

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenberg
Director
Oil Conservation Division

Case 4405

February 8, 2001

Clay & Jeri Osborn
P.O. Box 1285
Jal, NM 88252

Dear Mr. & Mrs. Osborn:

In response to your letter dated January 24, 2001, I am writing to let you know that the Oil Conservation Division (OCD) approved the transfer of the South Langlie Jal Unit to Chaparral Oil, L.L.C. on January 31, 2001. The change of operator could not be approved until OCD received additional bonding for inactive wells in the unit.

Please be assured Chaparral Oil, L.L.C. will be required to comply with applicable OCD rules.

Sincerely,


Lori Wrotenberg
Director

Cc: Chris Williams, District Supervisor
Bill Olson, Environmental Bureau

Clay and Jeri Osborn
P.O. Box 1285
Jal, New Mexico 88252
Phone (505) 395-2510

Received

JAN 29 2001

Energy and Natural
Resources Department
Office of the Secretary

January 24, 2001

Lori Wootenbery
New Mexico Oil Conservation Division
1220 South St. Francis Drive
P.O. Box 6429
Santa Fe, New Mexico 87505

Chris
Please handle.
Thanks.
Lori

Re: South Langlie Jal Unit

P.S. Please copy me
on your response

Dear Lori Wootenbery,

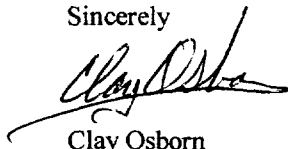
We are in receipt of the letter dated October 9, 2000 from Chaparral Oil, LLC stating that "effective October 1, 2000, Chaparral has assumed operations on all properties previously operated by Bristol". (Exhibit A) This is inclusive of the above referenced South Langlie Jal Unit. (Exhibit B)

According to OCD record of previous C115 reports, Bristol Resources Corporation is the last reported operator submitting reports on the South Langlie Jal Unit on August 2000. (Exhibit C) As per OCD record there has been no activity or C115 filed by Bristol Resources Corporation or Chaparral Oil, LLC.

According to New Mexico Statute, Chaparral Oil, LLC must file as the operator of record after assuming operations. As of January 19, 2001 OCD records continue to reflect Bristol Resources Corporation as operator of record.

We request that the OCD investigate the South Langlie Jal Unit for current operator. We also request that once the current operator is designated that the OCD require that certain operator to comply with all New Mexico Statues. We ask that you reply within 15 days of receipt of this letter.

Sincerely



Clay Osborn

Cc:
Jennifer Salisbury
Bill Olson
Chris Williams

RESERVE OIL AND GAS COMPANY

1806 FIDELITY UNION TOWER, DALLAS, TEXAS 75201
TELEPHONE: RIVERSIDE 8-0547, AREA CODE 214

SEP 21 AM 10 10
September 18, 1970

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

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Re: South Langlie Jal Unit
Lea County, New Mexico

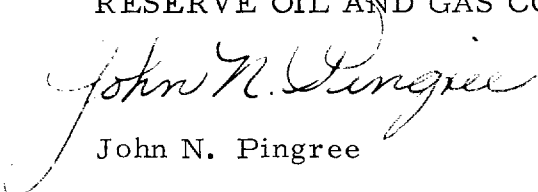
Gentlemen:

Under date of August 25, 1970 the Oil Conservation Commission issued their Order No. R-4021 in Case No. 4405 approxing the South Langlie-Jal Unit Agreement and Order No. R-4022 in Case No. 4406 authorizing the waterflood project in the South Langlie-Jal Unit Area, Langlie-Mattix Oil Pool.

By virtue of the authority granted by the aforementioned Orders, Reserve Oil and Gas Company, as Operator, of the South Langlie-Jal Unit placed the Unit in effect as of 7:00 A.M., September 1, 1970. We are enclosing for your information and files a copy of the recorded Certificate as to Effective Date of the South Langlie-Jal Unit Agreement.

Yours very truly,

RESERVE OIL AND GAS COMPANY


John N. Pingree

JNP:crs

cc: Mr. Jerry Losee
P. O. Box 239
Artesia, New Mexico 88210

Mr. Erd M. Johnson
Reserve Oil and Gas Company
Third Floor, First Savings Building
Midland, Texas 79701

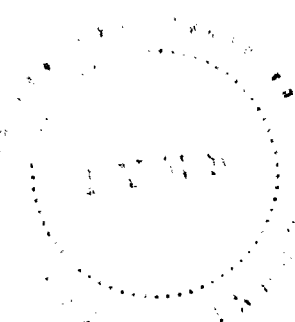
SEP 1 1970

at 10:40 of Book A
and Recorded in Book 291
Page 679
EFFIE HANDEMAN, County Clerk
By JX Deputy

43557

SEP 21 AM 8 19

CERTIFICATE AS TO EFFECTIVE DATE OF
THE SOUTH LANGLIE JAL UNIT AGREEMENT
LEA COUNTY, NEW MEXICO



Reserve Oil and Gas Company, Unit Operator under the
Unit Agreement for the Development and Operation of the South
Langlie Jal Unit Area, Lea County, New Mexico, hereby certifies:

1. Tracts comprising 100% of the Unit Area as shown
on the original Exhibit "B", have qualified under the provisions
of Article 9 of the Unit Agreement.

2. The Unit Agreement was approved by the New Mexico
Oil Conservation Commission on August 25, 1970, by Order R-4021
in Case No. 4405.

3. A counterpart of the Unit Agreement has been re-
corded in Book 291 at Page 378 of the Miscellaneous Records of
Lea County, New Mexico.

4. The Working Interest Owners in all qualified
tracts have determined that the South Langlie Jal Unit Agree-
ment became effective September 1, 1970, at 7:00 A.M.

DATED this first day of September, 1970.

RESERVE OIL AND GAS COMPANY

By: John M. Parnell
Attorney-in-Fact

STATE OF TEXAS)
 : SS.
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me
this September 1, 1970, by John M. Parnell,
Attorney-in-Fact for RESERVE OIL AND GAS COMPANY, a corporation,
on behalf of said corporation.

Constance R. Harwood
Notary Public

My commission expires:
JUN 1 1971

43557



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

August 25, 1970

Mr. A. J. Losee
Attorney at Law
Post Office Drawer 239
Artesia, New Mexico 88210

Re: Case No. 4405
Order No. R-4021
Applicant:
Reserve Oil & Gas

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other Unit Division - State Land Office

KA092 NSC246

1970 AUG 18 PM 4 17

(432).

NS MDA086 PB PD 2 EXTRA=MIDLAND TEX 18 424P CDT=
NEW MEXICO OIL CONSERVATION COMMISSION=
SANTAFE NMEX=

REFERENCE: CASE 4405-UNIT AGREEMENT CASE 4406-WATERFLOOD
DOCKET NO. 19-70 SOUTH LANGLIE JAL UNIT, LEA COUNTY,
NEW MEXICO. ATLANTIC RICHFIELD COMPANY HAS THIS DATE
APPROVED THE REFERENCED UNIT AGREEMENT DATED MAY 1,
1970 AND HAS EXECUTED A RATIFICATION THEREOF. THE
EXECUTION OF SAID RATIFICATION IS SUBJECT TO OBTAINING
CONSENT OF THE ARGON PRODUCTION PAYMENT OWNERS=

JOHN NOLEN ATLANTIC RICHFIELD COMPANY MIDLAND, TEXAS=