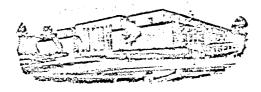
State of New Mexico

TELEPHONE 505-827-2748





Commissioner of Public Lands April 2, 1976

PHIL R. LUCERO

Mr. George P. Caulkins, Jr. 2100 Colorado State Bank Building 1600 Broadway Denver, Colorado 80202 P. O. BOX 1148
SAUTE PH MEXICO 87501

APR 1 2 1976

OIL CON CON

Re: State "A" 116 Com SE/4 Sec. 2-T26N-R6W Rio Arriba, County, New Mexico

Dear Mr. Caulkins:

The Commissioner of Public Lands has this date approved your Partial Consolidation of State Oil and Gas Leases covering the SE/4 of Section 2, Township 26 North, Range 6 West, Rio Arriba County, New Mexico.

The effective date to be as of March 29, 1976, which is the date your agreement was signed.

Enclosed are five (5) Certificates of approval as well as one copy of the agreement surplus to our need.

Your Ten (\$10.00) Dollar filing fee has been received.

Please submit all well records pertaining to this particular well when available.

Very truly yours,

PHIL R. LUCERO

COMMISSIONER OF PUBLIC LANDS

RAY D. GRAHAM, Director Oil and Gas Division

PRL/RDG/s

encls.

cc:

OCC-Santa Fe, New Mexico

APR 12 19
OIL 1903

APPLICATION FOR PARTIAL CONSOLIDATION OF STATE OIL AND GAS LEASES FOR A 160 ACRE COMMUNITIZATION UNIT IN THE SOUTH BLANCO-PICTURED CLIFFS GAS POOL, TO BE DESIGNATED STATE "A" 116 COM.

the Commissioner of Public Lands, pursuant to the authority granted by Sections 7-11-39 and 7-11-40, as amended, New Mexico Statutes Annotated, 1953 Comp., (Laws 1961, Ch. 176, Sec. 1 and 2), to partially consolidate and combine State Oil and Gas Lease E-291-17 and Lease E-291-26 for the purpose of forming a 160 acre communitization unit in the South Blanco-Pictured Cliffs Gas Pool insofar and only insofar as such leases cover oil and gas rights in and under the following described lands:

- (1) State Lease E-291-17
 Township 26 North, Range 6 West, N.M.P.M.
 Section 2 N/2 SE/4
- (2) State Lease E-291-26

 Township 26 North, Range 6 West, N.M.P.M.

 Section 2 S/2 SE/4

containing in all 160 acres, more or less, Rio Arriba County, New Mexico.

Applicant in support of this application states and alleges as follows:

I.

The Oil Conservation Commission of the State of New Mexico by its Order No. R-156, dated May 26, 1952, has created the South Blanco-Pictured Cliffs Gas Pool, and by its Order No. R-1670, entered May 20, 1960, provided for 160 acre spacing for said pool. The lands covered by this application are situated within the limits of the South Blanco-Pictured Cliffs Gas Pool.

II.

Applicant will drill a well in the South Blanco-Pictured Cliffs Gas Pool, said well being the State "A" 116 Com well,

to be located 850 feet from the South line and 850 feet from the East line of Section 2, Township 26 North, Range 6 West, N.M.P.M., Rio Arriba County, New Mexico, the SE/4 of said Section 2 to be dedicated to the well. The well is to be completed in the Pictured Cliffs formation under the South Blanco-Pictured Cliffs Gas Pool rules, and assigned to the said 160 acres, and therefore it is proposed that said well will become the unit well.

III.

George P. Caulkins, Jr., is the lessee and owner of the working interest under each of the leases affected hereby and the State of New Mexico, for the benefit of the beneficiary, is the owner of the entire royalty interest under each of said leases.

IV.

The granting of this application will tend to promote the conservation of oil and gas and the better utilization of reservoir energy. Under the operations proposed the common beneficiary of the lands involved will receive its fair share of the recoverable oil or gas in place under its lands in the area affected. The granting of the application is in other respects for the best interests of the State.

WHEREFORE, Applicant respectfully requests that the lands hereinabove described part of which are contained in State Oil and Gas Lease E-291-17, and part of which are contained in State Oil and Gas Lease E-291-26, be consolidated for the operation of a 160 acre gas communitization unit, to be designated the State "A" 116 Com unit.

Respectfully submitte,

GEORGE P, CAULKINS, JR.

APR 12 1976
OIL CON. COM



NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO GEORGE P. CAULKINS, JR.- STATE "A" 116 COM

RIO ARRIBA COUNTY, NEW MEXICO

SE/4 Section 2, Township 26 North, Range 6 West-PICTURED CLIFFS FORMATION- 160 Acres There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agree-, which has been executed, or is March 29, 1976 to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- That such agreement will tend to promote the conservation (a) of oil and gas and the better utilization of reservoir energy in said area.
- That under the proposed agreement, the State of New Mexico (b) will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- That each beneficiary Institution of the State of New (c) Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- That such agreement is in other respects for the best (d) interests of the state, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, and 7-11-48, New Mexico Statutes Annotated, 1953 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 2nd, day of ____ April

of the State of New Mexico