

PLEASE DELIVER IMMEDIATELY

TO Mr. Steve Ross
Counsel
Oil Conservation Division

FAX

FAX 476-3462/3471 PHONE 476-3451

Carroll
Crawford
letter



GENERAL CONSULTANT/AUDITOR

CARROLL E. CRAWFORD

NATURAL GAS & QUALITY MEASUREMENT
OPERATIONS/DESIGN/SETTLEMENT AUDIT

A3 Road 5295 NEU 3026
Farmington, NM 87401

Phone: 505-632-2892
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Dear Mr. Ross - Attorney

Attached is my Pre-Hearing Statement

I do not plan to attend the 1-25-01
Hearing due to Travel Warning issued
for tonight and tomorrow.

Thanks
Carroll

Copy to: William F. Carr, Esq.
FAX (505) 983-6043.

FROM Mr. Carroll E. Crawford
831 Road 5295 # 3026
Farmington, NM 87401

FAX 505-632-2894 PHONE 505-632-2892

FAX

1-24-2001

Mr. Steve Ross
 Counsel - Oil Conservation Division
 New Mexico Department of Energy,
 Minerals and Natural Resources
 1220 St. Francis Drive - So. Capital Complex
 Phone - 476-3451
 Fax 476-3462/3471

Subject: Oil Conservation Division Case No. 12520
 Pre-Hearing Statement

Reference: (1) Michael E. Stogner - Hearing Examiner
 (2) William F. Carr - Attorney BP Amoco
 (3) Bill Hawkins - BP Amoco Engineer
 (4) Max Eddington - BP Amoco Landman
 (5) Carroll E. Crawford - Opposition Party
 - letter to Ms. heri Wrotenlee - Director (10-6-2000)
 - letter to Michael Stogner - Examiner (12-6-2000)
 - Presentation Before Examiner (12-21-2000)
 (6) Snow Forecast for NW New Mexico
 for 1-24-01 PM and 1-25-01
 Travel Advisory
 (7) J.W. "Bill" Hawkins - Amoco Engineer
 (8) Issues - Record Kept Open Continually 1-25-01
 - Technical Interests
 - Royalty Interest Owners involved committed
 & fee - Commingled Satisfaction
 - Uncommitted Royalty Interest Owners

- 2
- Response to inquiry on royalty interest non-payment and/or accounting.

Dear Mr. Ross;

Per our telephone conversation today, the following is submitted for OCD consideration:

1. Technical

Mr. Bill Hawkins has explained to me that BP Amoco comingling procedure will include the following:

- (1) Remove the Dakota well tubing to permit new formation fracturing,
- (2) Re-install tubing to bottom hole depth of Dakota formation.
- (3) Produce all formations on the casing.
- (4) Remove formation liquids using the tubing for pumping liquids, etc.

If this procedure is in agreement with Mr. Hawkins testimony and exhibits presented on 1-25-2001, I would be willing to withdraw my exception for the technical issue of avoiding loss of gas and condensate production and protection of correlating rights of royalty and other interest owners.

2. Administrative Notification

The position on comingling notification must be performed for those wells that have non-committed royalty and overriding royalty interests to ensure the allocation adopted is properly determined and the basis for royalty accounting is recognized and utilized to settle royalty interests to avoid violation of the Oil and Gas Act and Payment Act 70-2-18; 70-10-3, and 70-10-5.

3. Royalty Interests Nonpayment and Proper Accounting Exceptions Taken

On January 3, 2001, Mr. Max Eddington - BP Amoco landman contacted me regarding O & G Royalty Payment (non) exceptions and information he needed to proceed in investigation.

On 1-4-2001, I provided Mr. Eddington with copies of the O & G leases, current addresses, and 10-16-2000 and 12-6-200 NMDC letters.

On 1-10-2001, I provided appropriate well location plots, O & G lease accounting forms required to settle accounts, and pre and post Amoco O & G Statement examples (A) and '95 & '96 Amoco

4

On 1-11-2001, I provided the formulas and decimal ownerships, leaf sections, formations and decimal applications for wells listed on nominal acreage basis.

To date, Mr. Eddington is evaluating the records sent and those he has on hand. He has identified a \$3888.66 balance due to Mrs. Duena Crawford being held for current address (not yet paid). He has not yet determined if all previous wells have been included in royalty calculation for Business Records 135479-00 and 687897-00. He has identified one new well Ballegan Canyon Unit #563-Fruitland Coal completed on 12-19-2000 to be added (320 Acre spacing) located in the SW/SW Section 26 - T29N-R12W. He is continuing his investigation and will send supporting material on completion.

Please call if you have any questions.

Thank
Carroll Crawford

Attachments:

C

Mr. Carroll E. Crawford
83 Road 5295 #3020
Farmington, NM 87401

PLEASE DELIVER IMMEDIATELY

Date: 1-4-2001 P. 06

Total Pages: 28 pages

TO Mr. MAX Eddington
BP Amoco handman
Houston, TX

FAX 281-366-7099 PHONE 281-366-3430

FAX

Mr. Eddington - Per our Conversation today.

First - O&G leases dated 25 May 1959

- 1 for Sec 24 (2 pages) w/ Royalties & Overriding Payer

- 1 for Sec 25 & 26 (3 pages) ✓ ✓ ✓

(See attachments in 10-16-2000 letter)

- 1 O&G lease - Separate for 0.62 Acres in

Sec 25 - found in attachment to

NMOC D letter dated 10-16-2000 (2 pp) - no OR

Second - 10-16-2000 NMOC C letter to Director - 13 pages

Third - 12-6-2000 NMOC D letter to Hearing Examiner - 9 p

Fourth - Note current addresses for BA in 10-16-2000 letter
plus ten wells pertaining to our O&G Royalty data



GENERAL CONSULTANT/AUDITOR

CARROLL E. CRAWFORD

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FROM Carroll E. Crawford
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Farmington, NM 87401

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FAX

▶ PLEASE DELIVER IMMEDIATELY

Total Pages: 3 w/cover

TO Mr. MAX Eddington
B.P. Amoco LANDMAN
HOUSTON, TX

FAX 281-366-7099 PHONE 281-366-3430

FAX

Mr. Eddington - Per Our 1-9-2001 Telephone Conversation

Enclosed:

1- Sec 24, 25 & 26 T29N R12W San Juan County, NM
Appurtenant Well Locations

2- O&G Property Locations Sec 24, 25, & 26 for
Dyrena S. Crawford - Life Estate (Burrel - Deceased) - 142.62 Acres
Carroll E. & Bonnie J. Crawford - 30 Acres

3- Division Order Decimal Ownership Breakdown to Follow

4- O&G Accounting Lease Terms Require Tulsa to adhere to
the following (1993 to Present) to settle accounts.

1. BP Amoco is in violation of the Oil and Gas Act Section 70-2-18
2. BP Amoco is in violation of the Oil and Gas Proceeds Payment Act Section 70-10-5 and Section 70-10-3
3. BP Amoco (formerly Amoco) is in violation of the Oil and Gas Lease dated 25 May, 1959 (two) and 27 August, 1963 on file at the San Juan County Clerk's office in Aztec, NM. The leases (two) require (See attached copies):
 - a. One-eighth Royalties (1/8) payable by the Lessee,
 - b. Overriding Royalty of four percent (4%),
 - c. Royalties of the market value of the well of 100% of the oil and gas produced and saved and sold or used off the premises,
 - d. Monthly accounting for 100% of production of oil or gas at the prevailing market rate,
 - e. Royalties paid in proportion which his interest bears to the whole and undivided fee,
 - f. Non-participating interest for all of our non-committed interest in the Gallinas Canyon Unit in Sections 25 and 26, T29N, R12W, San Juan County

5. O&G Statements 2-Before & 2-After 1993 Acctg Change

FROM Carroll Crawford



Carroll Crawford
83 Road 5295 # 3026
Farmington, NM 87401

FAX 505-632-2894 PHONE 505-632-2892

FAX

PLEASE DELIVER IMMEDIATELY

Date: 1-10-2001
Total Pages: 4 + Cover

TO Mr. MAX Eddington
BP Amoco Landman
Houston, TX

FAX 281-366-7099 PHONE 281-366-3430

FAX

Mr. Eddington

Enclosed for your information are copies of correspondence attempting to insure royalty and overriding royalty interests were being accounted for on statements.

1- letter dated 4-2-95 to Royalty Owner Relations for Amoco Production Company regarding Mineral Statements for O & G Purchased.

2- letter dated 7-23-96 to Amoco Division Order Analyst, Mr. Don Kimbrough regarding Overriding Royalty Interest Omitted from Statements.

The identified Business Associate Numbers, property numbers, and well names may help you in determining basis for unpaid O & G Royalty Interests.

Thanks

FROM

Carroll Crawford

Carroll Crawford
83 Road 5295 # 3026
Farmington, NM 87401

FAX (505) 632-2894 PHONE (505) 632-2892

FAX

▶ PLEASE DELIVER IMMEDIATELY

Date: 1-11-2007

Total Pages: Over + 3

TO Mr. Max Eddington
B.P. Amoco - Landman
Houston, TX

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Mr. Eddington

Enclosed are the formulas for:

- 1/8th Royalty Interest Decimal Ownership.
- 4% Overriding (ORI) Interest Decimal Ownership.
- Dyrena S. Crawford O & G Interests by Section, Formations (OK & PC) and decimal application for wells listed.
- Carroll E. & Bonnie G. Crawford O & G Interests by Section, well formation (OK & PC) and decimal application for wells listed.

Please review and call if you have any questions

FROM

Carroll Crawford



Carroll Crawford
83 Road 5295 # 3026
Farmington, NM 87401

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