

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

file

October 17, 1956

C
O
P
Y

El Paso Natural Gas Company
El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: Rincon Unit Area
Rio Arriba County,
New Mexico; Third,
Fourth and Fifth
Expanded Participating
Areas, Mesaverde Forma-
tion.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved Third, Fourth and Fifth Expanded participating areas for the Mesaverde formation for the Rincon Unit Area, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Very truly yours,

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

ALP/DSN/ir

El Paso Natural Gas Company

1007 JUL 11 AM 1:45 El Paso, Texas

July 9, 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: Rincon Unit Area
Rio Arriba County, New Mexico
I Sec. No. 916
THIRD EXPANDED PARTICIPATING AREA
Mesaverde Formation
Effective April 1, 1956

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, submits for your approval the Third Expanded Participating Area of the Mesaverde Formation, Rincon Unit, Rio Arriba County, New Mexico, which includes, in addition to the lands previously admitted to the Mesaverde Participating Area, the following selection of lands reasonably estimated to be productive in paying quantities from the Mesaverde Formation:

Township 27 North, Range 6 West, N.M.P.M.
Section 23: All
containing 640.00 acres.

The lands described above are proved productive by the following:

The Rincon Unit No. 82 Well, located 1030' from the South line and 810' from the West line of Section 23, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on April 1, 1956, and completed on April 20, 1956, at a total depth of 5580' in the Mesaverde Formation. The Cliff House section of the Mesaverde Formation between 4848' and 4858', 4862' and 4872', 4906' and 4917', 4934' and 4946', and 4962' and 4970' was treated with a sand-water fracturing process. The Menefee section of the Mesaverde Formation between 5074' and 5084', 5090' and

5097', and 5156' and 5164' was treated also with a sand-water fracturing process. The Point Lookout section of the Mesaverde Formation between 5297' and 5310', 5359' and 5372', 5435' and 5446', and 5486' and 5502' was treated also with a sand-water fracturing process. After being shut-in for gauge for seven (7) days the well was tested on April 27, 1956, and following a three hour blow-down, gauged an IP of 9634 MCFGPD with an SIPC of 1081 # and an SIPT of 1080#.

Attached is Schedule IV showing the Third Expanded Participating Area for the Mesaverde Formation of the Rincon Unit Area. This describes the Expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownership in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated unless a more appropriate effective date is specified in the schedule", this Third Expanded Mesaverde Participating Area will be effective April 1, 1956. If this Third Expanded 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 schedule are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



R. L. Hamblin

Manager

Lease Department

RLH:JWC:eb

cc: Attached List

APPROVED: _____
Supervisor, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State Officials.

APPROVED: E. Walker
Commissioner of Public Lands

Date: _____

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

APPROVED: W. H. Carter
Oil Conservation Commission

Date: 10/17/56

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

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Jack Martin
Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas

Mr. Paul W. Neuenschwander
Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia

Wood River Oil and Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 1</u>					
SF 079052	T-27-N, R-6-W Sec. 17: W/2 SE/4, SE/4 SE/4	120.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	3.57143%
				TOTAL	100.00%
<u>Tract 14</u>					
SF 079365-A	T-27-N, R-6-W Sec. 22: NE/4, NE/4 SE/4 Sec. 23: A11	840.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 77.00% 10.50%	25.00000%
				TOTAL	100.00%

Effective April 1, 1956

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 15</u>							
SF 079366	T-27-N, R-6-W	440.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%	<u>13.09524%</u>
	Sec. 20: N/2						
	Sec. 22: W/2 SW/4, SE/4 SE/4						
	T-27-N, R-6-W	1120.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		12.50% 80.00% 7.50% 100.00%	12.50% 80.00% 7.50% 100.00%	<u>33.33333%</u>
	Sec. 20: S/2						
	Sec. 21: A11						
	Sec. 22: W/2 NW/4, SE/4 SW/4, SW/4 SE/4						

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVEVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 21</u>							
NM 013654	T-27-N, R-6-W Sec. 17: NE/4 SE/4	40.00	Royalty; Working Interest; El Paso Natural Gas Co.;		12.50% 81.50% 6.00%	12.50% 81.50% 6.00%	<u>1.19048%</u>
	TOTAL		ORRI;		<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 24</u>							
E-290-28	T-27-N, R-6-W Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00	Royalty; Working Interest; El Paso Natural Gas Co.;		12.50% 77.50% 10.00%	12.50% 77.50% .00%	<u>13.09524%</u>
	TOTAL		ORRI;		<u>100.00%</u>	<u>90.00%</u>	

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 25</u>					
E-290-28	T-27-N, R-6-W Sec. 16: NE/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		
			12.50%	12.50%	
			82.50%	82.50%	
			5.00%	5.00%	
			<u>100.00%</u>	<u>100.00%</u>	
					<u>4.76190%</u>
<u>Tract 29</u>					
E-6443-4	T-27-N, R-6-W Sec. 16: NE/4 SE/4	40.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		
			12.50%	12.50%	
			82.50%	82.50%	
			5.00%	5.00%	
			<u>100.00%</u>	<u>100.00%</u>	
					<u>1.19048%</u>

Effective April 1, 1956

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
Patented	T-27-N, R-6-W Sec 22: E/2 NW/4, NE/4 SW/4 NW/4 SE/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 75.00% 12.50%	12.50% 75.00% 12.50%	4.76190%
			TOTAL	100.00%	100.00%	
						<u>Tract 30</u>

SCHEDULE IV
 THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:
 Township 27 North, Range 6 West, N.M.P.M.
 Section 17: SE/4
 Sections 16, 20: All
 Section 21: All
 Section 22: All
 Section 23: All

Total number of acres in Participating Area:	3360.00
Percent of Basic Royalty Interest committed:	100.00%
Percent of Working Interest committed:	100.00%
Percent of O.R.R.I. committed:	98.69048%

El Paso Natural Gas Company

El Paso, Texas

July 11, 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: Rincon Unit Area
Rio Arriba County, New Mexico
I Sec. No. 916
FOURTH EXPANDED PARTICIPATING AREA
Mesaverde Formation
Effective May 1, 1956

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, submits for your approval the Fourth Expanded Participating Area of the Mesaverde Formation, Rincon Unit, Rio Arriba County, New Mexico, which includes, in addition to the lands previously admitted to the Mesaverde Participating Area, the following selection of lands reasonably estimated to be productive in paying quantities from the Mesaverde Formation:

Township 27 North, Range 6 West, N.M.P.M.
Section 17: N/2, SW/4
Section 18: E/2, E/2 W/2, Lots 1,2,3,4 (All)
containing 1117.76 acres.

The lands described above are proved productive by the following:

The Rincon Unit No. 80 Well, located 1090' from the North line and 1840' from the East line of Section 18, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on April 15, 1956, and completed on May 3, 1956, at a total depth of 5630' in the Mesaverde Formation. The Cliff House section of the Mesaverde Formation between 4890' and 4915', 4936' and 4945', and 4965' and 4985' was treated with a sand-water fracturing process. The Point Lookout section of the Mesaverde

Formation between 5400' and 5410', 5436' and 5450', and 5490' and 5502' was treated also with a sand-water fracturing process. After being shut-in for gauge for seventeen (17) days, the well was tested on May 22, 1956, and following a three hour blow-down, gauged an IP of 17176 MCFGPD with an SIPC of 1095# and an SIPT of 1090#.

Attached is Schedule V showing the Fourth Expanded Participating Area for the Mesaverde Formation of the Rincon Unit Area. This describes the Expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownership in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated unless a more appropriate effective date is specified in the schedule", this Fourth Expanded Mesaverde Participating Area will be effective May 1, 1956. If this Fourth Expanded 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 schedule are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



R. L. Hamblin
Manager
Lease Department

RLH:JWC:eb

cc: Attached list

APPROVED: _____
Director, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State officials.

APPROVED: E. Sewalker
Commissioner of Public Lands

Date: July 18, 1956

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

APPROVED: A. H. Porter
Oil Conservation Commission

Date: 10/17/56

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

The foregoing approvals are for the 1117.76 acre Fourth
revision of the Mesaverde Participating Area, effective
May 1, 1956, under the Rincon Unit
Unit, New Mexico.

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Jack Martin
Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas

Mr. Paul W. Neuenschwander
Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia

Wood River Oil and Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE V
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
SF 079052	T-27-N, R-6-W Sec. 17: W/2 SE/4, SE/4 SE/4, SW/4 Sec. 18: SE/4, E/2 SW/4	520.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>11.61295%</u>
<u>Tract 1</u>						
SF 079365-A	T-27-N, R-6-W Sec. 22: NE/4, NE/4 SE/4 Sec. 23: A11	840.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%	<u>18.75938%</u>
<u>Tract 14</u>						

Effective May 1, 1956

SCHEDULE V
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 079366	T-27-N, R-6-W Sec. 20: N/2 Sec. 22: W/2 SW/4, SE/4 SE/4	440.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%
					<u>9.82634%</u>
					<u>25.01251%</u>
	T-27-N, R-6-W Sec. 20: S/2 Sec. 21: A11 Sec. 22: W/2 NW/4, SE/4 SW/4, SW/4 SE/4	1120.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 80.00% 7.50% 100.00%	12.50% 80.00% 7.50% 100.00%

Effective May 1, 1956

SCHEDULE V
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 17</u>					
SF 079404-A	T-27-N, R-6-W Sec. 18: Lots 1, 2, 3, 4	157.76	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 86.50% 1.00%	3.52319%
<u>TOTAL</u>					
			100.00%	100.00%	
<u>Tract 21</u>					
NM 013654	T-27-N, R-6-W Sec. 17: N/2, NE/4 SE/4 Sec. 18: NE/4, E/2 NW/4	600.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 81.50% 6.00%	13.39956%
<u>TOTAL</u>					
			100.00%	100.00%	
<u>Tract 24</u>					
E-290-28	T-27-N, R-6-W Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 77.50% 10.00%	9.82634%
<u>TOTAL</u>					
			100.00%	90.00%	

Effective May 1, 1956

SCHEDULE V
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVEERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
E-290-28	T-27-N, R-6-W Sec. 16; NE/4	160.00	<u>Tract 25</u>					<u>3.57322%</u>
	Royalty;				12.50%	12.50%		
	Working Interest;							
	El Paso Natural Gas Co.;				82.50%	82.50%		
	ORRI;				5.00%	5.00%		
	TOTAL				<u>100.00%</u>	<u>100.00%</u>		
E-6443-4	T-27-N, R-6-W Sec. 16; NE/4 SE/4	40.00	<u>Tract 29</u>					<u>.89330%</u>
	Royalty;				12.50%	12.50%		
	Working Interest;							
	El Paso Natural Gas Co.;				82.50%	82.50%		
	ORRI;				5.00%	5.00%		
	TOTAL				<u>100.00%</u>	<u>100.00%</u>		

Effective May 1, 1956

SCHEDULE V
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND</u>	<u>PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
Patented	<u>T-27-N, R-6-W</u> Sec. 22: <u>E/2 NW/4,</u> <u>NE/4 SW/4,</u> <u>NW/4 SE/4</u>	160.00				
	Royalty;			12.50%	12.50%	
	Working Interest:			75.00%	75.00%	
	El Paso Natural Gas Co.;			12.50%	12.50%	
	ORRI;					
	<u>TOTAL</u>			<u>100.00%</u>	<u>100.00%</u>	<u>3.57321%</u>
						<u>Tract 30</u>

SCHEDULE V
 FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:
 Township 27 North, Range 6 West, N.M.P.M.
 Section 16: A11
 Section 17: A11
 Section 18: A11
 Section 20: A11
 Section 21: A11
 Section 22: A11
 Section 23: A11

Total number of acres in Participating Area:	4477.76
Percent of Basic Royalty Interest committed:	100.00%
Percent of Working Interest committed:	100.00%
Percent of O.R.R.I. committed:	99.10670%

El Paso Natural Gas Company

El Paso, Texas

October 15, 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: Rincon Unit Area
Rio Arriba County, New Mexico
I Sec. No. 916
FIFTH EXPANDED PARTICIPATING AREA
Mesaverde Formation
Effective August 1, 1956

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, submits for your approval the Fifth Expanded Participating Area of the Mesaverde Formation, Rincon Unit, Rio Arriba County, New Mexico, which includes, in addition to the lands previously admitted to the Mesaverde Participating Area, the following selection of lands reasonably estimated to be productive in paying quantities from the Mesaverde Formation:

Township 27 North, Range 7 West	Township 27 North, Range 6 West
Section 13: All	Section 19: Lots 1,2, E/2 NW/4, NE/4
Section 14: All	Containing 1599.32 acres

The lands described above are proved productive by the following:

The Rincon Unit No. 78 Well, located 1460' from the North line and 1840' from the East line of Section 14, Township 27 North, Range 7 West, Rio Arriba County, New Mexico, was spudded on July 7, 1956, and completed on July 27, 1956, at a total depth of 5600' in the Mesaverde Formation. The Cliff House section of the Mesaverde Formation between 4818' and 4828', 4854' and 4864', and 4870' and 4880', and 4886' and 4896' was treated with a sand-water fracturing process.

The Point Lookout section of the Mesaverde Formation between 5394' and 5406', 5436' and 5446', and 5502' and 5526' was also treated with a sand-water fracturing process. After being shut-in for gauge for thirteen (13) days, the well was tested on August 9, 1956, and following a three hour blow-down, gauged 2935 MCFGPD by the choke volume method and 3727 MCFGPD by the calculated absolute open flow method with an SIPC of 1099# and an SIPT of 1092#.

Attached is Schedule VI showing the Fifth Expanded Participating Area for the Mesaverde Formation of the Rincon Unit Area. This describes the Expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownership in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated unless a more appropriate effective date is specified in the schedule", this Fifth Expanded Mesaverde Participating Area will be effective August 1, 1956. If this Fifth Expanded 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 schedule are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



Samuel Smith
Assistant Manager
Lease Department

SS:RDJ:cr

cc: Attached List

APPROVED: _____
Director, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State officials.

APPROVED: E. Walker
Commissioner of Public Lands

Date: October 16, 1956

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

APPROVED: W. H. [Signature]
Oil Conservation Commission

Date: _____

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

The foregoing approvals are for the 1599.32 acre Fifth
revision of the Mesaverde Participating Area, effective
August 1, 1956, under the Rincon
Unit, New Mexico.

Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Jack Martin
Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas

Mr. Paul W. Neuenschwander
Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia

Wood River Oil and Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. Glenn Turner
1711 Mercantile Bank Building
Dallas 1, Texas

Mr. Bert Fields
1211 Fidelity Union Life Building
Dallas, Texas

Mr. W. C. McMahan
P. O. Box 631
Houston 2, Texas

A. V. Jones
Albany, Texas

Homer R. Stazney
Albany, Texas

SCHEDULE
FIFTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK AND PERCENTAGE		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
				PERCENTAGE	PERCENTAGE		
SF 079052	T-27-N, R-6-W	520.00	Royalty;	12.50%	12.50%	8.61344%	
	Sec. 17: W/2 SE/4, SE/4 SW/4		Working Interest:	82.50%	82.50%		
			El Paso Natural Gas Co.;	5.00%	5.00%		
			ORRI;	100.00%	100.00%		
	TOTAL						
Tract 1							
SF 079298	T-27-N, R-7-W	320.00	Royalty;	12.50%	12.50%	5.30058%	
	Sec. 13: S/2		Working Interest:	82.50%	82.50%		
			El Paso Natural Gas Co.;	5.00%	5.00%		
			ORRI;	100.00%	100.00%		
	TOTAL						
Tract 3							
SF 079298-A	T-27-N, R-7-W	160.00	Royalty;	12.50%	12.50%	2.65029%	
	Sec. 14: NW/4		Working Interest:	74.06%	74.06%		
			El Paso Natural Gas Co.;	13.44%	13.44%		
			ORRI;	100.00%	100.00%		
	TOTAL						
Tract 4							

SCHEDULE VI
 FIFTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 6</u>							
SF 079298-D	T-27-N, R-7-W Sec. 13: N/2 Sec. 14: NE/4 SW/4, S/2 SW/4	440.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>7.28829%</u>
<u>Tract 14</u>							
SF 079365-A	T-27-N, R-6-W Sec. 22: NE/4, NE/4 SE/4 Sec. 23: N/2	520.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		12.50% 77.00% 10.50%	12.50% 77.00% 10.50%	<u>8.61344%</u>
SF 079365-A	T-27-N, R-6-W Sec. 23: S/2	320.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		12.50% 80.00% 7.50%	12.50% 80.00% 7.50%	<u>5.30057%</u>
	TOTAL				<u>100.00%</u>	<u>100.00%</u>	

Effective August 1, 1956

SCHEDULE VI
FIFTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT
							ACTUAL PARTICIPATION
SF 079404-A	T-27-N, R-6-W Sec. 18: Lots 1, 2, 3, 4	157.76					<u>2.61318%</u>
	Royalty;				12.50%	12.50%	
	Working Interest:						
	El Paso Natural Gas Co.;				86.50%	86.50%	
	ORRI;				1.00%	1.00%	
	TOTAL				<u>100.00%</u>	<u>100.00%</u>	
				<u>Tract 17</u>			
NM 012209	T-27-N, R-7-W Sec. 14: E/2	320.00					<u>5.30058%</u>
	Royalty;				12.50%	12.50%	
	Working Interest:						
	El Paso Natural Gas Co.;				81.50%	81.50%	
	ORRI;				6.00%	6.00%	
	TOTAL				<u>100.00%</u>	<u>100.00%</u>	
				<u>Tract 20</u>			
NM 013654	T-27-N, R-6-W Sec. 17: N/2, NE/4 SE/4 Sec. 18: NE/4, E/2 NW/4	600.00					<u>9.93858%</u>
	Royalty;				12.50%	12.50%	
	Working Interest:						
	El Paso Natural Gas Co.;				81.50%	81.50%	
	ORRI;				6.00%	6.00%	
	TOTAL				<u>100.00%</u>	<u>100.00%</u>	
				<u>Tract 21</u>			

Effective August 1, 1956

SCHEDULE VI
FIFTH EXPANDED PARTICIPATING AREA FOR THE MESA VERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK AND	PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
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E-290-28	T-27-N, R-6-W Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	Tract 24	12.50% 77.50% 10.00% 100.00%	12.50% 77.50% .00% 90.00%	<u>7.28829%</u>
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E-290-28	T-27-N, R-6-W Sec. 16: NE/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	Tract 25	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>2.65029%</u>
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E-6443-4	T-27-N, R-6-W Sec. 16: NE/4 SE/4	40.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	Tract 29	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%	<u>.66257%</u>
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Effective August 1, 1956

SCHEDULE VI
 FIFTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:
 Township 27 North, Range 6 West, N.M.P.M.
 Section 16: All
 Section 17: All
 Section 18: All
 Section 19: Lots 1, 2, E/2 NW/4, NE/4
 Section 20: All
 Section 21: All
 Section 22: All
 Section 23: All
 Township 27 North, Range 7 West, N.M.P.M.
 Section 13: All
 Section 14: All

Total Number of Acres in Participating Area:	6,037.08
Percent of Basic Royalty Interest Committed:	100.00%
Percent of Working Interest Committed:	100.00%
Percent of O.R.R.I. Committed:	99.27117%

COMMUNICATIONS DIV
OCT 17 1956

October 16, 1956

In reply refer to:
Unit Division

El Paso Natural Gas Co.
El Paso, Texas

Re: Rincon Unit Area -
Fifth Expanded Participating
Area, effective August 1, 1956

Attention: Mr. R. L. Hamblin, Manager
Lease Department

Gentlemen:

We are handing you herewith five copies of
the Fifth Expanded Participating Area of the
Rincon Unit, which was approved by the Commissioner
of Public Lands on October 16, 1956.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
enc: 5

cc: USGS-Roswell
OCC-Santa Fe



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
P. O. Box 6721
Roswell, New Mexico

1000000
M 10 10
299

October 1, 1956

file

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

Attention: Mr. R. L. Hamblin

Gentlemen:

Your determination dated August 27, 1956, that (Rincon Unit) well No. 23, SW1/4 sec. 35, T. 27 N., R. 7 W., Rio Arriba County New Mexico, is incapable of producing unitized substances in paying quantities, has been approved on this date.

The well is on Federal land included in oil and gas lease Santa Fe 086885. One copy of your determination showing our approval is enclosed.

*McCaswell
WEE*

Very truly yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Cons. Div., Wash., (w/1 copy of determination)
Oil Conservation Commission, Santa Fe (ltr. only)

El Paso Natural Gas Company

El Paso, Texas

September 28, 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
Post Office Box 871
Santa Fe, New Mexico

File

Re: Rincon Unit Area
I Sec. Number 916
NOTICE OF COMPLETION OF
ADDITIONAL WELLS
Pictured Cliffs Formation

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on September 13, 1956, and September 17, 1956, that two (2) additional wells capable of producing unitized substances in paying quantities from the Pictured Cliffs formation, had been completed upon acreage committed to this Unit.

These wells are as follows:

1. The Rincon Unit #66 well, located 1645' from the North line and 990' from the East line of Section 22, Township 27 North Range 7 West, Rio Arriba County, New Mexico, was spudded on August 19, 1956, and completed on September 5, 1956, at a total depth of 3166' in the Pictured Cliffs formation. On September 4, 1956, the Pictured Cliffs formation from 3015' to 3050' was treated with a sand-water fracturing process. After being shut-in for gauge for eight days, the well was tested and following a three hour blow-down, gauged 4,737 MCFGPD by the choke volume method and 9,531 MCFGPD by the

calculated absolute open flow method with an SIPC of 1025# and an SIPT OF 1025#.

2. The Rincon Unit #67 well, located 1800' from the South line and 990' from the East line of Section 22, Township 27 North, Range 7 West, Rio Arriba County, New Mexico, was spudded on August 26, 1956, and completed on September 8, 1956, at a total depth of 3152' in the Pictured Cliffs formation. On September 8, 1956, the Pictured Cliffs formation from 3072' to 3090' was treated with a sand-water fracturing process. After being shut-in for gauge for nine days, the well was tested and following a three hour blow-down, gauged 5,582 MCFGPD by the choke volume method and 10,885 MCFGPD by the calculated absolute open flow method with an SIPC of 1018# and an SIPT of 1017#.

The acreage upon which the Rincon Unit #66 well is located was included in the Seventh Expanded Participating Area for the Pictured Cliffs formation, effective July 1, 1955, and the acreage upon which the Rincon Unit #67 well is located was included in the Sixth Expanded Participating Area for the Pictured Cliffs formation, effective August 1, 1954. Therefore, the Participating Area is not enlarged, and the percentages allocated to the tracts shown on Schedule VIII for the Seventh Expanded Participating Area and Schedule VII for the Sixth Expanded Participating Area remain the same.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



Joe W. Cherry
Area Landman
Lease Department

JWC:RDJ:cr

cc: Attached List

El Paso Natural Gas Company
El Paso, Texas

September 24, 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: Rincon Unit Area
I Sec. No. 916
**NOTICE OF COMPLETION
OF ADDITIONAL WELL
Mesaverde Formation**

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on August 29, 1956, that one (1) additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation had been completed upon acreage committed to this unit.

This well is as follows:

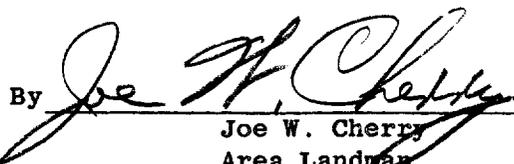
The Rincon Unit #79 Well, located 1124' from the North line and 893' from the East line of Section 17, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on July 29, 1956, and completed on August 21, 1956, at a total depth of 5646' in the Mesaverde Formation. The Cliff House section of the Mesaverde Formation between 4897' - 4920', 4952' - 4965', 4972' - 4984' and 4988' - 4998' was treated with a sand-water fracturing process. The Point Lookout section of the Mesaverde Formation between 5406' - 5416', 5440' - 5450', 5462' - 5478' and 5554' - 5566' was also treated with a sand-water fracturing process. After being shut-in for gauge eight (8) days, the well was tested on August 29, 1956, and following a three hour blow-down gauged 4619 MCFGPD by the choke volume method and 8476 MCFGPD by the calculated absolute open flow method with an SIPC of 1044# and an SIPT of 981#.

The acreage upon which this well is located was included in the Fourth Expanded Participating Area for the Mesaverde Formation, effective May 1, 1956. Therefore, the Participating Area is not enlarged and the percentages allocated to the tracts shown on Schedule V for the Fourth Expanded Participating Area remain the same.

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 
Joe W. Cherry
Area Landman
Lease Department

JWC:RDJ:pb

cc: Attached list

El Paso Natural Gas Company

El Paso, Texas

August 27, 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

file

Re: Rincon Unit Area, I Sec. No. 916
Rio Arriba County, New Mexico
NON-COMMERCIAL WELL
Mesaverde Formation

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on January 18, 1956, that the following described well was not capable of producing unitized substances in paying quantities from the Mesaverde formation.

This well is as follows:

1. The Rincon Unit #23 Well, located 990' from the South line and 890' from the West line of Section 35, Township 27 North, Range 7 West, Rio Arriba County, New Mexico, was spudded on November 5, 1953, and originally completed on September 16, 1954, at a total depth of 5321' in the Mesaverde formation. The Mesaverde formation was shot with 1660 quarts from 4780' to 5320'. After being shut-in for fourteen (14) days the well was tested on September 29, 1954 and following a three hour blow-down gauged an IP of 236 MCFGPD with an SIPC of 802# and an SIPT of 851#. Because of the encroachment of water in the original hole the well was plugged back to 3755' on September 25, 1955, and was reworked by side tracking at a point 3971' from the surface. The well was recompleted on November 8, 1955, at a total depth of 5405' in the Mesaverde formation. The Point Lookout section of the Mesaverde formation between 5160' and 5220' and 5226' and 5251' was treated with a sand-water fracturing process.

The well was shut-in for gauge on January 11, 1956, and after being shut-in for gauge eight (8) days, was tested on January 18, 1956, and following a three hour blow-down, gauged an IP of 1230 MCFGPD with an SIPC of 1021# and an SIPT of 9001#.

In the absence of official disapproval, this well will continue to be considered non-commercial.

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 
R. L. Hamblin
Manager
Lease Department

RLH:RDJ:cr

cc: Attached List

MAIN OFFICE 000 *El Paso Natural Gas Company*

RECEIVED 8/24/56 11 1:20

El Paso, Texas

August 24, 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

file

Re: Rincon Unit Area, I Sec. No. 916
NOTICE OF COMPLETION
OF ADDITIONAL WELL
Mesaverde Formation

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on May 21, 1956, that one (1) additional well, capable of producing unitized substances in paying quantities from the Mesaverde formation had been completed upon acreage committed to this Unit.

This well is as follows:

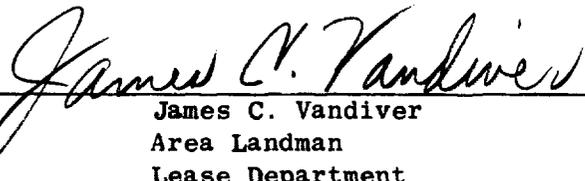
1. The Rincon Unit #83 Well, located 990' from the South line and 1650' from the West line of Section 23, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on April 22, 1956, and completed on May 13, 1956, at a total depth of 5755' in the Mesaverde formation. The Cliff House section of the Mesaverde formation between 4946' and 4956', 4982' and 4994', 5010' and 5020', 5048' and 5058', and 5066' and 5076' was treated with a sand-water fracturing process. The Point Lookout section of the Mesaverde formation between 5518' and 5528', 5566' and 5580' and 5606' and 5616' was treated also with a sand-water fracturing process. After being shut-in for gauge eight (8) days, the well was tested on May 21, 1956, and following a three hour blow-down, gauged an IP of 9532 MCFGPD with an SIPC of 1050# and an SIPT of 1013#.

The acreage upon which this well is located was included in the Third Expanded Participating Area for the Mesaverde formation, effective April 1, 1956. Therefore, the Participating Area is not enlarged, and the percentages allocated to the tracts shown on Schedule IV for the Third Expanded Participating Area remains the same.

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 
James C. Vandiver
Area Landman
Lease Department

JCV:RDJ:cr
cc: Attached List

MAIN OFFICE OCC

RECEIVED JUL 19 AM 8:17

July 18, 1956

In reply refer to:
Unit Division

El Paso Natural Gas Co.
El Paso, Texas

Re: Rincon Unit Area -
Fourth Expanded Participa-
ting Area, Mesaverde Formation,
Effective May 1, 1956

Attention: Mr. R. L. Hamblin, Manager
Lease Department

Gentlemen:

We are enclosing one copy of the Fourth
Expanded Participating Area, Mesaverde Formation,
for the Rincon Unit Area.

This was approved by the Commissioner of
Public Lands July 18, 1956, subject to like approval
by the United States Geological Survey and the
New Mexico Oil Conservation Commission.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
enc: 1

cc: USGS-Roswell
OCC-Santa Fe

MAIN OFFICE OCC

1956 JUL 19 AM 8:17

July 18, 1956

In reply refer to:
Unit Division

El Paso Natural Gas Co.
El Paso, Texas

3 x 11
11th
with
9 x 11
DIV 1000
Re: Rincon Unit Area -
Third Expanded Participa-
ting Area, Mesaverde Formation,
Effective April 1, 1956

Attention: Mr. R. L. Hamblin, Manager
Lease Department

Gentlemen:

We are enclosing one copy of the Third
Expanded Participating Area, Mesaverde Formation,
for the Rincon Unit Area.

This was approved by the Commissioner of
Public Lands July 18, 1956, subject to like approval
by the United States Geological Survey and the
New Mexico Oil Conservation Commission.

Very truly yours,

Z. S. WALKER
Commissioner of Public Lands

MMR/m
enc: 1

cc: USGS-Roswell
OCC-Santa Fe

El Paso Natural Gas Company

RECEIVED JUN 21 11 11 AM '56 El Paso, Texas

June 19, 1956

file

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

Gentlemen:

We transmit herewith one (1) copy of a Ratification and Joinder of Unit Agreement for the (Rincon Unit Area) which has been executed by Three States Natural Gas Company.

This Ratification and Joinder commits the overriding royalty interest of 10.4375% held by Three States Natural Gas Company under Tract 4 of the Rincon Unit Exhibit "B". This interest was obtained by Three States from Madge Jones. The Ratification and Joinder has been consented to by the working interest owners under Tract 4 and by El Paso Natural Gas Company as Unit Operator.

Very truly yours,

James C. Vandiver
James C. Vandiver
Area Landman
Lease Department

JCV:JWC:eb
Enclosure

NM 4509

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area located within the County of Rio Arriba, 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: _____

THREE STATES NATURAL GAS COMPANY

M. ...
Assistant Secretary

By *E. A. Jenkins*
Vice President

Date: _____

Date: 6-4-56

APPROVED AND CONSENTED TO:

J. Glenn Turner
J. Glenn Turner
Working Interest Owner

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS COMPANY

By *H. F. ...* *RTH*
Vice President

UNIT OPERATOR & WORKING INTEREST OWNER

STATE OF TEXAS)
COUNTY OF DALLAS) SS.:

On this 25th day of May, 1956, before me appeared

E. A. JERKINS, to me personally known, who, being by me duly sworn, did say that he is the VicePresident of Three States National 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, and said E. A. JERKINS 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:

HAZEL GRAY
~~Notary Public, Dallas County, Texas~~
My Commission Expires June 1, 1957

Hazel Gray
Notary Public in and for _____
~~Dallas~~ County,
State of Texas

STATE OF)
COUNTY OF) SS.:

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)
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 _____

249

El Paso Natural Gas Company

El Paso, Texas

May 18, 1956

1956 MAY 21 AM 9:35

MAIN OFFICE 000

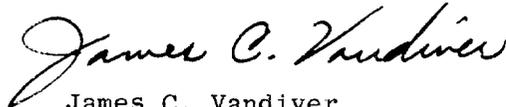
Oil Conservation Commission
of the State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Gentlemen:

We transmit herewith one (1) copy of a Ratification and Joinder of the Rincon Unit Agreement, executed by Madge Jones, a single person.

This Ratification & Joinder commits an overriding royalty interest of 1/2% held by Madge Jones in Tract 4 of the Rincon Unit Exhibit "B".

Very truly yours,



James C. Vandiver
Area Landman
Lease Department

JCV:JWC:eb
Enclosures

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area located within the County of Rio Arriba 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

2309 Alice St apt 102
Dallas, Texas

Madge Jones
Madge Jones

Date: May 1, 1956

Date: May 2, 1956

APPROVED AND CONSENTED TO:

J. Glenn Turner
J. Glenn Turner
Working Interest Owner

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS COMPANY
By [Signature]
Vice President

MAIN OFFICE OCC

STATE OF
COUNTY OF

1955 MAY }
SS. IN 8:35
)

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 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
COUNTY OF

)
) SS.:
)

On this _____ day of _____, 195____, before me appeared

_____ and _____
his wife, to me known to be the persons described in and who executed the fore-
going 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
COUNTY OF

Texas)
Dallas)
SS.:

On this 1st day of May, 1956, before me personally

appeared Madge Jones, a single person, to me known to be
the person described in and who executed the foregoing instrument, and acknowledged
to me that she executed the same as her free act and deed.

My Commission expires:

LEOLA CUNDIFF
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1957

Leola Cundiff

Notary Public in and for _____
Dallas County,
State of Texas



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

February 8, 1956

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

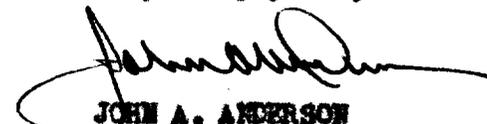
Attention: Mr. R. L. Hamblin

Gentlemen:

Your plan of development dated December 23, 1955, for the Rincon Unit, I-See. No. 916, Rio Arriba County, New Mexico, for the calendar year 1956, has been approved on this date subject to like approval by the appropriate State of New Mexico officials.

One approved copy of the plan is enclosed.

Very truly yours,


JOHN A. ANDERSON
Regional Oil & Gas Supervisor

Enclosure

Copy to: Wash (w/copy of plan)
Comm. of Public Lands, Santa Fe (ltr. only)
Oil Cons. Comm., Santa Fe (Ltr. only) ✓

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 1, 1956

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

Attention: Mr. R. L. Hamblin

**Re: Rincon Unit Area
Rio Arriba County, New Mexico
Eighth Expanded Participating
Area, Pictured Cliffs Formation**

Gentlemen:

This is to advise that the Eighth Expanded Participating Area for the Pictured Cliffs Formation for the Rincon Unit Area has this date been approved by the New Mexico Oil Conservation Commission, subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

Six approved copies of the expansion are returned herewith.

Very truly yours,

**W. B. Macey
Secretary-Director**

WBM:jh

**cc: U. S. Geological Survey, Roswell
Commissioner of Public Lands, Santa Fe**

C
O
P
Y

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 30, 1956

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

file

Attention: Mr. R. L. Hamblin

Re: (Rincon Unit)
Rio Arriba County, New Mexico
1956 Drilling Program

Gentlemen:

This is to advise that the Drilling Program for calendar year 1956 for the Rincon Unit Area, dated December 23, 1955, has this date been approved by the New Mexico Oil Conservation Commission, 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 plan is returned herewith.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:jh

cc: U. S. Geological Survey, Roswell
Commissioner of Public Lands, Santa Fe

C
O
P
Y

El Paso Natural Gas Company

El Paso, Texas

December 23, 1955

PLEASE RETURN TO
LEASE DEPARTMENT

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: Rincon Unit
I Sec. No. 916
Rio Arriba County, New Mexico
1956 DRILLING PROGRAM

Gentlemen:

By letter dated December 28, 1954, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program regarding the captioned Unit for the calendar year 1955, consisting of two (2) mesaverde wells and twenty-one (21) Pictured Cliffs wells. All of these wells were completed during 1955 upon lands committed to this Unit as follows:

<u>Well Name</u>	<u>Formation</u>	<u>Drilling Tract</u>	<u>Initial Potential</u>	<u>Tied-In</u>
(1) Rincon #32	Mesaverde	NE/4 Sec. 16, T-27-N, R-6-W	3221	9-26-55
(2) Rincon #33	Mesaverde	SW/4 Sec. 22, T-27-N, R-6-W	3669	11-15-55
(1) Rincon #34	Pictured Cliffs	SW/4 Sec. 28, T-27-N, R-7-W	1771	8-25-55
(2) Rincon #35	Pictured Cliffs	SW/4 Sec. 34, T-27-N, R-7-W	2953	8-26-55
(3) Rincon #36	Pictured Cliffs	SW/4 Sec. 14, T-27-N, R-7-W	1449	8-26-55
(4) Rincon #37	Pictured Cliffs	SW/4 Sec. 26, T-27-N, R-7-W	2326	8-25-55
(5) Rincon #38	Pictured Cliffs	SE/4 Sec. 26, T-27-N, R-7-W	4295	6-20-55
(6) Rincon #39	Pictured Cliffs	NW/4 Sec. 26, T-27-N, R-7-W	5100	8-25-55
(7) Rincon #40	Pictured Cliffs	NE/4 Sec. 26, T-27-N, R-7-W	6264	6-20-55
(8) Rincon #41	Pictured Cliffs	NE/4 Sec. 35, T-27-N, R-7-W	4384	8-22-55
(9) Rincon #42	Pictured Cliffs	SE/4 Sec. 35, T-27-N, R-7-W	2416	9-6-55
(10) Rincon #43	Pictured Cliffs	SW/4 Sec. 25, T-27-N, R-7-W	7784	10-19-55
(11) Rincon #44	Pictured Cliffs	SE/4 Sec. 25, T-27-N, R-7-W	4295	10-14-55
(12) Rincon #45	Pictured Cliffs	SW/4 Sec. 36, T-27-N, R-7-W	2108	11-20-55
(13) Rincon #46	Pictured Cliffs	NE/4 Sec. 1, T-26-N, R-7-W	2048	10-20-55
(14) Rincon #47	Pictured Cliffs	SW/4 Sec. 1, T-26-N, R-7-W	1263	10-21-55
(15) Rincon #48	Pictured Cliffs	SW/4 Sec. 30, T-27-N, R-6-W	5011	11-15-55

<u>Well Name</u>	<u>Formation</u>	<u>Drilling Tract</u>	<u>Initial Potential</u>	<u>Tied-In</u>
(16) Rincon #49	Pictured Cliffs	NE/4 Sec. 31, T-27-N, R-6-W	4385	10-20-55
(17) Rincon #50	Pictured Cliffs	SW/4 Sec. 31, T-27-N, R-6-W	4563	11-15-55
(18) Rincon #51	Pictured Cliffs	SW/4 Sec. 6, T-26-N, R-6-W	2506	11-20-55
(19) Rincon #52	Pictured Cliffs	NE/4 Sec. 20, T-27-N, R-6-W	565	11-28-55
(20) Rincon #53	Pictured Cliffs	SE/4 Sec. 22, T-27-N, R-6-W	3042	11-14-55
(21) Rincon #54	Pictured Cliffs	NE/4 Sec. 14, T-27-N, R-7-W	1074	8-26-55

Six (6) wells have been completed to the Mesaverde formation on lands committed to the Unit. Of these six Mesaverde wells, five (5) have been determined to be capable of producing unitized substances in paying quantities and have been admitted to the Mesaverde Participating Area. These five wells are producing into El Paso Natural Gas Company's gathering system.

Forty-five (45) of the Pictured Cliffs wells have been determined to be capable of producing unitized substances in paying quantities and have been admitted to the Pictured Cliffs Participating Area. All of these wells are producing into El Paso Natural Gas Company's gathering system.

For the period from 7:00 o'clock a.m. on January 1, 1955, to 7:00 o'clock a.m. on December 1, 1955, the production from the Mesaverde formation of the Rincon Unit was 340,594 m.c.f. of gas, condensates and liquid products, with a total value of \$41,009.73. For the same period of time, production from the Pictured Cliffs formation was 1,570,093 m.c.f. of gas and liquid products with a total value of \$170,075.71. The total value for this period of the combined production from the Mesaverde and Pictured Cliffs formation was \$211,085.44.

El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a drilling program for the calendar year 1956, consisting of six (6) wells to be drilled to the Mesaverde formation, and twenty (20) wells to be drilled to the Pictured Cliffs formation, such Drilling Program to constitute all of our drilling obligations for such year. These proposed drilling sites are as follows:

- Mesaverde Formation
- (1) N/2 Section 17, T-27-N, R-6-W
 - (2) S/2 Section 17, T-27-N, R-6-W
 - (3) N/2 Section 18, T-27-N, R-6-W
 - (4) E/2 Section 23, T-27-N, R-6-W
 - (5) W/2 Section 23, T-27-N, R-6-W
 - (6) E/2 Section 14, T-27-N, R-7-W

- Pictured Cliffs Formation
- (1) SE/4 Section 28, T-27-N, R-6-W
 - (2) NE/4 Section 30, T-27-N, R-6-W
 - (3) NE/4 Section 22, T-27-N, R-7-W
 - (4) SE/4 Section 22, T-27-N, R-7-W
 - (5) NW/4 Section 23, T-27-N, R-7-W
 - (6) NE/4 Section 23, T-27-N, R-7-W
 - (7) SE/4 Section 23, T-27-N, R-7-W
 - (8) SE/4 Section 24, T-27-N, R-7-W
 - (9) SW/4 Section 24, T-27-N, R-7-W
 - (10) NE/4 Section 25, T-27-N, R-7-W
 - (11) NE/4 Section 27, T-27-N, R-7-W
 - (12) SE/4 Section 27, T-27-N, R-7-W
 - (13) SW/4 Section 27, T-27-N, R-7-W

- (14) SE/4 Section 28, T-27-N, R-7-W
- (15) SE/4 Section 33, T-27-N, R-7-W
- (16) NE/4 Section 33, T-27-N, R-7-W
- (17) NW/4 Section 33, T-27-N, R-7-W
- (18) SE/4 Section 34, T-27-N, R-7-W
- (19) NE/4 Section 34, T-27-N, R-7-W
- (20) NW/4 Section 34, T-27-N, R-7-W

As Unit Operator, El Paso Natural Gas Company intends to drill all the Mesaverde wells to the base of the Mesaverde formation using rotary tools. Surface casing of 10-3/4" will be set to approximately 150' below the surface and an intermediate string of 7-5/8" casing will be set through the Pictured Cliffs formation to a depth of approximately 3200'. From this point a 5-1/2" production string will be set through the Mesaverde formation, and the casing of the Mesaverde formation will then be selectively perforated and the Mesaverde formation will be subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing, and the hole below the intermediate string will be drilled in with gas. Due care will be taken to protect all horizons.

El Paso Natural Gas Company, as Unit Operator, intends to drill all Pictured Cliffs wells to the base of the Pictured Cliffs formation using rotary and cable tools. Surface casing of 9-5/8" will be set to approximately 100' from the surface, and then a production string of 5-1/2" casing will be set on top of the Pictured Cliffs formation. Mud will be used in drilling to the top of the Pictured Cliffs formation and the Pictured Cliffs formation will be drilled in with cable tools. The entire Pictured Cliffs formation will be subjected to a hydraulic fracturing process. Due care will be taken to protect all horizons.

As Sub-Operator of the deep rights, Texas National Petroleum Company, formerly Johnston Oil and Gas Company, will file a drilling program of its own pertaining to the rights below the base of the Mesaverde formation.

All of the working interest owners have been contacted and this Drilling Program reflects, insofar as possible, their requests for additional drilling.

If this Drilling Program is acceptable, please signify your approval thereof pursuant to Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Very truly yours,

EL PASO NATURAL GAS COMPANY

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

APPROVED: _____ 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 U.S.G.S. and Oil Conservation Commission.

APPROVED: W B Macey DATE: JAN 30 1956
Oil Conservation Commission

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

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Jack Martin
Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas

Mr. Paul W. Neuenschwander
Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia

Wood River Oil and Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

El Paso Natural Gas Company

El Paso, Texas

January 24, 1956

File

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

Gentlemen:

We are transmitting herewith one (1) copy of Ratification and Joinder of Unit Agreement for the Rincon Unit, Rio Arriba County, New Mexico, executed by Edwin H. Kaime, Elizabeth Kaime, George N. Kaime and Wilma Jean Kaime, committing their basic royalty interest under Tract 30 of Exhibit "B" to the Rincon Unit.

Very truly yours,

James C. Vandiver
James C. Vandiver
Office Landman
Lease Department

JCV:JWC:pb
Enclosure
NM 4229

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area located within the County of Rio Arriba 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

Aztec, New Mexico

Edwin H. Kaime

Edwin H. Kaime

Aztec, New Mexico

Elizabeth Kaime

Elizabeth Kaime

Date: November 14, 1955

Aztec, New Mexico

George W. Kaime

George W. Kaime

Aztec, New Mexico

Wilma Jean Kaime

Wilma Jean Kaime

Date: January 4, 1956

APPROVED & CONSENTED TO:

TEXAS NATIONAL PETROLEUM COMPANY

BY *A. J. [Signature]*

Date: January 12, 1956

Working Interest Owner

APPROVED AND CONSENTED TO BY
A. J. [Signature]
 WORKING INTEREST OWNER

SS

STATE OF)
COUNTY OF) SS.:

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 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)
COUNTY OF San Juan) SS.:

On this 14th day of November, 1955, before me appeared

Edwin H. Kaime and Elizabeth Kaime
his wife, to me known to be the persons described in and who executed the fore-
going instrument, and acknowledged to me they executed the same as their free act
and deed.

My Commission expires:

May 3, 1959

Betty Jean Lawson

Notary Public in and for _____
San Juan County,
State of New Mexico

STATE OF NEW MEXICO)
COUNTY OF SAN JUAN) ss

On this 4th day of January, 1956, ~~1955~~, before me
appeared George N. Kaime and Wilma Jean Kaime, 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:

May 3, 1959

Betty Jean Lawson

Notary Public, County of San Juan,
State of New Mexico

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the RINCON UNIT Area located within the County of RIO ARRIBA 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

24 Federal St

Diane Kitchel

Boston Mass.

Diane Kitchel
William Ray Kitchel

Date: 7/7/54

William Ray Kitchel

Date: _____

APPROVED AND CONSENTED TO:

APPROVED AND CONSENTED TO:

JOHNSTON OIL AND GAS COMPANY

DELHI OIL CORPORATION

BY [Signature]
Vice President

BY [Signature]
Vice President

[Signature]
XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

[Signature]
Paul B. Horton

APPROVED AND CONSENTED TO:
EL PASO OIL COMPANY
BY [Signature]
Vice President

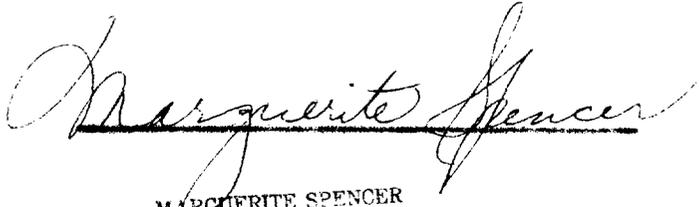
WORKING INTEREST OWNERS

WORKING INTEREST OWNERS

WORKING INTEREST OWNERS

STATE OF TEXAS)
)
COUNTY OF DALLAS)

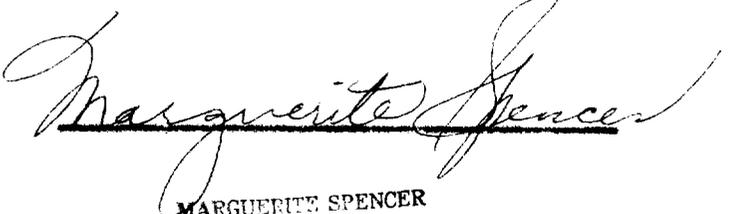
On this 18th day of August, 1954, before me appeared FRANK A. SCHULTZ, to me personally known, who, being by me duly sworn, did say that he is the Vice President of DELHI OIL CORPORATION, a Delaware corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and said Frank A. Schultz acknowledged said instrument to be the free act and deed of said corporation.



MARGUERITE SPENCER
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

STATE OF TEXAS)
)
COUNTY OF DALLAS)

On this 18th day of August, 1954, before me personally appeared PAUL B. MORTON, 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 his free act and deed.



MARGUERITE SPENCER
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the RINCON UNIT Area located within the County of RIO ARriba 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.

att'd. ADDRESS
Perkins

SIGNATURE
 Texas National Bank of Houston,
 Trustee
 By: [Signature]
 Vice President & Trust Officer

Date: _____

Date: _____

APPROVED AND CONSENTED TO:

APPROVED AND CONSENTED TO:

APPROVED AND CONSENTED TO:

JOHNSTON OIL AND GAS COMPANY

DELHI OIL CORPORATION

EL PASO NATURAL GAS COMPANY

BY [Signature]
 Vice President

BY [Signature]
 Vice President

BY [Signature]
 Vice President

[Signature]
 WORKING INTEREST OWNERS

[Signature]
 Paul B. Horton
 WORKING INTEREST OWNERS

WORKING INTEREST OWNER

STATE OF Texas)
COUNTY OF Harris) SS.:

On this 23rd day of July, 1954, before me appeared

John Dresper, to me personally known, who, being by me duly sworn, did say that he is the Vice President of Texas National Bank of Houston 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 John Dresper 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:

6-1-55

Bernice Jones
Notary Public in and for Harris County,
State of Texas

BERNICE JONES, Notary Public
IN AND FOR HARRIS COUNTY, TEXAS

My Commission Expires _____

STATE OF)
COUNTY OF) SS.:

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)
COUNTY OF) SS.:

On this _____ day of _____, 195____, before me personally

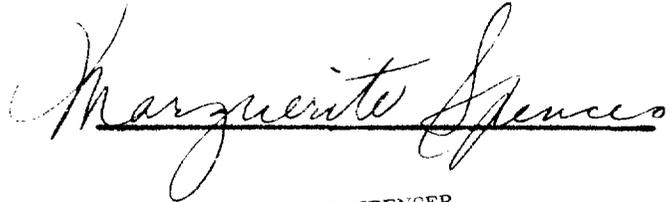
appeared _____, a single person, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that _____ he executed the same as _____ free act and deed.

My Commission expires:

Notary Public in and for _____ County,
State of _____

STATE OF TEXAS)
)
COUNTY OF DALLAS)

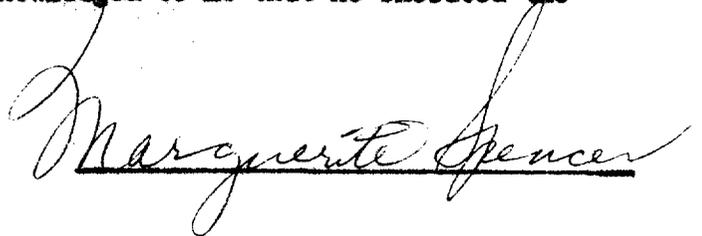
On this 18th day of August, 1954, before me appeared FRANK A. SCHULTZ, to me personally known, who, being by me duly sworn, did say that he is the Vice President of DELHI OIL CORPORATION, a Delaware Corporation, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and said Frank A. Schultz acknowledged said instrument to be the free act and deed of said corporation.



MARGUERITE SPENCER
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

STATE OF TEXAS)
)
COUNTY OF DALLAS)

On this 18th day of August, 1954, before me personally appeared PAUL B. HORTON, 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 his free act and deed.



MARGUERITE SPENCER
Notary Public, Dallas County, Texas
My Commission Expires June 1, 1955

Unit Division

January 17, 1956

file

El Paso Natural Gas Co.
El Paso, Texas

Re: (Rincon Unit)
1956 Drilling Program

Gentlemen:

We are enclosing one copy of the Rincon Unit Drilling Program, which was approved by the Commissioner of Public Lands as of January 17, 1956, subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MNR/m
enc: 1

cc: USGS-Roswell
OCC-Santa Fe

December 21, 1955

file

El Paso Natural Gas Co.
El Paso, Texas

Re: Rincon Unit
Eighth Expanded
Participating Area
Effective Sept. 1, 1955

Attention: Mr. T. W. Bittick,
Area Landman
Lease Department

Gentlemen:

We are enclosing seven (7) copies of the Eighth Expanded Participating Area for the Pictured Cliffs Formation, which includes all of the committed acreage in the Rincon Unit Area. These were approved by the Commissioner of Public Lands December 20, 1955, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are keeping one contour map showing the wells and participating area for our files. We appreciate this very much.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

enc: 8
MMR/m

cc: OCC-Santa Fe
USGS-Roswell

El Paso Natural Gas Company

El Paso, Texas

December 2, 1955

PLEASE RETURN TO
LEASE DEPARTMENT

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

Return to...

Re: Rincon Unit Area
Rio Arriba County, New Mexico
I Sec. No. 916
Eighth Expanded Participating Area
Pictured Cliffs Formation
Effective September 1, 1955

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, submits for your approval the Eighth Expanded Participating Area of the Pictured Cliffs Formation, Rincon Unit, Rio Arriba County, New Mexico, which includes, in addition to the lands previously admitted to the Pictured Cliffs Participating Area, the following selection of lands reasonably estimated to be productive in paying quantities from the Pictured Cliffs Formation:

Township 27 North, Range 6 West, N.M.P.M.
Section 16: E/2, NW/4
Section 21: E/2, SW/4
Section 22: All
Section 23: All
Section 26: All
Section 27: All
Section 28: All

containing 4,160.00 acres.

The lands described above are proved productive by the following:

The Rincon Unit No. 53 Well, located 1750' from the South line and 1690' from the East line of Section 22, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on August 16, 1955, and completed on September 14, 1955, at a total depth of 3137' in the Pictured Cliffs Formation. On September 13, 1955, the Pictured Cliffs Formation from 3067' to 3137' was treated with a sand-water fracturing process. After being shut-in for gauge thirteen days, the well was tested and following a three hour blow-down, gauged an IP of 3042 MCFGPD with an SIPC of 1065# and an SIPT of 1065#.

Attached is Schedule IX showing the Eighth Expanded Participating Area for the Pictured Cliffs Formation of the Rincon Unit Area. This describes the Expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownership in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated unless a more appropriate effective date is specified in the schedule", this Eighth Expanded Pictured Cliffs Participating Area will be effective September 1, 1955. If this Eighth Expanded Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy for our files.

We are enclosing herewith as Exhibit "A", a contour map of the Rincon Unit. The contours are taken on the top of the Pictured Cliffs Formation, and are shown as plus figures above sea level. The top of the Pictured Cliffs Formation on each completed well is also shown by each well with the total depth of the well and the initial potential. The map also shows the present Participating Area, and the proposed Eighth Expansion.

This Eighth Expanded Participating Area for the Pictured Cliffs Formation includes all of the committed acreage in the Rincon Unit Area. Accordingly, this is the final expansion of the Pictured Cliffs Participating Area in the Rincon Unit.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By



R. L. Hamblin

Manager

Lease Department

RLH:JCV:rb

Enclosures

cc: Attached list

APPROVED: _____
Supervisor, United States Geological Survey

Date: _____

Subject to like approval by the appropriate State Officials.

APPROVED: Escwelder
Commissioner of Public Lands

Date: December 20, 1955

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

APPROVED: W.B. Macey
Oil Conservation Commission

Date: FEB 1 - 1956

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

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Jack Martin
Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas

Mr. Paul W. Neuenschwander
Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia

Wood River Oil and Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 1</u>					
SF 079052	T-27-N, R-6-W Sec. 17: SW/4, W/2 SE/4, SE/4 SE/4 Sec. 18: SE/4, E/2 SW/4	520.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	2.55869%
<u>TOTAL</u>					
				100.00%	
<u>Tract 2</u>					
SF 079160	T-26-N, R-7-W Sec. 1: All Sec. 11: All Sec. 12: All	1920.80	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	9.45141%
<u>TOTAL</u>					
				100.00%	

Effective September 1, 1955

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 3</u>					
SF 079298	T-27-N, R-7-W Sec. 13: S/2	320.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%
	TOTAL			100.00%	100.00%
					<u>1.57458%</u>
<u>Tract 4</u>					
SF 079298-A	T-27-N, R-7-W Sec. 14: NW/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 74.0625% 13.4375%	12.50% 74.0625% 2.5000%
	TOTAL			100.0000%	89.0625%
					<u>.78729%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 6</u>					
SF 079288-D	T-27-N, R-7-W Sec. 24: S/2 Sec. 13: N/2 Sec. 14: NE/4 SW/4, S/2 SW/4	760.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%
			TOTAL	<u>100.00%</u>	<u>100.00%</u>
<u>Tract 7</u>					
SF 079301	T-26-N, R-6-W Sec. 6: NW/4	161.81	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%
			TOTAL	<u>100.00%</u>	<u>100.00%</u>
					<u>.79620%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT
					ACTUAL PARTICIPATION
<u>Tract 8</u>					
SF 079301-A	T-26-N, R-6-W Sec. 6: SW/4	161.35	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%
					<u>.79393%</u>
<u>Tract 9</u>					
SF 079302	T-26-N, R-6-W Sec. 6: NE/4	160.48	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00% 100.00%	12.50% 82.50% 5.00% 100.00%
					<u>.78965%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 10</u>					
SF 079302-B	T-26-N, R-6-W Sec. 6: SE/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	<u>.78729%</u>
<u>TOTAL</u>					
			100.00%	100.00%	
<u>Tract 11</u>					
SF 079321	T-27-N, R-7-W Sec. 25: All	640.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	<u>3.14916%</u>
<u>TOTAL</u>					
			100.00%	100.00%	

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SF 079360	T-27-N, R-7-W Sec. 14: E/2 Sec. 22: NE/4 Sec. 23: N/2	800.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%
			TOTAL	100.00%	100.00%
					<u>3.93645%</u>

Tract 12

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 13</u>					
SF 079364	T-27-N, R-6-W	1280.87	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 77.00% 10.50%	<u>6.30259%</u>
	Sec. 28: N/2			12.50%	
	Sec. 29: N/2			77.00%	
	Sec. 30: Lots 3,4, E/2 SW/4, SE/4			10.50%	
	Sec. 31: Lots 3,4, E/2 SW/4, SE/4		TOTAL	100.00%	
	T-27-N, R-6-W	1279.67	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 80.00% 7.50%	<u>6.29669%</u>
	Sec. 28: N/2			12.50%	
	Sec. 29: S/2			80.00%	
	Sec. 30: Lots 1, 2, E/2 NW/4, NE/4			7.50%	
	Sec. 31: Lots 1, 2, E/2 NW/4, NE/4		TOTAL	100.00%	

Effective September 1, 1955

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 079365-A					
	<u>T-27-N, R-6-W</u>	520.00			
	Sec. 22: NE/4, NE/4 SE/4		Royalty; 12.50%	12.50%	<u>2.55869%</u>
	Sec. 23: N/2		Working Interest: 77.00%	77.00%	
			El Paso Natural Gas Co.; 10.50%	10.50%	
			ORRI; 100.00%	100.00%	
			TOTAL		
	<u>T-27-N, R-6-W</u>	320.00			
	Sec. 23: B/2		Royalty; 12.50%	12.50%	<u>1.57458%</u>
			Working Interest: 80.00%	80.00%	
			El Paso Natural Gas Co.; 7.50%	7.50%	
			ORRI; 100.00%	100.00%	
			TOTAL		

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
SF 079366	T-27-N, R-6-W Sec. 19: Lots 3,4, E/2 SW/4, SE/4	799.40	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%	3.93349%
	Sec. 21: S/2 Sec. 22: W/2 SW/4, SE/4 SE/4 Sec. 27: NE/4 SE/4		TOTAL	100.00%	100.00%	
	T-27-N, R-6-W Sec. 22: W/2 NW/4, SW/4 SE/4, SE/4 SW/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 80.00% 7.50% 100.00%	12.50% 80.00% 7.50% 100.00%	.78729%
	TOTAL					

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 079366	<u>Tract 15-A</u>				
	T-27-N, R-6-W 1279.32				
	Sec. 19:	Lots 1,2, E/2 NW/4, NE/4	Royalty: Working Interest: El Paso Natural Gas Co.; ORRI;	12.50%	12.50%
	Sec. 20:	S/2	80.00%	80.00%	
	Sec. 21:	N/2	7.50%	7.50%	
Sec. 27:	N/2	TOTAL	100.00%	100.00%	6.29497%
SF 079366	T-27-N, R-6-W 320.00				
	Sec. 20:	N/2	Royalty: Working Interest: El Paso Natural Gas Co.; ORRI;	12.50%	12.50%
	TOTAL	100.00%	100.00%	100.00%	1.57458%

Effective September 1, 1955

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 079367-A	T-27-N, R-6-W Sec. 26: N/2 Sec. 27: SE/4 SE/4, W/2 SE/4	440.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 77.00% 10.50% 100.00%	12.50% 77.00% 10.50% 100.00%
					Tract 16
					<u>2.16505%</u>
	T-27-N, R-6-W Sec. 26: S/2 Sec. 27: SW/4	480.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 80.00% 7.50% 100.00%	12.50% 80.00% 7.50% 100.00%
					<u>2.36187%</u>

Effective September 1, 1955

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 17</u>						
SF 079404-A	T-27-N, R-6-W Sec. 18: Lots 1, 2, 3, & 4	157.76	Royalty;	12.50%	12.50%	<u>.77627%</u>
			Working Interest;	86.50%	86.50%	
			El Paso Natural Gas Co.;	1.00%	1.00%	
			ORRI;	<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 18</u>						
SF 080213	T-27-N, R-7-W Sec. 28: S/2 Sec. 33: All Sec. 34: W/2	1280.00	Royalty;	12.50%	12.50%	<u>6.29831%</u>
			Working Interest;	82.50%	82.50%	
			El Paso Natural Gas Co.;	5.00%	5.00%	
			ORRI;	<u>100.00%</u>	<u>100.00%</u>	

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 19</u>					
SF 080385	T-27-N, R-7-W	2560.00			
	Sec. 22: SE/4		Royalty; 12.50%	12.50%	<u>12.59663%</u>
	Sec. 23: S/2		Working Interest; El Paso Natural Gas Co.;	82.50%	
	Sec. 26: All		ORRI; 5.00%	5.00%	
	Sec. 27: E/2, SW/4		TOTAL 100.00%	100.00%	
	Sec. 34: E/2				
	Sec. 35: All				
<u>Tract 20</u>					
NM 012209	T-27-N, R-7-W	360.00			
	Sec. 14: E/2, NW/4 SW/4		Royalty; 12.50%	12.50%	<u>1.77140%</u>
			Working Interest; El Paso Natural Gas Co.;	81.50%	
			ORRI; 6.00%	6.00%	
			TOTAL 100.00%	100.00%	

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 21</u>					
NM 013654	T-27-N, R-6-W Sec. 17: N/2, NE/4 SE/4 Sec. 18: NE/4, E/2 NW/4	600.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 81.50% 6.00% <u>100.00%</u>	12.50% 81.50% 6.00% <u>100.00%</u>
<u>2.95233%</u>					
<u>Tract 22</u>					
E-289-29	T-27-N, R-7-W Sec. 36: SW/4	160.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI; TOTAL	12.50% 82.50% 5.00% <u>100.00%</u>	12.50% 82.50% 5.00% <u>100.00%</u>
<u>.78729%</u>					

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
Tract 23					
E-290-3	T-27-N, R-6-W Sec. 32: E/2 NW/4, NE/4 SW/4	200.00	Royalty; Working Interest: Southern Petroleum Exploration, Inc.; ORRI;	12.50% 12.50%	.98411%
	T-27-N, R-7-W Sec. 36: S/2 NE/4			87.50% .00% 100.00%	87.50% .00% 100.00%
			TOTAL	100.00%	100.00%
Tract 24					
E-290-28	T-27-N, R-6-W Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 12.50%	2.16504%
	T-27-N, R-6-W Sec. 32: SE/4 SW/4, W/2 NE/4	200.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 12.50%	.98411%
	T-27-N, R-7-W Sec. 36: E/2 SE/4			82.50% 5.00% 100.00%	82.50% 5.00% 100.00%
			TOTAL	100.00%	100.00%

Effective September 1, 1955

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
					PERCENTAGE COMMITTED	ACTUAL PARTICIPATION
E-290-28	T-27-N, R-6-W	520.00				
	Sec. 32: SE/4, E/2 NE/4, SW/4 SW/4		Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 4.00%	<u>2.55869%</u>
	T-27-N, R-7-W					
Sec. 36: NW/4, W/2 SE/4		TOTAL	100.00%	99.00%		
						<u>.78729%</u>
T-27-N, R-6-W	T-27-N, R-6-W	160.00				
	Sec. 16: NE/4		Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>.98411%</u>
	T-27-N, R-7-W					
Sec. 36: N/2 NE/4		TOTAL	100.00%	100.00%		
						<u>.98411%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION	
					PERCENTAGE COMMITTED	ACTUAL PARTICIPATION
E-291-3	T-26-N, R-7-W Sec. 2: Lots 1,2, S/2 NE/4, SE/4	320.76	Royalty;	12.50%	12.50%	<u>1.57832%</u>
			Working Interest;			
			Southern Petroleum Exploration, Inc.;	87.50%	87.50%	
			ORRI;	.00%	.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 26</u>						
E-291-35	T-26-N, R-7-W Sec. 2: NW/4	160.68	Royalty;	12.50%	12.50%	<u>.79063%</u>
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 27</u>						

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>PERCENTAGE COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-291-35	T-26-N, R-7-W Sec. 2: SW/4	160.00			
<u>Tract 28</u>					
	Royalty:		12.50%	12.50%	
	Working Interest:		82.50%	82.50%	
	El Paso Natural Gas Co.:		5.00%	4.00%	
	ORRI:				
	TOTAL		<u>100.00%</u>	<u>99.00%</u>	<u>.78729%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 29</u>					
E-6443-4	T-27-N, R-6-W Sec. 16: NE/4 SE/4	40.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	.19682%
				TOTAL	100.00%
<u>Tract 30</u>					
Fee	T-27-N, R-6-W Sec. 22: E/2 NW/4, NE/4 SW/4, NW/4 SE/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 75.00% 12.50%	.00%
				TOTAL	100.00%
					<u>.78729%</u>

SCHEDULE IX
EIGHTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

RECAPITULATION

Description of lands in Participating Area

Township 26 North, Range 6 West, N.M.P.M.	Township 27 North, Range 7 West, N.M.P.M.
Section 6: All	Sections 15, 22: E/2
Township 26 North, Range 7 West, N.M.P.M.	Sections 13, 14, 23, 24, 25, 26, 33,
Sections 1, 2, 11, 12: All	34, 35, 36: All
Township 27 North, Range 6 West, N.M.P.M.	Section 27: E/2, SW/4
Sections 16, 17, 18, 19, 20, 21, 22,	Section 28: S/2
23, 26, 27, 28, 29, 30, 31,	
32: All	

Total number of acres in Participating Area:	20,642.90
Total number of acres committed in Participating Area:	20,322.90
Percent of Basic Royalty committed:	99.90159%
Percent of Working Interest committed:	100.00000%
Percent of O.R.R.I. committed:	99.83976%

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

299

October 27, 1955

C
O
P
Y

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

Attention: Mr. R. L. Hamblin

Re: Rincon Unit Area
Rio Arriba County, New Mexico
7th Expanded Pictured Cliffs
Participating Area

Gentlemen:

This is to advise that the Seventh Expanded Participating Area for the Pictured Cliffs Formation in the Rincon Unit Area has this date been approved by the New Mexico Oil Conservation Commission, subject to 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 application is herewith returned.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:jh
cc: U. S. Geological Survey
Roswell, New Mexico
Commissioner of Public Lands
Santa Fe, New Mexico

file

October 17, 1955

El Paso Natural Gas Company
El Paso, Texas

Re: (Rincon Unit Area)
Seventh Expanded Participating
Area-Pictured Cliffs Formation
Effective July 1, 1955

Gentlemen:

We are enclosing copy of the above designated document, which was approved by the Commissioner of Public Lands October 17, 1955.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

Encl.
cc: OCC-Santa Fe
USGS-Roswell
MMR/m

El Paso Natural Gas Company

El Paso, Texas

September 29, 1955

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

file

Re: (Rincon Unit Area, I Sec. No. 916
NOTICE OF COMPLETION OF ADDITIONAL
WELLS, Pictured Cliffs Formation

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on July 25, 1955, July 31, 1955, August 5, 1955, August 13, 1955, and September 6, 1955, that five (5) additional wells, capable of producing unitized substances in paying quantities from the Pictured Cliffs formation, had been completed upon acreage committed to this Unit.

These wells are as follows:

1. The Rincon Unit #44 well, located 890' from the South line and 1090' from the East line of Section 25, Township 27 North, Range 7 West, Rio Arriba County, New Mexico, was spudded on June 29, 1955, and completed on July 25, 1955, at a total depth of 3110' in the Pictured Cliffs formation. On July 24, 1955, the Pictured Cliffs formation from 3041' to 3110' was treated with a sand-oil fracturing process. After being shut-in for gauge fifteen days, the well was tested and following a three hour blow-down, gauged an IP of 4295 MCFGPD with an SIPC of 1031# and an SIPT of 1031#.

2. The Rincon Unit #46 well, located 990' from the North line and 1650' from the East line of Section 1, Township 26 North, Range 7 West, Rio Arriba County, New Mexico, was spudded on July 31, 1955, and completed on September 6, 1955, at a total depth of 2955' in the Pictured Cliffs formation. On September 5, 1955, the Pictured Cliffs formation from 2892' to 2955' was treated with a sand-water fracturing process. After being shut-in for gauge seven days, the well was tested and following a three hour blow-down, gauged an IP of 2048 MCFGPD with an SIPC of 961# and an SIPT of 961#.
3. The Rincon Unit #48 well, located 800' from the South line and 1500' from the West line of Section 30, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on July 12, 1955, and completed on July 31, 1955, at a total depth of 3125' in the Pictured Cliffs formation. On July 30, 1955, the Pictured Cliffs formation from 3040' to 3125' was treated with a sand-oil fracturing process. After being shut-in for gauge eight days, the well was tested and following a three hour blow-down, gauged an IP of 5011 MCFGPD with an SIPC of 976# and an SIPT of 976#.
4. The Rincon Unit #49 well, located 1090' from the North line and 1650' from the East line of Section 31, Township 27 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on July 18, 1955, and completed on August 5, 1955, at a total depth of 3155' in the Pictured Cliffs formation. On August 4, 1955, the Pictured Cliffs formation from 3096' to 3155' was treated with a sand-oil fracturing process. After being shut-in for gauge twenty-four days, the well was tested and following a three hour blow-down, gauged an IP of 4385 MCFGPD with an SIPC of 1009# and an SIPT of 1009#.
5. The Rincon Unit #51 well, located 1650' from the South line and 975' from the West line of Section 6, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on July 3, 1955, and completed on August 13, 1955, at a total depth of 2910' in the Pictured Cliffs formation. On August 12, 1955, the Pictured Cliffs formation from 2837' to 2910' was treated with a sand-oil fracturing process. After being shut-in for gauge sixteen days, the well was tested and following a three hour blow-down, gauged an IP of 2506 MCFGPD with an SIPC of 952# and an SIPT of 952#.

The acreage upon which the Rincon Unit #44, #48, and #51 wells are located was included in the Fourth Expanded Participating Area for the Pictured Cliffs formation, effective December 1, 1953. The acreage upon which the Rincon Unit #46 well is

located was included in the Second Expanded Participating Area, effective October 1, 1953, and the acreage upon which the Rincon Unit #49 well is located was included in the Fifth Expanded Participating Area, effective June 1, 1954. Therefore, the Participating Area is not enlarged, and the percentages allocated to the tracts shown on Schedule V for the Fourth Expanded Participating Area and Schedules III and VI for the Second and Fifth Expanded Participating Areas remain the same.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By T. W. Bittick

T. W. Bittick
Area Landman
Lease Department

TWB:JCV:pb
cc: Attached List

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas
Attention: Mr. Jack Martin

Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia
Attention: Mr. Paul W. Neuenschwander

Wood River Oil & Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

El Paso Natural Gas Company

El Paso, Texas

September 28, 1955

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: Rincon Unit Area
Rio Arriba County, New Mexico
I Sec. No. 916
Seventh Expanded Participating Area
Pictured Cliffs Formation
Effective July 1, 1955

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, submits for your approval the Seventh Expanded Participating Area of the Pictured Cliffs Formation, Rincon Unit, Rio Arriba County, New Mexico, which includes, in addition to the lands previously admitted to the Pictured Cliffs Participating Area, the following selection of lands reasonably estimated to be productive in paying quantities from the Pictured Cliffs Formation:

Township 27 North, Range 7 West, N.M.P.M.

Section 13: N/2
Section 14: N/2, SW/4
Section 15: E/2
Section 22: NE/4

Township 27 North, Range 6 West, N.M.P.M.

Section 16: SW/4
Section 21: NW/4
Section 17: All
Section 18: All
Section 20: E/2, NW/4

Containing 3,357.76 acres.

The lands described above are proved productive by the following:

The Rincon Unit No. 36 Well, located 975' from the South line and 1450' from the West line of Section 14, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on June 16, 1955 and completed on July 9, 1955 at a total depth of 3280' in the Pictured Cliffs Formation. On July 8, 1955 the Pictured Cliffs Formation from 3216' to 3280' was treated with a sand-oil fracturing process. After being shut-in for gauge for twelve (12) days, the well was tested and following a three hour blow-down, gauged an IP of 1449 MCFGPD with a SIPC of 990# and a SIPT of 990#.

The Rincon Unit No. 52 Well, located 1650' from the North line and 990' from the East line of Section 20, Township 27 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on June 26, 1955 and completed on July 9, 1955 at a total depth of 3233' in the Pictured Cliffs Formation. On July 8, 1955 the Pictured Cliffs Formation from 3166' to 3233' was treated with a sand-oil fracturing process. After being shut-in for gauge for eleven (11) days, the well was tested and following a three hour blow-down, gauged an IP of 565 MCFGPD with a SIPC of 1065# and a SIPT of 1065#.

The Rincon Unit No. 54 Well, located 1650' from the North line and 1650' from the East line of Section 14, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on June 10, 1955 and completed on July 14, 1955, at a total depth of 3220' in the Pictured Cliffs Formation. On July 13, 1955, the Pictured Cliffs Formation from 3150' to 3220' was treated with a sand-oil fracturing process. After being shut-in for gauge for seven (7) days, the well was tested and following a three hour blow-down, gauged an IP of 1074 MCFGPD with a SIPC of 1030# and a SIPT of 1030#.

Attached is Schedule VIII showing the Seventh Expanded Participating Area for the Pictured Cliffs Formation of the Rincon Unit Area. This describes the Expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownership in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated unless a more appropriate effective date is specified in the schedule", this Seventh Expanded Pictured Cliffs Participating Area will be effective July 1, 1955. If this Seventh Expanded Pictured Cliffs Participating Area meets with your approval, please indicate such approval in the space provided below and return an approved copy for our files.

We are enclosing herewith as Exhibit "A", a contour map of the Rincon Unit. The contours are taken on the top of the Pictured Cliffs Formation, and are shown as plus figures above sea level. The top of the Pictured Cliffs Formation on each completed well is also shown by each well with the total depth of the well and the initial potential. The map also shows the present Participating Area, and the proposed Seventh Expansion.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By 
R. L. Hamblin
Manager
Lease Department

RLH:GWO:rb
Enclosures
cc: Attached list.

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:  Date: 10-24-55
Oil Conservation Commission

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

Re: Rincon Unit

Copies of the foregoing letter have been sent to the following Working Interest Owners:

Texas National Petroleum Company
902 South Coast Life Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas 1, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Delhi-Taylor Oil Corporation
823 Corrigan Tower
Dallas 1, Texas
Attention: Mr. Jack Martin

Southern Petroleum Exploration, Inc.
Post Office Box 192
Sistersville, West Virginia
Attention: Mr. Paul W. Neuenschwander

Wood River Oil & Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE	OWNERSHIP	AND	PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION	
<u>Tract 1</u>									
SF 079502	T-27-N, R-6-W	520.00							
	Sec. 17: SW/4, W/2 SE/4, SE/4 SE/4		Royalty;			12.50%		12.50%	
	Sec. 18: SE/4, E/2 SW/4		Working Interest; El Paso Natural Gas Co.;			82.50%		82.50%	
			ORRI;			5.00%		5.00%	
			TOTAL			100.00%		100.00%	3.21725%
<u>Tract 2</u>									
SF 079160	T-26-N, R-7-W	1920.80							
	Sec. 1: All		Royalty;			12.50%		12.50%	
	Sec. 11: All		Working Interest;			82.50%		82.50%	
	Sec. 12: All		El Paso Natural Gas Co.;			5.00%		5.00%	
			ORRI;						
			TOTAL			100.00%		100.00%	11.88401%

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
				PERCENTAGE		
<u>Tract 3</u>						
SF 079298	T-27-N, R-7-W Sec. 13: S/2	320.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	1.97984%
				TOTAL	100.00%	100.00%
<u>Tract 4</u>						
SF 079298-A	T-27-N, R-7-W Sec. 14: NW/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 74.0625% 13.4375%	12.50% 74.0625% 2.5000%	.98992%
				TOTAL	100.0000%	89.0625%

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 6</u>						
SF 079298-D	T-27-N, R-7-W	760.00	Royalty;	12.50%	12.50%	<u>4.70213%</u>
	Sec. 24: S/2		Working Interest;			
	Sec. 13: N/2		El Paso Natural Gas Co.;	82.50%	82.50%	
	Sec. 14: NE/4 SW/4,		ORRI;	5.00%	5.00%	
	S/2 SW/4		TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 7</u>						
SF 079301	T-26-N, R-6-W	161.81	Royalty;	12.50%	12.50%	<u>1.00112%</u>
	Sec. 6: NW/4		Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
				PERCENTAGE		
<u>Tract 8</u>						
SF 079301-A	T-26-N, R-6-W Sec. 6: SW/4	161.35	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>.99827%</u>
				TOTAL	<u>100.00%</u>	<u>100.00%</u>
<u>Tract 9</u>						
SF 079302	T-26-N, R-6-W Sec. 6: NE/4	160.48	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>.99289%</u>
				TOTAL	<u>100.00%</u>	<u>100.00%</u>

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE			COMMITTED PARTICIPATION	PRESENT ACTUAL PARTICIPATION
<u>Tract 10</u>							
SF 079302-B	T-26-N, R-6-W Sec. 6: SE/4	160.00	Royalty; Working Interest; El Paso Natural Gas Co.;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	.98992%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>		
<u>Tract 11</u>							
SF 079321	T-27-N, R-7-W Sec. 25: All	640.00	Royalty; Working Interest; El Paso Natural Gas Co.;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>3.95969%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>		

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
				PERCENTAGE		
SF 079360	T-27-N, R-7-W	800.00	<u>Tract 12</u>			
	Sec. 23: N/2		Royalty:	12.50%	12.50%	<u>4.94961%</u>
	Sec. 15: E/2		Working Interest:	82.50%	82.50%	
	Sec. 22: NE/4		El Paso Natural Gas Co.;	5.00%	5.00%	
	ORRI;	100.00%	100.00%			
	TOTAL					

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE			COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 13</u>							
SF 079364	T-27-N, R-6-W	960.87					5.94491%
	Sec. 29: N/2		Royalty;	12.50%	12.50%		
	Sec. 30: Lots 3,4, E/2 SW/4, SE/4		Working Interest; El Paso Natural Gas Co.;	77.00%	77.00%		
	Sec. 31: Lots 3,4, E/2 SW/4, SE/4		ORRI;	10.50%	10.50%		
			TOTAL	<u>100.00%</u>	<u>100.00%</u>		
	T-27-N, R-6-W	959.67					5.93749%
	Sec. 29: S/2		Royalty;	12.50%	12.50%		
	Sec. 30: Lots 1,2, E/2 NW/4, NE/4		Working Interest; El Paso Natural Gas Co.;	80.00%	80.00%		
	Sec. 31: Lots 1,2, E/2 NW/4, NE/4		ORRI;	7.50%	7.50%		
			TOTAL	<u>100.00%</u>	<u>100.00%</u>		

Effective July 1, 1955

SCHEDULE VIII
 SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SF 079366	T-27-N, R-6-W Sec. 19: Lots 3,4, E/2 SW/4, SE/4	319.40			
			<u>Tract 15</u>		
			Royalty: 12.50%	12.50%	1.97613%
			Working Interest: El Paso Natural Gas Co.; 77.00%	77.00%	
			ORRI: 10.50%	10.50%	
			TOTAL 100.00%	100.00%	

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
				PERCENTAGE		
SF 079366	T-27-N, R-6-W Sec. 19: Lots 1,2, E/2 NW/4, NE/4 Sec. 20: S/2 Sec. 21: NW/4	799.32	<u>Tract 15-A</u>			
			Royalty;	12.50%	12.50%	<u>4.94540%</u>
			Working Interest:			
			El Paso Natural Gas Co.;	80.00%	80.00%	
ORRI;	7.50%	7.50%				
	TOTAL		<u>100.00%</u>	<u>100.00%</u>		
SF 079366	T-27-N, R-6-W Sec. 20: N/2	320.00	Royalty;	12.50%	12.50%	<u>1.97984%</u>
			Working Interest:			
			El Paso Natural Gas Co.;	77.00%	77.00%	
			ORRI;	10.50%	10.50%	
	TOTAL		<u>100.00%</u>	<u>100.00%</u>		

Effective July 1, 1955

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SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED ELIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED PARTICIPATION	PRESENT ACTUAL PARTICIPATION
<u>Tract 17</u>						
SF 079404-A	T-27-N, R-6-W Sec. 18: Lots 1, 2, 3, & 4	157.76	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 86.50% 1.00%	12.50% 86.50% 1.00%	<u>.97606%</u>
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	
<u>Tract 18</u>						
SF 080213	T-27-N, R-7-W Sec. 28: S/2 Sec. 33: All Sec. 34: W/2	1280.00	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>7.91937%</u>
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	

Effective July 1, 1955

SCHEDULE VII I
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PARTICIPATION	PRESENT ACTUAL
<u>Tract 19</u>							
SF 080385	T-27-N, R-7-W	2560.00					
	Sec. 22: SE/4		Royalty;	12.50%	12.50%		15.83874%
	Sec. 23: S/2		Working Interest;				
	Sec. 26: A11		El Paso Natural Gas Co.;	82.50%	82.50%		
	Sec. 27: E/2, SW/4		ORRI;	5.00%	5.00%		
	Sec. 34: E/2		TOTAL	<u>100.00%</u>	<u>100.00%</u>		
	Sec. 35: A11						
<u>Tract 20</u>							
NM 012209	T-27-N, R-7-W	360.00					
	Sec. 14: E/2, NW/4 SW/4		Royalty;	12.50%	12.50%		2.22732%
			Working Interest;				
			El Paso Natural Gas Co.;	81.50%	81.50%		
			ORRI;	6.00%	6.00%		
			TOTAL	<u>100.00%</u>	<u>100.00%</u>		

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PRESENT ACTUAL PARTICIPATION
NM 013654	T-27-N, R-6-W	600.00	Royalty;	12.50%	12.50%	<u>3.71221%</u>
	Sec. 17: N/2, NE/4 SE/4		Working Interest;	81.50%	81.50%	
	Sec. 18: NE/4, E/2 NW/4		El Paso Natural Gas Co.;	6.00%	6.00%	
			ORRI;			
	TOTAL		<u>100.00%</u>	<u>100.00%</u>		
<u>Tract 21</u>						
E-289-29	T-27-N, R-7-W	160.00	Royalty;	12.50%	12.50%	<u>.98992%</u>
	Sec. 36: SW/4		Working Interest;	82.50%	82.50%	
			El Paso Natural Gas Co.;	5.00%	4.00%	
			ORRI;			
	TOTAL		<u>100.00%</u>	<u>99.00%</u>		
<u>Tract 22</u>						

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION	
<u>Tract 23</u>						
E-290-3	T-27-N, R-6-W Sec. 32: E/2 NW/4, NE/4 SW/4 T-27-N, R-7-W Sec. 36: S/2 NE/4	200.00	Royalty; Working Interest: Southern Petroleum Exploration, Inc. ORRI;	12.50% 87.50% .00%	12.50% 87.50% .00%	<u>1.23740%</u>
<u>Tract 24</u>						
E-290-28	T-27-N, R-6-W Sec. 16: SW/4 Sec. 32: SE/4 SW/4, W/2 NE/4 T-27-N, R-7-W Sec. 36: E/2 SE/4	360.00	Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>2.22732%</u>

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>Tract 25</u>						
E-290-28	T-27-N, R-6-W Sec. 32: SE/4, E/2 NE/4, SW/4 SW/4	520.00	Royalty; Working Interest; El Paso Natural Gas Co.;	12.50% 82.50% 5.00%	12.50% 82.50% 4.00%	<u>3.21725%</u>
	T-27-N, R-7-W Sec. 36: NW/4, W/2 SE/4		ORRI;	100.00%	99.00%	
	T-27-N, R-6-W Sec. 32: NW/4 SW/4, W/2 NW/4	200.00	Royalty; Working Interest; El Paso Natural Gas Co.;	12.50% 87.50% .00%	12.50% 87.50% .00%	<u>1.23740%</u>
	T-27-N, R-7-W Sec. 36: N/2 NE/4		ORRI;	100.00%	100.00%	

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
E-291-3	T-26-N, R-7-W Sec. 2: Lots 1, 2, S/2 NE/4, SE/4	320.76	Royalty; Working Interest; Southern Petroleum Exploration, Inc. ORRI;	12.50% 87.50% .00%	12.50% 87.50% .00%	<u>1.98454%</u>
<u>Tract 26</u>						
E-291-35	T-26-N, R-7-W Sec. 2: NW/4	160.68	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	<u>.99413%</u>
<u>Tract 27</u>						
				TOTAL	TOTAL	

Effective July 1, 1955

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION	
E-291-35	T-26-N, R-7-W Sec. 2: SW/4	160.00	Royalty;	12.50%	12.50%	<u>.98992%</u>
			Working Interest:	82.50%	82.50%	
			El Paso Natural Gas Co.;	5.00%	4.00%	
			ORRI;			
			TOTAL	<u>100.00%</u>	<u>99.00%</u>	
<u>Tract 28</u>						

SCHEDULE VIII
SEVENTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

RECAPITULATION

Description of Lands in Participating Area

Township 26 North, Range 6 West, N.M.P.M.	Township 27 North, Range 7 West, N.M.P.M.
Section 6: All	Sections 15, 22: E/2
Township 26 North, Range 7 West, N.M.P.M.	Sections 13, 14, 23, 24, 25, 26, 33,
Sections 1, 2, 11, 12: All	34, 35, 36: All
Township 27 North, Range 6 West, N.M.P.M.	Section 27: E/2, SW/4
Section 16: SW/4	Section 28: S/2
Section 21: NW/4	
Sections 19, 20, 29, 30, 31, 32, 17, 18: All	

Total number of acres in Participating Area:	16,482.90
Total number of acres committed in Participating Area:	16,162.90
Percent of Basic Royalty committed:	100.00%
Percent of Working Interest committed:	100.00%
Percent of O.R.R.I. committed:	97.03024%

El Paso Natural Gas Company

El Paso, Texas

April 29, 1955

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

file

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

Re: Rincon Unit

Gentlemen:

Attached herewith is one (1) copy of Ratification and Joinder of Unit Agreement executed by Wood River Oil & Refining Company and Rock Hill Oil Company committing their interest in the deep rights under Lots 2, 3, and 4 of Section 18, Township 27 North, Range 6 West, as set forth under Tract 17 of Exhibit "B" for the above captioned unit.

We ask that you process the Ratification and Joinder in the usual manner in order to effectively commit this interest to the Rincon Unit Agreement.

Very truly yours,

T. W. Bittick

T. W. Bittick
Area Landman
Lease Department

JCV

TWB:JCV:pb
Enclosure
NM 133

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area, County of Rio Arriba, 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 its particular ownership or interest, described as Tract No. 17 in Exhibit "B" attached to said Rincon Unit Agreement, consent to the inclusion of said lands within the Unit Area therein defined, 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 term 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, their respective assigns or successors in interest.

ATTEST:

E. P. Dumas
Secretary

DATE:

Nov 24 1952

WOOD RIVER OIL AND REFINING COMPANY

By *Fred C. Koch*
President

Approved as
to form
AK
CCC

ADDRESS:

321 West Douglas
Nichita 2, Kansas

ATTEST:

William Mueller
Secretary

DATE:

November 23, 1951

ROCK HILL OIL COMPANY

By *J. S. Lehmann*
President

ADDRESS:

408 Olive Street
St. Louis, Missouri

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS COMPANY

By *A. F. Shaw*
Vice President

El Paso Natural Gas Company

El Paso, Texas

March 25, 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

Re: Rincon Unit, I Sec. 916
Rio Arriba County, New Mexico
Revised Schedule VII of the
Sixth Expanded Participating
Area, Pictured Cliffs Formation.
Revision effective January 1, 1955.

Gentlemen:

Please find enclosed Revised Schedule VII of the Sixth Expanded Participating Area, Pictured Cliffs Formation, effective January 1, 1955. This revision replaces the First Revision Pictured Cliffs Participating Area, forwarded with our letter of February 15, 1955, which you will please destroy. The United States Geological Survey has required that this be called a revision of Schedule VII and not an expansion of the participating area.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

R. L. Hamblin

R. L. Hamblin

Manager

Lease Department

RLH :JCV:rb

El Paso Natural Gas Company

El Paso, Texas

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

Re: Rincon Unit, I Sec. 916
Rio Arriba County, New Mexico
Revised Schedule VII of the
Sixth Expanded Participating
Area, Pictured Cliffs Formation.
Revision effective January 1, 1955.

Gentlemen:

On August 9, 1954, Ratifications and Joinders to both the Unit Agreement and Unit Operating Agreement were executed by Southern Petroleum Exploration, Inc. committing their working interest in the following described lands to the Rincon Unit:

E/2 Section 2, Township 26 North, Range 7 West
(Tract 26, Exhibit "B")
E/2 NW/4, NE/4 SW/4 Section 32, Township 27 North,
Range 6 West (Tract 23, Exhibit "B")
S/2 NE/4 Section 36, Township 27 North, Range 7 West
(Tract 23, Exhibit "B")
containing 520.76 acres, more or less.

These Ratifications and Joinders were filed with the United States Geological Survey on December 30, 1954. Inasmuch as the Unit Agreement, in Section 29, provides that, "Except as may otherwise herein be provided subsequent joinders to this Agreement shall be effective as of the first day of the month following the filing with the Supervisor of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this Agreement, unless objection to such joinder is duly made within 60 days by the Director," this Revised Schedule VII for the Pictured Cliffs Participating Area will be effective January 1, 1955.

There are two wells on the above listed tracts which have already been completed and are capable of producing unitized substances in paying quantities. These wells are described as follows:

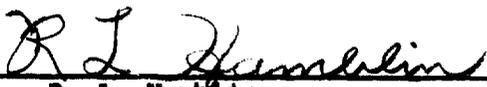
1. Southern Petroleum Exploration State #1 Well located 990' from the North line and 990' from the East line of Section 2, Township 26 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on November 22, 1953, and completed on November 28, 1953, at a total depth of 2975' in the Pictured Cliffs Formation. The pay section between 2892' and 2972' was treated with 535 quarts of nitroglycerine. After being shut-in for gauge for seven days, the well was tested and following a three hour blow-down, gauged in IP of 396 MCFGPD with an SIPC of 737# and an SIPT of 735#.
2. Southern Petroleum Exploration State #2 Well located 1850' from the East line and 1650' from the South line of Section 2, Township 26 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on November 30, 1953, and completed on December 9, 1953, at a total depth of 3020' in the Pictured Cliffs Formation. The pay section between 2944' and 3018' was treated with 532 quarts of nitroglycerine. After being shut-in for gauge for seven days, the well was tested and following a three hour blow-down, gauged in IP of 560 MCFGPD with and SIPC of 778# and an SIPT of 778#.

Attached is Revised Schedule VII showing the Sixth Expanded Participating Area for the Pictured Cliffs Formation for the Rincon Unit Area. This Schedule describes the revised participating area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownerships in said tract. Inasmuch as this is only a revision of the Schedule and not a revision of the participating area, no official approval is necessary and, in the absence of disapproval, this Revised Schedule VII will become effective January 1, 1955.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By 
R. L. Hamblin
Manager
Lease Department

RLH:JCV:rb
cc: Attached List

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

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
JF 079160	T-26-N, R-7-W Sec. 1: All Sec. 11: All Sec. 12: All	1920.80				
			<u>Tract 2</u>			
	Royalty Owner: United States of America;		12.50%	12.50%	1.87503%	1.87503%
	Working Interest Owner: E1 Paso Natural Gas Company;		82.50%	82.50%	12.37519%	12.37519%
	ORRI Owners: Forrest Cave, et al;		5.00%	5.00%	.75001%	.75001%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>15.00023%</u>	<u>15.00023%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED PARTICIPATION	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
SF 079298	T-27-N, R-7-W Sec. 13: S/2	320.00					
			Tract 3				
	Royalty Owner:					2.49900%	2.49900%
	United States of America;		12.50%	12.50%		.31238%	.31238%
	Working Interest Owner:						
	EI Paso Natural Gas Company;		82.50%	82.50%		2.06167%	2.06167%
	ORRI Owners:						
	R. E. Beamon, et al;		5.00%	5.00%		.12495%	.12495%
	TOTAL		100.00%	100.00%		2.49900%	2.49900%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
7P 079298-D	T--27-N, R-7-W Sec. 24: S/2	320.00					
			<u>Tract 6</u>				
	Royalty Owner: United States of America;		12.50%	12.50%		.31238%	.31238%
	Working Interest Owner: R1 Paso Natural Gas Company;		82.50%	82.50%		2.06167%	2.06167%
	ORRI Owners: R. E. Beamon, et al;		5.00%	5.00%		.12495%	.12495%
	TOTAL		100.00%	100.00%		2.49900%	2.49900%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
3F 079301	T-26-N, R-6-W Sec. 6: NW/4	161.81				
			<u>Tract 7</u>			
	Royalty Owner: United States of America;		12.50%	12.50%	.15795%	.15795%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	1.04249%	1.04249%
	ORRI Owners: Dan W. Johnston, et al;		5.00%	5.00%	.06319%	.06319%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>1.26363%</u>	<u>1.26363%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>Tract 8</u>						
SF 079301-A	T-26-N, R-6-W Sec. 6: SW/4	161.35	Royalty Owner: United States of America; Working Interest Owner: El Paso Natural Gas Company; ORRI Owners: Dan W. Johnston, et al;	12.50% 82.50% 5.00%	12.50% 82.50% 5.00%	1.26004% .15751% 1.03953% .06300% 1.26004%
			TOTAL	100.00%	100.00%	1.26004%

- REVISED SCHEDULE VII
 SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PARTICIPATION</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SP 079302	T-26-N, R-6-W Sec. 6: NE/4	160.48					
			<u>Tract 9</u>				
	Royalty Owner: United States of America;		12.50%	12.50%		.15666%	.15666%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%		1.03393%	1.03393%
	ORRI Owners: D. Franklin Jones, et al;		5.00%	5.00%		.06266%	.06266%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>		<u>1.25325%</u>	<u>1.25325%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SF 079302-B	T-26-N, R-6-W Sec. 6; SE/4	160.00				
<u>Tract 10</u>						
	Royalty Owner: United States of America; Working Interest Owner: El Paso Natural Gas Company; ORRI Owners: D. Franklin Jones, et al;		12.50% 82.50%	12.50% 82.50%	1.24950% 1.03084%	1.24950% 1.03084%
	TOTAL		<u>5.00%</u> 100.00%	<u>5.00%</u> 100.00%	<u>.06247%</u> 1.24950%	<u>.06247%</u> 1.24950%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SF 079321	T-27-N, R-7-W Sec. 25: All	640.00				
			<u>Tract 11</u>			
	Royalty Owner:				4.99799%	4.99799%
	United States of America:		12.50%	12.50%	.62475%	.62475%
	Working Interest Owner:					
	El Paso Natural Gas Company:		82.50%	82.50%	4.12334%	4.12334%
	ORRI Owners:					
	T. J. Aheru, et al:		5.00%	5.00%	.24990%	.24990%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>4.99799%</u>	<u>4.99799%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
SF 079369	T-27-N, R-7-W Sec. 23: N/2	320.00				
	Royalty Owner: United States of America; Working Interest Owner: El Paso Natural Gas Company; ORRI Owners: M. A. Romero, et al;		12.50%	12.50%	.31238%	.31238%
			82.50%	82.50%	2.06167%	2.06167%
			5.00%	5.00%	.12495%	.12495%
	TOTAL		100.00%	100.00%	2.49900%	2.49900%

Tract 12

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>Tract 13</u>						
SF 079364	T-27-N, R-6-W	960.87	Royalty Owner: United States of America;			
	Sec. 29: N/2		Working Interest	12.50%	12.50%	.93797%
	Sec. 30: Lots 3&4, E/2 SW/4, SE/4		Owner: El Paso Natural Gas Company;	77.00%	77.00%	5.77791%
	Sec. 31: Lots 3 & 4, E/2 SW/4, SE/4		ORRI Owners: Mike Abraham, et al;	10.50%	10.50%	.78790%
			TOTAL	100.00%	100.00%	7.50378%
	T-27-N, R-6-W	959.67	Royalty Owner: United States of America;			
	Sec. 29: S/2		Working Interest	12.50%	12.50%	.93680%
	Sec. 30: Lots 1 & 2, E/2 NW/4, NE/4		Owner: El Paso Natural Gas Company;	80.00%	80.00%	5.99553%
	Sec. 31: Lots 1 & 2 E/2 NW/4, NE/4		ORRI Owners: Mike Abraham, et al;	7.50%	7.50%	.56208%
			TOTAL	100.00%	100.00%	7.49441%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>Tract 19</u>						
SF 080385	T-27-N, R-7-W	2560.00				
	Sec. 22: SE/4		Royalty Owner:		19.99197%	19.99197%
	Sec. 23: S/2		United States of			
	Sec. 26: All		America;	12.50%	12.50%	2.49900%
	Sec. 27: E/2, SW/4		Working Interest			
	Sec. 34: E/2		Owner:			
	Sec. 35: All		El Paso Natural Gas			
			Company;	82.50%	82.50%	16.49338%
			ORRI Owners:			
			C. A. Slater, et al;	5.00%	5.00%	.99959%
			TOTAL	100.00%	100.00%	19.99197%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
NM 012209	T-27-N, R-7-W Sec. 14: SE/4	160.00				
			<u>Tract 20</u>			
	Royalty Owner:					
	United States of Amer		12.50%	12.50%	.15619%	.15619%
	America;					
	Working Interest					
	Owner:					
	El Paso Natural Gas		81.50%	81.50%	1.01834%	1.01834%
	Company;					
	ORRI Owners:					
	E. P. Ripley, et al;		6.00%	6.00%	.07497%	.07497%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>1.24950%</u>	<u>1.24950%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-289-29	T-27-N, R-7-W Sec. 36: SW/4	160.00				
<u>Tract 22</u>						
	Royalty Owner:					
	State of New Mexico;		12.50%	12.50%	.15619%	.15619%
	Working Interest					
	Owner:					
	K1 Paso Natural Gas					
	Company;		82.50%	82.50%	1.03084%	1.03084%
	ORRI Owners:					
	Francis L. Harvey,					
	et al;		5.00%	4.00%	.06247%	.04998%
	TOTAL		100.00%	100.00%	1.24950%	1.23701%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>	
<u>Tract 23</u>							
E-290-3	T-27-N, R-6-W Sec. 32: E/2 NW/4, NE/4 SW/4 T-27-N, R-7-W Sec. 36: S/2 NE/4	200.00	Royalty Owner: State of New Mexico; Working Interest Owner: Southern Petroleum Exploration, Inc. ORRI Owner: None;	12.50% 12.50% 87.50% .00%	12.50% 12.50% 87.50% .00%	1.56187% .19523% 1.36664% .0000% 1.56187%	1.56187% .19523% 1.36664% .0000% 1.56187%
	TOTAL			100.00%	100.00%	1.56187%	1.56187%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	PARTICIPATION	
			MAXIMUM POSSIBLE	PRESENT ACTUAL			
<u>Tract 24</u>							
E-290-28	T-27-N, R-6-W Sec. 32: SE/4 SW/4, W/2 NE/4 T-27-N, R-7-W Sec. 36: E/2 SE/4	200.00	Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company; ORRI Owner: Malco Refinerles, Inc.;	12.50%	12.50%	1.56187%	1.56187%
				5.00%	5.00%	.07810%	.07810%
			TOTAL	100.00%	100.00%	1.56187%	1.56187%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PARTICIPATION		
					MAXIMUM POSSIBLE	PRESENT ACTUAL	
<u>Tract 25</u>							
E-290-28	T-27-N, R-6-W 520.00 Sec. 32: SE/4, E/2 NE/4, SW/4 SW/4		Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company;	12.50%	12.50%	<u>4.06087%</u> .50761%	<u>4.02026%</u> .50761%
	T-27-N, R-7-W Sec. 36: NW/4, W/2 SE/4		ORRI Owners: Francis L. Harvey, et al; TOTAL	5.00% <u>100.00%</u>	4.00% <u>99.00%</u>	<u>.20904%</u> 4.06087%	<u>.16243%</u> 4.02026%
	T-27-N, R-6-W 200.00 Sec. 32: NW/4 SW/4, W/2 NW/4		Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company;	12.50%	12.50%	<u>1.56187%</u> .19523%	<u>1.56187%</u> .19523%
	T-27-N, R-7-W Sec. 36: N/2 NE/4		ORRI Owner: None; TOTAL	.00% <u>100.00%</u>	.00% <u>100.00%</u>	<u>.00000%</u> 1.56187%	<u>.00000%</u> 1.56187%

Effective January 1, 1955

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-291-3	T-26-N, R-7-W Sec. 2: Lots 1 & 2 S/2 SE/4, SE/4	320.76				
			<u>Tract 26</u>			
	Royalty Owner:				<u>2.50493%</u>	<u>2.50493%</u>
	State of New Mexico;		12.50%	12.50%	.31312%	.31312%
	Working Interest Owner:					
	Southern Petroleum Exploration, Inc.		87.50%	87.50%	2.19181%	2.19181%
	ORRI Owner:					
	None;		.00%	.00%	.00000%	.00000%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>2.50493%</u>	<u>2.50493%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-291-35	T-26-N, R-7-W Sec. 2: NW/4	160.68				
	<u>Tract 27</u>					
	Royalty Owner: State of New Mexico; Working Interest Owner:		12.50%	12.50%	.15685%	.15685%
	EI Paso Natural Gas Company;		82.50%	82.50%	1.03522%	1.03522%
	ORRI Owner: Malco Refinerles, Inc.;		5.00%	5.00%	.06274%	.06274%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>1.25481%</u>	<u>1.25481%</u>

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESERVE ACTUAL PARTICIPATION</u>
<u>Tract 28</u>						
E-291-35	T-26-N, R-7-W Sec. 2: SW/4	160.00	Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company; OERI Owners; Francis L. Harvey, et al;	12.50% 12.50% 82.50% 5.00%	1.24950% .15619% 1.03084% .06247%	1.23701% .15619% 1.03084% .04998%
			TOTAL	99.00%	1.24950%	1.23701%

REVISED SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

RECAPITULATION

Description of Lands in Participating Area

Township 26 North, Range 6 West, N.M.P.M.	Township 27 North, Range 7 West, N.M.P.M.
Section 6: All	Section 13: S/2
Township 26 North, Range 7 West, N.M.P.M.	Section 14: SE/4
Sections 1, 2, 11, 12: All	Section 22: SE/4
Township 27 North, Range 6 West, N.M.P.M.	Sections 23, 24, 25, 26, 33, 34, 35, 36: All
Section 19: All	Section 27: E/2, SW/4
Section 20: SW/4	Section 28: S/2
Section 29: All	
Section 30: All	
Section 31: All	
Section 32: All	

Total number of acres in Participating Area:	13125.18
Total number of acres committed in Participating Area:	12805.14
Percent of Basic Royalty committed:	100.00%
Percent of Working Interest committed:	100.00%
Percent of GRRI committed:	97.32143%

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 22, 1955

file
1-22-55

El Paso Natural Gas Co.
El Paso, Texas

Attention: Mr. R. L. Hamblin

Re: Rincon Unit
Rio Arriba County, New Mexico
Second Expanded Participating
Area, Mesaverde Formation

Gentlemen:

Please be advised that the Second Expanded Participating Area for the Mesaverde Formation for the subject unit, dated February 25, 1955, has this date been approved by the New Mexico Oil Conservation Commission, subject to like approval by the Director, United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the Expanded Participating Area is herewith returned.

Very truly yours,

W. B. Macey
Secretary-Director


WBM:jh

cc: USGS--Roswell
Commissioner of Public Lands--Santa Fe

C
O
P
Y

El Paso Natural Gas Company

El Paso, Texas

February 25, 1955

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

file

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

Re: Rincon Unit
Rio Arriba County, New Mexico
I Sec. No. 916
Second Expanded Participating Area
Mesaverde Formation
Effective October 1, 1954

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, hereby determines that one (1) additional well located outside the Mesaverde Participating Area is capable of producing unitized substances in paying quantities from the Mesaverde Formation and that the Participating Area for the Mesaverde Formation should be expanded.

This well is as follows:

- Ok*
1. El Paso Natural Gas Company's Rincon Unit #29 Well located 990' from the North line and 1030' from the East line of Section 22, Township 27 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on October 8, 1954, and completed on October 30, 1954, at a total depth of 5548'. The Cliff House section of the Mesaverde Formation between 4810' and 5048' was treated on October 25, 1954, with a sand-oil fracturing process. The Point Lookout section of the Mesaverde Formation between 5314' and 5548' was also treated with a sand-oil fracturing process on October 28, 1954. After being shut-in for gauge for seventeen days, the well was tested and following a three hour blow-down, gauged an IP of 2827 MCF/GPD with an SIPC of 1110# and an SIPT of 1107#.

In comparison with this determination, there is one other well with a lower initial potential already included within the Mesaverde Participating Area. This is the Rincon Unit #8 Well with an Initial Potential of only 1524 MCF.

Attached is Schedule III showing the Second Expanded Participating Area for the Mesaverde Formation, Rincon Unit Area. This describes the expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownerships in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the Schedule," this Second Expanded Participating Area of the Mesaverde Participating Area will be effective October 1, 1954. If this Second Expanded Mesaverde Participating Area meets with your approval, please indicate such approval in the space provided on Page 9 of Schedule III and return an approved copy for our files.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

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

RLH:JCV:pb
cc: Attached List

The following is a list of the Working Interest Owners for the Rincon Unit:

Johnston Oil and Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi-Taylor Oil Corporation
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
P. O. Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
SF 079052	T-27-N, R-6-W Sec. 17: W/2 SE/4, SE/4 SE/4	120.00				
<u>Tract 1</u>						
	Royalty Owner: United States of America;		12.50%	12.50%	.55147%	.55147%
	Working Interest Owner: E1 Paso Natural Gas Company;		82.50%	82.50%	3.63971%	3.63971%
	ORRI Owners: E. W. Ingram, et al;		5.00%	5.00%	.22059%	.22059%
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>4.41177%</u>	<u>4.41177%</u>

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION	
<u>Tract 14</u>							
SF 079365-A	T-27-N, R-6-W Sec. 22; NE/4, NE/4 SE/4	200.00	Royalty Owner: United States of America; Working Interest Owner: El Paso Natural Gas Company; ORRI Owners: Mike Abraham, et al;	12.50% 10.50%	12.50% 10.50%	<u>7.35294%</u> .77206%	<u>7.35294%</u> .77206%
			TOTAL	100.00%	100.00%	<u>7.35294%</u>	<u>7.35294%</u>

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION		
			COMMITTED	PERCENTAGE				
SF 079366	T-27-N, R-6-W 440.00 Sec. 20: N/2 Sec. 22: W/2 SW/4, SE/4 SE/4		<u>Tract 15</u>					
			Royalty Owner:			<u>16.17647%</u>	<u>16.17647%</u>	
			United States of America;	12.50%	12.50%	2.02206%	2.02206%	
			Working Interest Owner:					
			EI Paso Natural Gas Company;	77.00%	77.00%	12.45588%	12.45588%	
			ORRI Owners:					
			Mike Abraham, et al;	<u>10.50%</u>	<u>10.50%</u>	<u>1.69853%</u>	<u>1.69853%</u>	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>16.17647%</u>	<u>16.17647%</u>	
			Royalty Owner:			<u>41.17647%</u>	<u>41.17647%</u>	
			United States of America;	12.50%	12.50%	5.14706%	5.14706%	
Working Interest Owner:								
EI Paso Natural Gas Company;	80.00%	80.00%	32.94117%	32.94117%				
ORRI Owners:								
Mike Abraham, et al;	<u>7.50%</u>	<u>7.50%</u>	<u>3.08824%</u>	<u>3.08824%</u>				
TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>41.17647%</u>	<u>41.17647%</u>				

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION	
			COMMITTED				
NM 013654	T-27-N, R-6-W Sec. 17: NE/4 SE/4	40.00	<u>Tract 21</u>		<u>1.47059%</u>	<u>1.47059%</u>	
			Royalty Owner:				
			United States of America;	12.50%	12.50%	.18382%	.18382%
			Working Interest Owner:				
			El Paso Natural Gas Company;	81.50%	81.50%	1.19853%	1.19853%
ORRI Owners:							
E. W. Ingram, et al;	6.00%	6.00%	.08824%	.08824%			
TOTAL			<u>100.00%</u>	<u>100.00%</u>	<u>1.47059%</u>	<u>1.47059%</u>	

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP AND PERCENTAGE	COMMITTED		
E-290-28	T-27-N, R-6-W Sec. 16: W/2, W/2 SE/4, SE/4 SE/4	440.00			<u>16.17647%</u>	<u>14.55882%</u>
			<u>Tract 24</u>			
	Royalty Owner: State of New Mexico;		12.50%	12.50%	2.02206%	2.02206%
	Working Interest Owner: El Paso Natural Gas Company		77.50%	77.50%	12.53676%	12.53676%
	ORRI Owners: Joe G. Harvey, et ux;		10.00%	.00%	<u>1.61765%</u>	<u>.00000%</u>
	TOTAL		100.00%	90.00%	<u>16.17647%</u>	<u>14.55882%</u>

SCHEDULE III
 SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
E-290-28	T-27-N, R-6-W Sec. 16: NE/4	160.00				
<u>Tract 25</u>						
	Royalty Owner: State of New Mexico;		12.50%	12.50%	5.88235%	5.88235%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	4.85294%	4.85294%
	ORRI Owner: Francis L. Harvey;		5.00%	5.00%	.29412%	.29412%
	TOTAL		100.00%	100.00%	5.88235%	5.88235%

SCHEDULE III
 SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
E-6443-4	T-27-N, R-6-W Sec. 16: NE/4 SE/4	40.00			<u>1.47059%</u>	<u>1.47059%</u>
			Tract 29			
	Royalty Owner: State of New Mexico;	12.50%	12.50%	.18382%	.18382%	
	Working Interest Owner: El Paso Natural Gas Company;	82.50%	82.50%	1.21324%	1.21324%	
	ORRI Owner: John N. Eddy;	5.00%	5.00%	.07353%	.07353%	
	TOTAL	100.00%	100.00%	1.47059%	1.47059%	

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PARTICIPATION	
					MAXIMUM POSSIBLE	PRESENT ACTUAL
Patented	T-27-N, R-6-W 160.00 Sec. 22: E/2 NW/4, NE/4 SW/4, NW/4 SE/4					
<u>Tract 30</u>						
	Royalty Owner:				<u>5.88235%</u>	<u>5.14705%</u>
	Edwin H. Kamie;	8.33%	.00%	.49000%		.00000%
	Geo. N. Kamie	4.17%	.00%	.24529%		.00000%
	Working Interest Owner:					
	EI Paso Natural Gas Company;	75.00%	75.00%	4.41176%		4.41176%
	ORRI Owners: C. C. Peters, et al;	12.50%	12.50%	.73530%		.73530%
	TOTAL	<u>100.00%</u>	<u>87.50%</u>	<u>5.88235%</u>		<u>5.14705%</u>

SCHEDULE III
SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION
RINCON UNIT AREA

RECAPITULATION

Description of lands in Participating Area:

Township 27 North, Range 6 West, N.M.P.M.

Section 17: SE/4

Sections 16, 20: All

Section 21: All

Section 22: All

Total number of acres in Participating Area:	2720.00
Percent of Basic Royalty Interest committed:	100.00%
Percent of Working Interest committed:	100.00%
Percent of O.R.R.I. committed:	97.64705%

Approved _____ 1955 Approved _____ 1955

Subject to like approval by the appropriate State Officials, effective October 1, 1954, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.

Subject to like approval by the United States Geological Survey and Oil Conservation Commission of the State of New Mexico, effective October 1, 1954, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.

Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico, effective October 1, 1954, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.

original signed 10/22/54
Approved _____ 1955
man 22 55

Director - United States Geological Survey

Commissioner of Public Lands of the State of New Mexico

Oil Conservation Commission of the State of New Mexico

El Paso Natural Gas Company

El Paso, Texas

March 14, 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

file
Case 297

Re: Rincon Unit
I Sec. No. 916
Approval of 1955 Drilling Program

Gentlemen:

This is to advise that the 1955 Drilling Program for the above captioned Unit was approved by the proper Federal and State authorities as follows:

1. Regional Supervisor, United States Geological Survey:
Approved February 25, 1955.
2. Commissioner of Public Lands, State of New Mexico:
Approved January 21, 1955.
3. Oil Conservation Commission, State of New Mexico:
Approved March 1, 1955.

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

T. W. Bittick

T. W. Bittick
Area Landman
Lease Department

OIL CONSERVATION COMMISSIC..

P. O. BOX 871

SANTA FE, NEW MEXICO

March 1, 1955

file
2-22-55

El Paso Natural Gas Co.
El Paso, Texas

Attention: Mr. R. L. Hamblin

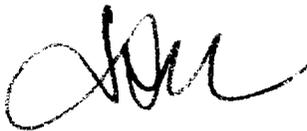
Re: Rincon Unit
Rio Arriba County, New Mexico
1955 Plan of Development

Gentlemen:

This is to advise that the Plan of Development for calendar year 1955 for the Rincon Unit, dated December 28, 1954, has this date been approved by the New Mexico Oil Conservation Commission, 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 Plan is herewith returned.

Very truly yours,



W. B. Macey
Secretary - Director

WBM:jh

cc: U. S. Geological Survey, Roswell
Commissioner of Public Lands, Santa Fe

C
O
P
Y

El Paso Natural Gas Company

El Paso, Texas

February 28, 1955

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: Rincon Unit
I Sec. No. 916
Notice of Completion
of Additional Well

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, determined on October 10, 1954, that one additional well, capable of producing unitized substances in paying quantities from the Pictured Cliffs Formation, had been completed upon acreage committed to this Unit.

This well is as follows:

1. The Rincon Unit #31 Well, located 660' from the South line and 660' from the East line of Section 36, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded May 2, 1954, and completed to the Tocito Formation by Johnston Oil and Gas Company. The Tocito Formation was treated with a Dowell Petro-Fracturing process. When it was decided that the Tocito Formation was incapable of producing unitized substances in paying quantities, Johnston Oil and Gas Company respudded the well on August 4, 1954, and it was then deepened to the Morrison Formation. Total depth was 7546'. When the Morrison

Formation also proved non-commercial, the well was plugged-back to the Pictured Cliffs Formation and on October 10, 1954, was completed by El Paso Natural Gas Company at a depth of 3100'. On October 9, 1954, the Pictured Cliffs Formation between 2935' and 2995' was treated through perforations with a sand-oil fracturing process. After being shut-in for gauge for twelve days, the well was tested and following a three hour blow-down, gauged an IP of 1948 MCFGPD, with an SIPC of 974# and an SIPT of 974#.

The acreage upon which this well is located was included in the Second Expanded Participating Area, effective October 1, 1953. Therefore, the Participating Area is not enlarged, and the percentages allocated to the tracts shown on Schedule III for the Second Expanded Participating Area remain the same.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By T. W. Bittick
T. W. Bittick
Area Landman
Lease Department

TWB:JCV:pb
cc: Attached List

The following is a list of the Working Interest Owners for the Rincon Unit:

Johnston Oil and Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi-Taylor Oil Corporation
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
P. O. Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAIN OFFICE 000

FEB 23 11 01 AM '55

P. O. Box 6721
Roswell, New Mexico

February 25, 1955

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

file
2-27-55

Gentlemen:

The plan of development dated December 22, 1954, for the Pictured Cliffs and Mesaverde formations, ~~Rincon~~ Rincon unit area, New Mexico, I-See. No. 916, for the calendar year 1955, 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,

(SIGNED) R. E. CANFIELD

R. E. CANFIELD
Acting Oil and Gas Supervisor

Copy to: Cons.Div., Wash., D.C. (w/1 copy of plan)
Farmington (w/1 copy of plan)
N.M.O.C.C., Santa Fe (Ltr. only) ✓

dm

El Paso Natural Gas Company

El Paso, Texas

February 15, 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

fill

Re: Rincon Unit, 1 Sec. 916
Rio Arriba County, New Mexico
First Revision Pictured Cliffs
Participating Area, due to
commitment of Acreage, within
the boundaries of the Partici-
pating Area, but previously not
committed to the unit.
Revision Effective January 1, 1955

Gentlemen:

Please find enclosed the First Revision of the Pictured Cliffs formation Participating Area, effective January 1, 1955. This revision replaces the Seventh Expanded Participating Area, Pictured Cliffs formation, forwarded with our letter of February 7, 1955. Please destroy the Seventh Expanded Participating Area previously furnished to you. The United States Geological Survey has required that this be called a revision of the Participating Area and not an expansion.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

Don

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

RLH:JCV:pb

El Paso Natural Gas Company

El Paso, Texas

February 15, 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

Re: Rincon Unit, I Sec. 916
Rio Arriba County, New Mexico
First Revision Pictured Cliffs
Participating Area due to
commitment of Acreage, within
the boundaries of the Partici-
pating Area, but previously not
committed to the unit.
Revision Effective January 1, 1955

Gentlemen:

On August 9, 1954, Ratifications and Joinders to both the Unit Agreement and Unit Operating Agreement were executed by Southern Petroleum Exploration, Inc. committing their working interest in the following described lands to the Rincon Unit:

E/2 Section 2, Township 26 North, Range 7 West
(Tract 26, Exhibit "B")
E/2 NW/4, NE/4 SW/4 Section 32, Township 27 North,
Range 6 West (Tract 23, Exhibit "B")
S/2 NE/4 Section 36, Township 27 North, Range 7 West
(Tract 23, Exhibit "B")
containing 520.76 acres, more or less.

These Ratifications and Joinders were filed with the United States Geological Survey on December 30, 1954. Inasmuch as the Unit Agreement, in Section 29, provides that, "Except as may otherwise herein be provided subsequent joinders to this Agreement shall be effective as of the first day of the month following the filing with the Supervisor of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this Agreement unless objection to such joinder is duly made within 60 days by the Director," this First Revision of the Pictured Cliffs Participating Area will be effective January 1, 1955.

There are two wells on the above listed tracts which have already been completed and are capable of producing unitized substances in paying quantities. These wells are described as follows:

1. Southern Petroleum Exploration State #1 Well located 990' from the North line and 990' from the East line of Section 2, Township 26 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on November 22, 1953, and completed on November 28, 1953, at a total depth of 2975' in the Pictured Cliffs Formation. The pay section between 2892' and 2972' was treated with 535 quarts of nitroglycerine. After being shut-in for gauge for seven days, the well was tested and following a three hour blow-down, gauged in IP of 396 MCFGPD with an SIPC of 737# and an SIPT of 735#.
2. Southern Petroleum Exploration State #2 Well located 1850' from the East line and 1650' from the South line of Section 2, Township 26 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on November 30, 1953, and completed on December 9, 1953, at a total depth of 3020' in the Pictured Cliffs Formation. The pay section between 2944' and 3018' was treated with 532 quarts of nitroglycerine. After being shut-in for gauge for seven days, the well was tested and following a three hour blow-down, gauged in IP of 560 MCFGPD with an SIPC of 778# and an SIPT of 778#.

Attached is Schedule VIII showing the First Revision Participating Area for the Pictured Cliffs Formation for the Rincon Unit Area. This Schedule describes the revised participating area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownerships in said tract. If this First Revision Pictured Cliffs Participating Area meets with your approval, please indicate such approval in the space provided on Schedule VIII and return an approved copy for our files.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

By


R. L. Hamblin

Manager
Lease Department

RLH:JCV:pb
cc: Attached List

The following is a list of the Working Interest Owners for the Rincon Unit:

Johnston Oil and Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi-Taylor Oil Corporation
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
P. O. Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 West Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

Mr. J. R. Mace
152 Walnut Street
Lexington, Kentucky

SCHEDULE VIII
 FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
			COMMITTED	PARTICIPATION		
<u>Tract 2</u>						
SF 079160	T-26-N, R-7-W	1920.80			<u>15.00023%</u>	<u>15.00023%</u>
	Sec. 1: A11		Royalty Owner:			
	Sec. 11: A11		United States of	12.50%	12.50%	1.87503%
	Sec. 12: A11		America;			
			Working Interest			
			Owner:			
			E1 Paso Natural Gas			
			Company:	82.50%	82.50%	12.37519%
			ORRI Owners:			
			Forrest Cave, et al;	5.00%	5.00%	.75001%
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>15.00023%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	MAXIMUM POSSIBLE PARTICIPATION		PRESENT ACTUAL PARTICIPATION	
<u>Tract 6</u>									
SF 079298-D	T-27-N, R-7-W Sec. 24; S/2	320.00	Royalty Owner: United States of America;	12.50%	12.50%	2.49900%	2.49900%		
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	2.06167%	2.06167%			
	ORRI Owners: R. E. Beamon, et al;		5.00%	5.00%	.12495%	.12495%			
	TOTAL		100.00%	100.00%	2.49900%	2.49900%			

SCHEDULE VIII
 FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
SF 079301	T-26-N, R-6-W Sec. 6: NW/4	161.81				<u>1.26363%</u>	<u>1.26363%</u>
	<u>Tract 7</u>						
	Royalty Owner: United States of America;		12.50%		12.50%	.15795%	.15795%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%		82.50%	1.04249%	1.04249%
	ORRI Owners: Dan W. Johnston, et al;		5.00%		5.00%	.06319%	.06319%
	TOTAL		100.00%		100.00%	<u>1.26363%</u>	<u>1.26363%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
<u>Tract 8</u>							
SF 079301-A	T-26-N, R-6-W Sec. 6: SW/4	161.35	Royalty Owner: United States of America; Working Interest Owner: E1 Paso Natural Gas Company; ORRI Owners: Dan W. Johnston, et al;	12.50%	12.50%	<u>1.26004%</u>	<u>1.26004%</u>
				82.50%	82.50%	<u>1.03953%</u>	<u>1.03953%</u>
				<u>5.00%</u>	<u>5.00%</u>	<u>.06300%</u>	<u>.06300%</u>
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>1.26004%</u>	<u>1.26004%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		PARTICIPATION	
			COMMITTED	MAXIMUM POSSIBLE	ACTUAL	PRESENT
<u>Tract 9</u>						
SF 079302	T-26-N ₄ R-6-W Sec. 6: NE/4	160.48				
	Royalty Owner: United States of America;		12.50%	12.50%	.15666%	.15666%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	1.03393%	1.03393%
	ORRI Owners: D. Franklin Jones, et al;		5.00%	5.00%	.06266%	.06266%
	TOTAL		100.00%	100.00%	1.25325%	1.25325%

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		MAXIMUM POSSIBLE PARTICIPATION		PRESENT ACTUAL PARTICIPATION			
			COMMITTED	PERCENTAGE	COMMITTED	PERCENTAGE	COMMITTED	PERCENTAGE		
SF 079302-B	T-26-N, R-6-W Sec. 6: SE/4	160.00	<u>Tract 10</u>							
			Royalty Owner: United States of America;	12.50%	12.50%	.15619%	.15619%			
			Working Interest Owner: El Paso Natural Gas Company;	82.50%	82.50%	1.03084%	1.03084%			
			ORRI Owners: D. Franklin Jones, et al;	5.00%	5.00%	.06247%	.06247%			
	TOTAL		100.00%	100.00%	1.24950%	1.24950%				

SCHEDULE VIII
 FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
SF 079321	T-27-N, R-7-W Sec. 25: All	640.00				
<u>Tract 11</u>						
	Royalty Owner: United States of America;		12.50%	12.50%	.62475%	.62475%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	4.12334%	4.12334%
	ORRI Owners: T. J. Ahern, et al;		5.00%	5.00%	.24990%	.24990%
	TOTAL		100.00%	100.00%	4.99799%	4.99799%

SCHEDULE VIII
 FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
SF 079360	T-27-N, R-7-W Sec. 23: N/2	320.00				
<u>Tract 12</u>						
	Royalty Owner: United States of America;		12.50%	12.50%	.31238%	.31238%
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	2.06167%	2.06167%
	ORRI Owners: M. A. Romero, et al;		5.00%	5.00%	.12495%	.12495%
	TOTAL		100.00%	100.00%	2.49900%	2.49900%

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PARTICIPATION		
					MAXIMUM POSSIBLE	PRESENT ACTUAL	
<u>Tract 13</u>							
SF 079364	T-27-N, R-6-W	960.87	Royalty Owner: United States of America;	12.50%	12.50%	<u>7.50378%</u>	<u>7.50378%</u>
	Sec. 29: N/2		Working Interest				
	Sec. 30: Lots 3 & 4, E/2 SW/4, SE/4		Owner: E1 Paso Natural Gas Company;	77.00%	77.00%	5.77791%	5.77791%
	Sec. 31: Lots 3 & 4, E/2 SW/4, SE/4		ORRI Owners: Mike Abraham, et al;	<u>10.50%</u>	<u>10.50%</u>	<u>.78790%</u>	<u>.78790%</u>
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>7.50378%</u>	<u>7.50378%</u>
	T-27-N, R-6-W	959.67	Royalty Owner: United States of America;	12.50%	12.50%	<u>7.49441%</u>	<u>7.49441%</u>
	Sec. 29: S/2		Working Interest				
	Sec. 30: Lots 1 & 2, E/2 NW/4, NE/4		Owner: E1 Paso Natural Gas Company;	80.00%	80.00%	5.99553%	5.99553%
	Sec. 31: Lots 1 & 2, E/2 NW/4, NE/4		ORRI Owners: Mike Abraham, et al;	<u>7.50%</u>	<u>7.50%</u>	<u>.56208%</u>	<u>.56208%</u>
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>7.49441%</u>	<u>7.49441%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE		MAXIMUM POSSIBLE PARTICIPATION	PRESENT ACTUAL PARTICIPATION
			COMMITTED			
<u>Tract 15</u>						
SF 079366	T-27-N, R-6-W Sec. 19: Lots 3 & 4, E/2 SW/4, SE/4	319.40				
	Royalty Owner: United States of America;		12.50%	12.50%	.31179%	.31179%
	Working Interest Owner: E1 Paso Natural Gas Company;			77.00%	1.92062%	1.92062%
	ORRI Owners: Mike Abraham, et al;		10.50%	10.50%	.26190%	.26190%
	TOTAL		100.00%	100.00%	2.49431%	2.49431%
	T-27-N, R-6-W Sec. 19: Lots 1 & 2, E/2 NW/4, NE/4	479.32				
	Royalty Owner: United States of America;		12.50%	12.50%	.46790%	.46790%
	Working Interest Owner: E1 Paso Natural Gas Company;			80.00%	2.99454%	2.99454%
	ORRI Owners: Mike Abraham, et al;		7.50%	7.50%	.28074%	.28074%
	TOTAL		100.00%	100.00%	3.74318%	3.74318%
	Sec. 20: SW/4					

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED	PARTICIPATION	
					MAXIMUM POSSIBLE	PRESENT ACTUAL
<u>Tract 19</u>						
SF 080385	T-27-N, R-7-W	2560.00				
	Sec. 22: SE/4		Royalty Owner: United States of America;			
	Sec. 23: S/2					
	Sec. 26: A11		Working Interest	12.50%	12.50%	2.49900%
	Sec. 27: E/2, SW/4		Owner: El Paso Natural Gas Company;			
	Sec. 34: E/2		ORRI Owners: C. A. Slater, et al;			
	Sec. 35: A11					
			TOTAL	<u>5.00%</u> <u>100.00%</u>	<u>5.00%</u> <u>100.00%</u>	<u>.99959%</u> <u>19.99197%</u>
						<u>19.99197%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-289-29	T-27-N, R-7-W Sec. 36; SW/4	160.00				
<u>Tract 22</u>						
	Royalty Owner:				<u>1.24950%</u>	<u>1.23701%</u>
	State of New Mexico;		12.50%	12.50%	.15619%	.15619%
	Working Interest					
	Owner:					
	El Paso Natural Gas					
	Company;		82.50%	82.50%	1.03084%	1.03084%
	ORRI Owners:					
	Francis L. Harvey,					
	et al;		<u>5.00%</u>	<u>4.00%</u>	<u>.06247%</u>	<u>.04998%</u>
	TOTAL		<u>100.00%</u>	<u>99.00%</u>	<u>1.24950%</u>	<u>1.23701%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>	
<u>Tract 25</u>							
E-290-28	T-27-N, R-6-W 520.00 Sec. 32: SE/4, E/2 NE/4, SW/4 SW/4		Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company;	12.50%	12.50%	4.06087% 50761%	4.02026% 50761%
	T-27-N, R-7-W Sec. 36: NW/4, W/2 SE/4		ORRI Owners: Francis L. Harvey, et al; TOTAL	5.00% 100.00%	4.00% 99.00%	.20304% 4.06087%	.16243% 4.02026%
	T-27-N, R-6-W 200.00 Sec. 32: NW/4 SW/4, W/2 NW/4		Royalty Owner: State of New Mexico; Working Interest Owner: El Paso Natural Gas Company;	12.50%	12.50%	1.56187% .19523%	1.56187% .19523%
	T-27-N, R-7-W Sec. 36: N/2 NE/4		ORRI Owner: None; TOTAL	.00% 100.00%	.00% 100.00%	.00000% 1.56187%	.00000% 1.56187%

SCHEDULE VIII
 FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
 RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-291-35	T-26-N, R-7-W Sec. 2: NW/4	160.68				
<u>Tract 27</u>						
	Royalty Owner:				<u>1.25481%</u>	<u>1.25481%</u>
	State of New Mexico;		12.50%	12.50%	.15685%	.15685%
	Working Interest					
	Owner:					
	El Paso Natural Gas					
	Company;		82.50%	82.50%	1.03522%	1.03522%
	ORRI Owner:					
	Malco Refinerries,					
	Inc.;		<u>5.00%</u>	<u>5.00%</u>	<u>.06274%</u>	<u>.06274%</u>
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>1.25481%</u>	<u>1.25481%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

<u>SERIAL NUMBER</u>	<u>DESCRIPTION</u>	<u>NUMBER OF ACRES</u>	<u>LEASE OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>MAXIMUM POSSIBLE PARTICIPATION</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
E-291-35	T-26-N, R-7-W Sec. 2: SW/4	160.00				
			<u>Tract 28</u>			
	Royalty Owner:				<u>1.24950%</u>	<u>1.23701%</u>
	State of New Mexico;		12.50%	12.50%	.15619%	.15619%
	Working Interest					
	Owner:					
	El Paso Natural Gas					
	Company:		82.50%	82.50%	1.03084%	1.03084%
	ORRI Owners:					
	Francis L. Harvey,					
	et al;		<u>5.00%</u>	<u>4.00%</u>	<u>.06247%</u>	<u>.04998%</u>
	TOTAL		<u>100.00%</u>	<u>99.00%</u>	<u>1.24950%</u>	<u>1.23701%</u>

SCHEDULE VIII
FIRST REVISION PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

RECAPITULATION

Description of Lands in Participating Area

Township 26 North, Range 6 West, N.M.P.M.	Township 27 North, Range 7 West, N.M.P.M.
Section 6: All	Section 13: S/2
Township 26 North, Range 7 West, N.M.P.M.	Section 14: SE/4
Sections 1, 2, 11, 12: All	Section 22: SE/4
Township 27 North, Range 6 West, N.M.P.M.	Sections 23, 24, 25, 26, 33, 34, 35, 36: All
Section 19: All	Section 27: E/2, SW/4
Section 20: SW/4	Section 28: S/2
Section 29: All	
Section 30: All	
Section 31: All	
Section 32: All	

Total number of acres in Participating Area: 12805.14*
 Percent of Basic Royalty committed: 100.00%
 Percent of Working Interest committed: 100.00%
 Percent of ORRI committed: 97.32143%

* This figure is the actual participating acreage. The N/2, Section 24, Township 27 North, Range 7 West, which should logically be included in the participating area, is not committed to the Unit Agreement.

<u>APPROVED</u>	1955	<u>APPROVED</u>	1955	<u>APPROVED</u>	1955
Subject to like approval by the appropriate State Officials, effective January 1, 1955, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.		Subject to like approval by the United States Geological Survey and Oil Conservation Commission of the State of New Mexico, effective January 1, 1955, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.		Subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico, effective January 1, 1955, pursuant to the pertinent provisions of Section 11 of the Unit Agreement.	

Director - United States Geological Survey Commissioner of Public Lands of the State of New Mexico Oil Conservation Commission of the State of New Mexico

El Paso Natural Gas Company

El Paso, Texas

February 10, 1955

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: Rincon Unit

Gentlemen:

Attached herewith is one (1) copy of Ratification and Joinder of Unit Agreement executed by William Ray Kitchel and wife, Diane Kitchel, and one (1) copy of Ratification and Joinder of Unit Agreement, executed by Texas National Bank of Houston, Trustee, committing their overriding royalty interests under Tracts 1, 3, 5, 6, 11, 20 and 21, to the above named Unit.

We ask that you process these Ratifications in the usual manner in order to effectively commit these interests to the Rincon Unit.

Very truly yours,



T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mas
Enclosures



El Paso Natural Gas Company

El Paso, Texas

February 8, 1955

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

file
297

Re: Rincon Unit
Rio Arriba County, New Mexico
I Sec. No. 916
Drilling Program for 1954

Gentlemen:

In accordance with the Rincon Unit Drilling Program for 1954, El Paso Natural Gas Company, successor to Ralph A. Johnston as Unit Operator, was obligated to sand-oil fracture five (5) Pictured Cliffs Wells that had been previously shot by Johnston Oil and Gas Company. The results of the fracturing process on these five wells are as follows:

<u>Well Name</u>	<u>Potential After Shot MCF</u>	<u>Potential After Sand-Oil Fracture MCF</u>	<u>Potential Difference MCF</u>
Rincon Unit #3 (SE/4 Sec. 6, T26N, R6W)	1074	1443	+ 369
Rincon Unit #5 (SE/4 Sec. 32, T27N, R6W)	516	190	- 326
Rincon Unit #15 (SW/4 Sec. 11, T26N, R7W)	1207	1685	+ 478
Rincon Unit #17 (NW/4 Sec. 2, T26N, R7W)	874	391	- 383
Rincon Unit #22 (SW/4 Sec. 23, T27N, R7W)	3220	5906	+2586

dsu

On the basis of the foregoing information, El Paso, as Unit Operator, has come to the conclusion that only the "shot" wells with a minimum potential of 1000 MCF should be treated with a sand-oil fracturing process in this area. The results of the above tests indicate that "shot" wells with a potential less than 1000 MCF are seemingly injured rather than helped by sand-oil fracture.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

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

RLH/JCV/mas

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

file

January 11, 1955

copy 2/11

**El Paso Natural Gas Company
Tenth Floor Bassett Tower
El Paso Texas**

Attention: Mr. R. L. Hamblin

**Re: Rincon Unit
Rio Arriba County, New Mexico**

Gentlemen:

This is to advise that the Fifth Expanded Participating Area and the Sixth Expanded Participating Area for the Rincon Unit, dated November 29 and November 30, 1954, respectively, have this date been approved by the New Mexico Oil Conservation Commission, 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 each expanded participating area is herewith returned.

Very truly yours,

**W. B. Macey
Secretary - Director**

WBM:jh

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

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

C
O
P
Y

El Paso Natural Gas Company

MAIN OFFICE 800
El Paso, Texas
December 29, 1954

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: Rincon Unit

Gentlemen:

Attached herewith is one (1) copy of both Ratification and Joinder of Unit Agreement and Unit Operating Agreement executed by Southern Petroleum Exploration, Inc., committing their working interest, under Tracts 23 and 26, to the above named Unit.

We ask that you process these Ratification and Joinders in the usual manner in order to effectively commit this interest to the Rincon Unit.

Very truly yours,



T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mas
Enclosures

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area located within the County of Rio Arriba 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

ATTEST: [Signature]
Secretary

P. O. Box 192
Sistersville, West Va.

Date: Aug 9 1954

Date: _____

SIGNATURE

SOUTHERN PETROLEUM EXPLORATION, INC.
By: [Signature]
Vice President

APPROVED AND CONSENTED TO:
EL PASO NATURAL GAS COMPANY
By [Signature]
Vice President

UNIT OPERATOR

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT UNDER
UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE
Rincon Unit Rio Arriba County, New Mexico

In consideration of the execution of the Unit Operating Agreement under Unit Agreement for the Development and Operation of the said Rincon Unit, 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 Operating 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 Operating 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 Operating 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 Operating Agreement.

ATTEST: ADDRESS
[Signature]
Secretary

P. O. Box 192

Sistersville, West Va.

Date: Aug 9 1954

SIGNATURE
SOUTHERN PETROLEUM EXPLORATION, INC.
By: [Signature]
Vice President

APPROVED AND CONSENTED TO:
EL PASO NATURAL GAS COMPANY
By: [Signature]
Vice President

UNIT OPERATOR

STATE OF WEST VIRGINIA)
COUNTY OF TYLER) SS:

On this 9th day of August, 1954, before me appeared Paul W. Heuenschwander, to me personally known, who, being by me duly sworn, did say that he is the President of SOUTHERN PETROLEUM EXPLORATION, INC. 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 Paul W. Heuenschwander 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:

SEP 15 1961

Notary Public in and for
Tyler County, State of West Virginia

El Paso Natural Gas Company

El Paso, Texas

December 28, 1954

Mr. John A. Anderson
Regional Supervisor
United States Geological Survey
Department of the Interior
Post Office Building
Roswell, New Mexico

hold for study

Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

PLEASE RETURN TO
LEASE DEPARTMENT
file

*letter to E.P.
Mar. 1, 1955
w/ approved copy
of plan.
- John*

Mr. W. B. Macey, Secretary
Oil Conservation Commission
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: Rincon Unit
1 Sec. No. 916
Rio Arriba County, New Mexico
Drilling Program for 1955

Gentlemen:

By letter dated April 13, 1954, Ralph A. Johnston, as Unit Operator, filed a drilling program regarding the captioned Unit for the calendar year 1954. All of the Mesaverde and Pictured Cliffs wells on this drilling program were completed upon lands committed to this Unit during such period as follows:

<u>Well Name</u>	<u>Drilling Tract</u>	<u>Initial Potential</u>	<u>Tied-In</u>
Rincon #24	SW/4 Sec. 32, T27N, R6W	3579	No
Rincon #25	NE/4 Sec. 36, T27N, R7W	1977	No
Rincon #26	SW/4 Sec. 33, T27N, R7W	1717	11-24-54
Rincon #27	SW/4 Sec. 13, T27N, R7W	1804	No
Rincon #28	NE/4 Sec. 29, T27N, R6W	1685	No
Rincon #29	NE/4 Sec. 22, T27N, R6W	2827	No
*Rincon #30	SE/4 Sec. 36, T27N, R7W	1948	No

*This well was drilled to the Tocito and Dakota Formation to fulfill tests of these formations on the 1954 Drilling Program. It was then plugged back to the Pictured Cliffs Formation

Four (4) wells have been completed to the Mesaverde Formation, and twenty-four (24) wells have been completed to the Pictured Cliffs Formation on lands committed to the Unit. Of the 4 Mesaverde wells, 2 have been determined to be capable of producing unitized substances in paying quantities and have been admitted to the Mesaverde participating area. These two wells are producing into El Paso's gathering

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LEASE DEPARTMENT

system.

Twenty-three of the Pictured Cliffs wells have been determined to be capable of producing unitized substances in paying quantities and have been admitted to the Pictured Cliffs participating area. Nineteen (19) of these wells are producing into El Paso's gathering system.

El Paso Natural Gas Company, successor to Ralph A. Johnston as Unit Operator, hereby respectfully requests the approval of a drilling program for the calendar year 1955 consisting of two (2) wells to be drilled to the Mesaverde Formation and twenty-one (21) wells to be drilled to the Pictured Cliffs Formation; such drilling program to constitute all of our drilling obligations for such year. These proposed drilling sites are listed below as follows:

Mesaverde Formation

- (1) E/2 Section 16, T-27-N, R-6-W
- (2) W/2 Section 22, T-27-N, R-6-W

Pictured Cliffs Formation

- (1) SW/4 Section 6, T-26-N, R-6-W
- (2) NE/4 Section 1, T-26-N, R-7-W
- (3) SW/4 Section 1, T-26-N, R-7-W
- (4) NE/4 Section 20, T-27-N, R-6-W
- (5) SE/4 Section 22, T-27-N, R-6-W
- (6) SW/4 Section 30, T-27-N, R-6-W
- (7) NE/4 Section 31, T-27-N, R-6-W
- (8) SW/4 Section 31, T-27-N, R-6-W
- (9) SE/4 Section 14, T-27-N, R-7-W
- (10) SW/4 Section 14, T-27-N, R-7-W
- (11) SE/4 Section 25, T-27-N, R-7-W
- (12) SW/4 Section 25, T-27-N, R-7-W
- (13) NE/4 Section 26, T-27-N, R-7-W
- (14) NW/4 Section 26, T-27-N, R-7-W
- (15) SW/4 Section 26, T-27-N, R-7-W
- (16) SE/4 Section 26, T-27-N, R-7-W
- (17) SW/4 Section 28, T-27-N, R-7-W
- (18) SW/4 Section 34, T-27-N, R-7-W
- (19) NE/4 Section 35, T-27-N, R-7-W
- (20) SE/4 Section 35, T-27-N, R-7-W
- (21) SW/4 Section 36, T-27-N, R-7-W

As Unit Operator, El Paso Natural Gas Company intends to drill all Mesaverde wells to the base of the Mesaverde Formation using rotary tools. Surface casing of 9 5/8" diameter will be set to approximately 180' and then a production string of 7" casing will be set down to the top of the Mesaverde Formation. The entire Mesaverde Formation will be drilled in with gas. The Cliff House and Point Lookout sands of the Mesaverde Formation will be separately treated with a sand-oil fracturing process. Due care will be taken to protect all horizons.

El Paso Natural Gas Company, as Unit Operator, intends to drill all Pictured Cliffs wells to the base of the Pictured Cliffs Formation. Rotary tools will be used in drilling down to the top of the Pictured Cliffs Formation and cable tools will be used in drilling the pay section. Approximately 100' of 9 5/8" surface casing will be set, and then a production string of 5 1/2" casing will be run down to

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: 1st W. P. Macey
Oil Conservation Commission *WPM*

Date: 3/1/55

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

PLEASE RETURN TO
LEASE DEPARTMENT

The following is a list of the working interest owners for the Rincon Unit:

Johnston Oil & Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi Oil Corporation
Mr. Aaron Colvin
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 W. Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

El Paso Natural Gas Company

MAIN OFFICE 800

RECEIVED

El Paso, Texas

December 28, 1954

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: Rincon Unit

Gentlemen:

Attached herewith is one (1) copy of Ratification and Joinder of Unit Agreement executed by Mona Stewart, committing her overriding royalty interest, under Tract 13, to the above named Unit.

We ask that you process this Ratification in the usual manner in order to effectively commit this interest to the Rincon Unit.

Very truly yours,



T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mas
Enclosure

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the RINCON UNIT Area located within the County of REO ARBISA 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

450 Marcelline Avenue Wanda Stewart
Wichita, Kansas

Date: _____

Date: _____

APPROVED AND CONSENTED TO:

JOHNSTON OIL AND GAS COMPANY

BY [Signature]
Vice President

[Signature]
P. F. Beamon

WORKING INTEREST OWNERS

APPROVED AND CONSENTED TO:

EL PASO NATURAL GAS COMPANY

By [Signature]
Vice President

WORKING INTEREST OWNER

STATE OF)
COUNTY OF) SS.:

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 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)
COUNTY OF) SS.:

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 COLORADO)
COUNTY OF LA PLATA) SS.:

On this 11th day of DECEMBER, 1954, before me personally

appeared MONA STEWART, 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 HER free act and deed.

My Commission expires:

JULY 30th 1956



LEONARD GLASER
Notary Public in and for _____
LA PLATA County,
State of COLORADO.

El Paso Natural Gas Company

TENTH FLOOR, BASSETT TOWER

RECEIVED 11 21 1954
El Paso, Texas

December 9, 1954

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: Schedule VII
Sixth Expanded Participating
Area, Pictured Cliffs Formation
Rincon Unit
Effective August 1, 1954

Gentlemen:

Enclosed, please find a corrected Page 3 of Schedule VII, Sixth Expanded Participating Area for the Pictured Cliffs Formation, Rincon Unit Area which we forwarded to you by letter of November 30, 1954.

The acreage description for Tract 6 on the original Page 3 reads as follows - Sec. 6: NE/4 - when in fact it should read - Sec. 24: S/2.

The remainder of the items as set forth are correct. Therefore, will you please insert the enclosed corrected Page 3, destroying the original.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

T. W. Bittick

T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mp
cc: Attached List

The following is a list of Working Interest Owners for the Rincon Unit:

Johnston Oil & Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi Oil Corporation
Mr. Aaron Colvin
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 W. Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri

SCHEDULE VII
SIXTH EXPANDED PARTICIPATING AREA FOR THE PICTURED CLIFFS FORMATION
RINCON UNIT AREA

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	LEASE OWNERSHIP AND PERCENTAGE	COMMITTED		MAXIMUM	PRESENT
				PARTICIPATION	PARTICIPATION	POSSIBLE PARTICIPATION	ACTUAL PARTICIPATION
079298-D	T-27-N, R-7-W Sec. 24; S/2	320.00				<u>2.60493%</u>	<u>2.60493%</u>
	<u>Tract 6</u>						
	Royalty Owner: United States of America;		12.50%	12.50%	.32562%	.32562%	
	Working Interest Owner: El Paso Natural Gas Company;		82.50%	82.50%	2.14907%	2.14907%	
	ORRI Owners: R. E. Beamon, et al;		<u>5.00%</u>	<u>5.00%</u>	<u>.13024%</u>	<u>.13024%</u>	
	TOTAL		<u>100.00%</u>	<u>100.00%</u>	<u>2.60493%</u>	<u>2.60493%</u>	

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

December 6, 1954

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: Rincon Unit

Gentlemen:

Attached herewith is one (1) copy of Ratification and Joinder of Unit Agreement executed by J. Felix Hickman, et ux, committing their overriding royalty interest in the above named Unit.

We ask that you process this Ratification in the usual manner in order to effectively commit this interest to the Rincon Unit.

Very truly yours,



T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mp
Enclosure

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the Rincon Unit Area located within the County of Rio Arriba 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

4115 Avenida La Resolana, N.E.

Joe Saturni; Witness

Date: Nov 2, 1954

Jelix Hickman
Merle Hickman

Date: _____

APPROVED AND CONSENTED TO:
JOHNSTON OIL AND GAS COMPANY

By [Signature]
Vice President

WORKING INTEREST OWNER

APPROVED AND CONSENTED TO:

By [Signature]
R. E. Beamon

WORKING INTEREST OWNER

APPROVED AND CONSENTED TO:
EL PASO NATURAL GAS COMPANY

By [Signature]
Vice President

WORKING INTEREST OWNER

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 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.:
COUNTY OF Bernalillo)

On this 2nd day of November _____, 1954, before me appeared

J. Felix Hickman _____ and _____ Merle Hickman
his wife, to me known to be the persons described in and who executed the fore-
going instrument, and acknowledged to me they executed the same as their free act
and deed.

My Commission expires:

Sept. 24, 1958 _____

Cecy L. Guzman

Notary Public in and for _____
Bernalillo County,
State of New Mexico

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
to me that _____ he executed the same as _____ free act and deed.

My Commission expires:

Notary Public in and for _____
_____ County,
State of _____

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

December 2, 1954

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: Rincon Unit Area
I Sec. Number 916
Notice of Completion of Additional Well

Gentlemen:

Pursuant to Section 11 to the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company as Unit Operator determined on September 15, 1954, and October 14, 1954, that two additional wells, capable of producing unitized substances in paying quantities from the Pictured Cliffs Formation, had been completed upon acreage committed to this Unit.

These Wells are as follows:

1. El Paso Natural Gas Company's Rincon Unit #24 Well, located 990' from the South line and 990' from the West line of Section 32, Township 27 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on May 9, 1954, and completed on September 15, 1954, at a total depth of 3085' in the Pictured Cliffs Formation. The pay section between 3015' and 3085' was treated with a sand-oil fracturing process. After being shut-in for gauge for seven days, the well was tested, and following a three hour blow-down, gauged an IP of 3579 MCF/GPD, with an SIPC of 979# and an SIPT of 979#.

2. El Paso Natural Gas Company's Rincon Unit #25 Well, located 990' from the North line and 990' from the East line of Section 36, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on September 29, 1954, and completed on October 14, 1954, at a total depth of 3050' in the Pictured Cliffs Formation. The pay section between 2971' and 3050' was treated with a sand-oil fracturing process. After being shut-in for gauge for eight days, the well was tested, and following a three hour blow-down, gauged an IP of 1977 MCFGPD with an SIPC of 1011# and an SIPT of 1010#.

The acreage upon which these wells are located was included in the Second Expanded Participating Area, effective October 1, 1953. Therefore, the participating area is not enlarged, and the percentages allocated to the tracts shown on Schedule III for the Second Expanded Participating Area remain the same.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By T. W. Bittick
T. W. Bittick
Area Landman
Lease Department

TWB/JCV/mas
cc: Attached List

El Paso Natural Gas Company

TENTH FLOOR BASSETT TOWER

El Paso, Texas

November 30, 1954

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

OK
file
app

Re: Rincon Unit
Rio Arriba County, New Mexico
I Sec. No. 916
Sixth Expanded Participating Area
Pictured Cliffs Formation
Effective August 1, 1954

Gentlemen:

Pursuant to Section 11 of the Rincon Unit Agreement, I Sec. No. 916, approved February 27, 1952, El Paso Natural Gas Company, as Unit Operator, hereby determines that one (1) additional well located outside the present Pictured Cliffs Participating Area is capable of producing unitized substances in paying quantities from the Pictured Cliffs Formation and that the Participating Area for the Pictured Cliffs Formation should be expanded.

This well is as follows:

1. El Paso Natural Gas Company's Rincon Unit #26 Well located 1470' from the South line and 1090' from the West line of Section 33, Township 27 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on August 6, 1954, and completed on August 29, 1954, at a total depth of 3045' in the Pictured Cliffs Formation. The pay section between 2976' and 3045' was treated with a sand-oil fracturing process. After being shut-in for gauge for eleven days, the well was tested, and following a three hour blow-down gauged an IP of 1717 MCFGPD, with an SIPC of 850# and an SIPT of 849#.

In comparison with these two determinations there are two wells with lower initial potentials already included within the Pictured Cliffs Participating Area.

Shue

These are the Rincon Unit #18 Well with an Initial Potential of only 696 MCF and the Rincon Unit #19 Well with an Initial Potential of 946 MCF.

Attached is Schedule VII showing the Sixth Expanded Participating Area for the Pictured Cliffs Formation for the Rincon Unit Area. This describes the expanded Participating Area, shows the percentage of unitized substances allocated to each unitized tract, and the exact breakdown of percentage allocated to each tract according to the various ownerships in said tract. Inasmuch as the Unit Agreement provides that, "The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the Schedule," this Sixth Expansion of the Pictured Cliffs Participating Area will be effective August 1, 1954. If this Sixth Expanded Pictured Cliffs Participating Area meets with your approval, please indicate such approval in the space provided on Schedule VII and return an approved copy for our files.

We are enclosing herewith, as Exhibit "A," a contour map of the Rincon Unit. The contours are taken on the top of the Pictured Cliffs Formation and are shown as plus figures above sea level. The top of the Pictured Cliffs Formation on each completed well is also shown by each well with the total depth of the well and the initial potential. The map also shows the present participating area, and the proposed Sixth Expansion.

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

Very truly yours,

EL PASO NATURAL GAS COMPANY

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

RLH/JCV/mp
Encs.

The following is a list of Working Interest Owners for the Rincon Unit:

Johnston Oil & Gas Company
1453 Esperson Building
Houston 2, Texas

Squire Production Company
1717 Mercantile Bank Building
Dallas, Texas

Mr. R. E. Beamon
346 Esperson Building
Houston 2, Texas

Mr. Paul B. Horton
1501 Mercantile Securities Building
Dallas, Texas

Delhi Oil Corporation
Mr. Aaron Colvin
Corrigan Tower
Dallas, Texas

Southern Petroleum Exploration, Inc.
Mr. Paul W. Neuenschwander
Box 192
Sistersville, West Virginia

Wood River Oil & Refining Co., Inc.
321 W. Douglas Street
Wichita 2, Kansas

Rock Hill Oil Company
408 Olive Street
St. Louis, Missouri