



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Mesa Grande Resources, Inc.

FLORENE DAVIDSON  
OC Staff Specialist

Other \_\_\_\_\_

**MESA GRANDE RESOURCES, INC.**

**1200 PHILTOWER BUILDING**

**TULSA, OKLAHOMA 74103**

**(918) 587-8494**

November 18, 1987

Mr. David Catanach  
New Mexico Oil Conservation  
Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501-2088

Dear Mr. Catanach:

Per your request, enclosed are three (3) copies of the September 18, 1987 letter which should be included as a part of Exhibit 3 in Mesa Grande Resources' Case No. 9257 which was heard on November 18, 1987.

Very truly yours,

*Kathy Michael/dw*

Kathy Michael  
Landman

KM:dw  
Enclosures

cc: Crusader Well File

**MESA GRANDE RESOURCES, INC.**

**1200 PHILTOWER BUILDING  
TULSA, OKLAHOMA 74103  
(918) 587-8494**

September 18, 1987

To All Working Interest Owners  
(See Attached List)

Re: Crusader #1 Well  
All Section 14, T25N-R2W, NMPM  
Rio Arriba County, New Mexico


Ladies and Gentlemen:

In conformance with NMOCD Order #R-7407-E, Mesa Grande Resources, Inc. proposes, on or before December 1, 1987, to drill the Crusader #1 Well on a spacing unit comprised of All of Section 14, T25N-R2W, NMPM, Rio Arriba County, New Mexico.

We enclose for your consideration and execution two copies of our Authority for Expenditure (AFE) and one copy plus one extra signature page of our Operating Agreement dated September 17, 1987.

If you elect to participate in the drilling of the Crusader #1, please return one executed copy of the AFE and the extra signature page to the attention of the undersigned as soon as possible.

Very truly yours,



Kathy Michael  
Landman

KM:dw  
Enclosures

CRUSADER #1 WELL  
WORKING INTEREST OWNERS

Mesa Grande Resources, Inc.  
1200 Philtower Building  
Tulsa, OK 74103

Mesa Grande, Ltd.  
1305 Philtower Building  
Tulsa, OK 74103

Arriba Company, Ltd.  
P. O. Box 35304  
Tulsa, OK 74153

Johansen Energy Partnership  
1365 Regal Row  
Dallas, TX 75247

Peter C. Neumann  
P. O. Box 1170  
Reno, NV 89504-1170

Venada National  
2580 Sierra Boulevard  
Suite A  
Sacramento, CA 95825

Texaco Producing Inc.  
P. O. Box 3226  
Dallas, TX 75285

Reading & Bates Petroleum Co.  
3200 Mid-Continent Tower  
Tulsa, OK 74103

Hooper, Kimball and Williams  
P. O. Box 520970  
Tulsa, OK 74152

P C, Ltd.  
P. O. Box 911  
Breckenridge, TX 76024-0911

Ibex Partnership  
P. O. Box 911  
Breckenridge, TX 76024-0911

Clark & Oatman  
P. O. Box 1846  
Austin, TX 78767

Mountain States Natural Gas  
P. O. Box 35426  
Tulsa, OK 74153

Mary Alice Gilliland  
7420 Caruth  
Dallas, TX 75225

Duer Wagner, Jr.  
P. O. Drawer 980239  
Ft. Worth, TX 76198

Duer Wagner III  
1420 Continental Plaza  
777 Main Street  
Ft. Worth, TX 76198

1st City National Bank  
of Tyler  
P. O. Box 2020  
Tyler, TX 75710

David Beach Estate  
c/o Lewis Beach  
430 Mayo Building  
Tulsa, OK 74103

Forest Oil Corporation  
P. O. Box 1916  
Midland, TX 79702

Helmerich & Payne  
Utica at 21st  
Tulsa, OK 74114

Keener Oil Company  
320 South Boston  
Suite 406  
Tulsa, OK 74103

Petroleum Management, Inc.  
400 Woodlawn, Suite 201  
Wichita, KS 67208

W. C. Berry, Jr.  
843 La Para  
Palo Alto, CA 94306

Martha B. Oliver  
15512 William St.  
Apt. #E  
Tustin, CA 92680