



190 APR 6 AM 8 51

HUNT OIL COMPANY

Fountain Place
1445 Ross at Field
Dallas, Texas 75202-2785
(214) 978-8000
Fax: (214) 978-8888
Telex: 6829258

April 3, 1990

Mr. R. E. Johnson
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Hunt Oil Company
State #1-16 Well
Sec. 16, T3S, R 13W
Catron County, New Mexico

Gentlemen:

Enclosed is an Affidavit of Responsibility so that we can turn this well over to the surface lessee for a water well. Please advise once this has been approved.

Yours truly,

HUNT OIL COMPANY

Mike Shaw

MS/cr

Enclosure



HUNT OIL COMPANY

Fountain Place
1445 Ross at Field
Dallas, Texas 75202-2785
(214) 978-8000
Fax: (214) 978-8888
Telex: 6829258

December 15, 1989

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attn: Mr. E. Dwain Glidewell, Director
Surface Resources Division

RE: Thomas William Merlan
Surface Lessee
Hunt Oil Company
State 1-16
Catron County, NM

Dear Mr. Glidewell:

I have been provided a copy of your letter dated November 30, 1989 to Mr. Thomas William Merlan and Frances Levine Merlan regarding the Affidavit of Responsibility for Conversion of an Oil and Gas Well to a Water Well. You advised Mr. Merlan that the State could not sign the affidavit because you are not directly in control of the situation. You also stated if Hunt Oil Company was agreeable, that if the grazing lessee (Thomas William Merlan and Frances Levine Merlan) would assume responsibility and liability that this situation would be satisfactory to the State.

Inasmuch as the Affidavit of Responsibility for Conversion to Water Well is a New Mexico Oil Conservation Commission request, Hunt Oil Company will be satisfied if Mr. & Mrs. Merlan sign the document, if and only if, the State agrees that if the grazing lease ever terminates and the State of New Mexico takes control of the property, that the State will look to Mr. & Mrs. Merlan for responsibility and liability for any problems regarding the water well. In this way, Hunt can be assured that it will not be held responsible for actions of parties other than itself during the remaining term of Mr. & Mrs. Merlan's grazing lease.

State of New Mexico
December 15, 1989
Page 2

If the State agrees to this request, please so signify by executing and returning one copy of this letter to the undersigned.

Yours very truly,

HUNT OIL COMPANY



Bill Rex
Division Landman

BR:pf

Agreed and accepted this 9 day of February, 19 90.

State of New Mexico

BY: E. Darin Shadwell
Director, Surface Resources Division

cc: Mr. Thomas William Merlan and
Mrs. Frances Levine Merlan
1677 Cerro Gordo Road
Santa Fe, NM 87501

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF New Mexico)

County of Catron)

C. D. Williams, being first duly sworn according to law, upon his oath deposes and says:

1. That he is District Superintendent of Hunt Oil Company whose address is 1445 Ross at Field, Dallas, Texas 75202-2785.

2. That Hunt Oil Company is the operator of a well drilled on land belonging to State of New Mexico, whose address is P. O. Box 1148, Santa Fe, NM 87504-1148, and Thomas William Merlan, and Frances Levine, whose address is 1677 Cerro Gordo Road, Santa Fe, NM 87501 and Stephen Jesse Merlan, whose address is 111 North Renastaff #21, Mountain View, California 94043, Individually and as Partners doing business as Triple M Land and Home Company, herein often referred to as Tenants (landowner), said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the State No. 1-16, being located 1090 feet from the south line and 660 feet from the east line of Section 16, Township 3 south, Range 13 west, NMPM, Catron County, New Mexico.

3. That said well was drilled to a total depth of 6890 feet, and that casing has been set and cemented as follows:

20" conductor set at 40', 13 3/8" 54.50 lb/ft J/K-55 ST&C set at 454' CMTD W/475 SXS Class C + 1/4 lb/bx Flocele + 2% CaCl2. 9 5/8" 40 lb/ft and 36 lb/ft J-55/K-55 ST&C & LT&C CSG set at 4563 CMTD w/300 sx class C + 6 lb/sx salt + 5 lb/sx Gilsonite + 1/4 lb/sx Flocele + 200 SX Class C + 2%. CaCl2 + 1/4 lb/sx Flocele.

4. That operator and landowner have made an agreement whereby operator is to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to a plugged-back total depth of 1825' feet and transfer well to landowner for his use as a water-well. Operator will leave casing in the well as follows:

13 3/8" @ 454
9 5/8 @ 4563

5. That when operator has complied with the provisions of Paragraph 4 above it will so notify the Oil Conservation commission of the State of New Mexico on Commission Form C-103, together with a signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction.

HUNT OIL COMPANY

By: P. G. Chubert (Operator)

Subscribed and sworn to before me this 29 day of March, A.D. 1990.

Pamela S. Bundy
Notary Public in and for the county of McClain

My Commission expires: 7-21-91

STATE OF _____)

County of _____)

_____, being first duly sworn according to law, upon landowner oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been complied with, landowner will accept the above described well for landowner use as a water-well, and that he will assume all responsibility and liability for the well, the location, and the conversion of the well to a water-well.

STATE OF NEW MEXICO

Commissioner of Public Lands

Subscribed and sworn to before me this _____ day of _____, A.D. 19_____.

Notary Public in and for the County of _____

My commission expires: _____

STATE OF _____)

County of _____)

_____, being first duly sworn according to law, upon tenant oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been complied with, tenant will accept the above described well for his use as a water-well, and that tenant will assume all responsibility and liability for the well, the location, and the conversion of the well to a water-well.

Tenants (Landowners)

Thomas William Merlan
Thomas William Merlan

Frances Levine
Frances Levine

Subscribed and sworn to before me this 17th day of November, A.D. 19 89.

Notary Public in and for the County of Santa Clara

My commission expires: May 18, 1990

State of California)
County of Santa Clara) ss.

Tenant (Landowner)

Stephen Jesse Merlan
Stephen Jesse Merlan

Subscribed and sworn to before me this 31st day of November, A.D. 19 89.

Notary Public in and for the County of Santa Clara

My commission expires: 12/3/91

