

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

June 20, 1955

El Paso Natural Gas Company
El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: Allison Unit
San Juan County, N. M.
Initial Participating Area
First Expanded Participating Area, Dakota
Formation

Gentlemen:

Reference is made to your letters of March 21 and March 24, 1955, in which you requested approval of the above-captioned participating areas.

The New Mexico Oil Conservation Commission has this date approved both the initial and the first expanded participating areas for the Dakota Formation of the Allison Unit, 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 each participating area is returned herewith.

Very truly yours,

W. B. MACEY,
Secretary-Director

WBM/ir

cc: U. S. G. S. Roswell
Commissioner of Public Lands - Santa Fe

Enclosures (2)

C
O
P
Y

El Paso Natural Gas Company

El Paso, Texas

May 23, 1955

*Approved
6/20/55*

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

file

Re: Allison Unit, I Sec. No. 752,
San Juan County, New Mexico
La Plata and Archuleta Counties,
Colorado, Request for Approval
Initial Participating Area,
Dakota Formation, Effective
September 1, 1954; and First
Expanded Participating Area,
Dakota Formation, Effective
November 1, 1954

Dear Sir:

Under dates of March 21, 1955, and March 24, 1955, respectively, this office, pursuant to Section 10 of the Allison Unit Agreement, I Sec. No. 752, approved August 22, 1950, submitted for your approval the following selection of lands reasonably estimated to be productive in paying quantities to constitute the Initial Participating Area for the Dakota Formation, effective September 1, 1954, and the First Expanded Participating Area for the Dakota Formation, effective November 1, 1954:

- Clear*
- (a) Initial Participating Area
Township 32 North, Range 6 West, N.M.P.M.
Section 17: W/2
Section 18: E/2
Containing 640.00 acres
 - (b) First Expanded Participating Area
Township 32 North, Range 7 West, N.M.P.M.
Section 10: Lots 1, 2, 3, SE/4, E/2 SW/4
Section 11: Lot 4, W/2 SW/4
Section 14: W/2 NW/4
Section 15: NE/4, E/2 NW/4
Containing 717.68 acres

As no reply has as yet been received in regard to our application for approval of the selection of lands for the Initial and First Expanded Participating Areas for the Dakota Formation in the Allison Unit, it would be greatly appreciated

Oil Conservation Commission

May 23, 1955

Page 2

if attention could be given to the matter in the near future in order that disbursement of funds may be made to royalty owners.

Your cooperation in regard to this matter will be greatly appreciated.

Very truly yours,

A handwritten signature in dark ink, appearing to read "T. W. Bittick". The signature is written in a cursive style with a long horizontal stroke extending from the end.

T. W. Bittick
Area Landman
Lease Department

TWB:GBL:pb

El Paso Natural Gas Company

El Paso, Texas

March 24, 1955

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

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

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

*Approved
4/20/55
mu*

Re: Allison Unit
I Sec. No. 752
San Juan County, New Mexico
La Plata and Archuleta
Counties, Colorado
Request for Approval
Initial Participating Area
Dakota Formation
Effective September 1, 1954

Gentlemen:

Pursuant to Section 10 of the Allison Unit Agreement, I Sec. No. 752, approved August 22, 1950, El Paso Natural Gas Company, as Unit Operator, hereby submits for your approval the following selection of lands reasonably estimated to be productive in paying quantities to constitute the Initial Participating Area for the Dakota Formation located in San Juan County, New Mexico:

Township 32 North, Range 6 West, N.M.P.M.
Section 17: W/2
Section 18: E/2
containing 640.00 acres,

Proved Productive By:

Allison Unit #1 Well located 1980' from the North line and 4620' from the East line of Section 17, Township 32 North, Range 6 West, San Juan County, New Mexico. This well was spudded on July 21, 1950, and temporarily abandoned on October 23, 1950, at a total depth of 8660'. This well was subsequently re-worked by El Paso Natural

Gas Company and completed on August 16, 1954. The Dakota Formation was treated with a sand-oil fracturing process between 7930' and 8084'. After being shut-in for 14 days this well was tested on August 30, 1954, and following a three hour blow down, gauged 2326 MCFGPD with an SIPC of 2897# and an SIPT of 2869#. El Paso Natural Gas Company, as Unit Operator, has determined that this well was capable of producing unitized substances on August 30, 1954.

Attached hereto and made a part of this application is a map marked Exhibit "A" showing thereon the Allison Unit Area, and the submitted Initial Participating Area for the Dakota Formation. Also attached and made a part hereof is a schedule marked Exhibit "B", describing the participating area and showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tracts.

The applicant respectfully requests the approval of this selection of lands for the Initial Participating Area for the Dakota Formation, to be effective as of September 1, 1954. If this meets with your approval, please indicate such approval in the space provided below and return one approved copy for our file.

Copies of this letter and schedule are being sent to all working interest owners indicated on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By R L Hamblin
R. L. Hamblin *RLH*
Manager
Lease Department

RLH:DBM:pb

cc: Attached List

APPROVED: _____
Supervisor, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State Officials.

APPROVED: _____
Commissioner of Public Lands

Date: _____

Subject to like approval by the U.S.G.S. and Oil Conservation Commission.

APPROVED: orig. by WPM 6/20/50
Oil Conservation Commission

Date: _____

Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.

Allison Unit

Copies of the foregoing letter have been sent to the following working interest owners:

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2040
Tulsa 2, Oklahoma
Attention: F. W. Hulsizer

Stanolind Oil and Gas Company
Oil and Gas Building
Fort Worth, Texas
Attention: Mr. C. F. Bedford

Three States Natural Gas Company
Corrigan Tower
Dallas 1, Texas
Attention: Mr. J. C. Gordon

San Jacinto Petroleum Corporation
San Jacinto Building
Houston 2, Texas
Attention: Mr. George A. Works, Jr.

Squire Production Company
1711 Mercantile Bank Building
Dallas 1, Texas
Attention: Mr. J. Glenn Turner

Western Natural Gas Company
1006 Main Street
Houston 2, Texas
Attention: Mr. E. P. Moore

Mr. H. H. Phillips
306 Milam Building
San Antonio, Texas
Attention: Mr. Morris Elms

EXHIBIT "B"
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
				<u>Tract 27</u>			
Fee	T-32-N, R-6-W Sec. 18: N/2 NE/4 Sec. 17: W/2 NW/4, NW/4 SW/4	200.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000% 43.75000% 43.75000% .00000%	12.50000% 43.75000% 43.75000% .00000%	<u>31.25000%</u>
			TOTAL		<u>100.00000%</u>	<u>100.00000%</u>	

Allison Unit #1 Well

EXHIBIT "B"
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
NM 04207	T-32-N, R-6-W, Sec. 17: E/2 W/2, SW/4 SW/4 Sec. 18: S/2 SE/4	280.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000%	12.50000%	<u>43.75000%</u>
			TOTAL		<u>100.00000%</u>	<u>100.00000%</u>	

Tract 7

Allison Unit #1 Well

EXHIBIT "B"
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
				<u>Tract 37</u>			
Fee	T-32-N, R-6-W Sec. 18: S/2 NE/4, N/2 SE/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000% 43.75000% 43.75000% .00000%	12.50000% 43.75000% 43.75000% .00000%	<u>25.00000%</u>
			TOTAL		100.00000%	100.00000%	

Allison Unit #1 Well

Effective September 1, 1954

EXHIBIT "B"
INITIAL PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:	
<u>Township 32 North, Range 6 West, N.M.P.M.</u>	
Section 17: W/2	
Section 18: E/2	
Total number of acres in Participating Area:	640.00
Percent of Working Interest Committed:	100.00%
Percent of Royalty Interest Committed:	100.00%

El Paso Natural Gas Company

El Paso, Texas

March 23, 1955

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

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

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

*Approved
6-20-55
C. H. H.*

Re: Allison Unit
I. Sec. No. 752
San Juan County, New Mexico
La Plata and Archuleta
Counties, Colorado
Request for Approval
Third Expanded Participating Area
Mesaverde Formation
Effective November 1, 1954

Gentlemen:

Pursuant to Section 10 of the Allison Unit Agreement, I. Sec. No. 752, approved August 22, 1950, El Paso Natural Gas Company, as Unit Operator, hereby submits for your approval the following selection of lands reasonably estimated to be productive of unitized substances in paying quantities to constitute the Third Expanded Participating Area for the Mesaverde Formation, located in San Juan County, New Mexico:

Township 32 North, Range 6 West, N.M.P.M.

Section 16: W/2

Section 17: E/2

containing 640.00 acres

Proved Productive By:

Allison Unit #6 Well located 1600' from the South line and 1650' from the West line of Section 16, Township 32 North, Range 6 West, San Juan County, New Mexico. This well was spudded on August 6, 1954, and completed on September 20, 1954, at a total depth of

5450' by Mr. J. Glenn Turner. The pay section between 5200' and 5450' was treated with a sand-oil fracturing process. After being shut-in for 21 days this well was tested on October 11, 1954, and following a three hour blow down, gauged 1174 MCFGPD with an SIPC of 1224# and an SIPT of 1223#. El Paso Natural Gas Company, as Unit Operator, has determined that this well was capable of producing unitized substances in paying quantities on October 11, 1954.

The working interest owners in the Allison Unit declined to join Mr. J. Glenn Turner in the drilling of this well and Mr. Turner drilled this well under the non-consent provisions of Section 12 of the Unit Agreement and Section 9 of the Unit Accounting Agreement. These sections provide essentially that the party drilling such a well shall receive 200% of the total cost of drilling, testing and completing same, payable out of first production therefrom remaining after payment of all royalty charges, deductions for amounts used by Unit Operator for production, developing, repressuring, recycling, or unavoidably lost and deductions for operating expenses. After the drilling party has received 200% of the cost of drilling, etc., production thereafter shall be apportioned as provided in Section 2 and all costs and expenses thereafter apportioned as provided in Section 4 of the Unit Accounting Agreement.

Attached hereto and made a part of this application is a map marked Exhibit "A" showing thereon the Allison Unit Area, and the submitted Third Expanded Participating Area for the Mesaverde Formation. Also attached and made a part hereof is a schedule marked Exhibit "B-3" describing the participating area and showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tracts.

The Applicant respectfully requests the approval of this selection of lands for the Third Expanded Participating Area for the Mesaverde Formation to be effective as of November 1, 1954. If this meets with your approval, please indicate such approval in the space provided below and return one approved copy for our files.

Copies of this letter and schedule are being sent to all working interest owners indicated on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By R. L. Hamblin
R. L. Hamblin
Manager
Lease Department

RLH/DBM/mas
cc: Attached List

APPROVED: _____
Supervisor, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State Officials.

APPROVED: _____
Commissioner of Public Lands

Date: _____

Subject to like approval by the U.S.G.S. and Oil Conservation Commission.

APPROVED: orig. & wam.
Oil Conservation Commission

Date: 6/20/55

Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.

Allison Unit

Copies of the foregoing letter have been sent to the following working interest owners:

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2040
Tulsa 2, Oklahoma
Attention: F. W. Hulsizer

Stanolind Oil and Gas Company
Oil and Gas Building
Fort Worth, Texas
Attention: Mr. C. F. Bedford

Three States Natural Gas Company
Corrigan Tower
Dallas 1, Texas
Attention: Mr. J. C. Gordon

San Jacinto Petroleum Corporation
San Jacinto Building
Houston 2, Texas
Attention: Mr. George A. Works, Jr.

Squire Production Company
1711 Mercantile Bank Building
Dallas 1, Texas
Attention: Mr. J. Glenn Turner

Western Natural Gas Company
1006 Main Street
Houston 2, Texas
Attention: Mr. K. P. Moore

Mr. H. H. Phillips
306 Milam Building
San Antonio, Texas
Attention: Mr. Morris Elms

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>Tract 7</u>							
NM 04207	T-32-N, R-6-W Sec. 17: S/2 SW/4, SE/4 NW/4, NE/4 SW/4 Sec. 18: SE/4 SE/4	200.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000%	12.50000%	<u>7.75663%</u>
			TOTAL		<u>100.00000%</u>	<u>100.00000%</u>	
<u>Tract 27</u>							
Fee	T-32-N, R-6-W Sec. 17: SW/4 NW/4, NW/4 SW/4	80.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000%	12.50000%	<u>3.10265%</u>
			TOTAL		<u>100.00000%</u>	<u>100.00000%</u>	

Allison Unit #2 well

Effective November 1, 1954

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
Fee	T-32-N, R-6-W Sec. 18: SE/4 NE/4, NE/4 SE/4	80.00	Royalty; Working Interest; El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI; TOTAL		12.50000% 43.75000% 43.75000% .00000% 100.00000%	12.50000% 43.75000% 43.75000% .00000% 100.00000%	<u>3.10265%</u>
<u>Tract 37</u>							
SF 078459-B	T-32-N, R-7-W Sec. 10: Lot 1, E/2 SE/4 Sec. 11: Lots 3, 4, N/2 SW/4 Sec. 14: SW/4, SW/4 NW/4 Sec. 15: E/2 E/2	578.44	Royalty; Working Interest; El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI; TOTAL		12.50000% 41.00000% 41.00000% 5.50000% 100.00000%	12.50000% 41.00000% 41.00000% 5.50000% 100.00000%	<u>22.43372%</u>
<u>Tract 1</u>							

Allison Unit #2 Well

Allison Unit #3 Well
Allison Unit #4 Well

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
Fee	T-32-N, R-7-W Sec. 11: S/2 SW/4 Sec. 14: N/2 NW/4, SE/4 NW/4	200.00				
	Royalty; Working Interest; El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;			12.50000%	12.50000%	<u>7.75663%</u>
	TOTAL			<u>100.00000%</u>	<u>100.00000%</u>	

Allison Unit #3 well
Allison Unit #4 well

Tract 1

SF 078459-B	T-32-N, R-7-W Sec. 15: W/2 E/2, W/2	480.00				
	Royalty; Working Interest; El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;			12.50000%	12.50000%	<u>18.61591%</u>
	TOTAL			<u>100.00000%</u>	<u>100.00000%</u>	

Allison Unit #5 well

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>Tract 9</u>							
E-503	T-32-N, R-7-W Sec. 16: E/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.;		12.50000%	12.5000%	<u>12.41060%</u>
	ORRI;				75.56250%	75.56250%	
					<u>11.93750%</u>	<u>11.93750%</u>	
	TOTAL				100.00000%	100.00000%	
<u>Tract 10</u>							
E-504	T-32-N, R-6-W Sec. 16: W/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.;		12.50000%	12.5000%	<u>12.41060%</u>
			ORRI;		76.56250%	76.56250%	
					<u>10.93750%</u>	<u>10.93750%</u>	
	TOTAL				100.00000%	100.00000%	

Allison Unit #6 Well

Effective November 1, 1954

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND</u>		<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL</u>
			<u>Tract 7</u>				<u>PARTICIPATION</u>
NM 04207	T-32-N, R-6-W Sec. 17: E/2	320.00	Royalty; Working Interest:		12.50000%	12.50000%	<u>12.41061</u>
	El Paso Natural Gas Co.;		41.00000%	41.00000%			
	Amerada Petroleum Corp.;		41.00000%	41.00000%			
	ORRI;		5.50000%	5.50000%			
	TOTAL		100.00000%	100.00000%			

Allison Unit #6 Well

EXHIBIT "B-3"
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
ALLISON UNIT AREA

RECAPITULATION

Description of Lands in Participating Area:	
Township 32 North, Range 6 West, N.M.P.M.	
Section 17: SW/4, S/2 NW/4, E/2	
Section 18: E/2 SE/4, SE/4 NE/4	
Section 16: W/2	
Township 32 North, Range 7 West, N.M.P.M.	
Section 10: Lot 1, E/2 SE/4	
Section 11: Lots 3, 4, SW/4	
Section 14: W/2	
Section 15: All	
Section 16: E/2	
Total number of acres in Participating Area:	2578.44
Percent of Working Interest and Royalty Interest committed:	100.00%

El Paso Natural Gas Company

El Paso, Texas

March 21, 1955

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

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

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

*approved
8/20/55
C. H. H.*

Re: Allison Unit
I Sec. No. 752
San Juan County, New Mexico
La Plata and Archuleta
Counties, Colorado
Request for Approval
First Expanded Participating Area
Dakota Formation
Effective November 1, 1954

Gentlemen:

Pursuant to Section 10 of the Allison Unit Agreement, I Sec. No. 752, approved August 22, 1950, El Paso Natural Gas Company, as Unit Operator, hereby submits for your approval the following selection of lands reasonably estimated to be productive in paying quantities to constitute the First Expanded Participating Area for the Dakota Formation located in San Juan County, New Mexico:

Township 32 North, Range 7 West, N.M.P.M.

Section 10: Lots 1, 2, 3, SE/4, E/2 SW/4
Section 11: Lot 4, W/2 SW/4
Section 14: W/2 NW/4
Section 15: NE/4, E/2 NW/4
containing 717.68 acres

Proved Productive By:

Allison Unit #7 Well located 990' from the South line and 990' from the East line of Section 10, Township 32 North, Range 7 West, San Juan County, New Mexico. This well was spudded on

August 20, 1954, and completed on October 10, 1954, at a total depth of 8443'. The Dakota Formation between 8165' and 8185' was acidized on October 1, 1954. The Dakota Formation between 8165' and 8185' was also treated with a sand-oil fracturing process on October 2, 1954. After being shut-in for 11 days this well was tested on October 21, 1954, and following a three hour blow-down, gauged 4385 MCFGPD with an SIPC of 2870# and an SIPT of 2871#. El Paso Natural Gas Company, as Unit Operator, has determined that this well was capable of producing unitized substances in paying quantities on October 21, 1954.

Attached hereto and made a part of this application is a map marked Exhibit "A" showing thereon the Allison Unit Area, and the submitted First Expanded Participating Area for the Dakota Formation. Also attached and made a part hereof is a schedule marked Exhibit "B-1" describing the participating area and showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tracts.

The applicant respectfully requests the approval of this selection of lands for the First Expanded Participating Area for the Dakota formation, to be effective November 1, 1954. If this meets with your approval, please indicate such approval in the space provided below and return one approved copy for our file.

Copies of this letter and schedule are being sent to all working interest owners indicated on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By R L Hamblin
R. L. Hamblin
Manager
Lease Department

RLH/DEM/mas
cc: Attached List

APPROVED: _____
Supervisor, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State Officials.

APPROVED: _____
Commissioner of Public Lands

Date: _____

Subject to like approval by the U.S.G.S. and Oil Conservation Commission.

APPROVED: Wig A. W. M. 6/20/55
Oil Conservation Commission

Date: _____

Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.

Allison Unit

Copies of the foregoing letter have been sent to the following working interest owners:

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2040
Tulsa 2, Oklahoma
Attention: F. W. Hulsizer

Stanolind Oil and Gas Company
Oil and Gas Building
Fort Worth, Texas
Attention: Mr. C. F. Bedford

Three States Natural Gas Company
Corrigan Tower
Dallas 1, Texas
Attention: Mr. J. C. Gordon

San Jacinto Petroleum Corporation
San Jacinto Building
Houston 2, Texas
Attention: Mr. George A. Works, Jr.

Squire Production Company
1711 Mercantile Bank Building
Dallas 1, Texas
Attention: Mr. J. Glenn Turner

Western Natural Gas Company
1006 Main Street
Houston 2, Texas
Attention: Mr. K. P. Moore

Mr. H. H. Phillips
306 Milam Building
San Antonio, Texas
Attention: Mr. Morris Elms

EXHIBIT "B-1"
FIRST EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
			<u>Tract 27</u>				<u>14.73101%</u>
Fee	T-32-N, R-6-W	200.00	Royalty;		12.50000%	12.50000%	
	Sec. 18: N/2 NE/4		Working Interest:				
	Sec. 17: W/2 NW/4,		El Paso Natural Gas Co.;		43.75000%	43.75000%	
	NW/4 SW/4		Amerada Petroleum Corp.;		43.75000%	43.75000%	
			ORRI;		.00000%	.00000%	
			TOTAL		100.00000%	100.00000%	

Allison Unit #1 Well

			<u>Tract 7</u>				<u>20.62342%</u>
NM 04207	T-32-N, R-6-W	280.00	Royalty;		12.50000%	12.50000%	
	Sec. 17: E/2 W/2,		Working Interest:				
	SW/4 SW/4		El Paso Natural Gas Co.;		41.00000%	41.00000%	
	Sec. 18: S/2 SE/4		Amerada Petroleum Corp.;		41.00000%	41.00000%	
			ORRI;		5.50000%	5.50000%	
			TOTAL		100.00000%	100.00000%	

Allison Unit #1 Well

EXHIBIT "B-1"
FIRST EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
			<u>Tract 37</u>			
Fee	T-32-N, R-6-W Sec. 18: S/2 NE/4, N/2 SE/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;	12.50000% 43.75000% 43.75000% .00000%	12.50000% 43.75000% 43.75000% 100.00000%	<u>11.78481%</u>
			TOTAL		100.00000%	

Allison Unit #1 Well

			<u>Tract 1</u>			
SF 078459-B	T-32-N, R-7-W Sec. 10: Lots 1,2,3, E/2 SW/4, SE/4	637.68	Royalty; Working Interest: El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;	12.50000% 41.00000% 41.00000% 5.50000%	12.50000% 41.00000% 41.00000% 100.00000%	<u>46.96836%</u>
	Sec. 11: Lot 4, NW/4 SW/4		TOTAL		100.00000%	
	Sec. 15: E/2 NW/4, NE/4					
	Sec. 14: SW/4 NW/4					

Allison Unit #7 Well

EXHIBIT "B-1"
FIRST EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP</u>	<u>AND</u>	<u>PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
			<u>Tract 44</u>				
Fee	T-32-N, R-7-W Sec. 11: SW/4 SW/4 Sec. 14: NW/4 NW/4	80.00	Royalty; Working Interest; El Paso Natural Gas Co.; Amerada Petroleum Corp.; ORRI;		12.50000% 43.75000% 43.75000% .00000%	12.50000% 43.75000% 43.75000% .00000%	<u>5.89240%</u>
			TOTAL		<u>100.00000%</u>	<u>100.00000%</u>	

Allison Unit #7 Well

EXHIBIT "B-1"
FIRST EXPANDED PARTICIPATING AREA FOR THE DAKOTA FORMATION
ALLISON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:	
Township 32 North, Range 6 West, N.M.P.M.	
Sec. 17: W/2	
Sec. 18: E/2	
Township 32 North, Range 7 West, N.M.P.M.	
Sec. 10: Lots 1, 2, 3, SE/4 and E/2 SW/4	
Sec. 11: Lot 4, W/2 SW/4	
Sec. 14: W/2 NW/4	
Sec. 15: NE/4 and E/2 NW/4	
Total number of acres in Participating Area:	1,357.68
Percent of Working Interest committed:	100.00%
Percent of Royalty Interest committed:	100.00%