

July 1, 1963

Harvey, Dow, and Hinkle
P. O. Box 10
Roswell, New Mexico

Re: Proposed Custer Mountain
Unit Area, Lea County,
New Mexico

Dear Mr. Hinkle:

This office has approved the Custer Mountain Unit Agreement as to form and content. May we apologize for not having advised you of this approval at an earlier date.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESJW/nar/m

ILLEGIBLE

24 DEC 3 1964

December 3, 1964

Midwest Oil Corporation
1500 Wilco Building
Midland, Texas

Re: Custer Mountain Unit
Lea County, New Mexico

Attention: Mr. Don F. Dow

Gentlemen:

Your undated Plan of Further Development and Operation for the Custer Mountain Unit was received November 17, 1964.

This application covers a six month period from November 17, 1964 to May 17, 1965. During this period applicant proposes to construct or cause to be constructed approximately eight and one-half miles of gas transmission line.

The Commissioner approves this application subject to like approval by the United States Geological Survey.

This approval is given with the understanding that the Operator will submit a Plan of Development for the six month period from May 17, 1965 to November 17, 1965, which shall provide for the drilling of a development well.

Midwest Oil Corporation
Attention: Mr. Don F. Dow
December 3, 1964
- page 2 -

We are returning four (4) approved copies of this Application.

Very truly yours,

S. C. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil & Gas Department

ESW/mmr/v
cc:

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Midwest Oil Corporation
Attention: Mr. Don F. Dow
November 9, 1964
- page 2 -

as we do not believe such an extension is reasonable or
justified therefore we will expect to have a Plan of
Development submitted prior to the 17th of November or
consider it in default.

Very truly yours,

E. J. HAYNE WALKER
COMMISSIONER OF PUBLIC LANDS

To: Billberry, Director
Office of the Department

cc: [illegible]

cc:

cc: [illegible]
cc: [illegible]
cc: [illegible]

cc: [illegible]
cc: [illegible]

ILLEGIBLE

C O P Y

HINKLE, BONDURANT & CHRISTY
ROSWELL, NEW MEXICO

September 6, 1956

65 Sep 7 PM 1:00

Mrs. Marian M. Rhea
Supervisor, Unit Division
State Land Office
Box 1143
Santa Fe, New Mexico

Re: Contraction of Custer Mountain
Unit, Lea County, New Mexico

Dear Mrs. Rhea:

We have now received from The Superior Oil Company their consent to the contraction of the Custer Mountain Unit Area and enclose for your information a Xerox copy to be attached to the instruments in your file. We will attach the originals to those which are to be filed with the U.S.G.S. when they have been returned from the Oil Conservation Commission.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By *William E. Christy*

CEH:cs

Enc.

cc: Mr. A. L. Porter, Jr.

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners owning leasehold interests committed to the Custer Mountain Unit Agreement, does hereby acknowledge receipt from Midwest Oil Corporation, the Unit Operator, of notice of the proposed contraction of the Custer Mountain Unit Area so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico and does hereby consent to said contraction and requests that the same be approved by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey.

DATED this 29th day of August, 1966.

SUPERIOR OIL COMPANY

By Howard Kech
President

LAW OFFICES
HERVEY, DOW & HINKLE
HINKLE BUILDING
ROSWELL, NEW MEXICO

October 9, 1963

MAIN OFFICE 000

HERVEY, 1874-1953
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.
HOWARD C. BRATTON
B. B. CHRISTY
LEWIS C. COX
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER

MAIN OFFICE 000

1963 OCT 10 10 49
TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

99

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Re: Custer Mountain Unit Area, Lea County, New Mexico

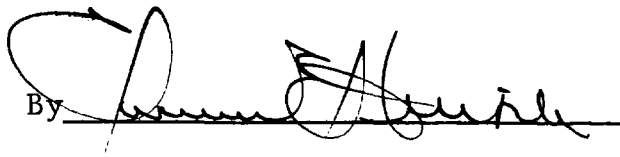
Dear Mr. Porter:

We enclose approved copy of the Custer Mountain Unit Agreement which was approved by the Director of the United States Geological Survey on September 25, 1963, and which became effective as of that date.

This copy is being filed in conformity with the order of the Commission approving the Unit, on July 30, 1963.

Yours very truly,

HERVEY, DOW & HINKLE

By 

CEH: ev

Encl.

cc: Mr. J. R. Rowan
Midwest Oil Corporation

RECEIVED 10 PM 2 1964

August 4, 1964

Mr. Clarence E. Hinkle
Hinkle, Bondurant & Christy
P. O. Box 10
Roswell, New Mexico

Re: Custer Mountain Unit Agreement
Lea County, New Mexico
Initial Participating Area

Dear Mr. Hinkle:

The Commissioner of Public Lands approved as of this date the application of Midwest Oil Corporation for the designation of the initial participating area, for the Custer Mountain Unit Agreement, Lea County, New Mexico.

This participating area is for all of Section 9, Township 24S, Range 35E, and is for the Morrow formation. The effective date to be May 17, 1964, which is predicated upon the completion date of the Custer Mountain Unit Well No. 1.

We are returning five approved copies of this application.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESJW/nmr/mim

Enclosures - 6

cc: United States Geological Survey - Roswell
Oil Conservation Commission - Santa Fe

SEP 28 1964

Drawer 1857
Roswell, New Mexico 88201

September 25, 1964

Midwest Oil Corporation
c/o Hinkle, Bondurant and Christy
P. O. Box 10
Roswell, New Mexico

Attention: Mr. Clarence E. Hinkle

Gentlemen:

The initial Morrow participation area for the Guster Mountain unit agreement, Lea County, New Mexico, was approved on September 16, 1964, by the Acting Director, Geological Survey, effective as of May 17, 1964.

One copy of the approved application is enclosed. You are requested to furnish the State of New Mexico and any other interested party with appropriate evidence of this approval.

Sincerely yours,

(Orig. Sgd.) BILLY J. SHOGER

BILLY J. SHOGER
Acting Oil & Gas Supervisor

cc:

Washington (ltr. only)
BLM - Santa Fe (w/cy of approved appln.)
Hobbs (w/cy of approved appln.)
Com. of Pub. Lands - Santa Fe (ltr. only)
NMOC - Santa Fe (ltr. only)✓

ILLEGIBLE

LAW OFFICES

HINKLE, BONDURANT & CHRISTY

600 HINKLE BUILDING
ROSWELL, NEW MEXICO 88201

November 7, 1966

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER
W. R. HUGHES, JR.

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691
OF COUNSEL: HIRAM M. DOW

TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

564

A. L. Porter, Jr.
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Re: Contraction of Custer
Mountain Unit Agreement

Dear Mr. Porter:

We enclose herewith copy of letter from the United States Geological Survey, together with copy of the approval of the contraction of the captioned unit to be filed with the notice heretofore furnished you. We are sending a copy of these instruments to Mrs. Rhea of the State Land Office for her records.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By Clarence E. Hinkle
CS.

CEH:cs
Enc.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

RECEIVED
NOV 7 1966

HINKLE, BONDURANT & CHRISTY
ROSWELL, NEW MEXICO

NOV 3 1966

Hinkle, Bondurant & Christy
600 Hinkle Building
Roswell, New Mexico 88201

Gentlemen:

On October 31, 1966, effective as of the date of approval, R. H. Lyddan, Acting Director of the Geological Survey, approved the application for contraction of the Custer Mountain unit area, Lea County, New Mexico, No. 14-08-0001-8550. The contraction reduces the unit area to a total of 640.00 acres.

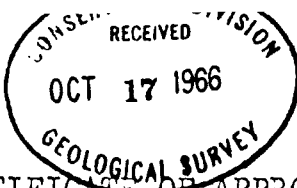
Enclosed is one copy of the approved application for your records. We request that you furnish the State of New Mexico, and any other interested principal with whatever evidence of this approval is deemed appropriate.

Sincerely yours,

Russell H. Wayland
For the Director

Enclosure

66 NOV 8 AM 10 07



CERTIFICATE OF APPROVAL OF CONTRACTION OF CUSTER MOUNTAIN UNIT AREA BY
COMMISSIONER OF PUBLIC LANDS OF THE STATE OF NEW MEXICO, NEW MEXICO OIL
CONSERVATION COMMISSION AND DIRECTOR OF UNITED STATES GEOLOGICAL SURVEY

Approval by Commissioner of Public Lands:

The undersigned Commissioner of Public Lands of the State of New Mexico does hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

DATED this 27th day of September, 1966.

COMMISSIONER OF PUBLIC LANDS

Stephen B. Hays

Approval by New Mexico Oil Conservation Commission:

The undersigned do hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

DATED this 22nd day of September, 1966.

A. L. Porter, Jr.
Secretary-Director

Approval by Director, United States Geological Survey:

The undersigned does hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

Date approved OCT 31 1966

ACTING Director, United States Geological Survey

RECEIVED

SEP 26 1966

U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

RECEIVED
SEP 1 8 24 AM '66
STATE LAND OFFICE
SANTA FE, N.M.

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER
W. R. HUGHES, JR.

LAW OFFICES
HINKLE, BONDURANT & CHRISTY
600 HINKLE BUILDING
ROSWELL, NEW MEXICO 88201

September 22, 1966

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691
OF COUNSEL: HIRAM M. DOW
TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

SEP 24 AM 7 36

Mr. A. L. Porter, Jr.
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Re: Contraction of Custer Mountain
Unit Area, Lea County, New Mexico

Dear Mr. Porter:

Under date of August 31, we forwarded to the Commissioner of Public Lands application for contraction of the unit area of the Custer Mountain Unit and requested that upon approval by the Commissioner Mrs. Rhea hand the instruments to you for approval, and we sent you a copy of our letter to her. In checking this matter, we find that we have not yet received approval of the Commission, although Mrs. Rhea has advised us that the Commissioner has approved the same.

We would appreciate your checking on this matter and advising the present status and if there is any additional information which you need, we shall be glad to supply the same.

With best regards, I am

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By

Clarence E. Hinkle
C.E.H.

CEH:cs

2864

LAW OFFICES
HERVEY, DOW & HINKLE

HINKLE BUILDING
ROSWELL, NEW MEXICO

TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

J. M. HERVEY 1874-1953
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.
HOWARD C. BRATTON
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.

July 2, 1963

The New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

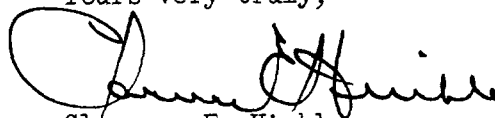
RE: Custer Mountain Unit
Agreement

Gentlemen:

We enclose herewith original and three copies of application of the Midwest Oil Corporation for approval of the Custer Mountain Agreement, covering 11,523.68 acres situated in Township 24 South, Range 35 East, Lea County, New Mexico. We also enclose three copies of the proposed form of unit agreement.

I talked with Mr. Dan Nutter over the telephone and gave him the information in regard to this unit and he stated that it would be included in the docket for the examiner's hearing to be held on July 24, 1963.

Yours very truly,



Clarence E. Hinkle

CEH/bb

Enclosures: 2

cc: Mr. Dick Rowan
Midwest Oil Corporation
1500 Wilco Building
Midland, Texas

DOCKET MAILED

Date 7/2/63


BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
THE CUSTER MOUNTAIN UNIT AGREEMENT
LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes MIDWEST OIL CORPORATION, acting by and through the undersigned attorneys, Hervey, Dow & Hinkle of Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the development and operation of the Custer Mountain Unit Area, Lea County, New Mexico, and hereby makes application for approval of said Unit Agreement as provided by law and the rules and regulations of the New Mexico Oil Conservation Commission, and in support thereof shows:

1. That the proposed unit area covered by said agreement embraces 11,523.68 acres situated in Township 24 South, Range 35 East, N.M.P.M., more particularly described as follows:

Township 24 South, Range 35 East

Section 3:	All	Section 16:	All
Section 4:	All	Section 17:	All
Section 5:	All	Section 18:	All
Section 7:	All	Section 20:	All
Section 8:	All	Section 21:	All
Section 9:	All	Section 22:	All
Section 10:	All	Section 23:	All
Section 14:	All	Section 26:	All
Section 15:	All	Section 27:	All

2. That the lands embraced in the proposed unit area consist of 8,205.46 acres of Federal lands constituting 71.1911% of the unit area; 1,920 acres of lands of the State of New Mexico constituting 16.6580% of the unit area, and 1,400.49 acres of fee or privately owned lands constituting 12.1507% of the unit area.

8205.46
1920
1400.49
11525.95
3. That the proposed unit area has heretofore been designated by the Director of the United States Geological Survey as an area logically subject to unitization, and such area has been approved by the Commissioner of Public Lands, subject to the approval of the New Mexico Oil Conservation Commission.

4. That applicant is informed and believes and upon such information and belief states that the proposed unit area contains all or substantially all of the geological or geophysical feature involved and that in the event of the discovery of oil or gas thereon that said Unit Agreement will permit the producing area to be developed and operated in the interest of conservation and the prevention of waste of unitized substances.

5. That it is contemplated that applicant will be the Operator of the Unit Agreement, and it is proposed to drill an initial test well pursuant to the terms of the unit agreement to be located in approximately the center of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 9, Township 24 South, Range 35 East, N.M.P.M., and that said well will be drilled to a depth sufficient to test the Devonian formation; however, the Unit Operator will not be obligated to drill said well in any event to a depth in excess of 15,500 feet.

6. That applicant believes that in the event oil or gas in paying quantities is discovered on the lands within the unit area, that the pool or field can be developed more economically

and efficiently under the terms of said Unit Agreement, to the end that the maximum recovery of unitized substances will be obtained and that said Unit Agreement is in the interest of conservation and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes and regulations.

7. That upon an order being entered by the New Mexico Oil Conservation Commission approving said Unit Agreement, and after approval thereof by the Commissioner of Public Lands of the State of New Mexico, an approved copy will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before an examiner on the matter of the approval of said Unit Agreement and that upon said hearing, said Unit Agreement be approved by the New Mexico Oil Conservation Commission as being in the interest of conservation and the prevention of waste.

DATED this 2nd day of July, 1963.

Respectfully submitted,

MIDWEST OIL CORPORATION

By: 
Attorney

HERVEY, DOW & HINKLE

By: 

Attorneys for Midwest Oil Corporation
P. O. Box 10
Roswell, New Mexico

September 11, 1943

Dervey, Wm & Son
Bosque Building
Lawell, New Mexico

1041 Custer Mountain Unit
Lea County New Mexico

Attention: Mr. Clarence E. Hinkle

Gentlemen,

The Commissioner of Public Lands has approved as of September 10, 1943, the Custer Mountain Unit Agreement, Lea County, New Mexico.

We are handing to Mr. Clarence E. Hinkle twelve originally signed Certificates of Approval, also Official Receipt No. 44-1076 in the amount of ninety (\$90.00) dollars which covers the filing fee.

Please furnish us with a confirmed copy of the Unit Agreement upon approval by the United States Geological Survey.

Very truly yours

W. H. DUNN, Chief
COMMISSIONER OF PUBLIC LANDS

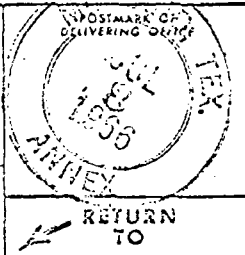
cc -
Mr. J. H. ...
Unit Division

cc - Mr. ...
encl.

cc - Mr. ...

United States Geological Survey

ILLEGIBLE

POST OFFICE DEPARTMENT OFFICIAL BUSINESS		PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, \$300	
			
INSTRUCTIONS: Fill in items below and complete instructions on other side, if applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.			
REGISTERED NO.	NAME OF SENDER		
	Midwest Oil Corporation - Land Dept		
CERTIFIED NO.	STREET AND NO. OR P. O. BOX		
200867	1500 Wilco Building		
INSURED NO.	CITY, ZONE AND STATE		
	Midland, Texas		
CS5-16-71548-5-F			

POD Form 3800
3-11
Apr. 1962

RECEIPT FOR CERTIFIED MAIL—20¢

No. 200867

SENT TO		POSTMARK OR DATE
The Superior Oil Company		
STREET AND NO.		
P. O. Box 1900		
CITY, STATE, AND ZIP CODE		
Midland, Texas		
If you want a return receipt, check which <input checked="" type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEES ADDITIONAL TO 20¢ FEE		
PDD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver **ONLY** to addressee ☐ Show address where delivered

(Additional charges required for these services)

RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED JUL 8 1950 SHOW WHERE DELIVERED (only if requested)

CSS-16-71548-5-F GPO

Certified letter sent by Midwest Oil Corporation to Superior Oil Company including a copy of the notice given by Midwest of the proposed contraction of the Custer Mountain Unit Area.

1. Stick postage stamps to your article to pay:

BASIC CHARGES

Ordinary fee—50¢

Postage (first-class or airmail)

OPTIONAL SERVICES

Return receipt (10¢ or 35¢)

Deliver to addressee only—50¢

Special delivery

- If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
- If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
- If you want a return receipt, write the certified-mail number and your name and address on an **ADDRESSEE'S RETURN RECEIPT**, Form 3811, and attach it to the back of the article by means of the gummed stub. **ADDRESSEE'S RETURN RECEIPT REQUESTED.** (Fee—10¢ or 35¢)
- If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY.** (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
- Save this receipt and present it if you make inquiry.

★ GPO: 1950-O-605530

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

September 22, 1966

C
O
P
Y

Hinkle, Bondurant & Christy
P. O. Box 10
Roswell, New Mexico 88201

Attention: Mr. Clarence E. Hinkle

Re: Contraction of the Custer Mountain
Unit, Lea County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the contraction of the unit area to eliminate all lands committed, except Section 9, Township 24 South, Range 35 East, NMPM, from the Custer Mountain Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Three approved copies of the proposed contraction are returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Commissioner of Public Lands - Santa Fe
United States Geological Survey - Roswell

September 7, 1966

Hinkle, Bondurant & Christy
P. O. Box 10
Roswell, New Mexico, 88201

Re: Custer Mountain Unit
Lea County, New Mexico

Dear Mr. Hinkle:

We have received your letter of August 31, 1966 and four fully executed copies of notice of Proposed Contraction of the Custer Mountain Unit Area.

The Commissioner of Public Lands finds this application in order and has indicated his approval on the Certificates attached to the applications.

We are handing three approved copies to the Oil Conservation Commission for their approval and requesting them to forward to you at their earliest convenience.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/s
cc: Oil Conservation Commission
Santa Fe, New Mexico
United States Geological Survey
Roswell, New Mexico

ILLEGIBLE

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER
W. R. HUGHES, JR.

LAW OFFICES
HINKLE, BONDURANT & CHRISTY
600 HINKLE BUILDING
ROSWELL, NEW MEXICO 88201

August 31, 1966

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691
OF COUNSEL: HIRAM M. DOW

TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

Mr. A. L. Porter, Jr.
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Dear Mr. Porter:

We enclose copy of our letter to Mrs. Marian Rhea, Supervisor of the Unit Division of the State Land Office, transmitting for approval of the Commissioner of Public Lands certain instruments relative to the contraction of the Custer Mountain Unit Area so as to eliminate all acreage from the unit except Section 9, Township 24 South, Range 35 East, N.M.P.M. A copy of the instruments forwarded to Mrs. Rhea is enclosed herewith. You will note that we have requested Mrs. Rhea upon approval of the instruments by the Commissioner to deliver the same to you for approval by the Commission. Upon approval by the Commission, we would appreciate your returning all 3 executed copies to us to be filed with the U.S. G.S. for approval by the Director. Upon final approval you will be furnished with a copy of the approval for your files.

Thanking you for your cooperation in connection with this matter, we are,

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By Clarence E. Hinkle
C.E.

CEH:cs

Enc.

cc: Don F. Dow

C O P Y

HINKLE, BONDURANT & CHRISTY
ROSWELL, NEW MEXICO

August 31, 1966

Mrs. Marian M. Rhea
Supervisor, Unit Division
State Land Office
Box 1148
Santa Fe, New Mexico 87501

Dear Mrs. Rhea:

We enclose three fully executed copies of notice of Midwest Oil Corporation, unit operator under the Custer Mountain Unit Agreement, with respect to contracting the unit area to eliminate all lands except Section 9, Township 24 South, Range 35 East, Lea County. You will also find attached to each notice acknowledgment of receipt of the notice and consent to the contraction of the unit area by the following working interest owners: Mobil Oil Corporation, Shell Oil Company, Olen F. Featherstone and Martha Featherstone, his wife, Gulf Oil Corporation, Sinclair Oil & Gas Company, Marathon Oil Company, Charles W. Hicks and Margie H. Hicks, his wife, and Skelly Oil Company.

These companies and individuals constitute all of the working interest owners having leasehold interests committed to the unit agreement except Superior Oil Company. Superior Oil Company has indicated its approval of the contraction but there has been a delay in executing the acknowledgment of receipt of the notice and consent to the contraction because of the various channels which it has been necessary for these instruments to go through. We have been assured that this will be forwarded to us at an early date; however, we do not see any necessity of delaying the final approval of the contraction by the Commissioner of Public Lands, the New Mexico Oil Conservation Commission and the Director of the U.S.G.S. inasmuch as notice has been given in conformity with the provisions of Section 2(b) of the unit agreement. You will find attached to the notice and consents a copy of return receipt signed by Superior Oil Company showing that they were furnished a copy of the notice of the proposed contraction.

Mrs. Marian M. Rhea

-2-

August 31, 1966

We enclose a Xerox copy of the notice and consents for your file. You will also note that we have attached a form of certificate of approval to each of the 3 original copies which includes places for approval by the Commissioner, the Oil Conservation Commission and the Director of the U.S.G.S. We would appreciate your placing all 3 copies of the notice and acknowledgments in line for approval by the Commissioner and upon approval by the Commissioner, we would appreciate your handing all 3 executed copies to Mr. Porter of the Oil Conservation Commission. We are sending Mr. Porter a copy of this letter with the request that upon approval by the Commission they be returned to us to be filed with the U.S.G.S. for approval by the Director. You will be furnished with copies showing approval by the Commission and by the Director.

Thanking you for your cooperation in connection with this matter, we are

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By Clarence E. Hinkle
C.E.H.

CEH:cs

Enc.

cc: A. L. Porter, Jr.

cc: Don F. Dow

Copy for Mr. Porter

CERTIFICATE OF APPROVAL OF CONTRACTION OF CUSTER MOUNTAIN UNIT AREA BY
COMMISSIONER OF PUBLIC LANDS OF THE STATE OF NEW MEXICO, NEW MEXICO OIL
CONSERVATION COMMISSION AND DIRECTOR OF UNITED STATES GEOLOGICAL SURVEY

Approval by Commissioner of Public Lands:

The undersigned Commissioner of Public Lands of the State of New Mexico does hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

DATED this _____ day of September, 1966.

COMMISSIONER OF PUBLIC LANDS

Approval by New Mexico Oil Conservation Commission:

The undersigned do hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

DATED this 22 day of September, 1966.

A. J. Porter

Approval by Director, United States Geological Survey:

The undersigned does hereby approve the contraction of the Custer Mountain Unit Area embracing lands situated in Lea County, New Mexico so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M.

Director, United States Geological Survey

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

To: Director
United States Geological Survey
Washington, D. C.

Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

All Working Interest Owners, Oil and
Gas Lessees and Lessors Having Oil and
Gas Leasehold or Mineral Interests
Committed to Custer Mountain Unit
Agreement

13 SEP 1 AM 7 51

NOTICE OF PROPOSED CONTRACTION OF THE
CUSTER MOUNTAIN UNIT AREA

The undersigned, Midwest Oil Corporation, the Unit Operator designated in the Unit Agreement for the Development and Operation of the Custer Mountain Unit Area, Lea County, New Mexico entered into on July 1, 1963 and approved by the New Mexico Oil Conservation Commission on July 30, 1963, by the Commissioner of Public Lands of the State of New Mexico on September 12, 1963 and by the Director of the United States Geological Survey on September 25, 1963, DOES HEREBY GIVE NOTICE IN ACCORDANCE WITH SECTION 2(a) AND (b) OF SAID UNIT AGREEMENT of the proposed contraction of the unit area to eliminate all lands, leasehold, mineral and other interests committed thereto from the unit area except Section 9, Township 24 South, Range 35 East, N.M.P.M. and as reasons therefor the undersigned Unit Operator respectfully shows:

1. That the initial test well drilled pursuant to Section 9 of the unit agreement was completed as a well capable of producing gas in paying quantities from the Morrow zone of Pennsylvanian age on or about May 17, 1964, said well being located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 9, Township 24 South, Range 35 East, N.M.P.M.

2. That pursuant to the application of Unit Operator, all of Section 9, Township 24 South, Range 35 East, N.M.P.M. was duly approved by the Commissioner of Public Lands of the State of New Mexico and by the Director of the United States Geological Survey as the initial participating area effective as of May 17, 1964.

The time for filing a plan of further development and operation pursuant to the terms of the unit agreement was extended to November 17, 1965 on account of there being no pipeline connection for the marketing of gas from the discovery well. A plan of further development and operation was filed by the undersigned as Unit Operator with the Commissioner of Public Lands and the Regional Supervisor of the United States Geological Survey and was approved by the Commissioner of Public Lands on November 5, 1965 and by the Acting Supervisor of the United States Geological Survey on November 18, 1965. This plan covered the period from November 17, 1965 to November 17, 1966 and provided for the drilling of an additional well during said time to the Morrow formation from which the initial test well is producing or to a depth of approximately 14,500 feet. Provisions was also made in the plan that in the event the well should not be drilled and completed within the time outlined in the plan that Unit Operator would take immediate steps to contract the unit area to eliminate all of the lands except the lands constituting the participating area.

3. That Unit Operator and the working interest owners having leasehold interests committed to the unit area have considered the production history of the discovery well and taking into consideration the quantity of gas which has been produced and the decline in pressure and all other available information, they feel that said well is producing from a limited reservoir and that it would not be economically feasible to drill any additional wells in that all of the recoverable gas from said reservoir can be produced from the discovery well and it is believed that the participating area covers all, or substantially all, of the pool or reservoir from which said well is producing.

4. That it is proposed that the contraction of the unit area so as to include only Section 9, Township 24 South, Range 35 East, N.M.P.M. shall be effective after approval by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and as of the date of approval by the Director of the United States Geological Survey.

5. Copies of this notice are being delivered to the Commissioner of Public Lands of the State of New Mexico, the New Mexico Oil Conservation Commission and the Regional Supervisor of the United States Geological Survey and copies mailed to the last known address of each working interest owner, lessee and lessor having mineral or leasehold interests committed to the unit agreement. NOTICE IS HEREBY FURTHER GIVEN in accordance with Section 2(b) of the unit agreement that all interested parties shall have 30 days from the date of the receipt of this notice within which to submit to the Unit Operator any objections to the contraction of the unit area as proposed herein.

DATED this 24 day of June, 1966.

MIDWEST OIL CORPORATION

By

John J. Smith
Unit Operator

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners owning leasehold interests committed to the Custer Mountain Unit Agreement, does hereby acknowledge receipt from Midwest Oil Corporation, the Unit Operator, of notice of the proposed contraction of the Custer Mountain Unit Area so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico and does hereby consent to said contraction and requests that the same be approved by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey.

DATED this 27 day of July 1966.

MOBIL OIL CORPORATION

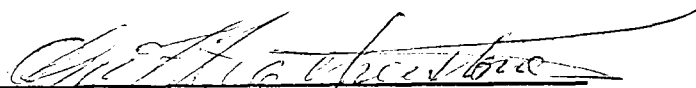
By Jack Griffith


Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners owning leasehold interests committed to the Custer Mountain Unit Agreement, does hereby acknowledge receipt from Midwest Oil Corporation, the Unit Operator, of notice of the proposed contraction of the Custer Mountain Unit Area so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico and does hereby consent to said contraction and requests that the same be approved by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey.

DATED this 11th day of July 1966.


Olen F. Featherstone


Martha Featherstone

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

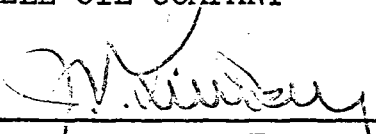
ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners owning leasehold interests committed to the Custer Mountain Unit Agreement, does hereby acknowledge receipt from Midwest Oil Corporation, the Unit Operator, of notice of the proposed contraction of the Custer Mountain Unit Area so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico and does hereby consent to said contraction and requests that the same be approved by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey.

DATED this 29 day of July 1966.

SHELL OIL COMPANY

By


Attorney in Fact

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners
owning leasehold interests committed to the Custer Mountain Unit
Agreement, does hereby acknowledge receipt from Midwest Oil Corpora-
tion, the Unit Operator, of notice of the proposed contraction of
the Custer Mountain Unit Area so as to eliminate all acreage
therefrom except Section 9, Township 24 South, Range 35 East,
N.M.P.M., Lea County, New Mexico and does hereby consent to said
contraction and requests that the same be approved by the New
Mexico Oil Conservation Commission, the Commissioner of Public
Lands of the State of New Mexico and the Director of the United
States Geological Survey.

DATED this 4th day of July 1966.

ATTEST:

[Signature]
Assistant Secretary

GULF OIL CORPORATION

BY [Signature]
Attorney-in-fact

Form Approved
Law Dept. [Signature]

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners
owning leasehold interests committed to the Custer Mountain Unit
Agreement, does hereby acknowledge receipt from Midwest Oil Corpora-
tion, the Unit Operator, of notice of the proposed contraction of
the Custer Mountain Unit Area so as to eliminate all acreage
therefrom except Section 9, Township 24 South, Range 55 East,
N.M.P.M., Lea County, New Mexico and does hereby consent to said
contraction and requests that the same be approved by the New
Mexico Oil Conservation Commission, the Commissioner of Public
Lands of the State of New Mexico and the Director of the United
States Geological Survey.

DATED this 13 day of July 1966.

SINCLAIR OIL & GAS COMPANY

By [Signature]

APPROVED	
SUBS.	<input checked="" type="checkbox"/>
FORM	

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners
owning leasehold interests committed to the Custer Mountain Unit
Agreement, does hereby acknowledge receipt from Midwest Oil Corpora-
tion, the Unit Operator, of notice of the proposed contraction of
the Custer Mountain Unit Area so as to eliminate all acreage
therefrom except Section 9, Township 24 South, Range 35 East,
N.M.P.M., Lea County, New Mexico and does hereby consent to said
contraction and requests that the same be approved by the New
Mexico Oil Conservation Commission, the Commissioner of Public
Lands of the State of New Mexico and the Director of the United
States Geological Survey.

DATED this 15th day of June 1966.

MARATHON OIL COMPANY

By

D. W. Franklin

D. W. FRANKLIN
DIVISION EXPLORATION MANAGER

*Wm
1/18/66*

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners owning leasehold interests committed to the Custer Mountain Unit Agreement, does hereby acknowledge receipt from Midwest Oil Corporation, the Unit Operator, of notice of the proposed contraction of the Custer Mountain Unit Area so as to eliminate all acreage therefrom except Section 9, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico and does hereby consent to said contraction and requests that the same be approved by the New Mexico Oil Conservation Commission, the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey.

DATED this 11th day of July 1966.

Charles W. Hicks
Charles W. Hicks

Margie H. Hicks
Margie H. Hicks

Re: Unit Agreement for the Development
and Operation of the Custer Mountain
Unit Area, No. 14-08-0001-8550

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF
PROPOSED CONTRACTION OF THE CUSTER MOUNTAIN
UNIT AREA AND CONSENT TO APPROVAL THEREOF

The undersigned, being one of the working interest owners
owning leasehold interests committed to the Custer Mountain Unit
Agreement, does hereby acknowledge receipt from Midwest Oil Corpora-
tion, the Unit Operator, of notice of the proposed contraction of
the Custer Mountain Unit Area so as to eliminate all acreage
therefrom except Section 9, Township 24 South, Range 35 East,
N.M.P.M., Lea County, New Mexico and does hereby consent to said
contraction and requests that the same be approved by the New
Mexico Oil Conservation Commission, the Commissioner of Public
Lands of the State of New Mexico and the Director of the United
States Geological Survey.

DATED this 19 day of August 1966.

SKELLY OIL COMPANY

By L. L. Blackaby
VICE-PRESIDENT