

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

October 27, 1960

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

Attention: Mr. Sam Smith

Re: 1960 Supplemental Plan of  
Development, San Juan 32-7  
Unit San Juan County,  
New Mexico

Gentlemen:

Reference is made to your letter of October 6, 1960 requesting the approval of the Oil Conservation Commission to the deletion of one well from the 1960 Plan of Development. Inasmuch as adequate information, as to the determination that a Mesaverde well in the SW/4 of Section 20, Township 31 North, Range 7 West, would be uneconomical to drill, was not submitted with the request, the Supplemental Plan cannot be approved at this time.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/ig

cc: US Geological Survey Roswell, New Mexico  
Commissioner of Public Lands - Santa Fe, New Mexico

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Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/ig

cc: US Geological Survey Roswell, New Mexico  
Commissioner of Public Lands - Santa Fe, New Mexico

# *El Paso Natural Gas Company*

*El Paso, Texas*

October 6, 1960

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

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

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

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
SUPPLEMENTAL 1960 PLAN OF  
DEVELOPMENT

Gentlemen:

By letter dated December 3, 1959, Pacific Northwest Pipeline Corporation, as Unit Operator, submitted a Plan of Development for the calendar year 1960.

El Paso Natural Gas Company, as successor in interest, by merger, to Pacific Northwest Pipeline Corporation, is desirous of supplementing said Plan of Development by deleting from the Plan the Mesaverde well which was to have been drilled in the SW/4 of Section 2, Township 31 North, Range 7 West.

After a complete review of the data available for this area, El Paso Natural Gas Company, as Unit Operator, has determined that it would be uneconomical to drill this well at the present time.

By letter dated September 12, 1960, El Paso Natural Gas Company, as Unit Operator, obtained the concurrence of 93.30% of the Unit Working Interest Owners to the proposed deletion of the above described well from the 1960 Plan of Development.

Except for the above deletion, the 1960 Plan of Development, dated December 3, 1959, as submitted, remains the same.

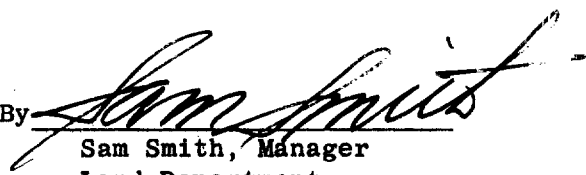
If this Supplemental Plan of Development is acceptable, please signify your approval as required under Section 10 of the Unit Agreement, in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

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

A handwritten signature in cursive script, appearing to read "Sam Smith", is written over a horizontal line.

Sam Smith, Manager  
Land Department

SS:JNN:nl

cc: Attached List



SAN JUAN 32-7 UNIT  
Working Interest Owners

Phillips Petroleum Company  
508 Bank Building  
Bartlesville, Oklahoma  
Attention: Mr. R. F. Rood or R. A. Brown

Phillips Drilling Corporation  
314 Milam Building  
San Antonio 5, Texas  
Attention: Mr. H. H. Phillips, Jr.

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

General American Oil Company of Texas  
Meadows Building  
Dallas 6, Texas  
Attention: Mr. W. P. Barnes

N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York 5, New York

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

Amerada Petroleum Corporation  
Post Office Box 2040  
Tulsa, Oklahoma  
Attention: Mr. F. W. Hulsizer and  
Lloyd Kepler  
Land Department

APPROVED:

\_\_\_\_\_  
Supervisor, United States Geological Survey  
Subject to like approval by the appropriate  
State officials.


DATE: \_\_\_\_\_

APPROVED:

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

DATE: \_\_\_\_\_

APPROVED:

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

DATE: 1-10-61

The foregoing approvals are for the Supplemental 1960 Plan of Development for the San Juan 32-7 Unit, #14-08-001-441, San Juan County, New Mexico.

# El Paso Natural Gas Company

MAIL OFFICE

El Paso, Texas  
REC AUG 23 1960

August 23, 1960

Case 420

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

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

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

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
NINTH EXPANDED PARTICIPATING AREA  
Mesaverde Formation  
Effective July 1, 1960

Gentlemen:

The captioned Expansion, dated August 4, 1960, was forwarded to the regulatory bodies and the working interest owners of the San Juan 32-7 Unit referring to the subject unit as being in Rio Arriba County, New Mexico, when in fact the subject unit is located in San Juan County, New Mexico.

A copy of this letter is being sent to the Working Interest Owners of the San Juan 32-7 Unit.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By Charles Higgins  
Charles Higgins  
Area Coordinator  
Land Department

CH:JNN:cah

( . CONSERVATION COMMISSION )

P. O. BOX 871

SANTA FE, NEW MEXICO

August 15, 1960

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

O  
ATTENTION: Mr. Sam Smith

RE: 1960 Plan of Development  
San Juan 32-7 Unit San  
Juan County, New Mexico.

P  
Gentlemen:

Y  
This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1960 Plan of Development for the San Juan 32-7 Unit San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

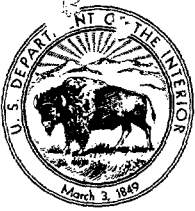
Two approved copies of the plan are returned herewith.

Very truly yours,

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

ALP/JEK/ig

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



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
P. O. Box 6721  
Roswell, New Mexico

August 5, 1960

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

Attention: Mr. Sam Smith

Gentlemen:

Your plan of development for 1960, dated December 3, 1959, for the San Juan 32-7 unit area, San Juan County, New Mexico, which proposes the drilling of two Mesaverde formation wells, has been approved on this date subject to like approval by the appropriate state officials.

Two approved copies of the plan are enclosed.

Very truly yours,

*Edwin M. Thomason*  
EDWIN M. THOMASON  
Acting Oil and Gas Supervisor

Copy to: Washington (w/copy of plan)  
Farmington (w/copy of plan)  
NMOCC, Santa Fe (letter only) ✓  
Com. of Pub. Lands, Santa Fe (letter only)

# El Paso Natural Gas Company

El Paso, Texas

1960 AUG 11 AM 10 10

August 4, 1960

*Cio #420*

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

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

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

Re: San Juan 32-7 Unit #14-08-001-441  
Rio Arriba County, New Mexico  
NINTH EXPANDED PARTICIPATING AREA  
Mesaverde Formation  
Effective July 1, 1960

Gentlemen:

Pursuant to Section 11(a) of the San Juan 32-7 Unit Agreement, #14-08-001-441, approved December 16, 1952, El Paso Natural Gas Company, as Unit Operator, determined on the date indicated below that one additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit. The Participating Area for the Mesaverde Formation is expanded to include this well as follows:

The San Juan 32-7 Unit #22-29 Well is located 1130' from the South line and 1550' from the West line of Section 29, Township 32 North, Range 7 West, Rio Arriba County, New Mexico. This well was spudded on July 27, 1959, and completed on April 27, 1960, at a total depth of 8014'. The Mesaverde Formation between 5308' - 5322', 5344' - 5354', 5416' - 5420', 5426' - 5434', 5530' - 5535', 5538' - 5544', 5546' - 5556', 5560' - 5567', 5570' - 5575', 5580' - 5584', 5587' - 5592', 5596' - 5602', 5627' - 5631', 5636' - 5640', was treated with a sand-water fracturing process. After being shut-in for gauge for fifty-six (56) days, the well was tested on June 23, 1960, and following a three (3) hour blow-down period gauged 1856 MCFGPD through a 3/4" choke and 2161 MCFGPD by the calculated absolute open-flow method with an SIPC of 1186# and an SIPT of 855#. The committed drilling block upon which this well is located is described as

the W/2 of Section 29, Township 32 North, Range 7 West, N.M.P.M., and consists of 320.00 acres. The determination that this well is capable of producing unitized substances in paying quantities was made on June 23, 1960.

The completion of the San Juan 32-7 Unit #22-29 Well creates one (1) intervening drilling block described as the W/2 of Section 20, Township 32 North, Range 7 West, N.M.P.M., and consists of 320.00 acres.

Under the terms of the San Juan 32-7 Unit Agreement, the above described intervening drilling block is admitted to the Mesaverde Participating Area as of July 1, 1960. A well must be commenced on this block by July 1, 1961.

Attached is Schedule XI showing the Ninth Expanded Participating Area for the Mesaverde Formation of the San Juan 32-7 Unit Area. This describes the Expanded Participating Area and shows the percentage of unitized substances allocated to each unitized tract. Inasmuch as this needs no official approval, no provision is made therefor, and in the absence of disapproval this Ninth Expanded Participating Area will become effective as of July 1, 1960.

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 T. W. Bittick

T. W. Bittick  
Assistant Manager  
Land Department

TWB:JNN:nl

Attachment

San Juan 32-7 Unit  
Working Interest Owners

Phillips Petroleum Company  
508 Bank Building  
Bartlesville, Oklahoma  
Attention: Mr. R. F. Rood or  
Mr. R. A. Brown

General American Oil Company of Texas  
Meadows Building  
Dallas 6, Texas  
Attention: Mr. W. P. Barnes

Phillips Drilling Corporation  
306 Milam Building  
San Antonio 5, Texas  
Attention: Mr. H. H. Phillips, Jr.

N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York, New York

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

Fan American Petroleum Corporation  
P. O. Box 480  
Farmington, New Mexico  
Attention: Mr. L. O. Speer, Jr.

Amerada Petroleum Corporation  
Beacon Building  
Tulsa, Oklahoma  
Attention: Mr. F. W. Hulsizer and Lloyd Kepler  
Land Department



**SCHEDULE XI**  
**NINTH EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION**  
**SAN JUAN 32-7 UNIT AREA**

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078459	T-32-N, R-7-W Sec. 22: E/2	320.00	<u>Tract 1</u>			
			Royalty;	12.50%	12.50%	6.65999%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	
San Juan 32-7 #9-22 Well	Sec. 22: E/2	320.00	<u>Tract 2</u>			
			Royalty;	12.50%	12.50%	6.65999%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	
San Juan 32-7 #7-17 Well	Sec. 17: W/2	320.00	<u>Tract 2</u>			
			Royalty;	12.50%	12.50%	6.65999%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	
SF 078460	T-32-N, R-7-W Sec. 17: E/2	320.00	<u>Tract 2</u>			
			Royalty;	12.50%	12.50%	6.65999%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	
San Juan 32-7 #16-17 Well	Sec. 17: E/2	320.00	<u>Tract 2</u>			
			Royalty;	12.50%	12.50%	6.65999%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			<u>TOTAL</u>	<u>100.00%</u>	<u>100.00%</u>	

Effective July 1, 1960

## UNIT AREA EXPANSION SCHEDULE E - SAN JUAN BASIN

Form 21-71M (5-59)

## SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078460	T-32-N, R-7-W	280.00	<u>Tract 2</u>			
	Sec. 20: NW/4,		Royalty;	12.50%	12.50%	5.82749%
	N/2 SW/4,		Working Interest:			
	SE/4 SW/4		El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Fee	T-32-N, R-7-W	40.00	<u>Tract 22</u>			
	Sec. 20: SW/4 SW/4		Royalty;	12.50%	12.50%	.83250%
			Working Interest:			
			El Paso Natural Gas Co.;	84.50%	84.50%	
			ORRI;	3.00%	3.00%	
			TOTAL	100.00%	100.00%	
No Well	Sec. 20: W/2	320.00			100.00%	6.65999%
SF 078460	T-32-N, R-7-W	240.00	<u>Tract 2</u>			
	Sec. 20: NE/4,		Royalty;	12.50%	12.50%	4.99499%
	W/2 SE/4		Working Interest:			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Fee	T-32-N, R-7-W	80.00	<u>Tract 23</u>			
	Sec. 20: E/2 SE/4		Royalty;	12.50%	12.50%	1.66500%
			Working Interest:			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	00.00%	00.00%	
			TOTAL	100.00%	100.00%	

## UNIT AREA EXPANSION SCHEDULE - SAN JUAN BASIN

Form 21-71M (3-59)

## SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<u>San Juan 32-7</u>						
<u>#11-20 Well</u>	<u>Sec. 20: E/2</u>	<u>320.00</u>			<u>100.00%</u>	<u>6.659999%</u>
<u>Tract 3</u>						
<u>SF 078472</u>	<u>T-32-N, R-7-W</u> <u>Sec. 28: NE/4</u>	<u>160.00</u>	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  <u>TOTAL</u>	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>	<u>3.3300</u>
<u>Tract 5</u>						
<u>SF 078542</u>	<u>T-32-N, R-7-W</u> <u>Sec. 28: SE/4</u>	<u>160.00</u>	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  <u>TOTAL</u>	<u>12.50%</u>  <u>80.00%</u> <u>7.50%</u> <u>100.00%</u>	<u>12.50%</u>  <u>80.00%</u> <u>7.50%</u> <u>100.00%</u>	<u>3.330000%</u>
<u>San Juan 32-7</u>						
<u>#14-28 Well</u>	<u>Sec. 28: E/2</u>	<u>320.00</u>			<u>100.00%</u>	<u>6.6600</u>
<u>Tract 3</u>						
<u>SF 078472</u>	<u>T-32-N, R-7-W</u> <u>Sec. 27: NW/4</u>	<u>160.00</u>	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;  <u>TOTAL</u>	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>	<u>12.50%</u>  <u>82.50%</u> <u>5.00%</u> <u>100.00%</u>	<u>3.330000%</u>

## SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078543	T-32-N, R-7-W Sec. 27: SW/4	160.00	<u>Tract 6</u>			
			Royalty;	12.50%	12.50%	<u>3.33000%</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>	
San Juan 32-7						
#2-27 Well	Sec. 27: W/2	<u>320.00</u>			<u>100.00%</u>	<u>6.66000%</u>
SF 078472	T-32-N, R-7-W Sec. 29: NE/4 NW/4, SE/4 SW/4	80.00	<u>Tract 3</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>	<u>1.66500%</u>
Fee	T-32-N, R-7-W Sec. 29: NW/4 NW/4, S/2 NW/4, N/2 SW/4, SW/4 SW/4	240.00	<u>Tract 22</u>			
			Royalty;	12.50%	12.50%	
			Working Interest:			
			El Paso Natural Gas Co.;	84.50%	84.50%	
			ORRI;	3.00%	3.00%	
			TOTAL	<u>100.00%</u>	<u>100.00%</u>	<u>4.99499%</u>
San Juan 32-7						
#22-29 Well	Sec. 29: W/2	<u>320.00</u>			<u>100.00%</u>	<u>6.65999%</u>
SF 078996	T-31-N, R-7-W Sec. 8: E/2	320.00	<u>Tract 10</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>	<u>6.65999%</u>

## SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
San Juan 32-7 #5-8 Well	Sec. 8: E/2	320.00			100.00%	6.65999%
SF 078996	T-31-N, R-7-W Sec. 4: Lots 6, 7, 8, Lot 5 of Sec. 5, SW/4, NW/4 SE/4	323.15				
	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		Tract 10	12.50% 82.50% 5.00% 100.00%		6.72555%
	TOTAL					
San Juan 32-7 #19-4 Well	Sec. 4: As above	323.15			100.00%	6.72555%
SF 078998	T-31-N, R-7-W Sec. 17: W/2	320.00				
	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		Tract 11	12.50% 82.50% 5.00% 100.00%		6.65999%
	TOTAL					
San Juan 32-7 #8-17 Well	Sec. 17: W/2	320.00			100.00%	6.65999%
SF 078998	T-31-N, R-7-W Sec. 17: E/2	320.00				
	Royalty; Working Interest; El Paso Natural Gas Co.; ORRI;		Tract 11	12.50% 82.50% 5.00% 100.00%		6.65999%
	TOTAL					
San Juan 32-7 #17-17 Well	Sec. 17: E/2	320.00			100.00%	6.65999%

SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
SF 078998	T-31-N, R-7-W	321.66	Tract 10  Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;  TOTAL	12.50%	12.50%	<u>6.69454%</u>
	Sec. 5: Lots 6, 7, 8, SE/4, E/2 SW/4			82.50%	82.50%	
				5.00%	5.00%	
				<u>100.00%</u>	<u>100.00%</u>	
San Juan 32-7						
#18-5 Well	Sec. 5: As Above	321.66			100.00%	<u>6.69454%</u>
E-178-4	T-32-N, R-7-W	160.00	Tract 16  Royalty; Working Interest: N. B. & B. R. Gerber ORRI;  TOTAL	12.50%	12.50%	<u>3.33000%</u>
	Sec. 16: W/2 W/2			87.50%	87.50%	
				0.00%	0.00%	
				<u>100.00%</u>	<u>100.00%</u>	
E-503-3	T-32-N, R-7-W	160.00	Tract 17  Royalty; Working Interest: El Paso Natural Gas Co.; ORRI;  TOTAL	12.500%	12.500%	<u>3.33000%</u>
	Sec. 16: E/2 W/2			65.625%	65.625%	
				21.875%	21.875%	
				<u>100.000%</u>	<u>100.000%</u>	
San Juan 32-7						
#13-16 Well	Sec. 16: W/2	320.00			100.00%	<u>6.66000%</u>

SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
E-503-5	T-32-N, R-7-W Sec. 32: E/2 W/2	160.00	<u>Tract 17-A</u>			
			Royalty;	12.50%	12.50%	3.33000%
			Working Interest;			
			El Paso Natural Gas Co.;	82.50%	82.50%	
			ORRI;	5.00%	5.00%	
			TOTAL	100.00%	100.00%	
Fee	T-32-N, R-7-W Sec. 32: W/2 W/2	160.00	<u>Tract 24</u>			
			Royalty;	12.50%	12.50%	3.33000%
			Working Interest;			
			El Paso Natural Gas Co.;	87.50%	87.50%	
			ORRI;	0.00%	0.00%	
			TOTAL	100.00%	100.00%	
San Juan 32-7 #10-32 Well	Sec. 32: W/2	320.00			100.00%	6.66000%

## SCHEDULE XI

SERIAL NUMBER	DESCRIPTION	NUMBER OF ACRES	DRILLING BLOCK		PERCENTAGE COMMITTED	PRESENT ACTUAL PARTICIPATION
			OWNERSHIP	PERCENTAGE		
<u>RECAPITULATION</u>						
Township 31 North, Range 7 West, N.M.P.M.						
Sec. 4:	Lots 6,7,8, SW/4, NW/4 SE/4					
Sec. 5:	Lots 5,6,7,8, SE/4, E/2 SW/4					
Sec. 8:	E/2					
Sec. 17:	All					
Township 32 North, Range 7 West, N.M.P.M.						
Secs. 17, 20:	All					
Secs. 16,27,29,32:	W/2					
Secs. 22,28:	E/2					
Total Number of Acres in Participating Area:					4804.81	
Total Number of Acres Committed to Participating Area:					4804.81	
Percentage of Working Interest Committed:					100.00%	
Percentage of Basic Royalty Committed:					100.00%	
Percentage of ORRI Committed:					100.00%	



CASE 4-10  
In reply refer to:  
Unit Division

February 19, 1960

C  
O  
P  
Y  
El Paso Natural Gas Company  
P. O. Box 1526  
Salt Lake City 10, Utah

ATTENTION: Mr. R. N. Richey

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Plan of Development for  
Calendar Year 1960

Gentlemen:

We are enclosing two copies of the 1960 Plan of Development for the San Juan 32-7 Unit Area, which was approved by the Commissioner of Public Lands February 19, 1960.

Please furnish us another copy of this document when it is fully executed.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MMR/m

cc:

OCC-Santa Fe  
USGS-Roswell

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 29, 1960

Case # 420

C  
O  
P  
Y  
  
El Paso Natural Gas Company  
P. O. Box 1526  
Salt Lake City 10, Utah

Attention: Mr. R. N. Richey

Re: Change of Unit Operator,  
San Juan 32-7 Unit  
San Juan County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission approves El Paso Natural Gas Company as Unit Operator for San Juan 32-7 Unit.

As the surviving corporation by Merger with Pacific Northwest, El Paso Natural Gas Company complies fully with the terms of the San Juan 32-7 Unit Agreement allowing El Paso's assumption of rights, duties, obligations and responsibility of Unit Operator.

The approval of this change of Unit Operator is made subject to like approval by the Director of the United States Geological Survey and the Commissioner of Public Lands.

One approved copy is enclosed.

Very truly yours,

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

ALP/JEK/og

cc: U.S. G.S. - Roswell

Commissioner of Public Lands - Santa Fe



In reply refer to:  
Unit Division

January 22, 1960

C  
O  
El Paso Natural Gas Company  
P. O. Box 1526  
Salt Lake City 10, Utah

Re: Change of Unit Operator  
San Juan 32-7 Unit  
San Juan County, New Mexico

P  
ATTENTION: Mr. R. N. Richey

Gentlemen:

Y Please be advised that the Commissioner of Public Lands, has approved El Paso Natural Gas Company as Unit Operator for San Juan 32-7 Unit.

We believe El Paso as surviving corporation by merger to Pacific Northwest and owning more than seventy five percent (75%) of the total working interest ownership, within the designated unit, can accept operatorship with approval of the Oil Conservation Commission, Director of the United States Geological Survey and the Commissioner of Public Lands.

Therefore, we have approved this change of unit operatorship subject to like approval by the before mentioned agencies.

We are returning two approved copies and may we receive another copy at such time as this instrument is fully executed.

Very truly yours,  
MURRAY E. MORGAN  
Commissioner of Public Lands  
BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MMR/m

cc: OCC- Santa Fe  
USGS- Roswell

# *El Paso Natural Gas Company*

*El Paso, Texas*

January 18, 1960

ADDRESS REPLY TO:  
POST OFFICE BOX 1528  
SALT LAKE CITY 10, UTAH

Director  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit  
#14-08-001-441  
Change of Unit Operatorship

The captioned unit was operated by Pacific Northwest Pipeline Corporation until the merger of that company into El Paso Natural Gas Company on December 31, 1959. As a result of the merger, El Paso's percentage of ownership within the unit is as follows:

86.56%

Since El Paso, as the surviving corporation, owns more than seventy-five percent of the total working interest ownership within the unit, it appears that under the provisions of Section 6 of the Unit Agreement, El Paso may accept operatorship without a general vote of working interest owners, but subject to the approval of the public agencies.

In view of the foregoing, El Paso Natural Gas Company hereby accepts and assumes all of the rights, duties, obligations and responsibilities of Unit Operator under the captioned Unit Agreement and requests

United States Geological Survey  
Commissioner of Public Lands  
Oil Conservation Commission  
January 18, 1960  
Page 2

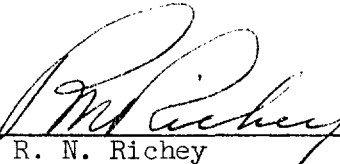
the approval of the Director of the United States Geological Survey, the Commissioner of Public Lands of New Mexico and the Oil Conservation Commission of New Mexico.

Copies of this letter are being furnished to all working interest owners.

Very truly yours,

EL PASO NATURAL GAS COMPANY  
Successor by merger as of December 31  
1959 to Pacific Northwest Pipeline  
Corporation

By



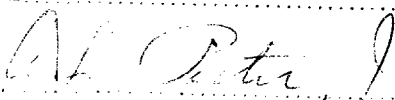
R. N. Richey  
Land Department  
Rocky Mountain Region

RNR:CVD:jc

Approved

2-1

19 60



Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

December 3, 1959

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

*Wes*  
*420*

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
PLAN OF DEVELOPMENT FOR CALENDAR  
YEAR 1960

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, respectfully submits herewith for your approval the 1960 Plan of Development for the subject unit providing for the drilling of the wells set out below during the period from January 1, 1960, to December 31, 1960.

The Plan of Development for 1959 on San Juan 32-7 Unit called for the drilling of one Mesaverde well, also there was scheduled at least one well to be drilled to the Dakota formation. Tabulated below is the status of the wells shown on this Plan of Development.

<u>Location</u>	<u>Drilling Status</u>	<u>Formation</u>	<u>Determination</u>
W/2 of Sec. 29, T-32-N, R-7-W	SIIP	MV - DAK (dual)	---

Pacific Northwest Pipeline Corporation, as Unit Operator, in concurrence with the other working interest owners in the unit, proposes the following Plan of Development for 1960:

1. Drill the following wells:

<u>Location</u>	<u>Formation</u>
SW/4 of Sec. 20, T-32-N, R-7-W	Mesaverde
SW/4 of Sec. 2, T-31-N, R-7-W	Mesaverde

# El Paso Natural Gas Company

1959 JUL 23 AM 8:15 El Paso, Texas

July 24, 1959

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

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

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

File  
H20

Re: GLO Plat for Township 32 North,  
Range 7 West, N.M.P.M.  
San Juan County, New Mexico

Gentlemen:

We note from examination of the captioned Plat that there are certain discrepancies between the total number of acres shown for a given section, and the sum total of the various subdivisions thereof which go to make up said total. Your attention is specifically directed to Sections 9, 10, and 11 of the captioned Plat.

We note that in Section 9 that the total of 397.60 acres is shown for the section. The total for the individual lots and quarter-sections, however, is 397.59 acres.

Said Plat shows a total of 397.56 acres for Section 10, and it is possible to arrive at this total only if Lot 3 contains a total of 19.38 acres. The Plat is difficult to read and we are unable to accurately determine how many acres are contained in said Lot 3.

Section 11 of said Plat shows a total of 398.28 acres, but the total of the individual lots and quarter-sections involved is 398.21 acres. Lots 1 and 2 appear to contain 19.60 acres each, but these figures are not too legible.

By telephone conversation of even date, we talked with Mr. Douglas Henriques of the Bureau of Land Management who referred us to the Cadastral Engineer. The Cadastral Engineer advised that he had before him the captioned

COPY



Plat and the acreage shown in the lots in Sections 9, 10, and 11 are as follows:

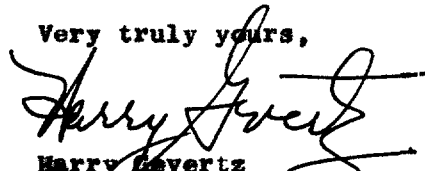
Section 9: Lot 1 - 19.35 acres  
Lot 2 - 19.38 acres  
Lot 3 - 19.42 acres  
Lot 4 - 19.44 acres  
SW/4 - 160.00 acres  
SE/4 - 160.00 acres  
Total - 397.60 acres

Section 10: Lot 1 - 19.43 acres  
Lot 2 - 19.40 acres  
Lot 3 - 19.38 acres  
Lot 4 - 19.35 acres  
SW/4 - 160.00 acres  
SE/4 - 160.00 acres  
Total - 397.56 acres

Section 11: Lot 1 - 19.60 acres  
Lot 2 - 19.60 acres  
Lot 3 - 19.54 acres  
Lot 4 - 19.47 acres  
SW/4 - 160.00 acres  
SE/4 - 160.00 acres  
Total - 398.28 acres

This information is brought to your attention in view of the fact that El Paso is in the process of preparing both the Mesaverde and Dakota Expansions for the Allison Unit Participating Areas and some of the Expansions will be based upon the information derived from the GLO Plat containing these figures. In preparing the above mentioned Expansions, we use the figures as above shown for each lot rather than the total acreage of each section.

Very truly yours,

  
Harry Gevertz  
Area Landman  
Land Department

HG:JPMc:ic

cc: Mr. Douglas Henriques  
Mr. Henry Samaniego  
Mr. H. Cap Wood

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

March 30, 1959

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

*File 430*

Gentlemen:

Re: San Juan 32-7 Unit  
1959 Plan of Development

This is to advise that the 1959 Plan of Development for the San Juan 32-7 Unit has been approved as follows:

1. Supervisor, United States Geological Survey, March 23, 1959.
2. Commissioner of Public Lands, State of New Mexico, March 4, 1959.
3. Oil Conservation Commission, State of New Mexico, January 7, 1959.

Copies of this letter are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

*Claude Van Dyke*

Claude Van Dyke  
District Manager, Land Department

CVD:jc

P. O. Box 6721  
Roswell, New Mexico

March 23, 1959

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

420

Attention: Mr. E. H. Richey

Gentlemen:

Your Plan of Development for 1959, dated December 16, 1958, for the San Juan 32-7 unit area, No. 14-08-001-441, San Juan County, New Mexico, which proposes the drilling of one Mesaverde formation well and one Bakota formation well, has been approved on this date subject to like approval by the appropriate State Officials.

One approved copy of the plan is enclosed.

Very truly yours,



EDWIN M. THOMASSON  
Acting Oil and Gas Supervisor

Enclosure: 1

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

In reply refer to:  
Unit Division

March 3, 1959

File  
420

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

ATTENTION: Mr. R. N. Richey

Re: San Juan 32-7  
San Juan County, New Mexico  
PLAN OF DEVELOPMENT for  
Calendar Year 1959

Gentlemen:

We wish to thank you for your letter of February 25, 1959, enclosing a copy of your letter dated August 15, 1958 in regard to your Development Program for the 1958 calendar year.

The Plan of Development for the calendar year 1959 for the San Juan 32-7, was approved by the Commissioner of Public Lands March 4, 1959 and we are enclosing one copy of this plan.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MER/m  
cc:

OCC- Santa Fe, New Mexico  
USGS- Roswell, New Mexico

C  
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P  
Y

1571 00 000  
ROUTED TO MR. 0143

In reply refer to:  
Unit Division

February 13, 1959

File  
420

C  
O  
P  
Y

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Plan of Development for  
Calendar Year 1959

ATTENTION: R. N. Richey

Gentlemen:

In regard to your 1959 Plan of Development for San Juan 32-7, you state the wells which were to be drilled under your 1958 Plan of Development were all deferred.

I do not find in our files a copy of a request for revision of your 1958 Plan of Development. Evidently, our copy with our letter of approval of the deletion of the three proposed wells has been misfiled. May we have a copy of the Revision, the date of the Commissioner's approval and the date approved by the United States Geological Survey.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MMR/s  
cc:

OCC: Santa Fe ✓

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 7, 1959

File  
420

C  
O  
P  
Y  
  
Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

ATTENTION: Mr. R. N. Richey

RE: Plan of Development For  
Calendar Year 1959 San  
Juan 32-7 Unit San Juan  
County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development For Calendar Year 1959 for the San Juan 32-7 Unit San Juan County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the application is returned herewith.

Very truly yours,

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

ALP/RS/ig

cc: State Land Office - Santa Fe  
US Geological Survey - Roswell

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

DEC 16 1958

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
PLAN OF DEVELOPMENT FOR CALENDAR  
YEAR 1959

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, respectfully submits herewith for your approval the 1959 Plan of Development for the subject unit providing for the drilling of the wells set out below during the period from January 1, 1959, to December 31, 1959.

The Plan of Development for 1958 on San Juan 32-7 Unit called for the drilling of three Mesaverde wells. Of these three wells none were drilled as planned. The drilling of these wells was deferred to permit further evaluation of present production from the Mesaverde horizon in that area.

Pacific Northwest Pipeline Corporation, as Unit Operator, in concurrence with the other working interest owners in the unit, proposes the following Plan of Development for 1959:

1. Drill the following:

<u>Location</u>	<u>Formation</u>	<u>Date Requirement</u>
W/2 of Sec. 29, T 32 N, R 7 W	Mesaverde	Open

2. Drill any wells required to prevent Unit drainage
3. Drill additional Mesaverde wells which may be requested by working interest owners.
4. Drill at least one well to the Dakota formation.

PACIFIC NORTHWEST PIPELINE CORPORATION

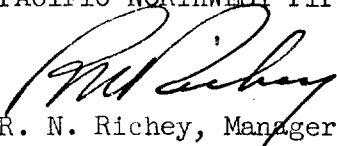
Plan of Development 1959  
San Juan 32-7 Unit

Gas drilling will be employed wherever practicable and it is contemplated that casing will be set through the potentially productive gas sands. Completions will be effected by perforating the casing opposite best log indications and applying high velocity frac treatment. Multiple zone completions will be made when appropriate and properly approved.

If this drilling program is acceptable, please signify your approval, as requested under Section 10 of the Unit Agreement, in the space provided below and return an approved copy to Pacific Northwest Pipeline Corporation.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNR:CVD:jc  
Attachment

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:  \_\_\_\_\_  
Oil Conservation Commission

DATE: Jan 7, 1959

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



PACIFIC NORTHWEST PIPELINE CORPORATION

MAILED  
SALT LAKE CITY UTAH

August 15, 1958

1958 AUG 15 AM 8:53

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 8721  
Roswell, New Mexico

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

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

Gentlemen:

Re: Plan of Development  
San Juan 32-7 Unit  
San Juan County, New Mexico

Under date of December 4, 1957, Pacific Northwest Pipeline Corporation, as operator of the referenced unit, submitted a Plan of Development calling for the drilling of Mesaverde wells during 1958 on the following-listed drilling blocks:

E/2 Section 32, Township 32 North, Range 7 West  
W/2 Section 20, Township 32 North, Range 7 West  
W/2 Section 29, Township 29 North, Range 7 West

Pacific, as sole working interest owner in the listed drilling blocks, has abandoned plans for drilling these wells during the current year because of an unforeseen compounding of adverse factors.

When the Plan of Development was formulated in late 1957, Pacific believed that additional sales of natural gas amounting to 100 million cubic feet per day for which an application was then pending before the Federal Power Commission would result in a substantially increased take of San Juan Basin gas and that the drilling of the scheduled Mesaverde wells was necessary to augment the available supply. This proposed sale has not yet materialized.

Since formulation of the Plan it has been demonstrated that Pacific's established markets are much smaller than originally estimated. Abnormally warm weather during the past winter, together with unforeseen adverse effects of the general business recession in sales territories, have combined with failure to obtain expected new markets to further depress actual sales to a point substantially below forecasts. Altogether, these unfavorable sales factors have seriously affected Pacific's anticipated ability to move gas from the San Juan Basin, and have, in turn, reduced Pacific's operating income to a point requiring a corresponding reduction in drilling expenditures programed for 1958.

Page 2.

Re: San Juan 32-7 Unit  
August 15, 1958

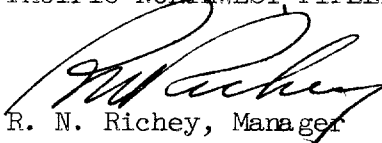
In an effort to balance production against sales, and income against expenditures, Pacific has completed a comprehensive review of all wells planned for drilling during the remainder of this year. This review shows no offset or intervening drilling block requirements for this unit and that the three wells appearing on the Plan of Development are among the least economic programed for the year. A study of production history shows that fourteen Mesaverde wells have been completed in the San Juan 32-7 Unit, but only four are now capable of pipeline delivery of as much as 400 Mcfd. None of the three Fruitland-Pictured Cliffs wells is now capable of sustained deliveries. One of the four Mesaverde wells with a capacity of 400 Mcfd or more has averaged approximately 1,000 Mcfd for nearly two years, but the other three wells with a present capacity of 400 Mcfd or more were completed last year and have been producing only six to eight months. The initial daily deliverability of each 1957 well was approximately 800 Mcfd but two wells have declined in this short period to approximately one-half of their original capability. The fourth well drilled last year has in the same short period declined in deliverability to 190 Mcfd. In view of the unfavorable decline history of most of the wells heretofore drilled on this unit, Pacific does not, under present economic circumstances, feel justified in drilling the three wells programed for 1958.

While the average rate of take per well is low, development to date has proved that the 32-7 Unit contains large reserves of natural gas in the Mesaverde formation and, in addition, has demonstrated a considerable potential in the Fruitland-Pictured Cliffs formations. Development of Dakota production in the adjoining Allison Unit indicates a probability that the deeper production will also be found in at least a portion of the 32-7 Unit. As Unit Operator, Pacific is now cooperating with owners of the rights below the Mesaverde to obtain deeper exploration and development within the near future. It is a part of the plan between the cooperating parties that each deeper well will be completed also in the Mesaverde or shallower zones whenever practicable. The substantial economic advantage accruing to all working interest owners from such multi-zone development will, we believe, stimulate the development of all horizons.

We are hopeful that the business recession in our sales territories will be short lived and that additional sales for which application will shortly be filed with the Federal Power Commission will be authorized. In subsequent years, realization of these hopes, together with consummation of arrangements for multiple zone operations, will, we believe, improve the economic outlook for and stimulate development of the San Juan ~~29-4~~ Unit.

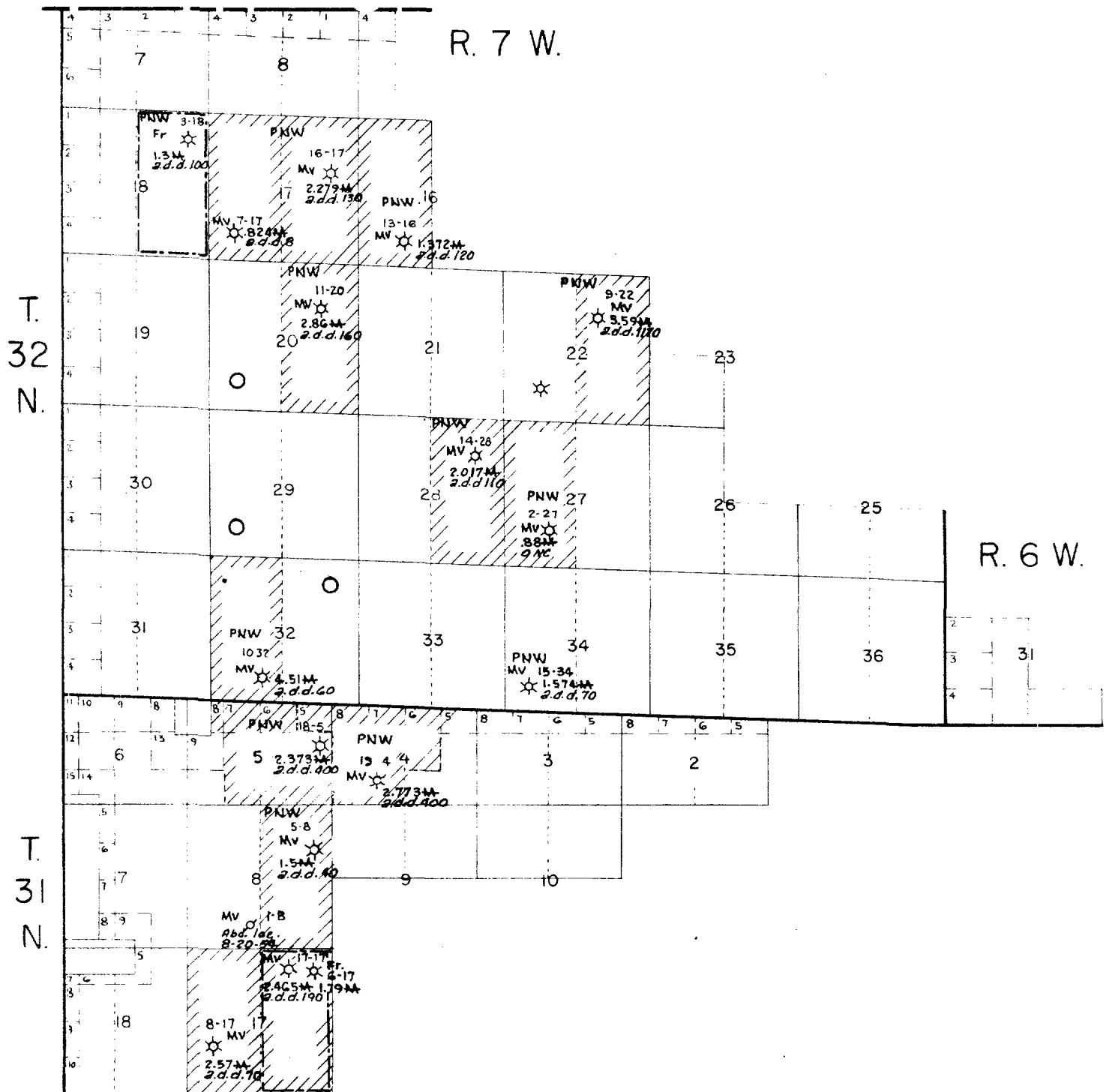
Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNF:mdc  
Encl.

# EXHIBIT "A"



## SAN JUAN 32-7 UNIT

SAN JUAN COUNTY, NEW MEXICO

Mesaverde Participating Area

SCALE 1 inch = 1 mile



Participating area.

a.d.d. - Average daily deliverability (MCF)

.428M - CAOF in millions (unless otherwise indicated)

N.C. - Non-connected

--- Fruitland Participating area

○ - 1958 Locations

PACIFIC NORTHWEST PIPELINE CORPORATION

MAIN OFFICE OCC

SALT LAKE CITY, UTAH

August 1, 1958

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

1958 AUG 11 AM 8:32

*File  
Case  
420*

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan Unit 32-7  
Revision to Exhibit "B"  
Revised to August 1, 1958

We enclose for your files multiple copies of Exhibit "B" to San Juan 32-7 Unit Agreement, revised as of August 1, 1958.

Please check your interests appearing on this Exhibit against your records and if you find any discrepancies, advise us in order that the necessary correction may be made.

If you should need extra copies of this Exhibit they will be available upon request.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION  
*Claude Van Dyke*  
Claude Van Dyke  
District Manager, Land Department

CVD:jc

Enc.

Tract Number	Description	Number of acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
1	<u>T 32N - R 7W</u> Sec. 22: All	640.00	Santa Fe 078459 5/1/48	U.S.A. 12½% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesa verde Formation Phillips Petroleum Company All
2	<u>T 32N - R 7W</u> Sec. 7: Lots 4, 5, 6, SE¼ SW¼ Sec. 8: SE¼ SE¼ Sec. 17: All Sec. 18: W½ Sec. 19: W½, W½SE¼, SW¼NE¼ Sec. 20: N½, W½SE¼, E½SW¼, NW¼ SW¼ Sec. 21: SE¼, E½NE¼ Sec. 29: N½NE¼	2,402.30	Santa Fe 078460 5/1/48 5 Yrs.	U.S.A. 12½% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesaverde formation Phillips Petroleum Company All
3	<u>T 32N - R 7W</u> Sec. 23: SW¼ Sec. 26: N½NW¼ Sec. 27: N½ Sec. 28: N½ Sec. 29: S½NE¼, SE¼, NE¼NW¼, SE¼SW¼	1,200.00	Santa Fe 078472 5/1/48 5 Yrs.	U.S.A. 12½% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesaverde formation Phillips Petroleum Company All
4	<u>T 32N - R 7W</u> Sec. 26: SE¼NW¼	40.00	Santa Fe 078483 7/1/48 5 Yrs.	U.S.A. 12½% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesaverde formation Phillips Petroleum Company All



Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
10	T 31N - R 7W	2,537.37	Santa Fe	U.S.A.	Pacific Northwest	Total ORRI Committed	To Base of Mesaverde Formation
Sec. 6:	Lots 8,9,10,11		078996	12 $\frac{1}{2}$ %	Pipeline Corporation	5.0%	Pacific Northwest Pipeline Corp. All*
	12,13,14,15 NW $\frac{1}{4}$		4/1/48	All			Below Base of Mesa-verde formation
	SE $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$		5 Yrs.				Phillips Petroleum Company All
Sec. 7:	Lots 5,6,7,8,9						
	NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$						
Sec. 4:	Lots 5,6,7,8, S $\frac{1}{2}$						
Sec. 3:	Lots 5,6,7,8, N $\frac{1}{2}$ SE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$						
Sec. 5:	Lots 5,6,7,8, S $\frac{1}{2}$						
Sec. 8:	All						
11	T 31N - R 7W	1,718.91	Santa Fe	U.S.A.	Pacific Northwest	Total ORRI Committed	To Base of Mesaverde Formation
Sec. 9:	N $\frac{1}{2}$		078998	12 $\frac{1}{2}$ %	Pipeline Corporation	5.0%	Pacific Northwest Pipeline Corp. All*
Sec. 17:	All		4/1/48	All			Below Base of Mesa-verde formation
			5 Yrs.				Phillips Petroleum Company All
	T 32N - R 7W						
Sec. 33:	E $\frac{1}{2}$ SE $\frac{1}{4}$						
	T 31N - R 7W						
Sec. 18:	Lots 5,6,7,8,9,10						
	E $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$						
	T 32N - R 7W						
Sec. 34:	S $\frac{1}{2}$						

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
12	<u>T 32N - R 7W</u> <u>Sec. 26: SW<math>\frac{1}{4}</math>NW<math>\frac{1}{4}</math></u>	40.00	Santa Fe 081323 7/1/49 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesaverde formation Phillips Petroleum Company All
13	<u>T 32N - R 7W</u> <u>Sec. 26: S<math>\frac{1}{2}</math></u>	320.00	New Mexico 03374 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company All
14	<u>T 32N - R 7W</u> <u>Sec. 25: S<math>\frac{1}{2}</math></u>	320.00	New Mexico 03378 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company All
15	<u>T 32N - R 7W</u> <u>Sec. 9: SW<math>\frac{1}{4}</math>SW<math>\frac{1}{4}</math></u>	40.00	New Mexico 05540 7/1/51 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde Formation</u> Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company All

Federal Acreage - 15 Tracts, 12,806.50 acres or 71.83% of Unit Area



Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessor of Record	ORRI and Percentage	Working Interest and Percentage
16	<u>T 32N - R 7W</u> Sec. 16: <u>W<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u>	160.00	E-178-4 2/13/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	N. B. Gerber and B. R. Gerber	None	N.B. Gerber and B. R. Gerber All
17	<u>T 32N - R 7W</u> Sec. 16: <u>E<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u>	160.00	E-503-3 8/21/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	Total ORRI Committed 21.875%	<u>To base of Mesaverde formation</u> <u>El Paso Natural Gas Company All</u> <u>Below Base of Mesaverde formation</u> <u>J. Glenn Turner All</u>
17a	<u>T 32N - R 7W</u> Sec. 32: <u>E<math>\frac{1}{2}</math>, E<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u> Sec. 36: All	1,120.00	E-503-5 8/21/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	<u>To Base of Mesaverde formation</u> <u>Pacific Northwest Pipeline Corp. All*</u> <u>Below Base of Mesa-verde formation</u> <u>Phillips Petroleum Company All</u>
18	<u>T 31N - R 7W</u> Sec. 2: <u>SW<math>\frac{1}{4}</math></u>	160.00	E-3150-1 12/10/49 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	Total ORRI Committed 5.0%	El Paso Natural Gas Company All
19	<u>T 31N - R 7W</u> Sec. 2: Lots 5, 6, 7, 8	10.48	E-5464-1 8/10/51 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	None	<u>To Base of Mesaverde formation</u> <u>Pacific Northwest Pipeline Corp. All*</u> <u>Below Base of Mesa-verde formation</u> <u>Phillips Petroleum Company All</u>

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
20	T 31N - R 7W Sec. 2: $\frac{W\frac{1}{2}SE\frac{1}{4}}$ , $\frac{SE\frac{1}{4}SE\frac{1}{4}}$	120.00	B-11125-44 3/21/44 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 1.5%	To Base of Mesaverde Formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All
20a	T 31N - R 7W Sec. 2: $\frac{NE\frac{1}{4}SE\frac{1}{4}}$	40.00	B-11125-46 3/21/44 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	None	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All
21	T 32N - R 7W Sec. 7: Lots 1,2,3, $\frac{SE\frac{1}{4}}$ , $\frac{NE\frac{1}{4}SW\frac{1}{4}}$ Sec. 8: Lots 1,2,3, $\frac{N\frac{1}{2}SE\frac{1}{4}}$ , $\frac{E\frac{1}{2}SW\frac{1}{4}}$ , $\frac{SW\frac{1}{4}SE\frac{1}{4}}$ Sec. 9: Lot 4, $\frac{NW\frac{1}{4}SW\frac{1}{4}}$ Sec. 18: $\frac{NE\frac{1}{4}NE\frac{1}{4}}$ Sec. 21: $\frac{W\frac{1}{2}NE\frac{1}{4}}$ , $\frac{E\frac{1}{2}NW\frac{1}{4}}$	732.00	3/28/51 10 Yrs. 9/16/52 10 Yrs.	Paul B. Martin & Kate F. Martin, R. M. Martin & Ina C. Martin 4.1667% Joseph B. Hersch & Evelyn E. Hersch & Marguerite H. Wiley 4.1667% Clay Anderson & Chloe J. Anderson	Pacific Northwest Pipeline Corporation	None	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesaverde formation Phillips Petroleum Company All
Total				4.1666% 12.5000%			

State Acreage - 7 tracts, 1,830.48 acres or 10.27% of Unit Area.

EXCEPT HOWEVER, the following described tract of land in the  $\frac{NE\frac{1}{4}NE\frac{1}{4}}$  of said Section 18, and in the  $\frac{E\frac{1}{2}SE\frac{1}{4}}$  of Section 7, to-wit: Beginning at the Southwest corner of said  $\frac{NE\frac{1}{4}NE\frac{1}{4}}$  of said Section 18; thence North 1700 feet to a point; thence Northeasterly, North about 250 East, 1283 feet (or equal to a right angle of 879 feet) to a point; thence South to the South line of said  $\frac{NE\frac{1}{4}NE\frac{1}{4}}$  of said Section 18; thence West 879 feet, more or less, to the place of beginning.

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
22	T 32N - R 7W Sec. 18: $W\frac{1}{2}NE\frac{1}{4}$ , $SE\frac{1}{4}NE\frac{1}{4}$ , $SE\frac{1}{4}$ Sec. 19: $NW\frac{1}{4}NE\frac{1}{4}$ , $E\frac{1}{2}E\frac{1}{2}$ Sec. 20: $SW\frac{1}{4}SW\frac{1}{4}$ Sec. 29: $W\frac{1}{2}W\frac{1}{2}$ , $SE\frac{1}{4}NW\frac{1}{4}$ , $NE\frac{1}{4}SW\frac{1}{4}$ , and $NE\frac{1}{4}NE\frac{1}{4}$ of Section 18 and in the $E\frac{1}{2}SE\frac{1}{4}$ of Section 7, described as follows: Beginning at the SW corner of said $NE\frac{1}{4}NE\frac{1}{4}$ of said Section 18, thence North 1700 feet to a point; thence Northeasterly, about 25° East, 1283 feet, (or equal to a right angle of 879 feet) to a point; thence South to the South line of said $NE\frac{1}{4}NE\frac{1}{4}$ of said Section 18; thence West 879 feet, more or less, to the place of beginning.	805.00	4/20/50 5 Yrs. R.M. Martin & Ina C. Martin Paul B. Martin & Kate F. Martin Total	6.25% 6.25% 12.50%	Pacific Northwest Pipeline Corporation	Total ORRI 3.00%	To Base of Mesave formation Pacific Northwest Pipeline Corp. Below Base of Mesave formation Phillips Petroleum Company
23	T 32N - R 7W Sec. 20: $E\frac{1}{2}SE\frac{1}{4}$ Sec. 21: $SW\frac{1}{4}$	240.00	10/18/51 10 Yrs. Mona C. Coury & I. J. Coury	12½% All	Pacific Northwest Pipeline Corporation	None	To Base of Mesave formation Pacific Northwest Pipeline Corp. Below Base of Mesave formation Phillips Petroleum Company
24	T 32N - R 7W Sec. 31: $SE\frac{1}{4}NE\frac{1}{4}$ , $E\frac{1}{2}SE\frac{1}{4}$ Sec. 32: $W\frac{1}{2}W\frac{1}{2}$	280.00	3/29/51 10 Yrs. Paul B. Martin & R. M. Martin 12½% All		Pacific Northwest Pipeline Corporation	None	To Base of Mesave formation Pacific Northwest Pipeline Corp. Below Base of Mesave formation Phillips Petroleum Company
25	T 32N - R 7W Sec. 8: Lot 4, $W\frac{1}{2}SW\frac{1}{4}$	99.41	6/16/51 10 Yrs. Charley McCoy & Elva McCoy 12½% All		Pacific Northwest Pipeline Corporation	None	To Base of Mesave formation Pacific Northwest Pipeline Corp. Below Base of Mesave formation Phillips Pet. Co.

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest And Percentage
26	<u>T 31N - R 7W</u> Sec. 3: <u>E<sub>1</sub><sup>1</sup>SW<sub>1</sub><sup>1</sup>, S<sub>2</sub>SE<sub>4</sub></u>	160.00		Mizel Brothers, a co-partnership M. E. Grimp Marian Yager Saul A. Yager Total			Unleased
				3.125% 3.125% 3.125% <u>3.125%</u> 12.500%			
27	<u>T 31N - R 7W</u> Tract 53	40.00	1/15/48 5 Yrs.	Paul B. Martin & Kate F. Martin R. M. Martin & Ina C. Martin Total	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
				6.25% <u>6.25%</u> 12.50%			
28	<u>T 31N - R 7W</u> Sec. 10: <u>NW<sub>1</sub><sup>1</sup></u>	160.00		Mizel Brothers, a co-partnership M. E. Grimp Marian Yager Saul A. Yager Total			Unleased
				3.125% 3.125% 3.125% <u>3.125%</u> 12.500%			
29	<u>T 31N - R 7W</u> Tract 54	160.00	1/15/48 5 Yrs. 10/1/52 5 Yrs. 10/1/52 5 Yrs.	Paul B. Martin & Kate F. Martin R. M. Martin & Ina C. Martin Mrs. H. B. Sammons C. C. Culpepper & Ethelwyn Culpepper Total	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
				3.125% 3.125% 3.125% <u>3.125%</u> 3.125% <u>3.125%</u> 12.500%			
30	<u>T 31N - R 7W</u> Sec. 18: <u>SW<sub>1</sub><sup>1</sup>NE<sub>1</sub><sup>1</sup>, NW<sub>2</sub><sup>1</sup>SE<sub>1</sub><sup>1</sup></u> That part of Tract 55 lying in Section 7	100.74	11/12/47 10 Yrs.	Manuel A. Lucero & Carliota Lucero 12 <sup>1</sup> / <sub>2</sub> % All	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
31	T 31N - R 7W That part of Tract 55 lying in Section 18	59.26	1/9/48 10 Yrs.	Manuel A. Lucero & Carlota Lucero 12½% All	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
32	T 31N - R 7W Sec. 18: SE¼SE¼	40.00	11/7/47 10 Yrs.	Southland Royalty Co. 6.25% Martin A. Pierce & Beverly Y. Pierce 6.25% Total 12.50%	Pan American Petroleum Corporation	None	Pan American Petroleum Corporation All
33	T 32N - R 6W Sec. 31: Lots 2,3,4, SE¼NW¼, S½SE¼, E½SW¼	315.12	1/26/48 5 Yrs.	Thomas B. Miller & Beulah Miller 9.375% V. H. McRee & Maudie M. McRee 3.125% Total 12.500%	Amerada Petroleum Corporation	None	Amerada Petroleum Corporation All

Patented Lands - 13 Tracts, 3,191.53 Acres or 17.90%

\* Pacific Northwest Pipeline Corporation's Interest subject to Sliding Scale ORRI in favor of Phillips Petroleum Company on Gas Production and an ORRI of 82.5% of all oil produced in excess of 15 barrels per day average.



# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

April 3, 1958

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

All Working Interest Owners

Gentlemen:

Re: San Juan 32-7 Unit  
1958 Plan of Development

This is to advise that the 1958 Plan of Development for the San Juan 32-7 Unit has been approved as follows:

1. Supervisor, United States Geological Survey, March 25, 1958.
2. Commissioner of Public Lands, State of New Mexico, January 27, 1958.
3. Oil Conservation Commission, State of New Mexico, March 28, 1958.

Copies of this letter are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION



Claude Van Dyke  
District Manager, Land Department

CVD:jc

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

April 3, 1958

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

Oil Conservation Commission  
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Santa Fe, New Mexico

All Working Interest Owners

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Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION



Claude Van Dyke  
District Manager, Land Department

CVD:jc



**OIL CONSERVATION COMMISSION**

P. O. BOX 871

**SANTA FE, NEW MEXICO**

**March 28, 1958**

**Pacific Northwest Pipeline Corporation  
Box 1526  
Salt Lake City 10, Utah**

**Attention: Mr. R. N. Richey**

**Re: San Juan 32-7 Unit Area  
San Juan County, New Mexico  
1958 Plan of Development**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1958 Plan of Development for the San Juan 32-7 Unit Area, dated December 4, 1957, 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,**

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

**ALP/RLS/ir**

**Enclosure**

C  
O  
P  
Y



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
P. O. Box 6721  
Roswell, New Mexico

March 25, 1958

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

Attention: Mr. R. H. Richey

Gentlemen:

Your plan of development dated December 4, 1957, for the San Juan 32-7 Unit Area, New Mexico, for the calendar year 1958, has been approved on this date subject to like approval by the appropriate State of New Mexico officials.

Your attention is directed to the N<sub>2</sub> sec. 10, T. 31 N., R. 7 W., which appears to be subject to drainage by well No. 52-15 N.E. Blanco Unit located in sec. 15 and by recently completed well No. 43-11 N.E. Blanco Unit located in sec. 11, T. 31 N., R. 7 W.

One approved copy of the plan is enclosed.

Very truly yours,

JAMES A. KHAUF  
Acting Oil and Gas Supervisor

Copy to: Washington (w/copy of plan)  
Farmington (w/copy of plan)  
Comm. of Public Lands, Santa Fe (letter only)  
Oil Cons. Comm., Santa Fe (letter only)

In reply refer to:  
Unit Division

January 27, 1958

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

Re: San Juan 32-7 Unit  
Plan of Development for  
Calendar Year 1958

Attention: R. M. Richey

Gentlemen:

We are enclosing two copies of the above designated Plan of Development, which was approved by the Commissioner of Public Lands January 27, 1958.

Very truly yours,

MURRAY E. MORGAN,  
Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/mmr/s  
cc:

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

United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

File  
420

January 15, 1958

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City, Utah

Re: San Juan 32-7 Unit  
Amendment to 1957  
PLAN OF DEVELOPMENT

Attention: Mr. Van Dyke

Gentlemen:

In reply to our telephone conversation of today, by this letter we are herewith approving the Amendment to your 1957 Plan of Development, which is dated May 20, 1957.

This approval shall be effective as of May 26, 1957, and effective as of the date the United States Geological Survey, approved.

Very truly yours,



MURRAY E. MORGAN,  
Commissioner of Public Lands

MEM/MMR/s

cc: The Oil Conservation Commission ✓  
of the State of New Mexico  
Santa Fe, New Mexico

United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

**PACIFIC NORTHWEST PIPELINE CORPORATION**

SALT LAKE CITY, UTAH

January 15, 1958

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit No. 14-08-001-441  
San Juan County, New Mexico  
Disposition of 1957 Plan of Development  
Wells

Pacific Northwest Pipeline Corporation, as Unit Operator of San Juan 32-7 Unit, filed a Plan of Development for the calendar year 1957 on December 20, 1956. This Plan proposed the drilling of four (4) Mesaverde wells in 32-7 Unit. This Plan of Development was approved by the United States Geological Survey on February 4, 1957, The Commissioner of Public Lands on February 11, 1957, and the Oil Conservation Commission on February 28, 1957. On May 20th, 1957, Pacific submitted a revised Plan of Development substituting a location in the NE/4 of Section 17, Township 32 North, Range 7 West for a location in the NE/4 of Section 19, Township 32 North, Range 7 West. This revised Plan of Development was approved by the United States Geological Survey on July 5, 1957, the Commissioner of Public Lands on May 26, 1957, and the Oil Conservation Commission on August 27, 1957.

The four (4) wells on the revised 1957 Plan of Development which were approved were completed as follows:

<u>Well Name</u>	<u>Location</u>	<u>Date Completed</u>	<u>I. P.</u>
# 17-17	NE/4 Section 17, T 31 N, R 7 W	10-30-57	2,374 MCF CAOF
# 18-5	NE/4 Section 5, T 31 N, R 7 W	10-16-57	2,373 MCF CAOF
# 19-4	SW/4 Section 4, T 31 N, R 7 W	10-30-57	2,243 MCF CAOF
# 16-17	NE/4 Section 17, T 32 N, R 7 W	10-30-57	2,279 MCF CAOF

Upon completion of the 1957 Plan of Development with its indicated results, Pacific as Unit Operator, in concurrence with the other Working Interest Owners in the Unit, prepared and submitted the 1958 Plan of Development for



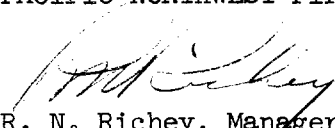
San Juan 32-7 Unit  
January 15, 1958  
Page 2

approval by letter dated December 4, 1957. It is requested that this letter concerning the disposition of the 1957 Plan of Development be made a part of the December 4, 1957 submittal of the 1958 Plan of Development.

Copies of this letter are being sent to all Working Interest Owners in the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNR:CVD:jc

**PACIFIC NORTHWEST PIPELINE CORPORATION**

SALT LAKE CITY, UTAH

December 4, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Director  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

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

Re: San Juan 32-7 Unit No. 14-08-001-441  
San Juan County, New Mexico  
PLAN OF DEVELOPMENT FOR CALENDAR YEAR 1958

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

Gentlemen:

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, is submitting this Plan of Development providing for the drilling of the following wells during the period from January 1, 1958, to December 31, 1958:

<u>LOCATION</u>	<u>FORMATION</u>
E/2 Sec. 32, T 32 N, R 7 W	Mesaverde
W/2 Sec. 20, T 32 N, R 7 W	Mesaverde
W/2 Sec. 29, T 32 N, R 7 W	Mesaverde

The above wells will be drilled to intermediate casing point with conventional hydraulic rotary tools and the remainder of the hole will be drilled with gas tools. After running production casing through the Mesaverde, the gas sands will be selectively perforated and fraced.

In addition to the above wells, Pacific Northwest Pipeline Corporation, as Unit Operator, also plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the Working Interest Owners in the affected drilling blocks.



Page 2.

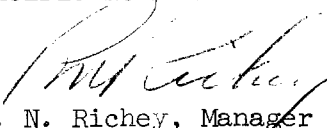
San Juan 32-7 Unit - Plan of Development 1958  
December 4, 1957

If this drilling program is acceptable, please signify your approval, as required under Section 10 of the Unit Agreement, in the space provided below and return an approved copy to Pacific Northwest Pipeline Corporation.

Copies of this drilling program have been sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNR:CVD:mdc  
Attachment

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:   
Oil Conservation Commission

DATE: 3/28/58

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

SAN JUAN 32-7 UNIT

WORKING INTEREST OWNERS

Phillips Petroleum Company  
508 Bank Building  
Bartlesville, Oklahoma  
Attention: R. F. Rood or R. A. Brown

Phillips Drilling Corporation  
306 Milam Building  
San Antonio 5, Texas  
Attention: Mr. H. H. Phillips, Jr.

Mr. J. Glenn Turner  
Mercantile Bank Building - 17th Floor  
Dallas, Texas

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

General American Oil Company of Texas  
Meadows Building  
Dallas 6, Texas  
Attention: Mr. W. P. Barnes

N. B. Gerber and B. R. Gerber  
120 Wall Street  
New York, New York

El Paso Natural Gas Company  
Post Office Box 1492  
El Paso, Texas  
Attention: Mr. Sam Smith

Amerada Petroleum Corporation  
Beacon Building  
Tulsa, Oklahoma  
Attention: Mr. F. W. Hulsizer and  
Mr. Lloyd Kepler, Land Department

**PACIFIC NORTHWEST PIPELINE CORPORATION**

**SALT LAKE CITY, UTAH**

November 21, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
REVISION TO SCHEDULE X OF THE  
EIGHTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: November 1, 1957

We forward herewith revised copies of page 5 of Schedule X attached to the Eighth Expanded Participating Area for the subject Unit. This revision pertains to Unit Tract No. 17 in which we had shown working interest divided between J. Glen Turner and El Paso Natural Gas Company. It has come to our attention that the working interest under Tract 17 is now owned 100% by El Paso Natural Gas Company.

Please insert this corrected page in your copies of Schedule X of the subject Expansion.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

*Claude Van Dyke*

Claude Van Dyke  
District Manager, Land Department

CVD:jc

Attachment

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTING PARTICIPANTS
TRACT 16					
E-178-4	T 32 N, R 7 W Sec. 16: W/2 W/2	160.00	Working Interest: N. B. Gerber and B. R. Gerber Royalty:	87.50 % 12.50 % 100.00 %	3.841712 %
TRACT 17					
503-3	T 32 N, R 7 W Sec. 16: E/2 W/2	160.00	Working Interest: El Paso Natural Gas Co. Royalty: O.R.R.I.:	65.625 % 12.50 % 21.875 % 100.00 %	3.841712 %
TRACT 2					
San Juan 32-7 Mesaverde Well #13-16	Sec. 16: W/2	320.00	Working Interest Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:	82.50 % 12.50 % 5.00 % 100.00 %	7.683424 %
078460	T 32 N, R 7 W Sec. 17: E/2	320.00	TOTAL	100.00 %	7.683424 %
San Juan 32-7 Well #16-17	Sec 17: E/2	320.00			

**PACIFIC NORTHWEST PIPELINE CORPORATION**

**SALT LAKE CITY, UTAH**

November 13, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

REGIONAL OFFICE 000  
NOV 14 1957  
Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
NOTICE OF COMPLETION OF ADDITIONAL  
WELL

Pursuant to Section 11 (a) of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesa-verde Formation has been completed upon acreage committed to this Unit.

The well data is as follows:

SAN JUAN 32-7 MESAVERDE WELL #16-17

LOCATION:	1650' from North line and 910' from East line of Section 17, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6537' (grd.)
SPUD DATE:	July 31, 1957
CASING:	10 3/4" cemented at 226' with 200 sx 7 5/8" cemented at 3730' with 200 sx 5 1/2" cemented at 5930' with 200 sx



**PACIFIC NORTHWEST PIPELINE CORPORATION**

**SALT LAKE CITY, UTAH**

November 11, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

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

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
EIGHTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: November 1, 1957

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that three additional wells capable of producing unitized substances in paying quantities from the Mesaverde Formation have been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded.

The well data upon which this Eighth Expansion is based is as follows:

SAN JUAN 32-7 MESAVERDE WELL #17-17

LOCATION:	890' from North line and 890' from East line of Section 17, T 31 N, R 7 W, N.M.P.M.
ELEVATION:	6573' (DF)
SPUD DATE:	August 16, 1957
CASING:	10 3/4" cemented at 227' with 200 sx 7 5/8" cemented at 3705' with 200 sx 5 1/2" cemented at 5955' with 200 sx
TOTAL DEPTH:	5955'
DRILLING METHODS:	Drilled with mud to 7 5/8" casing point drilled with gas below 7 5/8" casing point.

COMPLETION METHOD: Perforated 5 1/2" casing and aqua-fraced  
(water only) Cliff House intervals from  
5454' to 5474', Menefee intervals from  
5502' to 5694', and Point Lookout  
intervals from 5774' to 5934'.

TUBING: 1 1/4" hung at 5905'

COMPLETION TEST DATA

DATE: October 29, 1957

SHUT-IN PERIOD: 27 days

FINAL SHUT-IN PRESSURES: Tubing #1170  
Casing #1175

RATE THRU 3/4" CHOKE  
AFTER 3 HOUR BLOW DOWN: 2305 Mcfgpd. CAOF 2,374 Mcfgpd.

San Juan 32-7 Mesaverde Well #17-17 is located upon the drilling block described as the E/2 of Section 17, Township 31 North, Range 7 West, N.M.P.M. This drilling block, containing 320 acres, is hereby admitted to the participating area.

SAN JUAN 32-7 MESAVERDE WELL # 19-4

LOCATION: 990' from South line and 1650' from  
West line of Section 4, T 31 N, R 7 W,  
N.M.P.M.

ELEVATION: 6632' (DF)

SPUD DATE: August 30, 1957

CASING: 9 5/8" cemented at 209' with 200 sx  
7" cemented at 3740' with 200 sx  
5" cemented at 6020' with 200 sx

TOTAL DEPTH: 6020'

DRILLING METHODS: Drilled with mud to 7" casing point;  
drilled with gas below 7" casing point.



Eighth Expansion - Mesaverde  
San Juan 32-7 Unit  
Page 3

COMPLETION METHOD: Perforated 5" casing and aqua-fraced  
(water only) Cliff House intervals from  
5504' to 5516', Menefee intervals from  
5606' to 5724', and Point Lookout  
interval from 5808' to 5984'

TUBING: 1 $\frac{1}{4}$ " hung at 5965'

COMPLETION TEST DATA

DATE: October 29, 1957

SHUT-IN-PERIOD: 11 days

FINAL SHUT-IN-PRESSURES: Tubing #1100  
Casing #1131

RATE THRU 3/4" CHOKE  
AFTER 3 HOUR BLOW DOWN: 2147 Mcfgpd  
CAOF 2,243 Mcfgpd.

San Juan 32-7 Mesaverde Well #19-4 is located upon the unorthodox drilling block in Sections 4 and 5, Township 31 North, Range 7 West, N.M.P.M. This drilling block, containing 323.15 acres, is hereby admitted to the participating area.

SAN JUAN 32-7 MESAVERDE WELL #18-5

LOCATION: 400' from East line and 2225' from  
South line of Section 5, T 31 N, R 7 W,  
N.M.P.M.

ELEVATION: 6666' (DF)

SPUD DATE: September 13, 1957

CASING: 9 5/8" cemented at 219' with 200 sx  
7" cemented at 3800' with 200 sx  
5" cemented at 6100' with 200 sx

TOTAL DEPTH: 6100'

DRILLING METHODS: Drilled with mud to 7" casing point;  
drilled with gas below 7" casing point.

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit  
Page 4

COMPLETION METHOD: Perforated 5" casing and aqua-fraced  
(water only) Cliff House intervals from  
5574' to 5620', Menefee intervals from  
5806' to 5814', and Point Lookout  
intervals from 5866' to 6070'.

TUBING: 1 $\frac{1}{4}$ " hung at 6042'

COMPLETION TEST DATA

DATE: October 16, 1957

SHUT-IN-PERIOD: 7 days

FINAL SHUT-IN-PRESSURES: Tubing #450  
Casing #1188

RATE THRU 3/4" CHOKE AFTER  
3 HOUR BLOW DOWN: 2225 Mcfgpd  
CAOF 2373 Mcfgpd.

San Juan 32-7 Mesaverde Well #18-5 is located upon the unorthodox drilling block in Section 5, Township 31 North, Range 7 West, N.M.P.M. This drilling block, containing 321.66 acres, is hereby admitted to the participating area.

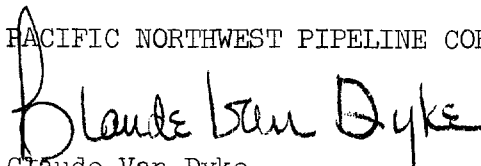
Attached is Schedule X showing the Eighth Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Attached as Exhibit "A" is a plat of San Juan 32-7 Unit Mesaverde Participating Area.

Copies of this letter and schedule are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

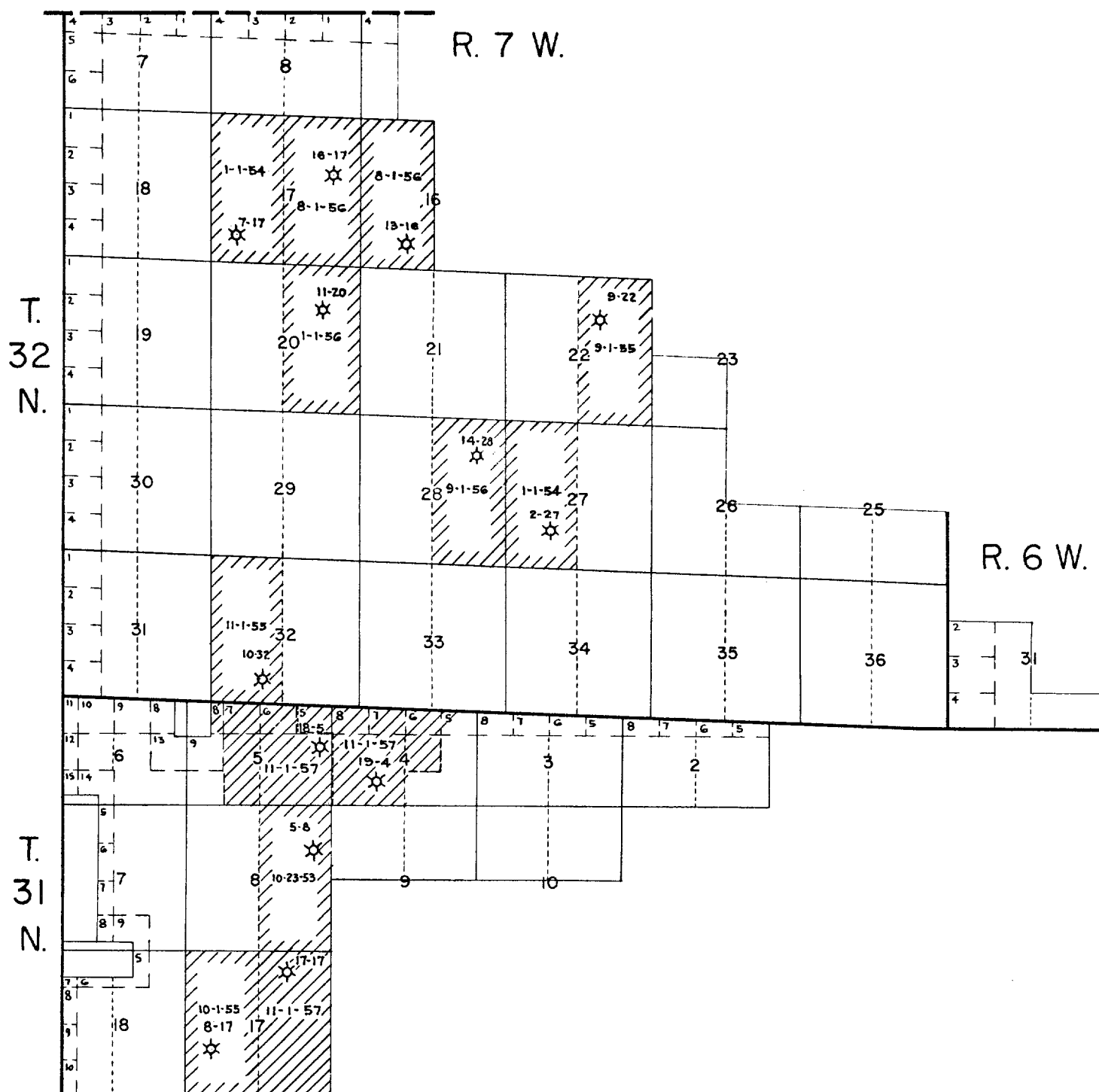
PACIFIC NORTHWEST PIPELINE CORPORATION



Claude Van Dyke  
District Manager, Land Department

CVD:jc  
Encls.

# EXHIBIT "A"



## SAN JUAN 32-7 UNIT

SAN JUAN COUNTY, NEW MEXICO

Mesaverde Participating Area

EIGHTH REVISION EFFECTIVE NOVEMBER 1, 1957

SCALE 1 inch = 1 mile



Participating area.



Drilling blocks added to participating area by this revision.

NOTE: Effective date of inclusion is shown on each drilling block admitted to participating area.

SCHEDULE X  
EIGHTH EXPANDED PARTICIPATING AREA FOR THE MESAVEARDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE NOVEMBER 1, 1957

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
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TRACT 2

SF 078460	T 32 N, R 7 W Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	7.683424 %
San Juan 32-7 Mesa Well #7-17	Sec. 17: W/2	320.00		100.00 %	7.683424 %

TRACT 3

SF 078472	T 32 N, R 7 W Sec. 27: NW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	3.841712 %
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TRACT 6

SF 078543	T 32 N, R 7 W Sec. 27: SW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	3.841712 %
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San Juan 32-7 Mesa Well #2-27	Sec. 27: W/2	320.00		100.00 %	7.683424 %
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Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK AND PERCENTAGE OWNERSHIP	COMMITTED	PRESENT ACTUAL PARTICIPATION
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SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	TRACT 10 Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.: TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	7.683424 %
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San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00		100.00 %	7.683424 %
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TRACT 1

SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.: TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	7.683424 %
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San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %	7.683424 %
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Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER                      DRILLING BLOCK

NUMBER  
OF ACRES

DRILLING BLOCK  
OWNERSHIP                      AND                      PERCENTAGE

COMMITTED

PRESENT ACT  
PARTICIPATION

SF 078998

T 31 N, R 7 W  
Sec. 17: W/2

320.00

Working Interest:  
Pacific Northwest Pipeline Corp.  
Royalty:  
O.R.R.I.:  
  
TOTAL

82.50 %  
12.50 %  
5.00 %  
100.00 %

7.683424%

1 Juan 32-7  
Mesaverde Well  
#8-17

Sec. 17: W/2

320.00

TRACT 24

Working Interest:  
Pacific Northwest Pipeline Corp.  
Royalty:  
  
TOTAL

87.50 %  
12.50 %  
100.00 %

3.841712 %

Fee  
  
T 32 N, R 7 W  
Sec. 32: W/2 W/2

160.00

TRACT 17 a

Working Interest:  
Pacific Northwest Pipeline Corp.  
Royalty:  
G.R.R.I.:  
  
TOTAL

82.50 %  
12.50 %  
5.00 %  
100.00 %

3.841712 %

E-503-5  
  
T 32 N, R 7 W  
Sec. 32: E/2 W/2

160.00

San Juan 32-7  
Mesaverde Well  
#10-32

Sec. 32: W/2

320.00

100.00 %

7.683424%

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMPLETED	PRESENT ACTUAL PARTICIPATION
TRACT 23					
Fee	T 32 N, R 7 W Sec. 20: E/2 SE/4	80.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	87.50 % 12.50 % 100.00 %	1.920856 %
TRACT 2					
SF 078460	T 32 N, R 7 W Sec. 20: NE/4, W/2 SE/4	240.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	5.762568 %
San Juan 32-7 Mesaverde Well					
"L-20"	Sec. 20: E/2	320.00		100.00 %	7.683424 %

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 16</u>					
E-178-4	<u>T 32 N, R 7 W</u> Sec. 16: <u>W/2 W/2</u>	160.00	Working Interest: N. B. Gerber and B. R. Gerber Royalty:	87.50 % <u>12.50 %</u> 100.00 %	3.841712 %
<u>TRACT 17</u>					
E-503-3	<u>T 32 N, R 7 W</u> Sec. 16: <u>E/2 W/2</u>	160.00	Working Interest: J. Glenn Turner El Paso Natural Gas Co. Royalty: O.R.R.I.:	32.8125 % 32.8125 % 12.50 % 21.875 % <u>100.00 %</u>	3.841712 %
<u>TRACT 2</u>					
San Juan 32-7 Mesaverde Well #13-16	Sec. 16: <u>W/2</u>	320.00	Working Interest Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	7.683424 %
SF 078460	<u>T 32 N, R 7 W</u> Sec. 17: <u>E/2</u>	320.00	TOTAL	100.00 %	7.683424 %
San Juan 32-7 Well #16-17	Sec 17: <u>E/2</u>	320.00			



Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 3</u>					
SF 078472	<u>T 32 N, R 7 W</u> <u>Sec. 28: NE/4</u>	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	3.841712 %
<u>TRACT 5</u>					
SF 078542	<u>T 32 N, R 7 W</u> <u>Sec. 28: SE/4</u>	160.00	(As to an Undivided 1/2 Interest) Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	80.00 % 12.50 % 7.50 % <u>100.00 %</u>	3.841712 %
SF 078542	<u>T 32 N, R 7 W</u> <u>Sec. 28: SE/4</u>	160.00	(As to an Undivided 1/2 Interest) Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	
San Juan 32-7 Mesaverde Well #14-28	<u>Sec. 28: E/2</u>	<u>320.00</u>		<u>100.00 %</u>	<u>7.683424 %</u>

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK		COMMITTED	PRESENT AC PARTICIPAT
			OWNERSHIP	AND PERCENTAGE		
SF 078998	<u>T 31 N, R 7 W</u> Sec. 17: <u>E/2</u>	320.00	<u>TRACT 11</u>			7.683424 %
			Working Interest:	82.50 %		
			Pacific Northwest Pipeline Corp.	12.50 %		
			Royalty:	5.00 %		
			O.R.R.I.:	<u>100.00 %</u>		
			Total			
SAN JUAN 32-7 WELL #17-17	Sec. 17: <u>E/2</u>	<u>320.00</u>	<u>TRACT 10</u>			<u>7.683424 %</u>
			Working Interest:			
			Pacific Northwest Pipeline Corp.			
SF 078996	<u>T 31 N, R 7 W</u> Sec. 4: <u>Lots 6, 7, 8</u> and Lot 5 of Sec. 5, SW/4, NW/4 SE/4	323.15	<u>TRACT 10</u>			7.759056 %
			Working Interest:	82.50 %		
			Pacific Northwest Pipeline Corp.	12.50 %		
			Royalty:	5.00 %		
			O.R.R.I.:	<u>100.00 %</u>		
			Total			
SAN JUAN 32-7 WELL #19-4	Sec. 4: <u>as above</u>	<u>323.15</u>				<u>7.759056 %</u>
			Working Interest:			
			Pacific Northwest Pipeline Corp.			
			Royalty:			
			O.R.R.I.:			
			Total			

Eighth Expansion - Mesaverde  
San Juan 32-7 Unit

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>DRILLING BLOCK OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 11</u>					
SF 078996	<u>T 31 N, R 7 W</u> Sec. 5: Lots 6, 7, and 8 SE/4, E/2 SW/4	321.66	Working Interest: Pacific Northwest Pipeline Corp.: Royalty: O.R.R.I.:  Total	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	7.723280 %
SAN JUAN 32-7 <u>WELL #18-5</u>	<u>Sec. 5: As above</u>	<u>321.66</u>		<u>100.00 %</u>	<u>7.723280 %</u>

SCHEDULE X  
EIGHTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE NOVEMBER 1, 1957

---

RECAPITULATION

Description of lands in Participating Area:

Township 31 North, Range 7 West, N.M.P.M.

Section 4: Lots 6, 7, 8 and Lot 5 of Sec. 5  
SW/4, NW/4 SE/4  
Section 5: Lots 6, 7, and 8  
SE/4, E/2 SW/4  
Section 8: E/2  
Section 17: All

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

Section 16: W/2  
Section 17: All  
Section 20: E/2  
Section 22: E/2  
Section 27: NW/4, SW/4  
Section 28: E/2  
Section 32: W/2

Total number of Acres in Participating Area:	4,164.81
Percentage of Working Interest Committed:	100.00 %
Percentage of Basic Royalty Interest Committed:	100.00 %
Percentage of O.R.R.I. Committed:	100.00 %

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

**August 26, 1957**

**Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah**

**Attention: Mr. R. N. Richey**

**Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Amendment to 1957 Plan of  
Development**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission has this date approved the Amendment to the 1957 Plan of Development for the subject unit area, dated May 20, 1957, 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 amendment is returned herewith.**

**Very truly yours,**

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

**ALP/DSN/1r**

**cc: U. S. G. S. - Roswell, New Mexico  
Commissioner of Public Lands - Santa Fe, N.M.**

C  
O  
P  
Y

*file 432*

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

May 20, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Amendment to 1957 Plan of Development

On December 20, 1956, Pacific Northwest Pipeline Corporation, as Unit Operator, submitted the following Plan of Development for the referenced unit:

<u>Location</u>	<u>Formation</u>
E/2 Sec. 17, T 31 N, R 7 W	Mesaverde
NE/4 Sec. 5, T 31 N, R 7 W	Mesaverde
SW/4 Sec. 4, T 31 N, R 7 W	Mesaverde
E/2 Sec. 19, T 32 N, R 7 W	Mesaverde

This plan was duly approved by the Working Interest Owners within the unit and subsequently approved by the Regional Supervisor of the United States Geological Survey, the Oil Conservation Commission of New Mexico, and the Commissioner of Public Lands of the State of New Mexico.

After this plan was filed, tests demonstrated Well #13-16, located in the SW/4 Section 16, Township 32 North, Range 7 West, to be capable of producing gas in commercial quantities. Accordingly, the drilling block upon which it is located was admitted to the Unit Mesaverde Participating Area, together with the E/2 Section 17, Township 32 North, Range 7 West, which intervened between Well #13-16 and the previously completed Well #7-17 in the SW/4 Section 17, Township 32 North, Range 7 West. The effective date of admission of the two drilling blocks is August 1, 1956.

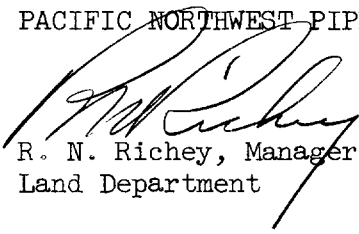
Page 2  
San Juan 32-7 Unit  
May 20, 1957

Since the admission of the E/2 Section 17 to the Participating Area as an intervening drilling block requires the drilling of a well thereon beginning by August 1, 1957, Pacific Northwest Pipeline Corporation, as Unit Operator, hereby amends the Plan of Development for 1957 as originally submitted by deleting the well scheduled for drilling in the E/2 Section 19, Township 32 North, Range 7 West, and substituting therefor a well to be drilled in the E/2 Section 17, Township 32 North, Range 7 West.

Copies of this amendment are being sent to all owners of working interests in the San Juan 32-7 Unit.

Very truly yours,


PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNR:mdc

cc: Working Interest Owners

Approved.....~~AUG 27 1957~~.....19.....

  
.....  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

MAIN OFFICE OCC

1957 AUG 20 AM 8:14

August 19, 1957

*File 4-20*

In reply refer to:  
Unit Division

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

Attention: Mr. R. N. Richey, Manager  
Land Department

Re: San Juan 32-7 Unit -  
San Juan County, New Mexico  
1957 Plan of Development

Gentlemen:

Up to the present time we have received no reports on the wells listed in your 1957 Plan of Development, as given in your letter of December 20, 1956.

Furthermore, we note in your Amendment to 1957 Plan of Development of May 20, 1957, that a well should have been commenced in the E/2 of Section 17, Township 32 North, Range 7 West by August 1, 1957. No C-101 "Intention to Drill" has been received by this office as of this date.

May we have a report from you at your very earliest convenience.

Very truly yours,

MURRAY E. MORGAN  
Commissioner of Public Lands

By: Ted Bilberry, Supervisor  
Oil and Gas Department

MEM:ML/m

cc: OCC-Santa Fe  
USGS-Roswell





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
P. O. Box 6721  
Roswell, New Mexico

July 5, 1957

Pacific Northwest Pipeline Corporation  
P. O. Box 1526  
Salt Lake City 10, Utah

Attention: Mr. R. N. Richey

Your amended plan of development dated May 20, 1957, for the 32-7 Unit Area, San Juan County, New Mexico, for the calendar year 1957, 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 and Gas Supervisor

Enclosure

Copy to: Washington (w/copy of plan)  
Farmington (w/copy of plan)  
Comm. of Public Lands, Santa Fe (letter only)  
Oil Cons. Comm., Santa Fe (letter only)

2120  
**PACIFIC NORTHWEST PIPELINE CORPORATION**

**SALT LAKE CITY, UTAH**

March 8, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

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

Gentlemen:

*file*

Re: San Juan 32-7 Unit  
1957 Plan of Development

This is to advise that the 1957 Plan of Development for the San Juan 32-7 Unit has been approved as follows:

1. Supervisor, United States Geological Survey, February 4, 1957.
2. Commissioner of Public Lands, State of New Mexico, February 11, 1957.
3. Oil Conservation Commission, State of New Mexico, February 28, 1957.

Copies of this letter are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

*Donald L. Anderson*

Donald L. Anderson  
District Manager, Land Department

DLA:mdc

1120  
**PACIFIC NORTHWEST PIPELINE CORPORATION**

**SALT LAKE CITY, UTAH**

February 12, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

*file*

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

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
SEVENTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: September 1, 1956

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded.

The well data upon which this Seventh Expansion is based is as follows:

SAN JUAN 32-7 MESAVERDE WELL #14-28

LOCATION:	1650' from North line and 990' from East line of Section 28, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6669' (DF)
SPUD DATE:	May 27, 1956
CASING:	10 3/4" cemented at 219' with 175 sx 7 5/8" cemented at 3886' with 200 sx 5 1/2" cemented at 6072' with 200 sx
TOTAL DEPTH:	6072'
DRILLING METHODS:	Drilled with mud to 7 5/8" casing point; drilled with gas below 7 5/8" casing point.

COMPLETION METHOD:

Perforated 5 1/2" casing and aqua-fraced  
(water only) Cliff House intervals from  
5602' to 5644', Menefee intervals from  
5708' to 5848', and Upper Point Lookout  
intervals from 5890' to 5926' and Lower  
Point Lookout intervals from 5942' to 6028'.

TUBING:

2" hung at 6028'

COMPLETION TEST DATA

DATE:

August 3, 1956

SHUT-IN-PERIOD:

11 days

FINAL SHUT-IN-PRESSURES:

Tubing #1161  
Casing #1160

RATE THRU 3/4" CHOKE AFTER  
3 HOUR BLOW DOWN:

1891 Mcfgpd  
CAOF 2,017 Mcfgpd.

San Juan 32-7 Mesaverde Well #14-28 is located upon the drilling block described as the E/2 of Section 28, Township 32 North, Range 7 West, N.M.P.M. This drilling block is hereby admitted to the participating area.

Attached is Schedule IX showing the Seventh Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Attached as Exhibit "A" is a plat of San Juan 32-7 Unit Mesaverde Participating Area.

Copies of this letter and schedule are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION



Donald L. Anderson  
District Manager, Land Department

DLA:mdc  
Encls.

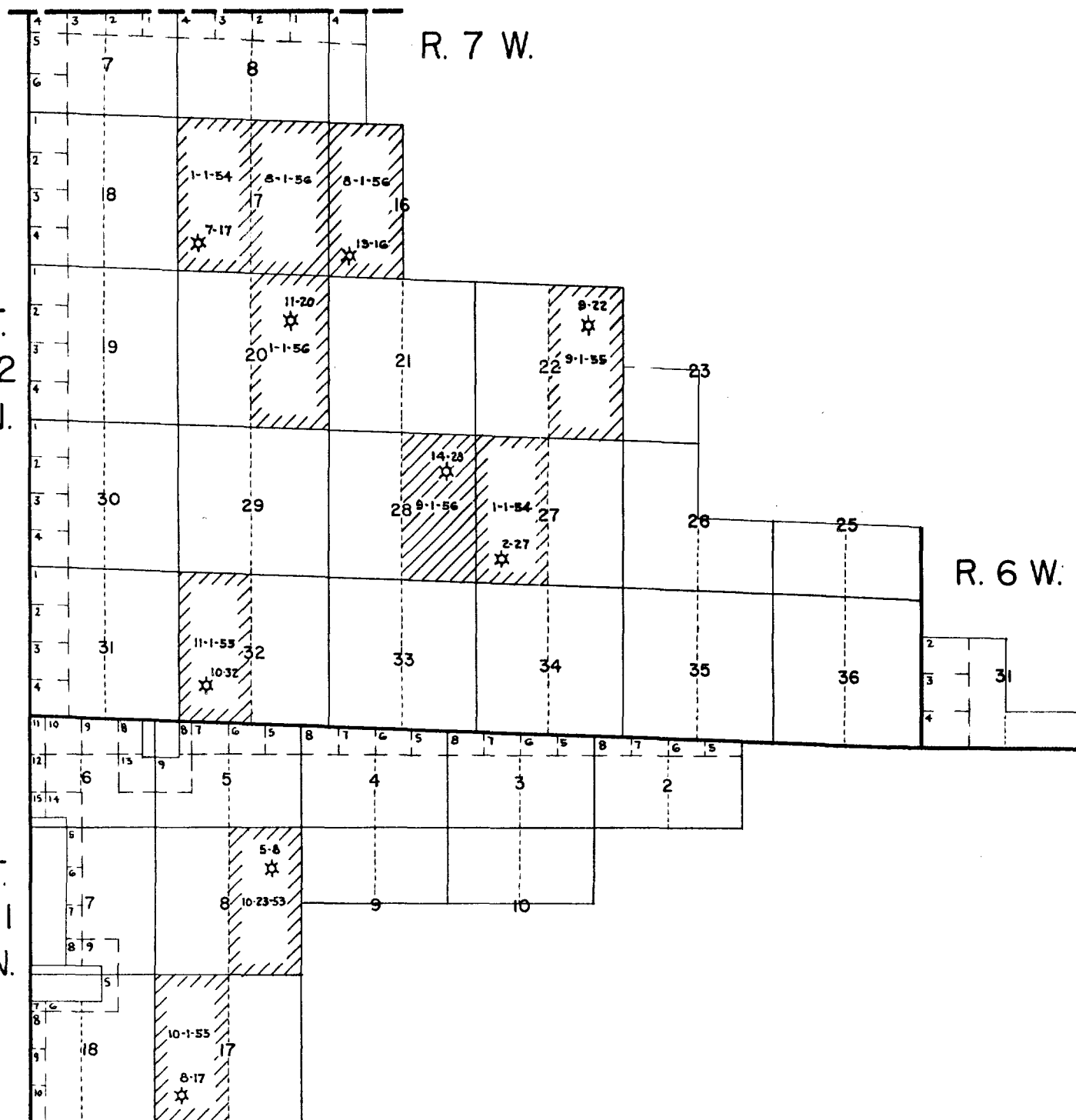
# EXHIBIT "A"

R. 7 W.

T.  
32  
N.

R. 6 W.

T.  
31  
N.



## SAN JUAN 32-7 UNIT

SAN JUAN COUNTY, NEW MEXICO

Mesaverde Participating Area

Seventh Revision

September 1, 1956

SCALE 1 inch = 1 mile



Participating area.



Drilling blocks added to participating area by this revision.

NOTE: Effective date of inclusion is shown on each drilling block admitted to participating area.

SCHEDULE XI  
 SEVENTH EXPANDED PARTICIPATING AREA FOR THE MESAVERTY FORMATION  
 SAN JUAN 32-7 UNIT AREA  
 EFFECTIVE SEPTEMBER 1, 1956

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 2					
SF 078460	T 32 N, R 7 W Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
TRACT 3					
San Juan 32-7 Mesa Well #7-17	Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
TRACT 6					
SF 078472	T 32 N, R 7 W Sec. 27: NW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	5.000000 %
TRACT 6					
SF 078543	T 32 N, R 7 W Sec. 27: SW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	5.000000 %
TRACT 6					
San Juan 32-7 Mesa Well #2-27	Sec. 27: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %

Seventh Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 10					
SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
TRACT 1					
San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00		100.00 %	10.000000 %
SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %	10.000000 %

Seventh Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 078998	T 31 N, R 7 W Sec. 17: W/2	320.00	TRACT 11  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
San Juan 32-7 Mesaverde Well #8-17	Sec. 17: W/2	320.00	TRACT 24  Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	87.50 % 12.50 % 100.00 %	10.000000 %
Fee	T 32 N, R 7 W Sec. 32: W/2 W/2	160.00	TRACT 17 a  Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	82.50 % 12.50 % 100.00 %	5.000000 %
E-503-5	T 32 N, R 7 W Sec. 32: E/2 W/2	160.00	TRACT 17 a  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	5.000000 %
San Juan 32-7 Mesaverde Well #10-32	Sec. 32: W/2	320.00	TRACT 17 a  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %



Seventh Expansion - Mesaverde  
San Juan 32-7 Unit

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>DRILLING BLOCK OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACQUISITION PARTICIPATION</u>
<u>TRACT 23</u>					
Fee	<u>T 32 N, R 7 W</u> Sec. 20: <u>E/2 SE/4</u>	80.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	87.50 % <u>12.50 %</u> 100.00 %	2.500000 %
<u>TRACT 2</u>					
SF 078460	<u>T 32 N, R 7 W</u> Sec. 20: <u>NE/4, W/2 SE/4</u>	240.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % <u>12.50 %</u> <u>5.00 %</u> 100.00 %	7.500000 %
San Juan 32-7 Mesaverde Well <u>#11-20</u>	Sec. 20: <u>E/2</u>	<u>320.00</u>		<u>100.00 %</u>	<u>10.000000 %</u>

Seventh Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT AC PARTICIPANT
TRACT 16					
E-178-4	T 32 N, R 7 W Sec. 16: W/2 W/2	160.00	Working Interest: N. B. Gerber and B. R. Gerber Royalty:	87.50 % 12.50 % 100.00 %	5.000000 %
TOTAL					
TRACT 17					
E-503-3	T 32 N, R 7 W Sec. 16: E/2 W/2	160.00	Working Interest: J. Glenn Turner El Paso Natural Gas Co. Royalty: O.R.R.I.:	32.8125 % 32.8125 % 12.50 % 21.875 % 100.00 %	5.000000 %
TOTAL					
TRACT 2					
San Juan 32-7 Mesaverde Well #13-16	Sec. 16: W/2	320.00		100.00 %	10.000000 %
TRACT 2					
SF 078460	T 32 N, R 7 W Sec. 17: E/2	320.00	Working Interest Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:	82.50 % 12.50 % 5.00 % 100.00 %	10.000000 %
TOTAL					
No Well	Sec 17: E/2	320.00		100.00 %	10.000000 %

Seventh Expansion - Mesaverde  
San Juan 32-7 Unit

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTY</u>
SF 078472	<u>T 32 N, R 7 W</u> <u>Sec. 28: NE/4</u>	160.00	<u>TRACT 3</u>  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  <u>TOTAL</u>	  82.50 % 12.50 % 5.00 % <u>100.00 %</u>
SF 078542	<u>T 32 N, R 7 W</u> <u>Sec. 28: SE/4</u>	160.00	<u>TRACT 5</u>  (As to an Undivided 1/2 Interest) Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  <u>TOTAL</u>	  80.00 % 12.50 % 7.50 % <u>100.00 %</u>
SF 078542	<u>T 32 N, R 7 W</u> <u>Sec. 28: SE/4</u>	160.00	(As to an Undivided 1/2 Interest) Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  <u>TOTAL</u>	  82.50 % 12.50 % 5.00 % <u>100.00 %</u>
San Juan 32-7 Mesaverde Well #14-28		<u>320.00</u>	<u>Sec. 28: E/2</u>	<u>100.00 %</u>

SCHEDULE XI  
 SEVENTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
 SAN JUAN 32-7 UNIT AREA  
 EFFECTIVE SEPTEMBER 1, 1956

---

RECAPITULATION

Description of lands in Participating Area:

<u>Township 31 North, Range 7 West, N.M.P.M.</u>	
Section 8:	E/2
Section 17:	W/2
<u>Township 32 North, Range 7 West, N.M.P.M.</u>	
Section 16:	W/2
Section 17:	All
Section 20:	E/2
Section 22:	E/2
Section 27:	NW/4, SW/4
Section 28:	E/2
Section 32:	W/2

Total number of Acres in Participating Area:	3,200.00
Percentage of Working Interest Committed:	100.00 %
Percentage of Basic Royalty Interest Committed:	100.00 %
Percentage of O.R.R.I. Committed:	100.00 %

hill

22

1992

Gen

by

•

720  
PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

February 5, 1957

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

*file*

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

Re: San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
SIXTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: August 1, 1956

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded.

The well data upon which this Sixth Expansion is based is as follows:

SAN JUAN 32-7 MESAVERDE WELL #13-16

LOCATION:	990' from South line and 1650' from West line of Section 16, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6353.9' (grd)
SPUD DATE:	May 3, 1956
CASING:	10 3/4" cemented at 258' with 200 sx 7 5/8" cemented at 3562' with 200 sx 5 1/2" cemented at 5717' with 200 sx
TOTAL DEPTH:	5712'
DRILLING METHODS:	Drilled with mud to 7 5/8" casing point; drilled with gas below 7 5/8" casing point.

Sixth Expansion - Mesaverde  
San Juan 32-7 Unit

Page 2

February 4, 1957

COMPLETION METHOD: Perforated 5 1/2" casing and aqua-fraced  
(water only) Cliff House intervals from  
5280' to 5324', Menefee intervals from  
5376' to 5504' and Upper Point Lookout  
intervals from 5556' to 5596'.

TUBING: 2" hung at 5572'

COMPLETION TEST DATA

DATE: July 2, 1956

SHUT-IN-PERIOD: 7 days

FINAL SHUT-IN-PRESSURES: Tubing #1148  
Casing #1147

RATE AFTER 3 HOUR BLOW DOWN: 1342 Mcfgpd thru tubing and 2" blow nipple.  
CAOF 1372 Mcfgpd.

San Juan 32-7 Mesaverde Well #13-16 is located upon the drilling block described as the W/2 of Section 16, Township 32 North, Range 7 West, N.M.P.M. This drilling block is hereby admitted to the participating area. In addition, an intervening drilling block described as the E/2 of Section 17, Township 32 North, Range 7 West, is created by the completion of San Juan 32-7 Mesaverde Well #13-16 and the previous completion of San Juan 32-7 Mesaverde Well #7-17 located upon the drilling block described as the W/2 of Section 17, Township 32 North, Range 7 West. This intervening drilling block is hereby admitted to the Mesaverde Participating Area in accordance with the provisions of Section 11 of San Juan 32-7 Unit Agreement.

Attached is Schedule VIII showing the Sixth Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Attached as Exhibit "A" is a plat of San Juan 32-7 Unit Mesaverde Participating Area.

Copies of this letter and schedule are being sent to all Working Interest Owners within the San Juan 32-7 Unit.

Very truly yours,

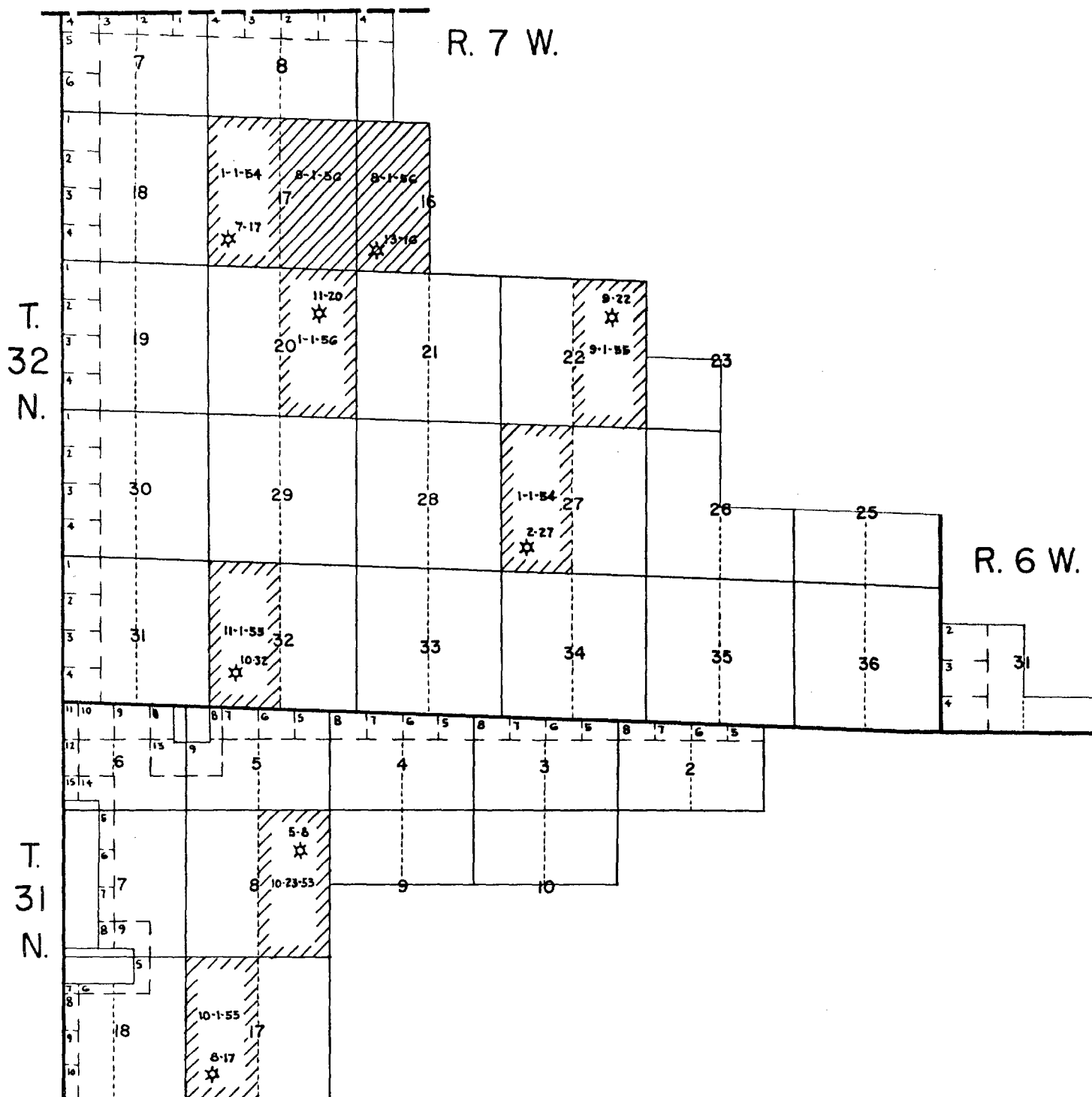
PACIFIC NORTHWEST PIPELINE CORPORATION



Donald L. Anderson  
District Manager, Land Department

DIA:mdc  
Encls.

# EXHIBIT "A"



## SAN JUAN 32-7 UNIT

SAN JUAN COUNTY, NEW MEXICO

Mesaverde Participating Area

Sixth Revision Effective August 1, 1956

SCALE 1 inch = 1 mile



Participating area.



Drilling blocks added to participating area by this revision.

NOTE: Effective date of inclusion is shown on each drilling block admitted to participating area.



SCHEDULE VIII  
SIXTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE AUGUST 1, 1956

SERIAL	NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 2						
SF 07	3460	T 32 N, R 7 W Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	11.11111 %
San Juan 32-7 Mesa Well #7-17		Sec. 17: W/2	320.00		100.00 %	11.11111 %
TRACT 3						
SF 07	3472	T 32 N, R 7 W Sec. 27: NW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	5.555556 %
TRACT 6						
SF 07	8543	T 32 N, R 7 W Sec. 27: SW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	5.555556 %
San Juan 32-7 Mesa Well #2-27		Sec. 27: W/2	320.00		100.00 %	11.11112 %

Sixth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	TRACT 10  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	11.11111 %
San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00		100.00 %	11.11111 %
SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	TRACT 1  Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	11.11111 %
San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %	11.11111 %

Sinuh Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER

DRILLING BLOCK

NUMBER  
OF ACRES

DRILLING BLOCK  
OWNERSHIP AND PERCENTAGE

COMMITTED

PRESENT ACTU  
PARTICIPATION

SF 078998

T 31 N, R 7 W  
Sec. 17: W/2

320.00

TRACT 11  
Working Interest:  
Pacific Northwest Pipeline Corp. 82.50 %  
Royalty: 12.50 %  
O.R.R.I.: 5.00 %  
TOTAL 100.00 %

82.50 %  
12.50 %  
5.00 %  
100.00 %

11.11111 %

San Juan 32-7  
Mesaverde Well  
#8-17

Sec. 17: W/2

320.00

100.00 %

11.11111 %

Fee

T 32 N, R 7 W  
Sec. 32: W/2 W/2

160.00

TRACT 24  
Working Interest:  
Pacific Northwest Pipeline Corp. 87.50 %  
Royalty: 12.50 %  
TOTAL 100.00 %

87.50 %  
12.50 %  
100.00 %

5.555556 %

E-503-5

T 32 N, R 7 W  
Sec. 32: E/2 W/2

160.00

TRACT 17 a  
Working Interest:  
Pacific Northwest Pipeline Corp. 82.50 %  
Royalty: 12.50 %  
O.R.R.I.: 5.00 %  
TOTAL 100.00 %

82.50 %  
12.50 %  
5.00 %  
100.00 %

5.555556 %

San Juan 32-7  
Mesaverde Well  
#10-32

Sec. 32: W/2

320.00

100.00 %

11.11112 %

Sixth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 23					
Fee	T 32 N, R 7 W Sec. 20: E/2 SE/4	80.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	87.50 % <u>12.50 %</u> 100.00 %	2.777778 %
TRACT 2					
SF 078460	T 32 N, R 7 W Sec. 20: NE/4, W/2 SE/4	240.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % <u>12.50 %</u> <u>5.00 %</u> 100.00 %	8.333333 %
San Juan 32-7 Mesaverde Well #11-20	Sec. 20: E/2	320.00		100.00 %	<u>11.11111 %</u>

Sixth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION	
E-178-4	T 32 N, R 7 W Sec. 16: W/2 W/2	160.00	TRACT 16			
			Working Interest:			
			N. B. Gerber and B. R. Gerber			
			Royalty:			
			87.50 % 12.50 % 100.00 %	87.50 % 12.50 % 100.00 %	5.555555 %	
E-503-3	T 32 N, R 7 W Sec. 16: E/2 W/2	160.00	TRACT 17			
			Working Interest:			
			J. Glenn Turner			
			El Paso Natural Gas Co.			
			32.8125 % 32.8125 % 12.50 % 21.875 % 100.00 %	32.8125 % 32.8125 % 12.50 % 21.875 % 100.00 %	5.555555 %	
San Juan 32-7 Mesaverde Well #13-16	Sec. 16: W/2	320.00	TRACT 2			
			Working Interest			
			Pacific Northwest Pipeline Corp.			
			Royalty:			
			82.50 % 12.50 % 5.00 % 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	11.111111 %	
SF 078460	T 32 N, R 7 W Sec. 17: E/2	320.00				11.111111 %
No Well	Sec 17: E/2	320.00				11.111111 %

SCHEDULE VIII  
SIXTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE AUGUST 1, 1956

---

RECAPITULATION

Description of lands in Participating Area:

<u>Township 31 North, Range 7 West, N.M.P.M.</u>	
Section 8: <u>E/2</u>	
Section 17: <u>W/2</u>	
<u>Township 32 North, Range 7 West, N.M.P.M.</u>	
Section 16: <u>W/2</u>	
Section 17: <u>All</u>	
Section 20: <u>E/2</u>	
Section 22: <u>E/2</u>	
Section 27: <u>NW/4, SW/4</u>	
Section 32: <u>W/2</u>	

Total number of Acres in Participating Area:	2,880.00
Percentage of Working Interest Committed:	100.00 %
Percentage of Basic Royalty Interest Committed:	100.00 %
Percentage of O.R.R.I. Committed:	100.00 %

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

December 20, 1956

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

Re: San Juan 32-7 Unit  
San Juan Co., New Mexico  
Plan of Development  
Calendar Year 1957

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

Gentlemen:

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, is submitting this Plan of Development providing for the drilling of the following wells during the period from January 1, 1957 to December 31, 1957:

<u>LOCATION</u>	<u>FORMATION</u>
E/2, Sec. 17, T-31-N, R-7-W	Mesaverde
* NE/4, Sec. 5, T-31-N, R-7-W	Mesaverde
* SW/4, Sec. 4, T-31-N, R-7-W	Mesaverde
E/2, Sec. 19, T-32-N, R-7-W	Mesaverde

\* Exact location subject to formation of unorthodox spacing units.

The above wells will be drilled to intermediate casing point with conventional hydraulic rotary tools and the pay section will be drilled with gas tools. After running production casing through the Mesaverde, the gas sands will be perforated and fraced.

In addition to the above wells, Pacific Northwest Pipeline Corporation, as Unit Operator, also plans to drill any offset wells required to prevent drainage of unitized substances.

If this drilling program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided below and return an approved copy to Pacific Northwest Pipeline Corporation.





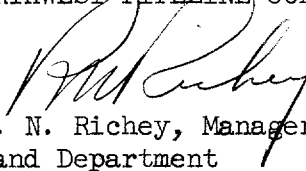
Re: San Juan 32-7 Unit

December 20, 1956

Copies of this drilling program are being sent to all Working Interest Owners in the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

RNF:DLA:jl

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: \_\_\_\_\_  
Oil Conservation Commission

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

# PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

December 20, 1956

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

Re: San Juan 32-7 Unit  
San Juan Co., New Mexico  
Plan of Development  
Calendar Year 1957

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

Gentlemen:

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, is submitting this Plan of Development providing for the drilling of the following wells during the period from January 1, 1957 to December 31, 1957:

<u>LOCATION</u>	<u>FORMATION</u>
E/2, Sec. 17, T-31-N, R-7-W	Mesaverde
* NE/4, Sec. 5, T-31-N, R-7-W	Mesaverde
* SW/4, Sec. 4, T-31-N, R-7-W	Mesaverde
E/2, Sec. 19, T-32-N, R-7-W	Mesaverde

\* Exact location subject to formation of unorthodox spacing units.

The above wells will be drilled to intermediate casing point with conventional hydraulic rotary tools and the pay section will be drilled with gas tools. After running production casing through the Mesaverde, the gas sands will be perforated and fraced.

In addition to the above wells, Pacific Northwest Pipeline Corporation, as Unit Operator, also plans to drill any offset wells required to prevent drainage of unitized substances.

If this drilling program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided below and return an approved copy to Pacific Northwest Pipeline Corporation.

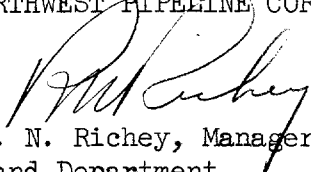
Re: San Juan 32-7 Unit

December 20, 1956

Copies of this drilling program are being sent to all Working Interest Owners in the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

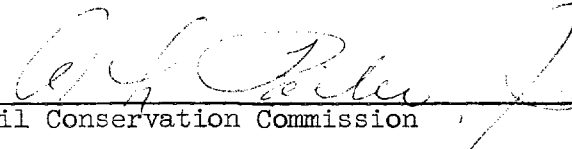
RNR:DLA:jl

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: 2-28-57  
Oil Conservation Commission

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

*Case 1170*

PACIFIC NORTHWEST PIPELINE CORPORATION

MAIN OFFICE 603 SALT LAKE CITY, UTAH

RECEIVED 10 AM 8 October 15, 1956

REPLY TO:  
P. O. Box 1526  
SALT LAKE CITY 10, UTAH

Regional Supervisor  
United States Geological Survey  
Post Office Box 6721  
Roswell, New Mexico

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

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

*file*

In re: (San Juan 32-7 Unit)  
1956 Plan of Development

Gentlemen:

The 1956 Plan of Development, as amended, for the referenced unit provided for the drilling of the wells which, with current status shown, are listed below:

Location	Well No.	Objective Formation	Completion Date	Well Test		Present Status
				3 Hr. IP Thru 3/4" Choke	CAOF	
W/2 Sec. 16-32N-7W	13-16	MV	7-2-56	1,502Mcf	1,569Mcf	Shut In
E/2 Sec. 19-32N-7W	"	MV	"	"	"	Not Drilled
E/2 Sec. 28-32N-7W	14-28	MV	8-3-56	2,383Mcf	2,557Mcf	Shut In
W/2 Sec. 34-32N-7W	15-34	MV	8-3-56	1,957Mcf	2,083Mcf	Shut In

Additional demands for new construction together with generally increased costs, both unforeseen at the time of drafting the Plan of Development, have compelled us to reallocate funds under our 1956 capital budget and have resulted in a material reduction in monies allocated for fourth quarter drilling operations. The well above scheduled for the E/2 of Section 19, Township 32 North, Range 7 West, is situated on leases wholly owned by Pacific and, if drilled would be at Pacific's sole cost and expense. Because of the forced reallocation of funds, we will be unable to drill this well as scheduled; and we must, therefore, delete it from the 1956 Plan of Development.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

*R. H. Richey*  
R. H. RICHEY, Manager  
Land Department

RNR:DLA:jb

**PACIFIC NORTHWEST PIPELINE CORPORATION**

ALBUQUERQUE, NEW MEXICO PHONE 7-0211 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

May 7, 1956

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

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Notice of Change of Location  
1956 Plan of Development Well

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

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Gentlemen:

This is to advise that because of conditions of terrain and accessibility to gathering lines, Pacific Northwest Pipeline Corporation, Unit Operator, is making the following location change in the approved 1956 Plan of Development:

FROM:

Township 32 North, Range 7 West, Section 31: NE/4,  
Mesaverde Well.

TO:

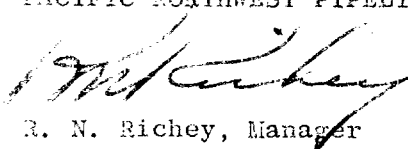
Township 32 North, Range 7 West, Section 28: NE/4,  
Mesaverde Well.

Pacific Northwest Pipeline Corporation owns all of the working interest in each of the above locations.

Copies of this notice are being sent to all of the working interest owners in the San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

UW:ALA:rhg



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

February 8, 1956

Pacific Northwest Pipeline Corporation  
Sims Building  
Albuquerque, New Mexico

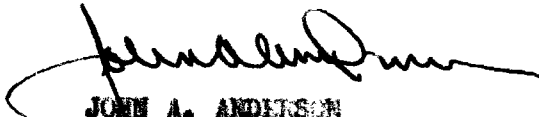
Attention: Mr. R. N. Bichey

Gentlemen:

Your plan of development dated December 13, 1955, for the San Juan 32-7 Unit Area, 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 and Gas Supervisor

Enclosure

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

*File*

January 9, 1956

Pacific Northwest Pipeline Corporation  
Simms Building  
Albuquerque, New Mexico

Attention: Mr. R. N. Richey

Re: (San Juan 32-7 Unit)  
Plan of Development  
for the Calendar Year 1956

Gentlemen:

We are enclosing one copy of the 1956 Plan of Development for the San Juan 32-7 Unit Area, dated December 13, 1955, and approved by the Commissioner of Public Lands January 6, 1956, subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation.

Very truly yours,

E. S. WALKER  
Commissioner of Public Lands

MMR/m  
enc: 1

cc: USGS-Roswell  
OCC-Santa Fe

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

**January 5, 1956**

*file*

**Pacific Northwest Pipeline Corporation  
Simms Building  
Albuquerque, New Mexico**

**Attention: Mr. R. N. Richey**

**Re: (San Juan 32-7 Unit) Area  
San Juan County, New Mexico  
1956 Plan of Development**

**Gentlemen:**

**This is to advise that the 1956 Plan of Development for the San Juan 32-7 Unit Area, dated December 13, 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**



# PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

January 4, 1956

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: San Juan 32-7 Unit #14-C8-001-441  
San Juan County, New Mexico  
FIFTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: January 1, 1956

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded.

The well data upon which this Fifth Expansion is based is as follows:

## SAN JUAN 32-7 MESAVERDE WELL #11-20

LOCATION:	1650' from north line and 990' from east line of Section 20, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6215' (grd.)
SPUD DATE:	October 25, 1955
CASING:	10 3/4" cemented at 261' with 162 sx 7 5/8" cemented at 3458' with 200 sx 5 1/2" cemented at 5745' with 150 sx
TOTAL DEPTH:	5745'
DRILLING METHODS:	Drilled with mud to 7 5/8" casing point; drilled with gas below 7 5/8" casing

Fifth Expansion - Mesaverde  
San Juan 32-7 Unit

January 4, 1956

COMPLETION METHOD:

Perforated 5 1/2" casing and aqua-fraced  
Cliff House interval from 5242' to 5460',  
Menefee interval from 5526' to 5590' and  
Point Lookout interval from 5608' to 5710'

TUBING:

2" hung at 5695'

COMPLETION TEST DATA

DATE:

December 2, 1955

SHUT-IN-PERIOD:

7 days

FINAL SHUT-IN-PRESSURES:

Tubing 1205 #  
Casing 1205 #

RATE BY PITOT TUBE AFTER  
3 HOUR BLOW DOWN:

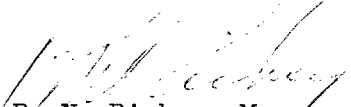
2869 Mcfgpd.

San Juan 32-7 Mesaverde Well #11-20 is located upon the drilling block described as the E/2 of Section 20, T 32 N, R 7 W, N.M.P.M. This drilling block is hereby admitted to the participating area. Attached is Schedule VII showing the Fifth Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Copies of this letter and schedule are being sent to all working interest owners within San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

DIA:jcs  
Attachment

SCHEDULE VII  
FIFTH EXPANDED PARTICIPATING AREA FOR THE MESAVERT DE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE JANUARY 1, 1956

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 078460	<u>T 32 N, R 7 W</u> <u>Sec. 17: W/2</u>	320.00	<u>TRACT 2</u>		
			Working Interest:	82.50 %	82.50 %
			Pacific Northwest Pipeline Corp.	12.50 %	12.50 %
			Royalty:	5.00 %	5.00 %
			O.R.R.I.:	100.00 %	100.00 %
			TOTAL	100.00 %	100.00 %
					14.285715 %
San Juan 32-7 Mesa Well #7-17	<u>Sec. 17: W/2</u>	<u>320.00</u>	<u>TRACT 3</u>		
			Working Interest:		
			Pacific Northwest Pipeline Corp.	82.50 %	82.50 %
			Royalty:	12.50 %	12.50 %
			O.R.R.I.:	5.00 %	5.00 %
			TOTAL	100.00 %	100.00 %
					14.285715 %
SF 078472	<u>T 32 N, R 7 W</u> <u>Sec. 27: NW/4</u>	160.00	<u>TRACT 3</u>		
			Working Interest:		
			Pacific Northwest Pipeline Corp.	82.50 %	82.50 %
			Royalty:	12.50 %	12.50 %
			O.R.R.I.:	5.00 %	5.00 %
			TOTAL	100.00 %	100.00 %
					7.142857 %
SF 078543	<u>T 32 N, R 7 W</u> <u>Sec. 27: SW/4</u>	160.00	<u>TRACT 6</u>		
			Working Interest:		
			Pacific Northwest Pipeline Corp.	82.50 %	82.50 %
			Royalty:	12.50 %	12.50 %
			O.R.R.I.:	5.00 %	5.00 %
			TOTAL	100.00 %	100.00 %
					7.142857 %
San Juan 32-7 Mesa Well #2-27	<u>Sec. 27: W/2</u>	<u>320.00</u>	<u>TRACT 1</u>		
			Working Interest:		
			Pacific Northwest Pipeline Corp.	82.50 %	82.50 %
			Royalty:	12.50 %	12.50 %
			O.R.R.I.:	5.00 %	5.00 %
			TOTAL	100.00 %	100.00 %
					14.285714 %

Fifth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK AND PERCENTAGE	COMMITTEE
TRACT 10				
SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
TRACT 1				
San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %

Fifth Expansion - Mesaverde

San Juan 32-7

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTED</u>	<u>PRESENT ACTUAL PARTICIPATION</u>
<u>TRACT 11</u>					
SF 078998	<u>T 31 N, R 7 W</u> Sec. 17: <u>W/2</u>	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	14.285714 %
<u>TRACT 24</u>					
San Juan 32-7 Mesaverde Well #8-17	<u>Sec. 17: W/2</u>	<u>320.00</u>		<u>100.00 %</u>	<u>14.285714 %</u>

Fee	<u>T 32 N, R 7 W</u> Sec. 32: <u>W/2 W/2</u>	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty:  TOTAL	87.50 % 12.50 % <u>100.00 %</u>	7.142857 %
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<u>TRACT 17 a</u>					
E-503-5	<u>T 32 N, R 7 W</u> Sec. 32: <u>E/2 W/2</u>	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % <u>100.00 %</u>	7.142857 %

San Juan 32-7 Mesaverde Well #10-32	<u>Sec. 32: W/2</u>	<u>320.00</u>		<u>100.00 %</u>	<u>14.285714 %</u>
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Fifth Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMPUTED	PRESERVE ACT PARTICIPATION
TRACT 23					
Fee	T 32 N, R 7 W Sec. 20: E/2 SE/4	80.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty:	87.50 % 12.50 % 100.00 %	3.571429 %
TRACT 2					
SF 078460	T 32 N, R 7 W Sec. 20: NE/4, W/2 SE/4	240.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:	82.50 % 12.50 % 5.00 % 100.00 %	10.714286 %
San Juan 32-7 Mesaverde Well #11-20		Sec. 20: E/2	320.00	100.00 %	14.285715 %

# PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 7-0211 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

December 13, 1955

Re: San Juan 32-7 Unit Area,  
Rio Arriba and San Juan  
Counties, New Mexico.  
PLAN OF DEVELOPMENT FOR  
THE CALENDAR YEAR 1956.

Director,  
United States Geological Survey  
Department of Interior  
Roswell, New Mexico.

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

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

Gentlemen:

Pursuant to Section 10 of San Juan 32-7 Unit Agreement, Pacific Northwest Pipeline Corporation, as Unit Operator, is submitting this Plan of Development providing for the drilling of the following wells during the period from January 1, 1956 to December 31, 1956:

## LOCATION

## FORMATION

T 32 N, R 7 W

W $\frac{1}{2}$  Sec. 16  
E $\frac{1}{2}$  Sec. 19  
E $\frac{1}{2}$  Sec. 31  
W $\frac{1}{2}$  Sec. 34

Mesaverde  
Pictured Cliffs  
Mesaverde  
Mesaverde

The above wells will be drilled to intermediate casing point with conventional hydraulic rotary tools and the pay section will be drilled with gas tools. After running production casing through the producing formation, the gas sands will be selectively perforated and fraced.

December 13, 1955

In addition to the above wells, Pacific Northwest Pipeline Corporation, as Unit Operator, also plans to drill any offset wells required to prevent drainage of unitized substances.

If this drilling program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided below and return an approved copy to Pacific Northwest Pipeline Corporation.

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

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. RICHEY, Manager,  
Land Department.

RNR:DNC:gm

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: \_\_\_\_\_

  
Oil Conservation Commission

DATE: 1-5-56

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



SAN JUAN 32-7 UNIT

WORKING INTEREST OWNERS

Phillips Petroleum Company  
508 Bank Building  
Bartlesville, Oklahoma.  
Attention: Mr. G. E. Benskin.

General American Oil Company of Texas  
Meadows Building  
Dallas 6, Texas.  
Attention: Mr. W. P. Barnes.

Mr. A. H. Meadows  
1404 Republic Bank Building  
Dallas, Texas.

Phillips Drilling Corporation  
306 Milam Building  
San Antonio 5, Texas.  
Attention: Mr. H. H. Phillips, Jr.

N. B. Gerber and B. R. Berber  
120 Wall Street  
New York, New York.

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

El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas.  
Attention: Mr. R. L. Hamblin.

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

Amerada Petroleum Corporation  
Beacon Building  
Tulsa, Oklahoma.  
Attention: Mr. F. W. Hulsizer.

# PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

November 14, 1955

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

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

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded. The well data upon which this fourth expansion is based is as follows:

## SAN JUAN 32-7 MESAVERDE WELL #10-32

LOCATION:	1050' from south line and 1750' from west line of Section 32, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6538.4' (grd.)
SPUD DATE:	September 21, 1955
CASING:	10 3/4" cemented at 220' with 150 sx 7 5/8" cemented at 3640' with 200 sx 5 1/2" cemented at 5922' with 180 sx
TOTAL DEPTH:	5922'

Re: (San Juan 32-7 Unit #14-08-001-441  
San Juan County, New Mexico  
FOURTH EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: November 1, 1955

#420

Fourth Expansion - Mesaverde  
San Juan 32-7 Unit #14-08-001-441

November 14, 1955

DRILLING METHODS: Drilled with mud to 7 5/8" casing point;  
drilled with gas below 7 5/8" casing  
point

COMPLETION METHOD: Perforated 5 1/2" casing and aqua-fraced  
Cliff House and Menefee interval from  
5406' to 5724', Upper Point Lookout inter-  
val from 5758' to 5826' and Lower Point  
Lookout interval from 5844' to 5894'

TUBING: 2" hung at 5886'

COMPLETION TEST DATA

DATE: October 30, 1955

SHUT-IN-PERIOD: 9 days

FINAL SHUT-IN-PRESSURES: Tubing 1045 #  
Casing 1125 #

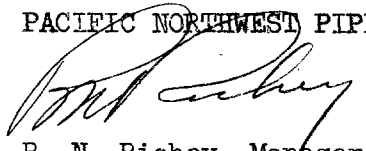
RATE BY PITOT TUBE AFTER  
3 HOUR BLOW DOWN: 4512 Mcfgpd; 172 # WP on Tubing

San Juan 32-7 Mesaverde Well #10-32 is located upon the drilling block described as the W/2 of Section 32, T 32 N, R 7 W, N.M.P.M. and is hereby admitted to the participating area. Attached is Schedule VI showing the Fourth Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Copies of this letter and schedule are being sent to all working interest owners within San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

DLA:jce  
Attachment

SCHEDULE VI  
FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE NOVEMBER 1, 1955

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTEE</u>
<u>TRACT 2</u>				
SF 078460	<u>T 32 N, R 7 W</u> <u>Sec. 17: W/2</u>	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
San Juan 32-7 Mesa Well #7-17	<u>Sec. 17: W/2</u>	<u>320.00</u>		<u>100.00 %</u>
<u>TRACT 3</u>				
SF 078472	<u>T 32 N, R 7 W</u> <u>Sec. 27: NW/4</u>	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
San Juan 32-7 Mesa Well #2-27	<u>Sec. 27: W/2</u>	<u>320.00</u>		<u>100.00 %</u>
<u>TRACT 6</u>				
SF 078543	<u>T 32 N, R 7 W</u> <u>Sec. 27: SW/4</u>	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %
San Juan 32-7 Mesa Well #2-27	<u>Sec. 27: W/2</u>	<u>320.00</u>		<u>100.00 %</u>



Fourth Expansion - Mesaverde  
San Juan 32-7 Unit

<u>SERIAL NUMBER</u>	<u>DRILLING BLOCK</u>	<u>NUMBER OF ACRES</u>	<u>OWNERSHIP AND PERCENTAGE</u>	<u>COMMITTEE</u>
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TRACT 10

SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %
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San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00		100.00 %
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TRACT 1

SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %
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San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %
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Fourth Expansion - Mesaverde  
San Juan 32-7

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 11					
SF 078998	T 31 N, R 7 W Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	16.666667 %
TRACT 24					
San Juan 32-7 Mesaverde Well #8-17	Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 87.50 % Royalty: 12.50 % TOTAL 100.00 %	87.50 % 12.50 % 100.00 %	16.666667 %

Fee	T 32 N, R 7 W Sec. 32: W/2	160.00	Working Interest: Pacific Northwest Pipeline Corp. 87.50 % Royalty: 12.50 % TOTAL 100.00 %	87.50 % 12.50 % 100.00 %	8.333333 %
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TRACT 17 a					
E-503-5	T 32 N, R 7 W Sec. 32: E/2 W/2	160.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	8.333333 %
San Juan 32-7 Mesaverde Well #10-32	Sec. 32: W/2	320.00		100.00 %	16.666666 %

SCHEDULE VI  
 FOURTH EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
 SAN JUAN 32-7 UNIT AREA  
 EFFECTIVE NOVEMBER 1, 1955

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RECAPITULATION

Description of lands in Participating Area:

Township 31 North, Range 7 West, N.M.P.M.

Sec. 8: E/2

Sec. 17: W/2

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

Sec. 17: W/2

Sec. 22: E/2

Sec. 27: NW/4, SW/4

Sec. 32: W/2

Total Number of Acres in Participating Area: 1,920.00

Percentage of Working Interest Committed: 100.00 %

Percentage of Basic Royalty Interest Committed: 100.00 %

Percentage of O.R.R.I. Committed: 100.00 %



# PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

November 3, 1955

*file*

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: (San Juan 32-7) Unit #14-08-001-441  
San Juan County, New Mexico  
THIRD EXPANDED PARTICIPATING AREA  
FOR THE MESAVERDE FORMATION  
Effective: October 1, 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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde Formation is accordingly expanded. The well data upon which this third expansion is based is as follows:

## SAN JUAN 32-7 MESAVERDE WELL #8-17

LOCATION:	1760' from south line and 1060' from west line of Sec. 17, T 31 N, R 7 W, N.M.P.M.
ELEVATION:	6443.0' (grd.)
SPUD DATE:	August 13, 1955
CASING:	10 3/4" cemented at 240' with 150 sx 7 5/8" cemented at 3559' with 250 sx 5 1/2" cemented at 5810' with 125 sx
TOTAL DEPTH:	5810'

Third Expansion - Mesaverde  
San Juan 32-7 Unit #14-08-001-441

November 3, 1955

DRILLING METHODS:	Conventional rotary to total depth; drilled with gas below 7 5/8" casing
COMPLETION METHOD:	Perforated 5 1/2" casing. Aquap- fraced Cliff House and Menefee interval from 5350'-5618'. Sand- oil fraced Point Lookout interval from 5646' to 5762'.
TUBING:	2" hung at 5612'

COMPLETION TEST DATA

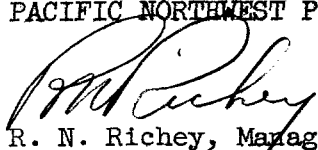
DATE:	September 25, 1955
SHUT-IN-PERIOD:	7 days
FINAL SHUT-IN-PRESSURES:	Tubing 1093 # Casing 1093 #
RATE BY PITOT TUBE AFTER 3 HOUR BLOW DOWN:	2576 Mcfgpd; 96 # WP on tubing

San Juan 32-7 Mesaverde Well #8-17 is located upon the drilling block described as the W/2 of Sec. 17, T 31 N, R 7 W, N.M.P.M. and is hereby admitted to the participating area. Attached is Schedule V showing the Third Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Copies of this letter and schedule are being sent to all working interest owners within San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

DLA:jce  
Attachment

SCHEDULE V  
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE OCTOBER 1, 1955

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 078460	T 32 N, R 7 W Sec. 17: W/2	320.00	TRACT 2		20.000000 %
			Working Interest:		
			Pacific Northwest Pipeline Corp. 82.50 %		
			Royalty: 12.50 %		
			O.R.R.I.: 5.00 %		
TOTAL 100.00 %		100.00 %			
San Juan 32-7 Mesa Well #7-17	Sec. 17: W/2	320.00	TRACT 3		20.000000 %
			Working Interest:		
			Pacific Northwest Pipeline Corp. 82.50 %		
			Royalty: 12.50 %		
			O.R.R.I.: 5.00 %		
TOTAL 100.00 %		100.00 %			
SF 078472	T 32 N, R 7 W Sec. 27: NW/4	160.00	TRACT 3		10.000000 %
			Working Interest:		
			Pacific Northwest Pipeline Corp. 82.50 %		
			Royalty: 12.50 %		
			O.R.R.I.: 5.00 %		
TOTAL 100.00 %		100.00 %			
SF 078543	T 32 N, R 7 W Sec. 27: SW/4	160.00	TRACT 6		10.000000 %
			Working Interest:		
			Pacific Northwest Pipeline Corp. 82.50 %		
			Royalty: 12.50 %		
			O.R.R.I.: 5.00 %		
TOTAL 100.00 %		100.00 %			
San Juan 32-7 Mesa Well #2-27	Sec. 27: W/2	320.00	TRACT 1		100.00 %
			Working Interest:		
			Pacific Northwest Pipeline Corp. 82.50 %		
			Royalty: 12.50 %		
			O.R.R.I.: 5.00 %		
TOTAL 100.00 %		100.00 %			

Third Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	DRILLING BLOCK OWNERSHIP AND PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 10					
SF 078996	T 31 N, R 7 W Sec. 8: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	20.000000 %
TRACT 1					
San Juan 32-7 Mesa Well #5-8	Sec. 8: E/2	320.00		100.00 %	20.000000 %
SF 078459	T 32 N, R 7 W Sec. 22: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. 82.50 % Royalty: 12.50 % O.R.R.I.: 5.00 % TOTAL 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	20.000000 %
San Juan 32-7 Mesa Well #9-22	Sec. 22: E/2	320.00		100.00 %	20.000000 %

Third Expansion - Mesaverde  
San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND PERCENTAGE	COMMITTED	PRESERVE ACTUAL PARTICIPATION
TRACT 11					
SF 078998	T 31 N, R 7 W Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:  TOTAL	82.50 % 12.50 % 5.00 % 100.00 %	20.000000 %
San Juan 32-7 Mesa Well #8-17	Sec. 17: W/2	320.00		100.00 %	20.000000 %

Third Expansion - Mesaverde  
San Juan 32-7 Unit

SCHEDULE V  
THIRD EXPANDED PARTICIPATING AREA FOR THE MESAVERDE FORMATION  
SAN JUAN 32-7 UNIT AREA  
EFFECTIVE: OCTOBER 1, 1955

RECAPITULATION

Description of lands in Participating Area:

Township 31 North, Range 7 West, N.M.P.M.

Sec. 8: E/2

Sec. 17: W/2

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

Sec. 17: W/2

Sec. 22: E/2

Sec. 27: NW/4, SW/4

Total Number of Acres in Participating Area: 1,600.00

Percentage of Working Interest Committed: 100.00 %

Percentage of Basic Royalty Interest Committed: 100.00 %

Percentage of O.R.R.I. Committed: 100.00 %

# PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

September 26, 1955

*file*

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

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

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Pacific Northwest Pipeline Corporation, as Unit Operator, has determined that an additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this unit, and that the participating area for the Mesaverde formation is accordingly expanded. The well data upon which this second expansion is based is as follows:

## San Juan 32-7 Mesaverde Well # 9-22

LOCATION:	1650' from east line and 1650' from north line of Sec. 22, T 32 N, R 7 W, N.M.P.M.
ELEVATION:	6601.8' (grd.)
SPUD DATE:	June 2, 1955
CASING:	10 3/4" cemented at 241' with 150 sx 7 5/8" cemented at 3714' with 200 sx 5 1/2" cemented at 5814' with 100 sx
TOTAL DEPTH:	5975'
DRILLING METHODS:	Conventional rotary to intermediate casing; drilled with gas below 7 5/8" casing

Second Expansion - Mesaverde  
San Juan 32-7 Unit # 14-08-001-441

September 26, 1955

COMPLETION METHOD:

Perforated 5 1/2" casing and sand-oil  
fraced Cliff House intervals from  
5550' to 5746' and Menefee intervals  
from 5790' to 5805'. Sand-oil fraced  
Point Lookout open hole interval from  
5814' to 5975'

TUBING:

2" hung at 5800'

COMPLETION TEST DATA

DATE:

August 17, 1955

SHUT-IN-PERIOD:

8 days

FINAL SHUT-IN-PRESSURES:

Tubing 1218 #  
Casing 1218 #

RATE BY PITOT TUBE

AFTER 3 HOUR BLOW DOWN:

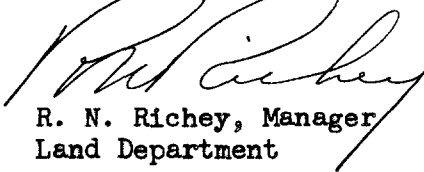
3594 Mcfgpd; 147 # WP on tubing

San Juan 32-7 Mesaverde well # 9-22 is located upon the drilling block described as the E/2 of Sec. 22, T 32 N, R 7 W, N.M.P.M. and is hereby admitted to the participating area. Attached is Schedule IV showing the Second Expanded Participating Area for the Mesaverde Formation of San Juan 32-7 Unit Area. This describes the expanded participating area and shows the percentage of unitized substances allocated to each unitized tract.

Copies of this letter and schedule are being sent to all working interest owners within San Juan 32-7 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

  
R. N. Richey, Manager  
Land Department

DLA:jce



SCHEDULE IV  
 SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVARDE FORMATION  
 SAN JUAN 32-7 UNIT AREA  
 EFFECTIVE SEPTEMBER 1, 1955

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND	DRILLING BLOCK AND	PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
<u>TRACT 2</u>							
SF 078460	<u>T 32 N, R 7 W</u> Sec. 17: W/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:		82.50 % 12.50 % 5.00 % 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	25.000000 %
<u>TOTAL</u>							
San Juan 32-7 Mesa Well # 7-17	Sec. 17: W/2	320.00				100.00 %	25.000000 %
<u>TRACT 3</u>							
SF 078472	<u>T 32 N, R 7 W</u> Sec. 27: NW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:		82.50 % 12.50 % 5.00 % 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	12.500000 %
<u>TOTAL</u>							
<u>TRACT 6</u>							
SF 078543	<u>T 32 N, R 7 W</u> Sec. 27: SW/4	160.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:		82.50 % 12.50 % 5.00 % 100.00 %	82.50 % 12.50 % 5.00 % 100.00 %	12.500000 %
<u>TOTAL</u>							
San Juan 32-7 Mesa Well # 2-27	Sec. 27: W/2	320.00				100.00 %	25.000000 %

Second Expansion - Effective September 1, 1955  
 San Juan 32-7 Unit

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP	DRILLING BLOCK AND	PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
SF 078996	<u>T 31 N, R 7 W</u> Sec. 8: E/2	320.00	<u>Tract 10</u>				
			Working Interest:				
			Pacific Northwest Pipeline Corp.				
			Royalty:				
SF 078459	<u>T 32 N, R 7 W</u> Sec. 22: E/2	320.00	<u>Tract 1</u>				
			Working Interest:				
			Pacific Northwest Pipeline Corp.				
			Royalty:				
San Juan 32-7 Mesa Well # 9-22	<u>Sec. 22: E/2</u>	320.00	O.R.R.I.:				
			TOTAL				

Second Expansion - Effective September 1, 1955  
 San Juan 32-7 Unit

SCHEDULE IV  
 SECOND EXPANDED PARTICIPATING AREA FOR THE MESAVERTIDE FORMATION  
 SAN JUAN 32-7 UNIT AREA  
 EFFECTIVE SEPTEMBER 1, 1955

RECAPITULATION

Description of lands in Participating Area:

Township 31 North, Range 7 West, N.M.P.M.

Sec. 8: E/2

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

Sec. 17: W/2

Sec. 22: E/2

Sec. 27: NW/4, SW/4

Total Number of Acres in Participating Area: 1,280.00

Percentage of Working Interest Committed:	100.00 %
Percentage of Basic Royalty Interest Committed:	100.00 %
Percentage of O.R.R.I. Committed:	100.00 %

Rec'd 8/15/55

file

(Revision #2 7-28-55)

EXHIBIT "B" (SAN JUAN 32-7 UNIT, SAN JUAN COUNTY, NEW MEXICO)

PAGE 1

Tract Number	Description	Number of acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
1	T 32N - R 7W Sec. 22: All	640.00	Santa Fe 078459 5/1/48	U.S.A. 12 1/2% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp.All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.
2	T 32N - R 7W 2,402.30 Sec. 7: Lots 4,5,6, SE 1/4 SW 1/4 Sec. 8: SE 1/4 SE 1/4 Sec. 17: All Sec. 18: W 1/2 Sec. 19: W 1/2, W 1/2 SE 1/4, SW 1/4 NE 1/4 Sec. 20: N 1/2, W 1/2 SE 1/4, E 1/2 SW 1/4, NW 1/4 SW 1/4 Sec. 21: SE 1/4, E 1/2 NE 1/4 Sec. 29: N 1/2 NE 1/4	Santa Fe 078460 5/1/48 5 Yrs.	U.S.A. 12 1/2% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp.All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.	
3	T 32N - R 7W 1,200.00 Sec. 23: SW 1/4 Sec. 26: N 1/2 NW 1/4 Sec. 27: N 1/2 Sec. 28: N 1/2 Sec. 29: S 1/2 NE 1/4, SE 1/4, NE 1/4 NW 1/4, SE 1/4 SW 1/4	Santa Fe 078472 5/1/48 5 Yrs.	U.S.A. 12 1/2% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp.All* Below Base of Mesa-verde formation Phillips Petroleum Company. All	
4	T 32N - R 7W 40.00 Sec. 26: SE 1/4 NW 1/4	Santa Fe 078483 7/1/48 5 Yrs.	U.S.A. 12 1/2% All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp.All* Below Base of Mesa-verde formation Phillips Petroleum Company. All	

Tract Number	Description	Number of acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
5	T 32N - R 7W Sec. 28: S $\frac{1}{2}$ Sec. 34: N $\frac{1}{2}$ Sec. 35: S $\frac{1}{2}$	960.00	Santa Fe 078542 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Tavis F. Morrow & A. H. Meadows	Total ORRI Committed 5.0%	General American Oil Company and A. H. Meadows. All
6	T 32N - R 7W Sec. 27: S $\frac{1}{2}$ Sec. 33: N $\frac{1}{2}$ Sec. 35: N $\frac{1}{2}$	960.00	Santa Fe 078543 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company. All.
7	T 32N - R 7W Sec. 21: W $\frac{1}{2}$ NW $\frac{1}{4}$	80.00	Santa Fe 078669	U.S.A. 12 $\frac{1}{2}$ % All	Phillips Drilling Corporation	None	Phillips Drilling Corporation. All
8	T 32N - R 7W Sec. 30: All Sec. 31: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , W $\frac{1}{2}$ E $\frac{1}{2}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 33: SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$	1,387.92	Santa Fe 078992 4/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company. All.
9	T 31N - R 7W Sec. 10: NE $\frac{1}{4}$	160.00	Santa Fe 078993 8/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa- verde formation Phillips Petroleum Company. All.

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interests and Percentage
10	T 31N - R 7W	2,537.37	Santa Fe	U.S.A.	Pacific Northwest	Total ORRI Committed 5.0%	To Base of Mesaverd formation
	Sec. 6: Lots 8,9,10,11, 12,13,14,15 NW $\frac{1}{4}$ SE $\frac{1}{4}$		078996 4/1/48	12 $\frac{1}{2}$ % All	Pipeline Corporation		Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation
	Sec. 7: Lots 5,6,7,8,9, S $\frac{1}{2}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$		5 Yrs.				Phillips Petroleum Company All
	Sec. 4: NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$						
	Sec. 3: Lots 5,6,7,8, S $\frac{1}{2}$ W $\frac{1}{2}$ SW $\frac{1}{4}$						
	Sec. 5: Lots 5,6,7,8, S $\frac{1}{2}$						
	Sec. 8: All						
11	T 31N - R 7W	1,718.91	Santa Fe	U.S.A.	Pacific Northwest	Total ORRI Committed 5.0%	To Base of Mesaverd formation
	Sec. 9: N $\frac{1}{2}$		078998 4/1/48	12 $\frac{1}{2}$ % All	Pipeline Corporation		Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation
	Sec. 17: All						Phillips Petroleum Company All
	T 32N - R 7W						
	Sec. 33: E $\frac{1}{2}$ SE $\frac{1}{4}$						
	T 31N - R 7W						
	Sec. 18: Lots 5,6,7,8,9,10, E $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$						
	T 32N - R 7W						
	Sec. 34: S $\frac{1}{2}$						

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
12	T 32N - R 7W Sec. 26: SW $\frac{1}{4}$ NW $\frac{1}{4}$	40.00	Santa Fe 081323 7/1/49 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.
13	T 32N - R 7W Sec. 26: S $\frac{1}{2}$	320.00	New Mexico 03374 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.
14	T 32N - R 7W Sec. 25: S $\frac{1}{2}$	320.00	New Mexico 03378 5/1/48 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.
15	T 32N - R 7W Sec. 9: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00	New Mexico 05540 7/1/51 5 Yrs.	U.S.A. 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.

Federal Acreage - 15 Tracts, 12,806.50 acres or 71.83% of Unit Area.

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
16	<u>T 32N - R 7W</u> <u>Sec. 16: W<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u>	160.00	E-178-4 2/13/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	N. B. Gerber and B. R. Gerber	None	N. B. Gerber and B. R. Gerber All
17	<u>T 32N - R 7W</u> <u>Sec. 16: E<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u>	160.00	E-503-3 8/21/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	J. Glenn Turner,	Total ORRI Committed 2.0%	J. Glenn Turner All
17a	<u>T 32N - R 7W</u> <u>Sec. 32: E<math>\frac{1}{2}</math>, E<math>\frac{1}{2}</math>W<math>\frac{1}{2}</math></u> <u>Sec. 36: All</u>	1,120.00	E-503-5 8/21/45 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 5.0%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All
18	<u>T 31N - R 7W</u> <u>Sec. 2: SW<math>\frac{1}{4}</math></u>	160.00	E-3150-1 12/10/49 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	El Paso Natural Gas Company	Total ORRI Committed 5.0%	El Paso Natural Gas Company. All
19	<u>T 31N - R 7W</u> <u>Sec. 2: Lots 5, 6, 7, 8</u>	70.48	E-5464-1 8/10/51 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	None	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All.



Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage Committed	Working Interest and Percentage
20	T 31N - R 7W Sec. 2: W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	120.00	B-11125-44 3/21/44 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	Total ORRI Committed 1.5%	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company. All.
2Ca	T 31N - R 7W Sec. 2: NE $\frac{1}{4}$ SE $\frac{1}{4}$	40.00	B-11125-46 3/21/44 10 Yrs.	State of New Mexico 12 $\frac{1}{2}$ % All	Pacific Northwest Pipeline Corporation	None	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All
21	T 32N - R 7W Sec. 7: Lots 1,2,3, SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 8: Lots 1,2,3, N $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 9: Lot 4, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec 18: NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 21: W $\frac{1}{2}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ ;	732.00	3/28/51 10 Yrs. 9/16/52 10 Yrs.	Paul B. Martin & Kate F. Martin, R. M. Martin & Ina C. Martin Joseph B. Hersch & Evelyn E. Hersch & Marguerite H. Wiley Clay Anderson & Chloe J. Anderson	Pacific Northwest Pipeline Corporation	None	To Base of Mesa-verde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All
State Acreage - 7 tracts, 1,830.48 acres or 10.27% of Unit Area.				Total 4.1666%			
				Total 12.5000%			

EXCEPT HOWEVER, the following described tract of land in the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 18, and in the E $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 7, to-wit: Beginning at the Southwest corner of said NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 18; thence North 1700 feet to a point; thence Northeasterly, North about 25° East, 1283 feet (or equal to a right angle of 879 feet) to a point; thence South to the South line of said NE $\frac{1}{4}$ NE $\frac{1}{4}$  of said Section 18; thence West 879 feet, more or less, to the place of beginning.

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Grants Royalty and Percentage	Lessee of Record	ORRI and Percentage Committed	Working Interest and Percentage
22	T 32N - R 7W	805.00	4/20/50 5 Yrs.	R. M. Martin & Ina C. Martin Paul B. Martin & Kate F. Martin Total	Pacific Northwest Pipeline Corporation	Total ORRI Committed 3.00%	To Base of Mesaverde formation Pacific Northwest Pipeline Corp. All* Below Base of Mesa-verde formation Phillips Petroleum Company All.
	Sec. 18: W $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$			6.25%			
	Sec. 19: NW $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ E $\frac{1}{2}$			6.25%			
	Sec. 20: SW $\frac{1}{4}$ SW $\frac{1}{4}$			12.50%			
	Sec. 29: W $\frac{1}{2}$ W $\frac{1}{2}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , and						
	A tract of land located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 18 and in the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 7, described as follows: Beginning at the SW corner of said NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 18, thence North 1700 feet to a point; thence Northeasterly, about 250 East, 1283 feet, (or equal to a right angle of 879 feet) to a point; thence South to the South line of said NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 18; thence West 879 feet, more or less, to the place of beginning.						

23 T 32N - R 7W 240.00 10/18/51 Mona C. Coury & I. J. Coury 12 $\frac{1}{2}$ % All Pacific Northwest Pipeline Corporation None

To Base of Mesaverde formation  
Pacific Northwest Pipeline Corp. All\*  
Below Base of Mesa-verde formation  
Phillips Petroleum Company All

24 T 32N - R 7W 280.00 3/29/51 Paul B. Martin & R. M. Martin 12 $\frac{1}{2}$ % All Pacific Northwest Pipeline Corporation None

To Base of Mesaverde formation  
Pacific Northwest Pipeline Corp. All\*  
Below Base of Mesa-verde formation  
Phillips Petroleum Company All

25 T 32N - R 7W 99.41 6/16/51 Charley McCoy & Elva McCoy 12 $\frac{1}{2}$ % All Pacific Northwest Pipeline Corporation None

To Base of Mesaverde formation  
Pacific Northwest Pipeline Corp. All\*  
Below Base of Mesa-verde formation  
Phillips Pet.Co. All

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	OK'd and Percentage	Working Interests and Percentage
26	T 31N - R 7W Sec 3: E $\frac{1}{2}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$	160.00		Mizel Brothers, a co-partnership M. E. Grimp Marian Yager Saul A. Yager Total	3.125% 3.125% 3.125% 3.125% 12.500%		Unleased
27	T 31N - R 7W Tract 53	40.00	1/15/48 5 Yrs.	Paul B. Martin & Kate F. Martin R. M. Martin & Ina C. Martin Total	6.25% 6.25% 6.25% 12.50%	Stanolind Oil & Gas Co. None	Stanolind Oil & Gas Co. All
28	T 31N - R 7W Sec. 10: NW $\frac{1}{4}$	160.00		Mizel Brothers, a co-partnership M. E. Grimp Marian Yager Saul A. Yager Total	3.125% 3.125% 3.125% 3.125% 12.500%		Unleased
29	T 31N - R 7W Tract 54	160.00	1/15/48 5 Yrs. 10/1/52 5 Yrs. 10/1/52 5 Yrs.	Paul B. Martin & Kate F. Martin R. M. Martin & Ina C. Martin Mrs. H. B. Sammons C. C. Culpepper & Ethelwyn Culpepper Total	3.125% 3.125% 3.125% 3.125% 3.125% 3.125% 12.500%	Stanolind Oil & Gas Co. None	Stanolind Oil & Gas Co. All
30	T 31N - R 7W Sec. 18: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , That part of Tract 55 lying in Section 7	100.74	11/12/47 10 Yrs.	Manuel A. Lucero & Carlota Lucero 12 $\frac{1}{2}$ % All		Stanolind Oil & Gas Co. None	Stanolind Oil & Gas Co. All

Tract Number	Description	Number of Acres	Number, Date and Term of Lease	Basic Royalty and Percentage	Lessee of Record	ORRI and Percentage	Working Interest and Percentage
31	T 21N - R 7W That part of Tract 55 lying in Section 18	59.26	1/9/48 10 Yrs.	Manuel A. Lucero & Carlota Lucero 12½% All	Stanolind Oil & Gas Co.	None	Stanolind Oil & Gas Company All
32	T 21N - R 7W Sec. 18: SE¼SE¼	40.00	11/7/47 10 Yrs.	Southland Recalty Co. 6.25% Martin A. Pierce & Beverly Y. Pierce 6.25% Total 12.50%	Stanolind Oil & Gas Co.	None	Stanolind Oil & Gas Company All
33	T 22N - R 6W Sec 31: Lots 2,3,4, SE¼NW¼, S¼SE¼, E¼SW¼	315.12	1/26/48 5 Yrs.	Thomas B. Miller & Beulah Miller V. H. McRee & Maudie M. McRee 3.125% Total 12.500%	Amerada Petroleum Corporation	None	Amerada Petroleum Corp. All

Patented Lands - 13 Tracts, 3,191.53 Acres or 17.90%

\* Pacific Northwest Pipeline Corporation's Interest subject to Sliding Scale ORRI in favor of Phillips Petroleum Company on Gas Production and an ORRI of 82.5% of all oil produced in excess of 15 barrels per day average.

<u>Land</u>	<u>R E C A P I T U L A T I O N</u>	
	<u>Acres in Unit</u>	<u>Percentage of Unit Area</u>
Federal	12,806.50	71.83%
State	1,830.48	10.27%
Patented	<u>3,191.53</u>	<u>17.90%</u>
Total	17,828.51	100.00%

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

April 30, 1955

Phillips Petroleum Company  
10th Floor West Wing  
Phillips Building  
Bartlesville, Oklahoma

Re: San Juan 32-7 Unit  
Amended Plan of Development 1955  
San Juan County, New Mexico

Gentlemen:

This is to advise that the Amended Plan of Development for the above-captioned unit, dated April 13, 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.

In addition to the proposed wells, adequate offset wells must be drilled to protect the area from drainage as provided in the unit agreement.

One approved copy of said plan is returned herewith.

Very truly yours,

W. B. Macey  
Secretary-Director

WBM:jh

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

# PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA

April 13, 1955

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: Amended Plan of Development 1955  
San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico

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

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

Gentlemen:

On December 31, 1954, Phillips Petroleum Company, as Unit Operator, submitted for your approval a Plan of Development for the year 1955 for San Juan 32-7 Unit Area. By letters dated February 4th and February 8th, respectively, Mr. John A. Anderson, Regional Oil and Gas Supervisor, and Mr. W. B. Macey, Secretary-Director of the New Mexico Oil Conservation Commission, accepted the Plan of Development and required an amended Plan be filed on or before April 15, 1955, providing for the drilling of not less than four (4) development and exploration wells to be drilled to the base of the Mesaverde formation unless production in paying quantities is found at a lesser depth.

All working interest owners in this Unit have been solicited for the purpose of complying with these requests, and Phillips Petroleum Company, as Unit Operator, now submits for your approval an amended Plan of Development for the year 1955 providing for the drilling of four (4) Mesaverde wells unless production in paying quantities is encountered at a lesser depth, at the following locations:

SW/4 Section 17-31N-7W  
NE/4 Section 20-32N-7W  
NE/4 Section 22-32N-7W  
SW/4 Section 32-32N-7W

Phillips plans to drill these wells to casing point with conventional hydraulic rotary tools and to drill the pay section with gas tools. The Cliff House and Point Lookout sands of the Mesaverde formation will be separately treated with a sand-oil fracturing process.

At the present time, Phillips and other lease owners are in the process of transferring certain interests in leases in the San Juan Basin to Pacific Northwest Pipeline Corporation. This transfer should be completely consummated within the next few weeks and it is expected that immediately thereafter, Pacific Northwest will desire to amend this Plan of Development by providing for the drilling of other wells in addition to those listed herein.

Amended Plan of Development 1955  
San Juan 32-7 Unit

-2-

April 13, 1955

Your approval of this Plan is respectfully requested.

Very truly yours,

PHILLIPS PETROLEUM COMPANY  
Unit Operator

BY *G. E. Benskin*  
G. E. BENSKIN

GEB:wg  
cc: See attached

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: *Oil Conservation Commission* DATE: *4/13/55*  
Oil Conservation Commission

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





IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

April 25, 1955

Phillips Petroleum Company  
10th Floor West Wing - Phillips Building  
Bartlesville, Oklahoma

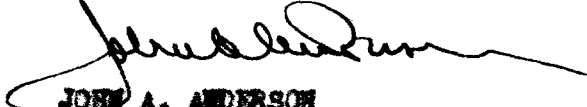
Gentlemen:

The assumed plan of development dated April 13, 1955, for the San Juan 32-7 unit area, New Mexico, No. 14-08-001-441 has been approved on this date, subject to like approval by the appropriate State officials.


In addition to the proposed wells listed in the plan of development, adequate offset wells must be drilled to protect the unit area from drainage as provided in the unit agreement.

One approved copy of said plan is returned herewith.

Very truly yours,

  
JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Cons.Div., Wash. (w/1 copy of plan)

 Farmington (w/1 copy of plan)  
WMOCC, Santa Fe (ltr. only) ✓

**U. S. CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

April 15, 1955

*file*

**Mr. J. Glenn Turner  
17th Floor Mercantile Bank Bldg.  
Dallas 1, Texas**

**Re: 1955 Amended Plan of Development  
San Juan 32-7 Unit  
San Juan County, New Mexico**

**Dear Sir:**

Reference is made to your letter of March 24, 1955, with which you transmitted copy of your letter of March 23, 1955, to Mr. John A. Anderson, Regional Director of the United States Geological Survey, at Roswell, New Mexico, relative to the above captioned subject.

While we appreciate your position of preferring not to now drill the proposed well to be located in the W/2 of Section 16, Township 32 North, Range 7 West, NMPM, we believe that development of the 32-7 unit has been conducted at a rather slow pace. Our letter of February 8, 1955, to Phillips Petroleum Company, unit operator for the San Juan 32-7 Unit Agreement, stated in part as follows:

".....on or before April 15, 1955, a supplemental plan of development be filed, providing for the drilling of a minimum of four development and/or exploratory wells to a depth sufficient to adequately test the Mesaverde formation, unless unitized substances in paying quantities are encountered at lesser depth. In addition, adequate provisions must be made to protect the unitized lands from drainage."

We note from your letter to Mr. Anderson that Phillips Petroleum Company has included the well in the W/2 of Section 16 as one of the four wells in the proposed amended plan of development for 1955. We feel that if drainage is occurring across the unit boundary as a result of completion of the well in

the E/2 of Section 16, then this subject well in the W/2 should certainly be drilled; also that four other wells should be drilled in 1955 in the San Juan 32-7 Unit. While drainage cannot be proven at this time, we believe that to be on the safe side and preclude the possibilities of drainage, the well in the W/2 of Section 16 should be drilled as well as the four required wells as per our letter of February 8. The location of these four wells is a matter for the working interest owners to agree upon.

Very truly yours,

W. B. Macey  
Secretary-Director

WBM:jh

cc: United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
Santa Fe, New Mexico

Phillips Petroleum Company  
10th Floor West Wing  
Phillips Building  
Bartlesville, Oklahoma

J. GLENN TURNER

1955 MAR 24 10:17

OIL AND GAS-INVESTMENTS  
17TH FLOOR MERCANTILE BANK BUILDING  
DALLAS 1, TEXAS

March 24, 1955

Mr. W. H. Macey  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

*Answered*  
*4/15/55*

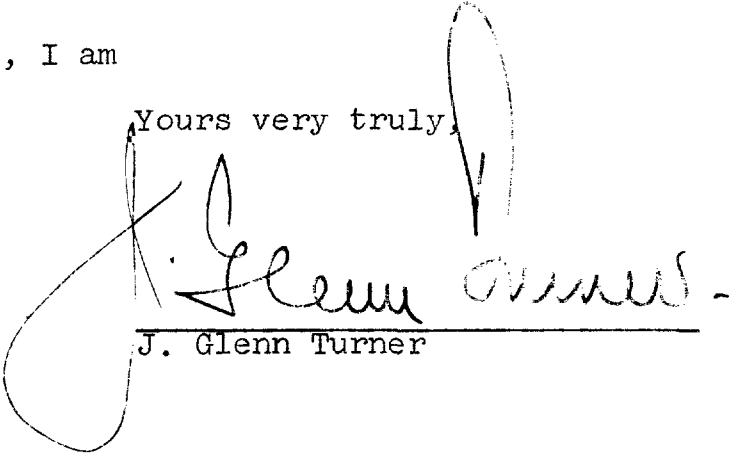
Re: 1955 Amended Plan of Development  
San Juan 32-7 Unit  
San Juan County, New Mexico

Dear Mr. Macey:

Herewith please find carbon copy of a letter that I wrote to Mr. John A. Anderson, Regional Supervisor of the U. S. G. S. at Roswell, New Mexico under date of March 23, 1955 relative to the above subject. As you will note from the enclosed copy, Phillips wants us to agree to drill a well on the W/2 of Section 16, T 32 N, R 7 W, N.M.P.M., San Juan County, New Mexico and has stated to us that it felt that the drilling of such a well would be required before any amended plan of development for the year 1955 would be approved. We want to defer the drilling of the well unless either the U. S. G. S. or the Oil Conservation Commission of New Mexico feels that it should be drilled during the year 1955. Our position on the matter is stated in the enclosed copy but again I would like to say that in so far as I am concerned, while I would very much like to defer the drilling of such well at this time, nevertheless I will be bound by whatever decision the U. S. G. S. and your office make on such matter.

With best wishes, I am

Yours very truly,

  
J. Glenn Turner

JGT:ed

enc

J. GLENN TURNER

OIL AND GAS-INVESTMENTS  
17TH FLOOR MERCANTILE BANK BUILDING  
DALLAS 1, TEXAS

March 23, 1955

C  
Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
Department of the Interior  
Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

O  
Re: Amended Plan of Development  
San Juan 32-7 Unit, San Juan  
County, New Mexico

Dear Mr. Anderson:

P  
Y  
In accordance with our telephone conversation of this morning this is to advise that I am the owner of the oil and gas lease covering the east 160 acres of the W/2 of Section 16, T 32 N, R 7 W, N.M.P.M., San Juan County, New Mexico, my understanding being that Messrs. N. B. Gerber and E. R. Gerber, whose address is 120 Wall Street, New York, New York, are the owners of the west 160 acres of the W/2 of said section. As you will notice from your map, the dividing line between the 32-7 unit and the Allison unit is down the middle of said Section 16 and on the E/2 of said Section 16 El Paso Natural Gas Company and I drilled a Mesaverde test well last year which had an initial potential of 1091 M.C.F. p.d. Before Phillips Petroleum Company, the Unit Operator of such unit, filed the proposed Plan of Development on the 32-7 unit for the year 1955, it requested me to advise whether or not I wished to have it drill a well on the W/2 of said Section 16 offsetting the Mesaverde well which El Paso and I drilled on the E/2 of said Section 16. I replied in substance that inasmuch as the well on the E/2 was a light well and we might reasonably expect an offsetting well to be of the same character I preferred not to drill it unless I should be required to do so under the terms of the unit agreement. Phillips in substance replied that in view of my feeling about the matter that they would not schedule such well for drilling during the year 1955.

March 23, 1955

Thereafter and under date of March 7, 1955 I received a letter from Phillips stating that in view of the fact that it had been required to file an amended Plan of Development for the 32-7 unit that it felt that no amended plan of development would be accepted by the United States Geological Survey and the Oil Conservation Commission of New Mexico without providing for the drilling during the year of a Mesaverde well in the W/2 of said Section 16. Thereafter and under date of March 15, 1955 we received an amended Plan of Development from Phillips which listed a well on the W/2 of Section 16 as one of the four wells to be drilled during the year 1955 and requesting our immediate consideration and advice.

As I stated this morning by long distance, we do not desire to drill such well unless the United States Geological Survey and the Oil Conservation Commission of New Mexico should feel that we are compelled to drill the same at this time. We are offsetting a very small well and have every expectation that the well that we drill will have a light initial potential. It would be much more desirable from our standpoint if we could await the drilling of such well until such time as new completion methods and techniques have been worked out from which we might reasonably expect a higher initial potential. While we understand that the well which El Paso and I drilled on the E/2 of Section 16 has now been connected to a pipeline, I am sure that the U.S.G.S. geologist will confirm to you, first, that it cannot be shown from known geological information at this time that such a well would drain any part of the gas from the W/2 of said section and, secondly, if drainage of some character be assumed, nevertheless such drainage would be of such a minor nature as to be insignificant. If we are correct in assuming that your geologist would advise you that these views are correct, then we feel that there is no more reason to require that we drill such well at this time than it would be to require the drilling of other wells in any other part of the unit. After all Mr. Gerber and I only own two 160-acre tracts in the entire unit and there are thousands of other undeveloped acres in the unit which could as well be developed as to require the development of our tracts at this time. Further I am not sure that Mr. Gerber will agree to the drilling of such well at this time and of course there would have to be a communitization agreement if the well is to be drilled.

Mr. John A. Anderson

- 3 -

March 23, 1955

Notwithstanding the situation as set out above if either the United States Geological Survey or the Oil Conservation Commission of New Mexico feels that this well should be drilled during the year 1955, then in so far as I am concerned I will agree to the drilling of the same. What I am particularly anxious to ascertain is whether or not the United States Geological Survey feels that under its rules and regulations no such amended plan of development will be accepted without our agreeing to drill such well at this time because if that is not the situation then I would certainly like to defer the drilling of such well.

Also there has been considerable discussion in the Basin as to what initial potential a Mesaverde well should have before it would be considered commercial within the meaning of the usual federal unit operating agreement and since we may only reasonably expect a well having an initial potential of 1091 M.C.F. p.d. if we are required to drill such well, may we assume that, having been so required to drill it, it will be considered as a commercial well within the terms of the 32-7 Unit Operating Agreement.

Thanking you in advance for your early consideration and advice on the above matters and with assurance of my desire to cooperate in every respect in any plan of development as may be required by the U.S.G.S. or the Oil Conservation Commission of New Mexico, I am

Respectfully yours,



J. Glenn Turner

JGT:ed

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 8, 1955

Phillips Petroleum Company  
10th Floor - Phillips Building  
Bartlesville, Oklahoma

*file  
case 420*

Attention: Mr. R. N. Richey

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
1955 Plan of Development

Gentlemen:

This is to advise that the Plan of Development for calendar year 1955, dated December 31, 1954, for the subject unit has this date been accepted by the New Mexico Oil Conservation Commission as minimum compliance with the obligation of unit operator to submit a Plan of Development, pursuant to article 10 of the Unit Agreement.

This Plan of Development is therefore accepted only on the condition that on or before April 15, 1955, a supplemental Plan of Development be filed, providing for the Drilling of a minimum of four development and/or exploratory wells to a depth sufficient to adequately test the Mesaverde formation, unless unitized substances in paying quantities are encountered at lesser depth. In addition, adequate provision must be made to protect the unitized lands from drainage. We feel that due to the large amount of acreage comprising this unit, such a Plan of Development is not unreasonable and should lead to the orderly development of the subject area.

This approval is being granted subject also to the condition that like approval be obtained from the United States Geological Survey and from 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



RECEIVED  
JAN 1 1955

**PHILLIPS PETROLEUM COMPANY**

10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA

December 31, 1954

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: Plans of Development 1955  
San Juan 32-7 Unit  
#14-08-001-441  
San Juan County  
New Mexico

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

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

Gentlemen:

Phillips Petroleum Company, as Unit Operator, now submits for your approval a Plan of Development for 1955 for San Juan 32-7 Unit, San Juan County, New Mexico.

CURRENT STATUS OF DEVELOPMENT

The following table reflects the current status of development of the Mesaverde and Fruitland formations in the Unit:

<u>Well</u>	<u>Location</u>	<u>Spud Date</u>	<u>Test Date</u>	<u>Potential</u>	<u>Remarks</u>
Fruit 1-8	SW/4 Sec. 8-31N-7W	10/29/52			Operations suspended
Mesa 2-27	SW/4 Sec. 27-32N-7W	1/17/53	12/29/52	887 MCFGPD	Shut-in
Fruit 3-18	NE/4 Sec. 18-32N-7W	4/13/53	7/30/53	1,310 MCFGPD	Shut-in
Fruit 4-22	SW/4 Sec. 22-32N-7W	6/13/53	2/ 2/54	416 MCFGPD	Shut-in
Mesa 5-8	NE/4 Sec. 8-31N-7W	8/ 6/53	10/23/53	1,500 MCFGPD	Shut-in
Fruit 6-17	NE/4 Sec. 17-31N-7W	7/23/53	8/23/53	1,790 MCFGPD	Shut-in
Mesa 7-17	SW/4 Sec. 17-32N-7W	8/20/53	12/ 7/53	824 MCFGPD	Shut-in

All wells were shot with nitroglycerin.

As of December 31, 1954, the Unit Participating Area consisted of the E/2 of Section 8, Township 31 North, Range 7 West, and W/2 of Sections 17 and 27, Township 32 North, Range 7 West for the Mesaverde formation; and the E/2 of Section 18, Township 32 North, Range 7 West and E/2 of Section 17, Township 31 North, Range 7 West for the Fruitland formation. Small quantities of gas have been produced for use as rig fuel and drilling gas.

1955 DEVELOPMENT PROGRAM

Phillips, as Unit Operator, plans to drill a Mesaverde well at the following location in the summer of 1955:

SW/4 of Section 32, Township 32 North, Range 7 West, N.M.P.M.

Phillips plans to drill this well to casing point with conventional hydraulic rotary tools and to drill the pay section with gas tools, individually sand-oil fracturing the Cliff House and Point Lookout sands of the Mesaverde.

It is now anticipated that during the first quarter of the year Pacific Northwest Pipeline Corporation will acquire a majority of the acreage within this township Unit and will immediately thereafter request an expanded drilling program. Phillips Petroleum Company, as Unit Operator, will consult with your offices as Pacific's plans nature, and will submit amended or expanded Plans of Development as required.

Your approval of this plan is respectfully requested.

Very truly yours,

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By

  
R. N. Richey

RNR:wr  
cc: See attached.

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.

**ACCEPTED**  
~~APPROVED:~~  \_\_\_\_\_ DATE: 2/8/55  
Oil Conservation Commission

Subject to like approval by the U.S.G.S. and Commissioner of Public Lands.  
*accepted subject to conditions of acceptance as set forth in  
attached letter of transmittal.*



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

February 4, 1955

Phillips Petroleum Company  
10th Floor West Wing - Phillips Building  
Bartlesville, Oklahoma

Gentlemen:

The 1955 plan of development dated December 31, 1954, for the San Juan 32-7 unit agreement is accepted subject to similar acceptance by the appropriate State officials as bare compliance with that provision of Sec. 10 of the unit agreement requiring that a plan be filed. An amended plan of development for 1955 providing for the drilling of not less than four development and exploration wells drilled at least to the base of the Mesaverde formation unless production in paying quantities is found at a lesser depth and, in addition, adequate offsets to protect the unitized lands from drainage, must be submitted for approval not later than April 15, 1955.

One copy of said plan indicating acceptance by this office is returned herewith.

Very truly yours,

*dku*

*John A. Anderson*

JOHN A. ANDERSON  
Regional 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)



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Box 6721  
Roswell, New Mexico

August 26

Phillips Petroleum Company  
10th Floor West Wing Phillips Building  
Bartlesville, Oklahoma

Gentlemen:

The plan of development dated April 14, 1954, for the remainder of the calendar year 1954, for the San Juan 32-7 unit agreement, New Mexico, No. 14-08-001-441, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is returned herewith.

Very truly yours,

(Orig. Sgd.) R. E. CANFIELD

R. E. CANFIELD  
Acting Regional Oil and Gas Supervisor

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

# PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA

April 14, 1954

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico  
PLAN OF DEVELOPMENT, 1954

Regional Supervisor  
United States Geological Survey  
Post Office Building  
Roswell, New Mexico

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

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

Gentlemen:

All drilling requirements of the Unit Agreement and Unit Operating Agreement for San Juan 32-7 Unit have been satisfied and Phillips Petroleum Company as Unit Operator now submits for your approval a Plan of Development for the remainder of 1954.

The San Juan 32-7 Unit Area embraces 17,828.51 acres in San Juan County, New Mexico, of which 17,508.51 acres are committed. The greater portion of the area lies in Township 32 North, Range 7 West, N.M.P.M., but the Unit extends also into Township 31 North, Range 7 West, and includes approximately half of Section 31 in Township 32 North, Range 6 West.

Altogether, Phillips Petroleum Company, as Operator, has drilled seven wells on this Unit. One is temporarily idle, three are completed in the Fruitland-Pictured Cliffs formation and three are completed in the Mesaverde. Drilling gas was not available when the first unit well, #1-8 in Section 8-31N-7W, was drilled. Probably due to the effect of mud against the formations, neither the Mesaverde nor the Fruitland proved commercially productive and the well is being given further study. Subsequent Mesaverde wells were successfully completed after drilling the pay sand with gas. Well #5-8 was drilled to the Mesaverde as a substitute for #1-8 and was completed with a potential of 1,500 MCFGPD.

Well #3-18, Section 18-32N-7W, was started as a Mesaverde obligation well but was completed through casing perforations in the Fruitland after exceptionally good gas shows were encountered in the formation while drilling. Well #7-17, drilled in Section 17-32N-7W as a Mesaverde substitute for #3-18, was successfully completed for a potential of 824 MCFGPD.

The following table reflects the status of Unit development to date:

<u>WELL</u>	<u>LOCATION</u>	<u>SPUD</u>	<u>COMPLETION DATE</u>	<u>MCFGPD 3 HR. TEST</u>	<u>PRODUCING FORMATION</u>	<u>REMARKS</u>
1-8 *	SW/4 Sec. 8 31N-7W	10-29-52				Drilled to 6144'. Standing plugged to 3840' for further testing
2-27*	SW/4 Sec. 27 32N-7W	1-17-53	12-29-53	887	Mesaverde	Depth 6309'
3-18*	NE/4 Sec. 18 32N-7W	4-13-53	7-30-53	1310	Fruitland- Pic. Cliffs	Drilled to 5002' Plugged 2940'
4-22	SW/4 Sec. 22 32N-7W	6-13-53	2-2-54	388	Fruitland- Pic. Cliffs	Depth 3488'
5-8**	NE/4 Sec. 8 31N-7W	8-6-53	10-23-53	1500	Mesaverde	Depth 5950'. Substitute for well #1-8
6-17	NE/4 Sec. 17 31N-7W	7-23-53	8-23-53	1790	Fruitland- Pic. Cliffs	Depth 3240'
7-17**	SW/4 Sec. 17 32N-7W	8-20-53	12-7-53	824	Mesaverde	Depth 5728'. Substitute for well #3-18

\* Required Mesaverde wells set out in Unit Operating Agreement

\*\* Wells substituted for required Mesaverde wells

No gas has been sold to pipeline companies. However, gas for fuel and drilling has been produced intermittently from #2-27, #3-18 and #6-17 for use on the Unit.

Development to date has reasonably demonstrated the productivity of the Unit Area in the Fruitland-Pictured Cliffs and Mesaverde horizons.

No "intervening drilling blocks" have been created and, so far as is known to us, there is no drainage of Unit gas to offset wells on uncommitted lands.

As Unit Operator, we have canvassed the owners of all working interests committed to the Unit and none desire wells drilled on their unit lands during the remainder of the year.

All the holdings of Phillips Petroleum Company within San Juan 32-7 Unit are subject to a Contract of Sale conditioned upon the issuance by the Federal Power Commission of a Certificate of Public Convenience and Necessity for the construction and operation of a gas pipeline system extending from San Juan Basin to markets in the northwestern part of the United States, and intervening points. An application for the Certificate has been prosecuted diligently before the Commission and it is anticipated that a decision will be rendered during the summer of this year. The gas contained within Phillips' land committed to San Juan 32-7 Unit is a material portion of the reserves upon which the pipeline application is based and which are represented to the Federal Power Commission as available for the proposed pipeline upon its completion.

Plan of Development  
San Juan 32-7 Unit

-3-

April 14, 1954

Consequently, Phillips Petroleum Company does not desire to drill development wells for its own account or to produce existing wells, pending the forthcoming action of the Federal Power Commission, and pending commencement of construction of the proposed pipeline should a Certificate of Public Convenience and Necessity be issued.

Since neither the existence of intervening drilling blocks, nor drainage by off-unit wells requires additional drilling at this time under the provisions of the Unit Agreement, and since none of the working interest owners within the Unit desire drilling at this time, Phillips Petroleum Company as Unit Operator plans to drill during the remainder of 1954 only such new wells, if any, as you may require for the protection of the Unit against drainage, should drainage occur, or as you may otherwise require.

Your approval of this Plan of Development for the remainder of the year 1954 is respectfully requested.

Yours very truly

PHILLIPS PETROLEUM COMPANY

By

  
Vice President

RNR:pw

cc: See attached

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: MAY 24 1954  
Oil Conservation Commission

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

Copies of the foregoing Plan of Development have been sent to the following:

Manager - Bureau of Land Management  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
El Paso Natural Gas Company  
Phillips Drilling Corporation  
Tevis F. Morrow & A. H. Meadows  
N. B. Gerber & B. R. Gerber  
Messrs. J. Glenn Turner

P. T. McGrath  
A. M. Rippel  
K. E. Beall  
R. B. Stewart  
L. E. Fitzjarrald  
D. E. Fryhofer  
H. E. Koopman  
R. E. Parr  
R. L. Powell  
R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
G. P. Bunn  
P. B. Cordry  
T. E. Smiley (2)  
S. E. Redman  
M. A. Tippie  
J. W. Mims  
G. E. Benskin  
W. M. Freeman  
R. B. Edmundson  
G. L. Sneed  
Val Reese  
E. A. Humphrey (3)



4-30

100  
7/2

## PHILLIPS PETROLEUM COMPANY

10th Floor West Wing Phillips Building  
BARTLESVILLE, OKLAHOMA

March 23, 1954

Re: San Juan 32-7 Unit  
Mesa #5-8 Well  
Determination of Effective Date  
of Initial Participating Area

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

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

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


Gentlemen:

Pursuant to a recent directive, the effective date of an initial participating area is to be the date of first production which has been determined to be the date the well was completed. In accordance with the above, this is to advise you of our determination regarding the effective date of first production for the initial participating area of the Mesaverde formation for the San Juan 32-7 Unit #5-8 well.

This well was completed on October 23, 1953, thus according to the above noted directive from your office, the effective date of this participating area for the Mesaverde formation is October 23, 1953.

Yours very truly,

PHILLIPS PETROLEUM COMPANY  
Unit Operator

BY   
R. N. RICHEY - San Juan Division

RNR:RBE:wg  
cc: See attached

March 23, 1954

Copies of the foregoing letter have been sent to the following:

Manager - Bureau of Land Management  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
El Paso Natural Gas Company  
Three States Natural Gas Company  
Tevis F. Morrow and A. H. Meadows  
N. B. Gerber and B. R. Gerber  
Phillips Drilling Corporation  
P. T. McGrath

**PHILLIPS PETROLEUM COMPANY**  
10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA

LAND AND GEOLOGICAL DEPARTMENT

C. O. STARK, VICE PRESIDENT  
D. E. LOUNSBERY, CHIEF GEOLOGIST  
D. C. HEMSELL, MGR. LAND DIVISION  
W. B. WEEKS, MGR. GEOLOGICAL SECTION  
A. J. HINTZE, MGR. EXPLORATION SECTION

February 23, 1954

Re: San Juan 32-7 Unit  
Unit No. 14-08-001-441  
San Juan County,  
New Mexico

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Post Office Building  
Roswell, New Mexico

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

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

FEB 25 1954

Gentlemen:

On November 9, 1953, you were furnished a "Schedule of Ownership and Allocation of Production from Initial Mesaverde Participating Area" for San Juan 32-7 Unit, San Juan County, New Mexico. This schedule has been approved as follows:

- (1) Approved by Thomas B. Nolan, acting director of the United States Geological Survey, February 19, 1954.
- (2) Approved by E. S. Walker, Commissioner of Public Lands, State of New Mexico, November 25, 1953.
- (3) Approved by R. R. Spurrier for Oil Conservation Commission, State of New Mexico, November 13, 1953.

Your copy of the above referred to schedule should be noted to show these approvals.

Yours very truly,

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By 

R. N. Richey - San Juan Division

San Juan 32-7 Unit  
February 23, 1954

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

P. T. McGrath  
P. O. Box 965  
Farmington, New Mexico

J. A. Delany, Manager  
Bureau of Land Management  
Department of the Interior  
Post Office Building  
Santa Fe, New Mexico

Stanolind Oil and Gas Company  
Stanolind Building  
Tulsa, Oklahoma

Stanolind Oil and Gas Company  
Oil and Gas Building  
Fort Worth, Texas

Amerada Petroleum Corporation  
Beacon Building  
Tulsa, Oklahoma

El Paso Natural Gas Company  
10th Floor Bassett Tower  
El Paso, Texas

Three States Natural Gas Company  
1700 Corrigan Tower  
Dallas, Texas

Tevis F. Morrow & A. H. Meadows  
1404 Republic Bank Building  
Dallas, Texas

N. B. Gerber & B. R. Gerber  
120 Wall Street  
New York, New York

H. H. Phillips  
306 Milam Building  
San Antonio 5, Texas

# PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

February 16, 1954

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico.  
AMENDED FIRST REVISION OF  
MESAVERDE PARTICIPATING AREA.

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

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

Gentlemen:

By letter dated December 16, 1953, Phillips Petroleum Company, as Unit Operator, advised you of the First Revision of the Mesaverde Participating Area of San Juan 32-7 Unit, #14-08-001-441, to become effective January 1, 1954. By letter dated January 25, 1954, you were advised of a Second Revision determined as of December 29, 1953, and like the First Revision, effective as of January 1, 1954. Schedule III attached to the Second Revision was noted to supersede Schedule II issued with the First Revision.

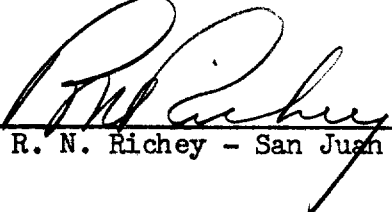
Hereafter only one Revision will be made effective as of the first of any month, and that single Revision will include all Drilling Blocks qualifying for inclusion in the Participating Area in the Unit during the preceding month.

In order to conform the two expansions which were effective January 1, 1954, with this policy, the Second Revision of Mesaverde Participating Area set out in our letter of January 25, 1954, has been redesignated "Amended First Revision of Mesaverde Participating Area". You are requested to correct your records accordingly.

Yours very truly

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By

  
R. N. Richey - San Juan Division

RNR:pw

cc: See attached

Amended First Revision  
San Juan 32-7 Unit

-2-

February 16, 1954

cc: Manager - Bureau of Land Management  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
El Paso Natural Gas Company  
Three States Natural Gas Company

Messrs: P. T. McGrath  
Tevis F. Morrow & A. H. Meadows  
N. B. Gerber & B. R. Gerber  
H. H. Phillips  
Sol A. Yager  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
G. L. Sneed  
H. E. Koopman  
R. E. Parr  
R. L. Powell  
R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
G. P. Bunn  
P. B. Cordry  
T. E. Smiley (2)  
S. E. Redman  
E. A. Humphrey (3)  
M. A. Tippie  
J. W. Mims  
G. E. Benskin  
W. M. Freeman  
Val. R. Reese  
R. A. Wolgast

JAN 28 1954  
RECEIVED

**PHILLIPS PETROLEUM COMPANY**

10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA

January 25, 1954

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Roswell, New Mexico

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico  
SECOND REVISION OF MESAVERDE  
PARTICIPATING AREA  
Effective January 1, 1954

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

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

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, approved December 16, 1952, Phillips Petroleum Company, as Unit Operator, has determined as of December 29, 1953, that a third well capable of producing unitized substances in paying quantities from the Mesa-verde formation has been completed upon acreage committed to this unit and the participating area for the Mesaverde formation is accordingly expanded.

The well data upon which the expansion is based is as follows:

WELL DESIGNATION: San Juan 32-7 Mesa Well #2-27

LOCATION: 1650' from south line and 1650' from west line of  
Section 27-32N-7W, N.M.P.M.

ELEVATION: 6652' (DF)

SPUD DATE: January 17, 1953

CASING: 10 3/4" cemented at 176' with 230 sx  
7" cemented at 5609' with 450 sx

TOTAL DEPTH: 6309' (Fish in hole below 6120')

DRILLING METHODS: Conventional to casing point; Mesaverde drilled with gas

SHOT: Interval 5650'-6309' with 2219 quarts

TUBING: 1 1/4" hung at 6102'

January 25, 1954

## COMPLETION TEST DATA

DATE: December 29, 1953

SHUT-IN PERIOD: 81 Days

FINAL SHUT-IN PRESSURES: Tubing 850#  
Casing 850#

RATE BY PITOT TUBE  
AFTER 3 HOUR OPEN  
BLOW DOWN: 887 MCFGPD through casing

WORKING PRESSURE: 10# on tubing

The one-half section Drilling Block upon which this well is located is described as the W/2 of Section 27-32N-7W, N.M.P.M., San Juan County, New Mexico.

Attached are the following schedules showing lands and leases committed and the ownership thereof, together with schedule of allocation of production from the expanded participating area:

1. Schedule III - Second expanded Mesaverde participating area.
2. Exhibit "A" - Schedule of leases and ownership for second expanded Mesaverde participating area.
3. Exhibit "B" - Schedule of allocation of production from second expanded Mesaverde participating area, effective January 1, 1954.

Yours very truly

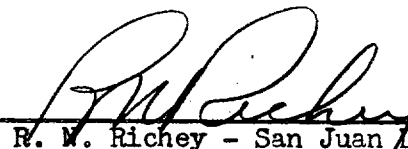
PHILLIPS PETROLEUM COMPANY  
Unit Operator

Registered

RNR:pw

cc: Manager - Bureau of Land Management  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
El Paso Natural Gas Company  
Three States Natural Gas Company

Messrs: P. T. McGrath  
Tevis F. Morrow & A. H. Meadows  
N. B. Gerber & B. R. Gerber  
H. H. Phillips  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
G. L. Sneed  
H. E. Koopman  
R. E. Parr  
R. L. Powell  
Sol A. Yager

By   
R. W. Richey - San Juan Division

R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
G. P. Bunn  
P. B. Cordry  
T. E. Smiley (2)  
S. E. Redman  
E. A. Humphrey (3)  
M. A. Tippie  
J. W. Mims  
G. E. Benskin

W. M. Freeman  
Val R. Reese  
R. A. Wolgast



SCHEDULE III  
SECOND EXPANDED MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE JANUARY 1, 1954

New Mexico Principal Meridian

Township 31 North, Range 7 West  
Sec. 8: E/2

Township 32 North, Range 7 West  
Sec. 17: W/2  
Sec. 27: W/2

The working interest under the leases on the above described land which have been committed to the Unit is vested:

Phillips Petroleum Company                      100.00%

Royalties are payable on production from these lands to the Government under the provisions of Federal leases:

Santa Fe 078996  
Santa Fe 078460  
Santa Fe 078543  
Santa Fe 078472

The United States of America owns one-eighth (1/8) royalty interest in the above Federal leases.

Attached find: (1) A schedule, marked Exhibit "A", showing leases included in the second expanded participating area.

(2) A schedule, marked Exhibit "B", a recap of committed acreage in the second expanded participating area.

NOTE: This schedule supercedes Schedule II. First Expanded Mesaverde Participating Area which was issued under cover letter dated December 16, 1953.

1/18/54

DNC

EXHIBIT "A"  
SECOND EXPANDED MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE JANUARY 1, 1954

Tract #2 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Serial Number: Santa Fe 078460  
Lease Description: T 32N - R 7W  
                    Sec. 17: W/2  
Amount of Acreage: 320.00 Acres  
Percentage of Participation: 33.333333%  
Overriding Royalties: 5.0% 1.666666%  
Royalty: U.S.A. 12.5% 4.166667%  
Operating Rights:  
            Phillips Petroleum Company 100% 27.500000%  
San Juan 32-7 Mesa Well #7-17

Tract #3 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Serial Number: Santa Fe 078472  
Lease Description: T 32N - R 7W  
                    Sec. 27: NW/4  
Amount of Acreage: 160.00 Acres  
Percentage of Participation: 16.666667%  
Overriding Royalties: 5.0% .833334%  
Royalty: U.S.A. 12.5% 2.083333%  
Operating Rights:  
            Phillips Petroleum Company 100% 13.750000%  
San Juan 32-7 Mesa Well #2-27

Tract #6 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Serial Number: Santa Fe 078543  
Lease Description: T 32N - R 7W  
                    Sec. 27: SW/4  
Amount of Acreage: 160.00 Acres  
Percentage of Participation: 16.666667%  
Overriding Royalty: 5.0% .833334%  
Royalty: U.S.A. 12.5% 2.083333%  
Operating Rights:  
            Phillips Petroleum Company 100% 13.750000%  
San Juan 32-7 Mesa Well #2-27

EXHIBIT "B"  
SECOND EXPANDED MESAVARDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE JANUARY 1, 1954

Tract No.	SECOND EXPANDED PARTICIPATING AREA			WORKING INTEREST PARTICIPATION		ROYALTY PARTICIPATION		ORRI PA
	Area Acres	Committed Acres	Tract Participation	%	% of Production	%	% of Production	
2	320.00	320.00	33.333333%	82.5000%	27.50000%	12.5%	4.166667%	5.0%
3	160.00	160.00	16.666667%	82.5000%	13.75000%	12.5%	2.083333%	5.0%
6	160.00	160.00	16.666667%	82.5000%	13.75000%	12.5%	2.083333%	5.0%
10	320.00	320.00	33.333333%	82.5000%	27.50000%	12.5%	4.166667%	5.0%
TOTAL	960.00	960.00	100.000000%		82.50000%		12.500000%	

TOTAL COMMITTED

Federal Lands      Acres      Percentage  
960.00      100.000000%

TOTAL NET PERCENT

Phillips Petroleum  
Royalty Owners  
Overriding Royalty

22

4 20

**PHILLIPS PETROLEUM COMPANY**

10th Floor West Wing - Phillips Building

BARTLESVILLE, OKLAHOMA  
December 16, 1953

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Post Office Building  
Roswell, New Mexico

FIRST REVISION OF MESAVERDE  
PARTICIPATING AREA - EFFECTIVE  
JANUARY 1, 1954

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

Oil Conservation Commission of the ~~CONFIDENTIAL~~  
State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION  
SANTA FE, N.M.  
RECEIVED  
DEC 19 1953

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement approved December 16, 1952, Phillips Petroleum Company, as Unit Operator, determines that a second well capable of producing unitized substances in paying quantities from the Mesaverde formation has been completed upon acreage committed to this unit and the participating area for the Mesaverde formation is accordingly expanded.

The well is Phillips Petroleum Company's San Juan 32-7 Mesa Well #7-17, located 990' from the south line and 990' from the west line of Section 17-32N-7W, N.M.P.M., San Juan County, New Mexico. The well was spudded on August 8, 1953, and reached total depth of 5728' on September 22, 1953. 7" casing was cemented at 5036' and through perforations at 2990'. Mesaverde formation was drilled with gas drilling tools and the pay section from 5156' to 5728' was shot with 1445 quarts of nitroglycerin. The hole was cleaned out to bottom and 1½" tubing hung at 5661'. Following a sixty-five day shut-in period during which SITP built up to 1033# and SICP reached 1032# the well was blown down for three hours through a 2" blow nipple and a gauge taken by pitot tube and mercury manometer of 824 MCFGPD.

The one-half section Drilling Block upon which this well is located is described as the W/2 of Section 17-32N-7W, N.M.P.M., San Juan County, New Mexico.

Attached are the following schedules showing lands and leases committed and the ownership thereof, together with schedule of allocation of production from the expanded participating area:

December 16, 1953

1. Schedule II - First revision of Mesaverde participating area.
2. Exhibit "A" - Schedule of leases and ownership for first revision of Mesaverde participating area.
3. Exhibit "B" - Schedule of allocation of production from first revision of Mesaverde participating area, effective January 1, 1954.

Yours very truly

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By   
R. N. Richey - San Juan Division

RNR:pw  
Registered return receipt  
requested.

cc: Manager - Bureau of Land Management  
Three States Natural Gas Company  
El Paso Natural Gas Company  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
Messrs. P. T. McGrath  
J. A. DeLany  
Tervis F. Morrow  
A. H. Meadows  
N. B. Gerber  
B. R. Gerber  
H. H. Phillips  
Sol A. Yager  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
H. E. Koopman  
R. E. Parr  
R. L. Powell  
R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
S. E. Redman  
Val Reese  
E. A. Humphrey (3)  
M. A. Tippie  
J. W. Mims  
G. E. Benskin  
W. M. Freeman  
R. A. Wolgast  
G. L. Sneed

SCHEDULE II  
FIRST EXPANDED MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE JANUARY 1, 1954

New Mexico Principal Meridian

Township 31 North, Range 7 West  
Sec. 8: E/2

Township 32 North, Range 7 West  
Sec. 17: W/2

The working interest under the lease on the above described land which has been committed to the Unit is vested:

Phillips Petroleum Company            100.00%

Royalties are payable on production from these lands to the Government under the provisions of Federal leases:

Santa Fe 078996  
Santa Fe 078460

The United States of America owns one-eighth (1/8) royalty interest in the above Federal leases.

Attached find: (1) A schedule, marked Exhibit "A", showing leases included in the first expanded participating area.

(2) A schedule, marked Exhibit "B", a recap of committed acreage in the first expanded participating area.

EXHIBIT "A"

~~SCHEDULE "A"~~

FIRST EXPANDED MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE JANUARY 1, 1954

Tract #2 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company

Serial Number: Santa Fe 078460

Lease Description: T 32N - R 7W

Sec. 17: W/2

Amount of Acreage: 320.00 Acres

Percentage of Participation:

Overriding Royalties: 5.0%

Royalty: U.S.A. 12.5%

Operating Rights:

Phillips Petroleum Company 100%

San Juan 32-7 Mesa Well #7-17

50.000000%

2.500000%

6.250000%

41.250000%

Tract #10 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company

Serial Number: Santa Fe 078996

Lease Description: T 31N - R 7W

Sec. 8: E/2

Amount of Acreage: 320.00 Acres

Percentage of Participation:

Overriding Royalties: 5.0%

Royalty: U.S.A. 12.5%

Operating Rights:

Phillips Petroleum Company 100%

San Juan 32-7 Mesa Well #5-8

50.000000%

2.500000%

6.250000%

41.250000%

## EXHIBIT "B"

## FIRST EXPANDED MESASVERDE PARTICIPATING AREA

SAN JUAN 32-7 UNIT  
 SAN JUAN COUNTY, NEW MEXICO  
 EFFECTIVE JANUARY 1, 1954

FIRST EXPANDED PARTICIPATING AREA				WORKING INTEREST PARTICIPATION		ROYALTY PARTICIPATION		ORRI PARTICIPATION	
Tract No.	Area Acres	Committed Acres	Tract Participation	%	% of Production	%	% of Production	%	%
2	320.00	320.00	50.000000%	82.500%	41.250000%	12.5%	6.2500%	5.0%	2.50%
10	320.00	320.00	50.000000%	82.500%	41.250000%	12.5%	6.2500%	5.0%	2.50%
TOTAL	640.00	640.00	100.000000%		82.500000%		12.5000%		5.00%

TOTAL COMMITTED

Federal Lands      Acres      Percentage  
 640.00      100.000000%

TOTAL NET PERCENTAGE OF PART

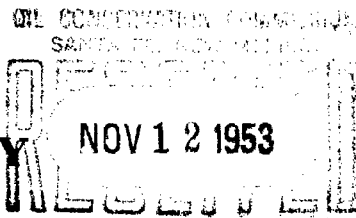
Phillips Petroleum Company  
 Royalty Owners  
 Overriding Royalty Owners



PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

November 9, 1953



Re: San Juan 32-7 Unit, #14-08-001-441  
INITIAL MESAVERDE PARTICIPATING AREA  
Effective date of first production.

420

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Post Office Building  
Roswell, New Mexico

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

Oil Conservation Commission of the State of New Mexico ← COPY FOR  
Capital Annex Building  
Santa Fe, New Mexico

Gentlemen:

Pursuant to Section 11 of the San Juan 32-7 Unit Agreement, approved December 16, 1952, you are advised a well has been completed in the Mesaverde formation capable of producing unitized substances in paying quantities.

The well is Phillips Petroleum Company's San Juan 32-7 Mesa Well #5-8, located 1650' from the north line and 790' from the east line of Section 8, Township 31 North, Range 7 West, N.M.P.M., San Juan County, New Mexico. This well was spudded on August 6, 1953, and reached total depth of 5950' on September 3, 1953. 7" casing was set at 5333' and cemented in two stages of 200 sacks each. The Mesaverde formation was drilled using gas drilling tools. The pay section from 5404' to 5940' was shot with 1753 quarts of nitroglycerin. After the well was cleaned out a 5½" liner (635.24') was set at total depth.

Following a 34 day shut-in period the SITP was 1018 psig and the SICP was 1018 psig. The well was open and test at that time on October 23, 1953, through the casing and after 3 hours gas gauged with mercury manometer through pitot tube, 1,500 MCFGPD. It is the determination of Phillips Petroleum Company as San Juan 32-7 Unit Operator that this well is capable of producing gas in paying quantities.

The 320 acre Drilling Block upon which this well is located, described as E/2 Section 8-T31N-7W, N.M.P.M., (SF 078996) is fully committed to the San Juan 32-7 Unit.

Attached are:

1. Initial Mesaverde participating area, effective date of first production.
2. Schedule of lease and ownership therein.
3. Allocation of production

Initial Mesaverde Participating Area

-2-

November 9, 1953

Attached also is sheet for your respective approvals and return after the protest period has passed.

Yours very truly

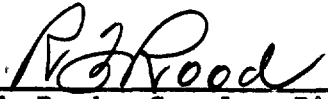
PHILLIPS PETROLEUM COMPANY  
Unit Operator

RFR:pw

Registered

cc: Manager - Bureau of Land Management  
Stanolind Oil & Gas Company  
Amerada Petroleum Corporation  
El Paso Natural Gas Company  
Three States Natural Gas Company  
Messrs. P. T. McGrath  
Tevis F. Morrow & A. H. Meadows  
N. B. Gerber & B. R. Gerber  
H. H. Phillips  
Sol A. Yager  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
G. L. Sneed  
H. E. Koopman  
R. E. Parr  
R. L. Powell (1)  
R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
G. P. Bunn  
P. B. Cordry  
T. E. Smiley (2)  
S. E. Redman  
E. A. Humphrey (3)  
M. A. Tippie  
J. W. Mims  
G. E. Benskin  
Merle Freeman  
Val Reese  
R. A. Wolgast  
Foster Morrell

By

  
R. F. Rood - San Juan Division

INITIAL PARTICIPATING AREA FOR MESAVEDE FORMATION

SAN JUAN 32-7 UNIT

UNIT NUMBER 14-08-001-441

Sec. 8: E/2

Total Net Acres in Participating Area - 320.00 Acres

Percent of Working Interest and Royalty Interest Committed - 100.00%

Approved: \_\_\_\_\_ 1953

Subject to like approval by the appropriate State Officials, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Approved: \_\_\_\_\_ 1953

Subject to like approval by the United States Geological Survey and Oil Conservation Commission of the State of New Mexico, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Approved: 13/7/4

Subject to like approval by the appropriate State Officials, effective Date of First Production, pursuant to the pertinent provisions of Sec. 11 of the Unit Agreement.

Director - United States Geological Survey

Commissioner of Public Lands of the State of New Mexico

Oil Conservation Commission of New Mexico

*R. P. [Signature]*

SCHEDULE I  
INITIAL MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE DATE OF FIRST PRODUCTION

NEW MEXICO PRINCIPAL MERIDIAN  
Township 31 North, Range 7 West  
Sec. 8: E/2

The working interest under the lease on the above described land which has been committed to the Unit is vested:

Phillips Petroleum Company	100.00%
----------------------------	---------

Royalties are payable on production from these lands to the Government under the provisions of Federal lease:

Santa Fe 078996

The United States of America owns one-eighth (1/8) royalty interest in the above Federal lease.

Attached find: (1) A schedule, marked Exhibit "A", showing lease included in the initial participating area.

(2) A schedule, marked Exhibit "B", a recap of committed acreage in the initial participating area.

SCHEDULE I  
INITIAL MESAVERDE PARTICIPATING AREA  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
EFFECTIVE DATE OF FIRST PRODUCTION

Tract #10 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company

Serial Number: Santa Fe 078996

Lease Description: T 31N - R 7W  
Sec. 8: E/2

Amount of Acreage: 320.00 Acres

Percentage of Participation: 100.00000%

Overriding Royalties: 5.0% 5.00000%

Royalty: U.S.A. 12.5% 12.50000%

Operating Rights:

Phillips Petroleum Company 100% 82.50000%

San Juan 32-7 Mesa Well #5-8

EXHIBIT "B"

INITIAL MESAVEERDE PARTICIPATING AREA

SAN JUAN 32-7 UNIT

SAN JUAN COUNTY, NEW MEXICO

EFFECTIVE DATE OF FIRST PRODUCTION

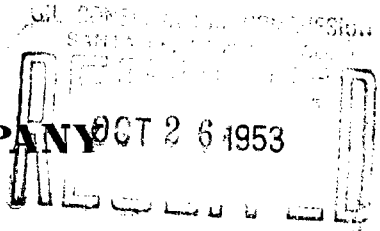
INITIAL PARTICIPATING AREA				WORKING INTEREST PARTICIPATION		ROYALTY PARTICIPATION		ORRI PARTICIPATION	
Tract No.	Area Acres	Committed Acres	Tract Participation	%	% of Production	%	% of Production	%	% of Production
10	320.00	320.00	100.00000%	82.500%	82.500%	12.5%	12.5%	5.0%	5.0%

TOTAL COMMITTED	
Federal Lands	Acres
	320.00
	Percentage
	100.00000%

TOTAL NET PERCENTAGE OF P  
Phillips Petroleum Company  
Royalty Owners  
Overriding Royalty Owners

**PHILLIPS PETROLEUM COMPANY**

**BARTLESVILLE, OKLAHOMA**



**LAND AND GEOLOGICAL DEPARTMENT**

C. O. STARK, VICE PRESIDENT  
D. E. LOUNSBERY, CHIEF GEOLOGIST  
D. C. HEMSELL, MGR. LAND DIVISION  
W. B. WEEKS, MGR. GEOLOGICAL SECTION  
A. J. HINTZE, MGR. EXPLORATION SECTION

October 22, 1953

Re: San Juan 32-7 Unit  
Unit No. 14-08-001-441  
San Juan County, New Mexico.

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Post Office Building  
Roswell, New Mexico

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

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

Gentlemen:

On August 4, 1953, you were furnished a "Schedule of Ownership and Allocation of Production From Initial Fruitland Participating Area" for San Juan 32-7 Unit, San Juan County, New Mexico. This schedule has been approved as follows:

- (1) Approved by Thomas B. Nolan, Acting Director - United States Geological Survey, September 23, 1953.
- (2) Approved by E. S. Walker, Commissioner of Public Lands, State of New Mexico, August 20, 1953.
- (3) Approved by R. R. Spurrier for Oil Conservation Commission, State of New Mexico, October 16, 1953.

Your copy of the above referred to schedule should be noted to show these approvals.

Yours very truly,

PHILLIPS PETROLEUM COMPANY  
Unit Operator

OIJ:RAW:rm  
cc: See Attached

By

Owen I. Jones

A handwritten signature of Owen I. Jones, written in dark ink. The signature is stylized and appears to read "Owen I. Jones".

SAN JUAN 32-7 Unit

October 22, 1953

Copies of the foregoing letter have been sent to the following:

cc: Messrs. Tevis F. Morrow  
A. H. Meadows  
N. B. Gerber  
Mrs. B. R. Gerber  
Three States Natural Gas Company (5)  
El Paso Natural Gas Company  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation

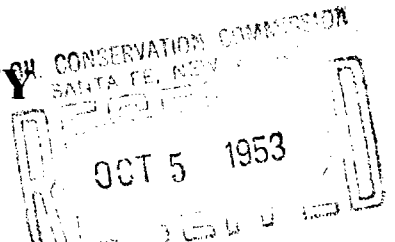
Messrs. P. T. McGrath  
J. A. DeLaney  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
H. E. Koopman  
R. E. Parr  
R. L. Powell  
R. L. Pulsifer (3)  
E. R. Holdt  
D. M. McBride  
F. D. Smythe (2)  
S. E. Redman  
Val Reese  
E. A. Humphrey (3)  
M. A. Tippie  
J. W. Mims  
G. E. Benskin  
W. M. Freeman  
O. I. Jones  
G. L. Sneed



**PHILLIPS PETROLEUM COMPANY**

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

October 1, 1953



Re: San Juan 32-7 Unit  
San Juan County, New Mexico

Mr. R. R. Spurrier  
Oil Conservation Commission  
of the State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico

Dear Mr. Spurrier:

By registered letter dated August 4, 1953, we gave notice of discovery in the Fruitland formation from Phillips Petroleum Company's San Juan 32-7 Fruit Well #3-18-32N-7W, N.M.P.M., San Juan County, New Mexico, which was completed July 30, 1953, for 1,310 MCFGPD after 3 hour blow down following required seven day shut-in period.

For the sake of the record and pursuant to Section 11a of the San Juan 32-7 Unit Agreement we need the written approval of the Oil Conservation Commission of the State of New Mexico to the initial participating area for the Fruitland formation. Appropriate space for your signature was provided on the second page of this letter of August 4, 1953, but we have not received same from the Commission.

Mr. E. S. Walker waited the fifteen day period and we have his approval dated August 20, 1953.

Mr. Thomas B. Nolan, Acting Director, United States Geological Survey, approved the same on September 23, 1953. In order that you may know this to be a fact I enclose photo copies of both the Commissioner and U.S.G.S. approval together with a copy of said letter of August 4, 1953, and ask that you kindly date, sign and return for this file.

Yours very truly

A handwritten signature in dark ink, appearing to read "R. F. Rood". The signature is fluid and cursive, with a large, sweeping "R" and "F" followed by a more compact "Rood".

R. F. ROOD  
San Juan Division

RFR:pw

cc: Messrs. E. S. Walker  
G. E. Benskin  
O. I. Jones

Notice of Discovery

-2-

August 4, 1953

Attached are Schedule of Ownership and Allocation of Production, effective date of first production. This well is being connected to a small pipeline system we have to supply gas for drilling and cleaning out operations we have in the area.

Very truly yours

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By R. F. Rood  
R. F. Rood  
San Juan Division

RFR:pw

Airmail Special

Registered

cc: Mr. E. S. Walker

Commissioner of Public Lands  
of the State of New Mexico

Mr. R. R. Spurrier  
Oil Conservation of the  
State of New Mexico

Messrs. Tevis F. Morrow and A. H. Meadows Director - United States Geological Survey

Mr. N. B. Gerber

Mrs. B. R. Gerber

Three States Natural Gas Company

El Paso Natural Gas Company

Stanolind Oil and Gas Company

Amerada Petroleum Corporation

Messrs. P. T. McGrath

J. A. DeLany

D. C. Hensell

A. M. Rippel

R. B. Stewart

L. E. Fitzjarrald

E. M. Gorence

H. E. Koopman

R. E. Parr

R. L. Powell (1)

R. L. Pulsifer (3)

E. R. Holt

D. M. McBride

F. D. Smythe (2)

G. P. Bunn

P. B. Cordry

T. E. Smiley (2)

S. E. Redman

Val Reese

E. A. Humphrey (3)

M. A. Tippie

J. W. Mims

G. E. Benskin

W. M. Freeman

O. I. Jones

G. L. Sneed

Approved, SEP 23 1953, 1953,  
effective date of first production.

Acting Thomas S. Nolan  
Director - United States Geological Survey

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

\_\_\_\_\_  
Commissioner of Public Lands of the State  
of New Mexico

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

Oil Conservation Commission of the State  
of New Mexico

By \_\_\_\_\_

ILLEGIBLE

Notice of Discovery

-2-

August 4, 1953

Attached are Schedule of Ownership and Allocation of Production, effective date of first production. This well is being connected to a small pipeline system we have to supply gas for drilling and cleaning out operations we have in the area.

Very truly yours


PHILLIPS PETROLEUM COMPANY  
Unit Operator

By R. F. Rood  
R. F. Rood  
San Juan Division

RFR:pw

Airmail Special

Registered

cc: Mr. E. S. Walker ← **COPY FOR**   
Commissioner of Public Lands  
of the State of New Mexico  
Mr. R. R. Spurrier  
Oil Conservation of the  
State of New Mexico

Messrs. Tevis F. Morrow and A. H. Meadows Director - United States Geological Survey

Mr. N. B. Gerber

Mrs. B. R. Gerber

Three States Natural Gas Company

El Paso Natural Gas Company

Stanolind Oil and Gas Company

Amerada Petroleum Corporation

Messrs. P. T. McGrath

J. A. DeLany

D. C. Hemsell

A. M. Rippel

R. B. Stewart

L. E. Fitzjarrald

E. M. Gorence

H. E. Koopman

R. E. Parr

R. L. Powell (1)

R. L. Pulsifer (3)

E. R. Holt

D. M. McBride

F. D. Smythe (2)

G. P. Bunn

P. B. Cordry

T. E. Smiley (2)

S. E. Redman

Val Reese

E. A. Humphrey (3)

M. A. Tippie

J. W. Mims

G. E. Benskin

W. M. Freeman

O. I. Jones

G. L. Sneed

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

Approved, August 10, 1953,  
effective date of first production.

Ed Walker  
Commissioner of Public Lands of the State  
of New Mexico

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

Oil Conservation Commission of the State  
of New Mexico

By \_\_\_\_\_

**ILLEGIBLE**

# PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

August 26, 1953

Re: San Juan 32-7 Unit, #14-08-001-441  
San Juan County, New Mexico

NOTICE OF COMPLETION OF SECOND  
FRUITLAND WELL AND FIRST REVISION  
OF PARTICIPATING AREA - EFFECTIVE  
SEPTEMBER 1, 1953, FOR FRUITLAND  
FORMATION.

Regional Supervisor  
United States Geological Survey  
Department of the Interior  
Post Office Building  
Roswell, New Mexico

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

Oil Conservation Commission of the ← COPY FOR →  
State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-7 Unit Agreement, No. 14-08-001-441, effective December 16, 1952, Phillips Petroleum Company as Unit Operator determines that the second well capable of producing unitized substances in paying quantities from the Fruitland formation has been completed upon committed acreage to this unit and the Participating Area for the Fruitland formation is accordingly expanded.

The well is Phillips Petroleum Company's San Juan 32-7 Fruit Well No. 6-17, located 660' from the north line and 660' from the east line of Section 17-31N-7W, N.M.P.M., San Juan County, New Mexico. The well was spudded July 23, 1953, and reached total depth of 3240' on August 13, 1953. Top of the Fruitland formation is 3015'. The well gauged with pitot tube on August 23, 1953, for a potential of 1790 MCFGPD after 3 hour blow down following shut in period of 9 days. SICP and SITP was 1504 psig.

The committed leasehold of one-half section Drilling Block upon which this well is located is described as the E/2 of Section 17-31N-7W, N.M.P.M., San Juan County, New Mexico.

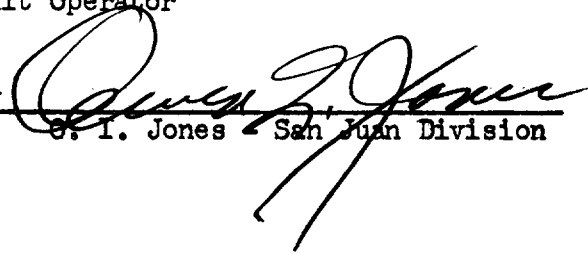
August 26, 1953

Attached are the following schedules showing lands and leases committed and the ownership thereof together with schedule of allocation on this expanded participating area:

1. Schedule II - Newly expanded participating area.
2. Exhibit "A" - Schedule of leases and ownership in first expanded Fruitland participating area.
3. Exhibit "B" - Schedule of allocation of production from newly expanded participating area upon effective date.

Yours very truly

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By   
O. I. Jones San Juan Division

OIJ:pw

Registered return receipt  
requested from addressees and  
working interest owners.

cc: Messrs. Tevis F. Morrow

A. H. Meadows

N. B. Gerber

Mrs. B. R. Gerber

Three States Natural Gas Company

El Paso Natural Gas Company

Stanolind Oil and Gas Company

Amerada Petroleum Corporation

Messrs. P. T. McGrath

J. A. DeLany

D. C. Hemsell

A. M. Rippel

R. B. Stewart

L. E. Fitzjarrald

E. M. Gorence

H. E. Koopman

R. E. Parr

R. L. Powell

R. L. Pulsifer (3)

E. R. Holt

D. M. McBride

F. D. Smythe (2)

S. E. Redman

Val Reese

E. A. Humphrey (3)

M. A. Tippie

J. W. Mims

G. E. Benskin

W. M. Freeman

O. I. Jones

G. L. Sneed

SCHEDULE II  
FIRST EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
effective September 1, 1953

New Mexico Principal Meridian

Township 32 North, Range 7 West  
Section 18: E $\frac{1}{2}$

Township 31 North, Range 7 West  
Section 17: E $\frac{1}{2}$

The working interest under leases on the above described lands which have been committed to the Unit is vested:

Phillips Petroleum Company                      100.00%

Royalties are payable on production from these lands to the Government under the provisions of Federal Lease:

Santa Fe 078998

The United States of America owns one-eighth (1/8) royalty interest in the above Federal lease.

Attached find: (1) A schedule, marked Exhibit "A", showing leases included in the First Expanded Participating Area. (2) A schedule, marked Exhibit "B", a recap of committed acreage in the first expanded participating area.

EXHIBIT "A"  
FIRST EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
effective September 1, 1953

TRACT #11 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Lease Description: Township 31 North, Range 7 West  
Section 17: E $\frac{1}{2}$   
Amount of Acreage: 320.00 Acres  
Percentage of Participation: 50.000000%  
Overriding Royalties:  
Alma Mae Beamon, et al .5.00% 2.500000%  
Royalty: U.S.A. 12.50% 6.250000%  
Operating Rights:  
Phillips Petroleum Company 100.00% 41.250000%  
San Juan 32-7 Fruit Well #6-17

TRACT #21 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Lease Description: Township 32 North, Range 7 West  
Section 18: The East 441 feet of NE $\frac{1}{4}$ NE $\frac{1}{4}$   
Amount of Acreage: 13.36 Acres  
Percentage of Participation: 2.0875000%  
Royalty: Paul B. Martin, et al 12.50% .2609375%  
Operating Rights:  
Phillips Petroleum Company 100.00% 1.8265625%  
San Juan 32-7 Fruit Well #3-18

TRACT #22 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Lease Description: Township 32 North, Range 7 West  
Section 18: West 879 feet NE $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
W $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$   
Amount of Acreage: 306.64 Acres  
Percentage of Participation: 47.9125000%  
Overriding Royalties:  
Brookhaven Oil Company, et al 3.00% 1.4373750%  
Royalty: R. M. Martin, et al 12.50% 5.9890625%  
Operating Rights:  
Phillips Petroleum Company 100.00% 40.4860625%  
San Juan 32-7 Fruit Well #3-18

EXHIBIT "B"  
 FIRST EXPANDED PARTICIPATING AREA FOR FRUITLAND FORMATION  
 SAN JUAN 32-7 UNIT  
 SAN JUAN COUNTY, NEW MEXICO  
 effective September 1, 1953

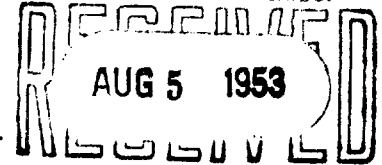
FIRST EXPANDED PARTICIPATING AREA			WORKING INTEREST PARTICIPATION		ROYALTY PARTICIPATION		O&RI PARTICIPATION		
Tract No.	Area Acres	Committed Acres	%	% of W.I. Participation	% of Participation	% of Production	% of Production		
11	320.00	320.00	82.5%	50.0000000%	41.2500000%	12.5%	6.2500000%	5.0%	2.5000000%
21	13.36	13.36	87.5%	2.0875000%	1.8265625%	12.5%	.2609375%	None	None
22	306.64	306.64	84.5%	47.9125000%	40.4860625%	12.5%	5.9890625%	3.0%	1.4373750%
TOTALS:			640.00	640.00	100.0000000%	83.5626250%	12.5000000%	3.9373750%	
TOTALS COMMITTED:									
			<u>Acres</u>	<u>Percentage</u>					
Patented Lands			320.00	50.0000000%			Phillips Petroleum Company:		
Federal Lands			<u>320.00</u>	<u>50.0000000%</u>			Royalty Owners:		
Total			<u>640.00</u>	<u>100.0000000%</u>			Overriding Royalty Owners:		
							<u>7</u>		

TOTAL NET PERCENTAGE OF PARTICIPATION

Phillips Petroleum Company:  
 Royalty Owners:  
 Overriding Royalty Owners:

7





**PHILLIPS PETROLEUM COMPANY**

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

August 4, 1953

Re: NOTICE OF DISCOVERY  
Fruitland Formation  
San Juan 32-7 Unit, No. 14-08-001-441  
San Juan County, New Mexico

Mr. John A. Anderson  
~~Regional Supervisor~~  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

Dear Sir:

Please disregard our letters of July 30, 1953 and August 3, 1953. This letter will supersede those two letters to correct certain discrepancies.

The above numbered unit was approved by the Acting Director of the United States Geological Survey on December 16, 1952, which is the effective date of the Unit. Pursuant to Section 11 of the Unit Agreement you are advised of a discovery of unitized substances in paying quantities from the Fruitland formation in the following well located thereon:

Phillips Petroleum Company's San Juan 32-7 Fruit Well #3-18, located 790' from the north and east lines of Section 18, Township 32 North, Range 7 West, N.M.P.M., San Juan County, New Mexico.

The well was spudded on April 13, 1953, and drilled to a total depth of 5002' where 7" casing was set and cemented at 4989.81' on June 8, 1953. While waiting on gas supply and gas drilling-in tools we decided to perforate 7" casing opposite the Fruitland formation where a show of gas was had in the drilling of this well. On July 20, 1953, there was perforated 48 holes, 2794' to 2806' with Lane Wells cone jet shots and perforated 112 holes from 2766' to 2794' with Lane Wells cone jet shot. The well blew in and blew to the atmosphere for 20 hours before gas measuring equipment could be assembled at the well and at the end of that 20 hour open blowing period the well gauged with pitot tube for 2570 MCFGPD natural.

Pursuant to State regulations the well was shut-in at 7:20 p.m., July 22, 1953, and at 9:00 a.m., July 30, 1953, SICP was 1427 psig and SITP was 1269 psig. This complies with the minimum seven day shut-in period. At the end of the required 3 hour blow down period the well gauged through 3" blow nipple with pitot tube 1310 MCFGPD. The gas was wet with water throughout this test but volume appeared to be increasing and water decreasing at end of this test.

The 320 acre Drilling Block described as E/2 Section 18-32N-7W upon which this well is located is fully committed to the San Juan 32-7 Unit Agreement and pursuant to the above Section 11 of said Unit Agreement it is determined by Phillips Petroleum Company, Unit Operator, that this well is capable of producing unitized substances in paying quantities. The Initial Participating Area to be established as a result of this discovery well will be upon the 320 acre Drilling Block above described upon which the well is located, in accord with said Section 11 of the Unit Agreement.

Notice of Discovery

-2-

August 4, 1953

Attached are Schedule of Ownership and Allocation of Production, effective date of first production. This well is being connected to a small pipeline system we have to supply gas for drilling and cleaning out operations we have in the area.

Very truly yours

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By R. F. Rood  
R. F. Rood  
San Juan Division

RFR:pw

Airmail Special

Registered

cc: Mr. E. S. Walker

Commissioner of Public Lands  
of the State of New Mexico

Mr. R. R. Spurrler COPY FOR  
Oil Conservation of the  
State of New Mexico

Messrs. Tevis F. Morrow and A. H. Meadows

Mr. N. B. Gerber

Mrs. B. R. Gerber

Three States Natural Gas Company

El Paso Natural Gas Company

Stanolind Oil and Gas Company

Amerada Petroleum Corporation

Messrs. P. T. McGrath

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P. B. Cordry

T. E. Smiley (2)

S. E. Redman

Val Reese

E. A. Humphrey (3)

M. A. Tippie

J. W. Mims

G. E. Benskin

W. M. Freeman

O. I. Jones

G. L. Sneed

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

\_\_\_\_\_  
Director - United States Geological Survey

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

\_\_\_\_\_  
Commissioner of Public Lands of the State  
of New Mexico

Approved, \_\_\_\_\_, 1953,  
effective date of first production.

Oil Conservation Commission of the State  
of New Mexico

By \_\_\_\_\_

SCHEDULE I  
INITIAL PARTICIPATING AREA FOR FRUITLAND FORMATION  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
effective date of first production

New Mexico Principal Meridian

Township 32 North, Range 7 West  
Section 18: E $\frac{1}{2}$

The working interest under leases on the above described lands which have been committed to the Unit is vested:

Phillips Petroleum Company	100.00%
----------------------------	---------

Attached find: (1) A schedule, marked Exhibit "A", showing leases included in the participating area. (2) A schedule, marked Exhibit "B", a recap of committed acreage in the participating area.

EXHIBIT "A"  
INITIAL PARTICIPATING AREA FOR FRUITLAND FORMATION  
SAN JUAN 32-7 UNIT  
SAN JUAN COUNTY, NEW MEXICO  
effective date of first production

TRACT #21 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Lease Description: Township 32 North, Range 7 West  
Section 18: The East 441 feet of NE $\frac{1}{4}$ NE $\frac{1}{4}$   
Amount of Acreage: 13.36 Acres  
Percentage of Participation: 4.175000%  
Royalty: Paul B. Martin, et al 12.50% .521875%  
Operating Rights:  
Phillips Petroleum Company 100.00% 3.653125%

TRACT #22 in Exhibit "B" of Unit Agreement

Lessee: Phillips Petroleum Company  
Lease Description: Township 32 North, Range 7 West  
Section 18: West 879 feet NE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ ,  
SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$   
Amount of Acreage: 306.64 Acres  
Percentage of Participation: 95.825000%  
Overriding Royalties:  
Brookhaven Oil Company, et al 3.00% 2.874750%  
Royalty: R. M. Martin, et al 12.50% 11.978125%  
Operating Rights:  
Phillips Petroleum Company 100.00% 80.972125%

EXHIBIT "B"  
 INITIAL PARTICIPATING AREA FOR FRUITLAND FORMATION  
 SAN JUAN 32-7 UNIT  
 SAN JUAN COUNTY, NEW MEXICO  
 effective date of first production

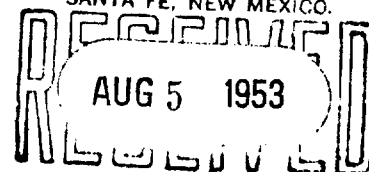
INITIAL PARTICIPATING AREA			WORKING INTEREST PARTICIPATION			ROYALTY PARTICIPATION		ORRI PARTICIPATION	
Tract No.	Area Acres	Committed Acres	%	% of W.I.	% of Participation	%	% of Production	%	% Pro
21	13.36	13.36	87.5%	100.000000%	3.653125%	12.5%	.521875%	None	
22	306.64	306.64	84.5%	100.000000%	80.972125%	12.5%	11.978125%	3.0%	2.
TOTALS: 320.00			320.00	100.000000%	84.625250%	12.500000%		2.	

## TOTALS COMMITTED:

	<u>Acres</u>	<u>Percentage</u>
Patented Lands	320.00	100.000000%

## TOTAL NET PERCENTAGE OF PART

Phillips Petroleum Company:  
 Royalty Owners:  
 Overriding Royalty Owners:



**PHILLIPS PETROLEUM COMPANY**  
10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

August 3, 1953

Re: NOTICE OF DISCOVERY  
San Juan 32-7 Unit  
No. 14-08-001-441  
San Juan County, New Mexico

Mr. John A. Anderson  
Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

Dear Sir:

In the first paragraph of our letter of July 30, 1953, being Notice of Discovery, it is from the Fruitland formation instead of from the Mesaverde formation. Will you kindly correct your copy of that letter.

Very truly yours

PHILLIPS PETROLEUM COMPANY  
Unit Operator

By

R. F. Rood  
San Juan Division

RFR:pw

cc: Mr. E. S. Walker  
Commissioner of Public Lands  
of the State of New Mexico  
Mr. R. R. Spurrier ← **COPY FOR**   
Oil Conservation of the  
State of New Mexico  
Messrs. Tevis F. Morrow and A. H. Meadows  
Mr. N. B. Gerber & Mrs. B. R. Gerber  
Three States Natural Gas Company  
El Paso Natural Gas Company  
Stanolind Oil and Gas Company  
Amerada Petroleum Corporation  
Messrs. P. T. McGrath  
J. A. DeLany  
D. C. Hemsell  
A. M. Rippel  
R. B. Stewart  
L. E. Fitzjarrald  
E. M. Gorence  
H. E. Koopman  
R. E. Parr  
R. L. Powell (1)

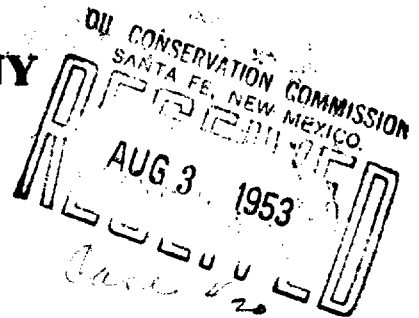
R. L. Pulsifer (3)  
E. R. Holt  
D. M. McBride  
F. D. Smythe (2)  
G. P. Bunn  
P. B. Cordry  
T. E. Smiley (2)  
S. E. Redman  
Val Reese  
E. A. Humphrey (3)

M. A. Tippie  
J. W. Mims  
G. E. Benskin  
W. M. Freeman  
O. I. Jones  
G. L. Sneed

**PHILLIPS PETROLEUM COMPANY**

**BARTLESVILLE, OKLAHOMA**

**July 30, 1953**



**Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Change location of Obligation  
Mesaverde Well**

**Mr. John A. Anderson  
Regional Supervisor  
United States Geological Survey  
Department of the Interior  
P. O. Box 6721  
Roswell, New Mexico**

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

**Mr. R. R. Spurrier ✓  
Oil Conservation Commission  
of the State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico**

**Gentlemen:**

Supplementing my letter of July 29, 1953, El Paso Natural Gas Company's name was inadvertently omitted from the list shown under carbon copies. This is to advise that El Paso Natural Gas Company was mailed a copy of the letter.

**Very truly yours,**

**PHILLIPS PETROLEUM COMPANY**

ORIGINAL SIGNED BY  
R. F. ROOD

By R. F. Rood, San Juan Division

**RFR:ld**

**PHILLIPS PETROLEUM COMPANY**

**BARTLESVILLE, OKLAHOMA**

**July 30, 1953**



**Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Change location of Obligation  
Mesaverde Well**

**Mr. John A. Anderson  
Regional Supervisor  
United States Geological Survey  
Department of the Interior  
P. O. Box 6721  
Roswell, New Mexico**

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

**Mr. R. R. Spurrier  
Oil Conservation Commission  
of the State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico**

**Gentlemen:**

**We received this morning, a telegram sent July 29, 1953 at 4:28 P.M.  
from El Paso Natural Gas Company approving change in Mesaverde  
obligation well to SW/4, Sec. 17, T 32 N - 7 W, N.M.P.M. San Juan  
County, New Mexico.**

**Still have not heard from Stanolind Oil and Gas Company.**

**Very truly yours,**

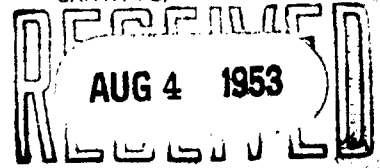
**PHILLIPS PETROLEUM COMPANY**

**ORIGINAL SIGNED BY  
R. F. ROOD**

**By \_\_\_\_\_  
R. F. Rood, San Juan Division**

**RFR:ld**





## PHILLIPS PETROLEUM COMPANY

10th Floor West Wing - Phillips Building  
BARTLESVILLE, OKLAHOMA

July 30, 1953

Re: NOTICE OF DISCOVERY  
San Juan 32-7 Unit  
No. 14-08-001-441  
San Juan County, New Mexico

Mr. John A. Anderson  
Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

Dear Sir:

Above numbered Unit was approved by the Acting Director of the United States Geological Survey on December 16, 1952. Pursuant to Section 11 of the Unit Agreement you are advised of a discovery of unitized substances in paying quantities from the ~~Messabi~~ <sup>Fruitland</sup> formation in the following well located thereon;

Phillips Petroleum Company's San Juan 32-7 Fruit Well #3-18  
located 790' from north and east lines of Section 18, Township  
32 North, Range 8 West, N.M.P.M., San Juan County, New Mexico.

The well was spudded on April 13, 1953, and drilled to a total depth of 5002' where 7" casing was set and cemented at 4989.81' on June 8, 1953. While waiting on gas supply and gas drilling-in tools we decided to perforate 7" casing opposite the Fruitland formation where a show of gas was had in the drilling of this well. On July 20, 1953, perforated 48 holes, 2794' to 2806' with Lane Wells cone jet shots and perforated 112 holes from 2766' to 2794' with Lane Wells cone jet shot. The well blew in and blew to the atmosphere for 20 hours before gas measuring equipment could be assembled at the well and at the end of that 20 hour period it gauged with pitot tube for 2570 MCFGPD.

Pursuant to State regulations the well was shut-in at 7:20 p.m., July 22, 1953, and at 9:00 a.m., July 30, 1953, SICP was 1427 psig and SITP was 1269 psig. This complies with the minimum seven day shut-in period. At the end of the 3 hour blow down period the well gauged through 3" blow nipple with pitot tube 1310 MCFGPD. The gas was wet throughout this test but volume appeared to be increasing.

The 320 acre Drilling Block described as E/2 Section 18-32N-7W upon which this well is located is fully committed to the San Juan 32-7 Unit Agreement and pursuant to the above Section 11 of said Unit Agreement it is determined by Phillips Petroleum Company, Unit Operator, that this well is capable of producing unitized substances in paying quantities. The Initial Participating Area to be established as a result of this discovery will be upon the 320 acre Drilling Block above described upon which the well is located.

Notice of Discovery

-2-

July 30, 1953

Schedule of Ownership and Allocation of Production will follow.

Very truly yours

PHILLIPS PETROLEUM COMPANY

Unit Operator

By


  
R. F. Rood

San Juan Division

RFR:pw

cc: Mr. E. S. Walker

Commissioner of Public Lands  
of the State of New Mexico

Mr. R. R. Spurrier ← COPY FOR   
Oil Conservation of the  
State of New Mexico

Messrs. Tevis F. Morrow and A. H. Meadows

Mr. N. B. Gerber

Mrs. B. R. Gerber

Three States Natural Gas Company

El Paso Natural Gas Company

Stanolind Oil and Gas Company

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P. B. Cordry

T. E. Smiley (2)

S. E. Redman

Val Reese

E. A. Humphrey (3)

M. A. Tippie

J. W. Mims

G. E. Benskin

W. M. Freeman

O. I. Jones

G. L. Sneed

Registered

**PHILLIPS PETROLEUM COMPANY**

BARTLESVILLE, OKLAHOMA

July 29, 1953

LAND AND GEOLOGICAL DEPARTMENT

C. O. STARK, VICE PRESIDENT  
D. E. LOUNSBERY, CHIEF GEOLOGIST  
D. C. HEMSELL, MGR. LAND DIVISION  
W. B. WEEKS, MGR. GEOLOGICAL SECTION  
A. J. HINTZE, MGR. EXPLORATION SECTION

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO.

JUL 31 1953

Re: San Juan 32-7 Unit  
San Juan County, New Mexico  
Change location of Obligation  
Mesaverde Well

Mr. John A. Anderson  
Regional Supervisor  
United States Geological Survey  
Department of the Interior  
P. O. Box 6721  
Roswell, New Mexico

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

Mr. R. R. Spurrier ✓  
Oil Conservation Commission  
of the State of New Mexico  
Capital Annex Building  
Santa Fe, New Mexico

Gentlemen:

Attached are photocopies of:

Our wire of July 27, 1953, to parties signatory to San Juan 32-7 Unit Operating Agreement as well as to the Commissioner of Public Lands and the Oil Conservation Commission of the State of New Mexico. The wire was not sent to Regional Supervisor of the United States Geological Survey because verbal approval was given subject to other concurrence.


Seven approval telegrams from (1) Oil Conservation Commission of the State of New Mexico (2) Commissioner of Public Lands State of New Mexico (3) Three States Natural Gas Company (4) Amerada Petroleum Corporation (5) N. B. and B. R. Gerber (6) Tevis F. Morrow and (7) A. H. Meadows. No answer at this writing has been received from either El Paso Natural Gas Company or Stanolind Oil and Gas Company, but delivery has been verified. However, Section 7 of the San Juan 32-7 Unit Operating Agreement authorizes this change with the above approvals.

Accordingly, San Juan 32-7 Mesa Well No. 3-18 located 790' from North and East lines of Sec. 18, T 32 N - 7 W, will be changed to San Juan 32-7 Fruit Well No. 3-18. This Fruitland Well is presently shut-in for the required minimum 7 day period which will have passed July 30, 1953, when the well will be gauged and reported to all of you. The substitute well will be known as San Juan 32-7 Mesa Well No. 7-17 and location is being staked in the SW/4 Sec. 17, T 32 N - 7 W. Operations are expected to be started immediately following official completion of the Fruitland Well.

Thank you for your cooperation.

Very truly yours,

PHILLIPS PETROLEUM COMPANY, UNIT OPERATOR,

By   
R. F. Rood, San Juan Division

RFR:ld

cc: Three States Natural Gas Company  
Attention: Mr. Joseph Gordon  
Tower Petroleum Building  
Dallas, Texas

Amerada Petroleum Corporation  
Attention: Mr. L. J. Handy  
Beacon Building  
Tulsa, Oklahoma

Mr. N. B. Gerber  
Mrs. B. R. Gerber  
120 Wall Street  
New York City, New York

Mr. Tevis F. Morrow and  
Mr. A. H. Meadows  
1404 Republic Bank Building  
Dallas, Texas

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

Mr. G. E. Benskin  
Albuquerque, New Mexico

Mr. Owen I. Jones  
Office

TELEGRAM	<input checked="" type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

PHILLIPS PETROLEUM COMPANY

# TELEGRAM

10TH FLOOR WEST WING - PHILLIPS BUILDING  
DAKOTAVILLE, OKLAHOMA  
JULY 27, 1953

EL PASO NATURAL GAS COMPANY  
1600 BARNETT TOWER  
EL PASO, TEXAS

ATTENTION: MR. C. L. PERKINS

STANCLINE OIL AND GAS COMPANY  
OIL AND GAS BUILDING  
FORT WORTH, TEXAS

ATTENTION: MR. C. F. BEDFORD

AMERADA PETROLEUM CORPORATION  
BRACON BUILDING  
TULSA, OKLAHOMA

ATTENTION: MR. L. J. HANDY

THREE STATES NATURAL GAS COMPANY  
TOWER BUILDING  
DALLAS, TEXAS

ATTENTION: MR. JOSEPH GORDON

MR. H. B. GUNNER  
MR. B. R. GUNNER  
120 WALL STREET  
NEW YORK, N. Y.

THOMAS F. MASON  
A. H. MASON  
1304 REPUBLIC BANK BUILDING  
DALLAS, TEXAS

MR. E. S. WALKER  
STATE CAPITAL ANNEX BUILDING  
SANTA FE, NEW MEXICO

MR. R. R. SPURRING  
OIL CONSERVATION COMMISSION OF STATE OF  
NEW MEXICO  
STATE CAPITAL ANNEX BUILDING  
SANTA FE, NEW MEXICO

IN DRILLING SAN JUAN 32-7 UNIT MESA WELL NO. 3-16 LOCATED IN NE/4 SECTION 16-32N-7W,  
WE HAVE A GAUGE OF 2,570 MCFOOT WELLFLOWING 20 HOUR FLOW DOWN PERIOD FROM PERFORATIONS  
BETWEEN 2766' AND 2806' IN FRUITLAND FORMATION. WILL COMPLETE AND GIVE NOTICE OF  
DISCOVERY ON UNIT AREA. PLEASE WIRE YOUR APPROVAL BY WESTERN UNION COLLECT TO CHANGE  
THIS OBLIGATION MESAVERDE WELL LOCATION TO SW/4 SECTION 17-32N-7W.

PHILLIPS PETROLEUM COMPANY

R. F. ROOD

# WESTERN UNION

SYMBOLS

NL - Night Letter

LY Int'l Letter Telegram

V.I. = Int'l Victory Ltr.

W. P. MARSHALL, PRESIDENT

The time shown in the data column,  $t_{\text{data}}$ , is  $t_{\text{data}} = \text{STANDARD TIME, at point of origin} + \text{Time of travel} + \text{STANDARD TIME, at point of destination}$ .

1953 JUL 28 AM 10 36

A07-1-10

L.S. ACFO 19 COLLECTED TAPE INDEX 2 9144=

RF 1000 =

PHILLIPS PETROLEUM CO PARTIAL FINE GALLON

:PERMISSION FOR THE DYNAMIC COLLATION MEGA VERGE TELL

LOCATION TO SECTION 17-32N-7E SAN JUAN 32-7 WHITE

### 3. Results and Discussion

SN/A 17-2011-70 30-70

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

# CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

1201

## SYMBOLS

DL=Day Letter

RECEIVED  
JUL 28 1953

VLT=For Victory Ltr.

W. P. MARSHALL, PRESIDENT

1953 JUL 28

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

KA088 LA 199

LAND DEPARTMENT  
SAN JUAN DIVISION

L.SNA050 30 COLLECT=SANTAFE NMEX 28 936AMM=

PHILLIPS PETROLEUM CO=

:ATTN R F RUDD=BARTLESVILLE OKLA=

:RE SAN JUAN 32-7 UNIT APPROVAL IS HEREBY GRANTED TO CHANGE  
OBLIGATION MESAVERDE WELL LOCATION TO SW4 SECTION 17 32N 7W  
APPROVAL ALSO NECESSARY FROM OIL CONSERVATION COMMISSION=

:E S WALKER COMMISSIONER OF PUBLIC LANDS=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

THIS IS AMERADA TU 650 HAVE MSG FOR U ON LINE 10 PLS  
MR. R. F. ROOD

PHILLIPS PETROLEUM COMPANY

BARELESVILLE, OKLAHOMA

RECEIVED  
JUL 28 1953  
LAND DEPARTMENT  
SAN JUAN DIVISION

AMERADA APPROVES COMPLETION OF YOUR 3-18 UNIT WELL SECTION 18-32N-7W  
IN FRUITLAND FORMATION AND YOUR OBLIGATION TO DRILL MESAVERDE TEST  
IN THE SW/4 SECTION 17-32N-7W.

AMERADA PETROLEUM CORPORATION

L.J. HANDY

as



CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL = Day Letter

NLT = Night Letter

LT = Int'l Letter Telegram

TL = Int'l Telegram

FX-1201

RECEIVED

JUL 28 1953

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at destination.

WAP 21 00 00

SAN JUAN DIVISION

D.LLC171 11 COLLECT-FAX DALLAS TEX 27 501PUC=

1953 JUL 27 PM 5 14

RUF 500B=

PHILLIPS PETROLEUM CO BARTLESVILLE OKLA=

APPROVE CHAS E DELAVERDE OBLIGATION TO SW/4 SECTION  
17, T-32N R-7E, AC PER YOUR WIRE=

THREE STATES NATURAL GAS CO JOSEPH C GORDON=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

For a full list of  
Telegrams and Day Letters  
sent by Western Union  
see the address  
book for the office

# WESTERN UNION

1201

SYMBOLS
DL-DAY LETTER
LT-TELEGRAM
LT-TELEGRAM
LT-TELEGRAM

W. F. MARSHALL, PRESIDENT

The time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at destination.

KA 113

K CDU201 32 COLLECT=CD NEW YORK NY 28 118PME= 1953 JUL 28 PM 12 40

PHILLIPS PETROLEUM CO, ATTN R F ROOD=

BARTLESVILLE OKLA=

RE TODAYS TELEGRAM AND PHONE CALL WE APPROVE CHANGE  
MESAVARDE WELL LOCATION TO SW/4 SECTION 17-32N-7W SAN JUAN  
32-7 UNIT YOU ARE TO FORWARD UNIT DRILLING REPORTS TO US  
REGARDS=

N B & B R GERBER=

MESAVARDE SW/4 17-32N-7W 32-7=

OUR COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

alo

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

NL=Night Letter  
VLT=Very Late

JUL 28 1953  
LAND DEPARTMENT  
SAN ANTONIO

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at destination.

10 w w  
KA096 DD104

1953 JUL 28 AM 11 47

D.RFA083 14 COLLECT=RF DALLAS TEX 28 1118AMC=

PHILLIPS PETROLEUM CO, ATTN R F ROOD=

BARTLESVILLE OKLA=

I APPROVE CHANGE OF MESAVERDE WELL LOCATION TO SOUTHWEST  
QUARTER SECTION 17-32N-7W=

TEVIS F MORROW

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

27

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, President

SYMBOLS

DL Day Letter

NL Night Letter

TL Telegram

Alk. Encl. Victory Ltr.

1953 JUL 28

SAN JUAN DIVISION

1. TELEGRAMS MUST BE PAID FOR IN ADVANCE

STANDARD TIME

STANDARD TIME

STANDARD TIME (part of destination)

LA 002 0035

J. REAGAN 17 COLLECT= DALLAS TEX 20 1055PM=

PHILIP R. PETTIBONE JR, R F RUDE=

WARTLE JUNE 1953=

I APPROVE C. D. E. E. ENCLAVE WELL LOCATION TO SOUTHWEST  
QUARTER SECTION 17-22-71=

LA 002 0035=

THE COMPANY WILL ACCEPT ALL SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

28