



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

STATE OFFICE
P. O. Box 1449
Santa Fe, New Mexico 87501

IN REPLY REFER TO

LC 028053(a)
3106(943b-3)

RECEIVED

NOV 15 1978

O. C. C.
ARTESIA, OFFICE

FEB 14 1977

DECISION

Oil and Gas

Assignment of Operating Rights Approved

Approval is hereby granted to the following instruments of conveyance affecting oil and gas lease LC 028053(a):

1. Assignment of natural gas operating rights executed June 18, 1942, filed September 27, 1976, whereby F. Grant Keyes, George Etz and Martha Tigner convey to New Mexico Eastern Gas Company, predecessor to Southern Union Gas Company all the natural gas operating rights in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM, New Mexico.

This assignment was not filed within the time prescribed by the regulations. However, since there is nothing on record to show any intervening adverse parties who might be affected by approval of the assignment, the requirement is hereby waived in this instance.

2. Cross assignment executed November 22, 1968, by and between Laurretta Marion Phillips and Southern Union Gas Company, filed February 20, 1972, whereby they assign each to the other such interests as necessary so that all of the natural gas operating rights in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM, as to the depth between 900 feet and 1550 feet below the surface vest in Southern Union Gas Company, effective June 23, 1944, and all of the natural gas operating rights in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM, except as to the depth between 900 feet and 1550 feet below the surface, vest in Laurretta Marion Phillips effective November 1, 1968.

By instrument entitled "Ratification and Quitclaim", dated August 10, 1976, filed September 24, 1976, Robert E. Boling has joined in the above conveyance insofar as it affects the gas operating rights in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM, as to the depth between 900 feet and 1550 feet in order to divest himself of whatever interest he may hold as to these operating rights.

3. Assignment executed August 7, 1972, effective July 1, 1972, whereby Southern Union Gas Company conveys to Leonard Latch all of its natural gas operating rights in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM, as to the depth between 900 feet and 1550 feet below the surface which it acquired under Item 2 above.



4. Assignment executed June 1, 1973, to be effective at 7:00 A.M. June 1, 1973, filed July 11, 1973, whereby Robert E. Boling assigns to David C. Collier and Timothy David Collier all of the oil and gas operating rights from the surface down to 2,500 feet as to all of the lands in the lease, excepting therefrom all the natural gas rights between 900 feet and 1550 feet below the surface in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 10, T. 17 S., R. 28 E., NMPM.

The extra copies of the assignments under Items Nos. 1 and 2 are returned herewith to Southern Union Gas Company. The extra copies of the assignment under Item 3 above are returned herewith to Leonard Latch.

A statewide bond is being maintained by the lessee. Statewide bonds are also being maintained by Leonard Latch and Southern Union Gas Company.

On July 11, 1973, there was filed \$10,000 operator's bond No. A-E-71170-09 executed June 8, 1973 with David C. Collier and Timothy David Collier as co-principals and American Employers' Insurance Company as surety. The bond is satisfactory and is hereby accepted effective the date filed.

/s/Raul E. Martinez

Raul E. Martinez
Chief, Minerals Section

Distribution:

Orig. to Robert E. Boling
cc:

✓ Southern Union Gas Co.
Lauretta Marion Phillips
Leonard Latch
David C. Collier
Timothy David Collier
A. J. Losee, Attorney
American Employers' Insurance Co.
(Artesia, NM and Boston, MA)
Area O&G Supv., GS. Albuquerque (2)

extra

09 21-305

ASSIGNMENT OF NATURAL GAS OPERATING RIGHTS

STATE OF NEW MEXICO

COUNTY OF EDDY

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, heretofore under date of October 20, 1934, a certain Oil and Gas Lease was made and entered into by and between the United States of America, as Lessor, acting through the Secretary of the Interior thereunto duly authorized, and F. Grant Keyes, George Etz and Frank Tigner, as Lessee, which Lease is identified in the records of the Department of Interior and the United States General Land Office, Las Cruces, New Mexico, as Serial Number Las Cruces 028053 (A), to which records reference is made, upon and covering the following described lands (among others) located in the County of Eddy, State of New Mexico, to-wit:

T 17 S, R 28 E, N.M.P.M.

Section 10: SW $\frac{1}{4}$ NW $\frac{1}{4}$

containing 40 acres, more or less; and

WHEREAS, said Oil and Gas Lease was issued by authority of and is subject to the terms and provisions of the act of Congress approved February 25, 1920 (41 Stat. 437) entitled "An Act to Promote the Mining of Coal, Phosphate, Oil, Oil Shale, Gas and Sodium on the Public Domain," as amended, authorizing, licensing, and empowering said Lessee to drill, explore and develop said lands for oil and gas, or either of them, and to produce therefrom oil or gas or both and to market the same; and

WHEREAS, F. Grant Keyes, George Etz and Martha Tigner are now the lawful owners and holders of said oil and gas lease so far as it covers and affects the lands hereinabove described and all rights and interests of Lessee therein, and desire to transfer and assign the natural gas rights therein (as hereinafter defined) unto New Mexico Eastern Gas Company, a corporation with offices in Carlsbad, New Mexico, which desires to acquire the same, all upon the terms and conditions hereinafter stated:

NOW, THEREFORE, for and in consideration of One Dollar (\$1.00) to us in hand paid by said New Mexico Eastern Gas Company and other good and valuable considerations, receipt of which is hereby acknowledged, the undersigned F. Grant Keyes, joined by his wife Amy G. Keyes, George Etz, joined by his wife Olivia W. Etz, and Martha Tigner, a widow, Assignors herein, do hereby sell, transfer, assign, set over and convey unto said New Mexico Eastern Gas Company, Assignee herein, the natural gas rights under said lease, Serial Number Las Cruces 028053 (A)

insofar as it covers and includes the lands above described.

TO HAVE AND TO HOLD the same unto said New Mexico Eastern Gas Company, its transferees, successors and assigns, forever, together with all appurtenances and hereditaments thereunto belonging; or in anywise appertaining, subject, however, to the terms, conditions and provisions of said lease; and Assignors do hereby covenant that said lease is valid, subsisting and in good standing, that Assignors are the true and lawful owners thereof and all rights, titles and interests of the Lessee therein, free and clear of overriding or permittee royalty, encumbrance and adverse claim, that they have full right and authority to assign and transfer said natural gas rights and that they will warrant and forever defend the same unto the Assignee, its successors, transferees and assigns against all persons whomsoever claiming or to claim the same or any interest therein.

There is expressly reserved, however, from the operation of this assignment all natural gas which may be produced from the existing well of Assignors located upon the lands above described known as the Tigner, Etz and Keyes No. 6(A); provided, that Assignee is hereby granted the prior and continuing right exercisable at its option from time to time to purchase and receive into its pipe line at or adjacent to the well-head all natural gas producible from said well (or such portion thereof as Assignee may elect to purchase from time to time) at a price of one cent (\$0.01) per 1,000 cubic feet measured on a pressure base of 14.4 pounds per square inch absolute and an assumed temperature of 60°F.; and provided, further, that the Assignors may sell or otherwise lawfully dispose of any natural gas produced from said well which Assignee does not currently elect to purchase and receive into its pipe line. Assignors reserve the right to extract or cause to be extracted from said natural gas before delivery to Assignee natural gas gasoline and other liquid hydrocarbons which may be contained therein.

By its acceptance of these presents, Assignee agrees as follows:

- (a) Unless required by the United States or by some duly constituted authority thereof, not to conduct any drilling operations on said lands within a radius of 200 feet from Assignors said well No. 6(A) now located thereon;
- (b) To indemnify and save harmless Assignors from and against any and all taxes, costs, expenses, claims, liens and all other charges whatever, whether or not same may be groundless, arising by, through, on account of or in connection with drilling, development, production or other operations for natural gas conducted hereunder by Assignee on the lands above described and also to discharge promptly any lien which may be filed against said lands or the interest of Assignors therein arising out of the operations of Assignee hereunder;
- (c) To comply in due time with all requirements of the United States or its duly constituted representatives which may be imposed by virtue of the provisions of said lease and/or by virtue of any applicable statute, rule, regulation, order or unit plan which may be now or hereafter in effect with regard to the operations of Assignee for natural gas upon the lands above described, including particularly (but without being limited to) those requirements relating to payment of royalties and rentals to the United States, to the maintenance of bond and to the time and method of operations.

If and whenever during the term of said lease as it may be renewed or extended or any lease which is issued in lieu thereof, the production of oil in paying quantities from the lands above described shall cease (in the opinion of Assignors), Assignors will contemporaneously with the abandonment of their well(s) and their salvage of well and lease equipment thereon belonging to Assignors tender to Assignee, its successors or assigns, an assignment in proper recordable form covering all rights of the same under said lease insofar as it

covers the lands above described free and clear of liens and adverse claims and subject only to the royalties and rentals thereafter to accrue in favor of the United States, all without the payment by Assignee of any additional consideration, and Assignors also agree not to surrender or voluntarily to permit said lease to be terminated in advance of its normal expiration date without the written consent of Assignee first had and obtained; provided, that the obligations of Assignors in this paragraph expressed shall, unless sooner performed and discharged, finally terminate and expire twenty (20) years after the date hereof.

And we, the undersigned Amy G. Keyes, wife of F. Grant Keyes, and Olivia W. Etz, wife of George Etz, do hereby expressly join in these presents for the purpose of assenting hereto and of assigning, transferring and conveying unto said New Mexico Eastern Gas Company, Assignee, its transferees, successors and assigns, forever, all our respective rights of dower and homestead and any other rights, titles and interests which we may have in the subject matter of this assignment.

IN WITNESS WHEREOF, this instrument, is executed on this the 18 day of June, 1942, so as to be binding upon undersigned and the heirs, successors, transferees and assigns of each.

F. Grant Keyes
F. Grant Keyes

Amy G. Keyes
Amy G. Keyes

George Etz
George Etz

Olivia W. Etz
Olivia W. Etz

Martha Tigner
Martha Tigner

STATE OF NEW MEXICO
COUNTY OF CHAVES

On this 13th day of August, 1942, before me personally appeared F. Grant Keyes and Amy G. Keyes, 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 set my hand and seal of office on this 13th day of August, 1942.

My Commission Expires: July 17, 1945

Marie Baldy
Notary Public
Chaves County
New Mexico

Marie Baldy
Notary Public in and for Chaves County,
New Mexico

STATE OF NEW MEXICO
COUNTY OF CHAVES

On this 12 day of August, 1942, before me personally appeared George Etz and Olivia W. Etz, 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 set my hand and seal of office on this 12 day of August, 1942.

My Commission Expires: February 29, 1944

T. J. Jackson
Notary Public in and for Chaves County,
New Mexico

STATE OF NEW MEXICO
COUNTY OF EDDY

T. J. Jackson
Notary Public
Eddy County
New Mexico

On this 14 day of Aug., 1942, before me personally appeared Martha Tigner, a widow, to me known to be the person described in and who executed the foregoing instrument and acknowledged that she executed the same as her free act and deed.

In witness whereof, I have set my hand and seal of office on this 14 day of Aug, 1942.

Bert N. Shipp

308

My Commission Expires: Sept 10 - 1944

Earl N.
Notary
Public
Eddy
County
N.M.

Notary Public in and for Eddy County,
New Mexico.

FILED FOR RECORD on the 28th day of May, A.D., 1943 at 8:35 o'clock A.M.

Deputy

B. A. Barker
County Clerk