

MAIN OFFICE OCC

357 AUG 12 AM 8:49

August 9, 1957

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Dear Sir:

On March 8, 1957, we furnished you seven copies of Application for Approval of Second Enlargement of the Mesaverde Participating Area for the Northeast Blanco Unit in San Juan and Rio Arriba Counties, New Mexico. As of this date, we have heard nothing from you regarding these applications.

Will you please advise us of the disposition made on these requests.

Yours very truly,

BLACKWOOD & NICHOLS COMPANY


John M. Rowntree
Land Department

JMR:cr

CC: Director of USGS
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

318

APR 1 1957

APR 1 1957

April 1, 1957

file

In reply refer to:
Unit Division

Blackwood and Nichols
Liberty Bank Building
Oklahoma City 2, Oklahoma

Attention: Mr. W. N. Little

Re: Northeast Blanco Unit Agreement

Gentlemen:

We are in receipt of your intention to Drill on your Northeast Blanco Unit Well No. 39-36, located on the NE/4 SW/4 of Section 36-31N-8W. You show on New Mexico Oil Conservation Commission form C-128 the W/2 of this section dedicated to this well. May we again call to your attention the fact that the N/2 of the NW/4 of this section is under State Lease E-5382, and the Texas Company is the record owner and this 80 acres has never been committed to this Unit.

We wrote to you April 16, 1956, calling to your attention the fact that Tract No. 45 of this Unit has never been ratified, however we never received a reply to our letter.

May we please hear from you promptly concerning this matter.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

By: Ted Bilberry, Supervisor
Oil and Gas Department

MEM:MMR/m
cc: OCC-Santa Fe
OCC-Hobbs

OIL

ON

SANTA FE, NEW MEXICO

MEXICO

2/1

February 28, 1957

Blackwood and Nichols
Liberty Bank Building
Oklahoma City 2, Oklahoma

Attention: Mr. J. W. Nichols

Re: Northeast Blanco Unit
San Juan and Rio Arriba
Counties, New Mexico
1957 Plan of Development

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1957 Plan of Development for the above-captioned unit area, dated December 28, 1956, subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the Plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/ir

Enclosure

bcc: U. S. G. S. - Roswell
Commissioner of Public Lands - Santa Fe

COPY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, Counties of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, briefly described opposite his signature, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his heirs, devisees, assigns or successors in interest.

SIGNATURES AND ADDRESSES

DESCRIPTION

Name *J. P. Thomas*
 Address 1101 Mill High Center
Denver, Colorado.

Name *Catherine M. Thomas*
 Address 1101 Mill High Center
Denver, Colorado.

Name *Earl M. Cranston*
 Address P.O. Box 1602
Billings, Mont.

Name *Jean Allen Cranston*
 Address P.O. Box 1602
Billings, Mont.

STATE OF MONTANA }
 COUNTY OF YELLOWSTONE } ss.

On this 29th day of June, 1956, before me personally appeared Earl M. Cranston and Jean Allen Cranston, husband and wife, to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 29th day of June, 1956.

Leta Williams
 Notary Public for the State of Montana.
 Residing at Billings, Montana. My commission expires April 3, 1958.

RATIFICATION AND JOINDER OF UNIT
OPERATING AGREEMENT UNDER UNIT
AGREEMENT FOR THE DEVELOPMENT
AND OPERATION OF THE NORTHEAST
BLANCO UNIT AREA, COUNTY OF SAN
JUAN, STATE OF NEW MEXICO

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, County of San Juan, State of New Mexico, the undersigned owners of lands and leases or interests therein presently held or which may arise under existing option agreements or other interest in production covered by said Unit Operating Agreement, each to the extent of his, her or its particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, Counties of San Juan and Rio Arriba, New Mexico.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, its successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

Earl M Cranston
Joan Allen Cranston

CC Thomas
Catherine M Thomas
Address: 1101 Military Center
Denver, Colorado

Date: 6-27-56

STATE OF Colorado)
City of Denver) ss.
COUNTY OF Denver)

On this 27th day of June, 1956, before me personally appeared CC Thomas and Catherine M Thomas, to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27 day of June, 1956

J. M. E. Shantz
Notary Public

My commission expires:

My Commission expires December 28, 1958

Approved by BLACKWOOD & NICHOLS COMPANY, Unit Operators

James Nichols

STATE OF MONTANA)
) ss.
COUNTY OF YELLOWSTONE)

On this 29th day of June, 1956, before me personally appeared Earl M. Cranston, and Joan Allen Cranston, to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 29th day of June, 1956.

Leila Williams
Notary Public for the State of Mont.
Residing at Billings, Mont. My commission expires April 3, 1958.

APR 16 1956

April 16, 1956

In reply refer to:
Unit Division

Blackwood and Nichols Co.
Oil Properties
Liberty Bank Building
Oklahoma City 2, Oklahoma

Re: (Northeast Blanco Unit)
Plan of Development for
Calendar Year 1956

Attention: Mr. W. N. Little
Chairman, Advisory Committee

Gentlemen:

This is to advise that the Commissioner of Public Lands has of this date approved the 1956 Plan of Development for the Northeast Blanco Unit, which is dated December 19, 1955. Three copies of the approved plan are returned herewith.

We wish to call to your attention again ^{to} the fact that we have no ratification on file for The Texas Company, however, under "III Proposed Additional Wells" you have proposed a well No. 40-36 for the NE/4 of Sec. 36-31N-8W. The N/2 NE/4 is part of Tract No. 45. Will you please verify the fact that The Texas Company has not ratified its acreage to the Northeast Blanco Unit.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

EMR/m
enc: 3

cc: OCC-Santa Fe
USGS-Roswell

*Case
318*

BLACKWOOD & NICHOLS COMPANY
OIL PROPERTIES
LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

MAIN OFFICE OCC
1955 JUL 9 AM 8:25

July 5, 1956

file

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith, are Ratification and Joinder of Unit Agreement and Ratification and Joinder of Unit Operating Agreement executed by Earl M. Cranston, et ux, and C. C. Thomas, et ux, who are the owners of all the working interest in Tract 23 of the Northeast Blanco Unit.

As this tract is not within the present participating area, adjustment of interest is not necessary.

Yours very truly,

BLACKWOOD & NICHOLS COMPANY

John M. Rowntree
John M. Rowntree
Land Department

JMR:DP
Attachment



IN REPLY REFER TO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

1956 APR 3 PM P: 07 Box 6721
Roswell, New Mexico

file
NE Blanco Unit
Case 318

March 30, 1956

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Nutter

Gentlemen:

Attached is a copy of our letter of March 5, to Blackwood and Nichols Company, approving the plan of development for the North-east Blanco unit area, for the calendar year 1956.

It is regretted that the approval of the plan of development was not conditioned on like approval by the appropriate State officials.

Very truly yours,

R. E. Sanfield
R. E. SANFIELD
Acting Oil & Gas Supervisor

P. O. Box 6721
Roswell, New Mexico

March 5, 1956

Blackwood & Nichols Company
Liberty Bank Bldg.
Oklahoma City 2, Oklahoma

Attention: Mr. W. N. Little

Gentlemen:

Your plan of development dated December 19, 1955, for the Northeast Blanco unit area, New Mexico, for the calendar year 1956, has been approved on this date subject to the following conditions:

Unit operator will by May 1, 1956, submit an acceptable application for enlargement of the Mesaverde participating area, and also a supplemental plan of development providing for exploration of the non-participating area, unless by such time all of said area has been included in the participating area.

One approved copy of the plan is enclosed.

Very truly yours,

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

Enclosure

Copy to: Cons.Div., Wash (w/copy of plan)
Farmington (w/copy of plan)
N.M.O.C.C., Santa Fe (letter only)
Comm. Public Lands, Santa Fe (letter only)

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

April 2, 1956

C
O
P
Y

Blackwood and Nichols Company
Liberty Bank Building
Oklahoma City 2, Oklahoma

Attention: Mr. W. N. Little

Re: Northeast Blanco Unit
San Juan and Rio Arriba
Counties, New Mexico.
1956 Plan of Development

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1956 Plan of Development for the subject unit area, dated December 19, 1955.

One approved copy of the Plan is returned herewith.

Very truly yours,

A. L. Porter
Secretary-Director

ALP:jh
cc: U. S. Geological Survey, Roswell
Commissioner of Public Lands, Santa Fe

BLACKWOOD & NICHOLS COMPANY
OIL PROPERTIES
LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

December 19, 1955

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Request for Approval of Plan of Development
for the Calendar Year 1956, Mesaverde Zone,
Northeast Blanco Unit, I-Sec. 929, San Juan
and Rio Arriba Counties, New Mexico.

Gentlemen:

We are submitting herewith four signed copies of the above
referenced request. Copies have also been submitted to the Oil and
Gas Supervisor, United States Geological Survey, Roswell, New Mexico;
and the Commissioner of Public Lands, State of New Mexico, Santa Fe,
New Mexico. We would appreciate your approval of this Plan of Develop-
ment.

Yours very truly,

W. N. Little

W. N. Little, Chairman
Northeast Blanco Unit
Advisory Committee

WNL:dw

Enc. - 4

*hold for USGS
reply on well
outside P.A.
enclosing pres.
part area at
present time to
meet all
requirements*

*area not
presently in
investigate
a drilling
program
to probe all
or most of
all of the
area*

Plan of Development for the Calendar
Year 1956, Mesaverde Zone, Northeast
Blanco Unit, I-Sec. 929, San Juan
and Rio Arriba Counties, New Mexico

To: The Oil and Gas Supervisor
U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

A Plan of Development for the calendar year 1955 was submitted on the 29th day of December, 1954, and was subsequently approved by The Oil and Gas Supervisor of the U. S. Geological Survey on February 3, 1955, the Commissioner of Public Lands, State of New Mexico on January 24, 1955, and Oil Conservation Commission, State of New Mexico on January 14, 1955. All wells under these plans have been completed, and all are expected to be producing by the end of 1955.

In compliance with Section 10 of the Northeast Blanco Unit Agreement, approved by the Director of the United States Geological Survey on April 16, 1952, by the Commissioner of Public Lands of the State of New Mexico on October 23, 1951, and by the Oil Conservation Commission of the State of New Mexico on October 31, 1951, Blackwood & Nichols Company, as Unit Operator, on behalf of itself and all other owners of oil and gas leases or of operating rights under oil and gas leases covering lands committed to the Northeast Blanco Unit, hereby submits a Plan of Development for the Mesaverde Zone of said Northeast Blanco Unit for the calendar year 1956, as follows:

I Description of Participating Area in Mesaverde Zone

All the acreage located within the boundaries of the Northeast Blanco Unit Area as specifically identified hereafter: Section 1, 12, 13 and 24, all in Township 30 North, and Range 8 West; Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 19, 20, 21 W/2 NW/4 and NW/4 of SW/4 Section 22, N/2 Section 29, all in Township 30 North, Range 7 West; S/2 Section 9 and Sections 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36, Township 31 North, Range 7 West and Sections 25 and 36, Township 31 North, Range 8 West; Sections 19 and 30, T-31-N, R-6-W.

II Past Development History of Mesaverde Zone

Status of the wells in the Unit is as follows:

<u>Northeast</u> <u>Blanco Well</u>	<u>October</u> <u>1955</u> <u>MCF Prod.</u>	<u>Cumulative</u> <u>MCF Prod.</u> <u>Nov. 1, 1955</u>	<u>Date</u> <u>Completed</u>	<u>Potential MCF</u> <u>or Remarks</u>
FF 2-43 ✓	13,167	196,801	4-30-52	3120 ✓
Howell 1-B ✓	0	560,802	8-4-51	6200 ✓
Howell 2-B ✓	8,611	355,049	10-3-51	3300 ✓
Howell 1-G ✓	9,255	498,850	10-5-51	3300 ✓
Howell 2-J ✓	24,451	1,417,169	2-1-52	3180 ✓
2-20 ✓	772	21,866	6-12-54	1236 ✓
3-5 ✓	--	--	Plugged & Ab.	Casing Failure
3-5X ✓	26,794	287,375	9-24-54	4116 ✓
4-21 ✓	9,709	203,644	2-10-54	4160 ✓
5-13 ✓	--	--	Plugged & Ab.	Casing Failure
5-13X ✓	38,711	1,078,399	8-14-53	8492 ✓
6-29 ✓	4,541	112,151	12-4-53	4260 ✓
7-21 ✓	25,923	598,630	12-11-53	5200 ✓
8-10 ✓	22,323	530,306	9-30-53	5210 ✓
9-12 ✓	56,609	788,297	9-22-53	4976 ✓
10-16 ✓	9,395	204,229	1-6-54	2820 ✓
11-25 ✓	2,583	36,618	1-7-54	1400 ✓
12-18 ✓	15,033	335,312	10-16-53	5450 ✓
13-20 ✓	13,839	239,702	12-17-53	4500 ✓
14-2 ✓	14,872	113,098	5-20-54	2415 ✓
15-2 ✓	12,893	125,558	6-8-54	2774 ✓
16-3 ✓	27,999	160,771	7-18-54	2864 ✓
17-9 ✓	Conn. 11-2-55	---	8-25-54	3580 ✓✓
18-9 ✓	38,487	178,619	7-28-54	2237 ✓
19-20 ✓	6,895	6,895	10-19-54	1644 ✓✓
20-28 ✓	3,003	41,516	11-11-54	1374 ✓
21-36 ✓	4,228	35,391	10-5-54	1723 ✓
22-36 ✓	1,573	13,938	11-2-54	1452 ✓
23-6 ✓	Not Conn.	--	8-30-55	8343 ✓✓
24-17 ✓	32,986	106,059	5-22-55	4341 ✓✓
25-17 ✓	Not Conn.	--	6-15-55	4738 ✓
26-8 ✓	Not Conn.	--	8-25-55	4820 ✓✓
27-8 ✓	Not Conn.	--	8-1-55	5121 ✓✓
28-34 ✓	Not Conn.	--	9-21-55	3404 ✓✓
29-13 ✓	Conn. 11-4-55	--	5-31-55	4907 ✓✓
30-12 ✓	Conn. 11-11-55	--	8-3-55	5600 ✓
31-7 ✓	Not Conn.	--	7-3-55	3979 ✓
32-7 ✓	Not Conn.	--	9-28-55	4013 ✓✓
33-12 ✓	Not Conn.	--	11-10-55	3009 ✓✓

Note #1 -- All wells listed above which show no production for October, 1955, are expected to be producing by December 31, 1955.

Note #2 -- The specific gravity of the gas being produced from these wells varies from .585 to .685. The October, 1955, tests indicate that the gas carries from .096 to .361 gallons per thousand.

III Proposed Additional Wells

We recommend the drilling of sixteen Mesaverde wells within the boundaries of the Participating Area during the year 1956. The tentative locations of the sixteen proposed additional development wells are as follows:

<u>Well</u>	<u>Location</u>
34-19	SW Sec. 19, T30N, R7W, Rio Arriba County
35-19	SE Sec. 19, T30N, R7W, Rio Arriba County
36-1	NE Sec. 1, T30N, R8W, San Juan County
37-6	NE Sec. 6, T30N, R7W, San Juan County
38-31	NE Sec. 31, T31N, R7W, San Juan County
39-36	SW Sec. 36, T31N, R8W, San Juan County
40-36	NE Sec. 36, T31N, R8W, San Juan County
41-25	NE Sec. 25, T31N, R8W, San Juan County
42-19	SW Sec. 19, T31N, R7W, San Juan County
43-4	SW Sec. 4, T30N, R7W, San Juan County
44-4	NE Sec. 4, T30N, R7W, San Juan County
45-5	NE Sec. 5, T30N, R7W, San Juan County
46-33	SW Sec. 33, T31N, R7W, San Juan County
47-32	SW Sec. 32, T31N, R7W, San Juan County
48-32	NE Sec. 32, T31N, R7W, San Juan County
49-30	NE Sec. 30, T31N, R7W, San Juan County

*subject to approval
within 60 days
of receipt of
application
to drill
in the
participating
area*

*subject to approval
within 60 days
of receipt of
application
to drill
in the
participating
area*

IV Offset Obligation

The Unit Operator, on behalf of the owners of working, royalty, or other interests in the Northeast Blanco Unit, will take appropriate and adequate measures to prevent drainage from lands subject to the Northeast Blanco Unit Agreement by wells on lands not subject to the agreement, or, pursuant to applicable regulations, will pay a fair and reasonable compensatory royalty as provided in Section 17 of the Northeast Blanco Unit Agreement.

V Further Development

Working interest owners in the Northeast Blanco Unit would appreciate an opportunity to test the 1955 Exploratory Well #33-12, located in the SW/4 of Section 12, T-31-N, R-7-W, San Juan County, New Mexico, under actual pipe line production for a short period prior to the time they recommend to the Regulatory Agents the disposition of the well and, consequently, the extent of the enlargement of the Mesaverde Participating Area. A supplement to this report will include the necessary recommendation for further exploration of non-participating acreage or for possible expansion of Mesaverde Participating Area.

VI Spacing of Wells

The Unit Operator recommends developing the Mesaverde formation on the basis of one well per 320 acre tract, also to locate the wells in the SW/4 and NE/4 of sections where this practice is practicable. The wells now completed in the participating area conform to this pattern with one exception. Approval was received to locate Well #28-34, 770' from south line and 1790' from east line, for the reason that the San Juan River Channel occupies almost the entire southwest $\frac{1}{4}$ of Section 34, T-31-N, R-7-W.

VII Well Casing Program

The well casing program will generally follow the program currently used in the Mesaverde wells drilled in the area, including such surface casing and other casing as may be required by the Supervisor, the Commissioner, and the Commission, or as set forth in approvals of the applicable U. S. Geological Survey and State of New Mexico forms. The producing string of casing may be set and cemented either on top or through, or partially through, the producing zone.

VIII Effective Date

This Plan of Development shall be effective January 1, 1956.

IX Modification

It is understood that portions of the Plan of Development herein outlined are dependent upon certain information to be obtained prior and subsequent to drilling, and other contingencies, such as the availability of well casing; and for these reasons, this Plan of Development may be modified from time to time, with the approval of the Federal Oil and Gas Supervisor, the New Mexico Commissioner of Public Lands, and the New Mexico Conservation Commission, to meet changing conditions.

Submitted this 19th day of December, 1955.

BLACKWOOD & NICHOLS COMPANY
Unit Operator

by J. W. Nichols
A General Partner

Approved: April 7 1956
[Signature]
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL
BEING GRANTED BY THE UNITED STATES GEOLOGICAL
SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO.



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

November 15, 1955

Blackwood and Nichols Company
Liberty Bank Building
Oklahoma City 2, Oklahoma

Gentlemen:

Reference is made to your letter of November 4, replying to our letter of November 2, 1955, concerning the spacing of eleven wells in secs. 19, 30, and 31, T. 31 N., R. 7 W., and secs. 6, 7, 18, and 19, T. 30 N., R. 7 W., all within the Northeast Blanco unit area, New Mexico.

Presumably one of the wells, not indicated on the plat attached to your letter of September 9, 1955, is to be drilled in the NE $\frac{1}{4}$ sec. 6, T. 30 N., R. 6 W. You are requested to confirm this location.

As far as the spacing of the proposed wells is concerned, this office offers no objection. However, as to your request that allocation for the four wells to be located on the fractional W $\frac{1}{2}$ of the above-mentioned sections be computed on the basis of 353.14 acres, you are advised that the matter should be taken up with the New Mexico Oil Conservation Commission, as that agency establishes the spacing units for allocation purposes.

Very truly yours,


JAMES A. KNAUF

Acting Oil & Gas Supervisor

Copy to: Farmington
N.M.O.C.C., Santa Fe ✓



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

November 2, 1955

Blackwood and Nichols Company
1313 Liberty Bank Building
Oklahoma City, Oklahoma

Gentlemen:

Receipt is acknowledged of the plan of development dated September 9, 1955, for the Northeast Blanco unit area, New Mexico, I-Sec. No. 929, pursuant to which you propose to drill eleven wells in secs. 19, 30, 31, T. 31 N., R. 7 W., and secs. 6, 7, 18 and 19, T. 30 N., R. 7 W., N.M.F.M.

The plan is incomplete as the period covered thereby is not stated nor is it clear as to the locations of the proposed wells. Apparently all the locations were not indicated on the one plat submitted to this office.

Accordingly, you are requested to supplement the plan listing the locations of the proposed wells and stating the period in which the wells are to be drilled. Four copies of the amended or supplemental plan should be submitted. It is also requested that you furnish three additional copies of the plat showing the proposed well locations. Consideration should also be given to the drilling of exploratory wells outside of the presently established participating area. It is the intent and purpose of the unit agreement that reasonable diligence be exercised in defining the productive limits within the unit area and to bring into participation all lands reasonably considered productive.

Very truly yours,

(Signature)

R. E. CANFIELD
Acting Oil and Gas Supervisor

Copy to: Farmington
BVOCC, Santa Fe

IN REPLY REFER

Handwritten notes:
F 117-
Hold for
Kelsey
on
11/11/55
[unclear]

LAW OFFICES
McAFEE & TAFT
1316 LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

file

KENNETH E. McAFEE
RICHARD G. TAFT
JOE FRED GIBSON
OLIVER W. GATES

September 13, 1955

318

Oil Conservation Commission
Santa Fe, New Mexico

Re: Northeast Blanco Unit
I-Sec. 929
San Juan and Rio Arriba Counties,
New Mexico
Tract No. 46

Dear Sirs:

Transmitted herewith is one copy each of Ratification and Joinder of Unit Agreement executed by Paul H. Umbach and wife and by Brookhaven Oil Company. Both of these Ratification and Joinders relate to tract No. 46 of the captioned unit, and have been approved by the working interest owner and the unit operator.

The interest of Mr. Umbach is not reflected on Exhibit B as amended on May 31, 1954; however, his interest was acquired by conveyance from Brookhaven Oil Company and will be reflected on a revised Exhibit B which will be submitted shortly.



OWC:KA

Yours very truly,

McAFEE & TAFT



Oliver W. Cates

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, briefly described opposite his signature, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his heirs, devisees, assigns or successors in interest.

SIGNATURES AND ADDRESSES

DESCRIPTION

Name Paul H. Umbach
 Address 318 Boston Bldg
Denver, Colo
PAUL H. UMBACH

Name Martha Kearney Umbach
 Address 318 Boston Bldg
Denver, Colorado
MARTHA KEARNEY UMBACH

Name _____
 Address _____

Tract 46

T 31N - R 7W. N.M.P.M.
 Sec. 11: SE $\frac{1}{2}$ SW $\frac{1}{2}$, SE $\frac{1}{2}$
 12: W $\frac{1}{2}$ SW $\frac{1}{2}$
 14: NE $\frac{1}{2}$ NW $\frac{1}{2}$

Containing 320 acres, more or less in San Juan County, New Mexico.

~~NAME~~ APPROVED AND CONSENTED TO BY
~~ADDRESS~~ PHILLIPS PETROLEUM COMPANY
A WORKING INTEREST OWNER

BY [Signature]
View President

APPROVED AND CONSENTED TO BY
PACIFIC NORTHWEST PIPELINE CORPORATION,
Working Interest Owner

STATE OF COLORADO I
 City and
 COUNTY OF DENVER I

[Signature]

On this 18th day of August, 1955, before me personally appeared Paul H. Umbach and Martha Kearney Umbach, his wife, to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE. this 18th day of August 1955

APPROVED: BLACKWOOD & NICHOLS COMPANY
 Unit Operator

9/9/55

By [Signature]
 A Partner

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, briefly described opposite his signature, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his heirs, devisees, assigns or successors in interest.

SIGNATURES AND ADDRESSES

Name BROOKHAVEN OIL COMPANY
 Address *Thomas H. Scott, Jr.*
 Name President.
 Address P. O. Box 6111
Albuquerque, New Mexico

APPROVED AND CONSENTED TO BY
 PHILLIPS PETROLEUM COMPANY
 A WORKING INTEREST OWNER
 By *[Signature]*
 Vice President

DESCRIPTION

Tract 46
T 31N - R 7W. N.M.P.M.
 Sec. 11: NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
 12: W $\frac{1}{2}$ SW $\frac{1}{4}$;
 14: NE $\frac{1}{4}$ NW $\frac{1}{4}$

Containing 320 acres, more or less in San Juan County, New Mexico.

APPROVED AND CONSENTED TO BY
 PACIFIC NORTHWEST PIPELINE CORPORATION,
 Working Interest Owner

STATE OF _____ I
 COUNTY OF _____ I

APPROVED: BLACKWOOD & NICHOLS COMPANY
 Unit Operator
 9/9/55 By *[Signature]*
 A Partner

My Commission Expires: _____

Notary Public

ACKNOWLEDGMENTS

STATE OF NEW MEXICO I

COUNTY OF BERNALILLO I

On this 15th day of August, 19 55, before me personally appeared Thos. B. Scott, Jr., to me personally known, who, being by me duly sworn did say that he is the President of Breakhaven Oil Company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Thos. B. Scott, Jr. acknowledged said instrument to be the free act and deed of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this the day and year first above written.

My Commission Expires:
July 25, 1959.

Margaret H. Seef
Notary Public

STATE OF _____ I

COUNTY OF _____ I

On this ___ day of _____, 19 ___, before me personally appeared _____ to me known to be the person ___ described in and who executed and delivered the foregoing instrument, and acknowledged to me that _____ executed the same as _____ free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ___ day of _____, 19 ___

My Commission Expires:

Notary Public

STATE OF _____ I

COUNTY OF _____ I

On this ___ day of _____, 19 ___, before me personally appeared _____, to me personally known, who, being by me duly sworn did say that he is the _____ President of _____ and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this the day and year first above written.

My Commission Expires:

Notary Public

STATE OF _____ I

COUNTY OF _____ I

On this ___ day of _____, 19 ___, before me personally appeared _____ to me known to be the person ___ described in and who executed and delivered the foregoing instrument, and acknowledged to me that _____ executed the same as _____ free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this ___ day of _____, 19 ___.

My Commission Expires:

Notary Public

BLACKWOOD & NICHOLS COMPANY
1313 Liberty Bank Building
Oklahoma City, Oklahoma

September 9, 1955

Director of the U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

Re: NM-1 NE Blanco

✓ Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

We submit for your approval our intention to drill a total of 11 wells on Sections 19, 30 and 31, Township 31 North, Range 7 West, and Sections 6, 7, 18 and 19, Township 30 North, Range 7 West. These sections are not full sections and in the aggregate contain 3652.56 acres. Our proposed drilling program would require one well for each 332.05 acres. It is our intention that these wells be located as shown on the attached plat.

Because of the dam site covering the S/2 of Section 18 and the N/2 of Section 19, we are unable to locate a well on this portion of the acreage. We have located the remainder of the wells in such a position as to protect the Unit acreage from any offset development.

For allocation purposes, we have designated the E/2 of each of these sections to contain a full 320 acres with a well to be drilled on each of these 320-acre tracts. We request that allocation for the four wells to be located on the W/2 of these sections be computed on the basis of 353.14 acres per well.

We respectfully request that the Director, the Commissioner and the Commission approve this development plan.

Very truly yours,

BLACKWOOD & NICHOLS COMPANY


John M. Rowntree
Land Department

WORKING INTEREST OWNER

Representative: W. N. Little

Company: Blackwood & Nichols Company

BLACKWOOD & NICHOLS COMPANY
1313 Liberty Bank Building
Oklahoma City, Oklahoma

September 9, 1955

Director of the U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

Re: NM-1 NE Blanco

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

We submit for your approval our intention to drill a total of 11 wells on Sections 19, 30 and 31, Township 31 North, Range 7 West, and Sections 6, 7, 18 and 19, Township 30 North, Range 7 West. These sections are not full sections and in the aggregate contain 3652.56 acres. Our proposed drilling program would require one well for each 332.05 acres. It is our intention that these wells be located as shown on the attached plat.

Because of the dam site covering the S/2 of Section 18 and the N/2 of Section 19, we are unable to locate a well on this portion of the acreage. We have located the remainder of the wells in such a position as to protect the Unit acreage from any offset development.

For allocation purposes, we have designated the E/2 of each of these sections to contain a full 320 acres with a well to be drilled on each of these 320-acre tracts. We request that allocation for the four wells to be located on the W/2 of these sections be computed on the basis of 353.14 acres per well.

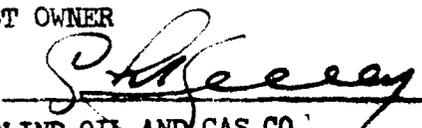
We respectfully request that the Director, the Commissioner and the Commission approve this development plan.

Very truly yours,

BLACKWOOD & NICHOLS COMPANY


John M. Rowntree
Land Department

WORKING INTEREST OWNER

Representative: 

Company: STANOLIND OIL AND GAS CO.

BLACKWOOD & NICHOLS COMPANY
1313 Libert, Bank Building
Oklahoma City, Oklahoma

September 9, 1955

Director of the U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

Re: NM-1 NE Blanco

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

We submit for your approval our intention to drill a total of 11 wells on Sections 19, 30 and 31, Township 31 North, Range 7 West, and Sections 6, 7, 18 and 19, Township 30 North, Range 7 West. These sections are not full sections and in the aggregate contain 3652.56 acres. Our proposed drilling program would require one well for each 332.05 acres. It is our intention that these wells be located as shown on the attached plat.

Because of the dam site covering the S/2 of Section 18 and the N/2 of Section 19, we are unable to locate a well on this portion of the acreage. We have located the remainder of the wells in such a position as to protect the Unit acreage from any offset development.

For allocation purposes, we have designated the E/2 of each of these sections to contain a full 320 acres with a well to be drilled on each of these 320-acre tracts. We request that allocation for the four wells to be located on the W/2 of these sections be computed on the basis of 353.14 acres per well.

We respectfully request that the Director, the Commissioner and the Commission approve this development plan.

Very truly yours,

BLACKWOOD & NICHOLS COMPANY


John M. Rowntree
Land Department

WORKING INTEREST OWNER

Representative: 

H. F. Steen, Vice President
Company: EL PASO NATURAL GAS COMPANY

Approved for spacing purposes only. Such approval does not constitute our approval for actual drilling of these wells.

LAW OFFICES
MCAFEE & TAFT
1316 LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

1955 APR 25

April 25, 1955

KENNETH E. MCAFEE
RICHARD G. TAFT
JOE FRED GIBSON
OLIVER W. CATES

318

Oil Conservation Commission of the State
of New Mexico
Santa Fe, New Mexico

Re: Unit Tract 46

file
NE Balance Unit

Gentlemen:

Enclosed are the following:

1. Ratification and Joinder of Unit Agreement executed by Forrest B. Miller and Mabelle M. Miller and Harold Payne and Mabel C. Payne, duly consented to.
2. Ratification and Joinder of Unit Operating Agreement under Unit Agreement executed by T. H. McElvain and Catherine B. McElvain, duly consented to.
3. Ratification and Joinder of Unit Agreement executed by T. H. McElvain and Catherine B. McElvain, duly consented to.

Yours very truly,

MCAFEE & TAFT

Oliver W. Cates

Oliver W. Cates

OWC:rb

Am

STATE OF Colorado)

COUNTY OF La Plata)

On this 7th day of April, 1955, before me personally appeared Arnold Payne & Mabel C. Payne ⁱⁿ to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7th day of April, 1955.

Neil B. Marker
Notary Public

My commission expires:

June 26, 1957

RATIFICATION AND JOINDER OF UNIT
OPERATING AGREEMENT UNDER UNIT
AGREEMENT FOR THE DEVELOPMENT
AND OPERATION OF THE NORTHEAST
BLANCO UNIT AREA, COUNTY OF SAN
JUAN, STATE OF NEW MEXICO

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, County of San Juan, State of New Mexico, the undersigned owners of lands and leases or interests therein presently held or which may arise under existing option agreements or other interest in production covered by said Unit Operating Agreement, each to the extent of his, her or its particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, Counties of San Juan and Rio Arriba, New Mexico.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, its successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

T. H. McElvain
Catherine B. McElvain

Date: 4-1-55

Address: 220 Shelby St.
Santa Fe, N. M.

STATE OF New Mexico)
COUNTY OF Santa Fe) ss.

On this 1st day of April, 1955, before me personally appeared T. H. McElvain and Catherine B. McElvain, his wife, to me known to be the persons described in and who executed and delivered the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 1 day of April, 1955.

John W. Burdette
Notary Public

My commission expires: March 7 1958

Description of Lands Committed Hereby

Unit Tract 46: SE/4 SW/4 and SE/4 of Sec. 11; W/2 SW/4 of Sec. 12; and NE/4 NW/4 of Sec. 14; all in Township 31 North, Range 7 West, N. M. P. M., containing 320 acres, more or less.

Approved and Consented To
Blackwood & Nichols Company, Unit Operator
By J. H. Blackwood
A Partner

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, Counties of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, briefly described opposite his signature, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his heirs, devisees, assigns or successors in interest.

SIGNATURES AND ADDRESSES	DESCRIPTION
Name <u>T.H. McElvain</u> Address <u>220 Shelby Street</u> <u>Santa Fe, New Mexico</u>	Unit Tract 46: SE/4 SW/4 and SE/4 of Sec. 11; W/2 SW/4 of Sec. 12; NE/4 NW/4 of Sec. 14; all in Township 31 North, Range 7 West, N.M.P.M., containing 320 acres, more or less.
Name _____ Address _____	
Name _____ Address _____	
Name <u>Catherine B. McElvain</u> Address <u>220 Shelby Street</u> <u>Santa Fe, New Mexico</u>	
STATE OF <u>New Mexico</u>) COUNTY OF <u>Santa Fe</u>) On this <u>1st</u> day of <u>April</u> , 195 <u>5</u> , before me personally appeared <u>T.H. McElvain and Catherine B. McElvain, his wife</u> , to me known to be the person described in and who executed and delivered the foregoing instrument, and acknowledged to me that _____ executed the same as _____ free act and deed. GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of <u>April</u> , 195 <u>5</u> .	
My commission expires: <u>March 7, 1958</u>	<u>John W. Burtham</u> Notary Public
	Approved and Consented To Blackwood & Nichols Company, Unit Operator By <u>J. Blackwood</u> A Partner

STATE OF Oklahoma)
) ss.
COUNTY OF Oklahoma)

On this 22nd day of April, 1952, before me personally appeared F. S. BLACKWOOD, to me known to be the person described in and who executed and delivered the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 22nd day of April, 1952.

Notary Public

My commission expires:

January 24, 1958.

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the Northeast Blanco Unit Area located within the Counties of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest as briefly described below, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

The said Unit Agreement having been filed of record in the Office of the County Clerk and Recorder of Rio Arriba County in Volume 11, at Pages 310 to 361-A and in the Offices of the Probate Clerk and Ex Officio Recorder of San Juan County in Book 182 at Page 52.

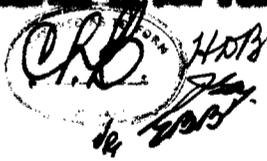
This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

<u>SIGNATURE</u>		<u>DESCRIPTION</u>	<u>ACRES</u>
GULF OIL CORPORATION	Tract No.:		
<i>[Signature]</i>	Sec. 18	Lot 1	22.71
<i>[Signature]</i>	31E	Lot 2	11.06
<i>[Signature]</i>	7N	Lot 3	11.06
S. G. SANDERSON	7N		24.79 more or less

Tract 31

[Signature]
 Address: *[Signature]*
 S. G. SANDERSON
 Attorney

Situated in San Juan County, New Mexico



APPROVED:
[Signature]
 Kenneth E. McAfee
 Working Interest Owner

DATE: 2-17-55

NEW MEXICO, UTAH AND WYOMING ACKNOWLEDGMENT - ATTORNEY IN FACT

STATE OF OKLAHOMA)
) SS
 COUNTY OF TULSA)

ILLEGIBLE

On this 17th day of February, 1955, before me appeared S. G. Sanderson, to me personally known, who, being by me duly sworn, did say that he is Attorney in Fact of GULF OIL CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said S. G. Sanderson acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the day and year last above written.

[Signature]
 Notary Public **E. B. Benton**

My commission expires
12-17-55

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the Northeast Blanco Unit Area located within the Counties of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

The said Unit Agreement having been filed of record in the Office of the County Clerk and Recorder of Rio Arriba County in Volume 11, at Pages 310 to 361-A and in the Offices of the Probate Clerk and Ex Officio Recorder of San Juan County in Book 182 at Page 52.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS

Tract 31

SIGNATURE

1316 Liberty Bank Building

Oklahoma City, Oklahoma

OKLAHOMA
STATE OF ~~NEW MEXICO~~)
COUNTY OF ~~XXXXXXXX~~) ss.
OKLAHOMA

[Handwritten signatures]

On this 7th day of March, 19 55, before me personally appeared Kenneth E. McAfee and Z. M. McAfee *his wife* to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my official signatures and affixed my notarial seal the day and year first above written.

Robert M. Seal
Notary Public

My commission expires:
October 7, 1958



IN REP

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

February 3, 1955

Blackwood and Nichols Company
Liberty Bank Building
Oklahoma City 2, Oklahoma

Gentlemen:

The undated plan of development received December 31, 1954, for the Mesaverde zone, Northeast Blanco unit area, New Mexico, I-Sec. 929, for the calendar year 1955, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of said plan of development is returned herewith.

Very truly yours,


JOHN A. ANDERSON

Regional Oil and Gas Supervisor

Copy to: Cons. Div., Wash., D.C. (w/1 copy of plan)
Farmington (w/1 copy of plan)
N.H.O.C.C., Santa Fe (ltr. only) ✓

January 24th, 1955

Blackwood and Nichols Company
Liberty Bank Building
Oklahoma City, Oklahoma

Re: Northeast Blanco Unit
San Juan & Rio Arriba Counties,
New Mexico
Plan of Development for
Mesaverde Zone, 1955

Gentlemen:

This is to advise that the plan of Development for the Northeast Blanco Unit for the Calendar Year 1955 has this date been approved, subject to like approval by the Oil Conservation Commission and the United States Geological Survey.

One approved copy of the plan of Development is herewith returned.

Very truly yours,



E. S. WALKER
COMMISSIONER OF PUBLIC LANDS

CC - U. S. Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 14, 1955

*file
case 318*

Blackwood and Nichols Company
Liberty Bank Building
Oklahoma City 2, Oklahoma

Re: Northeast Blanco Unit
San Juan and Rio Arriba Counties,
New Mexico
Plan of Development for
Mesaverde Zone, 1955

Gentlemen:

This is to advise that the Plan of Development for the Northeast Blanco Unit for the calendar year 1955, dated December 9, 1954, has this date been approved by the New Mexico Oil Conservation Commission, subject to like approval by the Oil and Gas Supervisor, United States Geological Survey, and by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the Plan of Development is herewith returned.

Very truly yours,

W. B. Macey
W. B. Macey
Secretary - Director

WBM:jh

cc: U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

LAW OFFICES
McAFEE & TAFT
1316 LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

1955 MAR 10 AM 8:40

March 9, 1955

KENNETH E. McAFEE
RICHARD G. TAFT
JOE FRED GIBSON
OLIVER W. GATES

file
March 31

Conservation Commission of the
State of New Mexico
Santa Fe, New Mexico

Re: Tract 31 Northeast Blanco Unit 1-Sec. 929
San Juan and Rio Arriba Counties, New Mexico

Gentlemen:

Enclosed and transmitted herewith is one copy of
Ratification and Joinder of Unit Agreement executed by the
following:

1. Kenneth E. McAfee and Z. M. McAfee, his wife
2. Gulf Oil Corporation

Also enclosed is one copy of Ratification and Joinder
of Unit Operating Agreement executed by Kenneth E. McAfee
and Z. M. McAfee, his wife. The Ratification of Gulf Oil Cor-
poration has been approved by Mr. McAfee, the working interest
owner. All of these Ratifications and Joinders relate to North-
east Blanco Unit Tract No. 31, being Lots 1, 2 and 3 of Section
32, Township 31 North, Range 7 West, San Juan County, New
Mexico.

Yours very truly,

McAFEE & TAFT

John

Oliver W. Cates

Oliver W. Cates

OWC:KA

MAIN OFFICE OCC

BLACKWOOD & NICHOLS COMPANY

OIL PROPERTIES

LIBERTY BANK BUILDING

OKLAHOMA CITY 2, OKLAHOMA

1954 DEC 28 AM 8:17

December 28, 1954

OK fill
case 318

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Request for Approval of Plan of Development
for the Calendar Year 1955, Mesaverde Zone,
Northeast Blanco Unit, I-Sec. 929, San Juan
and Rio Arriba Counties, New Mexico.

Gentlemen:

We are submitting herewith four signed copies of the above referenced request. Copies have also been submitted to the Oil and Gas Supervisor, United States Geological Survey, Roswell, New Mexico; and the Commissioner of Public Lands, State of New Mexico, Santa Fe, New Mexico. We would appreciate your approval of this Plan of Development.

Yours very truly,



W. N. Little, Chairman
Northeast Blanco Unit
Advisory Committee

WNL:rc
enc - 4

12/9/54

PLAN OF DEVELOPMENT FOR THE CALENDAR
YEAR 1955, MESAVERDE ZONE, NORTHEAST
BLANCO UNIT, I-SEC. 929, SAN JUAN AND
RIO ARRIBA COUNTIES, NEW MEXICO

To:

The Oil and Gas Supervisor
U. S. Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

approved Jan 14, 1955

A Plan of Development for the calendar year 1954 was submitted on the 31st day of December, 1953; a request for changes in Plan of Development was submitted on the 22nd day of June, 1954. These plans were subsequently approved by the Oil and Gas Supervisor, the Commissioner of Public Lands and the Oil Conservation Commission. All wells under these plans have been completed and all are expected to be producing by the end of 1954. The Northeast Blanco Unit working interest owners have a 120/320ths interest in the community well known as McElvain #2, located in the Southwest Quarter (SW/4) of Section 22, Township 30 North, Range 7 West, Rio Arriba County.

In compliance with Section 10 of the Northeast Blanco Unit Agreement approved by the Director of the United States Geological Survey on April 16, 1952, by the Commissioner of Public Lands of the State of New Mexico on October 23, 1951, and by the Oil Conservation Commission of the State of New Mexico on October 31, 1951; Blackwood & Nichols Company, as Unit Operator, on behalf of itself and all other owners of oil and gas leases or of operating rights under oil and gas leases covering lands committed to the Northeast Blanco Unit, hereby submits a plan of development for the Mesaverde Zone of said Northeast Blanco Unit, for the calendar year 1955, as follows:

1. Description of Participating Area in Mesaverde Zone:

All the acreage located within the boundaries of the Northeast Blanco Unit Area as specifically identified hereafter: Section 1, 12, 13 and 24, all in Township 30 North, and Range 8 West; Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 19, 20, 21, W/2 NW/4 and NW/4 of SW/4 Section 22, N/2 Section 29, all in Township 30 North, Range 7 West; Sections 19 and 30, Township 31 North, Range 6 West; S/2 Section 9 and Sections 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36, Township 31 North, Range 7 West, and Sections 25 and 36, Township 31 North, Range 8 West.

2. Past Development History of Mesaverde Zone:

Status of the wells in the Unit is as follows:

NORTHEAST BLANCO WELL	OCTOBER 1954 PRODUCTION MCF		CUMULATIVE PRODUCTION NOV. 1, 1954 MCF		DATE COMPLETED OR STATUS	REMARKS
✓ FF 2-43	✓	2409		81397	Completed 4-30-52	Potential 3120 MCF
✓ Howell 1-B	✓	12032		462808	Completed 8-4-51	Potential 6200 MCF
✓ Howell 2-B	✓	9127		249595	Completed 10-3-51	Potential 3300 MCF
✓ Howell 1-G	✓	12619		379683	Completed 10-5-51	Potential 3300 MCF
✓ Howell 2-J	✓	47326		1056534	Completed 2-1-52	Potential 3180 MCF
NEBU 2-20	SW/4	1353	52	3504	Completed 6-12-54	Potential 1236 MCF
NEBU 3-5	SW/4	-	-	-	Plugged & Abandoned	Thoroughly cemented after casing failure
NEBU 3-5X	"	-	53	See Note #1	Completed 9-24-54	Potential 4116 MCF
NEBU 4-21	SW/4	12277	Extra	97398	Completed 2-10-54	Potential 4160 MCF
NEBU 5-13	"	-	-	-	Plugged & Abandoned	Thoroughly cemented after casing failure
NEBU 5-13X	SW/4	58660	53	573964	Completed 8-14-53	Potential 8942 MCF ✓
NEBU 6-29	NE/4	6728	53	56633	Completed 12-4-53	Potential 4260 MCF
NEBU 7-21	NE/4	38737	53	253813	Completed 12-11-53	Potential 5200 MCF
NEBU 8-10	SW/4	28199	53	267623	Completed 9-30-53	Potential 5210 MCF
NEBU 9-12	SW/4	63406	53	287252	Completed 9-22-53	Potential 4976 MCF
NEBU 10-16	SW/4	13699	53	73047	Completed 1-6-54	Potential 2820 MCF
NEBU 11-25	NE/4	2261	53	8470	Completed 1-7-54	Potential 1400 MCF
NEBU 12-18	NE/4	26388	53	136271	Completed 10-16-53	Potential 5450 MCF
NEBU 13-20	SW/4	15540	53	94165	Completed 12-17-53	Potential 4500 MCF
NEBU 14-2	NE/4	-	-	See Note #1	Completed 5-20-54	Potential 2415 MCF ✓
NEBU 15-2	SW/4	-	-	See Note #1	Completed 6-8-54	Potential 2774 MCF ✓
NEBU 16-3	NE/4	-	-	See Note #1	Completed 7-18-54	Potential 2864 MCF ✓
NEBU 18-9	NE/4	-	-	See Note #1	Completed 8-25-54	Potential 3580 MCF ✓
NEBU 20-28	NE/4	-	-	See Note #1	Completed 7-28-54	Potential 2237 MCF ✓
NEBU 21-36	SW/4	-	-	See Note #1	Completed 10-19-54	Potential 1644 MCF ✓
NEBU 22-36	NE/4	-	-	See Note #1	Completed 11-11-54	Potential 1374 MCF ✓
		350761		4082157		

Note #1 All wells listed above which show no production for October, 1954, are expected to be producing by December 31, 1954.

Note #2 The specific gravity of the gas being produced from these wells varies from .580 to .685. The October, 1954 tests indicate that the gas carries from .009 to .368 GPM.

3. Proposed Additional Wells:

We recommend the drilling of twelve Mesaverde wells within the boundaries of the Participating Area during the year 1955. The tentative location of the twelve proposed additional development wells are as follows:

- (1) SW/4, Sec. 9, T-30-N, R-7-W, Rio Arriba County
- (2) NE/4, Sec. 20, T-30-N, R-7-W, Rio Arriba County
- (3) SW/4, Sec. 6, T-30-N, R-7-W, San Juan County
- (4) SW/4, Sec. 17, T-30-N, R-7-W, Rio Arriba County
- (5) NE/4, Sec. 17, T-30-N, R-7-W, Rio Arriba County
- (6) SW/4, Sec. 8, T-30-N, R-7-W, Rio Arriba County
- (7) NE/4, Sec. 8, T-30-N, R-7-W, Rio Arriba County
- (8) SW/4, Sec. 34, T-31-N, R-7-W, Rio Arriba County
- (9) NE/4, Sec. 13, T-30-N, R-8-W, San Juan County
- (10) NE/4, Sec. 12, T-30-N, R-8-W, San Juan County
- (11) SW/4, Sec. 7, T-30-N, R-7-W, San Juan County
- (12) NE/4, Sec. 7, T-30-N, R-7-W, San Juan County

4. Offset Obligations:

The Unit Operator, on behalf of the owners of working, royalty, or other interests, in the Northeast Blanco Unit, will take appropriate and adequate measures to prevent drainage from lands subject to the Northeast Blanco Unit Agreement by wells on lands not subject to the agreement, or, pursuant to applicable regulations, will pay a fair and reasonable compensatory royalty as provided in Section 17 of the Northeast Blanco Unit Agreement.

5. Further Development:

Unit Operator would recommend the drilling of an exploratory well to test the Mesaverde Zone in the Southwest Quarter (SW/4) of Section 12, Township 31 North, Range 7 West, San Juan County.

The results of this program will indicate whether or not the Mesaverde Participating Area should be extended northward and eastward.

6. Spacing of Wells:

The Unit Operator recommends developing the Mesaverde formation on the basis of one well per 320-acre tract, also to locate the wells in the SW/4 and NE/4 of sections where this practice is practicable. The wells now completed in the participating area conform to this pattern.

7. Well Casing Program:

The well casing program will generally follow the program currently used in the Mesaverde wells drilled in the area, including such surface casing and other

casing as may be required by the Supervisor, the Commissioner, and the Commission, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented either on top or through, or partially through, the producing zone.

8. Effective Date:

This Plan of Development shall be effective January 1, 1955.

9. Modification:

It is understood that portions of the Plan of Development herein outlined are dependent upon certain information to be obtained prior and subsequent to drilling, and other contingencies, such as the availability of well casing; and for these reasons, this Plan of Development may be modified from time to time, with the approval of the Federal Oil and Gas Supervisor, the New Mexico Commissioner of Public Lands, and the New Mexico Oil Conservation Commission, to meet changing conditions.

Submitted this _____ day of December, 1954.

BLACKWOOD & NICHOLS COMPANY
Unit Operator

By 
A General Partner

approved Jan 14, 1955

1st W. M. O. C. C.

See Dir

W. M. O. C. C.

*approved subject to like approval by
oil and Gas Supervisor, U.S.G.S., and by
the Commissioner of Public Lands of
the State of New Mexico.*

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 8, 1954

Mr. W. N. Little
Blackwood & Nichols Co.
Liberty Bank Building
Oklahoma City 2, Oklahoma

Dear Mr. Little:

Reference is made to your letter dated September 27, 1954, concerning approval of the proposed enlargement of the Mesaverde Participating Area for the Northeast Blanco Unit.

Please be advised that by letter dated September 3, 1954, addressed to William G. Webb, of the firm of Turner, White, Atwood, McLaine and Frances, the New Mexico Oil Conservation Commission formally approved this enlargement as proposed in the application submitted to this agency by Blackwood and Nichols on June 22, 1954.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 3, 1954

William G. Webb
Turner, White, Atwood, McLane and Francis
17th Floor Mercantile Bank Building
Dallas 1, Texas

Subject: Northeast Blanco
Unit Agreement

Dear Mr. Webb:

The New Mexico Oil Conservation Commission this date approves the Mesaverde participating area for the above captioned unit as proposed in the application submitted to this agency on June 22, 1954, by Blackwood and Nichols, unit operators. This approval will be effective as of June 1, 1954, and is subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Very truly yours,

W. H. Macey
Secretary-Director

WBW:sk

cc: State Land Office
Santa Fe, New Mexico

U. S. G. S.
Roswell, New Mexico

TURNER, WHITE, ATWOOD, McLANE AND FRANCIS

ATTORNEYS AND COUNSELORS AT LAW

17th FLOOR MERCANTILE BANK BUILDING

DALLAS 1, TEXAS

September 7, 1954

J. GLENN TURNER
W. D. WHITE
ELIX ATWOOD
ALFRED E. McLANE
EDWARD L. FRANCIS
JAMES B. FRANCIS
JULIAN M. MEER
TREVOR REES-JONES
HARRY S. WELCH
THOS. R. HARTNETT III
H. L. HITCHINS, JR.
WILLIAM L. McSINERNEY
WILLIAM G. WEBB
LEWIS CHANDLER
SNOWDEN M. LEFTWICH, JR.
WILLIAM C. HERNDON, JR.

Mr. W. B. Macey
Secretary-Director
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Northeast Blanco Unit Agreement

Dear Bill:

This will acknowledge receipt of your letter dated September 3, 1954 with reference to the approval of the revised Mesaverde participating area under the captioned Unit Agreement by the New Mexico Oil Conservation Commission.

We wish to thank you for your courteous attention to this matter and with best wishes, we are

Very truly yours,

TURNER, WHITE, ATWOOD, McLANE
and FRANCIS

By William G. Webb
William G. Webb

WGN:mch

BLACKWOOD & NICHOLS COMPANY
OIL PROPERTIES
LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

September 27, 1954

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

On June 25, 1954, Blackwood & Nichols Company submitted an application for approval of an enlargement of the Mesaverde Participating Area for the Northeast Blanco Unit, I-Sec. No. 929, San Juan and Rio Arriba Counties, New Mexico. This instrument was dated June 22, 1954, and signed by Jno. W. Nichols.

This application was approved by USGS Acting Director, John C. Reed on August 30, 1954. On September 20, 1954, we received approval on this same application from Mr. E. S. Walker, Commissioner of Public Lands in New Mexico.

We would appreciate hearing from you concerning your opinion on the subject application. Thank you very much for your kind cooperation.

Yours very truly,

W. N. Little

W. N. Little, Chairman
Advisory Committee
Northeast Blanco Unit

WNL:rc

Handwritten notes:
Sept 27
as
in Blue
app
28
29

Rho'es

TURNER, WHITE, ATWOOD, MELANE AND FRANCIS

ATTORNEYS AND COUNSELORS AT LAW

17th FLOOR MERCANTILE BANK BUILDING

DALLAS 1, TEXAS

September 1, 1954

J. GLENN TURNER
V. D. WHITE
FELIX ATWOOD
ALFRED E. MELANE
EDWARD L. FRANCIS
JAMES B. FRANCIS
JULIAN M. MEER
TREVOR REES-JONES
HARRY S. WELCH
THOS. R. HARTNETT
H. L. HITCHINS, JR.
WILLIAM L. MEINERNEY
WILLIAM G. WEBB
LEWIS CHANDLER
SNOWDEN M. LEFTWICH, JR.
WILLIAM C. HERNDON, JR.
THOMAS B. McELROY

Mr. Bill Macey
Oil Conservation Commission
State Capitol Building
Santa Fe, New Mexico

Re: Northeast Blanco Unit Agreement
San Juan and Rio Arriba Counties, New Mexico

Dear Bill:

With reference to the captioned matter and our several recent conversations with reference thereto, please be advised that, on August 30, 1954, the proposed expansion of the Mesaverde participating area was approved by the U. S. Geological Survey in Washington, such approval being effective as of June 1, 1954. It is my understanding that, upon receipt of formal notice of this approval, you will then be in a position to approve the above referred to expansion. As I have previously stated to you, we are very anxious to have this finally and formally approved and, therefore, any assistance you can give us in connection therewith will be greatly appreciated.

I am sending a copy of this letter to Johnny Walker in order that he may likewise be advised of the Geological Survey's action.

With best wishes, I am

Yours very truly,

William G. Webb

WGW:mch

cc: Mr. E. S. Walker
Mr. Kenneth E. McAfee

LAW OFFICES
McAFEE & TAFT
1316 LIBERTY BANK BUILDING
OKLAHOMA CITY 2, OKLAHOMA

August 25, 1954

KENNETH E. McAFEE
RICHARD G. TAFT
—
JOE FRED GIBSON
OLIVER W. CATES

Oil Conservation Commission
Santa Fe, New Mexico

Re: Santa Fe Lease No. 079074
Tract No. 15

Gentlemen:

Enclosed is copy of Ratification and Joinder of Unit Agreement and copy of Ratification and Joinder of Unit Operating Agreement with reference to the captioned tract which have been duly executed and approved by the Unit Operator.

Yours very truly,

McAFEE & TAFT



Oliver W. Cates

OWC:KA

BLACKWOOD & NICHOLS COMPANY

OIL PROPERTIES

LIBERTY BANK BUILDING

OKLAHOMA CITY 2, OKLAHOMA

July 30, 1954

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Northeast Blanco Unit Agreement
San Juan and Rio Arriba Counties,
New Mexico, I-Sec. No. 929

Gentlemen:

Enclosed herewith is one copy of Ratification and Joinder of Unit Agreement by W. H. Swearingen and Addie Swearingen, his wife, which Ratification has been approved by J. Glenn Turner as working interest owner.

Very truly yours,

BLACKWOOD & NICHOLS COMPANY



Oliver W. Cates

OWC:rb

MANI 07/02/54

1954 JUL 2 11 31

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area located within the County of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS

SIGNATURE

P. O. Box 93

W. H. Swearingen

W. H. Swearingen

Santa Fe, New Mexico

Date: July 2, 1954

Addie Swearingen

Date: _____

Approved and accepted this
2 day of July, 1954:

J. Glenn Turner
Working Interest Owner

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My commission expires:

Notary Public in and for _____ County,
State of _____

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

On this ~~2nd~~ day of ~~July~~, 1954, before me appeared W. H. Swearingen and ~~_____~~ his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

My commission expires:

Sept. 23, 1955
Notary Public in and for Santa Fe County,
State of New Mexico

STATE OF)
) SS.
COUNTY OF)

On this _____ day of _____, 195__, before me personally appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as _____ free act and deed.

My commission expires:

Notary Public in and for _____ County,
State of _____

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the development and operation of the Northeast Blanco Unit Area located within the Counties of San Juan and Rio Arriba, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest as briefly described below, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

The said Unit Agreement having been filed of record in the Office of the County Clerk and Recorder of Rio Arriba County in Volume 11, at Pages 310 to 361-A and in the Offices of the Probate Clerk and Ex Officio Recorder of San Juan County in Book 182 at Page 52.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

SIGNATURE

DESCRIPTION

T. H. McElvain
Address: Santa Fe, New Mexico
Catherine B. McElvain
Address: Santa Fe, New Mexico
Address: _____

record owner of lease or application, and owner of all the working interests under said lease No. 67 074 (app.) covering Unit tract No. 15, insofar and only insofar as said lease covers and pertains to the following described lands, to-wit:

lots 6, 7 and 8 in section 17 and lots 1 and 2 in section 20, all in Township 30 North, Range 7 West N.M. Mer., and containing 133.16 acres, more or less.

DATE: August 3, 1954

STATE OF New Mexico)
COUNTY OF Santa Fe)

ss.

On this 3rd day of August, 1954, before me personally appeared T. H. McElvain and Catherine B. McElvain to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

My commission expires: March 7, 1958

W. W. Furlow
Notary Public

Approved: Blackwood & Nichols Company, Unit Operator

By: _____

RATIFICATION AND JOINDER OF UNIT
OPERATING AGREEMENT UNDER UNIT
AGREEMENT FOR THE DEVELOPMENT
AND OPERATION OF THE NORTHEAST
BLANCO UNIT AREA, COUNTY OF SAN
JUAN, STATE OF NEW MEXICO.

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, County of San Juan, State of New Mexico, the undersigned owners of lands and leases or interest therein presently held or which may arise under existing option agreements or other interest in production covered by said Unit Operating Agreement, each to the extent of its particular ownership or interest, briefly described opposite its signature, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Operating Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the Northeast Blanco Unit Area, Counties of San Juan and Rio Arriba, New Mexico.

This Ratification and Joinder of Unit Operating Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, its successors or assigns, subject to all the terms, provisions and conditions of said Unit Operating Agreement.

<u>SIGNATURE</u>	<u>DESCRIPTION</u>
<u>T. H. McElvain</u> Address: <u>Santa Fe, New Mexico</u>	Revised owner of lease or application, and owner of all the working interest under Santa Fe lease No. 679676 (app.) covering Unit Trust No. 15, insofar and only insofar as said lease covers and pertains to the following described lands, to-wit:
<u>Catherine B. McElvain</u> Address: <u>Santa Fe, New Mexico</u>	
_____ Address: _____	

Lots 4, 7 and 8 in Section 17 and Lots 1 and 2 in Section 20, all in Township 20 North, Range 7 West N.M.P.M., and containing 133.13 acres, more or less.

Lots 4, 7 and 8 in Section 17 and Lots 1 and 2 in Section 20, all in Township 20 North, Range 7 West N.M.P.M., and containing 133.13 acres, more or less.

DATE: August 3, 1954

STATE OF New Mexico)
COUNTY OF Santa Fe) ss.

On this 3rd day of August, 1954, before me personally appeared T. H. McElvain and Catherine B. McElvain to me known to be the person s described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

John W. Burdman
Notary Public

My commission expires:
March 7, 1958

Approved: Blackwood & Nichols Company, Unit Operator

By: J. G. Blackwood

318

*effective date. please
approve
letter*

APPLICATION FOR APPROVAL
OF
AN ENLARGEMENT OF THE MESAVERDE PARTICIPATING AREA
FOR THE NORTHEAST BLANCO UNIT, I-SEC. NO. 929
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO

TO: THE DIRECTOR OF THE U. S. GEOLOGICAL SURVEY
WASHINGTON, D. C.

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

Pursuant to the provisions of Section 11 of the Unit Agreement approved by the Director of the U. S. Geological Survey on April 16, 1952, by the Commissioner of Public Lands of the State of New Mexico on October 23, 1951, and by the Oil Conservation Commission of the State of New Mexico on October 31, 1951, affecting lands in the Northeast Blanco Area in San Juan and Rio Arriba Counties, New Mexico, Blackwood & Nichols Company, as Unit Operator, on behalf of itself and Stanolind Oil and Gas Company, A. M. Lloyd, Nelson and Edward Morris, Ltd., El Paso Natural Gas Company, Delhi Oil Corporation, Southern Petroleum Exploration Co., Northeast Blanco Development Corp., J. Glenn Turner, Edward J. and James E. Haag, H. H. Phillips and Phillips Petroleum Company, owners of oil and gas leases or of operating rights under oil and gas leases covering lands within the area hereinafter described, hereby submit for your approval a selection of lands to constitute the enlarged participating area for the Mesaverde Zone, found to be productive in the following wells which establish that the enlarged participating area is now reasonably proved to be productive of unitized substances in paying quantities from the Mesayerde formation:

<u>Name of Well</u>	<u>Location</u>
Unit #2-20	SW 1/4 20-31N-7W
Unit #1-27	NE 1/4 27-31N-7W
Unit #11-25	NE 1/4 25-31N-7W
Howell #2-J	SW 1/4 1-30N-8W
Unit #142	NE 1/4 2-30N-7W
2-27-San Juan Unit 32.7	SW 1/4 27-32N-7W
5-8-San Juan Unit 32.7	NE 1/4 5-30N-7W
(Phillips) 31-6 Unit	SW 1/4 28-30N-6W

all of said wells being in San Juan and Rio Arriba Counties, New Mexico.

The lands selected by the applicant to constitute the enlarged participating area for said producing zone are as follows:

NEW MEXICO PRINCIPAL MERIDIAN

Township 30 North, Range 7 West:

Sec. 2: All
 Sec. 3: All
 Sec. 4: All
 Sec. 5: All
 Sec. 6: All
 Sec. 7: All
 Sec. 8: All
 Sec. 9: All
 Sec. 10: All
 Sec. 16: All
 Sec. 17: All
 Sec. 18: All
 Sec. 19: All
 Sec. 20: All
 Sec. 21: All
 Sec. 22: W/2 W/2
 Sec. 29: N/2

Township 30 North, Range 8 West:

Sec. 1: All
 Sec. 12: All
 Sec. 13: All
 Sec. 24: All

Township 31 North, Range 6 West:

Sec. 19: All
Sec. 30: All

Township 31 North, Range 7 West:

Sec. 9: South One-Half (S 1/2)
Sec. 16: All
Sec. 19: All
Sec. 20: All
Sec. 21: All
Sec. 22: All
Sec. 23: All
Sec. 24: All
Sec. 25: All
Sec. 26: All
Sec. 27: All
Sec. 28: All
Sec. 29: All
Sec. 30: All
Sec. 31: All
Sec. 32: All
Sec. 33: All
Sec. 34: All
Sec. 35: All
Sec. 36: All

Township 31 North, Range 8 West:

Sec. 25: All
Sec. 36: All

The working interests and operating rights in the Mesaverde formation under leases on the above described land which have been committed to the unit are now vested:

Stanolind Oil and Gas Company	36.440749%
Phillips Petroleum Company	5.188434%
Delhi Oil Corporation	3.704649%
El Paso Natural Gas Company, Nelson and Edward Morris, Ltd., & A. M. Lloyd	8.636107%
El Paso Natural Gas Company & Delhi Oil Corporation	2.693397%
El Paso Natural Gas Company - Alone	8.952023%
J. Glenn Turner	2.466939%
Edward J. and James E. Haag	.154184%
H. H. Phillips	.308367%
Northeast Blanco Development Corp., F. G. Blackwood and Blackwood & Nichols Company	30.843273%
Southern Petroleum Exploration Co.	<u>.611878%</u>
Total	100.00 %

Royalties are payable on production from the lands subject to leases committed to the unit as follows:

(a) To United States on:

SF 078581A	SF 079043	SF 080557
SF 078581	SF 079053	SF 079045
SF 078615	SF 079060	SF 079003
SF 078615 A	SF 079073	SF 078988
SF 078699	SF 079082	NM 03357
SF 079001	SF 079082 A	SF 079010
SF 079001 A	SF 079511	SF 079010 A
SF 079042	NM 03845	

(b) To the State of New Mexico on:

E-289-3	E-3707-5
E-178-1	E-3948-1
E-292-9	B 11125-30
E-505-6	E-289-24
E-3150-1	E-289-23
E-3707-4	

The United States and the State of New Mexico each owns 1/8th royalties with respect to the leases above enumerated covering lands committed to the unit.

In support of this application, the applicant attaches hereto, and makes a part hereof, the following items: (1) A map, marked Exhibit "A" showing the Northeast Blanco Unit and the proposed enlarged participating area for the Mesaverde Zone. (2) A schedule, marked Exhibit "B", showing the leases included in the proposed initial participating area. (3) A schedule, marked Exhibit "B-1", a recap of committed acreage. (4) A brief Geological and Engineering Memorandum, marked Exhibit "C", discussing the area geology and the producing characteristics of the wells which demonstrate the productivity of the included acreage.

The applicant respectfully requests that the Director, the Commissioner, and the Commission approve this selection of lands to constitute the Enlarged Mesaverde Participating Area to be effective as of the 1st day of June, 1954, the first month in which production was sold from lands to be added to the Participating Area.

EXHIBIT C

GEOLOGICAL AND ENGINEERING MEMORANDUM

At the time Mesaverde production in Northeast Blanco was unitized, Mesaverde production had been demonstrated at the south end of the Unit, and a participating area was established to include all lands therein lying in Township 30 North.

Since that time, two unit exploratory wells north of the participating area have demonstrated Mesaverde production. These wells are Blackwood & Nichols Company Nos. 2-20 and 11-25 Northeast Blanco Unit. Well No. 2-20 is in Sec. 20, T. 31N., R. 7W., San Juan County, New Mexico, and gauged 1236 MCF per day. Well No. 11-25 is in Sec. 25, T. 31 N., R. 7 W., Rio Arriba County, New Mexico, and gauged 1400 MCF per day. In addition to these wells, Blackwood & Nichols Company No. 1-27 Northeast Blanco Unit, which drilled to Morrison formation, drill stem tested gas in Mesaverde group. This well is located in Sec. 27, T. 31 N., R. 7 W., San Juan County, New Mexico.

Several wells outside Northeast Blanco Unit demonstrate the areal distribution of Mesaverde production. Phillips No. 1-23 Unit, Sec. 23, T. 31 N., R. 8 W., gauged 1540 MCF per day. Phillips No. 5-8 Unit, Sec. 8, T. 31 N., R. 7 W., gauged 1500 MCF per day. These two wells are less than one mile from the Unit boundary. Another Phillips well, No. 2-27 Unit, Sec. 27, T. 32 N., R. 7 W., two and one-half miles north of the boundary, gauged 887 MCF per day. El Paso Natural Gas Company's well in the Southwest Quarter of Section 14, T. 32 N., R. 7 W., San Juan County, New Mexico, gauged 3000 MCF per day from Point Lookout formation of Mesaverde group. Directly east of the Unit one and one-fourth mile, a Phillips well in Sec. 28, T. 31 N., R. 6 W., gauged 900 MCF per day.

A map accompanying this document is plotted showing completion potentials from Mesaverde group.

Also, a structural map shows geological attitude of Mesaverde group. The datum point is base of Menefee formation. It is apparent when this map is compared with the Mesaverde potential map that gas wells have been completed in a wide range of structural positions free of bottom hole water.

Cross sections A-A' (North to South) and B-B' (West to East) confirm presence of reservoir sands in Mesaverde group in wells drilled in the Unit and in wells around the west, north, and east sides of the Unit.

On the basis of wide areal distribution of gas occurrence as demonstrated by the potential map and the cross sections, it is established that the entire area of enlargement will be productive from Mesaverde group.

