: Application of Gulf Oil Corporation for Approval of the Central Drinkard Unit Agreement, Providing for Secondary Recovery Operations in a Portion of the Drinkard Pool, Lea County, New Mexico Dear Sir: Gulf Oil Corporation, as the proposed Unit Operator, respectfully requests the Commission's approval of the Central Drinkard Unit Agreement on the grounds that the proposed Unit plan will, in principle, tend to promote the conservation of oil and gas and the prevention of waste. In support of its application, Gulf states as follows: (1) That the Unit Area shall be: T. 21 S. R. 37 E. Section 28: A11 Section 29: A11 Section 30: Section 31: Section 32: E/2 SE/4 E/2 NE/4 NE/4 SE/4 E/2, NW/4 Section 33: A11 containing 2,600.00 acres, more or less, more fully shown on the enclosed plat marked Enclosure A. That the average daily production for the wells in the proposed Unit Area has declined to approximately six barrels per day per well, and all wells have reached an advanced stage of depletion as described in Rule 701(E)(1). That the applicant initially proposes to convert six wells to water in-(3) jection wells. The description of these six wells, together with each well's casing program, is shown on the enclosed exhibits marked Enclosure B and C, respectively. A copy of a typical injection well log is enclosed marked Enclosure D. That the applicant plans to develop a saline water source within the Unit Area from the San Andres formation. Plans are to inject approximately 750 barrels of water per day into each injection well. That the order of the Commission should become effective upon the first (5) day of the month following the final approval of said Unit Agreement by the Commissioner of Public Lands of the State of New Mexico, and shall terminate ipso facto upon the termination of said Unit Agreement. That a copy of this application with enclosures has been sent to the State Engineer Office. Gulf Oil Corporation has previously obtained preliminary approval of the Unit Agreement from the Commissioner of Public Lands of the State of New Mexico.

March 23, 1965

It is requested that this matter be set for hearing before an examiner.

Respectfully submitted

GULF OIL CORPORATION

M. I. Taylor

Enclosures

VMH:bc

cc: New Mexico Oil Conservation Commission Post Office Box 1980 Hobbs, New Mexico 88240

> State Engineer Office Post Office Box 1079 Santa Fe, New Mexico 87501

State Land Office Post Office Box 1148 Santa Fe, New Mexico 87501 Attention: Mrs. Marian M. Rhea

All Unit Working Interest Owners (Less Exhibits)