

July 19, 1962

The Citizens Bank of Aztec which maintains offices in both Aztec and Farmington has been designated as the escrow agent by Southwest Production Company. Any proceeds from production from forced pooled property which are not disbursed for any reason will be placed in escrow in this bank.

See letter from Joseph P. Driscoll, Southwest Production Company, Dallas, Texas, dated July 16, 1962, and filed in Case No. 2600.

(Cases Nos. 2415, 2416, 2446, 2452, 2453, 2600, and in Nos. 2343 and 2381)

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54 1/2 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1713  
SANTA FE, NEW MEXICO

MAIN OFFICE OCC  
TELEPHONE  
962-6366  
962-2991  
1963 DEC 13 PM 1:19

December 12, 1963

Mr. Joseph P. Driscoll  
Southwest Production Company  
3108 Southland Center  
Dallas 1, Texas

Re: SWP-36 Ollie Sullivan No. 1  
SWP-40 Irene Brown No. 1  
San Juan County, New Mexico  
Julian Coffey Interest

Dear Mr. Driscoll:

This will acknowledge receipt of your check covering royalty interest for the sales of distillate on the above wells in the amount of \$29.75. This is apparently based on a ten-acre interest.

Although Mr. Coffey has already negotiated this check, Mr. Coffey claims, and on the basis of his deeds and survey, I believe will be able to establish he actually owns 12 acres in this tract. At the time of the hearing on forced pooling for these two wells, Mr. Coffey's interest was brought to your attention. For this reason, Mr. Coffey cannot be expected to sign a division order showing a lesser interest than that actually held by him.

In connection with this matter, we have written you on October 3 and November 5 asking for an accounting of the royalties owed to Mr. Coffey; and to date, we have received only a statement on distillate production, with your letter of December 5. In this connection, you have not complied with the provisions of the orders force-pooling the mineral interests under these lands, and we again ask you for an accounting of and payment of the royalty interest owed to Mr. Coffey without further delay.

Very truly yours,

JASON W. KELLAHIN

JWK:msf

cc - Mr. Julian Coffey

C  
O  
P  
Y

KELLAMIN AT FOM

ATTN: J. W. KELLAMIN

34 EAST CALIFORNIA STREET

HOUSTON, TEXAS

TELEPHONE 777-1111

TELETYPE 777-1111

TELEFAX 777-1111

Southwest Production Company  
3108 Southland Center  
Dallas 1, Texas

Re: Ollie Sullivan Well No. 1,  
Irene Brown Well,  
Sh. Sec. 22-30N-21W,  
San Juan County, New Mexico.

Gentlemen:

On October 3, 1963, I wrote asking for an accounting on production from the above wells on behalf of Julian Coffey, a non-consenting owner whom you forced-pooled under the provisions of Order No. R-2068-B, and R-2151-A. To date we have not heard from you in connection with this request.

Mr. Coffey is entitled to a one-eighth royalty interest for that part of all production attributable to his acreage, and we request that you make an immediate accounting for this, as requested in our letter of October 3.

Very truly yours,

JASON W. KELLAMIN

jwk:mas

cc: Oil Conservation Commission of New Mexico

Mr. Julian Coffey

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*Handwritten:*  
To Coffey in acct  
Case file R-2068-B  
R-2151-A  
[Signature]

JOSEPH P. DRISCOLL

SOUTHWEST PRODUCTION COMPANY MAIN OFFICE 000

3108 SOUTHLAND CENTER

DALLAS 1, TEXAS

RIVERSIDE 8-8388

DEC 10 1963  
JOHN H. HILL

December 4, 1963

Mr. Jason W. Kellahin  
Attorney at Law  
54 1/2 East San Francisco Street  
Santa Fe, New Mexico

Re: SWP-36 Ollie Sullivan No. 1  
SWP-40 Irene Brown No. 1  
San Juan County, New Mexico

Dear Mr. Kellahin:

Reference is made to your recent correspondence relative to Mr. Julian Coffey's interest in the above-described units which were force pooled under orders of the New Mexico Oil Conservation Commission No. R-2068-B and R-2151-A.

We forwarded to Mr. Coffey our division order on SWP-36 dated June 1, 1962, and the division order on SWP-40 dated June 4, 1962. Mr. Coffey did not reply to either of these letters forwarding the division orders. Accordingly, the processing of funds was delayed.

If it is your desire, we will issue instructions to El Paso Natural Gas Company, which is the purchaser of gas and is holding the gas funds, to forward the gas royalty interest to Mr. Coffey.

In the meantime, in order to expedite matters, we enclose our check No. 1919, covering Mr. Coffey's share of royalty interest for sales of distillate from first production through August, 1963. As you will note, the check reflects total production through August, 1963, as follows:

SWP-36 Ollie Sullivan Well			
2,859.26 Bbls	\$324.53 Taxes	\$5,977.18 Net	\$23.35 royalty
SWP-40 Irene Brown No. 1 Well			
800.78 Bbls	\$ 91.67 Taxes	\$1,639.46 Net	\$ 6.40 royalty

We also wish to advise you that Southwest Production Company sold its interest in these properties to Beta Development Company, P. O. Box 1659.

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Mr. Jason W. Kellahin

Page -2-

December 4, 1963

Midland, Texas, as of September 1, 1963. Future distributions of royalty from distillate sales will be made by Beta. Presumably El Paso will continue to distribute gas royalties.

Sincerely yours,

Joseph L. Briscoll

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