



Oryx Energy Company
24 Smith Road
PO Box 1861
Midland TX 79702-1861
915 688 0300

June 15, 1990

Southwestern
Production Region

Hixon Development Company
P. O. Box 2810
Farmington, NM 87499

Attn: Charles Orin Foster
Vice President-Land

RE: Evans #1
Rio Arriba County, New Mexico

Dear Mr. Foster:

Oryx Energy Company has no objection to your plans to recompleate the referenced well. Please find attached a copy of your letter dated June 4, 1990, which has been signed by Ben Manoochehri, Reservoir Engineering Supervisor.

Very truly yours,

Linda Guerrero
Joint Operations Engineer

LG/ddm

Exhibit " 3 "

Application for for Downhole Commingling and a Non-Standard Oil
Proration Unit ~ Case No. 9969 June 27, 1990
Evans No. 1 Well
790'FNL, 790' FWL 5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Hixon Development Company
Post Office Box 2810
Farmington, New Mexico 87499
505-326-3325

June 4, 1990

Oryx Energy Company
Sun Operating Limited Partnership
Post Office Box 2880
Dallas, Texas 75221-2880

JUN 12 1990

Subject: Evans #1 Well
790' FNL, 790' FWL
5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Ladies and Gentlemen:

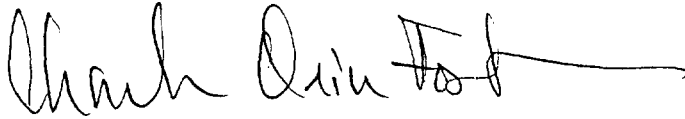
Hixon Development Company is seeking approval from the New Mexico Oil Conservation Division (NMOCD) to recomplete the subject Gavilan Greenhorn Graneros Dakota oil well within the Gavilan Mancos Oil Pool to be contained within a 320 acre non standard proration unit encompassing the W/2 of Section 5, T24N-R2W, N.M.P.M., Rio Arriba County, New Mexico. In addition, we will also request that the NMOCD approve our plans to allow subsurface commingling of the production from both pools.

The approval request, specified above, is being sought pursuant to an application for a hearing before the NMOCD being placed by Hixon Development Company on the June 27, 1990 docket. In accordance with the rules and regulations of the NMOCD, you are entitled to appear at the hearing to present testimony and submit evidence in support of your position regarding the merits of the application. In the event that you desire to appear at the hearing, please be advised that the NMOCD has issued a memorandum dated April 30, 1990 requiring that all parties who plan to appear at a hearing must file a pre-hearing statement by 4pm on the Friday preceding the hearing date. In addition, the memorandum provides that anyone wishing to receive another party's pre-hearing statement or pleadings must file an entry of appearance in accordance with Rule 1208 of the rules and regulation of the NMOCD.

If your company should have no objection to our plans, Hixon Development Company respectfully requests that you so indicate by signing in the place provided below and returning one copy of this letter back to my attention at the letterhead address at your earliest convenience.

If you should have any questions regarding this matter, please do not hesitate to call me at 505-326-3325 or write to me at the letterhead address.

Very truly yours,



Charles Orin Foster
Vice President - Land

JUN 12 1990

COF/plc

CERTIFIED RETURN RECEIPT
P 468 912 745

Oryx Energy Company/Sun Operating Limited Partnership has no objection to plans proposed herein by Hixon Development Company.

B. Manoschekus 6/15/90
by: date
title: Reservoir Engg Supervisor

Thank you for using
Return Receipt Service.

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Oryx Energy Company
Sun Operating Limited Partnership
P. O. Box 2880
Dallas, Texas 75221-2880

4. Article Number
P 468 912 745

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature -- Addressee
X

6. Signature -- Agent
X

7. Date of Delivery
JUN 11 1990

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS
completed on the reverse side?

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to Oryx Energy Company Sun Operating Ltd. Partnership P. O. Box 2880 P. O. State and ZIP Code Dallas, Texas 75221-2880	
Postage	.65
Registered Fee	.85
Special Delivery Fee	
Return Receipt Fee	
Return Receipt Fee for Delivery to Addressee's Address	.90
Return Receipt Fee for Delivery to Addressee's Address	
TOTAL Postage and Fees	2.40
Postmark or Date	6-4-90

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
FOR RETURN RECEIPT MAIL

(See Reverse)

P 468 912 745

CERTIFIED

P 468 912 745

MAIL

June 4, 1990

Mobil Oil Corporation
Post Office Box 5444
Denver, Colorado 80217

Subject: Evans #1 Well
790' FNL, 790' FWL
5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Ladies and Gentlemen:

Hixon Development Company is seeking approval from the New Mexico Oil Conservation Division (NMOCD) to recomplete the subject Gavilan Greenhorn Graneros Dakota oil well within the Gavilan Mancos Oil Pool to be contained within a 320 acre non standard proration unit encompassing the W/2 of Section 5, T24N-R2W, N.M.P.M., Rio Arriba County, New Mexico. In addition, we will also request that the NMOCD approve our plans to allow subsurface commingling of the production from both pools.

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L & R/L P-HOBBS

JUN 13 1990

RECEIVED

Mobil Oil Corpor. on
June 4, 1990
Page 2

If your company should have no objection to our plans, Hixon Development Company respectfully requests that you so indicate by signing in the place provided below and returning one copy of this letter back to my attention at the letterhead address at your earliest convenience.

If you should have any questions regarding this matter, please do not hesitate to call me at 505-326-3325 or write to me at the letterhead address.

Very truly yours,

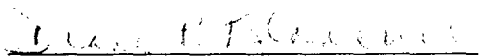


Charles Orin Foster
Vice President - Land

COF/plc

CERTIFIED RETURN RECEIPT
P 468 912 741

Mobil Oil Corporation has no objection to plans proposed herein by Hixon Development Company.

 6/10/90
by: Diane P. Klancher date
title: Environmental & Regulatory/
Loss Prevention Supervisor

Is your RETURN ADDRESS
completed on the reverse side?

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Mobil Oil Corporation
P. O. Box 5444
Denver, Colorado 80217

4. Article Number
P 468 912 741

Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature -- Addressee
X

6. Signature -- Agent
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Thank you for using
Return Receipt Service.

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to Mobil Oil Corporation P. O. Box 5444 P. O. State and ZIP Code Denver, Colorado 80217	
Postage	.65
Certified Fee	.85
Special Delivery Fee	
Registration Delivery Fee	
Return Receipt Fee (showing to whom and Date Delivered)	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.40
Postmark or Date	6-4-90

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

P 468 912 741

P 468 912 741

HixonDevelopment

COMPANY

June 4, 1990

Conoco Inc.
Post Office Box 2197
Houston, Texas 77252

Subject: Evans #1 Well
790' FNL, 790' FWL
5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Ladies and Gentlemen:

Hixon Development Company is seeking approval from the New Mexico Oil Conservation Division (NMOCD) to recomplete the subject Gavilan Greenhorn Graneros Dakota oil well within the Gavilan Mancos Oil Pool to be contained within a 320 acre non standard proration unit encompassing the W/2 of Section 5, T24N-R2W, N.M.P.M., Rio Arriba County, New Mexico. In addition, we will also request that the NMOCD approve our plans to allow subsurface commingling of the production from both pools.

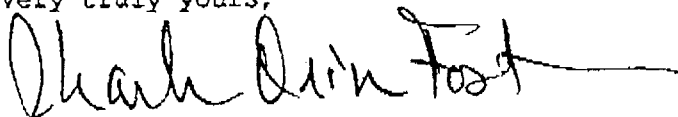
The approval request, specified above, is being sought pursuant to an application for a hearing before the NMOCD being placed by Hixon Development Company on the June 27, 1990 docket. In accordance with the rules and regulations of the NMOCD, you are entitled to appear at the hearing to present testimony and submit evidence in support of your position regarding the merits of the application. In the event that you desire to appear at the hearing, please be advised that the NMOCD has issued a memorandum dated April 30, 1990 requiring that all parties who plan to appear at a hearing must file a pre-hearing statement by 4pm on the Friday preceding the hearing date. In addition, the memorandum provides that anyone wishing to receive another party's pre-hearing statement or pleadings must file an entry of appearance in accordance with Rule 1208 of the rules and regulation of the NMOCD.

Conoco Inc.
June 4, 1990
Page 2

If your company should have no objection to our plans, Hixon Development Company respectfully requests that you so indicate by signing in the place provided below and returning one copy of this letter back to my attention at the letterhead address at your earliest convenience.

If you should have any questions regarding this matter, please do not hesitate to call me at 505-326-3325 or write to me at the letterhead address.

Very truly yours,



Charles Orin Foster
Vice President - Land

COF/plc

CERTIFIED RETURN RECEIPT
P 468 912 742

Conoco Inc. has no objection to plans proposed herein by Hixon Development Company.


by: _____
title: _____

date

Is your RETURN ADDRESS
completed on the reverse side?

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Conoco Inc. P. O. Box 2197 Houston, Texas 77252	4. Article Number P 468 912 742
5. Signature — Addressee X	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature — Agent X	Always obtain signature of addressee or agent and DATE DELIVERED .
7. Date of Delivery JUN 7 - 1990	8. Addressee's Address (ONLY if requested and fee paid)

Thank you for using
Return Receipt Service.

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to Conoco Inc.	
Street and No. P. O. Box 2197	
P.O. State and ZIP Code Houston, Texas 77252	
Postage	.65
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.40
Postmark or Date 6-4-90	

P 468 912 742

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

P 468 912 742



Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

June 22, 1990

Charles Orin Foster
Vice President - Land
Hixon Development Company
P. O. Box 2810
Farmington, New Mexico 87499

File: CAW-191-986.5

Dear Mr. Foster:

Evans #1 Well
Section 5-T24N-R2W
Rio Arriba County, New Mexico
CASE 9969

Amoco Production Company on behalf of and as successor to TOC Rocky Mountains Inc. has received your June 4, 1990 letter and has no objection to the relief requested by Hixon Development Company in Case 9969 before the NMOCD on June 27, 1990. It is Amoco's understanding that Hixon desires to form a non-standard 320-acre Gavilan Mancos proration unit in the W/2 of Section 5-T24N-R2W, and that the Gavilan Greenhorn Graneros Dakota production and Gavilan Mancos production will be downhole commingled in the Evans #1 Well. The oil allowable for the Evans #1 Well will not exceed 400 BOPD and will have a limiting GOR of 2000:1.

Please call me at (303) 830-4159 if you have any questions.

Sincerely,

Larry N. Emmons

LNE/

cc: C. A. Wood	984 AB
E. L. Nitcher	1726 AB
M. E. Cuba	2218 AB
T. M. Wisda	2106 AB

Hixon Development
COMPANY

June 4, 1990

TOC Rocky Mountains Inc.
c/o Amoco Production Company
Post Office Box 2218
Denver, Colorado 80201

Subject: Evans #1 Well
790' FNL, 790' FWL
5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Ladies and Gentlemen:

Hixon Development Company is seeking approval from the New Mexico Oil Conservation Division (NMOCD) to recomplete the subject Gavilan Greenhorn Graneros Dakota oil well within the Gavilan Mancos Oil Pool to be contained within a 320 acre non standard proration unit encompassing the W/2 of Section 5, T24N-R2W, N.M.P.M., Rio Arriba County, New Mexico. In addition, we will also request that the NMOCD approve our plans to allow subsurface commingling of the production from both pools.

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TOC Rocky Mounta Inc.

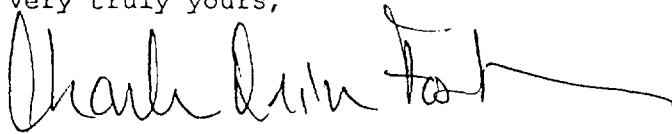
June 4, 1990

Page 2

If your company should have no objection to our plans, Hixon Development Company respectfully requests that you so indicate by signing in the place provided below and returning one copy of this letter back to my attention at the letterhead address at your earliest convenience.

If you should have any questions regarding this matter, please do not hesitate to call me at 505-326-3325 or write to me at the letterhead address.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Charles Orin Foster", with a long horizontal flourish extending to the right.

Charles Orin Foster
Vice President - Land

COF/plc

CERTIFIED RETURN RECEIPT

P 468 912 744

TOC Rocky Mountains Inc./Amoco Production Company has no objection to plans proposed herein by Hixon Development Company.

by: _____ date _____
title:

Is your RETURN ADDRESS completed on the reverse side?

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
TOC Rocky Mountains Inc.
c/o Amoco Production Company
P. O. Box 2218
Denver, Colorado 80201

4. Article Number
P 468 912 744

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

Thank you for using
Return Receipt Service.

PS Form 3811, Apr. 1989

* U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to TOC Rocky Mountains Inc. c/o Amoco Production Company P. O. Box 2218 P. O. State and ZIP Code Denver, Colorado 80201	
Postage	\$.65
Certified Fee	.85
Special Delivery Fee	
Registered Delivery Fee	
Return Receipt (showing to whom delivered and Date of Delivery)	.90
TOTAL Postage and Fees	\$ 2.40
Postmark or Date	6-4-90

P 468 912 744
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

CERTIFIED

P 468 912 744

MAIL

June 4, 1990

Prime Energy Corp.
14800 San Pedro, Suite 102
San Antonio, Texas 78232

Subject: Evans #1 Well
790' FNL, 790' FWL
5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Ladies and Gentlemen:

Hixon Development Company is seeking approval from the New Mexico Oil Conservation Division (NMOCD) to recomplete the subject Gavilan Greenhorn Graneros Dakota oil well within the Gavilan Mancos Oil Pool to be contained within a 320 acre non standard proration unit encompassing the W/2 of Section 5, T24N-R2W, N.M.P.M., Rio Arriba County, New Mexico. In addition, we will also request that the NMOCD approve our plans to allow subsurface commingling of the production from both pools.

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Prime Energy Corp

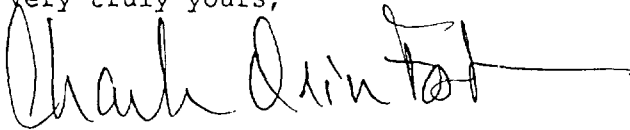
June 4, 1990

Page 2

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If you should have any questions regarding this matter, please do not hesitate to call me at 505-326-3325 or write to me at the letterhead address.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Charles Orin Foster", with a long horizontal flourish extending to the right.

Charles Orin Foster
Vice President - Land

COF/plc

CERTIFIED RETURN RECEIPT
P 468 912 746

Prime Energy Corp. has no objection to plans proposed herein by Hixon Development Company.

by:

date

title:

Is your RETURN ADDRESS
completed on the reverse side?

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Prime Energy Corp.
14800 San Pedro, Suite 102
San Antonio, Texas 78232

4. Article Number
P 468 912 746

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X

6. Signature — Agent
X *[Signature]*

7. Date of Delivery **JUN - 7 1990**

8. Addressee's Address (ONLY if requested and fee paid)

Thank you for using
Return Receipt Service.

PS Form 3811, Apr. 1989

★ U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to Prime Energy Corp.	
Street and No. 14800 San Pedro, Suite 102	
P.O. Stop and ZIP Code San Antonio, Texas 78232	
Postage	.65
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.40
Postmark or Date	6-4-90

P 468 912 746

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P 468 912 746