October 9, 1962

El Paso Natural Gas Company El Paso, Texas

> Re: Fifth, Sixth and Seventh Expansions, Gallup Participating Area, Huerfano Unit, San Juan County, New Mexico

Attention: Mr. C. T. Richardson

Gentlemen:

The Commissioner of Public Lands has approved as of October 9, 1962, the Fifth, Sixth and Seventh Expansions, Gallup Participating Area for the Huerfano Unit, San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning five approved copies of these Expansions.

Very truly yours,

E. S. JOHNNY WALKER COMMISSIONER OF PUBLIC LANDS

BY :

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

ESW/mmr/v

cc: U. S. Geological Survey Roswell, New Mexico

> Oil Conservation Commission Santa Fe, New Mexico

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE. NEW MEXICO

195

September 24, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. C. T. Richardson

Re: Fifth, Sixth and Seventh Expansions Gallup Participating Area, Huerfano Unit, San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Fifth, Sixth and Seventh Revisions of the Participating Area, Gallup Formation, for the Huerfano Unit, San Juan 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.

Seven approved copies of the application are being forwarded to the Commissioner of Public Lands.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

cc: Commissioner of Public Lands Santa Fe, New Mexico

United States Geological Survey

Roswell, New Mexico

El Paso Natural Gas Company

El Paso, Texas

September 19, 1962

Oil Conservation Commission Of the State of New Mexico Post Office Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE FIFTH, SIXTH AND SEVENTH REVISIONS OF THE PARTICIPATING AREA FOR THE GALLUP FORMATION

Gentlemen:

Attached are eight (8) copies of the subject Fifth, Sixth and Seventh Revisions of the Participating Area of the Huerfano Unit, together with exhibits and geological information.

It is requested, upon your approval, that you kindly sign all copies in the space provided, retaining one (1) copy of same and forward the remaining seven (7) copies to the Commissioner of Public Lands for his approval and execution. Upon the approval by the Commissioner of Public Lands they are to retain one (1) copy and return the remaining six (6) copies to the office for our further handling in obtaining the approval of the United States Geological Survey.

After we have received fully executed and approved copies of these Expansions we will forward one (1) fully executed and approved copy to the Commissioner of Public Lands.

Very truly yours,

a J. Kichardson

Charles T. Richardson Area Coordinator Land Department

CTR:GA:cah Attachments

cc: Commissioner of Public Lands

El Paso Natural Gas Company

El Paso, Texas

September 19, 1962

Director United States Geological Survey Department of the Interior Washington 25, D.C.

Commissioner of Public Lands Of the State of New Mexico Post Office Box 791 Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Post Office Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE FIFTH, SIXTH AND SEVENTH REVISIONS OF THE PARTICIPATING AREA FOR THE GALLUP FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Fifth, Sixth and Seventh Revisions of the Participating Area for the Gallup Formation, to wit:

Fifth Revision - Effective October 1, 1959

Description of Lands Acreage

T-26-N, R-10-W, N.M.P.M. Section 2: S/2 320.00 This proposed Fifth Expansion of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit #109 (GD) Well, located in the SE/4 of Section 2, Township 26 North, Range 10 West, N.M.P.M.

The Huerfano Unit #109 (GD) Well was spudded on May 18, 1959, and completed on June 26, 1959, at a total depth of 7025'. The Gallup Formation in the intervals between 5905' - 5914', 5920' - 5925', 5945' - 5957', 6015' - 6027', 6080' - 6087', 6093' - 6107', 6117' - 6125', 6172' - 6184', 6191' - 6199' was treated with a sand-oil fracturing process on August 2, and August 3, 1959, and shut-in on August 14, 1959. After being shut-in for forty-five (45) days, the well was tested on September 28, 1959, and following a three (3) hour blow-down period gauged 2293 MCFGPD through a 3/4'' choke and 3036 MCFGPD by the calculated absolute open-flow method, with an SIPC of 1151 PSIA.

Sixth Revision - Effective November 1, 1959

Description of Lands		Acreage
•	R-10-W, N.M.P.M.	
Section 1	17: NW/4, W/2 NE/4, N/2 SW/4	320,00

This proposed Sixth Expansion of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit #112 (GD) Well, located in the NW/4 of Section 17, Township 26 North, Range 10 West, N.M.P.M.

The Huerfano Unit #112 (GD) Well was spudded on July 29, 1959, and completed on August 20, 1959, at a total depth of 6795'. The Gallup Formation in the intervals between 5650' - 5662', 5674' - 5686', 5698' -5706', 5762' - 5776', 5784' - 5792', 5832' - 5842', 5848' - 5856', 5864'-5872', 5900' - 5910' was treated with a sand-oil fracturing process on September 9, and September 10, 1959, and shut-in on October 14, 1959. After being shut-in for fifteen (15) days, the well was tested on October 29, 1959, by a pumping test and made 291.76 MCFGPD and 167.87 barrels oil per day through a 30/64 inch choke with a flow pressure of 155 PSIG tubing and 558 PSIG casing on 11 strokes per minute with length of stroke 74 inches.

Seventh Revision - Effective February 1, 1961

Description of	Acreage	
T-27-N, R-10-W	N.M.P.M.	

Section 19: W/2

-2-

334.08

This proposed Seventh Expansion of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities of the Huerfano Unit #101 (GD) Well, located in the NW/4 of Section 19, Township 27 North, Range 10 West, N.M.P.M.

The Huerfano Unit #101 (GD) Well was spudded on October 3, 1960, and completed on October 17, 1960, at a total depth of 6340'. The Gallup Formation in the intervals between 5336' - 5348', 5404' - 5410', 5420' -5436', 5444' - 5452', 5502' - 5518' was treated with a sand-oil fracturing process on November 13, 1960, and shut-in on January 9, 1961. After being shut-in for eight (8) days, the well was tested on January 17, 1961, and gauged 1000 MCFGPD and 28.8 barrels of oil per day through a 24/64'' choke with a flow pressure of 300 PSIG tubing and 476 PSIG casing.

In support of this application the following Exhibits are made a part hereof:

EXHIBIT "A"

Ownership map reflecting the boundaries of the Unit and the proposed Fifth, Sixth and Seventh Revisions of the Gallup Participating Area.

EXHIBIT "B"

Geological Report concerning the Fifth, Sixth and Seventh Expansions of the Gallup Formation in the Huerfano Unit.

EXHIBIT "C"

Schedule of Gallup oil and gas production to the proposed Fifth, Sixth and Seventh Expansions.

EXHIBIT "D"

Huerfano Unit Structure Map contoured on the top of the Gallup Formation.

Attached to this application are Schedules VI through VIII showing the lands entitled to participation in the unitized substances produced from the Gallup Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Fifth, Sixth, and Seventh Revisions of the Gallup Participating Area meets with your approval, please indicate such approval in the space provided and return an approved copy hereof for our files. Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

1.6 Ву____ T. W. Bittick

Assistant Manager Land Department

TWB:GA:cah

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APPROVED:		DATE:
	Director, United States Geological Survey	
	Subject to like approval by the appropr	riate State Officials.
APP ROVED:	Commissioner of Public Lands	DATE:
	Subject to like approval by the United and the Oil Conservation Commission.	States Geological Survey
APPROVED:	Oil Conservation Commission	DATE: 7.24-62
	Subject to like approval by the United	States Geological Survey

The foregoing approvals are for the Fifth, Sixth, and Seventh Revisions of the Participating Area for the Gallup Formation, effective October 1, 1957, November 1, 1959, and February 1, 1961, respectively, under Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.

and the Commissioner of Public Lands.

El Paso Natural Gas Company El Paso, Jexas

1 god as

August 15, 1962

Mr. John A. Anderson Regional Oil & Gas Supervisor United States Geological Survey Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I. Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE NINTH, TENTH, ELEVENTH, TWELFTH AND THIRTEENTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

The above captioned expansions were approved by the regulatory bodies on the following dates:

United States Geological Survey- July 31, 1962Commissioner of Public Lands- April 26, 1962Oil Conservation Commission- April 20, 1962

Copies of this letter are being sent to the working interest owners of the Huerfano Unit.

Very truly yours,

Charles T. Richardson Area Coordinator Land Department

El Paso Natural Gas Company

El Paso, Jexas

August 10, 1962

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: 1962 Drilling Program Huerfano Unit

Gentlemen:

The 1962 Drilling Program for the Huerfano Unit was approved by the regulatory bodies on the dates indicated:

1. United States Geological Survey - June 21, 1962

2. Commissioner of Public Lands - July 3, 1962

3. Oil Conservation Commission - July 25, 1962

Copies of this letter are being sent to the working interest owners of the Huerfano Unit.

Very truly yours,

Charles T. Richardson

Area Coordinator Land Department

CTR:GA: js

CIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

July 25, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. Sam Smith

Re: 1962 Drilling Program Huerfano Unit, San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1962 Drilling Program for the Huerfano Unit, San Juan 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.

One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

cc: U. S. Geological Survey Roswell, New Mexico

> Commissioner of Public Lands Santa Fe, New Mexico

IN REPLY REFER TO:



UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

Drawer 1857

Boswell, New Mexico

July 3, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. Sam Smith

Gentlemen:

Your 1962 plan of development dated May 10, 1962, for the Huerfano unit area, San Juan County, New Mexico, proposing the drilling of six Dakota wells, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Very truly yours,

(Ong. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON

Copy to: Washington (w/cy of plan) Farmington (w/cy of plan) NMOCC-Santa Fe (ltr. only) Comp. of Pub. Lands-Santa Fe (ltr. only)

RPearcy:mlb

June 21, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Re: 1962 Drilling Program Huerfano Unit, San Juan County, New Mexico

Attention: Mr. Sam Smith

Gentlemen:

The Commissioner of Public Lands has of this date approved the 1962 Drilling Program for the Huerfano Unit Area, subject to like approval by the U. S. Geological Survey and the Oil Conservation Commission.

This Program provides for the drilling of six (6) Dakota wells within the Huerfano Unit Area during 1962.

We are enclosing one approved copy of this Plan Of Development.

Very truly yours,

E. S. JOHNNY WALKER COMMISSIONER OF PUBLIC LANDS

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

ESW/mmr/v

cc: U. S. Geological Survey Roswell, New Mexico

> 011 Conservation Commission Santa Fe, New Mexico

El Paso Natural Gas Company Fil 1 21 El Paso, Jexas

May 10, 1962

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico 1962 DRILLING PROGRAM

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, on October 16, 1961, filed a Drilling Program covering captioned unit for the calendar year of 1961, consisting of four (4) Dakota wells. Said Drilling Program was not approved and the Commissioner of Public Lands' objections were incorporated in his letter dated October 24, 1961. We believe the following suggested drilling program will satisfy all previous objections.

El Paso Natural Gas Company, as Unit Operator, requested, by letter dated December 15, 1961, permission from all working interest owners to file a 1962 Drilling Program calling for the withdrawal of the 1961 Drilling Program and the filing in lieu thereof of a 1962 Drilling Program providing for the drilling of six (6) Dakota wells within the Huerfano Unit Area. Said approval from the working interest owners was requested with the understanding that the actual locations of the six (6) wells would be subject to their approval upon selection of locations during the first half of 1962. The necessary approval from the working interest owners for the drilling of six (6) wells at locations to be subsequently chosen has been received.

El Paso Natural Gas Company, as Unit Operator, hereby withdraws the 1961 Drilling Program dated October 16, 1961, and submits a proposed Drilling Program for the calendar year 1962 providing for the drilling of six (6) Dakota wells at locations to be selected at a later date and in

such a manner as to outline the commercial limits of the Dakota Formation of the Huerfano Unit. This program will satisfy the obligation of Unit Operator to file a drilling program for 1961 and 1962.

El Paso Natural Gas Company intends to drill the Dakota wells to the base of the Dakota Formation using rotary tools. Surface casing will be set to the depth of approximately 300' and an intermediate string will be run if necessary, through the Pictured Cliffs Formation to a depth of approximately 3200', and then a production casing string will be run to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing when said casing is run and the hole below the intermediate string of casing will be drilled with either mud or gas. Due care will be taken to protect all horizons.

If this Drilling Program is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sam Smith. Manager

Land Department

SS:GA:js

Huerfano 3.0, 5.0

-2-

HUERFANO UNIT All Formations Working Interest Owners

B & M Construction Company 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Brookhaven Oil Company P. O. Box 1267 Scottsdale, Arizona

Barbara Ann McConnell Bruss 6011 N. 48th Avenue Glendale, Arizona

Delhi-Taylor Oil Corporation 2630 Fidelity Union Tower Dallas 1, Texas

Edward C. & Hulda Evensen 739 Haight Street San Francisco 17, California

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mrs. Charline Greer 109 East Ute Farmington, New Mexico

Vincent B. Hamilton 815 First Avenue, SE Hamton, Iowa

Bernice Jeffs P. O. Box 51 Gorman, Texas

Mr. Harold Kogan and Mathilda Kogan 742-35th Avenue San Francisco, California

La Plata Gathering System, Inc. 1900 Mercantile Dallas Building Dallas, Texas

Lignum Oil Company 2919 Ella Lee Lane Houston, Texas

Mr. Marjorie Lundean One West 67th Street New York 23, New York Mr. J. W. McConnell, Jr. P. O. Box 102 Lone Wolf, Oklahoma

Mrs. Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico

Pan American Petroleum Corporation (12) Attention: Mr. T. M. Curtis P. O. Box 480 Farmington, New Mexico

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. H. K. Riddle 644 East Barcelona Santa Fe, New Mexico

Joseph Seagram and Sons, Inc. P. O. Box 747 1500 Davis Building Dallas 21, Texas

Stekoll Petroleum Corporation 1100 Mercantile Continental Building Dallas, Texas

Sunland Refining Corporation P. O. Box 1512 Fresno 16, California

Mr. J. Glenn Türner 1900 Mercantile Dallas Building Dallas 1, Texas

Union Texas Petroleum Company Liberty Bank Building Oklahoma City 2, Oklahoma

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Western Natural Gas Company Attention: Mr. K. P. Moore P. O. Box 1508 Houston 2, Texas

Dr. Sherman Wengerd 1044 Stanford Drive, NE Albuquerque, New Mexico

APPROVED:		DATE:
Ũ	United States Geological Survey	
	Subject to like approval by the appropriate State regulatory bodies.	
Approved:	Commissioner of Public Lands	DATE:
S	Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.	
Approved:	Dil Conservation Commission	DATE: 2-25.62
	Subject to like approval by the United States Geological Survey and the Com-	

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The foregoing approvals are for the Huerfano Unit Drilling Program for the calendar year 1962.

missioner of Public Lands.

April 26, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Re: Huerfano Unit, San Juan County, New Mexico, Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area

112

Attention: Mr. T. W. Bittick

Gentlemen:

The Commissioner of Public Lands has approved as of this date the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area, Huerfano Unit, San Juan County, New Mexico.

We are forwarding five approved copies of this application to the U.S. Geological Survey at Roswell, attention Br. John A. Anderson, for their consideration.

Very truly yours,

E. S. JOHNNY WALKER COMMISSIONER OF PUBLIC LANDS

BY:

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

ESW/mer/v

cc: Mr. John A. Anderson Regional Oil & Gas Supervisor U. S. Geological Survey Roswell, New Mexico

> Oil Conservation Commission Santa Fa, New Mexico

C. CONSERVATION COMMISS. A P. O. BOX 871 SANTA FE, NEW MEXICO

April 20, 1962

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. T. W. Bittick

Re: Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Formation Participating Area, Huerfano Unit, San Juan County, New Mexico

4

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Participating Area for the Dakota Formation in the Huerfano Unit, San Juan 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.

Seven approved copies of the application are being forwarded to the Commissioner of Public Lands.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

cc: United States Geological Survey Roswell, New Mexico

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

El Paso Natural Gas Company El Paso, Texas April 13, 1962 EGE ATR 13, 1962

Oil Conservation Commission Of the State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I. Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE NINTH, TENTH, ELEVENTH, TWELFTH AND THIRTEENTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

Attached are eight (8) copies of the subject Initial Participating Area of the Huerfano Unit, together with exhibits and geological information.

It is requested, upon your approval, that you kindly sign all copies in the space provided, retaining one (1) copy of same and forward the remaining seven (7) copies to the Commissioner of Public Lands for their approval and execution. Upon the approval by the Commissioner of Public Lands, they are to retain one (1) copy and return the remaining six (6) copies to this office for our further handling in obtaining the approval of the United States Geological Survey.

After we have received fully executed and approved copies of this Initial Participating Area, we will forward one (1) fully executed and approved copy to the Commissioner of Public Lands.

Very truly yours,

Charles 2. Sichardborg

Charles T. Richardson Area Coordinator Land Department

CTR:GA:js Enclosures

cc: Commissioner of Public Lands

El Paso Natural Gas Company

El Paso, Texas

April 9, 1962

Director United States Geological Survey Department of the Interior Washington 25, D. C.

Commissioner of Public Lands State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I. Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE NINTH, TENTH, ELEVENTH, TWELFTH AND THIRTEENTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Director of the United States Geological Survey on June 6, 1950, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Participating Area for the Dakota Formation, to wit:

Ninth Revision - Effective 1st day of December, 1960

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	
Sec. 18: W/2	328.20
Sec. 19: NW/4	163.40

T-26-N,	R-10-₩,	$N \cdot M \cdot P \cdot M$	
Sec. 12:	: S/2		320.00
Sec. 13:	A11		640.00
Sec. 24:	A11		640.00
Sec. 25:	: N/2		320,00

This proposed Ninth Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on November 10, 1960, of the Huerfano Unit Well No. 115 located 990' from the North line and 1650' from the West line of Section 12, Township 26 North, Range 10 West, with an initial potential of 3217 MCF from the Dakota Formation at a depth of 6748' - 6756', 6768'-6776', 6788' - 6794', 6828' - 6836', 6842' - 6858' and 6862' - 6872'. The proposed Ninth Revision is also predicated on the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on October 16, 1960, of the Huerfano Unit No. 120 Well, located 990' from the North line and 1650' from the West line of Section 25, Township 26 North, Range 10 West, with an initial potential of 8372 MCF from the Dakota Formation at a depth of 6646'-6664', 6670' - 6682' and 6686' - 6690'. This proposed Ninth Revision is additionally predicated upon the knowledge and general information obtained from the Pan American McNaughton #1-A Well (NW/4 Section 24, T-26-N, R-10-W, Huerfano Unit #111 Well (Section 20, T-26-N, R-9-W) and the Huerfano Unit #104 Well (Section 17, T-26-N, R-10-W) which are discussed in Exhibit "A" included herewith. The effective date of the Ninth Revision shall be December 1, 1960, pursuant to Section 10 of the Unit Agreement, based upon the test dates of the Huerfano Unit #115 Well and the Huerfano Unit #120 Well, which are November 18, 1960, and November 8, 1960, respectively.

Tenth Revision - Effective 1st day of January, 1961

Description of Lands	Acreage
T-27-N, R-10-W, N.M.P.M.	
Sec. 19: W/2	334.08
Sec. 29: SW/4	160.00
Sec. 30: NW/4	167.40
Sec. 30: SE/4	160.00
T-27-N, R-11-W, N.M.P.M.	
Sec. 24: E/2	320.00
Sec. 25: NE/4	160.00
T-26-N, R-10-W, N.M.P.M.	
Sec. 10: SE/4	160.00
Sec. 11: S/2	320.00

This proposed Tenth Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the

-2-

Huerfano Unit Agreement on November 22, 1960, of the Huerfano Unit Well #101 (Dual, Gallup-Dakota), located 1700' from the North line and 1620' from the West line of Section 19, Township 27 North, Range 10 West, with an initial potential of 9765 MCF from the Dakota Formation at a depth of 6078' - 6088', 6108' - 6114' and 6167' - 6182'. The proposed Tenth Revision is also predicated on the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on December 5, 1960, of the Huerfano Unit #116 Well (Dual, Gallup-Dakota), located 990' from the North line and 1652' from the West line of Section 11, Township 26 North, Range 10 West, with an initial potential of 3084 MCF from the Dakota Formation at a depth of 6840' -6850', 6856' - 6866' and 6873' - 6884'. This proposed Tenth Revision is additionally predicated upon the knowledge and general information obtained from the Frontier #2 Evensen Well (SE/4 Section 19, T-27-N, R-10-W), the Huerfano #105 Well (SE/4 Section 29, T-27-N, R-10-W), the Pan American #1-B McAdams Well (SE/4 Section 28, T-27-N, R-10-W), the Huerfano #104 Well (Section 17, T-26-N, R-10-W), the Huerfano Unit #115 Well (Section 12. T-26-N, R-10-W) and the Huerfano Unit #120 Well (Section 25. T-26-N. R-10-W), which wells are discussed in Exhibit "A" included herewith. The effective date of the Tenth Revision shall be January 1, 1961, pursuant to Section 10 of the Unit Agreement, based upon the test dates of the Huerfano Unit #101 Well and the Huerfano Unit #116 Well, which were December 23, 1960 and December 20, 1960 respectively.

Eleventh Revision - Effective 1st day of February, 1961

Description of Lands		Acreage
T-26-N,	R-10-W, N.M.P.M.	
Sec. 14:	A11	640.00
Sec. 15:	A11	640.00
Sec. 16:	SE/4	160.00
Sec. 21:	NE/4	160.00
Sec. 22:	N/2	320.00
Sec. 23:	N/2	320.00

This proposed Eleventh Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on January 16, 1961, of the Huerfano Unit Well #117, located 990' from the South line and 990' from the East line of Section 16, Township 26 North, Range 10 West, with an initial potential of 2226 MCF from the Dakota Formation at a depth of 6622' - 6654'. This proposed Eleventh Revision is additionally predicated upon the knowledge and general information obtained from the Huerfano Unit #104 Well (Section 17, T-26-N, R-10-W), the Huerfano Unit #115 Well (Section 12, T-26-N, R-10-W), the Huerfano Unit #116 Well (Section 11, T-26-N, R-10-W), and the Huerfano Unit #120 Well (Section 25, T-26-N, R-10-W), which wells are discussed in Exhibit "A" included herewith. The effective date of the Eleventh Revision shall be February 1, 1961, pursuant to Section 10 of the Unit Agreement, based upon the test date of the Huerfano Unit #117 Well, which is January 23, 1961.

The Huerfano Unit #113 Well (Dual, Gallup-Dakota), located 990' from the North line and 1700' from the West line of Section 33, T-27-N, R-10-W, and completed December 29, 1961, is within the present Huerfano Dakota Participating Area. Said well was tested on January 5, 1961, showing an initial potential of 804 MCF from the Dakota Formation at a depth of 6409' - 6413', 6414' - 6425', and 6461' - 6485'. For reasons denoted in the Exhibit "A" the drilling of this well did not prove up any additional acreage hereto.

Twelfth Revision - Effective 1st day of April, 1961

Descripti	on of Lands	Acresse
T-26-N, R	1-9-W, N.M.P.M.	
Sec. 19:	S/2	322.94
Sec. 30:	A11	646.40
T-26-N, R	R-10-W, N.M.P.M.	
Sec. 21:	S/2	320.00
Sec. 22:	S/2	320.00
Sec. 23:	S/2	320.00
Sec. 25:	S/2	320.00
Sec. 26:	A11	640.00
Sec. 27:	A11	640.00
Sec. 28:	A11	640.00

This proposed Twelfth Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on February 12, 1961, of the Huerfano Unit #121 Well, located 1650' from the North line and 1650' from the West line of Section 27, T-26-N, R-10-W, with an initial potential of 20.919 MCF, from the Dakota Formation at a depth of 6636' - 6645' and 6666' - 6678'. The proposed Twelfth Revision is also predicated on the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on January 29, 1961, of the Huerfano Unit #125 Well, located 1700' from the North line and 1040' from the West line of Section 30, T-26-N, R-9-W, with an initial potential of 7754 MCF. from the Dakota Formation at a depth of 6524' - 6530', 6580' - 6596' and 6616' -6632'. This proposed Twelfth Revision is additionally predicated upon the knowledge and general information obtained from the Huerfano Unit #111 Well (Section 20, T-26-N, R-9-W), the Huerfano Unit #120 Well (Section 25, T-26-N, R-10-W), the Huerfano Unit #117 Well (Section 16, T-26-N, R-10-W), the Huerfano Unit #115 Well (Section 12, T-26-N, R-10-W), the E. P. Campbell--Hanson #1 Well (Section 5, T-25-N, R-10-W), Pan American #1-A McNaughton Well (Section 24, T-26-N, R-10-W) and the Huerfano Unit #127 Well (Section 26, T-26-N, R-10-W), which wells are discussed in Exhibit "A" included herewith. The effective date of the Twelfth Revision shall be April 1, 1961, pursuant to Section 10 of the Unit Agreement, based upon the test date of the Huerfano Unit #121 Well and the Huerfano Unit #125 Well, which are March 15, 1961 and March 14, 1961 respectively.

Thirteenth Revision - Effective the 1st day of September, 1961

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	
Sec. 5: All	644.10
Sec. 6: All	650.11
Sec. 8: All	640.00
Sec. 17: E/2	320,00

This proposed Thirteenth Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on August 5, 1961, of the Huerfano Unit #126 Well located 1180' from the South line and 990' from the East line of Section 5, T-26-N, R-9-W, with an initial potential of 3832 MCF from the Dakota Formation at a depth of 6586' - 6600', 6684' - 6690', 6694' - 6700', and 6760' - 6766'. This proposed Thirteenth Revision is additionally predicated upon the knowledge and general information obtained from the Huerfano Unit #108 Well (NW/4 Section 1, T-26-N, R-10-W), the Huerfano Unit #92 Well (NW/4 Section 7, T-26-N, R-9-W), and the Huerfano Unit #111 Well (NW/4 Section 20, T-26-N, R-9-W), which wells are discussed in Exhibit "A" included herewith. The effective date of the Thirteenth Revision shall be September 1, 1961, pursuant to Section 10 of the Unit Agreement, based upon the test date of the Huerfano Unit #126 Well, which is August 24, 1961.

In support of this application the following exhibits are made a part hereof:

EXHIBIT "A"

Ownership map reflecting the boundaries of the Unit and the proposed Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area.

EXHIBIT "B"

Geological Report in quadruplicate on the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "C"

Schedule of the Dakota Gas Production to the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "D"

Isopach Map.

EXHIBIT "E"

Isopach Map.

EXHIBIT "F"

Subsurface Structure Map Top of Graneros Shale.

EXHIBIT "G"

Proposed Ninth, Tenth, Eleventh, Twelfth and Thirteenth Expansions of the Huerfano Unit Dakota Participating Area, San Juan County, New Mexico.

Attached herewith are Schedules X through XIV, showing the lands entitled to participation in the unitized substances produced from the Dakota Formation with the percentage of participation of each lease or tract indicated thereon.

If the above selection of lands to constitute the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

Assistant Manager Land Department

TWB:GA: js

APPROVED: DATE: DA

APPROVED:

DATE:

DATE: 4-2062

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

APPROVED:

Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

The foregoing approvals are for the Ninth, Tenth, Eleventh, Twelfth and Thirteenth Revisions of the Participating Area for the Dakota Formation, effective December 1, 1960, January 1, 1961, February 1, 1961, April 1, 1961 and September 1, 1961, respectively, under the Huerfano Unit, I. Sec. No. 731, San Juan County, New Mexico.

HUERFANO UNIT All Formations Working Interest Owners

B & M Construction Company 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Brookhaven Oil Company P.O. Box 1267 Scottsdale, Arizona

Barbara Ann McConnell Bruss 6011 North 48th Avenue Glendale, Arizona

Delhi-Taylor Oil Corporation 2630 Fidelity Union Tower Dallas 1, Texas

Edward C. & Hulda Evensen 739 Haight Street San Francisco 17, California

Mr. Albert R. Greer 4051 West Broadway Farmington, New Mexico

Mrs. Charline Greer 109 East Ute Farmington, New Mexico

Berenice Jeffs P,O. Box 51 Gorman, Texas

Mr. Harold Kogan and Mathilda Kogan 742-35th Avenue San Francisco, California

La Plata Gathering System, Inc.. 1900 Mercantile Dallas Building Dallas, Texas

Lignum Oil Company 1030 Bank of the Southwest Building Houston, Texas

Mrs. Marjorie Lundean One West 67th Street New York 23, New York

Mr. J. W. McConnell, Jr. P.O. Box 102 Lone Wolf, Oklahoma Mr, Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico

Pan American Petroleum Corporation (12) Attention: Mr. T. M. Curtis P.O. Box 480 Farmington, New Mexico

Mr. E. H. Pipkin P.O. Box 1174 Roswell, New Mexico

Mr. H. K. Riddle 644 East Barcelona Santa Fe, New Mexico

Joseph Seagram and Sons, Inc. P.O. Box 747 1500 Davis Building Dallas 21, Texas

Stekoll Petroleum Corporation 1100 Mercantile Continental Building Dallas, Texas

Sunland Refining Corporation P.O. Box 1512 Fresno 16, California

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Union Texas Petroleum Company Liberty Bank Building Oklahoma City 2, Oklahoma

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Western Natural Gas Company Attention: Mr. K. P. Moore P.O. Box 1508 Houston 2, Texas

Dr. Sherman Wengerd 1044 Stanford Drive, NE Albuquerque, New Mexico

Mr. Vincent B. Harilton 815 First Avenue, SE Hamton, Iowa El Paso Natural Gran Company El Parto Tros AM 8:10

February 8, 1962

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico P.O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P.O. Box 871 Santa Fe, New Mexico

Gentlemen:

We are transmitting herewith for your approval copies of Ratification and Joinders to the Unit Agreement and Unit Operating Agreement for the Development and Operation of the Huerfano Unit Area, San Juan County, New Mexico.

These instruments serve to commit the working interest and operating rights of Sunshine Royalty, Inc. under United States Oil and Gas Lease SF 079787 covering all of Section 13, and the S/2 SW/4 of Section 14, T-25-N, R-10-W, to the Huerfano Unit. El Paso Natural Gas Company, as Unit Operator, has accepted this joinder by its execution of the attached instruments.

Copies of this letter are being furnished to all of the working interest owners in the Huerfano Unit.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By Charles Q. Richardson Charles T. Richardson

Area Coordinator Land Department

CTR: PNP: cah Attachments

RATIFICATION AND JOINDER OF UNIT AGREEMENT

11	on of the Unit Agreement for the
Development and Operation of the Area located within the County of	
New Mexico in form approved on behalf of	
undersigned owners of lands or leases, or	•
presently held or which may arise under e	•
interests in production covered by said U	
to the extent of his or her particular ow	
consent to the inclusion of said lands wi	
ratify, approve and adopt the terms of sa	- ·
tions thereof approved by the Secretary or representative as applicable to said several severa	
the term of any lease given by the unders	
claim an interest herein is extended and	
make the same conform to the terms of said	•
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deemed fully performed by performance of and agree that payment for or delivery of	
prior agreements) oil and gas duly made a	-
duction allocated under said Unit Agreeme	
such rights or interests do or shall apply	y, regardless of actual production
therefrom, shall constitute full performan	-
undersigned existing under such leases or	other contracts.
This Ratification and Joinder of	f Unit Agreement may be executed in
any number of counterparts with the same :	
had signed the same document and shall be	binding upon all those who execute
a counterpart hereof, regardless of whethe	
parties owning or claiming an interest in so executed shall be binding upon the under	•
eegene in interest	
This instrument is intended to cover the	collowing described lands only: ange 10 West, N.M.P.N.
Section 13: All	NNE XV XVIII I IIIIII IIIII
Section 14: 5/2 SW/	4
ADDRESS San Juan County, New	Mexico SIGNATURE
	SUNSHINE ROYALTY COMPANY
1355 Post Office Box 203, Roswell, New Mexico	By:
	MAR O. ELIOT, Vice President
Attest:	
- Ecluse M Elect	7
Secretary	
Date:	

Date:	

APPROVED AND COMPANY EL PACO NATORAL GAS COMPANY BY Attorney The Fact Unit Operator

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s acknowledged before me this $\sqrt{2}$ day of $Sam Smith$ Attorney in Fact for recorporation, on behalf of said corporation.		
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RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement. This

i	instrument f	5	intended	to	COVOI	the	felle)wii	ig døsi	oribed	lands	only:
			Townshi	p 2	85 Nort	h,	Range	10	West,	N,N.P.	.M.	

ADDRESS

Date:

Date:

Section 13: All Section 14: 8/2 SW/4 San Juan County, New Mexico

1355 Post: Office Box 792, Roswell, New Mexico Attest:

Ellerch alecek. Secretary

FRAME O. HLLIOTT ,

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SIGNATURE

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Vice President

SUNSHINE ROXALTY COMPA

APPROVED AND CONSENTED TO: EL PASO NA LIAL GAS COMPANY EY Attorney - In - Fact Holt Operator

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October 24, 1961

El Paso Natural Gas Co. P. O. Box 1492 El Paso, Texas

Re: Huerfano Unit San Juan County, New Mexico Plan of Development Jan. 1, 1961 to Dec. 31, 1961

195

Attention: Mr. Sam Smith

Gentlemen:

We have received your 1961 Plan of Development dated October 16, 1961. This Plan lists four locations for Dakota wells, which evidently you anticipate drilling prior to December 31, 1961.

May we therefore assume you intend to file a 1962 Plan of Development in January 1962 including a number of obligation Dakota wells.

We wish to call to your attention a direct offset due in Sec. 32, T-26N, R-10W due to a Dakota well outside the Unit in Sec. 5, T-25N, R-10W, a diagonal offset due in Sec. 32, T-27N, R-10W. A direct offset due in Sec. 17, T-25N, R-9W due to two Dakota wells outside the Unit in Sec. 20, T-25N, R-9W.

We wish to be informed as to your intentions in regard to the drilling of these offset wells also your intentions in regard to the filing of a 1962 Plan of Development before consideration or approval of this Plan which you have submitted.

El Paso Natural Gas Company

El Paso, Texas

October 16, 1961

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico P.O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico P.O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period January 1, 1961 -December 31, 1961

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, on January 29, 1960, filed a Plan of Development for the period of January 1, 1960, to December 31, 1960. Subsequent to the submission of said Drilling Program ten (10) wells were drilled on the Huerfano Unit and the following information is submitted in connection therewith:

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit #101	NW/4 Sec. 19, T-27-N, R-10-W	12-16-60	Gallup 28.8 BOPD
			Dakota CV 6753 MCF AOF 9765 MCF

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit #113	NW/4 Sec. 33, T-27-N, R-10-W	12-29-60	Gallup CV 2127 MCF 27.8 BOPD
			Dakota CV 802 MCF AOF 804 MCF
Huerfano Unit #115	NW/4 Sec. 12, T-26-N, R-10-W	11-10-60	Dakota CV 2874 MCF AOF 3217 MCF
Huerfano Unit #116	NW/4 Sec. 11, T-26-N, R-10-W	12-5-60	Gallup CV 272 MCF 7.8 BOPD
			Dakota CV 2994 MCF AOF 3084 MCF
Huerfano Unit #117	SE/4 Sec. 16, T-26-N, R-10-W	1-16-61	Dakota CV 1731 MCF AOF 2221 MCF
Huerfano Unit #120	NW/4 Sec. 25, T-26∞N, R-10-W	10-16-60	Dakota CV 5896 MCF AOF 8372 MCF
Huerfano Unit #121	NW/4 Sec. 27, T-26-N, R-10-W	2-13-61	Dakota CV 9487 MCF AOF 20,919 MCF
Huerfano Unit #125	NW/4 Sec. 30, T-26-N, R-10-W	1-21-61	Dakota CV 5883 MCF AOF 7754 MCF
Huerfano Unit #126	SE/4 Sec. 5, T-26N, R-9-W	8-5-61	Dakota CV 3465 MCF AOF 3832 MCF
Huerfano Unit #127	NW/4 Sec. 26, T-26-N, R-10-W	7-13-61	Dakota P&A

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As of this date, the total number of wells in the Huerfano Unit is as follows:

Pictured Cliffs (Commercial)	54
Dakota (Commercial)	4
Gallup (Commercial)	1
Dakota-Gallup (Commercial)	16
Pictured Cliffs (Non-commercial)	2
Dakota (Non-commercial)	1
Pictured Cliffs (Plugged & Abandoned)	24
Dakota (Plugged & Abandoned)	1

El Paso Natural Gas Company, as Unit Operator, submitted by letter dated September 27, 1961, to all working interest owners a Plan of Development for the period of January 1, 1961, to December 31, 1961. The proposed Plan of Development provided for the drilling of four (4) Dakota wells for the calendar year 1961. The working interest owners have approved the filing of a Plan of Development for 1961 providing for the drilling of four (4) Dakota wells.

El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a Drilling Program for the calendar year 1961, consisting of four (4) wells to be completed in the Dakota Formation. The proposed wells are as follows:

ACREAGE DEDICATED	LOCATION	FORMATION
N/2 Section 36,	NW/4 Section 36,	Dakota
T-27-N, R-10-W	T-27-N, R-10-W	
N/2 Section 9,	NW/4 Section 9,	Dakota
T-26-N, R-9-W	T-26-N, R-9-W	
N/2 Section 29,	NW/4 Section 29,	Dakota
T-26-N, R-9-W	T-26-N, R-9-₩	
S/2 Section 26,	SE/4 Section 26,	Dakota
T-26-N , R-10-W	T-26-N, R-10-W	

El Paso Natural Gas Company intends to drill the subject wells to the base of the Dakota Formation using rotary tools. Surface casing will be set to the depth of approximately 300° and then a production casing string will be run to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. Due care will be taken to protect all horizons. If this Plan of Development is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

M

Sam Smith, Manager Land Department

SS: PNP: cah

Huerfano 3.0

HUERFANO UNIT All Formations Working Interest Owners

B & M Construction Company 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Brookhaven Oil Company P.O. Box 1267 Scottsdale, Arizona

Barbara Ann McConnell Bruss 1300 Mesa Verde Farmington, New Mexico

Edward C. Evensen & Hulda Evensen (2) 739 Haight Street San Francisco 17, California

Delhi-Taylor Oil Corporation Attention: Mr. R. L. Caldwell 2630 Fidelity Union Tower Dallas, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Charline Greer 109 East Ute Farmington, New Mexico

Berenice Jeffs P.O. Box 51 Gorman, Texas

Mr. Harold Kogan and Mathilda Kogan 742-35th Avenue San Francisco, California

La Plata Gathering System, Inc. 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. O. J. Lilly P.O. Box 185 Farmington, New Mexico

Mr. James L. Lundean One West 67th Street New York 23, New York Mrs. Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico

Pan American Petroleum Corporation (12) Attention: Mr. T. M. Curtis P.O. Box 480 Farmington, New Mexico

Mr. E. H. Pipkin P.O. Box 1174 Roswell, New Mexico

Mr. H. K. Riddle P.O. Box 1985 Salt Lake City, Utah

Joseph Seagram & Sons, Inc. P.O. Box 747 1500 Davis Building Dallas 21, Texas

Slick Oil Corporation 1030 Bank of the Southwest Building Houston, Texas

Stekoll Petroleum Corporation 1100 Mercantile Continental Building Dallas 1, Texas

Sunland Refining Corporation P.O. Box 1512 Fresno 16, California

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Union Texas Natural Gas Corporation A-P Division Liberty Bank Building Oklahoma City 2, Oklahoma

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas, Texas

Western Natural Gas Company Attention: Mr. K. P. Moore P.O. Box 1508 Houston 2, Texas

Dr. Sherman Wengerd 1044 Stanford Drive, NE Albuquerque, New Mexico

APPROVED		DATE:
	United States Geological Survey	
	Subject to like approval by the appropriate State regulatory bodies.	
APPROVED	Commissioner of Public Lands	DATE:
	Subject to like approval by the United State Geological Survey and the Oil Conservation Commission.	s
APPROVED	Oil Conservation Commission	DATE:
	Subject to like approval by the United State Geological Survey and the Commissioner of Public Lands.	S

. . .

The foregoing approvals are for the Huerfano Unit Plan of Development for period January 1, 1961, to December 31, 1961.

El Paso Natural Gas Company

El Paso, Texas

September 29, 1961

193

Director United States Geological Survey Department of the Interior Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPROVAL OF FOURTH, FIFTH, SIXTH, SEVENTH AND EIGHTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

El Paso Natural Gas Company's Application, dated May 22, 1961, for the Fourth through the Eighth Enlargements of the Dakota Participating Area under the Huerfano Unit Agreement was approved as follows:

1.	Acting Director, U.S.G.S.	-	September 12,	1961
2.	Commissioner of Public Lands	-	May 31, 1961	
з.	Oil Conservation Commission	-	May 22, 1961	

A copy of this letter is being sent to the Dakota working interest owners of the Huerfano Unit.

Very truly yours,

Charlie Higgins

Charles Higgins Area Coordinator Land Department

CH:PNP:js

Huerfano, 4.3 Huerfano, 5.0

IN REPLY REFER TO:



UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY Drawer 1857 Roswell, New Mexico

September 22, 1961

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. T. V. Bittick

Centlemen:

Your application of May 22, 1961, for the Fourth, fifth, sixth, seventh and eighth revisions of the Dakota participating area, Huerfano unit agreement, San Juan County, New Mexico, was approved by the Acting Director, Geological Survey, on September 12, 1961, effective as of August 1, October 1, November 1, 1959, January 1, and February 1, 1960, respectively.

One approved copy of the application is enclosed. It is assumed that you will furnish the State of New Mexico and any other interested party with appropriate evidence of this approval.

Very truly yours,

(1)1) (in the 220) mills_

WILLIAM H. FELDMILLER Acting Regional Oil and Gas Supervisor

El Paso Natural Gas Company

El Paso, Jexas

September 1, 1961

("as" 195

Director United States Geological Survey Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit - EIGHTH EXPANSION Dakota Participating Area San Juan County, New Mexico

Gentlemen:

Certain corrections have been made in the corrected Eighth Expansion of the Dakota Participating Area of the Huerfano Unit previously submitted to your office for approval.

We are enclosing the corrected pages 7 and 8 of Schedule IX, which should be substituted in place of the previous ones sent you.

A copy of this letter and attachments are being sent to the working interest owners of the Huerfano Unit.

Very truly yours,

Charles Higgins

Charles Higgins ⁶ Area Coordinator Land Department

CH:PNP:js Attachments

1, Faso Natural Gas Company I <mark>NIT AREA EXPANSION</mark> 5rm 21-71M (5-59)	11 Fass Natural Gas Company NIT AREA EXPANSION SCHEDULE – SAN JUAN BASIN brm 21-71M (5-59)	AN BASIN	SCHEDULE IX			
1		NUMBER	DRILLING BLOCK		PERCENTAGE	PRESENT ACTUAL
		OF ACRES		PERCENTAGE	COMMITTED	PARTICIPATION
			TRACT 27			
NM 0396	T-26-N, R-10-W Sec. 4: Lots 1,2, S/2 NE/4	159.65	Royalty; Working Interest:	12.500000%	12.500000%	1.8906437
				47.674684% 29.697500% 10.127816% 100.000000%	47.674684% 29.697500% 10.127816% 100.000000%	
			TRACT 32-A			
NM 0433-A	T-26-N, R-10-W Sec. 21: NW/4	160.00	Royalty;	12.500000%	12.500000%	1.894787%
			*El Paso Natural Gas Co.; Pan American Pet. Corp.; ORRI; TOTAL	48.106442% 29.697500% 9.696058% 100.000000%	48.1064427 29.6975007 9.6960587 100.0000007	
			TRACT 34			
SF ~30456	T-26-N, R-10-W Sec. 9: SE/4	160.00	Royalty; Working Interest: *El Paso Natural Gas Co.; Pan American Pet. Corp.; ORRI; TOTAL	12.500000% 48.106442% 29.697500% 9.696058% 100.000000%	12.500000% 48.106442% 29.697500% 9.696058% 100.000000%	1.89478
	1 1000		Page 7			

Effective February 1, 1960

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El Paso Natural Gas Company JNIT AREA EXPANSION Form 21-71M (5-59)	El Paso Natural Gas Company JNIT AREA EXPANSION SCHEDULE – SAN JUAN BASIN Form 21-71M (5-59)	IU AN BASIN	SCHEDULE IX			
ERIAL NUMBER	DESCRIPTION		DRILLING BLOCK	Ŷ	PERCENTAGE	PRESENT ACTUAL
		OF ACRES	OWNERSHIP	PERCENTAGE	COMMITTED	PARTICIPATION
			TRACT 36			
SF 079658	<u>T-26-N, R-10-W</u> Sec. 10: W/2	320,00	Royalty; Working Interest:	12.50000%	12,500000%	3.7895747
~			working incerest; *El Paso Natural Gas Co.; Pan American Pet. Corp.; ORRI; TOTAL	50,209082% 29,697500% 7,593418% 100,000000%	50,209082% 29,697500% 7,593418% 100,000000%	
			TRACT 36-A			
SF 0796 58-A	<u>T-26-N, R-10-W</u> Sec. 10: NE/4	160.00	Royalty; Working Interest.	12.500000%	12.500000%	1.8947877
			*El Paso Natural Gas Co.; *El Paso Natural Gas Co.; Pan American Pet. Corp.; ORRI; TOTAL	50.209082% 29.697500% 7.593418% 100.000000%	50,2090827 29,6975007 7,5934187 100,000007	
			TRACT 38			
SF \0646	T-26-N, R-10-W Sec. 11: NW/4	160.00	Royalty;	12.500000%	12.500000%	1.894787"
			working interest: *El Paso Natural Gas Co.; Pan American Pet. Corp.; ORRI; TOTAL	50,209082 % 29,697500% 7,593418% 100,000000%	50,209082% 29,697500% 7,593418% 100,000000%	
			Page 8			
Effective February 1.	ruary 1, 1960					

Effective February 1, 1960

El Paso Natural Gas Company

El Paso, Texas

August 10, 1961

Case 191

Director United States Geological Survey Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico P. O. Box 791 Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Huerfano Unit - Eighth Expansion, Dakota Participating Area San Juan County, New Mexico

Gentlemen:

Certain corrections have been made in the Eighth Expansion of the Dakota Participating Area of the Huerfano Unit previously submitted to your office for approval.

We are enclosing the corrected pages 7 and 8 of Schedule IX, which should be substituted in place of the previous ones sent you.

A copy of this letter and attachments are being sent to the working interest owners of the Huerfano Unit.

Very truly yours,

harles Higgins

Charles Higgins Area Coordinator Land Department

CH:OL: js Attachments

Care 195

May 31, 1961

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

> Re: Fourth, Pifth, Sixth, Seventh and Eighth Expansions, Dakota Participating Area, Huerfano Unit, San Juan County, New Mexico

Attention: Mr. T. W. Bittick

Gentlemen:

This is to advise that the Commissioner of Public Lands has approved the Fourth, Fifth, Sixth, Seventh, and Eighth Expansions of the Dakota Participating Area, for the Huerfano Unit, San Juan County, New Maxice, subject to like approval by the United States Geological Survey. This application has received prior approval by the Oil Conservation Commission.

This application dated May 22, 1961, replaces the one approved by the Coumissioner of Public Lands on January 10, 1961, having been revised upon request of the Director of the United States Geological Survey.

Five approved copies are being returned.

Very truly yours, R. S. JOHNEY WALKER COMMISSIONER OF FUBLIC LANDS

BY: Ted Bilberry, Supervisor Oil and Gas Division

May 31, 1961 Page (2).

El Paso Hatural Gas Company P. O. Box 1492 El Paso, Texas

ESW/mmr/s ec: United States Geological Survey P. O. Bex 6721 Roswell, New Mexico Oil Conservation Commission

011 Conservation Commission P. O. Ben 871 Santa Pe, New Mexico CIL CONSERVATION COMMISSIC.

P. O. BOX 871 SANTA FE, NEW MEXICO

Charle # 145

May 22, 1961

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

ATTENTION: Mr. T. W. Bittick

Re: Fourth, Fifth, Sixth, Seventh and Eighth Expansions of the Dakota Participating Area, Huerfano Unit, San Juan County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Fourth, Fifth, Sixth, Seventh and Eighth Expansions of the Dakota Participating Area for the Huerfano Unit, San Juan 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.

The application as submitted is a revision of the application approved on January 5, 1961. The revision was made at the request of the Director of the United States Geological Survey.

Seven approved copies of the application are handed to Mr. Wm. Cheek.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

cc: United States Geological Survey Commissioner of Public Lands



El Paso Natural Gas Company

El Paso, Texas

May 22, 1961

Oil Conservation Commission State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit San Juan County, New Mexico APPLICATION FOR APPROVAL OF FOURTH, FIFTH, SIXTH, SEVENTH, AND EIGHTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

Attached are eight (8) copies of the subject expansions of the Huerfano Unit, together with map exhibits and geological information.

It is requested, upon your approval, that you kindly sign all copies in the space provided, retaining one (1) copy of the expansions and attached exhibits and forwarding the remaining seven (7) copies to the office of the Commissioner of Public Lands for his consideration.

Very truly yours,

Karles Higgins

Charles Higgins Area Coordinator Land Department

CH:WVC:cah Attachments

El Paso Natural Gas Company El Paso, Jexas

May 3, 1961

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Drawer 1857 Roswell, New Mexico

Commissioner of Public Lands State of New Mexico Post Office Box 791 Santa Fe, New Mexico

Oil Conservation Commission State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Re: Huerfanito Unit 1961 Drilling Program

Gentlemen:

This is to advise you that the 1961 Drilling Program has been approved by the regulatory bodies as follows:

- 1. United States Geological Survey March 24, 1961
- 2. Commissioner of Public Lands April 6, 1961
- 3. Oil Conservation Commission April 28, 1961

Copies of this letter are being sent to the working interest owners of the Huerfanito Unit.

Very truly yours,

as Auggins Earl

Charles Higgins Area Coordinator Land Department

CH: WVC: cah

El Paso Natural Gas Company

El Paso, Jexas May 22, 1961

Director United States Geological Survey Department of the Interior Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico Post Office Box 791 Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit San Juan County, New Mexico APPLICATION FOR APPROVAL OF FOURTH, FIFTH, SIXTH, SEVENTH AND EIGHTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 29, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Fourth, Fifth, Sixth, Seventh and Eighth Revisions of the Participating Area for the Dakota Formation, to-wit:

Fourth Part	icipati	ng Area	2 -	Effective date:	August 1, 1959
Description					Acres
Township 27 Section 19:	E/2	Range	10	West	640.00
Section 29: Section 30:	-				

This proposed expansion of the participating area is based on the completion of the Frontier Government Evensen #2 Well located in the SE/4 of Section 19, Township 27 North, Range 10 West, which was tested on July 22, 1959 for an initial potential of 8200 MCF/D, absolute open-flow from the Dakota formation. This expansion proposes to admit the above described acreage.

Fifth Participating Area - Effective Date: October 1, 1959

Description					Acres
Township 26	North,	Range	10	West	320.00

Section 11: N/2

This proposed expansion of the participating area is based on the proven commercial value of the Huerfano Unit #109 Well, tested on September 28, 1959 for an initial potential of 3761 MCF/D, absolute open-flow from the Dakota formation. Reference to the isopach map (Exhibit "D") which indicates that, though the well was drilled on acreage previously admitted to a participating area, the thickness of net effective sand within the "A" Zone indicates that the acreage described in the immediate locale of this well justifies the admission of this acreage to the participating area.

Sixth Participating Area - Effective Date:	November 1, 1959
Description	Acres
Township 26 North, Range 9 West	1440.00
Section 17: W/2	
Section 18: E/2	
Section 19: NE/4	
Section 20: All	

The Huerfano Unit #111 Well was tested on October 27, 1959 for an initial potential of 3703 MCF/D, absolute open-flow from the Dakota formation. Reference to the geological report (Exhibit "B") describes the geological basis for the proposed admission of the above captioned acreage to a participating area,

> Seventh Participating Area - Effective Date: January 1, 1960

Description Acres Township 26 North, Range 10 West 1120.00 Section 3: S/2 Section 9: SE/4 Section 10: N/2, SW/4 Section 16: NE/4

The Huerfano Unit #110 Well located in the SE/4 of Section 3, Township 26 North, Range 10 West was tested on December 22, 1959 for an initial potential of 2242 MCF/D, absolute open-flow in the Dakota formation. Such well has been declared of commercial quality. Certain geological information and inference drawn from the commercial quality of this well justifies the proposal to admit this acreage to a participating area.

Eighth Participating Area - Effective Date: February 1, 1960

Descript:	lon					Acres	
Township Section		"	Range	10	West	319.48	

The Huerfano Unit #108 Well located in the NW/4 of Section 1, Township 26 North, Range 10 West, which was tested on January 7, 1960 for an initial potential of 5437 MCF/D, absolute open-flow from the Dakota formation, indicates that the acreage described above should be admitted to a participating area.

In support of the application for the five participating areas the following exhibits are attached and made a part hereof:

EXHIBIT "A"

Ownership Map reflecting the boundaries of the Unit and the proposed Fourth, Fifth, Sixth, Seventh and Eighth Revisions of the Dakota Participating Area.

EXHIBIT "B"

Geological Report on the Fourth, Fifth, Sixth, Seventh, and Eighth Revisions of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "C"

Structural Contour Map.

EXHIBIT "D"

Isopach Map of Dakota "A" Zone.

Attached herewith are Schedules V through IX showing the lands entitled to participation in the unitized substances produced from the Dakota formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Fourth, Fifth, Sixth, Seventh and Eighth Revisions of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files. Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

7_ By W. Bittick Ť.

Assistant Manager Land Department

TWB:WVC:js

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APP ROVED :	Director, United States Geological Survey Subject to like approval by the appropriate State officials.	DATE:
APPROVED:	Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.	DATE:
APPROVED :	Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.	DATE: 17/12, 22, 1961

The foregoing approvals are for the Fourth, Fifth, Sixth, Seventh and Eighth Revisions of the Participating Area for the Dakota Formation, effective August 1, 1959, October 1, 1959, November 1, 1959, January 1, 1960 and February 1, 1960, respectively, under the Huerfano Unit, San Juan County, New Mexico.

-5-

1

HUERFANO UNIT Dakota Formation Working Interest Owners

Anderson-Prichard Oil Corporation Liberty Bank Building Oklahoma City 2, Oklahoma

B & M Construction Company 2808 First National Building Oklahoma City, Oklahoma

Berson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Brookhaven Oil Company P. O. Box 1267 Scottsdale, Arizona

Barbara Ann McConnell Bruss 1300 Mesa Verde Farmington, New Mexico

Mr. Edward Evensen 739 Haight Street San Francisco 17, California

Hulda Evensen 739 Haight Street San Francisco 17, California

Dr. Sherman A. Wengerd 1044 Stanford Drive, NE Albuquerque, New Mexico

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mrs. Charline Greer 109 East Ute Farmington, New Mexico

Berenice Jeffs P. O. Box 51 Gorman, Texas

Mr. Harold Kogan 742-35th Avenue San Francisco, California

La Plata Gathering System, Inc. 1900 Mercantile Dallas Building Dallas 1, Texas Mr. O. J. Lilly P. O. Box 185 Farmington, New Mexico

Mr. James L. Lundean One West 67th Street New York 23, New York

Mrs. Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico

Pan American Petroleum Corporation (12) Attention: Mr. L. O. Speer, Jr. P. O. Box 480 Farmington, New Mexico

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. H. K. Riddle P. O. Box 1985 Salt Lake City, Utah

Stekoll Petroleum Corporation 1100 Mercantile Continental Bldg. Dallas, Texas

Sunland Refining Corporation Attention: Mr. G. A. Olsen East and California Avenues Fresno, California

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Western Natural Gas Company P. O. Box 1508 Houston 2, Texas

145

April 11, 1961

El Paso Natural Gas Company 2. 0. Box 1492 El Paso, Texas

> Re: Huerfano Unit San Juan County, New Mexico

Attention: Mr. Sam Smith

Gentlemen:

We have your proposal relative to submitting your 1961 Plan of Development at a later date for the Huerfano Unit.

This office will be willing to give you a few months extension in which to file an amendment to your 1960 and your 1961 Drilling Program, subject to like approval by the Oil Conservation Commission and the US Geological Survey.

Very truly yours,

E. S. JOHNNY WALKER CONDISSIONER OF PUBLIC LANDS

ESW/mmr/s

cc: Oil Conservation Commission Santa Fe, New Mexico

> US Geological Survey Roswell, New Mexico

El Paso Natural Gas Company

El Paso, Texas

December 30, 1960

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

01

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Proposed 1961 Drilling Program and Amendment to 1960 Huerfano Unit Program

Dear Sir:

Although it is the policy of this company to propose its Drilling Program early in the calendar year, we find that due to certain developments it is not possible to provide you with such information at this time on the Huerfano Unit.

Our 1960 Plan of Development provided for the drilling of ten (10) Gallup-Dakota wells. To date, the following dual wells have been completed to the expected depths, but have not been tested:

Number	Location		
#101	NW/4 19, 27-10		
#115	NW/4 12, 26-10		
#116	NW/4 11, 26-10		
#120	NW/4 25, 26-10		

Another well, the Huerfano Unit #113 located in the NW/4 of Section 23, T=27-N, R=10-W, is presently being completed.

Although none of the above wells have been tested, it is probable that these five wells will be of commercial quality in the Dakota Formation with the Gallup Formation generally considered very doubtful at this time.

In view of the apparent results of the drilling program to this time, the remaining five wells are proposed to be drilled as straight Dakota tests with dual completion in the Gallup Formation if such be warranted. The NW/4 of Section 27, and the SE/4 of Section 16, T-26-N, R-10-W, and the NW/4 of Section 30, T-26-N, R-9-W, have been selected as locations for Units #117, #121, and #125, which are scheduled for immediate commencement of drilling operations. Two other locations will be selected upon the completion and testing of the Huerfano #115 and #116 Wells.

It is our desire to wait until such time as the other two locations have been selected before submitting an amendment to the 1960 Program. It is our feeling that before a comprehensive 1961 Drilling Program can be intelligently prepared, we should have the results of our current program in hand. We therefore request your permission to delay the submission of the 1961 Plan of Development until such time as all of the wells have been completed and tested.

We would appreciate your comments and recommendations relative to our proposal to wait until some later date to submit our 1961 Plan of Development.

Very truly yours,

EL PASO NATURAL GAS COMPANY

mich Sam Smith, Manager

Land Department

SS:WC:cah

In reply refer to: Unit Division

1011 JAN 144 RI 18 20

January 11, 1961

Case #195

El Paso Natural Gas Company El Paso, Texas

Attention: Mr. T. V. Bittick

Re: Fourth, Fifth and Sixth Expansions of the Dakota Participating Area Huerfano Unit San Juan County, New Mexico

Gentlemen:

The Commissioner of Public Lands is of this date approving the Fourth, Fifth and Sixth Expansions of the Dakota Participating Area for the Huerfano Unit, San Juan County, New Mexico, subject to like approval by the US Geological Survey and the Oil Conservation Commission.

We are retaining two copies and forwarding five approved copies.

Very truly yours, E. S. JOHNNY WALKER Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

ESW/mor/s

cc: Oil Conservation Commission Santa Fe, New Mexico

> US Geological Survey Roswell, New Mexico

CONSERVATION COMMISS.JN P. O. BOX 871 SANTA FE, NEW MEXICO

Cuse # 145

January 5, 1961

El Paso Natural Gas Company El Paso, Texas

ATTENTION: Mr. T. W. Bittick

RE: Fourth, Fifth and Sixth Expansions of the Dakota Participating Area Huerfano Unit San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexice Oil Conservation Commission has this date approved the Fourth, Fifth and Sixth Expansions of the Dakota Participating Area for the Huerfano Unit San Juan 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.

Seven approved copies of the application are handed to Mr. Wm. Cheek.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

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

Roswell

El Paso Natural Gas Company

El Paso, Jexas

January 3, 1961

Director United States Geological Survey Department of the Interior Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit San Juan County, New Mexico APPLICATION FOR APPROVAL OF FOURTH, FIFTH AND SIXTH REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

> > 959

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Fourth, Fifth and Sixth Revisions of the Participating Area for the Dakota Formation, to-wit:

Fourth	Partie	cipat:	ing Area -	Effective	date:	November	1,	19
De	escrip	tion	of Lands		Acre	age		
T	-26-N,	R-9-1	W, N.M.P.M	•	1440	00		
Se	ection	17:	W/2					
Se	action	18:	E/2					
S	ection	19:	NE/4					
S	ection	20:	A11					

This proposed expansion of the Participating Area is predicated on the proven commercial quality of the Huerfano Unit Well #111 (G-D), located in the NW/4 of Section 20, Township 26 North, Range 9 West, which was tested on October 27, 1959 for an initial potential of 3410 MCF/D from the Dakota Formation. This

expansion proposes to admit all of Section 20, Township 26 North, Range 9 West. This calls for the admission of the NE/4 of Section 19, Township 26 North, Range 9 West, since this area is directly offset by the Huerfano #111 (G-D).

Two additional areas are included in the Fourth Expansion, being the E/2 of Section 18, Township 26 North, Range 9 West and the W/2 of Section 17, Township 26 North, Range 9 West, since this area now lies between two producing wells, the Huerfano #92 in the NW/4 of Section 7, Township 26 North, Range 9 West and the Huerfano #111. Township 26 North, Range 9 West.

Fifth Participating Area - Effective date: January 1, 1960

Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M.	320.00
Section 3: S/2	

This proposed expansion of the Participating Area is based on the proven commercial quality of the Huerfano Unit Well #110 (G-D), located in the SE/4 of Section 3, Township 26 North, Range 10 West, which was completed on December 22, 1959 for an initial potential of 2110 MCF/D from the Dakota Formation. This expansion proposes to admit all of the S/2 of Section 3, Township 26 North, Range 10 West.

Sixth Participating Area - Effective date: February 1, 1960

Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M.	479.48
Section 1: N/2	

T-27-N, R-10-W, N.M.P.M. Section 36: SW/4

This proposed expansion of the Participating Area is based on the proven commercial value of the Huerfano Unit Well #108 (G-D), located in the NW/4 of Section 1, Township 26 North, Range 10 West, which was completed on January 7, 1960 for an initial potential of 4562 MCF/D from the Dakota Formation. This expansion proposes to admit all of the N/2 of Section 1, Township 26 North, Range 10 West as well as the SW/4 of Section 36, Township 27 North, Range 10 West, which is a direct offset to the quarter section in which the Huerfano #108 (G-D) is located.

The Huerfano Unit #109 (G-D) in Section 2, Township 26 North, Range 10 West, was completed on September 28, 1959 for an initial potential of 3432 MCF/D from the Dakota Formation, but the location lies within previously committed acreage and therefore no expansion is warranted or requested as a result of this completion. You have previously been notified by Notice of Completion of Non-Commercial Well, concerning the Huerfano Unit Well #112. Such Notice was sent to the Regulatory Bodies under date of May 31, 1960 by the undersigned company. This well was completed on October 24, 1959 for an initial potential of 964 MCF/D from the Dakota Formation, and since it was deemed non-commercial no expansion is warranted or requested. In support of the application for the three participating areas the following exhibits are made a part hereof:

EXHIBIT "A"

Ownership Map reflecting the boundaries of the Unit and the proposed Fourth, Fifth and Sixth Revisions of the Dakota Participating Area.

EXHIBIT "B"

Geological Report in quadruplicate on the Fourth, Fifth and Sixth Revisions of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "C"

Structural Contour Map.

Attached herewith are Schedules V through VII showing the lands entitled to participation in the unitized substances produced from the Dakota Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Fourth, Fifth and Sixth Revisions of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By W. Bittick

Assistant Manager Land Department

TWB:WVC:js

DATE	 · · · · · · · · · · · · · · · · · · ·

Director, United States Geological Survey Subject to like approval by the appropriate State officials.

APPROVED:

DATE:

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

APPROVED: Oil Conservation Commission

Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands. DATE: 1- 5-61

The foregoing approvals are for the Fourth, Fifth and Sixth Revisions of the Participating Area for the Dakota Formation, effective November 1, 1959, January 1, 1960, and February 1, 1960, respectively, under the Huerfano Unit, San Juan County, New Mexico.

22

In reply refer to: Unit Division

September 6, 1960

Cast "145"

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

> RE: Huerfano Unit San Juan County, New Mexico Application for approval of the Fifth, Sixth, Seventh, and Eighth Revisions of the Participating Area for the Gallup Formation

ATTENTION: Mr. Charles Higgins

Gentlemen:

We are enclosing five copies of the above designated Participating Areas for the Gallup Formation, Huerfano Unit, which was approved by the Commissioner of Public Lands as of September 6, 1960.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

MDM/mmr/s

cc:

United States Geological Survey Roswell, New Mexico

0il Conservation Commission / Santa Fe, New Mexico C CONSERVATION COMMISSIC P. O. BOX 871 SANTA FE, NEW MEXICO

(has * 195

September 2, 1960

El Paso Natural Gas Company 9. O. Box 1492 El Paso, Texas

TTENTION: Mr. T. W. Bittick

RE: Fifth, Sixth, Seventh and Eighth Expansions Gallup Participating Area Huerfano Unit San Juan County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Gil Conservation Commission has this date approved the Fifth, Sixth, Seventh and Eighth Expansions Gallup Participating Area for the Huerfane Unit San Juan 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.

Seven approved copies of the application are handed Mr. David T. Burleson.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JEK/ig

cc: US Geological Survey Roswell, New Mexico

> Commissioner of Public Lands Santa Fe, New Mexico

El Paso Natural Gas Company

El Paso, Texas

Director United States Geological Survey Department of the Interior Washington, D. C.

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE FIFTH, SIXTH, SEVENTH AND EIGHTH REVISIONS OF THE PARTICIPATING AREA FOR THE GALLUP FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator under the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 of such agreement, respectfully submits for your approval the following selection of lands to constitute the Fifth, Sixth, Seventh and Eighth Revisions of the Participating Area for the Gallup Formation, to wit:

Fifth Revision - Effective 1st day of October, 1959

Description of Lands	Acreage	
T-26-N, R-10-W, N.M.P.M.		
Section 2: SE/4, SW/4	320,00	

This proposed Fifth Revision of the Participating Area for the Gallup Formation is based upon the information obtained from the completion in paying quantities of Huerfano Unit Well No. 109 (Dual, Gallup-Dakota) located 1650' North of the South line and 990' West of the East line of Section 2, Township 26 North, Range 10 West, which well officially tested 2293 MCFGPD from the Gallup Formation at a depth of 5905' to 6199' on September 28, 1959. This revision is also based on the information obtained from the Huerfano No. 99 Well (Dual, Gallup-Dakota) located 990' South of the North line and 1650' East of the West line of Section 2, Township 26 North, Range 10 West completed under our 1958 Drilling Program. The effective date of this Fifth Revision shall be October 1, 1959, pursuant to Section 10 of the Unit Agreement.

Sixth Revision - Effective 1st day of November, 1959

Description of Lands

٦,

Acreage

T-26-N, R-10-W, N.M.P.M. Sec. 17: NW/4, SW/4 NE/4, NE/4 SW/4 240.00

This proposed Sixth Revision of the Participating Area for the Gallup Formation is based upon the information obtained from the completion in paying quantities of Huerfano Unit No. 112 (Dual, Gallup-Dakota) located 1650' South of the North line and 1650' East of the West line of Section 17, Township 26 North, Range 10 West, which well officially tested 292 MCFGPD and 167.87 BOPD from the Gallup Formation at a depth of 5650' to 5910' on October 24, 1959. The effective date of this Sixth Revision shall be November 1, 1959, pursuant to Section 10 of the Unit Agreement. This proposed Sixth Revision is also based upon the general information obtained from the Huerfano Unit No. 104 Well (Dual, Gallup-Dakota) located 990' North of the South line and 990' West of the East line of Section 17, Township 26 North, Range 10 West, and completed under our 1958 Drilling Program.

Seventh Revision - Effective 1st day of December, 1959

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	
Sec. 20: All	640.00

This proposed Seventh Revision of the Participating Area for the Gallup Formation is based upon the information obtained from the completion in paying quantities of Huerfano Unit Well No. 111 (Dual, Gallup-Dakota) located 1550' South of the North line, and 1550' East of the West line of Section 20, Township 26 North, Range 9 West, which well officially tested 1923 MCFGPD from the Gallup Formation at a depth of 5603' to 5894' on November 2, 1959. The effective date of the Seventh Revision shall be December 1, 1959, pursuant to Section 10 of the Unit Agreement.

Eighth Revision - Effective 1st day of January, 1960

Description of Lands	Acreage	
T-26-N, R-10-W, N.M.P.M.		
Sec. 3: SE/4	160.00	

This proposed Eighth Revision of the Participating Area for the Gallup Formation is based upon the information obtained from the completion in paying quantities of Huerfano Unit Well No. 110 (Dual, Gallup-Dakota) located 1650' North of the South line and 990' West of the East Line of Section 3, Township 26 North, Range 10 West, which well officially tested 385 MCFGPD and 211 BOPD from the Gallup Formation at a depth of 5917' to 6220' on December 31, 1959. The effective date of this Eighth Revision shall be January 1, 1960.

-2-

The Huerfano #108 (Gallup-Dakota) located 1650' South of the North line and 1040' East of the West line of Section 1, Township 26 North, Range 10 West, was officially tested on January 21, 1960, with an Initial Potential of 1,079 MCFGPD from the Gallup Formation at a depth of 5899' to 6178' on acreage previously included in the Participating Area. On the basis of the low initial potential and the location of this well, no additional revision of the participating area is warranted by the completion of this well.

In support of this application the following Exhibits are made a part hereof:

Exhibit "A"

Ownership map reflecting the boundaries of the Unit and the proposed Fifth, Sixth, Seventh, and Eighth Revisions of the Gallup Participating Area.

Exhibit "B"

Geological Report in quadruplicate on the Fifth, Sixth, Seventh, and Eighth Revisions of the Gallup Participating Area in the Huerfano Unit.

Exhibit "C"

Structural Contour Map.

Attached to this application are Schedules VI through IX showing the lands entitled to participation in the unitized substances produced from the Gallup Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Fifth, Sixth, Seventh, and Eighth Revisions of the Gallup Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy for our files.

Copies of this letter and schedules are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

T. W. Bittick Assistant Manager Land Department

APPROVED

DATE

United States Geological Survey Subject to like approval by the appropriate State officials.

APPROVED

DATE

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

APPROVED Oil Conservation Commission

DATE 9-2-60

Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

The foregoing approvals are for the Fifth, Sixth, Seventh and Eighth Revisions of the Participating Area for the Gallup Formation, effective October 1, 1959, November 1, 1959, December 1, 1959, and January 1, 1960, respectively, for the Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico. CONSERVATION COMMISS. P. O. BOX 871 SANTA FE, NEW MEXICO

\bigcirc	August 12, 1960					
	El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas					
\bigcirc	ATTENTION: Mr. Sam Smith					
\bigcup	RE: 1960 Plan of Daveloµment Huerfano Unit San Juan County, New Mexico.					
	Gentlemen:					
μ	This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1960 Plan of Development for the Huerfano Unit San Juan County, New Mexico, subject to like approve by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.					
\mathbb{W}						
	Vory truly yours,					
	A. L. PORTER, Jr., Secretary-Director					
	ALP/JEK/ig cc: USGS - Roswell					

Commissioner of Public Lands - Senta Fe

.



P. O. Box 6721 Reswell, New Mexico

August 3, 1960

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. Sam Smith

Gantlemen:

Your plan of development for 1960, dated January 29, 1960, for the Huerfano unit area, San Juan County, New Mexico, which proposes the drilling of ten dually completed Gallup-Baketa wells, seven to be located at a subsequent date, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Very truly yours,

EDWIN H. THOMASSON Acting 011 and Gas Supervisor

Enclosures

Copy to: Washington (w/cy of plan) Farmington (w/cy of plan) NMOCC-Santa Fe (ltr. only) Comm. of Pub. Lands-Santa Fe (ltr. only)

In reply refer to: Unit Division

CASE

April 4, 1960

21 Paso Natural Gas Company El Paso, Texas

ATTENTION: Mr. Sam Smith

Re: 1960 Plan of Development Huerfano Unit Area San Juan County, New Mexico

Gentlemen:

We are enclosing one copy of the 1960 Plan of Development for the Huerfano Unit Area, which was approved by the Commissioner of Public Lands April 4, 1960.

Our approval of this program is contingent upon the filing for approval of a supplemental plan for 1960. This supplement to give the proposed locations of seven (7) Gallup-Dakota dual well locations, which are to be drilled during the calendar year 1960.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m

OCC-Santa Fe USGS-Roswell

El Paso Natural Gas Company

El Paso, Jexas

January 29, 1960

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT for Period January 1, 1960 - December 31, 1960

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, on April 15, 1959 filed a Plan of Development for the period January 1, 1959 -December 31, 1959, which proposed the drilling of five (5) Dakota wells. These wells were completed in both the Gallup and Dakota Formations and the following information is submitted in connection therewith:

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit #108	NW/4 Sec. 1, T-26-N, R-10-W	12-24-59	Gallup CV 1079 MCF AOF 1227 MCF 32.4 BO 3 hr. test Dakota CV 4562 MCF AOF 5437 MCF

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit #109	SE/4 Sec. 2, T-26-N, R-10-W	8-14-59	Gallup CV 2293 MCF AOF 3036 MCF Dakota CV 3432 MCF AOF 3761 MCF
Huerfano Unit #110	SE/4 Sec. 3, T-26-N, R-10-W	12-11-59	Gallup CV 321 MCF 176 BOPD Dakota CV 2110 MCF AOF 2242 MCF
Huerfano Unit #111	NW/4 Sec. 20, T-26-N, R-9-W	9-5-59	Gallup CV 1923 MCF AOF 2198 MCF Dakota CV 3410 MCF AOF 3703 MCF
Huerfano Unit #112	NW/4 Sec. 17, T-26-N, R-10-W	9-28-59	Gallup CV 291.76 MCF 167.87 BOPD Dakota CV 964 MCF AOF 983 MCF

El Paso Natural Gas Company, as Unit Operator, submitted, by letter dated December 14, 1959, to all working interest owners a Plan of Development for the period of January 1, 1960 to December 31, 1960. The proposed Plan of Development provided for the drilling of three (3) exploratory and seven (7) development Gallup-Dakota dual wells for the calendar year 1960. The working interest owners have approved the filing of a Plan of Development for 1960 providing for the drilling of ten (10) Gallup-Dakota dual wells, but have only agreed upon three (3) locations, with a desire to observe additional production data prior to approving the remaining seven (7) locations.

El Paso Natural Gas Company, as Unit Operator, therefore submits for your approval a proposed Plan of Development for the period of January 1, 1960, to December 31, 1960, consisting of three (3) Gallup-Dakota dual wells with the understanding that seven (7) Gallup-Dakota dual well locations will be selected and submitted for your approval at a subsequent date.

-2-

The approved locations are as follows:

NW/4 of Section 19, T-27-N, R-10-W
 NW/4 of Section 33, T-27-N, R-10-W
 NW/4 of Section 25, T-26-N, R-10-W

El Paso Natural Gas Company, as Unit Operator, intends to drill the above listed Gallup-Dakota dual wells to the base of the Dakota Formation using rotary Surface casing, normally 10 3/4" will be set at 300' and a 8 3/4" hole will tools, be drilled to total depth (approximately 7000°) using an oil, driscose, emulsion mud from the top of the Gallup Formation to total depth. Seven inch casing will be used as the production string. The Dakota Formation will be perforated and sand-oil fractured in one or more stages and immediately bridged off with a temporary bridge plug while the Gallup Formation is perforated and sand-oil fractured. The Gallup Formation will be allowed to unload the fracturing fluid and clean out, after which the temporary bridge plug, or plugs, will be drilled to allow the Dakota Formation to unload the fracturing fluid and clean out. A drillable production packer will then be set between the Gallup and Dakota Formations to isolate the two zones, with two strings of tubing used for production purposes, one going through the packer to produce the Dakota Formation, and the other going through the Gallup Formation to produce the Gallup. This combination of a production packer and two strings of tubing effectively isolate both zones and allow each zone to be produced separately. Due care will be taken to protect all horizons.

If this Plan of Development is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter have been sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sam Smith, Manager

Land Department

SS:CH:ch

APPROVED:

	DATE:
Supervisor, United States Geological Survey	· · ·
Subject to like approval by the appropriate	
State officials.	

APPRCVED:

DATE:

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

APPROVED:

Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

16/60 DATE:

The foregoing approvals are for the Huerfano Unit Plan of Development for the period January 1, 1960 - December 31, 1960.

WORKING INTEREST OWNERS HUERFANO UNIT

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Slick Oil Corporation 1030 Bank of the Southwest Building Houston 2, Texas

Benson-Montin-Greer Drilling Corp. 2808 First National Building Oklahoma City 2, Oklahoma

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly P.O. Box 185 Farmington, New Mexico

Mr. Harold Kogan and Mathilda Kogan 742-35th Avenue San Francisco, California

Western Natural Gas Company 1006 Main St. Houston 2, Texas

Mr. James L. Lundean One West 67th St. New York 23, New York

El Paso Natural Gas Products Company Luther Building El Paso, Texas

Anderson-Prichard Oil Corporation Liberty Bank Building Oklahoma City 2, Oklahoma

B & M Construction Company 2808 First National Building Oklahoma City 2, Oklahoma

Mrs. Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico

Barbara Ann McConnell Bruss Detachment 14, First Air Postal Squadron APO 929, San Francisco, California Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. C. F. Stringer 208 East Navajo Farmington, New Mexico

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Stekoll Petroleum Corporation P.O. Box 956 Dallas, Texas

Mr. R. N. Richey (2) Mr. M. J. Jordan (1) El Paso Natural Gas Company Northwest Division P.O. Box 1526 Salt Lake City 10, Utah

Mr. J. W. McConnell, Jr. Executor of Estate of W. O. McConnell, Deceased P.O. Box 102 Lone Wolf, Oklahoma

Mr. E. H. Pipkin P.O. Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison P.O. Box 4795 Dallas, Texas

Berenice Jeffs P.O. Box 310 Gorman, Texas

Mr. L. O. Speer (12) Pan American Petroleum Corporation P.O. Box 487 Farmington, New Mexico

Cleary Petroleum, Inc. 1374 First National Building

El Paso Natural Gas Company

111 ULI 7 MI 1:16 El Paso, Texas

May 31, 1960

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Well #112 San Juan County, New Mexico NOTICE OF COMPLETION OF NON-COMMERCIAL WELL Dakota Formation

Gentlemen:

El Paso Natural Gas Company, as Unit Operator, has concluded that the following described well, located within the Huerfano Unit, is not capable of producing unitized substances in paying quantities from the Dakota Formation:

> The Huerfano Unit Well #112 is located 1650' South of the North line and 1650' East of the West line of Section 17, Township 26 North, Range 10 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on July 29, 1959 and was dually completed on September 28, 1959 at a total depth of 7890'. The Dakota Formation between 6668' - 6176', 6689' -6697', 6705' - 6714', 6570' - 6578', 6614' - 6623', 6630' -6638' was treated with a sand-oil fracturing process. The well was shut-in October 6, 1959 and, after being shut-in for fifteen (15) days, was tested on October 21, 1959, gauging 964 MCFGPD through a 3/4" choke and 983 MCFGPD by the calculated absolute open-flow method with an SIPT of 1139#. The committed drilling block upon which this well is located is described as the W/2 of Section 17, Township 26 North, Range 10 West, N.M.P.M., and consists of 320.00 acres, more or less.

Pursuant to Section 10 of the Unit Agreement for the Development and Operation of the Huerfano Unit Area, Unit Operator hereby requests the approval of the foregoing determination by the Regional Oil and Gas Supervisor, as the above described well is located on a drilling block in-volving Federal lands.

Copies of this letter are being sent to the working interest owners as shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sam Smith, Manager

Land Department

SS:DB:nl

cc: Attached list

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DATE : _____

APPROVED: Supervisor, United States Geological Survey

The foregoing approval is for the recommendation declaring the Huerfano Unit Well #112 non-commercial as to the Dakota Formation only.

Huerfano Unit Dakota Formation Working Interest **O**wners

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. W. C. Barneburg Slick Oil Corporation 1030 Bank of the Southwest Building Houston 2, Texas

Dr. Sherman Wingerd 1044 Stanford Drive, S.E. Albuquerque, New Mexico

Benson-Montin-Greer Drilling Corp. 2808 First National Building Oklahoma City 2, Oklahoma

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly Fost Office Box 185 Farmington, New Mexico

Mr. Harold Kogan & Mathilda Kogan 742-35th Avenue San Francisco, California

Mr. K. P. Moore Western Natural Gas Company P. O. Box 1508 Houston 1, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. L. O. Speer, Jr. Pan American Petroleum Corporation P. O. Box 487 Farmington, New Mexico

El Paso Natural Gas Products Company Luther Building El Paso, Texas

Anderson-Prichard Oil Corporation Liberty Bank Building Oklahoma City 2, Oklahoma Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Mr. E. A. Olsen, Pres. Sunland Refining Corp. East & California Aves. Fresno, California

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. C. F. Stringer 208 East Navajo Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Stekoll Petroleum Corporation Post Office Box 956 Dallas, Texas

Mr. R. N. Richey (2) Mr. M. J. Jordan (1) El Paso Natural Gas Company Northwest Division Post Office Box 1526 Salt Lake City 10, Utah

Mr. J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased P. O. Box 102 Lone Wolf, Oklahoma

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas 1, Texas

Mr. C. W. Murchison P. O. Box 4795 Dallas, Texas

Berenice Jeffs P. O. Box 310 Gorman, Texas B & M Construction Company 1374 First National Building Oklahoma City 2, Oklahoma

Mrs. Barbara Irene McConnell 1224 Laguna Cove Farmington, New Mexico Barbara Ann McConnell Bruss Detachment 14, First Air Postal Squadron APO 929, San Francisco, California

Cleary Petroleum, Inc. 1374 First National Building Oklahoma City, Oklahoma

Page 2

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El Paso Natural Gas Company El Paso, Texas

September 28, 1959

They AS

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico **Capitol Annex Building** Santa Fe, New Mexico

> Re: Muerfano Unit I Sec. No. 731 San Juan County, New Mexico

Gentlemen:

We are enclosing for your information and files one (1) copy each of El Paso Natural Gas Company's Applications dated July 16, 1959, for the Initial through the Third Revisions of the Dakota Participating Area and the Initial through the Fourth Revisions of the Gallup Participating Area.

Each of the enclosed copies reflect executed approvals thereto by all necessary regulatory bodies.

Very truly yours,

ORIGINAL SIGNED BY HARRY GEL Barry Gevertz Area Landman Land Department

HG:BKB:ch Attachment

El Paso Natural Gas Company

El Paso, Jexas September 25 1959

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Re: Change of Percentage Allocation Pictured Cliffs Participating Area Huerfano Unit San Juan County, New Mexico

Gentlemen:

The United States Geological Survey by letter of September 2, 1959, approved the commitment of the Pictured Cliffs interests under Tract No. 141 to the Huerfano Unit, effective August 1, 1959. Since Tract No. 141 is situated within the present Participating Area for the Pictured Cliffs Formation, it is necessary that the percentages of tract participation be adjusted as a result of the commitment of said tract.

We are, therefore, enclosing for your information and files Schedule XXVII, effective August 1, 1959, which is the Twenty-Fourth Revised Expanded Participating Area for the Pictured Cliffs Formation, Huerfano Unit Area, which schedule reflects the new percentages of tract participation for the Pictured Cliffs Participating Area as a result of the commitment of Tract No. 141.

Copies of this letter and Schedule XXVII are being sent to the Working Interest Owners on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Area Kandman Land Department

HG:BB:pc Enclosures Huerfano 4.1, 5.0 Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Mr. W. C. Barneburg Slick Oil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

B & M Construction Company 1374 First National Bldg. Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Bldg. Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Bldg. Oklahoma City, Oklahoma

Mr. O. J Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Corporation Post Office Box 487 Farmington, New Mexico

Anderson-Prichard Oil Corporation Liberty Bank Building Oklahoma City 2, Oklahoma Huerfano Un Working Interest Owners Pictured Cliffs Formation

Mr. J. Glenn Turner 1900 Mercantile Dallas Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Bldg. Dallas 1, Texas

Mr. C. F. Stringer 208 E. Navajo Farmington, New Mexico

Stekoll Petroleum Corporation Post Office Box 956 Dallas, Texas

Mr. R. N. Richey (2) Mr. M. J. Jordan (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City 10, Utah

Mr. J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

Mr. E. H. Pipkin Post Office Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison Post Office Box 4795 Dallas, Texas

Berenice Jeffs Post Office Box 51 Gorman, Texas

El Paso Natural Gas Products Company Luther Building El Paso, Texas

El Paso Natural Gas Company

El Paso, Jexas

August 17, 1959

REGISTERED MAIL

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

> Re: Huerfano Unit Gallup and Dakota Participating Areas San Juan County, New Mexico

Dear Mr. Anderson:

In accordance with your recent advice we have revised the percentages of tract participation for the First through the Third Dakota Expansions and the First through Fourth Gallup Expansions in view of the fact that Tract 101 has been found to have been committed to the Huerfano Unit.

We are therefore enclosing eight (8) copies each of the Schemules of participation of the Initial through the Third Expansions for the Dakota Formation and the Initial through the Fourth Expansions for the Gallup Formation with the percentages revised accordingly.

We would appreciate your placing the enclosed Schedules with our applications for the Gallup and Dakota Participating Areas which you are presently holding and destroying the Schedules originally furnished you. Upon approval by the Director we would appreciate your returning for our files four (4) approved copies of each application.

We wish to express our appreciation for your calling this matter to our attention.

By copy of this letter to the Commissioner of Public Lands of the State of New Mexico and the Oil Conservation Commission of the State of New Mexico we are furnishing one (1) copy each of said revised Schedules and request that said Schedules be included with the copies of the respective applications in their files in lieu of the Schedules originally furnished them.

> Very truly yours, DREANAL SIGNED BY HERRY GEVERTZ Harry Gevertz Area Landman C O PLYnd Department

El Paso Matural Gas Company El Paso, Texas

September 18, 1959

REGISTERED MAIL

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, Tract No. 141 T-26-N, R-9-W Section 22: NE/4 SE/4 San Juan County, New Mexico

Gentlemen:

We are enclosing for your attention one (1) copy of a Ratification and Joinder of Unit Agreement, executed by J. Glenn Turner for the purpose of committing his overriding royalty interest below the base of the Pictured Cliffs Formation under Tract No. 141 to the Huerfano Unit.

The United States Geological Survey by letter of September 2, 1959, recently approved the commitment of Tract No. 141 to the Huerfano Unit with the exception of Mr. Turner's interest as aforementioned. This Ratification will complete the full commitment of Tract No. 141 as to all depths and all interests.

This Ratification has been approved and consented to by El Paso Natural Gas Company as Unit Operator and Working Interest Cwner.

It is respectfully requested that you process the enclosed Ratification in your usual way in order that the subject tract will be completely committed to the Huerfano Unit.

Very truly yours,

Barry Earthoon, It i

Harry Gevertz Area Landman Land Department

HG:BB:pc Enclosure NM 4111 Huerfano 5.0

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Huerfano Unit Area located within the County of San Juan , State of New Mexico , in form San Juan approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

This instrument is intended to cover the following described lands only:

ADDRESS

Date:

(111) (111)	Town	nship	26	North	n, Ra	ange	9	West
	Sect	tion 2	22:	NE/4	SE/4	1		
	San	Juan	Coi	inty,	New	Mexi	icc)
				CONTRACTOR OF STREET				

1900 Mercantile Dallas Building Dallas 1. Twias	A: feer
Date: September 14, 1959	J. GLENN TURNER

Date:

APPROVEL AND CONSENTED TO: TI FASC NATURAL GAS COMPANY form the 8y -Aliorney-in-fact

Unit Operator and Working Interest Owner

SIGNATURE

STATE OF	X		
COUNTY OF	A A		
		nowledged before me this	day of
President of		9	
corporation, on behalf o	f said corporation	•	
		Notary Public	······
My Commission expires:			
STATE OF	H		
- AAAAG	Â		
COUNTY OF DALLAS	I		
	· · · · · · · · · · · · · · · · · · ·		
The foregoing		nowledged before me this 14th	day of
	, 1959 by		·
			. <u>.</u>
		Claime Im	
		Notary Public	
My Commission expires:			
June 1, 1961			
	. ,		
STATE OF	X		
COLUMNY OF	¥		
COUNTY OF	1		
The foregoing	instrument was ack	nowledged before me this	day
of	_, 1958, by		, as
attorney-in-fact on beha	lf of		•

My Commission expires:

F. C. Box 6721 Reswell. New Mexico

September 3, 1959

El Paso Batural Gas Company Cl C. Bon 1492 21 Paso, Texas

Attention: Mr. Marry Geverts

Gentlemen:

This will acknowledge receipt of the following documents relating to the Huerfano unit agreement (I-Sec. 731), San Juan County, New Maxico:

- 1. Four cepter of a Ratification and Joinder to the unit agreement and the unit operating agreement, executed by Fas American Petroleum Corporation, relating to Federal land unit tract 58 (lease SF 077931) and fee land unit tract 140. Revised Exhibit "B" (revision of June 1, 1959) shows Pan American owns the working interest under both cracts. However, it should be noted that C. V. Lyman, lesses of record under lease SF 077981 (unit tract 58), and formarly shown as working interest owner, enacuted the original unit agreement and operating agreement. Pursuant to Sec. 17 of the unit agreement, such original countment is binding on subsequent parties in interest; therefore, unit tract 58 is considered to have been effectively committed to the unit agreement since its effective date. The Ratification and Joinder of Fan American insofar as unit tract 58 is concerned, is accepted for record purposes only.
- 2-a. Four copies of a Ratification and Joinder to the unit agreement, executed by R. Bruce Sullivan and Opel H. Sullivan. Approval and Consent of El Paso Hatural Gas Company, unit operator, and Pan American Petroleum Corporation, working interest owner of unit tract 140 is affixed to each copy of the Ratification and Joinder.
- 2-b. Four copies of a Ratification and Juinder to the unit agreement, executed by Marguerite France and Ross France.

Approval and Consent of El Paso Matural Gas Company unit operator, and Pan American Petroleum Corporation, working interest owner of unit tract 140 is affined to each copy of the Ratification and Joinder.

Movised Exhibit "B" shows R. Bruce Sullivan and Marguerite Sullivan (a single woman) own the basic royalty interest in fee land unit tract 140. It is presented that Marguerite Sullivan and Marguerite France are one and the same person, and the Matification and Joinder executed by Marguerite France at ux is accepted on that premise.

By virtue of the Hetifications and Joinders listed above, fee land unit tract 140 is considered effectively committed to the Huerfane unit agreement, effective Bovenber 1, 1958, the first day of the month following filing of the Satifications and Joinders.

Copies of the Ratifications and Joinders are being distributed to appropriate Federal offices for inclusion in the official case records. It is assumed you will furnish other interested parties with appropriate evidence of this action. As four copies of each Ratification and Joinder are needed for appropriate Federal files, we are unable to return any copies to you.

Very truly yours,

JUSE A. ANDERSON Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of Joinders Farmington (w/cy of Joinders) BLM-Santa Fe (w/cy of Joindars) State Land Office, (Mrs. Rhea) (Letter only) NMOCC

In reply refer to: Unit Division

CALL OFFICE DCC

1030 AUG 15 AM 118 18

August 4, 1959

1.1.

AIR MAIL

El Paso Natural Gas Company Box 1492 El Paso, Texas

ATTENTION: Mr. T. W. Bittick

Re: Huerfano Unit Area San Juan County, New Mexico Initial Participating Area for Dakota Formation and 1st, 2nd and 3rd Revisons Thereof.

Gentlemen:

This is to advise you that the Commissioner of Public Lands has of this date, August 3, 1959, approved the above designated Participating Area for the Dakota Formation, Huerfano Unit Area, San Juan County, New Mexico, as set forth in your letter of July 16, 1959. Approval of this Participating Area and expansions, being subject to like approval being granted by the Oil Conservation Commission and the United States Geological Survey.

We are this date, August 3, 1959, forwarding the approved copies, with the exception of one, by Air Mail Attention-Mr. Barry Berkson.

Please disregard our letter of August 3, 1959 as we stated a forth revision for the Dakota Formation Participating Area and there was no forth revision submitted.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

By: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m cc: OCC- Santa Fe USGS- Roswell



DEPART FLAT OF THE INTERIOR GEOLOGICAL SURVEY P. O. Box 6721 Roswell, New Mexico

September 2, 1959

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. Harry Geverts

Gentlemen:

This will acknowledge receipt of the following documents relating to the Huerfano unit agreement (I-Sec. No. 731), San Juan County, New Mexico. All documents relate to fee land unit tract 141, described as NE4SE4 sec. 22, T. 26 N., R. 9 W., N.M.P.M.

- 1-a Five copies of a Ratification and Joinder to the unit agreement, executed by El Paso Natural Gas Company. Bevised Exhibit "B" (revision of June 1, 1959) shows El Paso Natural Gas Company holds all oil and gas rights, before payout, and 67.5% interest after payout, in fee land unit tract 141.
- 1-b Five copies of a Ratification and Joinder to the unit operating agreement, executed by El Paso Natural Gas Company, also relating to fee land unit tract 141.
- 2-a Five copies of a Ratification and Joinder to the unit agreement, executed by J. W. McConnell, Jr., as Executor of the estate of W. O. McConnell, deceased. Revised Exhibit "B" shows the estate of W. O. McConnell, deceased, and others, hold a 32.5% working interest, after payout, is fee land unit tract 141. Approval and Consant of El Paso Natural Gas Company, Unit Operator and major working interest owner of tract 141 is affixed to each copy of the Ratification and Joinder.
- 2-b Five copies of a Ratification and Joinder to the unit operating agreement, executed by J. W. McConnell, Jr., as Executor of the estate of W. O. McConnell, deceased, and approved and consented to by El Paso Natural Gas Company, also relating to fee land unit tract 141.

- 3-a Five copies of a Ratification and Joinder to the unit agreement, executed by Merbara Iraus McConnell, a widow. Revised Exhibit "B" shows Barbara Iraue McConnell and others hold a 32.5% working interest, after payout, in fee land unit tract 141. Approval and Consent of 21 Paso Natural Gas Company, Unit Operator and major working interest owner of tract 141 is affired to each copy of the Ratification and Joinder.
- 3-b Five copies of a Satification and Joindar to the unit operating agreement, executed by Barbara Irene McCosnell, a widow, and approved and consented to by El Paso Matural Gas Company, also relating to fee land unit truct 141.
- 4-a Five copies of a Ratification and Joinder to the unit agreement, executed by Barbara Ann McConnell Eruss (formarily Serbara Ann McConnell). Revised Exhibit "B" shows Barbara Ann McConnell and others hold a 32.5% working interest, after payout, in fee hand unit tract 141. Approval and consent of El Faso Matural Gas Company, Unit Operator and major working interest owner of tract 141 is affixed to each copy of the Batification and Joinder.
- 4-b Five copies of a Ratification and Joinder to the unit operating agreement, executed by Barbara Ann McConnell Bruss and approved and consented to by X1 Pase Natural Gas Company, also relating to fee land unit tract 141.
- 5. Five copies of a Ratification and Joinder to the unit agreement, executed by Mercantile National Bank at Dallas, Trustee of (1) the Elinabeth Jeanne Turner Trust, (2) the James Glams Turner, Jr., Trust, (3) the Frederick Eugene Turner Trust, and (4) the John Lee Turner Trust. Revised Exhibit "B" shows the aforementioned trusts each hold a 1.3921375% overriding royalty interest in fee land unit trust 141 only as to formations above the base of the Pictured Cliffs formation. Approval and Consent of El Paso Natural Gas Company, Unit Operator and major working interest ewner of trust 141 is affined to each copy of the Retification and Joinder.
- 6. Five copies of a Batification and Joinder to the unit agreement, encuted by James W. Woodard and Anna L. Woodard. Revised Exhibit "B" shows James W. Woodard holds a 3.093750% overriding royalty interest as to formations

2

6. (Continued)

above the base of the Pictured Cliffs formation, and a 3.47% overriding royalty interest in formations below the base of the Pictured Cliffs formation in fealand unit tract 141. Approval and Consent of El Paso Natural Gas Company, Buit Operator and major working interest owner of tract 141 is affined to each copy of the Ratification and Joinder.

- 7. Five copies of a Ratification and Jeinder to the unit agreement, executed by 0. J. Lilly and Julia B. Lilly. Revised Exhibit "B" shows 0. J. Lilly and Julia B. Lilly hold a 3.093790% overriding royalty interest in fee Land unit tract 141 as to formations above the base of the Pictured Cliffs formation, and a 3.375%, overriding royalty interest in formations below the base of the Pictured Cliffs formation.
- 8. Five copies of a Ratification and Joindar to the unit agreement, executed by Villiam G. Hebb. Revised Exhibit "B" shows William G. Webb holds a 0.618756% overriding royalty interest in fee land unit tract 141 as to formations above the base of the Pictured Cliffs formation, and a 0.775% overriding royalty interest in formations below the base of the Pictured Cliffs formation.
- 9. Five copies of a Matification and Jeinder to the unit agreement, executed by Chester K. Thompson and Eva G. Thompson. Newised Exhibit "B" shows Chester E. Thompson owns the basic royalty interest in fee land unit tract 141. Approvel and Consent of El Paso Natural Gas Company, Unit Operator and major working interest owner of tract 141 is affined to each copy of the Batification and Joinder.

By virtue of the above-listed Ratifications and Joinders, fee land unit tract 141 (MEESEE sec. 22, T. 26 H., R. 9 W., H.M.P.H.) is considered effectively consisted to the Buerfano unit agreement, effective August 1, 1959, the first day of the month following filing of the Ratifications and Joinders. It appears, however, that the overriding royalty interest in tract 141 hold by J. Glenn Turner remains uncommitted to the unit agreement. All other interests in tract 141, as shown on revised Kuhibit "B," are now committed by reason of the Ratifications and Joinders listed herein.

Copies of the Retifications and Joinders are being distributed to appropriate Federal offices for inclusion in the official case records. It is assumed you will furnish other interested parties with appropriate evidence of this action. One copy of each of the Ratifications and Joinders is surplus to our meeds and is returned herewith.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON Regional Oil and Gas Supervisor

Enclosures: 9

Copy to: Wash. (w/cyn of Joinders) Farmington (w/cys of Joinders) BLM-Santa Pe (w/cys of Joinders) State Land Office - Mrs. Rhea (ltr only) NMOCC (ltr only)

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In reply refer to: Unit Division

August 3, 1959

AIR MAIL

El Paso Natural Gas Company Box 1492 El Paso, Texas

ATTENTION: Mr. T. W. Bittick

Re: Initial and First, Second, Third and Fourth Revisions of the Participating Area, Gallup Formation, Huerfano Unit Area, San Juan County, New Maxico

Gentlemen:

This is to advise you that the Commissioner of Public Lands has of this date approved the above designated Participating Area for the Gallup Formation, Huerfano Unit Area, San Juan County, New Mexico, as set forth in your letter of July 36, 1959. Approval of this Participating Area and expansions, being subject to like approval being granted by the Oil Conservation Commission and the United States Geological Survey.

We are this date forwarding the approved copies, with the exception of one, by gir mail stiention Mr. Barry Berkson.

> Very truly yours, MERAY 5. MORGAN Commissioner of Public Lends

BY: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MAR/m cc: OCC- 6

OCC- Sents Pe UBGS- Rosvell



C.L CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

July 29, 1959

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Mr. Barry Berkson

Re: Huerfano Unit Area San Juan County, New Mexico Initial Participating Area for Dakota Formation and 1st, 2nd & 3rd Revisions Thereof.

Gentlemen:



This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area for the Dakota Formation, Huerfano Unit Area, San Juan County, New Mexico, and the 1st, 2nd, and 3rd revisions thereof, as set forth in your letter of July 16, 1959. Approval of the subject participating area and expansions is granted subject to like approval being granted by the Commissioner of Public Lands of the State of New Mexico and by the United States Geological Survey.

Approval of the Initial and Revised Participating Area shall in no way be construed as meaning that the Commission believes that the included acreage has been proven productive only by the drilling of the wells currently completed, nor shall it be construed that the Commission necessarily feels that the existing wells are effectively draining all of the acreage included in the participating area. Instead the Commission is of the opinion that geological inference along a known productive trend

CIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

-2-

is, in this case, sufficient reason to believe the subject lands reasonably proved to be productive, in accordance with Section 10 of the Huerfano Unit Agreement.

We are this date forwarding the approved copies of the participating area to the Commissioner of Public Lands of the State of New Mexico for his consideration.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/ir

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

> Regional Director, U. S. Geological Survey Roswell, New Mexico

C _ CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

July 28, 1959

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Mr. Barry Berkson

Re: Huerfano Unit Area San Juan County, New Mexico Initial Participating Area for Gallup Formation and 1st, 2nd, 3rd, and 4th Revisions Thereof.

Gentlemen:

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This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area for the Gallup Formation, Huerfano Unit Area, San Juan County, New Mexico, and the 1st, 2nd, 3rd, and 4th revisions thereof, as set forth in your letter of July 16, 1959. Approval of the subject participating area and expansions is granted subject to like approval being granted by the Commissioner of Public Lands of the State of New Mexico and by the United States Geological Survey.

Approval of the Initial and Revised Participating Area shall in no way be construed as meaning that the Commission believes that the included acreage has been proven productive only by the drilling of the wells currently completed, nor shall it be construed that the Commission necessarily feels that the existing wells are effectively draining all of the acreage included in the participating area. Instead the Commission is of the opinion that geological inference along a known productive trend C _ CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

-2-

is, in this case, sufficient reason to believe the subject lands reasonably proved to be productive, in accordance with Section 10 of the Huerfano Unit Agreement.

We are this date forwarding the approved copies of the participating area to the Commissioner of Public Lands of the State of New Mexico for his consideration.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/ir

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

Regional Director, U. S. Geological Survey Roswell, New Mexico

F.1-195

M 33 63

P. C. Box 6721 Reswell, New Maxico

July 17, 1959

El Paso Natural Gas Company
Box 1492
El Paso, Texas

Accention: Mr. Sam Smith

Gentlemen:

four plan of development dated April 15, 1959, for the Huerfano unit, San Juan County, New Mexico, for the calendar year 1959, providing for the drilling of five wells to the Dakota formation, has been approved on this date subject to like approval by the appropriate State of New Mexico officials.

Your attention is directed to the fact that the Huerfano unit agreement has been in effect since June 6, 1950; and, that of the 90 Federal leases embracing 51,514 acres committed to the unit agreement, 58 leases embracing 25,633 acres have no part of their acreage in a participating area and are extended by their commitment to a producing unit. The Huerfano agreement has no automatic elimination clause. It appears to us that timely exploration and development of the unit area as provided in section 9 of the unit agreement requires more drilling than has been done since the unit was formed.

The five Dakota wells proposed for 1959 is most certainly a minimum program. Unless circumstances different from those now existing are present in 1960, we feel that a program of at least ten Dakota wells, including three exploratory wells, should be submitted for that year, or steps be taken to contract the unit area.

The NWA and SEX sec. 30, T. 27 N., R. 10 W., appear to be subject to drainage by Pictured Cliffs wells on noncommitted acreage in the SWA and NEX sec. 30. We have heretofore discussed with you the offset situation in the Dakota-Gallup formations around sec. 34. T. 27 N., R. 10 W.

Two approved copies of the 1959 plan of development are returned herewith.

Very truly yours, Copy to: Cons. Div. Wash (w/cy plan) Farmington "Com. Pub. Land, Santa Fe (Ltr) JOHN A. ANDERSON OCC., Santa Fe (Ltr) Regional Cil and Gas Supervisor

Enclosure

MAIN OFFICE OCC 259 JUN 1.4 M 8 7 30

In reply refer to: Unit Division

June 12, 1959



El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

> Re: 1959 Plan of Development Huerfano Unit San Juan County, New Mexico

ATTENTION: Mr. Sam Smith

Gentlemen:

We are enclosing one copy of the 1959 Plan of Development for the Huerfano Unit Area, which is dated April 15, 1959. This was approved by the Commissioner of Public Lands June 12, 1959, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

It is our understanding that in addition to the five proposed Dakota wells, that you also intend to complete another dual well this year in the NW/4 of Section 17, Township 26North, Range 10West.

This well to be drilled to further verify the Gallup and Dakota Formation and if successful you will then drill a well in Section 16, Township 26-North, Range 10-West.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

M/Mris/a

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OCC- SantaFe Mr. Harry Geventz USGS- Roswell El Paso, Texas





May 19, 1959

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

ATTENTION: Mr. Sam Smith

He: Plan of Development January 1, 1959 to December 31, 1959 Huerfano Unit San Juan County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development for the period January 1, 1959 to December 31, 1959 for the Huerfano Unit San Juan 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.

One approved copy of the application is returned herewith.

Very truly yours.

A. L. PORTER, Jr., Secretary-Director

ALP/RLS/pj

Encl.

cc: State Land Office - Santa Fe, New Mexico United States Geological Survey - Roswell, New Mexico

El Pasc Natural Gas Company

El Paso, Jexas April 15, 1959

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period January 1, 1959 -December 31, 1959

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, on August 15, 1958 filed a Plan of Development for the period July 1, 1958 -December 31, 1958 which proposed the drilling of three (3) Pictured Cliffs wells and five (5) Dakota wells. Two of these Dakota wells were carried over from the July 1, 1957 to July 1, 1958 Plan of Development.

One (1) of the three (3) approved Pictured Cliffs wells on the last Plan of Development was completed as follows:

WELL NAME	LOCATION	COMPLETION DATE			
Huerfano Unit No. 100	SW/4 Sec. 22, T-26-N, R-9-W	Plugged and Abandoned 12-14-58			

The remaining two (2) Pictured Cliffs tests, Huerfano Unit No. 101 and No. 102, which were to be located in the NW/4 of Section 19, and the NW/4 of Section 29, Township 27 North, Range 10 West, respectively, were not drilled because it was estimated that spotty production in the area and high location costs would prove the drilling of these wells economically unsound.

The two (2) Dakota wells on the July 1, 1957 to July 1, 1958 Plan of Development were completed as follows:

WELL NAME	LOCATION	COMPLET ION DATE	INITIAL POTENTIAL
Huerfano Unit No. 104	SE/4 Sec. 17, T-26-N, R-10-W	11-25-58	Gallup CV 442 MCF 288 BOPD Dakota AOF 6863 MCF CV 5417 MCF
Huerfano Unit No. 105	SE/4 Sec. 29, T-27-N, R-10-W	12-11-58	Gallup AOF 2126 MCF CV 1839 MCF 571.2 BOPD Dakota AOF 4864 MCF CV 4325 MCF

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The remaining three (3) Dakota wells on the last Plan of Development were completed as follows:

were compreted as rorror	· · ·		
WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit No. 103	NW/4 Sec. 3, T-26-N, R-10-W	11-22-58	Gallup AOF 5327 MCF CV 3342 MCF 19.6 BO 3 hr. test Dakota AOF 5303 MCF CV 4460 MCF
Huerfano Unit No. 106	SE/4 Sec. 33, T-27-N, R-10-W	3-6-59	Gallup AOF 9387 MCF CV 4368 MCF Dakota AOF 2872 MCF CV 2733 MCF
Huerfano Unit No. 107	NW/4 Sec. 35, T-27-N, R-10-W	1-28-59	Gallup CV 1188 MCF 287 BOPD Dakota AOF 8376 MCF CV 5992 MCF

El Paso Natural Gas Company, as Unit Operator, hereby submits for your approval a proposed Plan of Development for the period January 1, 1959 to December 31, 1959, consisting of five (5) wells to be drilled to the Dakota Formation.

The selected locations are as follows:

DAKOTA FORMATION LOCATIONS

(1)	NW/4 Sec.	1,	26N,	10W	(4)	NW/4	Sec.	20,	26N,	9W
(2)	SE/4 Sec.	2,	26N,	10W	(5)	NW/4	Sec.	17,	26N,	10W
(3)	SE/4 Sec.	З,	26N,	10W						

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All of the working interest owners have been contacted and this drilling program reflects their wishes and proposals for the drilling program for this period. The proposed Plan of Development protects all committed lands within the unit area from drainage from outside locations. The Plan of Development as above described will, upon approval by the appropriate regulatory bodies, constitute the remaining drilling obligations to be satisfied up to and including December 31, 1959.

El Paso Natural Gas Company, as Unit Operator, intends to drill the Dakota wells to the base of the Dakota Formation using rotary tools. Surface casing of 13 3/8" will be set to the depth of approximately 150' and an intermediate string of 9 5/8" will be run through the Pictured Cliffs Formation to a depth of approximately 3200', and then Operator will run a production string of either $5\frac{1}{2}$ " or 7" casing to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing and the hole below the intermediate string of casing will be drilled in with gas. Due care will be taken to protect all horizons.

In the event evidence of commercial production is encountered in a formation lying above the base of the deepest formation tested while drilling any of the wells under this plan, Unit Operator will attempt to dually complete such well.

If this Plan of Development is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter have been sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sam Smith, Manager

Land Department

SS:BB:pc

Attachments

-3-

APPROVED:		DATE:
-	Supervisor, United States Geological Survey Subject to like approval by the appropriate State officials.	
APPROVED:	Commissioner of Public Lands	DATE:
	Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.	
APPROVED:	A.J. Peter)	DATE: 5
	Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.	

The foregoing approvals are for the Huerfano Unit Plan of Development for the period January 1, 1959 - December 31, 1959.

Western Natural Gas Company 1006 Main Street Houston 2, Texas

New Mexico Western Oil and Gas Company Post Office Box 1492 El Paso, Texas

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Mr. W. C. Barneburg Slick Oil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

Cleary Petroleum, Inc. 1374 First National Bldg. Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Bldg. Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742 - 35th Ave. San Francisco, California

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico

Benson-Montin-Greer Drilling Corporation 2808 First National Bldg. Oklahoma City, Oklahoma Huerfano Unit Working Interest Owners

Mr. J. Glenn Turner 1900 Mercantile Dallas Bldg. Dallas 1, Texas

Mr. Albert R. Greer $405\frac{1}{2}$ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Bldg. Dallas 1, Texas

Mr. C. F. Stringer 208 East Navajo Farmington, New Mexico

Oroco Oil and Gas Company 65 East Fourth, South Salt Lake City, Utah

Mr. R. N. Richey (2) Mr. M. J. Jordan (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City 10, Utah

Mr. J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

Mr. E. H. Pipkin Post Office Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison Post Office Box 4795 Dallas, Texas

Bernice Jeffs Post Office Box 310 Gorman, Texas

El Paso Natural Gas Company

El Paso, Jexas

July 16, 1959



Director United States Geological Survey Department of the Interior Washington 25, D. C.

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF INITIAL AND FIRST, SECOND AND THIRD REVISIONS OF THE PARTICIPATING AREA FOR THE DAKOTA FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Initial and First, Second and Third Revisions of the Participating Area for the Dakota Formation, to wit:

	Initial	Participating	Area	-	Effective	27 th	day	of	June.	1958	
--	---------	---------------	------	---	-----------	-------	-----	----	-------	------	--

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	
Sec. 7: All	648.21

This proposed Initial Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on March 2, 1958, of Huerfano Unit Well #92 (Dual, Gallup-Dakota) located in the SE/4 NW/4 of Section 7, Township 26 North, Range 9 West, with an initial production of 1652 mcf from the Dakota Formation at a depth of 6715' to 6910'. The effective date of this Initial Participating Area shall be June 27, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactoy gauge was not obtained on the completion date of the Huerfano Unit #92 Well. First Revision - Effective 1st day of September, 1958

Description of Land	s <u>Acreage</u>
T-26-N, R-10-W, N.M	.P.M.
Sec. 1: S/2	320.00
Sec. 2: All	638,52
Sec. 3: N/2	318,36
Sec. 12: N/2	320.00
T-27-N, R-10-W, N.M	.P.M.
Sec. 33: E/2	320,00
Sec, 34: All	640.00
Sec. 35: W/2	320.00

This proposed First Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on July 17, 1958 of Huerfano Unit Well #99 (Dual, Gallup-Dakota) located in the NW/4 NW/4 of Section 2, Township 26 North, Range 10 West, with an initial potential of 2327 mcf from the Dakota Formation at a depth of 6816' to 6908'. The effective date of this First Revision shall be September 1, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano Unit Well #99. This proposed First Revision is also predicated upon the knowledge and general information obtained from the Weaver-Brown-McAdams Wells Nos. 1, 2, 3 and 4, located in Section 34, Township 27 North, Range 10 West, which wells are discussed in Exhibit "A" included herewith.

Second Revision - Effective 1st day of January, 1959

Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M. Sec. 4: NE/4	159.65
T-27-N, R-10-W, N.M.P.M.	
Sec. 29: E/2	320.00
Sec. 32; NE/4	160.00
Sec. 33: W/2	320.00

This proposed Second Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on November 22, 1958 of Huerfano Unit Well #103 (Dual, Gallup-Dakota) located 990' from the North line and 1650' from the West line of Section 3, Township 26 North, Range 10 West, with an initial potential of 4460 mcf from the Dakota Formation at a depth of 6880' to 7000'. This proposed Second Revision was also predicated on the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on December 11, 1958 of Huerfano Unit Well #105 (Dual, Gallup-Dakota) located 800' from the South line and 680' from the East line of Section 29, Township 27 North, Range 10 West, with an initial potential of 4325 mcf from the Dakota Formation at a depth of 6276' to 6406'. The effective date of the Second Revision shall be January 1, 1959, pursuant to Section 10 of the Unit Agreement, based upon the test dates of December 17, 1958 and December 30, 1958.

Third Revi	ision -	Effective	lst	day	of	March,	1959
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Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M.	
Sec. 16: W/2	320.00
Sec. 17: E/2	320.00
Sec. 20: NE/4	160.00
Sec. 21: NW/4	160,00
T-27-N, R-10-W, N.M.P.M.	
Sec. 35: E/2	320,00

This proposed Third Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on November 25, 1958, of Huerfano Unit Well #104 (Dual, Gallup-Dakota) located 990' from the South line and 990' from the East line of Section 17, Township 26 North, Range 10 West, with an initial potential of 5417 mcf from the Dakota Formation at a depth of 6516' to 6636'. This proposed Third Revision is also predicated upon the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on January 28, 1959 of the Huerfano Unit Well #107 (Dual, Gallup-Dakota) located 1460' from the North line and 1180' from the West line of Section 35, Township 27 North, Range 10 West, with an initial potential of 5992 mcf from the Dakota Formation at a depth of 6934' to 7007'. The effective date of the Third Revision shall be March 1, 1959, based upon the test date of February 12, 1959.

The Huerfano Unit Well #106 (Dual, Gallup-Dakota) located 1562' from the South line and 1830' from the East line of Section 33, Township 27 North, Range 10 West, and completed on March 5, 1959, with an initial potential of 2733 mcf from the Dakota Formation at a depth of 5720' to 5756' did not prove up any additional acreage hereto.

In support of this application the following exhibits are made a part hereof:

EXHIBIT "A"

Geological Report in quadruplicate on the Initial and First, Second and Third Revisions of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "B"

Structural Contour Map.

EXHIBIT "C"

Ownership Map reflecting the boundaries of the Unit and the proposed Initial and First, Second and Third Revisions of the Dakota Participating Area. Attached herewith are Schedules I through IV showing the lands entitled to participation in the unitized substances produced from the Dakota Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Initial and First, Second and Third Revisions of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By 1. 4.

T. W. Bittick Assistant Manager Land Department

TWB: BKB: c	ch		
APPROVED:	: John C. Reel DATE	SEP 1 5 1959	
A met	Dipector, United States Geological Survey		
Amirg	Subject to like approval by the appropriate		
	State officials.		
APPROVED:		S: <u>-incurst 3, 17 5 7</u>	/
	Commissioner of Public Lands	, , ,	
	Subject to like approval by the United State	es Geological	
	Survey and the Oil Conservation Commission.		
APPROVED	: (DATI	3: <u>/ / / / //</u>	
	Oil Conservation Commission		
	Subject to like approval by the United State	c Ceological	

Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

The foregoing approvals are for the Initial and First, Second and Third Revisions of the Participating Area for the Dakota Formation, effective June 27, 1958, September 1, 1958, January 1, 1959 and March 1, 1959, respectively, under the Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico.

El Paso Natural Gas Company ERVATION DIVISIO RECEIVED El Paso, Jexas AUG 31 1959 July 16, 1959 ELLOGICAL SU

Director United States Geological Survey Department of the Interior Washington 25, D.C.

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

1059 1. Y

Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE INITIAL AND FIRST, SECOND, THIRD AND FOURTH REVISIONS OF THE PARTICI-PATING AREA FOR THE GALLUP FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Initial and First, Second, Third and Fourth Revisions of the Participating Area for the Gallup Formation, to wit:

Initial Participating Area - Effective 20th day of June, 1958

Description of Lands	Acreage
T-26-N, R=9-W, N.M.P.M.	
Sec. 7: N/2	324.05

This proposed Initial Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on March 2, 1958, of Huerfano Unit Well #92 (Dual, Gallup-Dakota) located in the SE/4 NW/4 of Section 7, Township 26 North, Range 9 West, with an initial production of 1460 mcf from the Gallup Formation at a depth of 6114° to 6148°. The effective date of this Initial Participating Area shall be June 20, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano Unit #92 Well.

HUERFANO UNIT GALLUP-DAKOTA FORMATIONS WORKING INTEREST OWNERS

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Cleary Petroleum, Inc. 1374 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corp. 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly P. O. Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. J. W. McConnell, Jr. Executor of Estate of W. O. McConnell, Deceased P. O. Box 102 Lone Wolf, Oklahoma

Berenice Jeffs P. O. Box 51 Gorman, Texas Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. C. F. Stringer 208 E. Navajo Farmington, New Mexico

Stekoll Petroleum Corporation P. O. Box 956 Dallas Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Western Natural Gas Company 1006 Main St. Houston 2, Texas

Mr. E. V. Hewitt Pan American Petroleum Corporation P. O. Box 1410 Fort Worth, Texas

Slick Oil Corporation 1030 Bank of the Southwest Building Fouston 2, Texas

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	
Sec. 6: SW/4	163.93

T-26-N, R-10-W, N.M.P.M. Sec. 1: S/2, NW/4

N/2

T=27-N, R=10-W, N.M.P.M.

2:

Sec. 3: N/2

Sec. 33: E/2

Sec.

Sec. 34: All 640,00 Sec. 35; W/2, SE/4 480,00 This proposed First Revision of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on July 17, 1958, of Huerfano Unit Well #99 (Dual. Gallup-Dakota) located in the NW/4 NW/4 of Section 2, Township 26 North: Range 10 West, with an initial potential of 7563 mcf from the Gallup Formation at a depth of 6122' to 6146'. The effective date of this First Revision shall be September 1, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano Unit #99 Well, This proposed First Revision is also predicated upon the knowledge and general information obtained from the Weaver-Brown-McAdams Wells Nos, 1, 2, 3 and 4, located in Section 34, Township 27 North, Range 10 West, which wells are discussed in Exhibit "A" included herewith.

479.61

318,52

318,36

320.00

Second Revision = Effective 1st day of February, 1959

Description of Lands	Acreage
T=26-N R=10=N N.M.P.M. Sec. 4: NE/4	159,65
T=27-N R=10-W N.M.P.M. Sec. 29: SE/4 Sec. 32: NE/4 Sec. 33: NW/4	160,00 160,00 160,00

This proposed Second Revision of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on November 22, 1958; of Huerfano Unit Well #103 (Dual, Gallup-Dakota) located 990' from the North line and 1650' from the West line of Section 3, Township 26 North, Range 10 West, with an initial potential of 3342 mcf from the Gallup Formation at a depth of 6241' to 6265', with 19.6 bbls. of oil on a three hour test. This Second Revision is also predicated upon the knowledge and information obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on December 11, 1958, of Huerfano Unit Well #105 (Dual, Gallup-Dakota) located 800' from the South line and 680' from the East line of Section 29, Township 27 North, Range 10 West, with an initial potential of 1839 mcf from the Gallup Formation at a depth of 5614' to 5666' with 71.4 bbls. of oil on a three hour test. The effective date of this Second Revision shall be February 1, 1959, pursuant to Section 10 of the Unit Agreement based upon the test dates of January 8, 1959 and January 27, 1959, respectively.

Third Revision - Effective 1st day of March, 1959

Description of LandsAcreageT-26-N, R-10-W, N.M.P.M.Sec. 17: SE/4160.00

This proposed Third Revision of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on November 25, 1958 of Huerfano Unit Well #104 (Dual, Gallup-Dakota) located 990' from the South line and 990' from the East line of Section 17, Township 26 North, Range 10 West, with an initial production of 442 mcf from the Gallup Formation at a depth of 5580' to 5600', with 288 bbls. of oil on a 24 hour test. The effective date of this Third Revision shall be March 1, 1959, pursuant to Section 10 of the Unit Agreement, based upon a test date of February 19, 1959.

Fourth Revision - Effective 1st day of April, 1959

Description of Lands Acreage

T-27-N, R-10-W, N.M.P.M. Sec. 33 SW/4 160.00

This proposed Fourth Revision of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on March 6, 1959, of Huerfano Unit Well #106 (Dual, Gallup-Dakota) located 1562' from the South line and 1830' from the East line of Section 33, Township 27 North, Range 10 West, with an initial potential of 4368 mcf at a depth of 5720' to 5756' from the Gallup Formation. The effective date of this Fourth Revision is April 1, 1959, pursuant to Section 10 of the Unit Agreement based upon a test date of March 13, 1959.

The completion of the Huerfano Unit Well #107 (Dual, Gallup-Dakota) located 1460' from the North line and 1180' from the West line of Section 35, Township 27 North, Range 10 West, on January 28, 1959, with an initial potential of 691 mcf and 287 bbls. of oil on a 24 hour test from the Gallup Formation did not prove up any additional acreage hereto.

In support of this application the following Exhibits are made a part hereof:

EXHIBIT "A"

Geological Report in quadruplicate on the Initial and First, Second. Third and Fourth Revisions of the Gallup Participating Area in the Huerfano Unit.

-3-

EXHIBIT "B"

Cross-Section Map of the Gallup Formation.

EXHIBIT "C"

Structural Contour Map.

EXHIBIT "D"

Ownership Map reflecting the boundaries of the Unit and the proposed Initial and First, Second, Third and Fourth Revisions of the Gallup Participating Area.

Attached to this application are Schedules I through V showing the lands entitled to participation in the unitized substances produced from the Gallup Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Initial and First, Second, Third and Fourth Revisions of the Gallup Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Sill the By

T. W. Bittick Assistant Manager Land Department

TWB: BKB: ch

APPROVED: John C. Reel	DATE: SEP 1 5 1959	
Acting Director, United States Geological		
Subject to like approval by the app	propriate State Officials.	
APPROVED: Commissioner of Public Lands Subject to like approval by the Uni and the Oil Conservation Commission		1959
APPROVED: Oil Conservation Commission Subject to like approval by the Uni and the Commissioner of Public Land		

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The foregoing approvals are for the Initial and First, Second, Third and Fourth Revisions of the Participating Area for the Gallup Formation, effective June 20, 1958, September 1, 1958, February 1, 1959, March 1, 1959, and April 1, 1959, respectively, under Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico. HUERFANO UNIT GALLUP-DAKOTA FORMATIONS WORKING INTEREST OWNERS

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Cleary Petroleum, Inc. 1374 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corp. 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly P. O. Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. J. W. McConnell, Jr. Executor of Estate of W. O. McConnell, Deceased P. O. Box 102 Lone Wolf, Oklahoma

Berenice Jeffs P. O. Box 51 Gorman, Texas Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. C. F. Stringer 208 E. Navajo Farmington, New Mexico

Stekoll Petroleum Corporation P. O. Box 956 Dallas, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Western Natural Gas Company 1006 Main St. Houston 2, Texas

Mr. E. V. Hewitt Pan American Petroleum Corporation P. O. Box 1410 Fort Worth: Texas

Slick Oil Corporation 1030 Bank of the Southwest Building Houston 2, Texas

El Paso Matriral Gas Company El Paso; Fexas July 10, 1959

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area Tract #141 Township 26 North, Range 9 West Section 22: NE/4 SE/4 San Juan County, New Mexico

Gentlemen:

We are enclosing for your attention thirteen (13) sets of instruments described as follows:

- (1) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by El Paso Natural Gas Company as working interest owner.
- (2) Copy of Ratification and Joinder of Unit Accounting Agreement covering the subject tract executed by El Paso Natural Gas Company as working interest owner.
- (3) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by
 J. W. McConnell, Jr., as Executor of the Estate of W. O. McConnell, Deceased, as a carried working interest owner.
- (4) Copy of Ratification and Joinder of Unit Accounting Agreement covering the subject tract executed by J. W. McConnell, Jr., as Executor of the Estate of W. O. McConnell, Deceased, as a carried working interest owner.
- (5) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by Barbara Irene McConnell, a widow, as a carried working interest owner.

- (6) Copy of Ratification and Joinder of Unit Accounting Agreement covering the subject tract executed by Barbara Irene McConnell, a widow, as a carried working interest owner.
- (7) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by Barbara Ann McConnell Bruss as a carried working interest owner.
- (8) Copy of Ratification and Joinder of Unit Accounting Agreement covering the subject tract executed by Barbara Ann McConnell Bruss as a carried working interest owner.
- (9) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by Mercantile National Bank at Dallas, Trustee of the Elizabeth Jeanne Turner Trust, the James Glenn Turner, Jr., Trust, the Frederick Eugene Turner Trust, and the John Lee Turner Trust, as an overriding royalty interest owner.
- (10) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by James W. Woodard, et ux, as an overriding royalty interest owner.
- (11) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by O. J. Lilly, et ux, as an overriding royalty interest owner.
- (12) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by William G. Webb as an overriding royalty interest owner.
- (13) Copy of Ratification and Joinder of Unit Agreement covering the subject tract executed by Chester E. Thompson, et ux, as a royalty owner.

The above instruments are submitted in order to effectively commit the subject tract to the Huerfano Unit. The above Ratifications represent all interest owners in said tract and each instrument has been approved and consented to by El Paso Natural Gas Company as Unit Operator.

It is respectfully requested that you process the enclosed Ratifications in your usual way in order that the subject tract will be effectively committed to the Huerfano Unit Agreement and Huerfano Unit Accounting Agreement. Please ignore that part of the description contained in William G. Webb's Ratification referring to the E/2 of Section 24 since this acreage is not within the Huerfano Unit Area.

Very truly yours,

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Harry Gevertz Area Landman Land Department

HG:BB:nl Enclosures

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NM 4111 Huerfano 5.0

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Huerfanc Unit Area located within the County of , State of <u>New Mexico</u> , in form San Juan approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

> This instrument is intended to cover the following described lands only: <u>ADDRESS</u> Township 26 North, Range 9 West <u>Section 22: NE/4 SE/4</u> San Juan County, New Mexico

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EL PASO NATURAL GAS COMPANY By: DW . HOWELL Attorney-in-Fact

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RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

This instrument is intended to cover the following described lands only:

ADDRESS

Township 26 North, Range 9 West Section 22: NE/4 SE/4 Sam Juan County, New Mexico

SIGNATURE

EL PARO NATURAL GAS COMPANY 50.

Date: March 30, 1959

Date:_____

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RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development Unit Area located within the County of and Operation of the Huerfano San Juan , State of <u>New Mexico</u>, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

This instrument is intended to cover the following described lands only:

Township 26 North, Range 9 West SIGNATURE ADDRESS Section 22: NE/4 SE/4 San Juan County, New Mexico ESTATE OF W O MCCONNELL DECEASED Date: Q. (2) m-BY: J/W. MCCONNELL, JR., AS ÉXECUTOR OF THE ESTATE OF W. O. MCCONNELL, DECEASED Date: Date: APPROVED AND CONSENTED TO: EL PASO NATURAL GAS COMPANY By my Attorney-in-fact

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RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

This instrument is intended to cover the following described lands only:

ADDRESS

Township 26 North, Hange V West Section ME: NH/4 SH/4 San Juan County, New Mexico

SIGNATURE

BETATE OF V. O. MCCONNELL, DECEASED

Date:_____

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Date:

APPROVED AND CONSENTED TQ: EL PASO NATURAL GAS COMPANY By Itorney-in-fact

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RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development Unit Area located within the County of and Operation of the Huerfano San Juan , State of <u>New Mexico</u>, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands , in form or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

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This instrument is intended to cover the following described lands only:

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Attorney-in-fact Unit Operator and Working Interest Owner

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RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

This instrument is intended to cover the following described lands only:

ADDRESS Township 26 North, Range 9 West Section 22: NE/4 SE/4 San Juan County, New Mexico

meti BARBARA IRENE McCONNELL, a widow

SIGNATURE

Date:_____

APPROVED AND CONSENTED TO: FL PASO NATURAL GAS COMPANY By Attorney-in-fact

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RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano</u> Unit Area located within the County of , in form , State of <u>New Mexico</u> San Juan approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

> This instrument is intended to cover the following described lands only: SIGNATURE

ADDRESS

Date:

Date:

Township 26 North, Range 9 West Section 22: NE/4 SE/4 San Juan County, New Mexico

Detachment Squadron,			Postal Francisco,	Calif.
Date: 19 J1	me]	959		

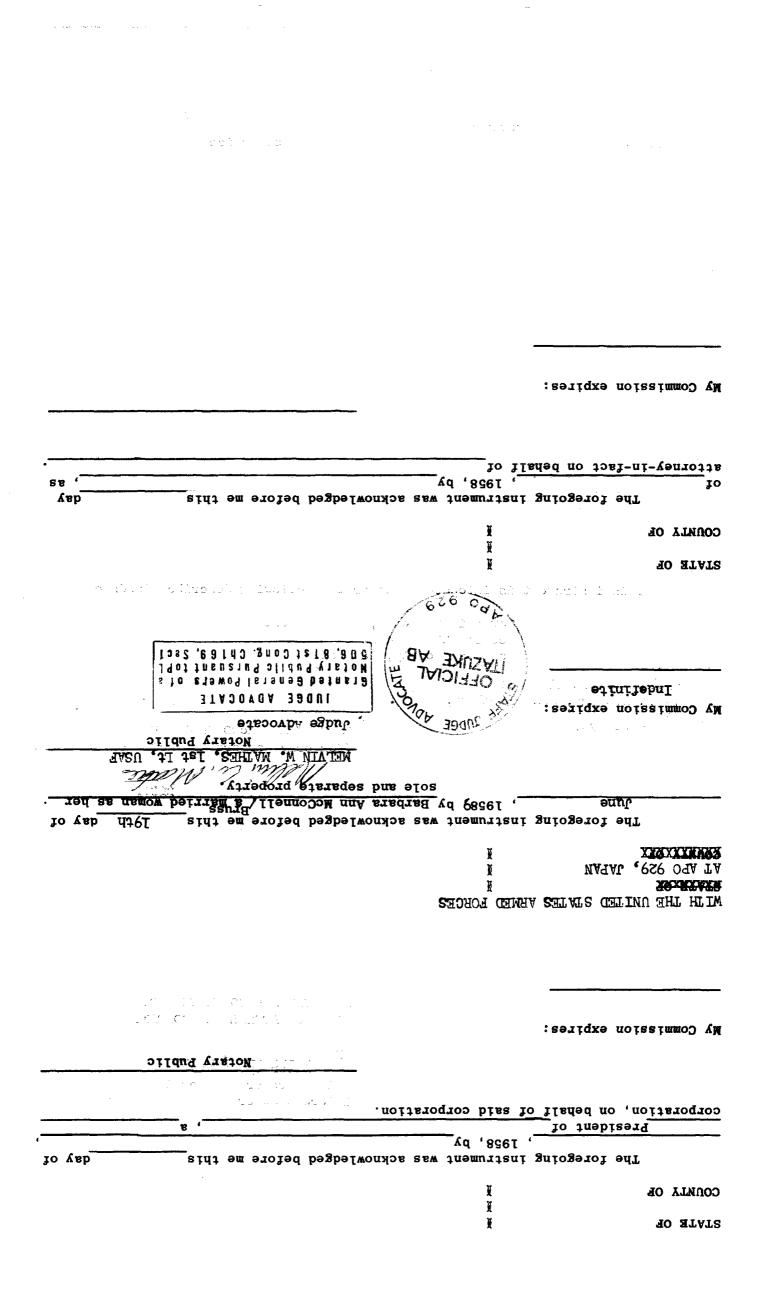
ornell Duss Julara Un

BARBARA ANN MCCONNELL BRUSS (formerly Barbara Ann McConnell)

XXXXXXX

APPROVED AND CONSENTED TO: EL PASO NATÚRAL GAS COMPANY

By - int Attorney in Fact



RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFAND UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

This instrument is intended to cover the following described lands only:

ADDRESS

Township 26 North, Range 9 West Section 12: NE/4 88/4 San Juan County, New Maxiee

SIGNATURE

Detachment 14, 1st Air Festal Squadron, AHO 929, San Prancisco, California

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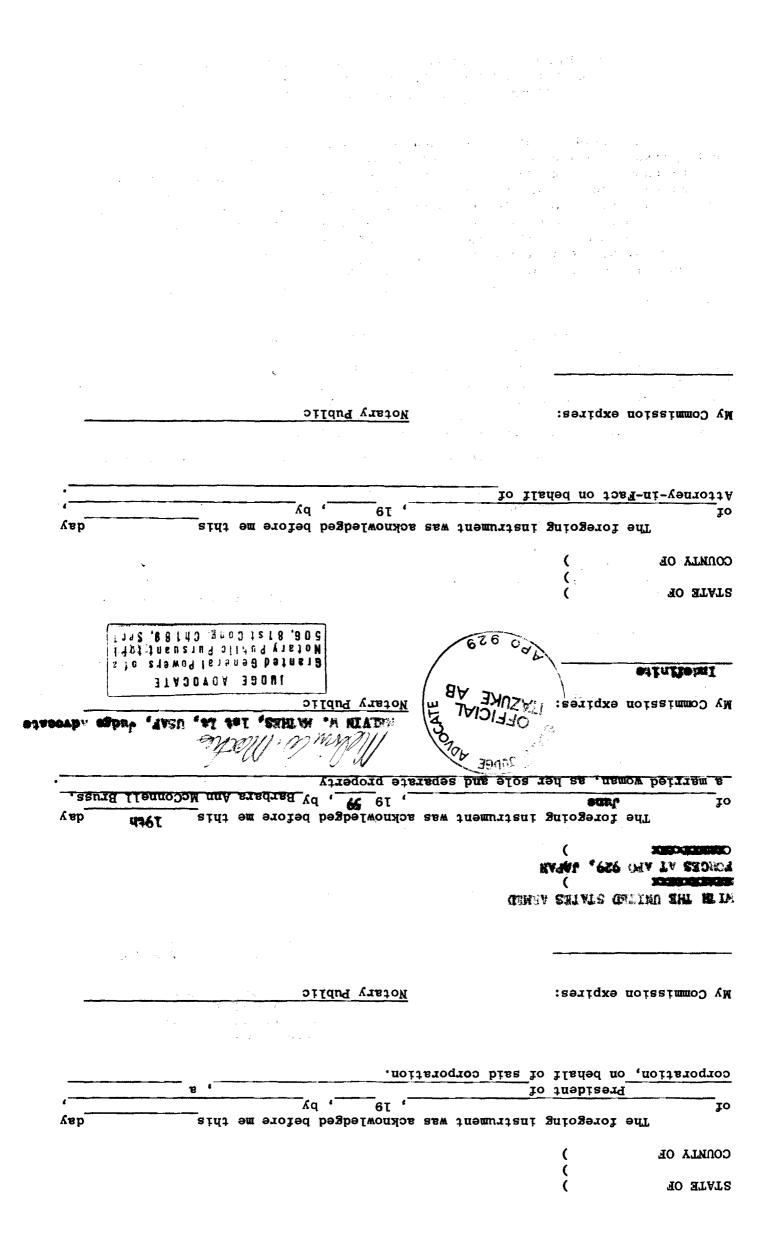
(formerly Barbara Ann McCounell)

Date: 19 June 1959

Date:

APPROVED AND CONSENTED TO: EL PASO MATURAL CAS CONDAINS

Atterney in Fast



In consideration of the execution of the Unit Agreement velopment and Operation of the **Huerfano** Unit for the Development and Operation of the , State of New San Juan Area located within the County of Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and produc-ing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (which-ever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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ADDRESS

SIGNATURE

P. O. Box 5415	MERCANTILE NATIONAL BANK AT DALLAS,
Dallas 22, Texas	Trustee of the Elizabeth Jeanne Turner Trust, the James Glenn Turner, Jr., Trust, the Frederick
Date:	Lee Turner Trust (TAS-2312 a,b,c,d) By Alan Muth
ATTEST: Assistant Cashier	Trust Officer This instrument is intended to cover the <u>following described lands only:</u> Township 26 North, Range 9 West Section 22: NE/4 SE/4 San Juan County, New Mexico
Date: Augustz, 1955	
	AFPROVED AND CONSENTED TO: EL PASO NATURATE GAS COMPANY By Attorney-In-fact
	Unit Operator and Working Interest Owner

COUNTY OF DALLAS)	
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	was signed and sealed in behalf of said
lean Smi	of its board of directors, and said acknowledged said instrument to be
the free act and deed of	said corporation.
IN WITNESS WHEN	REOF, I have hereunto set my hand and
affixed my official seal first above written.	the day and year in this certificate
inst above written.	
My commission expires:	tose denir ROSE HEJNY
	Notary Fublic in and for
My Commission Profess June 1, 1957	Dallas V County,
	State of Texas
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) SS COUNTY OF On this appeared his wife, to me known to executed the foregoing in they executed the same as My commission expires: STATE or STATE or On this personally appeared to me known to be the per- foregoing instrument, and	day of, 195, before me , be the persons described in and who nstrument, and acknowledged to me that s their free act and deed.

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

This instrument is intended to cover the following described lands only:

STONATURE

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<u>Algorita</u>	San Juan County,	New Mexico Diona	TORE
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Courses and the	2 low que	- ana	L. Woodard
		Anna	L. Woodard
	44		

Township 26 North, Range 9 West

Section 22: NE/4 SE/4

Date: July 12, 1955

Date:____

APPROVED AND CONSENTED TO:	ſ	1
EL PASO NATURAL GAS COMPANY	110	for a set
By Attorney-in-fact	A.	

Unit Operator and Working Interest Owner STATE OF) SS.: COUNTY OF)

_____day of _____, 195____, before me appeared On this____ 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 NEW MEXICO) SS.: SAN JUAN **COUNTY** OF On this 12th day of July, 195 5, before me appeared Anna L. Woodard James W. Woodard and his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed. My Commission expires: La Freda Juge Evans 5-17-58 Notary Public in and for San Juan State of New Mexico ____County, STATE OF SS.: COUNTY OF _____, 195____, before me personally On this _____day of ____ _, a single person, to me known to be appeared_ the person described in and who executed the foregoing instrument, and acknowledged to me that ______ he executed the same as ______ free act and deed. My Commission expires: Notary Public in and for County, State of___

andra da antes Regiones Regiones de la compositiones Regiones de la compositiones

In consideration of the execution of the Unit Agreement for the Development and Operation of the Huerfano Unit Area located within the County of San Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

This instrument is intended to cover the following described lands only:

ADDRESS Box 135	Township 26 North, Ra Section 22: NE/4 SE/4 San Juan County, New	4 STONATUDE
Farmington, New Merter		OJATA
·	, 	Jucia B. diely
Date: 1022-27	1975	Julia B. Lilly
,		
Date:		
		APPROVED AND CONSENTED TO EL PASO NATURAL GAS COMPANY By Attorney-In-fact

Unit Operator and Working Interest Owner

STATE OF)	
COUNTY OF) SS.:	
	, 195, before me appeared
by me duly sworn, did say that he is the	that the seal affixed to said instrument , and that said instrument was signed
seal the day and year in this certificate	ounto set my hand and affixed my official a first above written.
My Commission expires:	
	Notary Public in and forCounty,
	State of
O. J. Lilly and his wife, to me known to be the persons of going instrument, and acknowledged to me and deed. My Commission expires:	
<u>March 15,</u> 1958	Notary Public in and for San Juan County, State of New Mexico
STATE OF)) SS.: COUNTY OF)	
	, 195, before me personally , a single person, to me known to be the foregoing instrument, and acknowledged me asfree act and deed.
My Commission expires:	
	Notary Public in and forCounty, County,

In consideration of the execution of the Unit Agreement for the Huerfano Unit Development and Operation of the Area located within the County of____ <u>San Juan</u> State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined. ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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ADDRESS	SIGNATURE
	(ilians
	As to overriding royalty interest under the following lands only:
Date:	Township 26 North, Range 9 West, N.M. P.M.
	Section 22: NE/4 SE/4 Section 24: E/2
	containing 360 acres, more or less.
Date:	APPROVED AND CONSENTED TO:
	EL PASO NATURAL GAS COMPANY
	By Attorney-in-fact
	Unit Operator and Working Interest Owner

STATE OF		
COUNTY OF	SS. :	
On this		, 195, before me appeared
by me duly sworn, did a	ay that he is the	_, to me personally known, who, being President of
and sealed in behalf of	f said corporation, said corporation by	hat the seal affixed to said instrument and that said instrument was signed y authority of its board of directors, acknowledged said instrument to be
IN WITNESS WI seal the day and year i		ato set my hand and affixed my official first above written.
My Commission expires:		
*** *******		Notary Public in and for
		County, State of
STATE OF		
COUNTY OF	SS.:	
On this	_day of	, 195, before me appeared
his wife, to me known t	and to be the nersons de	scribed in and who executed the fore-
		hey executed the same as their free act
My Commission expires:		
		· •
		Notary Public in and for
		County,
STATE OF TEXAS		
COUNTY OF DALLAS	SS.:	
On this 22	d day of June	, 195 <u>5</u> , before me personally
the person described in	and who executed the	, a single person, to me known to be he foregoing instrument, and acknowledged as bia bia bia bia
My Commission expires:		
June 1, 1957		Cand Land to and
		ELLEN DONIHOO Notary Public in and for
		Notary Public in and for Dellas County, State of Texas
		MUGIN UL TRANS

STRATE OF	
SS.:	
COUNTY OF)	
On this day of	, 195, before me appeared
	· · ·
by me duly sworn, did say that he is the	
is the corporate seal of said corporation and sealed in behalf of said corporation	by authority of its board of directors
and saidthe free act and deed of said corporation	acknowledged said instrument to be
- · · · ·	
IN WITNESS WHEREOF, I have here seal the day and year in this certificate	ounto set my hand and affixed my offic officiate first above written.
My Commission expires:	
an anneration out and	
48 8 - 2011 - 201 - 0011 - 0011 - 20	
	Notary Public in and for County,
	State of
STATE OF Colored)	
COUNTY OF La Plata	
CONTRACT OF LA FLASE)	
On this <u>6th</u> day of hay	, 1952, before me appeared
	Eva G. Thempson escribed in and who executed the fore- they executed the same as their free
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed.	Eva G. Thempson escribed in and who executed the fore- they executed the same as their free
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed.	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Machlicin C
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed.	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Motary Public in and for Le Place County,
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed.	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free <u>MacKliin</u> Notary Public in and for <u>Le Place</u> County,
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed.	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free <u>MacKliin</u> Notary Public in and for <u>Le Place</u> County,
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 19,1961 	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Motary Public in and for Le Place County,
On this <u>6th</u> day of <u>Hay</u> <u>Chester F. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 19,1961	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Motary Public in and for Le Place County,
On this <u>6th</u> day of <u>Hay</u> <u>Chester R. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 19,1961 	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Machine Count Notary Public in and for <u>In Place</u> State of <u>Colorado</u>
On this <u>6th</u> day of <u>Hay</u> <u>Chester E. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Ceteber 19,1961 	Eve G. Thempson hescribed in and who executed the fore- they executed the same as their free Motary Public in and for
On this <u>6th</u> day of <u>Hay</u> <u>Chester R. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 19,1961 	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free <u>MacKlan</u> Notary Public in and for <u>A Plata</u> County, State of <u>Calarado</u> , a single person, to me known to the foregoing instrument, and acknowledge
On this <u>6th</u> day of <u>Hay</u> <u>Chester E. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 17,1961 	Eve G. Thempson lescribed in and who executed the fore- they executed the same as their free Motary Public in and for <u>A Plata</u> County, State of <u>Calarado</u> , a single person, to me known to the foregoing instrument, and acknowledge
On this <u>6th</u> day of <u>Hay</u> <u>Chester E. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 19,1961 	Eve G. Thempson tescribed in and who executed the fore- they executed the same as their free Motary Public in and for <u>AACKEE</u> Notary Public in and for <u>State of Colorado</u> , 195, before me personal , a single person, to me known to the foregoing instrument, and acknowled
On this <u>6th</u> day of <u>Hay</u> <u>Chester E. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 17,1961 	Eve C. Thempson lescribed in and who executed the fore- they executed the same as their free a <u>MacMic C.</u> Notary Public in and for <u>A Plata</u> County, State of <u>Calarado</u> , 195, before me personal , a single person, to me known to the foregoing instrument, and acknowle as asfree act and deed.
On this <u>6th</u> day of <u>Hay</u> <u>Chester E. Thompson</u> and his wife, to me known to be the persons d going instrument, and acknowledged to me and deed. My Commission expires: Cotober 17,1961 	Eve G. Thempson hescribed in and who executed the fore they executed the same as their free Mathic Concerns Notary Public in and for <u>Le Plate</u> County, State of <u>Calarado</u> , a single person, to me known to the foregoing instrument, and acknowl

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In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> State of

State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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Township 26 North, Range 9 West

San Juan County, New Mexico

Section 22: NE/4 SE/4

This instrument is intended to cover the following described lands only:

ADDRESS

2330 Delwood Que, Durango, Colo. Date: May 6-1958

2330 Delwood Goe,

Durango, Colo. Date: May 6-1958

allan. Alle

APPROVED AND CONSENTED TO: EL PASO NATURAL GAS COMPANY

amilliu

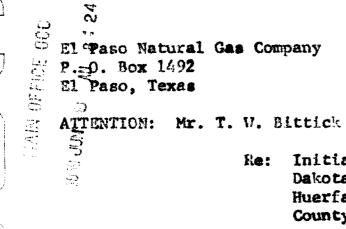
E Va. q. Thompson

Unit Operator and Working Interest Owner

Attorney-in-fact

In reply refer to: Unit Division

June 5, 1959



: Initial and First Revised Dakota Participating Area, Huerfano Unit, San Juan County, New Mexico

Gentlemen:

We are enclosing six copies of the Initial and First Revised Participating Area, for the Dakota Formation, dated May 14, 1959.

These participating areas are approved by the Commissioner of Public Lands June 5, 1959, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m cc:

OCC- Santa Fe USGS-Roswell

In reply refer to: Unit Division

FI- 115

June 5, 1959

El Paso Natural Gas Company R. O. Box 1492 El Paso, Texas

AETENTION: Mr. T. W. Bittick

Re: Initial and First Revised Gallup Participating Area Huerfano Unit San Juan County, New Mexico.

Gentleman:

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We are enclosing six copies of the Initial and First Revised Gallup Participating Area, Huerfano Unit, San Juan County, New Mexico, dated May 14, 1959.

These participating areas were approved by the Commissioner of Public Lands June 5, 1959, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m cc: OCC

OCC-Santa Fe USGS-Roswell

C._ CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

June 1, 1959

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

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ATTENTION: Mr. T. W. Bittick

RE: Initial and First Revised Gallup Participating Area Huerfano Unit San Juan County, New Mexico. V

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial and First Revised Gallup Participating Area for the Huerfano Unit San Juan 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.

Seven approved copies of the application have been forwarded to the State Land Office.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/RLS: 1g

cc: US Geological Survey - Roswell State Land Office - Santa Fe

In reply refer to: Unit Division

May 25, 1959

FI-

El Paso Natural Gas Company El Paso, Texas

> Re: 1959 Plan of Development Huerfano Unit Area San Juan County, New Mexico

ATTENTION: Mr. Sam Smith

Gentlemen:

We have received your Plan of Development for the Huerfano Unit Area and wish to call your attention to Well No. 104, which is a dual Gallup Dakota in the SE/4 of Section 17, Township 26-North, Range 10-West and was completed November 1958.

What are your intentions concerning the drilling of the W/2 of Section 16, Township 26-North, Range 10-West during 1959.

Your 1959 Plan of Development does not propose any Pictured Cliff wells. May we have your reason for not drilling Pictured Cliff wells in Section 36, Township 26N, Range 10-West.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m cc: OCC- Santa Fe USGS- Roswell

V

El Paso Natural Gas Company

El Paso, Texas

May 14, 1959

Director United States Geological Survey Department of the Interior Washington 25, D.C.

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE INITIAL AND FIRST REVISION OF THE PARTICIPATING AREA FOR THE GALLUP FORMATION

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Initial and First Revision of the Participating Area for the Gallup Formation, to wit:

Initial	Participating	Area -	Effective	20th	day	of	June,	1958
	Description	of Lan	ls	A	crea	ge		
	T-26-N, R-9 Section 7:	•	.P.M.	3	24.0	5		

This proposed Initial Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on March 2, 1958, of Huerfano Unit Well #92 (dual Gallup - Dakota), located in the SE/4 NW/4 of Section 7, Township 26 North, Range 9 West, with an initial production of 1460 m.c.f. from the Gallup Formation at a depth of 6114' to 6148'. The effective date of this Initial Participating Area shall be June 20, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano #92 Well.

First Revision - Effective 1st day of September, 1958

Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M.	
Section 1: S/2	320.00
Section 2: N/2	318.52
T-27-N, R-10-W, N.M.P.M.	
Section 34: All	640.00
Section 35: S/2	320.00

This proposed First Revision of the Participating Area for the Gallup Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on July 17, 1958, of Huerfano Unit Well #99 (dual Gallup-Dakota), located in the NW/4 NW/4 of Section 2, Township 26 North. Range 10 West, with an initial potential of 7563 m.c.f. from the Gallup Formation at a depth of 6122' to 6146'. The effective date of this First Revision shall be September 1, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano #99 Well.

In support of this application the following exhibit is made a part hereof and will be forwarded under separate cover:

EXHIBIT "A"

Geological Report in quadruplicate on the Initial and the First Revision of the Gallup Participating Area in the Huerfano Unit.

Enclosed herewith and made a part of this application is an ownership map reflecting the boundaries of the Unit Area and the proposed Initial and First Revision of the Gallup Participating Area.

Also enclosed are schedules showing the lands entitled to participation in the unitized substances produced from the Gallup Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Initial and First Revision of the Gallup Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files. Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By

T. W. Bittick Assistant Manager Land Department

TWB:BB:pc

cc: Attached Sheet

APPROVED:		DATE:
	Director, United States Geological Survey	an na an a
	Subject to like approval by the appropriate	
	State Officials.	
APPROVED:		DATE:
	Commissioner of Public Lands	Ear A L EU VER () Eventen II. European () Eventen II. European ()
	Subject to like approval by the United States	
	Geological Survey and the Oil Conservation	
	Commission.	
APPROVED:		DATE:
	Oil Conservation Commission	Callerate and an and the second s
	Subject to like approval by the United States	
	Geological Survey and the Commissioner of	
	Public Lands.	

The foregoing approvals are for the Initial and First Revision of the Participating Area for the Gallup Formation, effective June 20, 1958 and September 1, 1958, respectively, under Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico. O._ CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

F,1e 195

June 1, 1959



El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

ATTENTION: Mr. T. W. Bittick

Re: Initial and First Revised Dakota Participating Area, Huerfano Unit, San Juan County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial and First Revised Dakota Participating Area, for the Huerfano Unit, San Juan 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.

Seven approved copies of the application have been forwarded to the State Land Office.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/RLS/pj

State Land Office - Santa Fe, New Mexico GC : United States Geological Survey - Roswell, New Mexico

El Paso Natural Gas Company

El Paso, Texas

May 14, 1959

Director United States Geological Survey Department of the Interior Washington 25, D.C.

Comm:ssioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico APPLICATION FOR APPROVAL OF THE INITIAL AND FIRST REVISION OF THE PARTICIPATING AREA FOR THE DAKOTA

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, pursuant to the provisions of Section 10 thereof, respectfully submits for your approval the following selection of lands to constitute the Initial and First Revision of the Participating Area for the Dakota Formation, to wit:

FORMATION

Initial Participating Area - Effective 27th day of June, 1958

Description of Lands	Acreage
T-26-N, R-9-W, N.M.P.M.	648.21
Section 7: All	648.21 Total Acres

This proposed Initial Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on March 2, 1958, of Huerfano Unit Well #92 (dual Gallup - Dakota), located in the SE/4 NW/4 of Section 7, Township 26 North, Range 9 West, with an initial production of 1652 m.c.f. from the Dakota Formation at a depth of 6715' to 6910'. The effective date of this Initial Part:cipating Area shall be June 27, 1958, pursuant to Section 10 of the Unit Agreement,

If the hereinabove selection of lands to constitute the Initial and First Revision of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files. and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano #92 Well.

First Revision - Effective 1st day of September, 1958

Description of Lands	Acreage
T-26-N, R-10-W, N.M.P.M.	
Section 1: S/2	320.00
Section 2: All	638.52
Section 3: N/2	318.36
Section 12: $N/2$	320.00
T-27-N, R 10 W, N.M.P.M.	
Section 34: All	640.00
Section 35: W/2	320.00

This proposed First Revision of the Participating Area for the Dakota Formation is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Huerfano Unit Agreement on July 17, 1958 of Huerfano Unit Well #99 (dual, Gallup-Dakota), located in the NW/4 NW/4 of Section 2, Township 26 North, Range 10 West, with an initial potential of 2327 m.c.f. from the Dakota Formation at a depth of 6816' to 6908'. The effective date of this First Revision shall be September 1, 1958, pursuant to Section 10 of the Unit Agreement, and such date is based upon the test date since a satisfactory gauge was not obtained on the completion date of the Huerfano #99 Well.

In support of this application the following exhibits are made a part hereof and will be forwarded under separate cover:

EXHIBIT "A"

Geological Report in quadruplicate on the Initial and the First Revision of the Dakota Participating Area in the Huerfano Unit.

EXHIBIT "B"

Structural Contour Map of the Dakota Formation in the Huerfano Unit.

Enclosed herewith and made a part of this application is an ownership map reflecting the boundaries of the Unit Area and the proposed Initial and First Revision of the Dakota Participating Area.

Also enclosed are schedules showing the lands entitled to participation in the unitized substances produced from the Dakota Formation with the percentage of participation of each lease or tract indicated thereon.

If the hereinabove selection of lands to constitute the Initial and First Revision of the Dakota Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy hereof for our files. Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

it toule By

T. W. Bittick Assistant Manager Land Department

TWB:BB:pc

cc: Attached Sheet

APPROVED:		DATE :
-	Director, United States Geological Survey Subject to like approval by the appropriate State Officials.	
APPROVED:	Commissioner of Public Lands	DATE:
	Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.	
APPROVED:	<u>Allen</u>	DATE:
	Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.	

The foregoing approvals are for the Initial and First Revision of the Participating Area for the Dakota Formation, effective June 27, 1958 and September 1, 1958, respectively, under the Huerfano Unit, I Sec. No. 731, San Juan County, New Mexico. HUERFANO UNIT GALLUP - DAKCTA FORMATIONS WORKING INTEREST OWNERS

New Mexico Western Natural Gas Company Post Office Box 1492 El Paso, Texas

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth, South Salt Lake City, Utah

Cleary Petroleum, Inc. 1374 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corp. 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. (). J. Lilly P. O. Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Western Natural Gas Company 1006 Main Street Houston 2, Texas Berenice Jeffs P. O. Box 310 Gorman, Texas

Pan American Petroleum Corporation P. O. Box 1714 Albuquerque, New Mexico

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. C. F. Stringer 208 E. Navajo Farmington, New Mexico

Stekoll Petroleum Corporation 1100 Mercantile Continental Building Dallas, Texas

Mr. J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased P. O. Box 102 Lone Wolf, Oklahoma

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation P. O. Box 1410 Fort Worth, Texas

Slick Oil Corporation 1030 Bank of the Southwest Building Houston 2, Texas

IN REPLY REFER TO:



UNITED STATES DEPARTMENT OF THE INTERIOR

F.1. C 1.4.

P. O. Box 6721 Roswell, New Mexico

October 21, 1958

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Mr. Sam Smith

Gentlemen:

Your plan of development dated August 15, 1958, for the Huerfano unit area, I-Sec. No. 731, San Juan County, New Mexico, covering the period July 1, 1958 through December 31, 1958, has been approved on this date subject to like approval by appropriate officials of the State of New Mexico.

Two approved copies of the plan of development are enclosed.

Very truly yours,

7 . A server

EDWIN M. THOMASSON Acting Oil and Gas Supervisor

Enclosures 2

Copy to: Washington (w/cy of plan) Farmington (w/cy of plan) NMOCC, Santa Fe (ltr only) Comm. Public Lands, Santa Fe (ltr only)

El Paso Natural Gas Company: El Paso, Texas

October 6, 1958

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area Tracts No. 58 and 140 San Juan County, New Mexico

Gentlemen:

We are enclosing herewith for your attention three (3) sets of instruments described as follows:

- One (1) copy of Ratification and Joinder of Unit Agreement covering Huerfano Unit Tracts #58 and #140, executed by Pan American Petroleum Corporation as working interest owner.
- (2) One (1) copy of Ratification and Joinder of Unit Agreement covering Huerfano Unit Tract #140, executed by Marguerite Frame, et vir, as royalty owners.
- (3) One (1) copy of Ratification and Joinder of Unit Agreement covering Huerfano Unit Tract #140, executed by R. Bruce Sullivan, et ux, as royalty owners.

These instruments were drawn by Pan American Petroleum Corporation in order to effectively commit the subject tracts to the Huerfano Unit. Said ratifications have been approved and consented to by El Paso Natural Gas Company as Unit Operator.

It is respectfully requested that you process the enclosed ratifications in your usual way in order that the aforementioned tracts will be effectively committed to the Huerfano Unit Agreement and Huerfano Unit Accounting Agreement.

Very truly yours, Harry Øevertz

Area Landman Land Department

HG:BB:jr Enclosures

cc: Mr. Ben R. Kee Pan American Petroleum Corporation

RATIFICATION AND JOINDER OF UNIT AGREEMENT AND UNIT ACCOUNTING AGREEMENT

In consideration of the execution of the Unit Agreement and the Unit Accounting Agreement for the Development and Operation of the Huerfano Unit Area, County of San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, and in consideration of the execution or ratification by other working interest owners of the contemporary Unit Operating Agreement which relates to said Unit Agreement, the undersigned owner of those certain oil and gas leases covering land located in San Juan County, New Mexico, as follows, to-wit:

Pan American Lease No. 170370:

Lessor:	United States of America
Lessee:	C. V. Lyman
Dated:	July 1, 1947
Serial Number:	Santa Fe 077981
Description:	N/2 NE/4 and SW/4 NE/4 Section 22, T-26-N, E-10-W, N.M.P.M.

Pan American Lease No. 170387-A:

Lessor:	R. Bruce Sullivan and wife, Opal H. Sullivan			
Lessee:	Pan American Petroleum Corporation			
Dated:	September 12, 1957			
Recorded:	Book 351, page 85, Records of San Juan County, New Maxico			
Description:	S/2 NE/4, N/2 SE/4, SE/4 SE/4 of Section 21; W/2 SW/4, SW/4 NW/4 Section 22, T-26-N, R-10-W, N.M.P.M.			

Pan American Lease No. 170387-B:

Lessor:	Marguerite Frame and husband, Ross Frame
Lesseet	Pan American Petroleum Corporation
Dated:	September 12, 1957
Recorded:	Book 351, page 87, Records of San Juan County, New Mexico
Description:	S/2 NE/4, N/2 SE/4, SE/4 SE/4 of Section 21; W/2 SW/4, SW/4 NW/4 of Section 22, T-26-N, R-10-W, N.M.P.M.

hereby consents to the inclusion of said lands within the said Unit Agreement, approves and adopts the terms of said Unit Agreement and Unit Accounting Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative, agrees that the term of said leases are extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement and Unit Accounting Agreement, agrees that the drilling, development, and producing requirements of said leases and other contracts relating thereto shall be deemed fully performed by the performance of the provisions of said Unit Agreement and Unit Accounting Agreement, and agrees that payment for or delivery of oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the above described lands regardless of actual production therefrom shall constitute full performance of all such obligations to the undersigned existing under said leases.

For a like consideration, the undersigned doeshereby expressly ratify, approve, adopt, confirm and join in said Unit Operating Agreement to the extent of the undersigned's leasehold interest in the above described lands, and agrees to be governed by all the terms and provisions thereof as a working interest owner, as fully to all intents and purposes as though the undersigned had originally executed said Unit Operating Agreement and all counterparts thereof.

This Ratification and Joinder of Unit Agreement and Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned and their assigns or successors in interest.

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the undersigned.

EXECUTED this 18th day of Aug ten be 1958.

APTEST: PAN AMERICAN PE CORPORATION Attorney-in-fact sistant Secretary APPROVED AND CONSENTED TO: EL PASO NATURAL GAS COMPANY - 2 -ET III Attorney-in-fact Unit Operator

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS/COMPANY

Hy_____Vice President

UNIT OPERATOR

THE STATE OF TEXAS)) COUNTY OF TARRANT)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on this, the day and year first above written.

My Commission Expires:

6-1-59

Notary Public in and for Tarrant County, Texas

In consideration of the execution of the Unit Agreement for the Development and Operation of the HUERFANO UNIT Area located within the County of San Juan. State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

3/2 NE/4, N/2 SE/4, SE/4 SE/4 Section 21; W/2 SW/4, SW/4 NW/4 Section 22-all in 26N-10W

ADDRESS

P. O. Box 1178

Durango, Colorado

Late:____

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SIGNA	TURE
PRon	- novillistan
Qual	R. Bruce Sullivan
/	Opal H. Sullivan

Date:	
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HY	na halte
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PAN AMARICAN PETHULEUM CURPURATION

Appi	roved and	Consented	tos	for the
^{ay} _		Y-IN-FACT		- INT
PAN		Petroleum Interest		ATTON TO

APPROVED AND CONSENTED TO: EL PASO NATURAL GAS COMPANY By Attorney-in-fact STATE OF COLOFICION NARRAN: COUNTY OF LE FILLE: COUNTY OF LE FILLE: Con this **LEAK** day of **LEAK**, MARKAN, before me appeared **LEAK** day of **LEAK**, MARKAN, before me appeared **LEAK** day of **LEAK**, 19**58**

and said <u>siveneral</u> acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

6-1-59

months 7. Notary Public in and for

_County, TARRAN TEXAS State of

STATE OF Celoredo) COUNTY OFLA claim) SS.:

On this 1sth day of any Lourage, 195 7 , before me appeared

e. grace allivan and Opal B. sullivan

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

:eb. 3, 1958 💡

m

Notary Public in and for <u>de Clata</u> County, State of Colorado

STATE OF)	SS.:						
COUNTY OF		>							
	On	this	day of		195	, before	me	personal	lly
appeared the person to me that			and who executed the	ted the fore	going in		and	l acknow	
My Commiss	sior	r expires:							

Notary Public in and for_____

State of____

County,

In consideration of the execution of the Unit Agreement for the at and Operation of the MUZAFANO UNIT Development and Operation of the _____ Area located within the County of _____ 3an Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the pro-duction allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS

3/2 NE/4, N/2 SE/4, SE/4 Section 21; W/2 SN/4, SN/4 NM/4 Section 22-all in 26%-10W

SIGNATURE

Nancos, Colorado	Mande i - Zarra
	Sarguerite Frame
	and the second
Cate:/12/5/	ices Frans
)ate:	
Attest to:	Approved and Consented to:
W Malte	By Stewarth
PAN AMERICAN PETROLEUM COMPURATION	PAN AMERICAN PETROLEUM CORPORATION/ Working Interest Amer
	APPROVED AND CONSENTED TO:
	FI PASO NATURAL GAS COMPANY

Alata Diversion

Attorney-In-fact

STATE OF TEXAS)) SS.: COUNTY OF TARGENT

On this 5th day of Jule, 195 , before me appeared

E. W. SEWICH, to me personally known, who, being by me duly sworn, did say that he is the <u>President of ATTORNEY IN FACT</u> <u>The ANDESIGAN PETROLUCE COMPORATION</u> 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 <u>by W. Scalf</u> acknowledged said instrument to be

the free act and deed of said corporation.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

____b-1-59

Le.	Alle	Ture	e site
Notary	1		,

TARRANT County, TEXAS State of

STATE OF COLOREDO)) SS.: COUNTY OF LA PLATA)

On this 19 day of _____, 1957___, before me appeared

<u>Herguerite</u> and <u>Ross Frame</u> his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

Ostober 2, 1960

Notary	Public	in	and	for County,
State	of			- ····

STATE OF))	67 .
COUNTY OF		SS.:

On this _____day of _____, 195____, before me personally

appeared______, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that_____he executed the same as______free act and deed.

My Commission expires:

Notary	Public	in	and	for
				County,
State of	of			

In reply refer to: Unit Division

September 26, 1958

VFILe 195

El Paso Natural Gas Company El Paso, Texas

A H TH TICE COC

. 512 E. G 31 30

Re: Huerfano Unit Plan of Development July 1, 1958-Dec. 31, 1958

ATTENTION: Mr. Sam Smith

Gentlemen:

We are enclosing one copy of the Plan of Development for the Herfano Unit Area, for the period July 1, 1958 through December 31, 1958.

This Plan was approved by the Commissioner of Public Lands September 25, 1953.

This office is requesting that your 1959 program include some drilling on state acreage within the Huer-Fano Area.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

3Y:

Ted Bilberry, Supervisor Oll and Gas Division

MEM/MMX/m cc: OCC-Santa Pe USGS- Roswell

In reply refer to: Unit Division

September 26, 1958

V-16 0000 195

El Paso Natural Gas Company El Paso, Texas

AND OF FICE CICC

1 1 SEP 121 EN 8 : 38

Re: Huerfano Unit Plan of Development July 1, 1958-Dec. 31, 1958

ATTENTION: Mr. Sam Smith

Gentlemen:

We are enclosing one copy of the Plan of Development for the Herfano Unit Area, for the period July 1, 1958 through December 31, 1958.

This Plan was approved by the Commissioner of Public Lands September 25, 1958.

This office is requesting that your 1959 program include some drilling on state acreage within the Huerfano Area.

> Very truly yours, MURRAY E. MORGAN Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor Oil and Gas Division

MEM/MMR/m cc: OCC-Santa Fe USGS- Roswell

CIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

=,. ,94

September 29, 1958

El Paso Natural Gas Company El Paso, Texas

ATTENTION: Mr. Sam Smith

Re: Plan of Development for period July 1, 1958 to December 31, 1958 Huerfeno Unit, San Juan County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development for the Period July 1, 1958 to December 31, 1958 for the Huerfano Unit San Juan 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.

One approved copy of the application is returned herewith.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

/19

cc: Land Office, Santa Fe, New Mexico USG Survey, Roswell, New Mexico El Paso Natural Gas Company

El Paso, Texas

August 15, 1958



Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period July 1, 1958 -December 31, 1958

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, on September 4, 1957 filed a Plan of Development for the period July 1, 1957 - July 1, 1958 which proposed the drilling of eight (8) Pictured Cliffs wells and four (4) Dakota wells.

Seven (7) of the eight (8) approved Pictured Cliffs wells on the last Plan of Development have been completed as follows:

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit No. 77	SE/4 Sec. 30, 27N, 10W	P&A	
Huerfano Unit No. 93	NW/4 Sec. 22, 26N, 9W	12-9-57	AOF 3829 MCF CV 3077 MCF
Huerfano Unit No. 94	SE/4 Sec. 22, 26N, 9W	12-22-57	AOF 1085 MCF CV 1060 MCF
Huerfano Unit No. 95	SE/4 Sec. 26, 26N, 9W	P&A	

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit No. 96	SE/4 Sec. 33, 27N, 10W	P&A	
Huerfano Unit No. 97	NW/4 Sec. 16, 26N, 9W	12-15-57	AOF 4581 MCF CV 3512 MCF
Huerfano Unit No. 98	SE/4 Sec. 16, 26N, 9W	12-12-57	AOF 3084 MCF CV 2654 MCF

The remaining Pictured Cliffs location in the NW/4 of Section 30, Township 27 North, Range 10 West was not drilled because of the probability of a dry hole based upon the results obtained from drilling the Huerfano #77 Well; and it is the desire of the Unit Operator and working interest owners to delete this well from the program.

Two (2) of the four (4) Dakota wells on the last Plan of Development have been drilled as follows:

WELL NAME	LOCATION	COMPLETION DATE	REMARKS
Huerfano Unit No. 92	NW/4 Sec. 7, 26N, 9W	3-2-58	This well awaiting re-work before being shut-in for final gauge.
Huerfano Unit No. 99	NW/4 Sec. 2, 26N, 10W	7-18-58	This well is in the process of final test.

The remaining two (2) Dakota wells on the last Plan of Development were not drilled before this date because of the time required to re-work, test and evaluate the Huerfano #92 and #99 Wells, which wells are still awaiting additional re-work and final test. These two (2) Dakota wells will be commenced immediately upon the following locations:

> SE/4 Sec. 29, 27N, 10W SE/4 Sec. 17, 26N, 10W

El Paso Natural Gas Company, as Unit Operator, hereby presents for your approval a proposed Plan of Development for the period July 1, 1958 to December 31, 1958, consisting of three (3) wells to be drilled to the Pictured Cliffs Formation and three (3) wells to be drilled to the Dakota Formation.

The selected locations are as follows:

PICTURED CLIFFS FORMATION LOCATIONS

NW/4 Sec. 19, 27N, 10W
 NW/4 Sec. 29, 27N, 10W
 SW/4 Sec. 22, 26N, 9W

-2-

DAKOTA FORMATION LOCATIONS

SE/4 Sec. 33, 27N, 10W
 NW/4 Sec. 35, 27N, 10W
 NW/4 Sec. 3, 26N, 10W

All of the working interest owners have been contacted and this drilling program reflects their wishes and proposals for the drilling program for this period. The proposed Plan of Development protects all committed lands within the unit area from drainage from outside locations. The Plan of Development as above described will, upon approval by the appropriate regulatory bodies, constitute the remaining drilling obligations to be satisfied up to and including December 31, 1958.

El Paso Natural Gas Company, as Unit Operator, intends to drill all the above listed Pictured Cliffs wells to the base of the Pictured Cliffs Formation using rotary and cable tools. Surface casing will be set to approximately 100' from the surface, and then a production string of $5\frac{1}{2}$ " casing will be set through the Pictured Cliffs Formation. Mud will be used in drilling through the Pictured Cliffs Formation and cable tools will be used for completion work. The entire Pictured Cliffs Formation will be subjected to a hydraulic fracturing process. Due care will be taken to protect all horizons.

El Paso Natural Gas Company, as Unit Operator, intends to drill the Dakota wells to the base of the Dakota Formation using rotary tools. Surface casing of 13 3/8" will be set to the depth of approximately 150' and an intermediate string of 9 5/8" will be run through the Pictured Cliffs Formation to a depth of approximately 3200', and then Operator will run a production string of either $5\frac{1}{2}$ " or 7" casing to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing and the hole below the intermediate string of casing will be drilled in with gas. Due care will be taken to protect all horizons.

In the event evidence of commercial production is encountered in a formation lying above the base of the deepest formation tested while drilling any of the wells under this plan, Unit Operator will attempt to dually complete such well.

If this Plan of Development is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter have been sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

mith B∳ : Sam Smit

Manager Land Department

SS:BB:jr Attachments APPROVED :

DATE :

Supervisor, United States Geological Survey Subject to like approval by the appropriate State officials.

APPROVED:

DATE :

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

ett APPROVED :

DATE: Sept 29, 1948

Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

The foregoing approvals are for the Huerfano Unit Plan of Development for the Period July 1, 1958 - December 31, 1958.

New Mexico Western Oil and Gas Company P. O. Box 1492 El Paso, Texas

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth South Salt Lake City, Utah

Slick Oil Corporation 1030 Bank of the Southwest Building Houston 2, Texas

Montin-Benson Corporation 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation P. O. Box 1410 Fort Worth, Texas Huerfano Unit Working Interest Owners

Mr. R. E. Beamon 346 Esperson Building Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 1900 Mercantile Dallas Building Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

Oroco Oil and Gas Company 65 East Fourth South Salt Lake City, Utah

Anderson-Prichard Oil Corporation Liberty Bank Building Oklahoma City 2, Oklahoma

Mr. E. H. Pipkin P. O. Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison P. O. Box 4795 Dallas, Texas

Mr. R. N. Richey (2)
Mr. M. A. Ehrlich (1)
Pacific Northwest Pipeline Corporation
P. O. Box 1526
Salt Lake City 10, Utah

(continued)

Huerfano Unit Working Interest Owners (cont'd.)

~

Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico

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.....

J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

. -

El Paso Matural Gas Company

1838 A.J. El Paso, Texas August 25, 1958

new for the heart

Dil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area, Tract #17 San Juan County, New Mexico

Gentlemen:

We are enclosing herewith one (1) copy of Ratification and Joinder of Unit Agreement executed by Alec Henry Bartlett and Emily Maria Bartlett, his wife.

In our letter to you of April 17, 1958 we tendered for your approval Ratifications executed by Pan American Petroleum Corporation as working interest owner of Tract #17.

Pan American has requested that we submit for your approval the enclosed Ratification in order to expedite and insure the effective commitment of said tract to the Huerfano Unit.

You will note that said Ratification has been approved by Pan American as working interest owner and El Paso as unit operator.

It is respectfully requested that you process the enclosed Ratification in your usual way in order that the aforementioned tract will be effectively committed to the Huerfano Unit.

Area Landman Land Department

HG:BKB:pc Enclosure cc: Mr. Joe Durkee Pan American Petroleum Corp. P. O. Box 1714 Albuquerque, New Mexico Huerfano 5.0 Huerfano Tr. 17

RATIFICATION AND JOINDER OF UNIT SERVICENT

1958 AUG In consideration of the execution of the Unit Agreensnt for the it and Operation of the HUERFAND UNIT ted within the County of **San Juan**, State of Development and Operation of the Area located within the County of **San Jush**, State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

NE/4 Section 35-27N-10W, containing 160 acres, more or less and

APPROV

ADDRESS

2468 Hearst Avenue

Oakland 2, California

Date:

2468 Hearst Avenue

Oakland 2, California

Date:

232 ACCEPTED, AND CONSENTED TO this , 1958. day of PAN AMERICAN PETROLEUM CORPORATION,

in Fact

Working Interest Owner

Attorney

Omily Buily Maria Bartlett

APPROVED AND CONSENTED TO:
EL PASO HATUGAD GAS CLIMANY
EyAttorney-in-Fact
UNIT OPERATOR

Rentlett

SIGNATURE

÷.

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.

SS.:

IN WITNESS WHEREOF, I have bereunto 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 California, COUNTY OF a lameda SS.:

On this 13 day of *Movember*, 1957, before me appeared Alec Henry Bartlett and Emily Maria Bartlett

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires: My Commission Expires Aug. 11, 1961

anna L. Regm

Notary Public in and for______ Alameda _____County, State of Californi

3

STATE OF)) SS .:	
COUNTY OF)	
On this	day of	, 195, before me personally
the person described	in and who executed ·	, a single person, to me known to be the foregoing instrument, and acknowledged a asfree act and deed.
My Commission expire	s:	
		Notary Public in and forCounty,
		State of

C.L CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

August 15, 1958

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Mr. Harry Gevertz

Re: Plan of Development for the period July 1, 1957 - July 1, 1958, Huerfano Unit San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Gil Conservation Commission has this date approved the Plan of Development for the period July 1, 1957 - July 1, 1958 for the Huerfano Unit San Juan 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 Plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr., Secretary - Director

ig

cc: U. S. Geological Survey, Roswell, New Mexico Commissioner of Public Lands, Santa Fe El Paso Matural Gas Company El Paso, Texas September 4, 1957

h port

Mr. John A. Anderson United States Geological Survey Post Office Box 6721 Roswell, New Mexico

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period July 1, 1957-July 1, 1958

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, filed a Drilling Program for the calendar year 1956 on June 7, 1956. This Drilling Program proposed the drilling of thirty-four (34) Pictured Cliffs wells in the Huerfano Unit. Nine (9) Pictured Cliffs wells of the thirty-four (34) wells were approved by the three (3) regulatory bodies. On September 18, 1956, an Amended Plan of Development was submitted proposing the drilling of twenty-five (25) Pictured Cliffs wells in the Huerfano Unit and constituted our drilling program for the remainder of the calendar year 1956. This Plan of Development was approved by the Commissioner of Public Lands on October 1, 1956, the Supervisor of the United States Geological Survey on October 1, 1956, and the Cil Conservation Commission on October 29, 1956.

The nine (9) wells on the 1956 Drilling Program which were approved have been completed as follows:

WELL NAME	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano Unit No. 65	NW/4 Sec. 5, 26N, 10W	8-8-56	AOF-2961 MCF CV-2325 MCF
Huerfano Unit No. 66	SE/4 Sec. 6, 26N, 10W	8-4-56	AOF-382 MCF CV-380 MCF

	-2-	COMPLETION	initial Potential
WELL NAME	LOCATION	DATE	
Huerfano Unit No. 67	NW/4 Sec. 6, 26N, 10W	7-31-56	AOF-5632 MCF CV-3567 MCF
Huerfano Unit No. 78	NW/4 Sec. 31, 27N, 10W	8-11-56	AOF-4080 MCF CV-2991 MCF
Huerfano Unit No. 79	SE/4 Sec. 31, 27N, 10W	8-21-56	AOF-365 MCF CV-364 MCF
Huerfano Unit No. 85 Huerfano Unit No. 86 Huerfano Unit No. 87 Huerfano Unit No. 88	NE/4 Sec. 11, 26N, 10W NE/4 Sec. 9, 25N, 10W SE/4 Sec. 13, 26N, 10W SE/4 Sec. 22, 26N, 10W	PSEA	

Of the twenty-five (25) wells on the Amended Plan of Development, twenty-one (21) wells have been completed as follows:

S maye been and		COMPTETION	T 2/13: 1 2:02
	LOCATION	DATE	POTENTIAL
WRLF WANTE	Contraction of the local distance of the loc		
	NW/4 Sec. 12, 26N, 9W	11-13-56	AOF-241 MCF
Huerfano Unit No. 51	NW/4 Sec. 12, 2011, 04		CV-241 MCF
		77 0 A	
Huerfano Unit No. 53	SE/4 Sec. 21, 26N, 9W NE/4 Sec. 27, 26N, 9W	11-14-56	AOF-593 MCF
Huerfano Unit No. 55	NE/4 Sec. Mr. Loui,		CV-589 MCF
	SW/4 Sec. 26, 26N, 9W	11-7-56	AOF MCF
Huerfano Unit No. 57	SW/4 Sec. 26, 20N, 9W	11 . 00	CV-432 MCF
_	NW/4 Sec. 26, 26N, 9W	11-7-56	AOF-1205 MCF
Huerfano Unit No. 58	NW/4 Sec. 26, 26N, 9W	TF 0 00	CV-1152 MCF
	NE/4 Sec. 26, 26N, 9W	11-9-56	AOF-1663 MCF
Huerfano Unit No. 59	NE/4 Sec. 26, 26N, 9W	11-2-00	CV-1602 MCF
-			
Huerfano Unit No. 61	NW/4 Sec. 3, 26N, 10W		AOF-2555 MCF
Huerfano Unit No. 62	SE/4 Sec. 4, 26N, 10W	11-29-50	CV-2388 MCF
			AOF-8390 MCF
Huerfano Unit No. 63	NW/4 Sec. 4, 26N, 10W	11-21-20	CV-4272 MCF
Unanfono Unit No. 64	SE/4 Sec. 5, 26N, 10W	12-18-56	AUF-LIS MOL
			CA-112 WCT
Humford Unit No. 69	SE/4 Sec. 8, 26N, 10W	P & A	LOR 1699 MCF
Hueriano Unit No. 30	SE/4 Sec. 8, 26N, 10W NW/4 Sec. 8, 26N, 10W	12-4-56	AUN-1000 MCF
Hueriano Unit No. 10			CV-1522 MCF
to the Unit No. 71	NW/4 Sec. 9, 26N, 10W	12-11-56	AUF-2117 MCF
Hueriano Unit No. 11	and a second		CV-1895 MCF
W. stars Unit No. 74	SW/4 Sec. 19, 27N, 100	N 12-4-56	AUF-4025 MCF
Hueriano unit no. 11		مريدين. مي	ev-3523 MCF
- Unit No. 75	SE/4 Sec. 29, 27N, 10	W 1-3-57	AOF-119 MCF
Hueriano Unit No. 70			
That No. 80	SE/4 Sec. 32, 27N, 10	W 11-29-56	
Huerfano Unit No. 50		\sim	1. CV-2955 MCF 1.
	NW/4 Sec. 32, 27N, 10		AOF-2128 MCF
Huerfano Unit NO. 81			CV-1917 MCF
	NW/4 Sec. 33, 27N, 10	W 12-11-56	AOF-1250 MCF
Huerfano Unit No. 82	Nu/ 1 beet er,		
N	SE/4 Sec. 36. 27N. 11	W 12-11-56	AOF-2549 MCF
Huerfano Unit No. 84	SE/4 Sec. 36, 27N, 11 NE/4 Sec. 29, 27N, 10	\sim \sim \sim \sim	CP-2194 MCF
	NE/4 Sec. 29. 27N. 10	DW 12-10-56	AOF-140 MCF
unerfano Unit NO. 83	NE/4 Dec: 20,,		CV-139 MCF
) NW/4 Sec. 35, 27N, 10	DW 11-29-56	AOF-842 MCF
Huerfano Unit No. 90	, Multi Deet del - 30		CV-818 MCF

-2-

The remaining four approved locations were not drilled, due either to title difficulties or the probability of a dry-hole based on the results obtained from the drilling of the Huerfano #69 Well

After completion of this 1956 drilling program a considerable time elapsed while the working interest owners of the Unit studied the results of the above wells and planned their 1957 plan of development. El Paso Natural Gas Company, as Unit Operator, hereby presents for your approval a proposed drilling program for the period July 1, 1957 to July 1, 1958, consisting of eight (8) wells to be drilled to the Pictured Cliffs Formation and four (4) wells to be drilled to the Dakota Formation. We have selected one Dakota Formation location and will arrive at our proposed determination of the three (3) remaining locations successively, each to be based on the information obtained from drilling the preceding Dakota well and the geophysical operations presently being conducted.

The selected locations are as follows:

PICTURED CLIFFS FORMATION LOCATIONS

(1)	NW/4	Sec.	16,	26N,	9W	(5)) (SE/4	Sec.	26,	26N,	9W
(2)	SE/4	Sec.	16,	26N,	9W	(6)) 1	NW/4	Sec.	30,	27N,	1 OW
(3)	NW/4	Sec.	22,	26N,	9W	(7)) :	SE/4	Sec.	30,	27N,	1 OW
(4)	SE/4	Sec.	22,	26N,	9W	(8)) 8	SE/4	Sec.	33,	27N,	1 OW

DAKOTA FORMATION LOCATIONS

(1) SE/4 NE/4 Sec. 7, 26N, 9W

All of the working interest owners have been contacted and this drilling program reflects their wishes and proposals for the drilling program for this period. The proposed plan of development protects all committed lands within the unit area from drainage from outside locations. The plan of development as above described will, upon approval by the appropriate regulatory bodies, constitute the remaining drilling obligations to be satisfied up to and including July 1, 1958.

El Paso Natural Gas Company, as Unit Operator, intends to drill all the above listed Pictured Cliffs wells to the base of the Pictured Cliffs Formation using rotary and cable tools. Surface casing will be set to approximately 100' from the surface, and then a production string of $5\frac{1}{2}$ " casing will be set through the Pictured Cliffs Formation. Mud will be used in drilling through the Pictured Cliffs Formation and cable tools will be used for completion work. The entire Pictured Cliffs Formation will be subjected to a hydraulic fracturing process. Due care will be taken to protect all horizons.

El Paso Natural Gas Company, as Unit Operator, intends to drill the Dakota wells to the base of the Dakota Formation using rotary tools. Surface casing of 13 3/8" will be set to the depth of approximately 150' and an intermediate string of 9 5/8" will be run through the Pictured Cliffs Formation to a depth of approximately 3200' and then Operator will run a production string of either $5\frac{1}{2}$ " or 7" casing to the base of the Dakota Formation. The casing in the Dakota Formation will then be perforated and the Dakota Formation subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing and the hole below the intermediate string of casing will be drilled in with gas. Due care will be taken to protect all horizons. If this plan of development is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Copies of this letter have been sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Amith Bya Samuel Smith

Manager Land Department

SS:RDJ:cl Attachment Approved:

Supervisor, United States Geological Survey

Subject to like approval by appropriate State officials.

Approved:

Commissioner of Public Lands

Subject to like approval of United States Geological Survey and Oil Conservation Commission.

8-15-58 L Approved: Oil Conservation Commission

Subject to like approval of Whited States Geological Survey and Commissioner of Public Lands.

The foregoing approvals are for the 1957 Plan of Development for the Huerfano Unit, San Juan County, New Mexico.

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil & Gas Company 1201 Main Street Dallas 2, Texas

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 E. Fourth South Salt Lake City, Utah

Mr. G. A. Olsen Sunland Refining Corporation Post Office Box 1512 Fresno, California

Brookhaven Oil Company Post Office Box 396 Scottsdale, Arizona

Mr. C. V. Lyman Post Office Box 1141 Midland, Texas

Mr. Neils C. Jensen Post Office Box 124 Richfield, Utah

Slick Oil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

Montin-Benson Corporation 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. C. F. Bedford (12) Pan American Petroleum Company Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Company Post Office Box 1714 Albuquerque, New Mexico

Dr. Sherman Wingerd 1044 Stanford Drive, S.E. Albuquerque, New Mexico

Mr. R. E. Beamon 346 Esperson Building Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

Mr. Ralph A. Johnston 1010 South Coast Life Bldg. Houston 2, Texas

(Continued)

Huerfano Unit Working Interest Owners

(Continued)

Mrs. Willie Johnston 311 Grandview Avenue Clarksville, Arkansas

First National Bank of Fort Worth Trustee for Eula May Johnston Fort Worth, Texas

Mr. R. N. Richey (2) Mr. M. A. Ehrlich (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City, 10, Utah

Mrs. Lillie Leona Rogers c/o Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mr. V. A. Johnston Ralls, Texas

Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mrs. Veva Jean Gibbard 1229 West Tishomingo Sulphur, Oklahoma MAIN OFFICE OCC

In reply refer to: Unit Division

Fild Case 195

1958 AUG 14 # 81 27

August 12, 1958

El Paso Natural Gas Company El Paso, Texas

Re: Huerfano Unit Plan of Development for Period July 1, 1957 to July 1, 1958

Gentlemen:

The Commissioner of Public Lands as of this date approved the above designated Plan of Development.

Under copy of this letter we are sending two copies of this Plan of Development to the New Mexico Oil Conservation Commission for their approval and transmittal to your office.

Very truly yours,

MURRAY E. MORGAN Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor O11 and Gas Division

MEM/MMR/s

cc:

Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

El Plano Fridadoral Gas Company

1338 AUG 14 El Carozo Texas

August 12, 1958

AIR MAIL

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period July 1, 1957 - July 1, 1958

Gentlemen:

Please refer to our letter of August 5, 1958 requesting your early approval to our last Plan of Development.

We would appreciate your expeditious handling of this request in order that we may proceed with our new development program.

Very truly yours, Harry Sever Harry Gevertz

Area Landman Land Department

HG:BB:jr

Huerfano 3.0 Huerfano 5.0

El Paso Natural Gas Company 1958 AUG 6 PN 1:22 Paso, Texas August 5, 1958

AIR MAIL

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico PLAN OF DEVELOPMENT For Period July 1, 1957-July 1, 1958

Gentlemen:

Reference is made to the Huerfano Unit Plan of Development for the period July 1, 1957 to July 1, 1958, submitted under date of September 4, 1957.

The Supervisor of the United States Geological Survey approved said Plan of Development on March 31, 1958, however, we cannot find like approval by the Commissioner of Public Lands and the Oil Conservation Commission.

We are presently preparing the Huerfano Plan of Development for the period July 1, 1958 to December 31, 1958, and before this plan is submitted, it is desirable that we have your approval of the past Plan of Development.

We would very much appreciate your approval of said drilling program at this time in order that we can proceed with the next Huerfano Plan of Development.

Thank you very much for your prompt reply.

Very truly yours,

BL PASO NATURAL GAS COMPANY

By

Land Department

HG:BB:jb Huerfano Unit 3.0 Huerfano Unit 5.0

COPY

El Paso Matural Gas Company MANN OFFICE 000 1953 M 21 M 9:18

File Cosego

Oil Conservation Commission Of the State of New Mexico **Capitol Annex Building** Santa Fe, New Mexico

Re: SF 078077 Township 25 North, Range 10 West Section 12: W/2 SE/4, SW/4 Section 14: N/2, SE/4, N/2 SW/4 Huerfano Unit Tract 88 San Juan County, New Mexico

Gentlemen:

Enclosed herewith for your attention are four (4) sets of instruments described as follows:

- 1. One (1) copy of Ratification and Joinder of the Unit Agreement executed by El Paso Natural Gas Company and Berenice Jeffs covering the above designated tract.
- One (1) copy of Ratification and Joinder of the 2. Unit Accounting Agreement executed by El Paso Natural Gas Company and Berenice Jeffs covering the above designated tract.
- One (1) copy of Ratification and Joinder of the 3. Unit Agreement executed by El Paso Natural Gas Company, E. H. Pipkin and Pearl O. Pipkin covering the above designated tract.
- 4. One (1) copy of Ratification and Joinder of the Unit Accounting Agreement executed by El Paso Natural Gas Company, E. H. Pipkin and Pearl O. Pipkin covering the above designated tract.

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Oil Conservation Commission

-2-

July 21, 1958

These instruments were approved by El Paso Natural Gas Company as Unit Operator, and Berenice Jeffs, E. H. Pipkin and Pearl O. Pipkin as lease owners, in order to effectively commit the above designated tract to the Huerfano Unit.

It is respectfully requested that you process the enclosed Ratifications in your usual way in order that the aforementioned tract will be effectively committed to the Huerfano Unit.

Very truly yours, Gevertz Harry

Area Landman Land Department

HG:SM:cl Attachments

Huerfano Unit 5.0

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined. ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

W/2 SE/4, SW/4 of Section 12 and the N/2, SE/4, N/2 SW/4 of Section 14, Township 25 North, Range 10 West (Tract No. 88)

ADDRESS

Post Office Box 1174

Roswell, New Mexico

Post Office Box 310

SIGNATURE

BERNICE JEFFS, a single woman

APPROVED

Gorman,	

Date:__

STATE OF) SS.: 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 bereunto 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 NEW MEXICO) SS.:

On this lith day of _____, 195_8 , before me appeared

E. H. PIPKIN

and PEARL O. PIPKIN

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

pril 30, 1960

) SS.:

1

The delien H. Truck + 1-1

Notary Public in and for CHAVES County, State of

STATE OF

COUNTY OF

1 1 1 On this_____day of_____, 195<u>8</u>, before me personally

appeared <u>BERNICE JEFFS</u>, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that <u>s</u> he executed the same as <u>her</u> free act and deed.

My Commission expires:

Notary Public in and for_____County,

RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement. W/2 SE/4, SW/4 of Section 12 and the N/2, SE/4, N/2 SW/4 of Section 14, Township 25 North, Range 10 West (Tract 88)

ADDRESS

Post Office Box 1174

Roswell, New Mexico

Post Office Box 310

SIGNATURE

BERNICE JEFFS, a single woman

Gorman, Texas

Date:

APPMOVED AND CONSENSED EL PASO Da. Vice Preside: 1 UNIT OPERATOR

STATE OF)) SS::	
COUNTY OF)	
On this		, 19 , before me appeared , to me personally known, who, being by
me duly sworn, did	-	the President of seal affixed to said instrument is the corporate
ceal of said corpor		said instrument was signed and sealed in behalf
	+	f its board of directors, and said
01 Data 001p010100		nowledged said instrument to be the free act and
deed of said corpor		
-		
	-	ve hereunto set my hand and affixed my official seal te first above written.
My Commission expir	'es:	Notary Public in and for
		County,
		State of
STATE OF NEW MEXIC COUNTY OF CHAVES On this 1 appeared) SS.:) <u>6th day of</u> E. H. PIPKIN	and PEARL O. PIPKIN
		rsons described in and who executed the foregoing they executed the same as their free act and deed.
My Commission expir		Mudelyn N Muskapf Notary Public in and for
april 30, 196	2	Chaves County,
		State of New Mexico
STATE OF)) SS.:	
COUNTY OF)	
On this	day of	, 19 58 _, before me
personally appeared		ICE JEFFS , a single person, to me
		n and who executed the foregoing instrument, and
acknowledged to me	that she	executed the same as <u>her</u> free act and deed.
My Commission expir	'es:	Notary Public in and for
		Actuary reverse in and rot

County,

RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

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ADDRESS

Post Office Box 310

Gorman, Texas

Date: July 17, 1958

Date:_____

Signature Dienies Jeff XDEANICE JEFFS, a single workan

BERENICE

APPROVED AND CONSENTED TO: EL PASO PARTIRAL CAS COMPANY By Vice President UNIT OPERATOR

STATE OF)) SS					
COUNTY OF) 55	a •				
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		_	•		-	to be the fr	ee act and
deed of s	aid corpor	ration.					
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) ss					
COUNTY OF)					
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			Ben R.	Townley -	Notary Pub	olic in and f	or Eastland
6-1-15	9			·	-		County,
					State of	Texas	

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RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huenfanon M 9: Unit Area located</u> within the County of <u>San Juan</u> San Juan ______, State of <u>New Mexico</u>, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

BERENTCE

Post Office Box 310
Gorman, Texas Date: July 17, 1958
Date:
Date:

SIGNATURE XIXXXXXXXXX a single woman JEFFS,

APPROVED AND THIER TO: AG CONTAINY EL PASO Vice Prealdout UNIT OPERATOR

STATE OF	ž		
COUNTY OF	д Ì		
The foregoi	ng instrument was , 1958, by	acknowledged before me this	day of
President of		, a	······································
corporation, on behal:	f of said corporat	tion.	
		Notary Public	
My Commission expires	:		
STATE OF Texas	X		
COUNTY OF Eastland	× X		
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My Commission expires	:	Ben R. Townley Notary Public	
6-1-159			
STATE OF	ž x		
COUNTY OF	Ĩ		
The foregoin	ng instrument was , 1958, by	acknowledged before me this	day
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<u>_</u> ~

My Commission expires:

El Paso Natural Gas Company MAIN OFFICE OCC Paso, Texa

1958 JUL 2 PM 1:29 June 2, 1958

Mr. John A. Anderson Regional Oil and Gas Supervisor United States Geological Survey P. O. Box 6721 Roswell, New Mexico

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I-Sec. No. 731 Notice of Selection of Second Dakota Test under Plan of Development for Period July 1, 1957 to July 1, 1958 San Juan County, New Mexico

Gentlemen:

Reference is made to the Huerfano Unit Plan of Development for the period July 1, 1957 to July 1, 1958, submitted by El Paso Natural Gas Company by letter to you dated September 4, 1957.

Said Plan of Development provided for the drilling of four (4) Dakota Formation test wells. The first Dakota test was to be located in the NW/4 of Section 7, Township 26 North, Range 9 West, and the remaining three (3) locations were to be picked successively, each to be based on the information obtained from drilling the preceding Dakota test wells in the area.

The Huerfano Unit #92 Well, being the first Dakota test, was completed in the NW/4 of Section 7, Township 26 North, Range 9 West, on March 2, 1958 as a dual Gallup-Dakota Well and is presently shut in for final test.

Because of our obligation as Unit Operator to prevent drainage of unitized land by wells on lands not subject to the Unit Agreement pursuant to Section "15" of the Huerfano Unit Agreement, El Paso Natural Gas Company has selected for the next Dakota drillsite the NW/4 NW/4 of Section 2, Township 26 North, Range 10 West, to offset the W. R. Weaver-Brown-McAdams #1 Well located United States Geological Survey Commissioner of Public Lands Oil Conservation Commission

in the NW/4 of Section 34, Township 27 North, Range 10 West, and the Weaver-McAdams #2 Well in the SE/4 of Section 34, Township 27 North, Range 10 West.

Copies of this letter have been sent to the working interest owners shown on the attached sheet.

Yours very traly,

Harry Gevertz Area Landman Land Department

HG:BKB:pc

cc: Attached sheet

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil and Gas Company Post Office Box 1492 El Paso, Texas

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth South Salt Lake City, Utah

Slick Oil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

Montin-Benson Corporation 2808 First National Bldg. Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Bldg. Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico Mr. R. E. Beamon 346 Esperson Bldg. Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor Mercantile Bank Building Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

Oroco Oil and Gas Company 65 East Fourth South Salt Lake City, Utah

Mr. R. N. Richey (2) Mr. M. A. Ehrlich (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City 10, Utah

J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

E. H. Pipkin Post Office Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison Post Office Box 4795 Dallas, Texas

El Paso Natural Gas Company

El Paso, Jexas May 9, 1958

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I-Sec. No. 731 Twentieth through Twenty-Fourth Enlargements of the Pictured Cliffs Participating Area San Juan County, New Mexico

Gentlemen:

El Paso Natural Gas Company's Application, dated December 19, 1957, for the Twentieth through Twenty-Fourth Enlargements of the Pictured Cliffs Participating Area under the Huerfano Unit Agreement was approved as follows:

- 1. Acting Director, United States Geological Survey, April 29, 1958.
- 2. Commissioner of Public Lands of the State of New Mexico, January 21, 1958.
- 3. Oil Conservation Commission of the State of New Mexico, February 15, 1958.

The Working Interest Owners shown on the attached sheet have been advised as to the above information.

Very truly yo

Harry Gevertz Area Landman Land Department

HG:BB:jr Attachment

Huerfano Unit 5.0 Huerfano Unit 4.1

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil and Gas Company Post Office Box 1492 El Paso, Texas

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth South Salt Lake City, Utah

4

Slick Oil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

Montin-Benson Corporation 2808 First National Bldg. Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Bldg. Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. E. V. Hewitt (12) Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico Mr. R. E. Beamon 346 Esperson Bldg. Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor Mercantile Bank Building Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

Oroco Oil and Gas Company 65 East Fourth South Salt Lake City, Utah

Mr. R. N. Richey (2) Mr. M. A. Ehrlich (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City 10, Utah

J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

E. H. Pipkin Post Office Box 1174 Roswell, New Mexico

Mr. Frank A. Schultz 823 Corrigan Tower Dallas, Texas

Mr. C. W. Murchison Post Office Box 4795 Dallas, Texas

El Paso Natural Gas Company

El Paso, Texas April 17, 1958

171 le 158 195

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area Tract #17, #44 and #102 San Juan County, New Mexico

Gentlemen:

We are enclosing herewith for your attention five (5) sets of instruments described as follows:

- 1. One (1) copy of Ratification and Joinder of Unit Agreement executed by Pan American Petroleum Corporation covering Huerfano Unit Tracts #17 and #44.
- 2. One (1) copy of Ratification and Joinder of Unit Accounting Agreement executed by Pan American Petroleum Corporation covering Huerfano Unit Tracts #17 and #44.
- 3. One (1) copy of Ratification and Joinder of Unit Agreement executed by Pan American Petroleum Corporation covering Huerfano Unit Tract #102.
- 4. One (1) copy of Ratification and Joinder of Unit Accounting Agreement executed by Pan American Petroleum Corporation covering Huerfano Unit Tract #102.
- One (1) copy of Ratification and Joinder of Unit 5. Agreement executed by John W. Hjertstedt covering his interest in Huerfano Unit Tract #102.

Oil Conservation Commission of the State of New Mexico -2-

These instruments were drawn by Pan American Petroleum Corporation in order to effectively commit the subject tracts to the Huerfano Unit. Our records reflect Pan American Petroleum Corporation to be Working Interest Owner under each of said tracts. Said Joinders have been approved and consented to by El Paso Natural Gas Company as Unit Operator.

It is respectfully requested that you process the enclosed Ratifications in your usual way in order that the aforementioned tracts will be effectively committed to the Huerfano Unit Agreement and Huerfano Unit Accounting Agreement.

Yours very traly

Harry Gevertz Area Landman Land Department

HG:BKB:pc Enclosures Huerfano 5.0 Huerfano Trs. 17,44,102

cc: Pan American Petroleum Corp. P. O. Box 1714 Albuquerque, New Mexico Attention: Mr. Ben R. Kee

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the State of New Mexico in form approved on behalf of the County of <u>San Juan</u> Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claim an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

E/2 NW/4, SW/4 NW/4, Section 12, Township 26 North, Range 10 West, containing 120.00 acres, more or less (Tract 44). NE/4 Section 35, Township 27 North, Range 10 West, containing 160.00 acres, more or less (Tract 17).

ADDRESS

P. 0. Box 1410

Fort Worth, Texas

Date:

Date: Marca 26, 1458

SIGNATURE	• .
PAN AMERICAN PETROLEUM CORPORATION	
By: Allewitt	, <u> </u>
Attorney In Fact	APPROVED
APTEST:	M
	<i>A</i> /12
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Assistant Secretary	

APPROVED A. Oak St. A. URIT CRICKLA

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RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

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ADDRESS

P. C. Box 1410

Fort Worth, Texas

Date:	n	and	72	1412	-

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PAN AMERICAN PETROLEUM CORPORATION

SIGNATURE

By: In Fact Attorney ATTERT Assistant Se

Date:

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Notary Public in and for County,		:sauto	My Commission exp
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#### RATIFICATION AND JOINDER OF UNIT AGREEMENT

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This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, and their assigns or successors in interest. The area intended to be covered by this Ratification and Joinder of Unit Agreement is the SW/4 of the NE/4 of Section 2, Township 26 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

ATTEST Assis

EXECUTED as of the 12th day of December, 1957.

PAN AMERICAN FEIROLEUM CORPORATION

By

Address:

P. O. Box 1410 Fort Worth, Texas Working Interest Owner

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS COMPANY

THE STATE OF TEXAS ) ) COUNTY OF TARRANT )

On this 55th day of <u>March</u>, 1958, before me appeared , to me personally known, who, being by me duly sworn did say that he is the Attorney in Fact of PAN AMERICAN PETROLEUM CORPORATION, a corporation, 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 <u>and sealed in behalf</u>.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on this, the day and year first above written.

in and for

My Commission Expires:

lotary Public in and for Tarrant County, Texas

6-1.5%

RATIFICATION AND JOINDER OF UNIT ACCOUNTING
AGREEMENT UNDER UNIT AGREEMENT FOR THE
DEVELOPMENT AND OPERATION OF THE
HUERFANO UNIT AREA, SAN JUAN
COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, and their successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement. The area interded to be covered by this Ratification and Joinder of Unit Accounting Agreement is the SW/4 of the NE/4 of Section 2, Township 26 North, Range 10 West, N.M.P.M., San Juan County, New Mexico.

ATTEST

APPROVED AND CONSENTED TC:

EL PASO NATURAL GAS COMPANY

UNIT OPERATOR

PAN AMERICAN PETROLEUM CORPORATION

Address:

P. C. Box 1410 Fort Worth, Texas Working Interest Owner

EXECUTED as of the 12th day of December, 1957.

THE STATE OF TEXAS

COUNTY OF TARRANT

On this 25 day of <u>Marsh</u>, 1958, before me appeared <u>Marsh</u>, to me personally known, who, being by me duly sworn did say that he is the Attorney in Fact of PAN AMERICAN PETROLEUM CORPORATION, a corporation, 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 <u>Marsh</u>

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on this, the day and year first above written.

My Commission Expires:

an for

Tarrant County, Texas

## RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> San Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS

P. O. Box 326. Grand Central Station. New fork City, New York

Date:

DEC 1.2 1957

APPROVED AND CONSENTED TO.

John N. Hjertstedt, a single person

SIGNATURE

C MPAN'N 4 President Vice. UNIT CPERATOR

Date:_

CONSENTED TO AND ACCEPTED THIS 25th day of _______, 1958.

PAN AMERICAN PETROLEUN CORPORATION Working Interest Owner

XXXXXXXXXX

TEXAS STATE OF TARRANT COUNTY OF

SS.:

day of March, 1958, before me appeared On this E. V. HEWITT

_, to me personally known, who, being ______ President of ATTORNEY-IN-FACT by me duly sworn, did say that he is the_ PAN AMERICAN PETROLEUM CORPORATION 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 _______ E. V. deWITI _______ acknowledged said instrument to be _acknowledged said instrument to be and said_ the free act and deed of said corporation.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

6-1-5

Notary Public in and for TARRANT County,

TEXAS

State of

STATE OF SS.: COUNTY OF

LOCAL CY. equiv. 1750

On this____ _day of_ ___, 195____, before me appeared

and

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:	· · · ·
	Notary Public in and for County,
	State of
KINGDOM OF DENMARK CITY OF COPENHAGEN EMBASSY OF THESENTIED STATES OF AMERICA.	<b>~</b>
On this <b>12th</b> day of <b>De</b>	easter, 1957, before me personally
appeared <b>John W. Hjertstedt</b> the person described in and who execute to me thathe executed the	, a single person, to me known to be ed the foregoing instrument, and acknowledged same asfree act and deed.
	Frances A. Usenik FRANCES A. USE NIM
	West Consul of the United States or Autoric
SERVICE NO. 6549	
TARIFF ITEM NO: $\frac{46}{50}$ FEE PAID: US. \$ $2.50$	and and a set of the s

IN REPLY REFER TO:



UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

> P. O. Box 6721 Roswell, New Mexico

March 31, 1955

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. Sam Smith

Gentlemen:

Your plan of development dated September 4, 1957, for the Huerfeno Unit Area, New Mexico, for the period July 1, 1957, to July 1, 1958, has been approved on this date subject to like approval by the appropriate State of New Mexico officials.

It would be preferable that the plans of development be submitted on a calendar year basis. Perhaps the next plan of development can be for a six-month period.

It appears that consideration should be given to develop ment of the Pictured Cliffs zone in the vicinity of sec. 36, T. 26 N., k. 10 U.

Two approved copies of the plan are enclosed.

Very truly yours,

JAMES A. KNAUF Acting 011 and Gas Supervisor

Copy to: Mashington (w/copy of plan)

Barmington (w/copy of plan) Com. of Public Land, Santa Fe (letter @nly) Cons. Com., Santa Fe (letter only) DIL CONSERVATION COMMISSION P. D. BOX 871 SANTA FE, NEW MEXICO

) / 27 C/

February 14, 1958

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Mr. D. N. Canfield

Re: Huerfano Unit - San Juan County, New Mexico Twentieth through Twenty-fourth Enlargements of the Pictured Cliffs Participating Area

Gen theman:

We hand you herewith six copies of the approved Twentieth through Twenty-fourth Expanded Participating Areas for the Pictured Cliffs Participating Area for the Huerfano Unit Area in San Juan County, New Mexico.

The approval of these expansions is granted subject to like approval being obtained from the U.S. Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Very truly yours,

A. L. PCRTER, Jr., Secretary-Director

ALP/DSN/ir

cc: U. S. G. S. - Roswell, New Mexico Commissioner of Public Lands - Santa Fe, New Mexico

El Paso Natural Gas Company

El Paso, Jexas

December 19, 1957

Director United States Geological Survey Department of the Interior Washington, D.C.

Commissioner of Public Lands Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 TWENTIETH THROUGH TWENTY-FOURTH ENLARGEMENTS OF THE PICTURED CLIFFS PARTICIPATING AREA San Juan County, New Mexico

#### Gentlemen:

Pursuant to the provisions of Section 10 of the Huerfano Unit Agreement approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, El Paso Natural Gas Company, as Unit Operator for the Huerfano Unit, respectfully submits for your approval the following selection of lands to constitute the Twentieth, Twenty-First, Twenty-First Revised, Twenty-Second, Twenty-Third and Twenty-Fourth Expanded Participating Areas of the Pictured Cliffs Formation for the Huerfano Unit Agreement, to wit:

#### Twentieth Expansion - Effective January 1, 1956

Description of Lands	Acreage	Well Name	Test Date	Initial Potential
<u>T-27N, R-10W</u> Section 30: Lots 3,4, E/2 SW/4	167.64	4M Kutz	12-9-55	CV 3105 MCF
Section 30: SE/4	160.00			

T-27N, R-11W	1						
Section 25:	-		320.00				
Section 36:			160.00	Scott #6	5-12-52	CV	700 MCF
Section 36:			160.00	<b>-</b>			
	<b>-</b> , -	TOTAL	·····				
Tw	/enty-l	First E:	xpansion -	Effective March 1, 195	56		
$\frac{T-26N, R-9W}{Section 23}$	SW/4		160.00	Huerfano No. 46	2-13-56	AOF	1994 MCF
Section 23:			160.00	Huerfano No. 47	2-24-56		
Section 9:			160.00	Huerfano No. 48	2-16-56		
Section 5:			161.82		2-29-56		
Section 22:			160.00		2-16-56		11362 MCF
Section 22:			160.00	nueriano no. 50	2 10 00	AOF	11002 MCT
Section 16:							
Section 10,	1411/3		1281.82				
		IUIAL	1201.02				
TV	venty-	First E	xpansion R	evised - Effective May	1, 1956		
Tł	ne par	ticipat	ing acreag	e of this expansion rem	nains the same a	s the	Twenty-
	-	-	• •	1, 1956; however, the p			-
changed due							-
0							
Tv	venty-	Second	Expansion	- Effective September 1	L, 1956		
<u>T-27N, R-10</u>							
Section 30:			160.00	Fairway Kutz #1	8-4-56	CV	352 MCF
Section 30:	NW/4		167.40				
T-27N, R-11V	v						
Section 25:			320.00				
Dogezon 20.	11/ 🛩	TOTAL					
		IUIAL	011.10				
T	venty-	Third E	xpansion -	Effective December 1,	1956		
T-26N, R-9W							
Section 27:	NE/4		160.00	Huerfano No. 55	11-14-56	CV	489 MCF
Section 22:	SE/4		160.00				
Section 26:	SW/4		160.00	Huerfano No. 57	11-7-56	CV	432 MCF
Section 26:	NW / 4		160.00	Huerfano No. 58	11-7-56	CV	1152 MCF
Section 26:	NE/4		160.00	Huerfano No. 59	11-9-56	CV	1602 MCF
T-27N, R-10	v						
Section 35:			160.00	Huerfano No. 90	11-29-56	CV	818 MCF
		TOTAL	960.00				
	venty-	Fourth	Expansion	- Effective January 1,	1957		
T-27N, R-10	V						
Section 33:			160.00	Huerfano No. 82	12-11-56	cv	1156 MCF
Section 19:			167.19	Huerfano No. 74	12-4-56	CV	3523 MCF
-		TOTAL	327.19				

# Twentieth Expansion - Effective January 1, 1956 (continued)

Well Name

Acreage

Descr:ption of Lands

-2-

_

Test Date

Initial Potential

. .

-3-

In support of this application, the following Exhibits are made a part hereof and will be forwarded under separate cover:

#### EXHIBIT A:

Geological Report on the Twentieth through Twenty-Fourth Expansions of the Pictured Cliffs Participating Area in the Huerfano Unit.

#### EXHIBIT B:

Map reflecting the Pictured Cliffs productive fields of the Huerfano Unit.

#### EXHIBIT C:

Isopotential Map of the Huerfano Unit Pictured Cliffs fields.

#### EXHIBIT D:

Contour Map of the Pictured Cliffs Formation in the Huerfano Unit.

Enclosed herewith and made a part of this application please find an ownership map reflecting thereon the boundaries of the unit area, the present participating area for the Pictured Cliffs Formation and the proposed Twentieth through Twenty-Fourth Enlargements of the Participating Area.

Schedules showing the lands entitled to participation in the unitized substances produced from the Pictured Cliffs Formation with the percentage of participation of each lease or tract indicated thereon will be forwarded under separate cover immediately following your approval of this application.

If these Expanded Participating Areas, numbered Twenty through Twenty-Four, meet with your approval, please indicate such approval in the space provided below and return an approved copy for our files.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Smith Βv Sam Smi

Manager Land Department

SS:BB:jr

cc: Attached sheet

**APPROVED**:

**APPROVED**:

DATE :

Supervisor, United States Geological Survey Subject to like approval by the appropriate State officials.

**APPROVED**:

DATE : 1,21,

Commissioner of Public Lands Subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

DATE: Feb 15, 1918

Oil Conservation Commission Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

The foregoing approvals are attached to and made a part of Application for the Twentieth through Twenty-Fourth Enlargements of the Pictured Cliffs Participating Area for the Huerfano Unit, San Juan County, New Mexico.

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil and Gas Co. 1201 Main Street Dallas 2, Texas

Three States Natural Gas Company 17th Floor Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 65 East Fourth South Salt Lake City, Utah

Mr. G. A. Olsen Sunland Refining Corporation Post Office Box 1512 Fresno, California

Brookhaven Oil Company Post Office Box 396 Scottsdale, Arizona

1

Mr. C. V. Lyman Post Office Box 1141 Midland, Texas

Slick Cil Corporation 1030 Bank of the Southwest Bldg. Houston 2, Texas

Montin-Benson Corporation 2808 First National Bldg. Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Bldg. Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico

Mr. Harold Kogan 742-35th Avenue San Francisco, California Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

E. V. Hewitt (12) Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Pan American Petroleum Corporation Post Office Box 1714 Albuquerque, New Mexico

Dr. Sherman Wengerd 1044 Stanford Drive, S.E. Albuquerque, New Mexico

Mr. R. E. Beamon 346 Esperson Bldg. Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor Mercantile Bank Bldg. Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

Oroco Oil & Gas Company 65 E. Fourth South Salt Lake City, Utah

(Continued)

Page 2 (continued)

Huerfano Unit Working Interest Owners

Mr. R. N. Richey (2) Mr. M. A. Ehrlich (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City 10, Utah

Mr. Dudley Cornell First National Bank Building Albuquerque, New Mexico

Mr. C. A. McAdams 2135 East Gold Albuquerque, New Mexico

Mr. John A. Daniel Rutledge Pike Knoxville, Tennessee

J. W. McConnell, Jr. Executor of the Estate of W. O. McConnell, Deceased Post Office Box 102 Lone Wolf, Oklahoma

E. H. Pipkin Post Office Box 1174 Roswell, New Mexico

El Paso Natural Gas Company El Paso, Texas

January 6, 1958

Oil Conservation Commission 61 the State of New Mexico Capitol Annex Building Junta Fe, New Mexico

Gentlemen:

на (<u>1</u> 11 с. 11 с.)

Enclosed for your attention please find eight (3) original copies of El Paso Matural Gas Company's application for the Twentieth through Twenty-Fourth Enlargements of the Pictured Cliffs Participating Area for the Huerfano Unit.

It is kindly requested that you process this application in your usual manner, and if same meets with your approval, it is further requested that you return seven (7) approved copies to this office, retaining one (1) copy for your files.

After your approval El Paso Will submit said application to the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico for their subsequent approval.

We would like to thank you in advance for your kind cooperation.

Very truly yours

Harry Gevertz Area Landman Land Department

IIG:BB:jr Enclosures

Huerfano 5.0

El Paso Matural Gas Company El Paso, Texas

December 247, 1957

**Oil** Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area Tract No. 123 State of New Mexico E-9393

Gentlemen:

Please find enclosed herewith one (1) copy each of Ratification and Joinder of Unit Agreement and Ratification and Joinder of Unit Accounting Agreement under Unit Agreement for the Development and Operation of the Huerfano Unit Area, San Juan County, New Mexico, executed by El Paso Natural Gas Company, whereby El Paso fully commits its interest under Tract 123 to the Huerfano Unit.

El Paso is the Working Interest Owner under said tract.

It is respectfully requested that you process these Ratifications in your usual way in order that the aforementioned tract be effectively committed to the Huerfano Unit Agreement and Huerfano Unit Accounting Agreement.

Very truly yours

Harry Gevertz Area Landman Land Department

HG:BE:jr Enclosures

NM 4473

RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

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In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

This Ratification is limited to and is binding upon El Paso Natural Gas Company only insofar as its leasehold interest covers the NW/4 SE/4 of Section 2, Township 25 North, Range 9 West, N.M.P.M., also known as Huerfano Tract 128.

ADDRESS

SIGNATURE

EL PASO NATURAL GAS COMPANY

Vice President

Date:

ATTEST:

7. Willar ssistant Secretary

Date:

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Notary Public in and for County.		
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	:*ss (	COUNTY OF EL PASO

### RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Area located within the County of Son Tues State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claim an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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This Ratification is limited to and is binding upon El Paso Natural Gas Company only insofar as its leasehold interest covers the NW/4 SE/4 of Section 2, Township 25 North, Range 9 West, N.M.P.M., also known as Huerfano Tract 128.

ADDRESS

A'	T'	[]	£	S	Т	:

Date:

Marleh	
Assistant	Secretary

EL PASO NATURA	AL GAS COMPANY	a G
	Vice President	P

SIGNATURE

Date:_

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Notary Public in and for County,				······································
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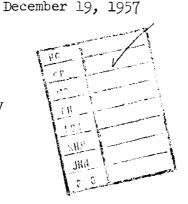
## PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

P. O. BOX 1526 SALT LAKE CITY 10, UTAH

2011 - Li - 1 - 22

 $\Gamma \cap \rho$ 



El Paso Natural Gas Company Post Office Box 1492 El Paso, Texas

Attention: Harry Gevertz

Gentlemen:

funtino 23

Re: Huerfano Unit Area San Juan County, New Mexico Exhibit "B" Revised Effective November 1, 1957

Your letter of December 10, 1957, with attached Revised Exhibit "B" has been received.

We wish to advise you of the changes as set out below in Pacific's interest in various tracts in the subject Unit. As of November 1, 1957, Pacific had reassigned its interest in all of the following tracts:

19,	20,	21 <b>-A</b> ,	22,	23,	36,
37,	38,~	39, 🗸	40,	41,	42,
43,	45,	46,	48-A,	49,	51-A,
43, 53,	54,	55 <b>,</b>	56,	57,	59,
60,	61,	62,	63,	65 🖌	66,
67,	68-A,	79 <b>,0</b> (mli)	80 <b>-</b> A,	81,	85-A,
86,	90 <b>,</b>	91 <b>,</b>	93,	94,	95 <b>,</b>
98 <b>-</b> B,	99 <b>,</b>	101,	103,	105 <b>,</b>	110,
111,	112				

Also we have reassigned portions of the following tracts retaining that portion as described opposite each tract below:

All of Tracts

24 <b>-A</b>	except Section 8:	s/2 n/2
25	except Section 3:	
30 <b>-</b> A	except Section 6:	Lots 3, 4, 5, 6, 7, SE/4 NW/4

El Paso Natural Gas Company December 19, 1957 Page 2

> except Section 8: N/2 N/2 Section 9: W/2
> 82 except Section 21: N/2 Section 27: All
> 104-A except Section 36: N/2 SW/4 SW/4 SW/4 SW/4 SE/4
> 113 except Section 36: NW/4 SE/4

Subsequent to November 1, 1957, we have not assigned or reassigned

any other leases, however, we have tendered for reassignment a portion of Tract 31 retaining the portion described as follows:

All of Tract 31 except Section 7: NE/4

The above tracts have all been reassigned or tendered for reassignment to our predecessor in title, Pan American Petroleum Corporation. Should your records require further evidence of these transfers of interests, it is suggested that you contact Pan American Petroleum Corporation for copies of Pacific's assignments to them. It is very likely that Pan American will voluntarily submit to you this evidence if they have not already done so.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

lands tax. Dyka Claude Van Dyke

District Manager, Land Department

CVD:jc

CC: Pan American Petroleum Corporation Post Office Box 1410 Fort Worth, Texas

Mr. Melvin Ehrlich

A PART OFFICE OCC

E7100 15 M 8:47

In reply refer to: Unit Division

December 13, 1997

6. Come 145

El Paso Hatural Gas Company P. O. Box 1492 El Paso, Temas

> Re: Buerfano Unit Area, FLAE OF DEVELOPMENT for July 1, 1957 to July 1, 1958.

Gentlemen:

We have studied your proposed plan of Development for the period of July 1, 1957 to July 1, 1958.

We would like to call to your attention Section 36, 26N, 10W, our records reflect that there are two Figtured Cliffs wells located in the North half of Section 1, 25N, 10W and one well in the SE/4 of Section 25, 26N, 10W.

These wells would indicate that Section 36, 26N, 10W, should be included in your proposed plan of development as an offset obligation.

May we hear from you concerning this at your earliest convenience.

Very truly yours,

NUMBAY S. MORCAN Sommissioner of Public Lands

BY: Ted Bilberry, Supervisor Oil and Gas Department

MEN/HOR/a

cc: OCC-Santa Fe V USGS-Roswell

El Paso Natural Gas Company The CIFICICOD

El Paso, Jexas

November 25, 1957

1857 MOV :- Mit 0:0.

Oil Conservation Commission Of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area Tract No. 73 SF 078124 San Juan County, New Mexico

Gentlemen:

Please find enclosed herewith one (1) copy of Ratification of Unit Accounting Agreement executed by James L. Lundean, et ux, and E. H. Pipkin, et ux, whereby said parties consent to include their interests in the Huerfano Unit Area and ratify the Unit Accounting Agreement. This ratification has been approved and consented to by El Paso Natural Gas Company as Unit Operator.

Our records reflect that the aforesaid parties to the subject ratification own the working interest under Huerfano Unit Tract No. 73 (SF 078124).

It is respectfully requested that you process this ratification in your usual way in order that the aforementioned tract will be effectively committed to the Huerfano Unit Agreement and Huerfano Unit Accounting Agreement.

Very truly yours,

Harry Geventz

Harry Gevertz Area Landman Land Department

HG:BB:jr Enclosure

Huerfano Tr. 73

## RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

ADDRESS

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-67KSF Men Yok ard. 15 1957

SIGNATURE

Jamo Z.

Marjonie

F.C. <u>Box 1174</u>, Roswell, N.M.

P.O. Rox 1174 Rosvell, New Mexico

Date: November 5, 1957

Pearl O. Pipkin

APPROVED AND CONCEN EL 17.00-Vico President UNIT CPEL

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acknowledged said instrument to be the lree act				p + 00 - 2	<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	
and that the seal affixed to said instrument is the , and that said instrument was signed and sealed in ority of its board of directors, and said	notter	otbo	o biss lo	seal c	8 918 8	corpor
is the President of	ed ta	<u>и</u>	ss bib ,ı	LIOWE	<u> </u>	pA me o
berseqqs em eroled , 19 ,	Jo Va	rp	s	țų; u(	)	
*	. ss (					COUNTY
	(				ЧO	STATE

On this 5th day of November 1957, before me appeared E. H. PIPKIN and PEARL O. FIPKIN, his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

County, State of New Mexico

6-61 8 20

My commission expires:

El Paso Natural Gas Company

El Paso, Texas

June 17, 1957

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

File

Re: <u>Huerfano Unit Area</u> Tract No. 9 - Section 30: Lots 1,2, E/2 NW/4, SE/4 Lease SF 077384

Gentlemen:

You will find enclosed one copy of a Consent that has been executed by Madeleine N. Galt whereby she consents to the inclusion of her interest under SF 077384 in the Huerfano Unit Area. This consents has been approved by the Working Interest Owners of the above captioned tract and by El Paso Natural Gas Company as Unit Operator and Working Interest Owner.

Our records indicate that a Ratification and Joinder by the Working Interest Owners was filed with your office during 1953. This ratification and joinder includes interest held under SF 077950 as well as interest held under SF 077384.

We respectfully request that you process this Consent in your usual way in order that the above captioned tract will be effectively committed to the Herfano Unit Agreement and Huerfano Unit Accounting Agreement.

Very truly yours, Joe W. Cherry Area Landman Lease Department

JWC:GWO:cr Enclosure

#### CONSENT

In consideration of the execution of the Unit Agreement for the development and operation of the _____ Huerfano Unit Area, San Juan County, New Mexico, by <u>Stanolind Oil & Cas Company</u> in form approved by the Secretary of the Interior and the Commissioner of Public Lands of the State of New Mexico, the undersigned owners of lands or interests in lands or royalties or other interests in production of oil, gas and other hydrocarbon substances which may be produced from the land affected by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement as being applicable to said several lands and interests, agree that the term of any lease or other agreement given by the undersigned in which the undersigned claims an interest is extended or modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling and development requirements of all leases and other instruments in which their several rights and interests are created or defined shall be deemed fully performed by the performance of the provisions of said Unit Agreement, and agree that payment for unitized substances upon the basis of production allocated under said Unit Agreement to the particular lands to which their rights or interests apply, regardless of actual production therefrom, shall constitute full performance of any and all such obligations to the undersigned existing under such leases or other contracts. For the same consideration each of the undersigned warrants and agrees that the schedule attached as Exhibit "B" to said Unit Agreement correctly states his interest in the lands within the unit area as of the date of his execution of this consent.

The terms and provisions hereof shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the undersigned and each of them.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be effected and have set opposite their respective names the date of execution thereof.

ADDRESS	SIGNATURE
Box 1046	Madeline & Galf-
Santa Fe, New Mexico	Madeleine N. Galt
Date:	
` ##\$\$\$\$#^^~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	۲۵ ۹۹٬۵۳۰٬۰۰۳ و در ۲۰٬۵۰۰ و ۱۹۹۰ و ۲۰٬۰۰۰ و ۲۰٬۰
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Date:	■ ●
STATE OF <u>NEW MEXICO</u> ) SS.	
COUNTY OF Jan to Te )	
On this 20 day of 1	nuary , 19 <u>53</u> , before me personally
appeared MADELETNE N. CA	LT
to me known to be the person of instrument, and acknowledged thatsh and deed.	lescribed in and who executed the foregoing executed the same asfree act
IN WITNESS WHEREOF, I have her the day and year in this certificate a	reunto set my hand and affixed my official seal above written.

My commission expires:

Notary Public

My Commission Expires February 21st, 1958

The foregoing Consent whereby Madeline N. Galt ratifies, approves and adopts the Huerfano Unit Agreement is hereby approved and consented to:

NEW MEXICO WESTERN OIL AND GAS COMPANY

Вy President

STANOLIND OIL AND GAS COMPANY APPROVED La -435 Be and Vice-President

PACIFIC NORTHWEST PIPELINE CORPORATION

By ALYA President . | VI 4 RU

Dorothy Dillon Sapp

WESTERN NATURAL GAS COMPANY Вy President

SLICK OIL CORPORATION rna By eun Vice President

WATURAL GAS COMPANY THREE STATES ws By Vice President Frank A. Schultz

Murchison J. Glenn Turner

APPROVED AND CONSENTED IO: EL PASO NATHE A CAS By Vice President UNIT OPERATOR & WORKING INTEREST OWNER

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particulation of - MULS Section 1. 

AFPROVED AND CONCEPTED TO: TH PASO MATHEAL - 612 COMPANY B. Vire Proving Vire Proving B. Vire Content

## CONSENT

In consideration of the execution of the Unit Agreement for the development and operation of the <u>Huerfano</u><u>Unit Area,</u> <u>San Juan</u> County, New Mexico, by <u>Stanolind Oil & Gas Company</u> in form approved by the Secretary of the Interior and the Commissioner of Public Lands of the State of New Mexico, the undersigned owners of lands or interests in lands or royalties or other interests in production of oil, gas and other hydrocarbon substances which may be produced from the land affected by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement as being applicable to said several lands and interests, agree that the term of any lease or other agreement given by the undersigned in which the undersigned claims an interest is extended or modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling and development requirements of all leases and other instruments in which their several rights and interests are created or defined shall be deemed fully performed by the performance of the provisions of said Unit Agreement, and agree that payment for unitized substances upon the basis of production allocated under said Unit Agreement to the particular lands to which their rights or interests apply, regardless of actual production therefrom, shall constitute full performance of any and all such obligations to the undersigned existing under such leases or other contracts. For the same consideration each of the undersigned warrants and agrees that the schedule attached as Exhibit "B" to said Unit Agreement correctly states his interest in the lands within the unit area as of the date of his execution of this consent.

The terms and provisions hereof shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the undersigned and each of them.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be effected and have set opposite their respective names the date of execution thereof.

ADDRESS	SIGNATURE
Box 1046	madifine n Fatt-
Santa Fe, New Mexico	Madeleine N. Galt
Date:	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
Date:	€ <del>1,2,2,2,2,2,2,2,2,2,2,2,2,2,2,2,2,2,2,2</del>
STATE OF <u>NEW MEXICO</u> ) COUNTY OF <u>Souto Je</u> ) SS.	
	uary, 19 <u>53_</u> , before me personally
appeared <u>MADELEINE N. GALT</u> to me known to be the person <u>de</u> instrument, and acknowledged that <u>sh</u> and deed.	scribed in and who executed the foregoing e_executed the same asfree act
IN WITNESS WHEREOF, I have here the day and year in this certificate ab	unto set my hand and affixed my official seal ove written.
My commission expires:	Showing Galt

onnun Notary Public

My Commission Expires February 21st, 1956

The foregoing Consent whereby Madeline N. Galt ratifies, approves and adopts the Huerfano Unit Agreement is hereby approved and consented to:

TEW MEXICO WESTERN OIL AND GAS COMPANY

121072 Micous 43 President

STANOLIND OIL AND GAS COMPANY APPROVICE . Lan By Lank Fact Attorne Vice-President

PACIFIC NORTHWEST PIPELINE CORPORATION

Зу President 1194 Vice AL

Dorothy Dillon Sapp

WESTERN NATURAL GAS COMPANY P Vice President

SLICK OIL CORPORATION ice President

THREE STATES NATURAL GAS COMPANY Knis 35 Vice President Schult Frank A

muni . Murchison NN Aun ٠ مد J. Glenn Turner

EC Webb lliam

APPROVED AND CONSENTED TO; EL PASO NATURAL GAS DE PANY By Vice President UNIT OPERATOR & WORKING INTEREST OWNER Ð

El Paso Natural Gas Company El Paso, Texas

February 11, 1957

Director United States Geological Survey Department of the Interior Washington, D. C.

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

re

Re: Huerfano Unit Area San Juan County, New Mexico Schedule XIX EIGHTEENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION

Gentlemen:

We call your attention to a typographical error on Page four (4) of the above captioned Schedule. Tract #27, which is shown, should read Tract #47. We will appreciate your making the change on your copy of the above mentioned schedule. Thank you for your cooperation in this matter.

Copies of this letter are being sent to each of the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PADO NATURAL GAS CONTANY

Βv W Cherry

Area Landman Lease Department

JWC:GWO:nn Attachment

195 El Paso Natural Gas Company El Paso, Texas

December 20, 1956

Director United States Geological Survey Department of the Inerior Washington, D. C. fill

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico AMENDED PLAN OF DEVELOPMENT for CALENDAR YEAR 1956.

Gentlemen:

This is to advise you that the Amended Plan of Development for 1956 for the Huerfano Unit, dated September 18, 1956, was approved by the proper State and Federal Authorities as follows:

- 1. Regional Supervisor, United States Geological Survey, approved October 1, 1956.
- 2. Commissioner of Public Lands of the State of New Mexico, approved October 1, 1956.
- 3. Oil Conservation Commission of the State of New Mexico, approved October 29, 1956.

A copy of this letter is being sent to each of the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By herry

Area Landman Lease Department

El Paso Natural Gas Company

El Paso, Jexas

December 20, 1956

i a i k

Director United States Geological Survey Department of the Interior Washington, D. C.

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Area San Juan County, New Mexico I Sec. No. 731 TENTH THROUGH NINETEENTH ENLARGEMENTS OF THE PICTURED CLIFFS PARTICIPAING AREA.

Gentlemen;

This is to adivse that the Tenth through Nineteenth Expansions of the Pictured Cliffs Participating Area under the Huerfano Unit Agreement I Sec. No. 731 have been approved as follows:

- 1. Approved by the United States Geological Survey on September 19, 1956.
- 2. Approved by the Commissioner of Public Lands of the State of New Mexico on June 27, 1956.
- 3. Approved by the Oil Conservation Commission of the State New Mexico on June 29, 1956.

You will find enclosed, schedules setting out the percentages of ownership of the Pictured Cliffs Participating Area for the Tenth through Nineteenth Expansions. The effective date of each expansion is as follows:

Expansion	Effective		
No.	Date		
10	November 1, 1953		
11	<b>January 1, 1954</b>		
12	June 1, 1954		
13	July 1, 1954		
14	September 1, 1954		
15	October 1, 1954		
16	November 1, 1954		
17	January 1, 1955		
18	February 1, 1955		
19	September 1, 1955		

We are in the process of revising the "Exhibit "B" of the Huerfano Unit and distribution will be made just as soon as this revision is completed.

Copies of this letter and schedules setting out the percentage of ownership of the Pictured Cliffs Participating Area as reflected by each of the Tenth through Nineteenth Expansions are being sent to each of the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Bv Joe W. Cher

Area Landman Lease Department

JWC:GWO:nb

Attachment

-2-

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil & Gas Company 1201 Main Street Dallas 2, Texas

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 2 North 8th Street Payette, Idaho

Mr. G. A. Olsen Sunland Refining Corporation Post Office Box 1512 Fresno, California

Brookhaven Oil Company Post Office Box 396 Scottsdale, Arizona

Mr. C. V. Lyman Post Office Box 1141 Midland, Texas

Mr. Niels C. Jensen Post Office Box 124 Richfield, Utah

Slick Oil Company, Ltd. 516 Melrose Building Houston, Texas

Montin-Benson Corporation 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoma City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico Mr. Harold Kogan 345 15th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. C. F. Bedford Stanolind Oil and Gas Company Post Office Box 1410 Fort Worth, Texas

Stanolind Oil and Gas Company Post Office Box 1714 Albuquerque, New Mexico

Dr. Sherman Wingerd 1044 Stanford Drive, S.E. Albuquerque, New Mexico

Mr. R. E. Beamon 346 Esperson Building Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor, Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹/₂ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor, Mercantile Bank Bldg. Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

# Page 2

Mr. Ralph A. Johnston 1010 South Coast Life Building Houston 2, Texas

Mrs. Willie Johnston 311 Grandview Avenue Clarksville, Arkansas

First National Bank of Fort Worth Trustee for Eula May Johnston Fort Worth, Texas

Mr. R. N. Richey (4) Mr. M. A. Ehrlich (1) Pacific Northwest Pipeline Corporation Post Office Box 1526 Salt Lake City, Utah Mrs. Lillie Leona Rogers c/o Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mr. V. A. Johnston Ralls, Texas

Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mrs. Veva Jean Gibbard 1229 West Tishomingo Sulphur, Oklahoma

# DIL CONSERVATION COMMISSION P. G. BOX 871 SANTA FE, NEW MEXICO

ile

October 29, 1956

El Paso Natural Gas Company P. C. Box 1492 El Paso, Texas

Re: Huerfano Unit Area San Juan County, New Mexico Amended Plan of Development, 1956.

Attention: Mr. R. L. Hamblin

Gentlemen:

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This is to advise that the New Mexico Oil Conservation Commission has this date approved the amended plan of development, dated September 18, 1956, for the subject unit area, subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the amended plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP:DSN:ir

bec USGS Comme Pue Ruen

October 1, 1956

In reply refer to: Unit Division

> El Paso Natural Gas Co. El Paso, Texas

Attention: Mr. R. L. Hamblin Manager, Lease Department

> Re: Huerfano Unit -Amended Plan of Development for Calendar Year 1956, San Juan County, New Mexico

Gentlemen:

We are enclosing one copy of the Amended Plan of Development for Calendar Year 1956 for the Huerfano Unit, which was approved by the Commissioner of Public Lands October 1, 1956.

÷.,

Very truly yours,

E. S. WALKER Commissioner of Public Lands

MMR/m enc: 1

cc: USGS-Roswell OCC-Santa Fe

IN REPLY REFER TO:



UNITED STATES DEPARTMENT OF THE INTERIOR

> GEOLOGICAL SURVEY P. 0. Box 6721 Roswell, New Mexico

> > October 1, 1956

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Gentlemen:

The amended plan of development dated September 15, 1956, for the Huerfano unit area, New Mexico, I-Sec. No. 731, has been approved on this date, subject to like approval by the appropriate State officials.

One approved copy of said plan is returned herewith.

Very truly yours,

JOHL A. ANDERSOF Regional 711 and Gas Supervisor

Copy to: Comm. Div., Mash. (w/l copy of plan) Farmington (w/l copy of plan) NMOCC, Santa Fe (ltr only)

El Paso Natural Gas Company El Pasor Texas

September 28, 1956

16. 10 to the start

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit Amended 1956 Drilling Program

Gentlemen:

When we submitted the Amended 1956 Drilling Program for the Huerfano Unit to you for approval, we submitted only one copy. You will find enclosed an additional copy for your files.

We are sorry for any inconvenience that this may have caused you.

Very truly yours,

Joe W. Cherry

Area Landman Lease Department

JWC:GWO:cr Enclosure

El Paso Natural Gas Company

El Paso, Texas

September 18, 1956

Mr. John A. Anderson Regional Supervisor United States Geological Survey P. C. Box 6721 Roswell, New Mexico

Mr. E. S. Walker Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit, I Sec. No. 731 San Juan County, New Mexico AMENDED PLAN OF DEVELOPMENT FOR CALENDAR YEAR 1956

Gentlemen:

El Paso Natural Gas Company, as unit operator of the Huerfano Unit, filed a Drilling Program for the calendar year 1956 on June 7, 1956. This Drilling Program proposed the drilling of thirty four (34) Pictured Cliffs wells in the Huerfano Unit. Nine (9) Pictured Cliffs wells of the thirty four (34) wells were approved by the Supervisor of the United States Geological Survey on June 21, 1956, and by the Oil Conservation Commission on June 29, 1956. The Commission of Public Lands approved the entire thirty four (34) wells on June 13, 1956, subject to like approval by the Oil Conservation Commission and the United States Geological Survey. The nine (9) wells on the 1956 Drilling Program which were approved have been completed as follows:

Well Name	Location	Completion Date	Initial Potential
Huerfano Unit No. 65	NW/4 Sec. 5 - 26N-10W	8-8-56	A.O.F. 2961 MCF Choke Vol. 2325 MCF
Huerfano Unit No. 66	SE/4 Sec. 6 - 26N-10W	8-4-56	A.O.F. 382 MCF Choke Vol. 380 MCF
Huerfano Unit No. 67	NW/4 Sec. 6 - 26N-10W	7-31-56	A.C.F. 5632 MCF Choke Vol. 3567 MCF

Well Name

Huerfano Unit No. 78	NW/4 Sec. 31 - 27N-10W	8-11-56	A.O.F. 4080 MCF Choke Vol. 2991 MCF
Huerfano Unit No. 79	SE/4 Sec. 31 - 27N-10W	8-21-56	A.O.F. 365 MCF Choke Vol. 364 MCF
Huerfano Unit No. 85	NE/4 Sec. 11 - 26N-10W NE/4 Sec. 9 - 25N- <u>10</u> W $$	P & A	
Huerfano Unit No. 86	NE/4 Sec. 9 - 25N- <u>10</u> W 🗸	P&A ?	9-25-9
Huerfano Unit No. 87	SE/4 Sec. 13 - 26N-10W	P & A	
Huerfano Unit No. 88	SE/4 Sec. 22 - 26N-10W	P & A	

Huerfano Unit wells Nos. 85, 86, 87, 88, the four step-out wells to be drilled prior to our submitting an amended plan of development, have all been plugged and abandoned. Therefore having drilled the foregoing nine (9) wells and in view of the fact that the four step-out wells have been plugged and abandoned, El Paso Natural Gas Company, as unit operator, hereby presents for your approval a Proposed Amended Drilling Program for the balance of the 1956 calendar year consisting of twenty five (25) wells to be drilled to the Pictured Cliff's formation on the following locations.

(1)	NW/4 Sec.	21 - Z6N-9W		(13)	SE/4 Sec. 8 - 26N-10W
(2)	SE/4 Sec.	21 - 26N-9W		(14)	NW/4 Sec. 9 - 26N-10W
(3)	NE/4 Sec.	26 - 26N-9W		(15)	SW/4 Sec.19 - 27N-10W
(4)	NW/4 Sec.	26 - 26N-9W		(16)	NE/4 Sec.29 - 27N-10W
(5)	SW/4 Sec.	26 - 26N-9W		(17)	SE/4 Sec.29 - 27N-10W
(6)	NE/4 Sec.	27 - 26N-9W		(18)	SE/4 Sec.30 - 27N-10W
(7)	NW/4 Sec.	3 - 26N - 10W		(19)	NW/4 Sec.32 - 27N-10W
(8)	N∦/4 Sec.	4 - 26N - 10W		(20)	SE/4 Sec.32 - 27N-10W
(9)	SE/4 Sec.	4 - 26N - 10W		(21)	NW/4 Sec.33 - 27N-10W
(10)	SE/4 Sec.	5 - 26N - 10W		(22)	NW/4 Sec.35 - 27N-10W
(11)	NE/4 Sec.	7 - 26N-10W		(23)	NW/4 Sec. 1 - 26N-11W
(12)	NW/4 Sec.	8 - 26N-10W	(25) SE/4 Sec. 36 - 27N-11W	(24)	SE/4 Sec. 1 - 26N-11W

All of the working interest owners have been contacted and this Amended Drilling Program reflects their wishes and proposals for the Amended Drilling Program for the year of 1956. The Proposed Amended Drilling Program protects all committed lands within the unit area from drainage from outside locations. There are several offset producing wells outside the unit boundary which have not been met for the reason that the offsetting acreage within the unit boundary is not committed to the Huerfano Unit and therefore, the unit is not being drained.

El Paso Natural Gas Company, as unit operator, intends to drill all wells to the base of the Pictured Cliffs Formation. Rotary tools will be used in drilling the pay section. Approximately 100 feet of 9-5/8'' surface casing will be set and then a production string of 5-1/2'' casing will be run down to the top of the Pictured Cliffs Formation. The Pictured Cliffs Formation will be treated with a hydro-frac process. Due care will be taken to protect all horizons.

-2-

Inasmuch as we should commence drilling as soon as possible, if we are going to be able to complete the twenty five (25) wells within the calendar year, we would like to have immediate oral approval to commence the drilling of the following five (5) wells which are part of the above twenty five (25) locations.

NW/4 Sec. 21 - 26N-9W
 SE/4 Sec 21 - 26N-9W
 NW/4 Sec. 26 - 26N-9W
 NE/4 Sec. 26 - 26N-9W
 NE/4 Sec. 27 - 26N-9W

If this Amended Drilling Program is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided and return an approved copy to El Paso Natural Gas Company.

Copies of this letter are being sent to the working interest owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

Ey Hambli R. L.

Manager Lesse Department

APPROVED :		Date:
	Supervisor, United States Geological Survey	
	Subject to like approval by the appropriate State	officials.
APPROVED		Date:
	Commissioner of Public Lands	
	Subject to like approval by the U.S.G.S. and Oil (	Conservation Commission.
APPROVED	U.L. Cherter	Date: 0CT 2 9.1055
	Oil Conservation Commission	

JWC:GWO:cr Attachment

Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.

-3-

Huerfano Unit Working Interest Owners

Copies of the foregoing letter have been sent to the following Working Interest Owners:

New Mexico Western Oil & Gas Company 1201 Main Street Dallas 2, Texas

Three States Natural Gas Company 17th Floor, Corrigan Tower Dallas 1, Texas

Mr. H. K. Riddle 2 North 8th Street Payette, Idaho

Mr. G. A. Olsen Sumland Refining Corporation Post Office Box 1512 Freesne, California

Brookhaven Oil Company Post Office Box 396 Scottsdale, Arizona

Mr. C. V. Lyman Post Office Box 1141 Midland, Texas

Mr. Niels C. Jensen Post Office Box 124 Richfield, Utah

Slick Oil Company, Ltd. 516 Melrose Building Houston, Texas

Montin-Eenson Corporation 2808 First National Building Oklahoma City, Oklahoma

Benson-Montin-Greer Drilling Corporation 2808 First National Building Oklahoms City, Oklahoma

Mr. K. E. McAfee 1316 Liberty Bank Building Oklahoma City, Oklahoma

Mr. O. J. Lilly Post Office Box 185 Farmington, New Mexico Mr. Harold Kogan 345 15th Avenue San Francisco, California

Western Natural Gas Company 1006 Main Street Houston 2, Texas

Mr. James L. Lundean One West 67th Street New York 23, New York

Mr. C. F. Bedford Stanolind Oil and Gas Company Post Office Box 1410 Fort Worth, Texas

Stanolind Oil and Gas Company Post Office Box 1714 Albuquerque, New Mexico

Dr. Sherman Wingerd 1044 Stanford Drive, S.E. Albuquerque, New Mexico

Mr. R. E. Beamon 346 Esperson Building Houston 2, Texas

Texas National Petroleum Company 902 South Coast Life Building Houston 2, Texas

Mr. J. Glenn Turner 17th Floor, Mercantile Bank Bldg. Dallas 1, Texas

Mr. Albert R. Greer 405¹ West Broadway Farmington, New Mexico

Mr. William G. Webb 17th Floor, Mercantile Bank Bldg. Dallas 1, Texas

Mr. C. F. Stringer Post Office Box 542 Farmington, New Mexico

# Page 2

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# Huerfano Unit

Mr. Ralph A. Johnston 1010 South Coast Life Building Houston 2, Texas

Mrs. Willie Johnston 311 Grandview Avenue Clarksville, Arkansas

First National Bank of Fort Worth Trustee for Eula May Johnston Fort Worth, Texas

Mr. R. N. Richey (4) Mr. M. A. Ehrlich (1) Pacific NorthWest Pipeline Corporation Post Office Box 1526 Salt Lake City, Utah Mrs. Lillie Leona Rogers c/o Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mr. V. A. Johnston Ralls, Texas

Mr. Orville C. Rogers 3835 Beechwood Lane Dallas, Texas

Mrs. Veva Jean Gibbard 1229 West Tishomingo Sulphur, Oklahoma

# OIL CONSERVATION COMMISSION P. O. BOX 871

# SANTA FE, NEW MEXICO

August 31, 1956

freerface Unit

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: Initial Participating Area and First Nine Expansions Thereof, Pictured Cliffs Formation, Huerfano Unit San Juan County, New Mexico

Gentlemen:

This is to advise that the Initial Participating Area and the first nine enlargements thereof, Pictured Cliffs Formation, Huerfano Unit, submitted to this Commission by Stanolind Oil and Gas Company March 18, 1953, and effective as follows:

> Initial Participating Area effective December 1, 1951. First Expansion effective September 1, 1952. Second Expansion effective October 1, 1952. Third Expansion effective October 1, 1952. Fourth Expansion effective October 1, 1952 Fifth Expansion effective November 1, 1952 Sixth Expansion effective November 1, 1952 Seventh Expansion effective December 1, 1952. Eighth Expansion effective January 1, 1953. Ninth Expansion effective January 1, 1953.

had been approved by the New Mexico Oil Conservation Commission, said approval being subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

# OIL CONSERVATION COMMISSION

### P. O. BOX 871

### SANTA FE, NEW MEXICO

June 29, 1956

J El Paso Natural Gas Company P O. Box 1492 El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: (Huerfano Unit - San Juan) County, New Mexico. 10th through 19th Expansions, Pictured Cliffs Participating Area.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth and Nineteenth enlargements of the Pictured Cliffs Participating Area, dated June 20, 1956, and effective November 1, 1953, January 1, 1954, June 1, 1954, July 1, 1954, September 1, 1954, October 1, 1954, November 1, 1954, January 1, 1955, February 1, 1955, and September 1, 1955, respectively.

This approval is granted subject to like approval being obtained from the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the enlargements are returned herewith.

Very truly yours PORTER, JR

Secretary - Director

ALP:DSN:ds

cc: U. S. Geological Survey - Roswell

Commissioner of Public Lands - Santa Fe

# OIL CONSERVATION COMMISSION

P. O. BOX 871

### SANTA FE, NEW MEXICO

Ner 95

file

June 29, 1956

El Paso Natural Gas Company P. O. Box 1492 El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: Huerfano Unit San Juan County, New Mexico. 1956 Drilling Program

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved that portion of the 1956 Drilling Program for the abovecaptioned Unit, dated June 7, 1956, which pertains to the drilling of wells in the Pictured Cliffs Formation in the NW/4 and SE/4 of Section 31, Township 27 North, Range 10 West, the NW/4 and SE/4 of Section 6, Township 26 North, Range 10 West, and the NW/4 of Section 5, Township 26 North, Range 10 West.

As to the remainder of the wells proposed in the subject drilling program, we concur with Mr. John A. Anderson, Regional Supervisor, United States Geological Survey, in that the exploratory wells in Sections 11, 13, and 22, Township 26 North, Range 10 West and in Section 9, Township 25 North, Range 9 West, be drilled next with the view in mind of submitting an amended plan later on calling for additional wells in the vicinity of the exploratory wells if they prove satisfactory.

Very truly yours,

A. L. PORTER, JR., Secretary - Director

ALP:DSN:ds

cc: U. S. Geological Survey - Roswell Commissioner of Public Lands - Santa Fe



# UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

P. O. Box 6721 Roswell, New Maxico

June 21, 1956

El Paso Natural Gas Company Box 1492 El Paso, Texas

Attention: Br. Roland Hamblin

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Gentlemen:

Your plan of development for 1956 for the Huerfano Unit, I-Sec. No. 731, San Juan County, New Mexico, proposes the drilling of thirty-four Pictured Cliffs wells.

On June 12, we informally advised you that we have no objection to your starting work on Pictured Gliffs wells in the  $MF_{1}^{1}$  and  $SE_{1}^{1}$  sec. 31, T. 27 N., E. 10 W., the  $MF_{1}^{1}$  and  $SE_{2}^{1}$  sec. 6, T. 26 N., E. 10 W., and the  $MF_{2}^{1}$  sec. 5, T. 26 N., R. 10 W., all of which you desire to drill without delay.

As to the remainder of the drilling program, we request that you consider drilling next in order the exploratory wells in secs. 11, 13, and 22, T. 26 N., H. 10 W., and in suc. 9, T. 25 N., H. 9 W., with the view of drilling more wells in the vicinity of any successful exploratory wells rather than drilling all of the fourteen infill wells you propose in the present participating area. The believe that such procedure will be more helpful in determining the productive limits of the Fictured Cliffs in the unit area, with consequent greater expansion of the participating area than might be possible under your proposed plan.

If you concur in this suggestion, we are prepared to approve the plan of development subject to the condition that an amended plan of development be submitted after the four exploratory wells are drilled and before the remaining infill wells are drilled.

Very truly yours,

Copy to: _Oil Cons., Comm. (Santa Fe)

(Odg. Sgd.) JOHN A. ANDERSON JOHN A. ANDERSON Regional Oil and Gas Supervisor El Paso Matural Gas Company

27 CM LA AL 0134

Mr. John A. Anderson

El Paso, Texas

June 7, 1956

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Regional Supervisor United States Geological Survey Department of the Interior Post Office Box 6721 Roswell, New Mexico

Mr. E. S. Walker Commissioner of Public Lands State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Mr. A. L. Porter, Jr. Acting Director Oil Conservation Commission State of New Mexico Capitol Annex Building Santa Fe, New Mexico

West and Market

Re: Huerfano Unit I Sec. No. 731 San Juan County, New Mexico Drilling Program for the Calendar Year 1956

Gentlemen:

El Paso Natural Gas Company, as Unit Operator of the Huerfano Unit, filed a drilling program for the remainder of the calendar year 1955 on September 12, 1955. This drilling program proposed the drilling of five Pictured Cliffs wells in the Huerfano Unit and constituted our drilling program for the calendar year 1955. This drilling program was approved by the Supervisor of the United States Geological Survey on October 19, 1955, by the Commissioner of Public Lands on October 26, 1955, and by the Oil Conservation Commission on October 27, 1955. The five wells on the 1955 drilling program have been completed as follows:

Well Name	Location	Completion Date	Potential	
Huerfano Unit #45	SW/4 Sec.10-26N-10W	P&A		
Huerfano Unit #46	SW/4 Sec.23-26N- 9Ŵ	1-28-56	1994 Mcf	
Huerfano Unit #47	NE/4 Sec. 9-26N- 9W	1-24-56	2331 Mcf	
Huerfano Unit #48	SW/4 Sec. 9-26N- 9W	2-16-56	373 Mcf	
Huerfano Unit #49	NE/4 Sec. 5-26N- 9W	2-29-56	399 Mcf	

In addition to these five wells, the Huerfano Unit #50 well, located in the NE/4 of Section 22, 26N, 9W, was drilled and completed with an initial potential of 11,362 Mcf.

After completion of this 1955 drilling program a considerable period of time elapsed while the working interest owners of the Unit studied the results of the above wells and planned their 1956 drilling program. El Paso Natural Gas Company, as Unit Operator, hereby presents for your approval a proposed drilling program for the calendar year 1956 consisting of 34 wells to be drilled to the Pictured Cliffs formation on the following locations:

(1)	NE/4	Sec.	9-25N-	9W	EXTERNA	(18)	NW/4	Sec. 9	-26N-10W
(2)	NW/4	Sec.2	21-26N-	9W		(19)	NE/4	Sec.11	-26N - 10W
(3)	SE/4	Sec.2	21-26N-	9W		(20)	SE/4	Sec.13	-26N-10W
(4)	NE/4	Sec.2	26-26N-	9W		(21)	SE/4	Sec.22	-26N-10W
(5)	NW/4	Sec.2	26-26N-	9W		(22)	SW/4	Sec.19	-27N - 10W
(6)	SW/4	Sec.2	26-26N-	9W		(23)	NE/4	Sec.29	-27N-10W
(7)	NE/4	Sec.2	27-26N-	9W		(24)	SE/4	Sec.29	-27N - 10W
(8)	NW/4	Sec.	3-26N-1	LOW		(25)	SE/4	Sec.30	-27N-10W
(9)	NW/4	Sec.	4 - 26 N - 3	LOW	(	<del>(2</del> 6)	NW/4	Sec.31	-27N-10W
(10)	SE/4	Sec.	4 - 26 N - 1	LOW	IFILL'S		SE/4	Sec.31	-27N-10W
-(11)	NW/4	Sec.	5-26N-1	LOW	INFILL.	(28)	NW/4	Sec.32	-27N-10W
(12)	SE/4	Sec.	5-26N-1	LOW	and the second sec	(29)	SE/4	Sec.32	-27N - 10W
(13)	NW/4	Sec.	6-26N-1	LOW-		(30)	NW/4	Sec.33	-27N - 10W
(14)	SE/4	Sec.	6-26N-1	LOW-		(31)	NW/4	Sec.35	-27N - 10W
(15)	NE/4	Sec.	7-26N-1	LOW		(32)	NW/4	Sec. 1	-26N-11W
(16)	NW/4	Sec.	8-26N-1	LOW		(33)	SE/4	Sec. 1	-26N-11W
(17)	SE/4	Sec.	8-26N-1	LOW		(34)	SE/4	Sec.36	-27N-11W

All of the working interest owners have been contacted and this drilling program reflects their wishes and proposals for the drilling program for this year. This represents a considerable increase in the drilling activity in the Huerfano Unit and contains a number of stepout wells. The proposed drilling program protects all committed lands within the Unit Area from drainage from outside locations. There are several offset producing wells outside of the unit boundary which have not been met for the reason that the offsetting acreage within the unit boundary is not committed to the Huerfano Unit and therefore the unit is not being drained.

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El Paso Natural Gas Company, as Unit Operator, intends to drill all wells to the base of the Pictured Cliffs formation. Rotary tools will be used in drilling the pay section. Approximately 100 feet of 9-5/8" surface casing will be set and then a production string of  $5\frac{1}{2}$ " casing will be run down to the top of the Pictured Cliffs formation. The Pictured Cliffs formation will be treated with a hydra-frac process. Due care will be taken to protect all horizons.

Inasmuch as we should commence drilling as soon as possible if we are going to be able to complete the 34 wells within the calendar year, we would like to have immediate or oral approval to commence the drilling of the following five wells which are part of the above 34 locations:

> (1) NW/4 Sec.31-27N-10W (2) SE/4 Sec.31-27N-10W (3) NW/4 Sec. 6-26N-10W (4) SE/4 Sec. 6-26N-10W NW/4 Sec. 5-26N-10W NW/4 Sec. 5-26N-10W

If this drilling program is acceptable, please signify your approval as required under Section 9 of the Unit Agreement in the space provided, and return an approved copy to El Paso Natural Gas Company.

Yours very truly,

EL PASO NATURAL GAS COMPANY

RLH:ms

**APPROVED:** 

Date:

Date:

____Date:__

Lease Department

Supervisor, United States Geological Survey

Subject to like approval by the appropriate State officials.

**APPROVED**:

Commissioner of Public Lands

Subject to like approval by the U.S.G.S. and Oil Conservation Commission.

APPROVED: ( ( )

Oil Conservation Commission

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Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.

MAM OFFICE OCC TER UN 10 Mi 8:10

June 27, 1956

In reply refer to: Unit Division

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El Paso Natural Gas Co. El Paso, Texas

> Re: (Huerfano Unit -San Juan County, N. Mex. Tenth through Nineteenth Enlargement of the Pictured Cliff Participating Area

Attention: Mr. R. L. Hamblin Manager, Lease Department

Gentlemen:

We are enclosing two approved copies of the Tenth through the Nineteenth Enlargements of the Pictured Cliff Participating Area, which has been approved by the Commissioner of Public Lands as of June 27, 1956.

Very truly yours,

E. S. WALKER Commissioner of Public Lands

MMR/m enc: 2

cc: USGS-Roswell OCC-Santa Fe

El Paso Natural Gas Company

El Paso, Texas

June 20, 1956

Director United States Geological Survey Department of the Interior Washington, D. C.

Commissioner of Public Lands of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

> Re: Huerfano Unit San Juan County, New Mexico TENTH through NINETEENTH ENLARGEMENTS OF THE PICTURED CLIFFS PARTICIPATING AREA

Gentlemen:

On September 14, 1955, El Paso Natural Gas Company was approved as Unit Operator of the Huerfano Unit.

Pursuant to the provisions of Section 10 of the Huerfano Unit Agreement, approved by the Director of the United States Geological Survey on June 6, 1950, by the Commissioner of Public Lands of the State of New Mexico on September 26, 1949, and by the Oil Conservation Commission of the State of New Mexico on September 20, 1949, El Paso Natural Gas Company, as Unit Operator, hereby submits for your approval a selection of lands to constitute the Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth and Nineteentr Expanded Participating Areas of the Pictured Cliffs Formation for the above Unit Agreement.

We feel that since the approval on April 27, 1953 of the Ninth Enlargement of this Participating Area, the following wells have proven up the following acreage which is listed below under the appropriate Enlargement and should be included in the Pictured Cliffs Participating Area:

# TENTH ENLARGEMENT

	WELL NAME	LOCATI		Date: November 1, COMPLETION DATE	, 1953 INITIAL POTENTIAL	PROVEN ACREAGE
*	Huerfano Unit #1-2 (formerly Earl Ader, No. 1)	-	, 26N-10W	10/21/50	428 MCF	$\frac{T-26-N, R-10-W}{Sec. 25: SE_{4}^{1}}$ Sec. 36: S $\frac{1}{2}$ $\frac{T-25-N, R-10-W}{Sec. 1: Lots 1,2,3, 4, S\frac{1}{2}N\frac{1}{2}$
	Pipkin #1-A	NW1 1	, 25N-10W	10/30/53	261 MCF	-, -, -, -, -, -, -, -, -, -, -, -, -, -
	Pipkin #2-A	$NE_4^1$ 1	, 25N-10W	10/30/53	1571 MCF	

* At the time of completion of the Huerfano #1-2 well, apparently no determination was made as to whether or not it was a commercial well, and based on present conditions and the increased price of gas, Unit Operator now determines the Huerfano #1-2 well to be a commercial well, effective November 1, 1953.

	EL	EVENTH ENLARGEMENT		
	Effective	e Date: January 1,	1954	
		COMPLETION	INITIAL	PROVEN
WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
** Greer #1	$NE_{4}^{1}$ 16, 26N-9W	12/11/53	1120 MCF	$\frac{T-26-N, R-9-W}{Sec. 16: NE_{4}^{1}}$
	T	ELFTH ENLARGEMENT		
	Effect	ive Date: June 1,	1954	
		COMPLETION	INITIAL	PROVEN
WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
** Ballard #1-15	$NW_{4}^{1}$ 15, 26N-9W	5/14/54	2237 MCF	<u>T-26-N, R-9-W</u> Sec. 15: NW4
	THI	RTEENTH ENLARGEMENT		
	Effect:	ive Date: July 1, 1	954	
		COMPLETION	INITIAL	PROVEN
WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
** Ballard #4-15	$SW_4^1$ 15, 26n-9W	6/1/54	565 MCF	<u>T-26-N, R-9-W</u> Sec. 15: SW <del>1</del>
	FOU	RTEENTH ENLARGEMENT		
	Effective	Date: September 1	, 1954	
		COMPLETION	INITIAL	PROVEN
WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
** Ballard #2-15	NE4 15, 26N-9W	8/18/54	2640 MCF	$\frac{T-26-N, R-9-W}{Sec. 15: E_{2}^{\frac{1}{2}}}$
<b>**</b> Ballard #3-15	$SE_4^1$ 15, 26N-9W	8/18/54	2039 MCF	

		FIF	TEENTH ENLARGEM	IENT	
		Effective	Date: October	1, 1954	
			COMPLETION	INITIAL	PROVEN
	WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
	Huerfano #27	NE/4 23, 26N-9W	9/20/54	1808 MCF	T-26-N, R-9-W Sec. 9: SE/4 Sec. 23: NE/4
	Huerfano <b>#28</b>	SE/4 9, 26N-9W	9/29/54	3300 MCF	
		SIX	TEENTH ENLARGEM	ENT	
			Date: November		
			COMPLETION	INITIAL	PROVEN
	WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
	Huerfano #29	NW/4 9, 26N-9W	10/18/54	264 MCF	<u>T-26-N, R-9-W</u> Sec. 9: NW/4
			NTEENTH ENLARGE		
		Effective	Date: January		
			COMPLETION	INITIAL	PROVEN
	WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
	Huerfano #35	NE/4 21, 26N-9W	12/24/54	1115 MCF	<u>T-26-N, R-9-W</u> Sec. 21: NE/4
	Huerfano <b>#3</b> 6	NW/4 23, 26N-9W	12/17/54	4938 MCF	Sec. 23: NW/4
			TEENTH ENLARGEM		
		Effective	Date: February	<del>7 1,</del> 1955	
			COMPLETION	INITIAL	PROVEN
	WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
	Huerfano <b>#32</b> -A	SE/4 23, 26N-9W	1/4/55	3060 MCF	<u>T-26-N, R-9-W</u> Sec. 23: SE/4
		NINE	TEENTH ENLARGEM	ENT	
		Effective I	Date: September	° 1, 1955	
			COMPLETION	INITIAL	PROVEN
	WELL NAME	LOCATION	DATE	POTENTIAL	ACREAGE
**	C.A.McAdams #2	SW/4 34, 27N-10W	8/10/55	250 MCF	T-27-N, R-10-W Sec. 33: SE/4 Sec. 34: SW/4
**	Greer #2	SW/4 16, 26N-9W	8/6/55	585 MCF	<u>T-26-N, R-9-W</u> Sec. 16: SW/4

** These wells located on acreage within boundaries of Unit Agreement, but not committed to the Huerfano Unit.

In support of this application, the applicant attaches hereto and hereby makes a part of this application the following exhibits:

EXHIBIT A: A map showing the Huerfano Unit, the Present Participating Area for the Pictured Cliffs Formation and the Proposed Tenth through Nineteenth Enlargements of the Area.

-3-

- EXHIBIT B: A schedule of wells in the proposed Tenth through Nineteenth Enlargements of the Participating Area.
- EXHIBIT D: Initial pressure data on wells in the Huerfano Unit.
- EXHIBIT J: A statement by Roy Allen, formerly Senior Geologist, San Juan Division, at Farmington, New Mexico, and now Superintendent of the Midland Division.

The following Exhibits were forwarded to you on December 21, 1955, along with our Proposed Tenth Expansion of the Pictured Cliffs Formation for the Huerfano Unit; therefore since there has been no change in these Exhibits they are not being included with this present application:

- EXHIBIT C: A map of the Huerfano Unit showing contours on the top of the Pictured Cliffs formation, and also showing where cross sections marked E,F,G and H were taken.
- EXHIBIT E: A cross section of the Pictured Cliffs sands in the Huerfano Unit.
- EXHIBIT F: A cross section of the Pictured Cliffs sands in the Huerfano Unit.
- EXHIBIT G: A cross section of the Pictured Cliffs sands in the Huerfano Unit.
- EXHIBIT H: A cross section of the Pictured Cliffs sands in the Huerfano Unit.
- EXHIBIT I: A map of the Huerfano Unit showing the Present Pictured Cliffs pools as delineated by the Oil Conservation Commission of the State of New Mexico.

As soon as the Proposed Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth and Nineteenth Enlargements of the Pictured Cliffs Participating Area are approved, we will submit immediately new schedules of participation based on the exact acreage and ownership in the Enlarged Participating Area.

Approved. JUN 2 9 1956 Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL BEING GRANTED BY THE UNITED STATES GEOLOGICAL SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS OF THE STATE OF NEW MEXICO. Very truly yours,

EL PASO NATURAL GAS COMPANY

Hambl

Manager Lease Department

RLH:GWO:rb

cc: Attached list

EXHIBIT "B"

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WELL_	LOCATION	COMPLETION DATE	INITIAL POTENTIAL
Huerfano No. 1-2 (formerly Earl Ader, Jr. No. 1)	SE/4 Section 25, T-26-N, R-10-W	10/21/50	428 MCFGPD
Pipkin No. 1-A	NW/4 Section 1, T-25-N, R-10-W	10/30/53	261 MCFGPD
Pipkin No. 2-A	NE/4 Section 1, T-25-N, R-10-W	10/30/53	1571 MCFGPD
Huerfano No. 28	SE/4 Section 9, T-26-N, R-9-W	9/29/54	3300 MCFGPD
Huerfanc No. 29	NW/4 Section 9, T-26-N, R-9-W	10/18/54	264 MCFGPD
Huerfano No. 35	NE/4 Section 21, T-26-N, R-9-W	12/24/54	1115 MCFGPD
Huerfano No. 36	NW/4 Section 23, T-26-N, R-9-W	12/17/54	4938 MCFGPD
Huerfano No. 27	NE/4 Section 23, T-26-N, R-9-W	9/20/54	1808 MCFGPD
Huerfano No. 32-A	SE/4 Section 23, T-26-N, R-9-W	1/4/55	3060 MCFGPD
C. A. McAdams No. 2	SW/4 Section 34, T-27-N, R-10-W	8/10/55	250 MCFGPD
Greer No. 1	NE/4 Section 16, T-26-N, R-9-W	12/11/53	1120 MCFGPD
Greer No. 2	SW/4 Section 16, T-26-N, R-9-W	8/6/55	585 MCFGPD
Ballard No. 1-15	NW/4 Section 15, T-26-N, R-9-W	5/14/54	2237 MCFGPD
Ballard No. 2-15	NE/4 Section 15, T-26-N, R-9-W	8/18/54	2640 MCFGPD
Ballard No. 3-15	SE/4 Section 15, T-26-N, R-9-W	8/18/54	2039 MCFGPD
Ballard No. 4-15	SW/4 Section 15, T-26-N, R-9-W	6/1/54	565 MCFGPD

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# HUERFANO UNIT WELLS EXHIBIT "D" ORIGINAL COMPLETION METHOD AND POTENTIALS

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Page #2

### EXHIBIT "J"

# Geological Investigation of the Pictured Cliffs Sandstone under the Huerfano Unit

# Purpose of Report

This study of the Pictured Cliffs sandstone formation was done at the request of Mr. J. A. Anderson of the United States Geological Survey, Roswell, New Mexico. The report was undertaken to determine whether or not, from a geological standpoint, the Pictured Cliffs sandstone under the Huerfanc Uni was a common reservoir.

# Scope of Report

The limits of this study lie two miles from the outer boundaries of the Huerfano Unit, San Juan County, New Mexico.

# Methods of Investigation

To properly approach a situation of this kind in the Cretaceous System of the San Juan Basin adequate time-rock control must be had. The most reliable time-rock marker has been found to be the base of the Greenhorn limestone also of Cretaceous age. Unfortunately the area under study had but 5 wells which had been drilled deep enough to penetrate the Greenhorn, therefore, it was felt that this was not a sufficient amount of control upon which to base a report of this nature.

A series of cross sections (Exhibits E, F, G & H) were constructed across the area using available Electric, Gamma Ray-Induction and Gamma Ray-Neutron Logs. Upon these Logs were plotted the lithologic interpretations using information derived from ditch sample and core samples. The lithology was shown by using graphic rather than color symbols. The cross-section datum was the top of the Pictured Cliffs Sandstone.

Using these cross-sections an attempt to delineate sands within the formation limits was found to be an impossibility. There were not enough distinct sand characteristics to do so. In the future, with detail lithologic descriptions via the petrographic microscope, grain size analysis, clay analysis, etc., it might be possible to "breakdown" the Pictured Cliffs into correlative, component parts but it is highly doubtful.

# Conclusions

. . . .

The Pictured Cliffs sandstone in this area cannot be separated into separate reservoirs. This statement is based upon the following facts:

- 1. There are not enough sand characterictis to delineate individual sand bodies within the total formation thickness.
- 2. In a sandstone deposit such as the Pictured Cliffs an absolute end to sandstone deposition by the parent sea even in its most active regression stages seems very unlikely.

Ellen

-2-

Caus- 195

El Paso Natural Gas Company

El Paso, Iexas

April 23, 1956

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

Re: | Huerfano Unit Area / Tract 142 San Juan County, New Mexico

file

Gentlemen:

Enclosed herewith is one (1) copy of Ratification and Joinder of Unit Agreement which has been executed by O. J. Lilly and wife, Julia B. Lilly committing their overriding royalty interest in Tract 142 to the Huerfano Unit, and approved by the Working Interest Owners in said tract.

Also enclosed are one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by Montin-Benson Corporation and Albert R. Greer and wife, Charline Greer; one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by Benson-Montin-Greer Drilling Corp. and C. F. Stringer and wife, Nancy Stringer; one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by J. Glenn Turner and wife, Sue Reeder Turner and William G. Webb, a single man; and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by O. J. Lilly and wife, Julia B. Lilly and K. E. McAfee and wife, Z. M. McAfee by which the above listed Working Interest Owners commit their working interest in Tract 142 to the Huerfano Unit.

We respectfully ask that you process these Ratification and Joinders of the Unit Agreement and the Unit Accounting Agreement in the usual manner.

Very truly yours,

James C. Vandiner James C. Vandiver

Area Landman Lease Department

JCV:GWO:rb

# RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the t and Operation of the Huerfano Unit Development and Operation of the San Juan Area located within the County of State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drill-ing, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the pro-duction allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest. Trace N R PM

Date: PROVED AND CONSENTED T urnei xbacters Albert Greer K. E. McAfee WORKING INTEREST OWNERS

**ADDRESS** 

T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4

SIGNATURE Wife

APPROVED AND CONSENTED TO: BENSON-MONTIN-GREER DRILLING CORP.

enso By Vice President

MONTIN-BENSON CORPORATION

C. Stringer

WORKING INTEREST OWNERS

APPROVED AND CCI ED TO-Vice President

UNIT OPERATOR

STATE OF ) ) SS.: COUNTY OF )

On this _____day of _____, 195____, before me appeared

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 New Marico) COUNTY OF San Juan ) SS.:

On this 6th day of February, 1956, before me appeared

0, J, Lilly and Julia B. Lilly

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires: '

8-20-1958

Nancy Elaine

Notary Public in and for ______ Sanguan County, State of New Recuro

STATE OF New Marco ) COUNTY OF Sanfuan } SS.: On this 11- day of Afril, 1956, before me personally C.7. Stringer

appeared <u>C. T. Slungly</u>, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that <u>he</u> he executed the same as <u>ho</u> free act and deed.

My Commission expires:

8-20-1958

Nancy Elaine

Notary Public in and for <u>San men</u> State of <u>County</u>,

In consideration of the execution of the Unit Agreement for the Development and Operation of the _____ Area located within the County of _____ Huerfano Unit San Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the pro-duction allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS

T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4

SIGNATURE

MONTIN-BENSON CORPORATION ATTEST BY Albert R. Ć. Chad Charline Greer, his 16 Date: APPROVED AND

Fresident UNIT - CPERATOR

STATE OF Oklahoma ; SS.:

On this 1st day of March, 1956, before me appeared

<u>by me duly sworn, did say that he is the Vice President of</u> <u>MONTIN-BENSON CORPORATION</u> and that the seal affixed to said instrument

<u>MONTIN-BENSON CORPORATION</u> 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 <u>carl d. Benson</u> acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

Ary Commission Expires Apr. 24, 1950

anotta S. d'arther

Notary Public in and for. State of aplahome

STATE OF ) COUNTY OF ) SS.:

> On this 20th day of fanuary, 195<u>8</u>, before me appeared Albert R. Greer and Charline Greer

his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

8-20-1958

Nancy Elaine Fone

Notary Public in and for <u>San Man</u> Gounty, State of <u>Ulu Ply uo</u>

STATE OF	) ) SS.:		
COUNTY OF	) 55.:		
On this	day of	, 195, before	me personally
the person described	in and who executed the _he executed the same a	foregoing instrument,	and acknowledged
My Commission expires	\$		

Notary Public in and for _____County,

State of

# RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

•	T-26-N, R	-9-W, N.M.P.M	•
ADDRESS	Sec. 22:	SE/4 NW/4, S	2 NE/4 SIGNATURE

ATTEST:	MONTIN-BENSON CORPORATION
Date: Mary 1 St 1956	By: Cal a Benson Vice President
- Andrew State Common from the Common second	
Trannetor 11 Meg	Albert R. Greer <u>Chapline Greer</u> Charline Greer, his wife
Date:	
STATE OF	
COUNTY OF	
The foregoing instrument was acknowledg by	ed before me this

My Commission expires:

## Notary Public in and for the County of

State of

APPROVED AND PONS ЬΝΥ くふや President UNIT OPERATOR

STATE OF (mla) SS.: COUNTY OF (mla) On this <u>et</u> day of <u>March</u>, 195<u>6</u>, before me appeared <u>Earl</u> <u>Berson</u>, to me personally known, who being by me duly sworn, did say that he is the <u>Vice</u> President of <u>Montin-Benson Corporation</u> and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and personally of said corporation by authority of its board of directors and said

sealed in behalf of said corporation by authority of its board of directors, and said Earl a. Benson 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:

by Commission Expires Apr. 24, 1956

 $\leq$  / coretta -

Notary Public in and for Cklahoma County, State of Opt ahoma

STATE OF Nin Mercico) COUNTY OF San fran ) SS.: On this 28th day of fanuary, 1956, before me appeared

Albert R. Greer and Charline Greer his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

8-20-1458

Nan	in Elain	e Anec	2
	Public in and i	U	
San	n gian	County,	State
of	' New H	terlio	

-	appeared	1 - 1 - 1		, a single perso	on, to me known to
	On this	<u> </u>	day of	, 195	, before me per-
Connla	OF	)			
STATE (	)F	) ) SS.:			

be the person described in and who executed the foregoing instrument, and acknowledged to me that ______ he executed the same as ______ free act and deed.

My Commission expires:

Notary Public in and for County, State of

PAGE 2

In consideration of the execution of the Unit Agreement for the Huerfano Unit Development and Operation of the Area located within the County of_ San Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4

ADDRESS

SIGNATURE

BENSON-MONTIN-GREER DRILLING CORP.

tone ssistant Secretary

Date:_

ATTEST

By:

n his Stringer, wife Ńancv

Date:_

APPROVED ANT EL PASO Rv. 28# Vice President

UNIT OPERATOR

STATE OF Oklahoma ; SS.:

On this <u>27</u> day of <u>ferruary</u>, 195<u>6</u>, before me appeared <u>light</u> <u>k</u>, to me personally known, who, being by me duly sworn, did say that he is the <u>Vice</u> President of <u>BENSON-MONTIN-GREER DRILLING CORP.</u> and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed 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:

My Commission Expires Apr. 24, 1956

Toretta S. Lutte

Notary Public in and for______ County, State of______

STATE OF New Nexico ) COUNTY OF Sanfuer ) SS.:

On this 27th day of fanuary, 1956, before me appeared

and Nancy Stringer F. Stringer his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

8 - 20 - 1958

Nancy	Elaine	fores
	ic in and fo	()
San 4	ran co	unty,
State of /	New He	tuo

STATE OF			2	66 .						
COUNTY OF			5	SS.:						
	On	this		day of	, 19 <u>:</u>	5,	before	me p	personally	
appeared the person to me that				and who executed executed the same	the foregoin	ng inst	rument,	and	-	
My Commiss	sion	expires	:							

Notary Public in and for

County, State of

## RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

	T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4 <u>SIGNATURE</u>
ATTEST:	BENSON-MONTIN-GREER DRILLING CORP.
Vancy Elaine pres Assistant Secre	tary By: Vice President

Date:

Stringe 200 1ano Nancy Stringer, his wife

STATE OF

Date:___

COUNTY OF

The foregoing instrument was acknowledged before me this

by

_____

My Commission expires:

Notary Public in and for the County of

State of

APPROVED AND .GON EL PASO r x Ha President

UNIT OPERATOR

STATE OF (Kahoma) ) SS.: COUNTY OF Plahoma)

On this <u>27</u> day of <u>February</u>, 195 <u>(appeared</u>), before me appeared <u>duly sworn, did say that he is the Vice</u> President of BENSON-MONTIN-GREER DRILLING COPP , to me personally known, who being by me and that the seal affixed to said instrument BENSON-MONTIN-GREER DRILLING CORP. 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

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:

by Community EXERCS Apr. 24, 1956

Toretta

Notary Public in and for Plahama County, State of Clahoma

STATE OF frew Herico ) COUNTY OF San fran ; ss.:

on this 27th day of fanciary, 1956, before me appeared

C. F. Stringer and <u>Nancy Stringer</u> his wife, to me known to be the persons described in and who executed the foregoing

instrument, and acknowledged to me they executed the same as their free act and deed.

My Commission expires:

8 - 20 - 1958

Nance	Elaine	fores
	•	1
_ San '	ic in and for man	County, State
of	New Her	lio

STATE OF ) SS.: COUNTY OF _____day of _____, 195 ____, before me per-On this sonally appeared , a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowhe executed the same as_____ ledged to me that free act

My Commission expires:

and deed.

Notary Public in and for County, State of

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> San Juan Area located within the County of State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

#### T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4

ADDRESS SIGNATURE R Buildin J. Glenn Turner ulu Reeder Sue Turner, his Date: ille William G. Webb, a single man Date: APPROVED TED TO FL

UNIT OPERATOR

President

STATE OF ) SS.: COUNTY OF )

On this

_day of

by me duly sworn, did say that he is the_____President of_____ 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, _acknowledged said instrument to be and said the free act and deed of said corporation. IN WITNESS WHEREOF, I have bereunto 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 TEXAS SS.: COUNTY OF Dalla On this Att day of mary, 1955 , before me appeared Sue Reeder Turner . /. . . . J. Glenn Turner and his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and dead. My Commission expires: an 1457 mel. ELLEN DONIHOU

_____, 195____, before me appeared

Notary Public in and for <u>County</u>, State of STATE OF TEXAS COUNTY OF Salling SS .: On this 12 day of Junuary, 1956, before me personally

appeared <u>William G. Webb</u>, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that <u>he executed the same as</u> free act and deed.

My Commission expires:

une 1 1457 and the second s

o Lean la	· · · · · · ·
ELLEN DONIHOU Notary Public in and for Talla	County.
State of	

#### RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFAND UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

T-26-N, R-9-W, N	•M•P•M•
Sec. 22: SE/4 N	W/4, S/2 NE/4
ADDRESS	SIGNATURE
1100 the while the the the	Filling ann-
Contraction of the second seco	J. Glenn Turner
<u> and pricks</u>	Sue Reeder Turner, his wife
Date:	
10 manance la Blag	William G. Webb, a single man
Date:	
STATE OF	
COUNTY OF	
The foregoing instrument was acknowled by	ged before me this

My Commission expires:

Notary Public in and for the County of

State of

APPROVED AND CON TO: CMEANY ペイン Vice President

UNIT OPERATOR

STATE OF )		
) SS	.:	
COUNTY OF )		
On this	day of	, 195, before me appeared
duly sworn, did say that he	s is the	, to me personally known, who being by me President of and that the seal affixed to said instrumen
	orporation by a	and that the soul alliked to said instrument a, and that said instrument was signed and authority of its board of directors, and said knowledged said instrument to be the free act
and deed of said corporation	on.	
IN WITNESS WHERI seal the day and year in th	•	eunto set my hand and affixed my official first above written.
My Commission expires:		
		Notary Public in and for
		County, State of
STATE OF TEXAS )		
STATE OF TEXAS ) ) SS. COUNTY OF	• •	
On this 152	day of	December 1956 , before me appeared
	the persons d	and Sue Reeder Turner escribed in and who executed the foregoing executed the same as their free act and deed.
My Commission expires:		
<u>2000 111797</u>		6 llen Mangree
·		ELLEN DONIHOO Notary Public in and for
		ofCounty, State
		r
STATE OF TEXAS )	.:	
COUNTY OF )		
On this / Se	day of	man, 1956, before me per-
		, a single person, to me known to ed the foregoing instrument, and acknow
		ed the foregoing instrument, and acknow- xecuted the same as his free act
My Commission expires:		
1. c. 79%		
- the start of the		ELLEN DONIHOO
		ELLEN DONIHOO Notary Public in and for County, State
		of

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MANY OF COS In consideration of the execution of the Unit Agreement for the Development and Operation of the ______ Area located within the County of ______ Huerfano Unit San Juan State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

T-26-N, R-9-W, N.M.P.M. Sec. 22: SE/4 NW/4, S/2 NE/4

ADDRESS

Date:

ulia B. Lilly, his wife

Date:

M. McAfee, his wif

APPROVED EAS President UNIT CPERATOR

STATE OF ) ) SS.: COUNTY OF On this _____ day of _____, 195____, before me appeared 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 SS.: COUNTY OF On this_____day of_____, 195____, before me appeared • and his wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me they executed the same as their free act and deed. My Commission expires: Notary Public in and for____ County, State of STATE OF \$ SS.: COUNTY OF On this _____day of _____, 195____, before me personally appeared_____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged appeared_ he executed the same as _____free act and deed. to me that___ My Commission expires:

Notary Public in and for ______ County,

State of

	,
STATE OF Obla )	
STATE OF Obla }	
On this <u>8</u> day of <u>Febru</u> , appeared <u>0. J. Lilly</u>	and Julia B. Lilly
his wife, to me known to be the persons de	scribed in and who executed the fore-
going instrument, and acknowledged to me the and deed.	
My commission expires:	
My Commission Expires Apr. 24, 1956	Soretta S. Sutter
	Notary Public in and for County, State of Okla.
STATE OF	
STATE OF Aca. ) COUNTY OF Acar. )	
On this 7 ² day of	1956, before me
On this <u>7</u> day of <u>2</u> appeared <u>K. E. McAfee</u>	and Z. M. McAfee
his wife, to me known to be the persons dea	scribed in and who executed the fore-
going instrument, and acknowledged to me than deed.	ney executed the same as their free act.
My commission expires:	A Charles to
1 11 H 1157.	Notary Public in and for
an the the the second of the	County, State of Caller.
STATE OF	
COUNTY OF	
On this day of	, 19, before me
appeared	and
his wife, to me known to be the persons de going instrument, and acknowledged to me the and deed.	scribed in and who executed the fore- ney executed the same as their free act
My commission expires:	
	Notary Public in and for
	County, State of
STATE OF )	
(	
COUNTY OF )	
On this day of	, 19, before me
appeared	and
his wife, to me known to be the persons degoing instrument, and acknowledged to me the and deed.	
My commission expires:	

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• ...

____

Notary Public in and for County, State of

#### RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

T-26-N	, R-9-W, N.M.P.M.
	2: SE/4 NW/4, S/2 NE/4
ADDRESS	<u>SIGNATURE</u>
	The states of th
	CONDITI
	0. J. Lilly
	Julia B. Liller
	Julia B. Lilly, his wife
Date:	
	A
1316 Lib Br Bely Onea Cety Oken	Antahu
	K./E. McAfee
Ala, Ceta Okoa	zmmeddee
- au creg Grace	Z. M. McAfee, his wife
/	
Date:	
STATE OF	
COUNTY OF	
The foregoing instrument was ac	knowledged before me this
by	**************************************
My Commission expires:	مور میران با با از میران با از مان از میران است. این میران میران با از این میران از میران است از این با از این میران و این از این میران از میران میران میران می
	Notary Public in and for the County of
	State of
	a second to the second se
	APPROVED AND CONSENTED TO:
	EL PASSA HATTLE CAS COMPANY
	By Vice President
	UNIT OPERATOR
	UNIT OF CHATTON

- 1 1		,
STATE OF Okla	)	•
COUNTY OF Hela	(	
On this appeared his wife, to me known	day of <u>Jebru</u> <u>0. J. Lilly</u> n to be the persons of d acknowledged to me	ary , 19 <u>56</u> , before me and <u>Julia B. Lilly</u> described in and who executed the fore- they executed the same as their free act
My commission expire:	<b>~</b> *	
My Commission Expires Apr. 24,		Toretta Statter
	<b>•</b>	Notary Public in and for County, State of Okla
STATE OF Ear	<b>}</b>	
On this 7 m	_ day of	ch. , 19 56, before me
appeared his wife, to me known going instrument, and and deed.	<u>K. E. McAfee</u> n to be the persons of d acknowledged to me	<u>and</u> , 19 <u>56</u> , before me <u>Z. M. McAfee</u> described in and who executed the fore- they executed the same as their free act
My commission expires	s:	Carolin Charles march
June 14, 1127	7	Notary Public in and for County, State of Cale
STATE OF	) (	
COUNTY OF	<b>)</b>	
-		, 19, before me
his wife, to me known	1 to be the persons of 1 acknowledged to me	and described in and who executed the fore- they executed the same as their free act
My commission expires	5:	
	• ·	Notary Public in and for County, State of
	,	
STATE OF	) (	
COUNTY OF	)	· · ·
On this	day of	and, 19, before me lescribed in and who executed the fore-
his wife, to me known going instrument, and and deed.	to be the persons of acknowledged to me	lescribed in and who executed the fore- they executed the same as their free act

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.

My commission expires:

_

Notary Public in and for County, State of .

El Paso Natural Gas Company

El Paso, Texas

January 5, 1956

Oil Conservation Commission of the State of New Mexico Capitol Annex Building Santa Fe, New Mexico

ule

Re: (Huerfano Unit Area) San Juan County, New Mexico

Gentlemen:

1

Enclosed herewith are one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by Pacific Northwest Pipeline Corporation; one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Accounting Agreement which have been executed by Slick Oil Company, Ltd.; and one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Agreement and one (1) copy of Ratification and Joinder of Unit Agreement which have been executed by New Mexico Western Oil and Gas Company.

These Ratification and Joinders are being filed in order to eliminate any question that all of the interests owned by Pacific Northwest Pipeline Corporation, Slick Oil Company, Ltd. and New Mexico Western Oil and Gas Company in the Huerfano Unit Area are effectively committed to the Huerfano Unit Agreement and the Huerfano Unit Accounting Agreement.

We respectfully ask that you process these Ratification and Joinders of the Unit Agreement and the Unit Accounting Agreement in the usual manner.

Very truly yours,

James C. Vandiser

James C. Vandiver Office Landman Lease Department

JCV:GWO:pb Enclosures

In consideration of the execution of the Unit Agreement for the Development and Operation of the Huerfano Unit Area located with the County of San Juan, State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of siad Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS WITNESS 713 Koustos Ciub Bul Sourtes, Tenns

Date: November 25, 1955

# 

SIGNATURE

SLICK OIL COMPANY, LTD.

UNIT OPERATOR

eneral Partner

Date:_____

STATE OF

COUNTY OF

	The	foregoi	ing	instru	ment	; was	ack	nowledg	<b>ged</b>	before	me	this	27a)	aay	ØČ
Suversion	1	<u>.</u>		by		ile 16.	Q.4		Q.						,
par Guionda)	l on	behalf	of	Slick	011	Comp	any,	Ltd.,	8	partner	shij	p.			

My Commission expires:

**()-:-**57

X	Public	ľ	de	57	th	la_	
Notary	Public	in	and	for			
	r:10		Cour	nty,	State	of	
24							

CHARLOTTE KOHRS NOTARY PUBLIC IN AND FOR HARRIS COUNTY, TEXAS MY COMMISSION EXPIRES JUNE 1, 1957

and a first of the state of the

#### RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agree ment.

ADDRESS

WITNESS:

133 Acceptors C. ab BallAlog Received, Terme

Date: 27, 1995

SIGNATURE

SLICK OIL COMPANY, LTD. 1.2 N General Partner APPROVED AND CON ΈĎ T0: EL MEANY Rν Vice President UNIT OPERATOR

Date:

STATE OF

COUNTY OF

The foregoing instrument	: was	acknowledged	before me this	
	by	. S. Classic	rou, General Pa	2 <b>4.</b>
partners on behalf of Slick Oil	Comp	any, Ltd., a p	artnership.	

My commission expires:

Notary Public in	the Kohn
Notary Public in	and for
State of the	County, State of
- Deserved	

CHARLOTTE KOHRS NOTARY PUBLIC IN AND FOR HABRIS COUNTY, TEXAS MY COMMISSION EXPLATS JONE 1, 1957

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement. and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ATTEST: Assistant Secretary

Date:

Date:___

ADDRESS

SIGNATURE

PACIFIC NORTHWEST PIPELINE CORPORATION

9M Jack Vice President

APPROVED AND COL 1 ANY Freeiwaut

UNIT UPLEATOR

STATE OF Her mend: SS.: COUNTY OF Gernacille) SS.:

On this 14th day of Thoumher, 195 , before me appeared

by me duly sworn, did say that he is the <u>line</u> President of <u>the president of</u> <u>the president of</u> <u>the president of</u> <u>the president of</u> <u>the corporate seal of said corporation, and that said instrument was signed</u> and sealed in behalf of said corporation by authority of its board of directors, and said <u>the corporation</u> <u>acknowledged said instrument to be the free act and deed of said corporation.</u>

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

perfect 15, 195		
	2	Surene dopaurrow
l'		Notary Public in and for
		State of New Merica
STATE OF		
	) SS.:	
IOUNTY OF	)	
On this_	day of	, 195, before me appeared
		a d
is wife, to me kno	دواغت البالا الأرفعادي عجاجا بالتعالى وسيغتمن تيداونهم باليباط البالي وفازا باعال جبيت بسالي اغبادها والمتحال	s described in and who executed the fore-
		ne they executed the same as their free act
and deed.		•
y Commission expin	res:	
<u></u>		
		Notary Public in and for
		County,
		State of
	· · · · · · · · · · · · · · · · · · ·	
STATE OF	)	
	) ) SS.:	
	) ) SS.: )	
OUNTY OF	) ) SS.: ) day of	, 195, before me personally
OUNTY OF	) day of	, 195, before me personally
OUNTY OF On this_	) day of	
OUNTY OF On this_ oppeared the person describe	) day of ed in and who execute	, a single person, to me known to be ad the foregoing instrument, and acknowledge
OUNTY OF On this_ oppeared the person describe	) day of ed in and who execute	•
OUNTY OF On this oppeared the person describe to me that	) day of ed in and who execute he executed the a	, a single person, to me known to be ed the foregoing instrument, and acknowledge
OUNTY OF On this oppeared the person describe to me that	) day of ed in and who execute he executed the a	, a single person, to me known to be ed the foregoing instrument, and acknowledge
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appeared the person describe	) day of ed in and who execute he executed the a	, a single person, to me known to be ad the foregoing instrument, and acknowledge
OUNTY OF On this oppeared the person describe to me that	) day of ed in and who execute he executed the a	, a single person, to me known to be ed the foregoing instrument, and acknowledge same asfree act and deed.
OUNTY OF On this oppeared the person describe to me that	) day of ed in and who execute he executed the a	, a single person, to me known to be ed the foregoing instrument, and acknowledge

#### RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

ADDRESS

#### SIGNATURE

ATTEST:	PACIFIC NORTHWEST PIPELINE CORPORATION
Date:	By 9 M Vice President
Date:	
STATE OF	
COUNTY OF	
The foregoing instrument was acknowby	ledged before me this
My Commission expires:	Notary Public in and for the County of
	State of
	APPROVED AND CONSTITUTE TO:

Vice President UNIT OPERATOR

d ba haY

STATE OF Les The	uned in	
COUNTY OF Kerma	and a	
On this	s	haemhen, 195, before me appeared
		, to me personally known, who being by me
ualy sworn, and s	1 sanatum	and that the seal affixed to said instrument on, and that said instrument was signed and
sealed in behalf (	of said corporation by	authority of its board of directors, and said
and deed of said of	corporation.	cknowledged said instrument to be the free act
	•	ereunto set my hand and affixed my official te first above written.
My Commission expi	ires:	
	 <u></u>	Therene dar have man
		Notary Public in and for Bennecico County, State of Yew Mexico
STATE OF	) ) SS.:	
COUNTY OF	)	
On this	day of	, 195, before me appeared
		and
		described in and who executed the foregoing executed the same as their free act and deed.
My Commission expi		
ml communeror culs		
	<u></u>	
		Notary Public in and for County, State
		of
STATE OF	)	
County of	) SS.: )	
On this	day of	, 195 , before me per-
sonally appeared		, a single person, to me known to
be the person desc		uted the foregoing instrument, and acknow- executed the same as free act
My Commission expi	res:	
		Notary Public in and for
		County, State

PAGE 2

In consideration of the execution of the Unit Agreement for the Development and Operation of the <u>Huerfano Unit</u> Area located within the County of <u>San Juan</u> State of New Mexico in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

This Ratification and Joinder of Unit Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her assigns or successors in interest.

ADDRESS	SIGNATURE
ATTEST: 1039. R. Hustulistan Assistant Secretary	NEW MEXICO WESTERN OIL AND GAS COMPANY By Fleum Mune. President
Date:	
Date:	
	APPROVED AND CONSENTED TO: EL TATATUNEL CAS COMPANY By Vice President UNIT OPERATOR

TXXAS STATE OF ) } SS.: COUNTY OF DALLAS

On this 10th day of November , 1955, before me appeared J. GLENN TUNNER , to me personally known, who, being by me duly sworn, did say that he is the _____ President of _____ New Newies Western Oil and Gas Company _____ 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, J. Glenn Turner and said___ ____acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission expires:

Д.

My Commission expire June 1, 1957	98;	ELLEN DONIHOO Notary Public in and for Ballace County, State of
STATE OF COUNTY OF	) SS.:	
On this		, 195, before me appeared
	nd acknowledged to 1	s described in and who executed the fore- me they executed the same as their free act
		Notary Public in and for County, State of
STATE OF COUNTY OF	) ) SS.: )	
On this	day of	, 195, before me personally
appeared the person described to me that My Commission expire	he executed the	, a single person, to me known to be ed the foregoing instrument, and acknowledged same asfree act and deed.

Notary Public in and for_ County,

State of_

#### RATIFICATION AND JOINDER OF UNIT ACCOUNTING AGREEMENT UNDER UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA, SAN JUAN COUNTY, NEW MEXICO

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> In consideration of the execution of the Unit Accounting Agreement under Unit Agreement for the Development and Operation of the said Huerfano Unit Area, in form approved by the Secretary of the Interior, the undersigned owners of lands or leases or interests therein presently held or which may arise under existing option agreements or other interests in production covered by said Unit Accounting Agreement, each to the extent of his or her particular ownership or interest, as may appear, have consented to the inclusion of said lands within the Unit Area therein defined, and do hereby approve, adopt and ratify the said Unit Accounting Agreement in the form and as submitted to the United States Geological Survey in connection with the submission of Unit Agreement for the Development and Operation of the said Unit Area.

This Ratification and Joinder of Unit Accounting Agreement may be executed in any number of counterparts with the same force and effect as if all parties had signed the same document and shall be binding upon all those who execute a counterpart hereof, regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands affected hereby, and when so executed shall be binding upon the undersigned, his or her successors or assigns, subject to all the terms, provisions and conditions of said Unit Accounting Agreement.

ADDRESS	SIGNATURE
ATTEST: M. R. Hartur Mill Assistant Secretary	NEW MEXICO WESTERN OIL AND GAS COMPANY By Clum Munn. President
Date:	
Date:	
STATE OF County of	
The foregoing instrument was acknowby	ledged before me this
My Commission expires:	Notary Public in and for the County of
	State of
	APPROVED AND CONSENTED TO: EL PASO INTILION CAS COMPANY By Strange R 198
	Vice Prosident

UNIT OPERATOR

STATE OF	TEXAS	) ) s	S.:				
COUNTY OF	DALLAS	>					
	On this_	10th	day of	November	, 195 <u>5</u>	, before s	e appeared
J.	GLENN T	URNER	he is the	, to me	e personally	known, who	being by me
duly sworn	, did say	that	he is the	Preside	ent of <u>Nev</u>	v Mexico	<u> </u>
is the cor sealed in	porate sea behalf of enn Turne	al of said er	said corporat corporation b	ion, and that y authority (	t said instr of its board	ument was si l of director	.gned and s, and said
seal the d			REOF, I have this certific		-	-	official
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# EXHIBIT "B"

# HUERFANO UNIT

## SAN JUAN COUNTY, NEW MEXICO

# INITIAL PARTICIPATING AREA PICTURED CLIFFS ZONE

Lessee:	Dudley Cornell
Serial Number;	<b>Santa Fe</b> 078422
Lease Description:	All of Section 31, Township 27 North, Range 10 West
Amount of Acreage:	656.08
Percentage of Participation:	45.10%

#### OVERRIDING ROYALTIES

Owner	5	Percent
	y Cornell and Lee Cornell, his wife	2.50
	Total	<b>2</b> .50
	The operating rights on the a lease, or portion thereof, ar follows:	
	Stanolind Oil and Gas Company Slick-Moorman Oil Company	
Lessee:		Victor B. Van Hook
Serial Number:		<b>Santa Fe</b> 080425A
Lease Description:		NW/4, Section 6, Township 26 North, Range 10 West
Amount of Acrea	ge:	158.47
Percentage of P	articipation:	10.89%
	OVERRIDING ROYALTIES	

# Owners

Victor B. Van Hook and Grace E. Van Hook, his wife	3.125
Total	3.125

The operating rights on the above described lease, or portion thereof, are held as follows:

Percent

Stanolind Oil and Gas Company . . . 33.94% Slick-Moorman Oil Company . . . . . 66.06%

Lessee:		Annie E. Johnson
Serial Number:		Santa Fe 077936
Lease Description:		NE/4 of Section 6, Township 26 North, Range 10 West
Amount of Acreage:		160.24
Percentage of Participation:		11.02%
	There are no overriding royal involved in the above describ portions of leases.	
	The operating rights on the a lease, or portion thereof, ar	
	Stanolind Oil and Gas Company Slick-Moorman Oil Company	
Lessee;		Emory Nielsen
Serial Number:		New Mexico 01074
Lezse Descripto	on;	NE/4, Section 1, Township 26 North, Range 11 West, and E/2 Section 36, Township 27 North, Range 11 West
Amount of Acrea	ge:	479.88

Percentage of Participation:

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# OVERRIDING ROYALTY

Owners

Dacress Corporation Brookhaven Oil Percent_____ 1.69% 1.31%

32.99%

The operating rights on the above described lease, or portion thereof, are held as follows:

Slick-Moorman Oil Company . . . 100%

#### GEOLOGICAL MEMORANDUM Formation of a Participating Area for Pictured Cliffs Zone in Huerfano Unit, San Juan County, New Mexico

The necessity for the designation of a participating area within the Huerfano Unit was occasioned by the recently completed Stanolind No. 6 Huerfano Pictured Cliffs gas well. The initial potential of this well was officially gauged at 2,830 MCFGPD after being shot with 270 quarts of SNG from 2200' to 2095'.

Regionally the Huerfanc area is located on the southwest flank of the northwest-southeast trending San Juan Basin with very little evidence of important local structure. Low poorly defined terraces occur along the basin flanks, but appear to have only minor effect on gas accumulation. Huerfano and other nearby fields appear to be areas of increased effective porosity and permeability in widespread sand bodies and may or may not be associated with local structural anomalies.

The attached northwest-southeast electric log cross-section and structural contoured index map show both the structural position and stratigraphic development of the Pictured Cliffs sandstone. The initial potentials of each well are also shown on the cross-section. It is apparent that structural position does not determine individual well productivity.

Electric log and core analyses indicate that the more important factor affecting or controlling the production from individual wells are the porosity, permeability and percentage of water saturation of the sand at that place. These factors, as well as actual difference of sand thickness, cause considerable variations in effective net pay from well to well.

Due to this areal variation of effective pay, it would appear that development outward from each successful exploratory test would result in the drilling of a minimum number of poor or dry development wells.

The recommended participating area for the Stanolind No. 6 Huerfano Unit well, outlined in red on the attached index map, includes the minimum acreage believed assignable to this well. This area will be subject to gradual enlargement as drilling continues.

Thos. a. Hendricks

Thomas A. Hendricks

WLA: brw

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