

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

## NOTICE OF INTENTION TO DRILL OR RECOMPLETE

Notice must be given to the District Office of the Oil Conservation Commission and approval obtained before drilling or recompletion begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in QUINTUPLICATE. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission.

Farmington, New Mexico

March 16, 1953

(Place)

(Date)

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the (Drilling) (~~Recompletion~~) of a well to be known as**El Paso Natural Gas Company**

(Company or Operator)

**Yager Pool Unit**

(Lease)

**2****NW $\frac{1}{4}$** 

The well is

located **1090** feet from the **North** line and **1090** feet from the**West**line of Section **6**, T. **30N**, R. **11W**, NMPM.

(GIVE LOCATION FROM SECTION LINE)

**Agtec  
(Int.)**

Pool,

**San Juan**

County

If State Land the Oil and Gas Lease is No.

If patented land the owner is **Saul A. Yager, 613 Oil Capitol Bldg.,**Address **Tulsa, Oklahoma (NW $\frac{1}{4}$  NW $\frac{1}{4}$ )**We propose to drill well with drilling equipment as follows: **Rotary tools to the top of the Pictured Cliffs formation, completing the well with cable tools.**The status of plugging bond is **State Wide Bond**Drilling Contractor **El Paso Natural Gas Company Tools**We intend to complete this well in the **Pictured Cliffs**

formation at an approximate depth of \_\_\_\_\_ feet.

## CASING PROGRAM

We propose to use the following strings of Casing and to cement them as indicated:

Size of Hole	Size of Casing	Weight per Foot	New or Second Hand	Depth	Sacks Cement
<b>13-3/4</b>	<b>9-5/8</b>	<b>25.4</b>	<b>New</b>	<b>100</b>	<b>75</b>
<b>6-7/8</b>	<b>7</b>	<b>20</b>	<b>New</b>	<b>2226</b>	<b>150</b>

If changes in the above plans become advisable we will notify you immediately.

ADDITIONAL INFORMATION (If recompletion give full details of proposed plan of work.) **Total depth 2282'. It is intended to shoot the entire Pictured Cliffs formation with two quarts S.N.G. per foot. (NE $\frac{1}{4}$  NW $\frac{1}{4}$  SF 078781 by Hazel Gentle) and (S $\frac{1}{2}$  NW $\frac{1}{4}$  William C. Christman - Fee). Communitization dedicating NW $\frac{1}{4}$  of Section 6 will be filed as soon as possible.**

Approved \_\_\_\_\_, 19. **53**  
Except as follows:

OIL CONSERVATION COMMISSION

By **Emory C. Arnold**  
Title **Inspector Dist. #3.**

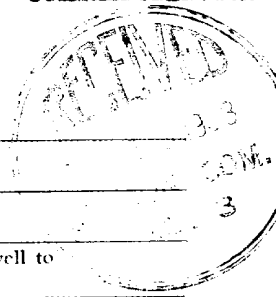
Sincerely yours,

**EL PASO NATURAL GAS COMPANY**

(Company or Operator)

By **E. J. Cael**Position **Petroleum Engineer**

Send Communications regarding well to

Name **E. J. Cael**Address **Box 997, Farmington, New Mexico**

COMPANY EL PASO NATURAL GAS COMPANY

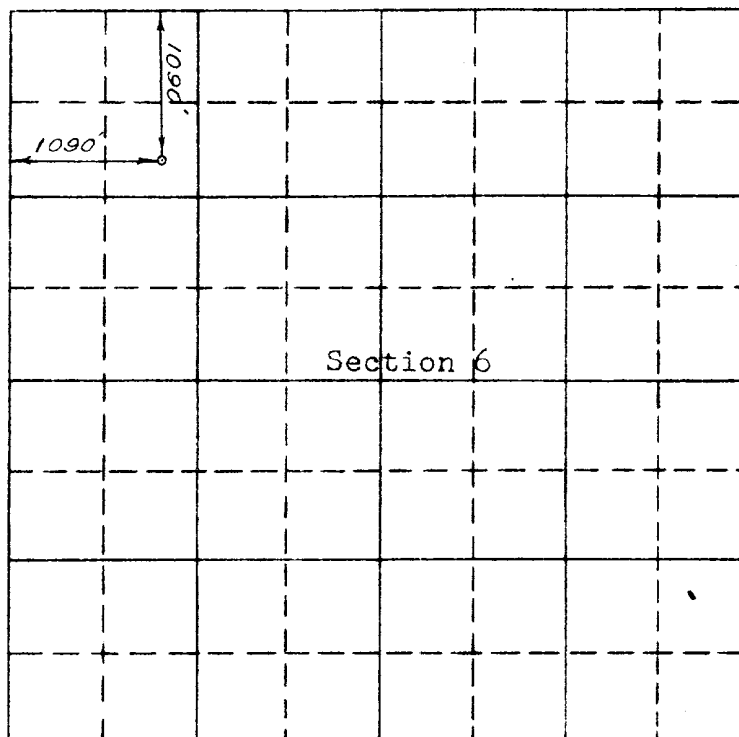
Well Name & No. Yager Pool Unit No. 2 Lease No. \_\_\_\_\_

Location 1090 feet from the North line. 1090 feet from the West line.

Being in NW $\frac{1}{4}$  of the NW $\frac{1}{4}$

Sec. 6, T30N., R11W., N.M.P.M., San Juan County, New Mexico

Ground Elevation 5802.33



Scale -- 4 inches equals 1 mile

Surveyed March 14, 19 53

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

E. O. Walker  
Registered Professional  
Engineer and Land Surveyor.

Seal:

Farmington, New Mexico



OIL CONSERVATION COMMISSION		
AZTEC DISTRICT OFFICE		
No. Copies Received <u>5</u>		
DISTRIBUTION		
	NO. FURNISHED	
Operator		
Santa Fe		
Proration Office		
State Land Office		
U. S. G. S.	<u>2</u>	
Transporter		
File	<u>1</u>	✓

## COMMUNITIZATION AGREEMENT

THIS AGREEMENT, made and entered into this 9th day of March 1953, by and between EL PASO NATURAL GAS COMPANY, a Delaware corporation, whose address is P. O. Box 1492, El Paso, Texas, (hereinafter sometimes referred to as "El Paso"); DELHI OIL CORPORATION, a Delaware corporation, whose address is Corrigan Tower, Dallas, Texas; SAUL A. YAGER, whose address is 613 Oil Capital Building, Tulsa, Oklahoma; MARIAN YAGER, whose address is c/o C. H. Rosenstein, McBirney Building, Tulsa, Oklahoma; M. E. GIMP, whose address is c/o Zales Jewelry, 1606 Main Street, Dallas, Texas; MORRIS MIZEL and wife FLORA MIZEL, whose address is 101 W. Cameron Street, Tulsa, Oklahoma; and C. C. PETERS and wife MARTHA E. PETERS of the Mayfair Hotel, Dallas, Texas; SAM MIZEL whose address is 101 W. Cameron Street, Tulsa, Oklahoma;

### W I T N E S S E T H :

WHEREAS, El Paso Natural Gas Company is the present owner and holder of that certain Oil and Gas Lease executed in favor of N. Spatter as Lessee under date of July 3rd, 1950 by William H. Chrisman and wife Carlotta C. Chrisman embracing among other lands, the following described land in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.  
Section 6: Lot 5, and SE/4 NW/4  
containing 81.90 acres more or less; and

WHEREAS, El Paso Natural Gas Company is the present owner and holder of that certain Oil and Gas Lease executed in favor of Wayne Moore as Lessee by Saul A. Yager and wife, Marian Yager as Lessors under date of September 1, 1948, embracing among other lands the following described land in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.  
Section 6: NW/4 NW/4  
containing 41.75 acres more or less; and

WHEREAS, Delhi Oil Corporation by contract with El Paso, dated January 18, 1952 reserved and retained all the oil operating rights, the gas operating rights below the base of the Mesa Verde formation, and certain gas overriding royalties on the above described tracts; and

WHEREAS, Saul A. Yager is no longer the owner of the full royalty interest under the last above described lease but has conveyed an undivided one fourth ( $\frac{1}{4}$ ) interest in said royalty to Morris Mizel and Sam Mizel jointly, an undivided one fourth ( $\frac{1}{4}$ ) interest in said royalty to M. E. Gimp, and an undivided one fourth ( $\frac{1}{4}$ ) interest in said royalty to Marian Yager; and

WHEREAS, C. C. Peters is the present owner and holder of that certain United States Oil and Gas Lease bearing Serial Number Santa Fe 078781 executed in favor of Hazle L. Gentle as Lessee under date of July 1, 1951 by the United States of America as Lessor embracing among other lands the following described land in San Juan County, New Mexico:

Township 30 North, Range 11 West, N.M.P.M.  
Section 6: Lot 3  
containing 40.12 acres more or less; and

WHEREAS, by an Operating Agreement dated February 15, 1952, which Operating Agreement has been filed for approval with the Bureau of Land Management, C. C. Peters granted the operating rights in the above described tract to Delhi Oil Corporation; and

WHEREAS, by an assignment dated March 1, 1952, which assignment has been filed for approval with the Bureau of Land Management, Delhi Oil Corporation assigned the above described Operating Agreement to El Paso but Delhi Oil Corporation retained and reserved all the oil operating rights, the gas operating rights below the base of the Mesa Verde formation, and certain gas overriding royalties; and

WHEREAS, in order to expedite the execution of this agreement all of the overriding royalty owners on each of the above described tracts are ratifying this agreement; and

WHEREAS, it is the desire of the parties hereto to communitize their respective interests in the above described Oil and Gas Leases in order to form one tract or drilling unit as follows;

Township 30 North, Range 11 West  
Section 6: NW/4  
containing 163.77 acres more or less, and;

WHEREAS, in order to be consistent with the existing rules and regulations covering well spacing and production allowables, all of the parties to this agreement desire to operate the communitized unit for the purpose and intention of developing and producing dry gas and liquid hydrocarbons extracted therefrom, in accordance with the terms and provisions of this agreement;

NOW, THEREFORE, in consideration of the premises and mutual advantages resulting from this agreement, it is mutually covenanted and agreed by and between the parties hereto that the land subjected to this agreement shall be developed and operated for dry gas and liquid hydrocarbons extracted therefrom producible from the Pictured Cliffs formation as an entirety, with the understanding and agreement that the dry gas and liquid hydrocarbons extracted therefrom so produced from the communitized area from such formation allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed hereto. The royalties payable on the dry gas and liquid hydrocarbons extracted therefrom so allocated to the lands comprising the leaseholds and the rentals provided for in said leases shall be determined and paid on the basis respectively prescribed in the individual leases. There shall be no obligation on the parties hereto to offset any dry gas well or wells completed in the Pictured Cliffs formation on separate component tracts into such said communitized tract is now or may hereafter be divided, nor shall either party be required to separately measure said dry gas and liquid hydrocarbons extracted therefrom by reason of the diverse ownership of the dry gas or liquid hydrocarbons extracted therefrom in or under said tract, but the parties hereto shall not be released from their obligation to protect said communitized tract from drainage by a dry gas well or wells which may be drilled offsetting said tract. Payment of the rentals under the terms of the leases hereinabove mentioned and described shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided.

Except as herein modified and changed, said oil and gas leases hereinabove described shall remain in full force and effect as originally made and issued. It is further agreed that the commencement, completion, continued operation or production of a well or wells for dry gas on the communitized tract from the Pictured Cliffs formation shall be construed and considered as the commencement, completion, continued operation or production as to each lease committed thereto.

It is further agreed that all production of dry gas and disposal thereof shall be in conformity with allocations, allotments and quotas made or fixed by any duly authorized person or regulatory body under applicable federal or state statutes. The provisions of this agreement

shall be subject to all applicable federal and state laws, executive orders, rules and regulations which affect performance of any of the provisions of this agreement, and no party hereto shall suffer a forfeiture or be liable in damage for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from compliance with any such laws, orders, rules or regulations.

El Paso shall be the unit operator of said communitized tract, and all matters of operation, adjustments between the parties hereto, and payment of royalties shall be determined and performed by El Paso.

This agreement shall be effective as of the date hereof, upon approval by the Director of the Geological Survey and shall remain in full force and effect for a period of two (2) years and so long thereafter as dry gas is produced from any part of said communitized tract in paying quantities; provided, that, upon fulfillment of all requirements of the Director of the Geological Survey with respect to any dry hole or abandoned well, and prior to production in paying quantities of gas and liquid hydrocarbons extracted therefrom from said communitized tract, this agreement may be terminated at any time by mutual agreement of the parties hereto.

The unit operator (El Paso) agrees to furnish the Secretary of the Interior, or his duly authorized representatives, with a log and history of any well or wells, the monthly report of operations and the statement of all oil and gas runs and royalties, together with such other reports as are deemed necessary to compute monthly the royalty due the United States as specified in the applicable oil and gas operating regulations for any well completed within the communitized tract. The unit operator shall not discriminate against any employee or applicant for employment because of race, creed, color or national origin, and shall require an identical provision to be inserted in all subcontracts.

It is further agreed between the parties hereto that the Secretary of the Interior, or his representatives, shall have the right of supervision over all operations within the communitized tract to the same extent and degree as provided in each of said oil and gas leases under which the United States of America is Lessor, and in the applicable oil and gas regulations of the Department of the Interior.

This agreement shall be binding upon the parties hereto and shall extend and be binding upon their heirs, executors, administrators, successors and assigns, and may be executed in one or more counterparts by any of the parties hereto, and all counterparts so executed shall be taken as a single agreement and shall have the same force and effect as if all parties had in fact executed a single instrument.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year hereinabove written.

ATTEST:

\_\_\_\_\_  
Assistant Secretary

ATTEST:

\_\_\_\_\_  
Assistant Secretary

EL PASO NATURAL GAS COMPANY

By \_\_\_\_\_  
Vice President

DELHI OIL CORPORATION

By \_\_\_\_\_  
Vice President

\_\_\_\_\_  
Saul A. Yager

\_\_\_\_\_  
Marian Yager

\_\_\_\_\_  
M. E. Gimp

\_\_\_\_\_  
Morris Mizel

\_\_\_\_\_  
Flora Mizel

\_\_\_\_\_  
C. C. Peters

\_\_\_\_\_  
Martha E. Peters

\_\_\_\_\_  
Sam Mizel



STATE OF )  
(  
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 )  
(  
COUNTY OF )

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(  
COUNTY OF )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me  
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his wife, to me known to be the persons described in and who executed the fore-  
going instrument, and acknowledged to me they executed the same as their free act  
and deed.

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