

El Paso Natural Gas Company

El Paso, Texas

November 23, 1964

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

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Re: San Juan 32-5 Unit, #14-08-001-534
Rio Arriba and San Juan
Counties, New Mexico
1964 DRILLING PROGRAM

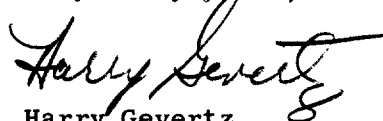
Gentlemen:

The 1964 Drilling Program for the San Juan 32-5 Unit was approved by the regulatory bodies on the following dates:

1. United States Geological Survey - September 18, 1964
2. Commissioner of Public Lands - September 16, 1964
3. Oil Conservation Commission - November 9, 1964

Copies of this letter are being sent to the working interest owners of the San Juan 32-5 Unit.

Very truly yours,



Harry Gevertz
Regional Landman
Land Department

HG: JH: js

SJ 32-5, 3.0

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

471

November 9, 1964

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

Attention: Mr. Sam Smith

**Re: 1964 Drilling Program
San Juan 32-5 Unit,
San Juan and Rio Arriba
Counties, New Mexico**

Gentlemen:

**This is to advise that the New Mexico Oil
Conservation Commission has this date approved the 1964
Drilling Program for the San Juan 32-5 Unit, San Juan
and Rio Arriba Counties, 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 program is returned
herewith.**

Very truly yours,

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

ALP/JBK/og

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

C
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P
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MAIL ROOM

5 NOV 7 1964

El Paso Natural Gas Company

El Paso, Texas 79999

November 3, 1964

471

Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87505

Re: San Juan 32-5 Unit, #14-08-001-534
San Juan & Rio Arriba Counties,
New Mexico, 1964 DRILLING PROGRAM

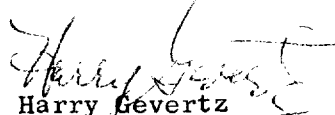
Gentlemen:

Our records indicate that we may not have received your approval of El Paso Natural Gas Company's proposed Drilling Program for the calendar year 1964 for the captioned Unit. This program was submitted to you in our letter of September 1, 1964.

If you have furnished us a copy of your approval, we would appreciate your so advising us, and if you have not furnished us such a copy, we request that you let us know when we may expect to receive it.

Your help in this matter will be appreciated.

Very truly yours,


Harry Gevertz
Regional Landman
Land Department

HG: JH: js

SJ 32-5, 3.0

SJ 32-5, 5.0

11/9/64



MAIN OFFICE
SEP 21 1964

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawn 1857
Roswell, New Mexico 88201

September 18, 1964

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

Attention: Mr. Sam Smith

Gentlemen:

Your 1964 plan of development dated September 1, 1964, for the San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Sincerely yours,

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:

Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOC, Santa Fe (ltr. only) ✓
Com. of Pub. Lands, Santa Fe (ltr. only)

MAIN OFFICE 009

'64 SEP 16 AM 11

September 16, 1964

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

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
1964 Drilling Program

Attention: Mr. Sam Smith

Gentlemen:

The Commissioner of Public Lands approved as of September 16, 1964, the 1964 Plan of Development for the San Juan 32-5 Unit Area, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning one approved copy of this Plan.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmz/v

cc: United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

ILLEGIBLE

El Paso Natural Gas Company

El Paso, Texas

September 1, 1964

RECEIVED SEP 1 1964

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

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico - 87501

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico, 1964 Drilling Program

Gentlemen:

By letter dated March 20, 1963, La Plata Gathering System, Inc., as Unit Operator at that time, filed a Drilling Program regarding the captioned unit for the calendar year 1963. Said Drilling Program provided for the drilling of no wells. However, the San Juan 32-5 #1-20 Well covering the W/2 of Section 20, Township 32 North, Range 5 West, N.M.P.M. was drilled and completed as a Mesaverde-Dakota dual well. The Dakota Formation of the #1-20 Well was determined to be non-commercial and this determination has been approved by the United States Geological Survey. The determination with regard to the Mesaverde portion of said well is presently being considered and will be submitted at a later date.

As of this date, the total number of wells in the San Juan 32-5 Unit, excluding the San Juan 32-5 #1-20 Well, is as follows:

Mesaverde	6
Mesaverde-Dakota	4
Mesaverde-Dakota Non-Commercial in Dakota	2
Mesaverde-Dakota Junked and Abandoned	1
Dakota	5
TOTAL	18

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a Drilling Program for the calendar year of 1964, providing for the drilling of no wells during the year.

All of the working interest owners have been contacted and this Drilling Program reflects, insofar as possible, their desires for additional drilling and El Paso Natural Gas Company, as Unit Operator, and the working interest owners believe that all current unit obligations have been satisfied.

El Paso Natural Gas Company, as Unit Operator, 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.

If this Drilling Program 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 Drilling Program are being sent to the working interest owners as shown on the attached sheet.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By 
Sam Smith, Manager
Land Department

SS:GA:kp

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 the
Oil Conservation Commission.

DATE: _____

APPROVED: _____

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

DATE: 11-7-61

The foregoing approvals are for the 1964 Drilling Program for the San Juan 32-5
Unit #14-08-001-534, San Juan and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
Working Interest Owners

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Benson-Montin-Greer Drilling Corp.
1390 First National Bank Building
Oklahoma City 2, Oklahoma

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

The First National Bank in Shreveport
Trustee for the Ed. E. and Gladys
Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Pan American Petroleum Corporation
Post Office Box 480
Farmington, New Mexico

Mr. Frank A. Schultz
730 Fidelity Union Tower
Dallas 1, Texas

Southern Union Gas Company
1507 Pacific Avenue
Dallas 1, Texas

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

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

411
1964 AUG 13 PM 2 50

Drawer 1857

Roswell, New Mexico 88201

August 13, 1964

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

Attention: Mr. T. W. Bittick

Gentlemen:

Your notice of July 31 advises that El Paso Natural Gas Company as unit operator of the San Juan 32-5 unit, San Juan and Rio Arriba Counties, New Mexico, has determined unit well No. 1-20 in the SW $\frac{1}{4}$ sec. 20, T. 32 N., R. 5 W., to be incapable of producing unitized substances in paying quantities from the Dakota formation. Said well was completed on December 27, 1963, for an initial potential of 149 MCF of gas per day from the Dakota 7,806 - 7,901 feet.

This office concurs with your determination that unit well No.1-20 is not capable of producing unitized substances in paying quantities from the Dakota formation.

Sincerely yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil & Gas Supervisor

cc:

Washington (w/cy of notice)
Farmington (w/cy of notice)
NMOCC - Santa Fe (ltr. only)✓
Com. of Pub. Lands - Santa Fe (ltr. only)
Accounts

411

El Paso Natural Gas Company

El Paso, Texas

RECEIVED MAY 10 1964

May 8, 1964

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Re: San Juan 32-5 Unit
Resignation of Unit Operator and
Designation of Successor Unit Operator
Effective March 1, 1964

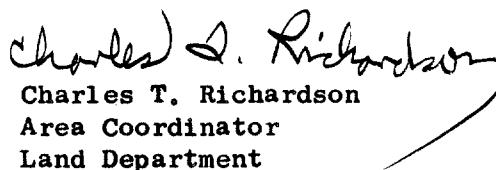
Gentlemen:

Enclosed for your information and files is a fully executed copy of the above captioned Agreement, in which La Plata Gathering System, Inc. resigns as Unit Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, and designates El Paso Natural Gas Company as Successor Unit Operator of said Unit.

This Agreement was approved by the Acting Director of the United States Geological Survey on April 17, 1964; by the Commissioner of Public Lands of the State of New Mexico on March 10, 1964; and by the Oil Conservation Commission of the State of New Mexico on March 3, 1964.

Copies of this letter and Agreement are being sent to the working interest owners of the San Juan 32-5 Unit as shown on the attached sheet.

Very truly yours,


Charles T. Richardson
Area Coordinator
Land Department

CTR:GA:js
Enclosures

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

SJ 32-5, 5.0

SAN JUAN 32-5 UNIT
Working Interest Owners

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Benson-Montin-Greer Drilling Corp.
1390 First National Bank Building
Oklahoma City 2, Oklahoma

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys
Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Pan American Petroleum Corporation
Post Office Box 480
Farmington, New Mexico

Mr. Frank A. Schultz
730 Fidelity Union Tower
Dallas 1, Texas

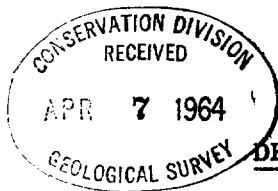
Southern Union Gas Company
1507 Pacific Avenue
Dallas 1, Texas

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

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



MAIN OFFICE OCC

RESIGNATION OF UNIT OPERATOR
DESIGNATION OF SUCCESSOR UNIT OPERATOR

1964 MAR 2 AM 8:19

WHEREAS, under date of December 4, 1952, that certain Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, located in San Juan and Rio Arriba Counties, New Mexico, was entered into by parties owning interests in the acreage embraced in said Unit Area, and, thereafter, said Unit Agreement was duly approved by the Commissioner of Public Lands of the State of New Mexico on March 4, 1953, and by the Acting Director of the United States Geological Survey on March 30, 1953; and

WHEREAS, by the terms of said Unit Agreement, Stanolind Oil and Gas Company was designated as Unit Operator, and thereafter, by instrument dated June 16, 1955, effective July 1, 1955, Pacific Northwest Pipeline Corporation was designated as Successor Unit Operator, and thereafter, by instrument effective June 1, 1957, L. H. J. Harper was designated as Successor Unit Operator to Pacific Northwest Pipeline Corporation, and thereafter, by instrument effective September 1, 1958, La Plata Gathering System, Inc. was designated Successor Unit Operator to L. H. J. Harper, and the said La Plata Gathering System, Inc. is now acting in said capacity; and

WHEREAS, it is the desire of La Plata Gathering System, Inc. to resign as Unit Operator, and the parties executing this instrument, who now own more than seventy-five percent (75%) of the working interests, qualified to vote in the selection of a Successor Unit Operator desire to designate El Paso Natural Gas Company, whose address is Post Office Box 1492, El Paso, Texas, as Successor Unit Operator effective as of and from March 1, 1964, at 7:00 A.M. in accordance with the terms of the Unit Agreement above referred to;

NOW, THEREFORE, this instrument evidences the following:

1. Effective March 1, 1964, at 7:00 A.M., La Plata Gathering System, Inc. does hereby resign as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico and agrees to settle and discharge any and all liabilities, obligations and responsibilities, if any, incurred by it as such Unit Operator prior to March 1, 1964, at 7:00 A.M.

000 MAY 1 1964

000 MARCH 1 1964

RECEIVED

MAR 16 1964

U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

2. Effective March 1, 1964, at 7:00 A.M., the undersigned, La Plata Gathering System, Inc., whose address is 1940 Mercantile Dallas Building, Dallas 1, Texas; J. Glenn Turner and William G. Webb, whose addresses are 1900 Mercantile Dallas Building, Dallas 1, Texas; and Frank A. Schultz and his wife, Betty Schultz, whose address is 706 Fidelity Union Tower, Dallas 1, Texas, do hereby select and designate El Paso Natural Gas Company, as Successor Unit Operator with all of the rights, privileges, obligations and responsibilities provided for in the Unit Agreement aforesaid.

3. El Paso Natural Gas Company does hereby accept effective as of and from March 1, 1964, at 7:00 A.M., the duties and responsibilities of Unit Operator under the Unit Agreement above referred to and agrees to serve in said capacity until its designation as Unit Operator shall be terminated in accordance with said Unit Agreement. By such acceptance El Paso Natural Gas Company shall not incur or assume any liability, obligation or responsibility of any kind or character which shall or might arise due to any act, deed or performance occurring prior to March 1, 1964, at 7:00 A.M.

IN WITNESS WHEREOF, the parties hereinabove named have caused this instrument to be executed in counterpart originals as of the day and year set forth opposite their respective names.

UNIT OPERATOR AND WORKING INTEREST OWNER

ATTEST:

Dred T. Simpson
Secretary

LA PLATA GATHERING SYSTEM, INC.

By J. Glenn Turner
President

Date: 2-14-64

1940 Mercantile Dallas Building
Dallas 1, Texas

SUCCESSOR UNIT OPERATOR AND WORKING INTEREST OWNER:

EL PASO NATURAL GAS COMPANY

By Sam Smith
Attorney in Fact

Date: FEB 26 1964

Post Office Box 1492
El Paso, Texas

WORKING INTEREST OWNERS

Date: 2-13-64

J. Glenn Turner
J. GLENN TURNER
1900 Mercantile Dallas Building
Dallas 1, Texas

Date: 2-13-64

William G. Webb
WILLIAM G. WEBB
1900 Mercantile Dallas Building
Dallas 1, Texas

Date: 2-20-64

Frank A. Schultz
FRANK A. SCHULTZ
730 706 Fidelity Union Tower
Dallas 1, Texas

Date: 2-20-64

Betty Schultz
BETTY SCHULTZ
730 706 Fidelity Union Tower
Dallas 1, Texas

STATE OF TEXAS)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 13th day of February, 1964, by J. Glenn Turner, President of LA PLATA GATHERING SYSTEM, INC., a Delaware corporation, on behalf of said corporation.

Flonine Hamilton
Notary Public

My commission expires June 1, 1965.

STATE OF TEXAS)
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 26th day of Feb., 1964, by Sam Smith, Attorney in Fact for EL PASO NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

Natasha Taylor
Notary Public

My commission expires June 1, 1965.

STATE OF TEXAS)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 13th day of February, 1964, by J. GLENN TURNER.

Flonine Hamilton
Notary Public

My commission expires June 1, 1965.

STATE OF TEXAS)
)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 13th day
of February, 1964, by WILLIAM G. WEBB.

Florine Hamilton
Notary Public

My commission expires June 1, 1965.

STATE OF TEXAS)
)
COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 26th day
of February, 1964, by FRANK A. SCHULTZ and BETTY SCHULTZ, his wife.

Chas D. Kimpson
Notary Public, Dallas County
2482

My commission expires June 1, 1965.

APPROVAL OF DIRECTOR, UNITED STATES GEOLOGICAL SURVEY
UNITED STATES DEPARTMENT OF INTERIOR

Pursuant to authority vested by law in the Secretary of the Interior and delegated to the Director of the Geological Survey by departmental order, I do hereby:

A. Approve the resignation of La Plata Gathering System, Inc. as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of El Paso Natural Gas Company, Post Office Box 1492, El Paso, Texas, as Successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated: APR 17 1964


ACTING Director
United States Geological Survey

APPROVAL OF COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO

Pursuant to authority vested by law in me, I, the undersigned, E. S. Johnny Walker, Commissioner of Public Lands of the State of New Mexico, do hereby:

A. Approve the resignation of La Plata Gathering System, Inc., as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of El Paso Natural Gas Company, Post Office Box 1492, El Paso, Texas, as Successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated: March 10, 1964


Commissioner of Public Lands

APPROVAL OF OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Pursuant to authority vested by law in me, I, the undersigned,
A. L. Porter, Jr., Secretary-Director, Oil Conservation Commission of the
State of New Mexico, do hereby:

A. Approve the resignation of La Plata Gathering System, Inc.
as Operator under the Unit Agreement for the Development and Operation of
the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of El Paso Natural Gas Company, Post
Office Box 1492, El Paso, Texas, as Successor Unit Operator under the terms
of the Unit Agreement aforesaid.

Dated: 3-3-64


Secretary-Director
Oil Conservation Commission

El Paso Natural Gas Company

El Paso, Texas

MAIN OFFICE OCC

March 11, 1964 1964 MAR 16 AM 9:00

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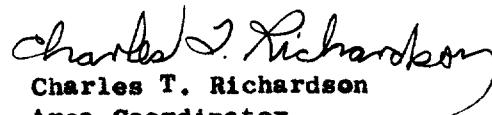
United States Geological Survey
Drawer 1857
Roswell, New Mexico

Gentlemen:

We are furnishing you nine copies of Resignation of Unit Operator and Designation of Successor Unit Operator which have been approved by the Oil Conservation Commission on March 3, 1964, and by the Commissioner of Public Lands of the State of New Mexico on March 10, 1964.

The Commissioner of Public Lands retained two copies of this instrument but we request that you return to us all copies not needed for your files after approval by the Director in order that we may furnish the necessary copies of this instrument to the interested parties.

Very truly yours,


Charles T. Richardson
Area Coordinator
Land Department

CTR:GA:fsc
Enclosures

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

Oil Conservation Commission
State of New Mexico
Box 2088
Santa Fe, New Mexico

COPY

471
MAIN OFFICE OCE
1964 MAR 11 AM 8 39

March 10, 1964

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

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
Resignation and Designation
of Successor Unit Operator

Attention: Mr. C. T. Richardson

Gentlemen:

The Commissioner of Public Lands has accepted as of this date the resignation of La Plata Gathering System, Inc., as Unit Operator and has approved the Designation of El Paso Natural Gas Company as successor Unit Operator of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning nine approved copies of this change of Unit Operator. Please notify us when this has been approved by the United States Geological Survey.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmr/v

cc: Oil Conservation Commission
United States Geological Survey

441

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

March 3, 1964

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

Attention: Mr. C. T. Richardson

Re: Resignation and Designation
Successor Unit Operator
San Juan 32-5 Unit, San Juan
and Rio Arriba Counties, New
Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the resignation of La Plata Gathering System, Inc., as unit operator and the designation of El Paso Natural Gas Company as Successor Unit Operator, effective March 1, 1964 of the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Eleven approved copies of the application for approval of the change of operators are forwarded to the Commissioner of Public Lands.

Very truly yours,

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

ALP/JEK/og

cc: Commissioner of Public Lands - Santa Fe
Director, United States Geological Survey - Roswell

El Paso Natural Gas Company

MAIN OFFICE OCC

El Paso, Texas 79999

1964 MAR 2 AM 8 19

February 27, 1964

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Gentlemen:

We are furnishing you eleven copies of Resignation of Unit Operator and Designation of Successor Unit Operator for your approval.

If this Agreement meets with your approval, please execute all copies and forward it to the Commissioner of Public Lands for his approval and execution. By carbon copy of this letter to the Commissioner of Public Lands and the United States Geological Survey, we are requesting that the Commissioner execute and forward all instruments to the United States Geological Survey for their approval and execution.

After the agreement has been approved by the United States Geological Survey, we will furnish all parties an approved copy of this instrument.

Very truly yours,

Charles T. Richardson

Charles T. Richardson
Area Coordinator
Land Department

CTR:GA:js
Enclosure

cc: Commissioner of Public Lands,
United States Geological Survey,
Mr. Frank A. Schultz,
La Plata Gathering System, Inc.
Mr. J. Glenn Turner w/attachment
Mr. William G. Webb w/attachment

SJ 32-5, 1.0
SJ 32-5, 2.0

44
LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

1963 OCT 25 AM 8 19

October 25, 1963

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director
Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit Number 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Eighth Expansion
Mesaverde Participating Area
Effective December 1, 1962

Gentlemen:

This will advise that the captioned Expansion has been approved by the appropriate governmental officials as follows:

- (a) By the Oil Conservation Commission of the State of New Mexico on August 22, 1963;
- (b) By the Commissioner of Public Lands of the State of New Mexico on July 15, 1963; and

- 2 -

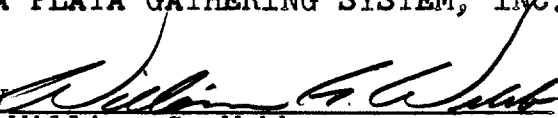
(c) By the United States Geological Survey on
July 12, 1963.

A copy of this letter is being sent to each of the
working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb
Vice President

WGW:mch

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

MAIN OFFICE 000

1963 OCT 23 AM 8:19

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

411

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

September 4, 1963

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director
Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit Number 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Sixth Expansion
Dakota Participating Area
Effective January 1, 1962

Gentlemen:

This will advise that the captioned Expansion has been approved by the appropriate governmental officials as follows:

- (a) By the Oil Conservation Commission of the State of New Mexico on January 22, 1963;
- (b) By the Commissioner of Public Lands of the State of New Mexico on January 24, 1963;
and

- 2 -


(c) By the United States Geological Survey on
June 13, 1963.

A copy of this letter is being sent to each of the
working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb
Vice President

WGW:mch

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

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

491

August 22, 1963

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: Eighth Expansion of the
Mesaverde Participating Area
San Juan 32-5 Unit, San Juan
and Rio Arriba Counties,
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Eighth Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Five approved copies of the expansion are returned herewith.

Very truly yours,

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

ALP/JEK/og

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

July 15, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved as of July 15, 1963 the Eighth Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico. Our approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of this Expansion.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESJW/mmr/m

encl.

cc: United States Geological Survey
Roswell, New Mexico
Attention: Mr. John A. Anderson

Oil Conservation Commission
Santa Fe, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas
June 28, 1963

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

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

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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Eighth Expansion of Mesaverde
Participating Area
Effective December 1, 1962

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits, for approval, the Eighth Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-X-19 located 1680 feet from the South line and 734 feet from the East line of Section 19, Township 32 North, Range 5 West, Rio Arriba County, New Mexico, was spudded on August 24, 1962 and was dually completed in the Mesaverde and Dakota Formations on November 21, 1962 at a depth of 7950 feet. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals 5378-89', 5422-50', 5476-86', 5516-25', 5566-96' and 5704-16'. After being shut in for seven days the well was tested on November 28, 1962 and

gauged 2673 MCFD on 3/4" choke and 4136 MCFD by the absolute open flow method. The SITP was 1269 psia and the SICP was 1269 psia.


By virtue of completion of the San Juan 32-5 Unit Well No. 1-X-19 described above, Lots 1, 2, 3 and 4 of Section 18 and Lots 1, 2, 3 and 4 of Section 19, all in Township 32 North, Range 5 West, consisting of 355.25 acres, more or less, are included in the Eighth Expansion of the Mesaverde Participating Area.


Attached hereto is a schedule showing the Eighth Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice-President

Approved  22 63
.....
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: _____ Date: _____
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

471
Drawer 1857
Roswell, New Mexico

June 21, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your application of January 9, 1963, for approval of the sixth revision of the Dakota participating area, San Juan 32-5 unit agreement, San Juan and Rio Arriba Counties, New Mexico, No. 14-08-001-534, was approved by the Acting Director, U. S. Geological Survey, on June 13, 1963, effective as of January 1, 1962.

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

Sincerely yours,
(ORIG. SCD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

Copy to: Washington (ltr. only)
Farmington (w/cy of appln.)
BLM - Santa Fe (w/cy of appln.)
NMOCC - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

491

June 18, 1963

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

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

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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
NOTICE OF COMPLETION OF ADDITIONAL WELL

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator, determined on March 28, 1963, that one additional well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon the acreage committed to this unit.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 3-24 located 1790 feet from the North line and 790 feet from the West line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on October 31, 1962 and completed on January 3, 1963 at a total depth of 5900 feet. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals of 5416-24', 5462-5502', and 5524-30', and another sand-water fracturing process in the perforated intervals of 5594-5640', 5659-67', 5701-06', 5737-43', and 5756-69'. After being shut in for gauge for 84 days the well was tested on March 28, 1963 and gauged 1935 MCFD on 3/4" choke and 2277 MCFD by the calculated open flow method. The SITP was 1171 psia and the SICP was 1170 psia. The committed drilling

block upon which this well is located is described as the W/2 of Section 24, Township 32 North, Range 6 West, and consists of 320 acres.

The drilling block was included in the Sixth Expansion of the Mesaverde Participating Area, effective February 1, 1962, as an intervening block. Therefore, the present Mesaverde Participating Area is not enlarged.

A copy of this letter is being sent to each of the Working Interest Owners shown on the attached list.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

A handwritten signature in dark ink, appearing to read 'William G. Webb', is written over a horizontal line.

William G. Webb, Vice-President

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

June 11, 1963

491

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: 1963 Drilling Program
San Juan 32-5 Unit
San Juan and Rio Arriba Counties,
New Mexico
Contract Number 14-08-001-534

Gentlemen:

This will advise that the Drilling Program for the calendar year 1963, dated March 20, 1963, for the captioned unit has been approved as follows:

- (1) By the Supervisor, United States Geological Survey, on April 17, 1963;
- (2) By the Commissioner of Public Lands of the State of New Mexico on April 8, 1963; and


June 11, 1963

- (3) By the Oil Conservation Commission
of the State of New Mexico on June 6,
1963.

Copies of this notice have been forwarded to
each of the Working Interest Owners set forth on the
attached list.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 
William G. Webb
Vice President

WGW:mch
Attached Sheet: 1

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 367
Corona Del Mar, California

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

NEW MEXICO OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

491

June 6, 1963

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. Wm. G. Webb

Re: 1963 Drilling Program
San Juan 32-5 Unit, San
Juan and Rio Arriba
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1963 Drilling Program for the San Juan 32-5 Unit, San and Rio Arriba Counties, 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 program are returned herewith.

Very truly yours,

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

ALP/JEK/ig

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

Drawer 1857
Roswell, New Mexico

April 17, 1963

La Plata Gathering System, Inc.
1940, Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your 1963 plan of development dated March 20, 1963, for the San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, proposing no additional drilling operation other than certain remedial work on unit wells Nos. 1-X-19 and 3-24, 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,

(Orig Sgd) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

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

1963 APR 8 PM 3 21

April 8, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: 1963 Plan of Development
San Juan 32-5 Unit, San
Juan and Rio Arriba Count-
ies, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands approved as of April 8, 1963 your 1963 Plan of Development for San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico.

This Plan calls for no development during 1963. Our approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmr/v

cc: United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

April 4, 1963

1963 APR 5 AM 8 05

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

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

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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Sixth Expansion of Dakota Participating Area
Effective January 1, 1962

Gentlemen:

This letter is to amend our application dated January 9, 1963, for approval of the sixth revision of the Dakota participating area, San Juan 32-5 Unit Agreement, San Juan and Rio Arriba Counties, New Mexico, by changing the effective date from February 1, 1962 to January 1, 1962, in accordance with section 11(b) of the San Juan 32-5 Unit Agreement.

Enclosed are five copies of revised schedules which we shall appreciate your substituting for the schedules now attached to the application.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice-President

LA PLATA GATHERING SYSTEM, INC.

MAIN OFFICE OCC
1963 JAN 14 AM 8:23

1940 Mercantile Dallas Building
Dallas 1, Texas
January 9, 1963

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Sixth Expansion of Dakota Participating Area
Effective February 1, 1962

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits for approval the Sixth Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-22 located 170 feet from the South line and 103 feet from the East line of Section 22, Township 32 North, Range 6 West, Rio Arriba County, New Mexico was spudded on November 12, 1961 and was completed January 8, 1962 at a depth of 8,100' P/B 8,068'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 7904-7926', 7966-7986' and 8030-8044'. After being shut in for eight days the well was tested on January 16, 1962 and gauged 3,737 MCFD on 3/4" choke and 4,324 MCFD by the calculated open flow method. The SITP was 2,865 psia and the SICP was 2,865 psia.

Page - 2 -


Sixth Expansion of Dakota Participating Area

By virtue of completion of the San Juan 32-5 Unit No. 1-22, described above, the SW/4 and the NE/4 of Section 22, Township 32 North, Range 6 West, containing 320 acres, more or less, is included in the Sixth Expansion of the Dakota Participating Area. Attached hereto is a schedule showing the Sixth Expansion of the Dakota Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice-President

WGW:lc
Encl.

Page - 3 -

Sixth Expansion of Dakota Participating Area

APPROVED: _____
Director, 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 United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Porter, Jr.
Oil Conservation Commission

Date: June 22, 1963

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

1963 MAR 25 AM 8:20 March 20, 1963

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Operator, herewith submits, for your approval, the proposed 1963 drilling program for the captioned unit, which provides for the following additional remedial work to be performed on wells which were drilled pursuant to the 1962 drilling program for the captioned unit:

1. San Juan 32-5 Unit Well No. 1-X-19. The subject well located 1680 feet from the South line and 734 feet from the East line of Section 19, Township 32 North, Range 5 West, Rio Arriba County, New Mexico, was dually completed in the Mesaverde and Dakota Formations on December 7, 1962. The Mesaverde Formation, after having been shut in for nine days, was tested on November 28, 1962 and gauged 3818 MCFPD on 3/4 inch choke and 4004 MCFPD by the calculated open flow method. The Dakota Formation was treated with a sand water fracturing process following completion therein, but Operator has been unable to shut off large volumes of salt water. It is apparent that a bad cement job behind the lower section

March 20, 1963

of the Dakota Formation has caused the present situation. Accordingly, Operator plans to recement, reperforate and refrac the same.

2. San Juan 32-5 Unit Well No. 3-24. This well, located 1850 feet from the South line and 790 feet from the West line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was completed in the Mesaverde Formation on December 20, 1962. It is apparent that the sand water fracturing process used in attempting to complete said well has caused said well to make large volumes of water from the lower Mesaverde sands. It is Operator's proposed plan of recompletion to attempt to isolate and squeeze off the water producing sands.

No additional drilling operations are contemplated within the unit until the foregoing recompletion operations have been concluded, following which Operator will submit a proposed plan of further development based upon the results thereof.

The above drilling program, insofar as can be determined, incorporates the wishes of all working interest owners for drilling within the unit for the calendar year 1963 and has been approved by the Unit Advisory Committee.

If this drilling program 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 La Plata Gathering System, Inc. A copy of this drilling program is being sent to the working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 

William G. Webb
Vice President

WGW:dw

APPROVED:

Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

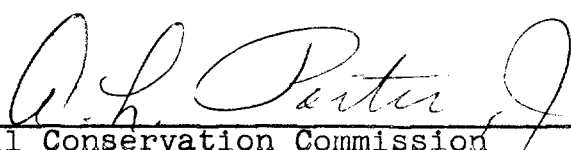
DATE: _____

APPROVED:

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

DATE: _____

APPROVED:



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

DATE: June 6, 1963

The foregoing approvals are for a 1963 Drilling
Program for the San Juan 32-5 Unit, #14-08-001-534,
San Juan and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 367
Corona Del Mar, California

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

471

1035 MAR 11 AM 8:31

March 7, 1963

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

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

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

Re: San Juan 32-5 Unit Area
San Juan and Rio Arriba Counties,
New Mexico
First, Second, Third, Fourth, Fifth,
Sixth and Seventh Expansions
Mesaverde Participating Area

Gentlemen:

This will advise that the captioned Expansions of the Mesaverde Participating Area for the above referred to Unit Area have been approved as follows:

1. First, Second, Third and Fourth Expansions

(a) By the Acting Director of the United States Geological Survey, on October 4, 1961;

(b) By the Commissioner of Public Lands of the State of New Mexico, on March 23, 1961;

(c) By the Oil Conservation Commission of the State of New Mexico, on March 24, 1961.

2. Fifth Expansion

(a) By the Acting Director of the United States Geological Survey, on June 22, 1962;

(b) By the Commissioner of Public Lands of the State of New Mexico, on June 21, 1962;

(c) By the Oil Conservation Commission of the State of New Mexico, on July 25, 1962.

3. Sixth Expansion

(a) By the Acting Director of the United States Geological Survey, on July 3, 1962;

(b) By the Commissioner of Public Lands of the State of New Mexico, on July 6, 1962;

(c) By the Oil Conservation Commission of the State of New Mexico, on July 25, 1962.

4. Seventh Expansion

(a) By the Acting Director of the United States Geological Survey, on March 4, 1963;


(b) By the Commissioner of Public Lands of the State of New Mexico, on February 25, 1963;

(c) By the Oil Conservation Commission of the State of New Mexico, on February 21, 1963.

A copy of this letter is being sent to each of the working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 
William G. Webb, Vice-President

WCW:lc

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Benson-Montin-Greer Drilling Corp.
1390 First National Bank Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

491
JAN 24 PM 1 35

February 25, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
San Juan and Rio
Arriba Counties, New
Mexico. Seventh Ex-
pansion of Mesaverde
Participating Area
Effective September
1, 1962

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved as of February 25, 1963, the Seventh Expansion of Mesaverde Participating Area, for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning four approved copies of this expansion.

Please furnish us another copy when this expansion has been fully approved.

La Plata Gathering System, Inc.

February 25, 1963

-Page 2-

Very truly yours,

E.S. Johnny Walker

COMMISSIONER OF PUBLIC LANDS

BY:

(Mrs.) Marian M. Rhea

Supervisor, Unit Division

ESW/mmz/e

encl:

cc:

United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

**P. O. BOX 871
SANTA FE, NEW MEXICO**

491

February 21, 1963

**La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas**

Attention: Mr. William G. Webb

**Re: Seventh Expansion Mesaverde
Participating Area, San
Juan 32-5 Unit, San Juan &
Rio Arriba Counties, New Mexico**

Gentlemen:

**This is to advise that the New Mexico Oil Conservation
Commission has this date approved the Seventh Expansion of
the Mesaverde Participating Area for the San Juan 32-5 Unit,
San Juan and Rio Arriba Counties, New Mexico, subject to
like approval by the United States Geological Survey and the
Commissioner of Public Lands of the State of New Mexico.**

**Four approved copies of the application are returned
herewith.**

Very truly yours,

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

ALP/JEK/ig

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

**United States Geological Survey
Roswell, New Mexico**

411
MAIN OFFICE OGC
1963 FEB 20 11 54 29
1857
Roswell, New Mexico

February 19, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Gentlemen:

Your application dated January 9, 1963, for approval of the sixth revision of the Dakota participating area, San Juan 32-5 unit agreement, San Juan and Rio Arriba Counties, New Mexico, provides for an effective date of February 1, 1962.

Section 11(b) of the San Juan 32-5 unit agreement provides that the effective date of any revision should be the first day of the month in which the knowledge of information on which such revision is predicated is obtained. The effective date of the sixth revision should be January 1, 1962, since unit well 1-22 was completed in January.

Please furnish this office a letter amending your application to the extent necessary to change the effective date of the sixth revision of the Dakota participating area to January 1, 1962, in accordance with section 11(b) of the San Juan 32-5 unit agreement.

Very truly yours,

212 51 3 21 11 54 29

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

Copy to: Farmington
NMOCC - Santa Fe ✓
Comm. of Pub. Lands - Santa Fe

LA PLATA GATHERING SYSTEM, INC.

RECEIVED
1963
10:40 AM
22
Mercantile Dallas Building
Dallas 1, Texas

February 1, 1963

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Seventh Expansion of Mesaverde
Participating Area
Effective September 1, 1962

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits, for approval, the Seventh Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-27 located 865 feet from the South line and 1,045 feet from the East line of Section 27, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on May 26, 1962 and dually completed in the Mesaverde and Dakota Formations on August 4, 1962 at a depth of 7,940 feet.

Page 2

Seventh Expansion of Mesaverde Participating Area

The Mesaverde Formation was treated with a sand water fracturing process in the perforated intervals 5222'-5230', 5274'-5282' and 5302'-5318'. After being shut in for ten days the well was tested on August 14, 1962 and gauged 1,948 MCFD on 3/4" choke and 2,525 MCFD by the absolute open flow method. The SITP was 1248 psia and the SICP was 1249 psia.

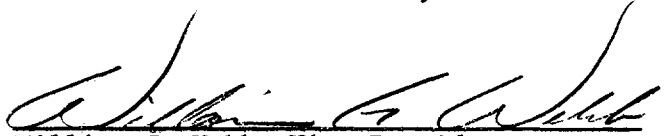
By virtue of completion of the San Juan 32-5 Unit Well No. 2-27 described above, the E/2 of Section 27, Township 32 North, Range 6 West, consisting of 320 acres, more or less, is included in the Seventh Expansion of the Mesaverde Participating Area.

Attached hereto is a schedule showing the Seventh Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

Enclosures

Page 3


Seventh Expansion of Mesaverde Participating Area

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED:  _____ Date: 7-24-68
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Benson-Montin-Greer Drilling Corp.
1390 First National Bank Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

RECEIVED DEC
1963 JAN 24 PM 3:30

491

January 24, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: Sixth Expanded Dakota
Participating Area, San
Juan 32-5 Unit, San Juan
and Rio Arriba Counties
New Mexico
Effective: February 1, 1962

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has of this date approved the Sixth Expansion of the Dakota Participating Area for the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and Oil Conservation Commission.

We are returning three approved copies of this Expansion. Please notify us when approval has been obtained from the United States Geological Survey.

Very truly yours,

E. S. JOHNEY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mm/e

cc: United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

ILLEGIBLE

491

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

January 22, 1963

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. Wm. G. Webb

Re: Sixth Expansion Dakota
Participating Area, San
Juan 32-5 Unit, San Juan
and Rio Arriba Counties,
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Sixth Expansion of the Dakota Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the expansion are returned herewith.

Very truly yours,

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

ALP/JEK/ig

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

411
MAIN OFFICE OGC

Drawer 1857

Roswell, New Mexico

1963 JAN 18 PM 1:27

January 17, 1963

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William C. Webb

Gentlemen:

Your letter of January 9 requests information concerning approval of your application dated June 20, 1962, for the sixth revision of the Mesaverde participating area for the San Juan 32-5 unit agreement, San Juan County, New Mexico.

Section 11(a) of the San Juan 32-5 unit agreement provides that the unit operator shall submit an allocation schedule for approval of the initial participating area for the Mesaverde and shallower formations by the Director, the Commissioner, and the Commission. However, this section of the unit agreement further provides for additional drilling blocks to be admitted to the appropriate participating area effective the first day of the month following the month in which information is available to determine that a well capable of producing unitized substances in paying quantities has been drilled on such drilling block unless the unit operator's determination is disapproved within 30 days by the Director, Commissioner, or Commission.

Revision of the Mesaverde participating area is automatic if the unit operator's determination is acceptable. Your notice of June 20 of the sixth revision of the Mesaverde participating area was stamped as acceptable by this office on July 3, 1962, and copies thereof distributed to the appropriate Federal offices. A copy of such notice with our acceptance stamp is attached. In the absence of objection from the Commission or Commissioner within the 30 day period provided for in the unit agreement, the sixth expansion of the Mesaverde participating area was considered as effective February 1, 1962.

Very truly yours,

[Signature]

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Farmington
Commissioner of Pub. Lands, Santa Fe
N.M.O.C.C., Santa Fe ✓

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

August 24, 1962

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit Area
San Juan and Rio Arriba Counties,
New Mexico
Third, Fourth and Fifth Expansions
Dakota Participating Area

Gentlemen:

This will advise that the captioned Expansions of the Dakota Participating Area for the above referred to Unit Area have been approved as follows:

- (a) By the Acting Director of the United States Geological Survey on August 10, 1962;
- (b) By the Commissioner of Public Lands of the State of New Mexico on March 20, 1962;

(c) By the Oil Conservation Commission of
the State of New Mexico on February 27,
1962.

A copy of this letter is being sent to each of the
working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By

A handwritten signature in dark ink, appearing to read "William G. Webb", is written over a horizontal line.

William G. Webb
Vice President

WGW:mch

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico.

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

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

411

Drawer 1857
Roswell, New Mexico

August 21, 1962

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William C. Webb

Gentlemen:

Your individual applications dated February 22, 1962, for the third, fourth, and fifth revisions of the Dakota participating area, San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, were approved by the Acting Director, U. S. Geological Survey, on August 10, 1962, effective as of June 1, July 1, and October 1, 1961, respectively.

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

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (ltr. only)
Farmington (w/cy of appln.)
BLM - Santa Fe (w/cy of appln.)
NMOCC - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

C. L. CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 25, 1962

**La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas**

Attention: Mr. Wm. G. Webb

**Re: Fifth and Sixth Expansions
of the Mesaverde Participi-
pating Area San Juan 32-5
Unit, San Juan and Rio
Arriba Counties, New Mexico**

Gentlemen:

**This is to advise that the New Mexico Oil Conservation
Commission has this date approved the Fifth and Sixth
Expansions of the Mesaverde Participating Area for the San
Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico,
subject to like approval by the United States Geological
Survey and the Commissioner of Public Lands of the State of
New Mexico.**

**Four approved copies of each expansion are returned
herewith.**

Very truly yours,

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

ALP/JEK/ig

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

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

C
O
P
Y

June 20, 1962

13

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

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

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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Sixth Expansion of Mesaverde Participating Area
Effective February 1, 1962

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits for approval the Sixth Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan Unit Well No. 2-24 is located 2,310' from the North line and 1,550' from the East line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on September 13, 1961 and completed January 19, 1962 at a total depth of 8,078' P/B 5,450'. The Mesaverde Formation was treated with a sand water fracturing process in the perforated intervals 5432-5475', 5556-5566' and 5588-5602'. After being shut in for twelve days, the well was tested on January 31, 1962 and gauged 2,153 MCFD on 3/4" choke and 2,873 MCFD by the calculated open flow method. The SITP was 1093 psia and the SICP was 1092 psia.

By virtue of completion of the San Juan Unit Well No. 2-24 described above, the E/2 of Section 24, Township 32 North, Range 6 West, consisting of 320 acres, more or less, is included in the Sixth Expansion of the Mesaverde Participating Area.

The completion of the San Juan 32-5 Unit Well No. 2-24 in the Mesaverde Formation creates one intervening drilling block. This intervening block is described as the W/2 of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, and contains 320 acres.

Under the terms of the San Juan 32-5 Unit Agreement, the above described intervening drilling block is admitted to the Mesaverde Participating Area as of February 1, 1962. A well must be commenced on this intervening drilling block by February 1, 1963.

Attached hereto is a schedule showing the Sixth Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

Enclosures

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Porter, Jr. Date: 7-25-62
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Benson-Montin-Greer Drilling Corp.
1390 First National Bank Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

June 7, 1962

JUN 14 1962

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Fifth Expansion of Mesaverde
Participating Area
Effective August 1, 1961

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits for approval the Fifth Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-23 located 2310' from the North line and 990' from the East line of Section 23, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on May 24, 1961 and dually completed in the Mesaverde and Dakota Formations on July 10, 1961 at a depth of 8,106' P/B 8,090'. The Mesaverde Formation was treated with a sand water fracturing process in the perforated intervals 5512-61', 5604-22', 5633-39', 5706-15', 5744-52', 5780-89' and 5800-12'. After being shut in for fifteen days the well was tested on July 25, 1961 and gauged 2,473 MCFD on 3/4" choke and 4,580 MCFD by the calculated open flow method. The SITP was 1160 psia and the SICP was 1160 psia.

By virtue of completion of the San Juan 32-5 Unit Well No. 2-23 described above, the E/2 of Section 23, Township 32 North, Range 6 West, consisting of 320 acres, more or less, is included in the Fifth Expansion of the Mesaverde Participating Area. Attached hereto is a schedule showing the Fifth Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

Enclosures

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Carter, Jr. Date: 7-25-64
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

Benson-Montin-Greer Drilling Corp.
1390 First National Building
Oklahoma City 2, Oklahoma

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

May 18, 1962

411

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

Gentlemen:

Recently La Plata Gathering System, Inc. filed applications for your approval of the Third, Fourth and Fifth Revisions of the Dakota Participating Area for the San Juan 32-5 Unit, Rio Arriba County, New Mexico. Mr. John A. Anderson, Regional Oil and Gas Supervisor with the U.S.G.S., has requested that we furnish geologic reports wupplementing each of the revisions. Five copies of each of these reports are enclosed for your information.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By

Walter M. Kilgo
Walter M. Kilgo, Chief Engineer

WMK:ss
Enclsoures

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

491

March 22, 1962

C
O
P
Y
La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. Fred T. Simpson

Re: 1962 Plan of Development
San Juan 32-5 Unit, San
Juan & Rio Arriba Counties,
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1962 Drilling Program for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, 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: U. S. Geological Survey - Roswell
State Land Office - Santa Fe

ILLEGIBLE

MAIN OFFICE FILE

1962 MAR 21 AM 3 20

March 20, 1962

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: 1962 Drilling Program
San Juan 32-5 Unit,
San Juan and Rio Arriba
Counties, New Mexico

Attention: Mr. Fred T. Simpson

Gentlemen:

The Commissioner of Public Lands has approved as of this date the 1962 Drilling Program for San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico.

We are enclosing one approved copy of this Plan of Development, approval being subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mmrv
cc: U. S. Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

MAIN OFFICE OCC
1962 MAR 21 AM 8:20

March 20, 1962

C
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La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit,
San Juan and Rio Arriba
Counties, New Mexico,
Fifth Expansion of Dakota
Participating Area, Effective
June 1, 1961

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has of this date approved the Fifth Expansion of the Dakota Participating Area, Effective June 1, 1961 for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico.

This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of this Expansion.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mmr/v
cc: U. S. Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

MAIN OFFICE OCC

1962 MAR 21 AM 8:20

March 20, 1962

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit,
San Juan and Rio Arriba
Counties, New Mexico,
Fourth Expansion of Dakota
Participating Area, Effective
June 1, 1961

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has of this date approved the Fourth Expansion of the Dakota Participating Area, Effective June 1, 1961 for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico.

This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of this Expansion.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mmr/v
cc: U. S. Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

491
March 20, 1962

C
O
P
Y
La Plata Gathering System, Inc.
1960 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit,
San Juan and Rio Arriba
Counties, New Mexico,
Third Expansion of Dakota
Participating Area, Effective
June 1, 1961

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has of this date approved the Third Expansion of the Dakota Participating Area, Effective June 1, 1961 for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico.

This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of this Expansion.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mmr/v

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

Oil Conservation Commission
Santa Fe, New Mexico



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico
1962 MAR 22 AM 10 10

March 19, 1962

LaPlata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. Fred T. Simpson

Gentlemen:

Your 1962 plan of development dated February 13, 1962, for the San Juan 32-5 unit area, San Juan and Rio Arriba counties, New Mexico, which proposes the drilling of two dual Mesaverde-Dakota wells, 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,

(Orig. Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Regional Oil and Gas Supervisor

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

491

February 27, 1962

**La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas**

Attention: Mr. Wm. G. Webb

**Re: Third, Fourth and Fifth Expansions
of the Dakota Participating Area,
San Juan 32-5 Unit, San Juan and
Rio Arriba Counties, New Mexico.**

Gentlemen:

**This is to advise that the New Mexico Oil Conservation
Commission has this date approved the Third, Fourth and Fifth
Expansions of the Dakota Participating Area for the San Juan
32-5 Unit, Rio Arriba and San Juan Counties, New Mexico, sub-
ject to like approval by the United States Geological Survey
and the Commissioner of Public Lands of the State of New
Mexico.**

**Four approved copies of each expansion are returned here-
with.**

Very truly yours,

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

**ALP/JEK/ig
Enclosures**

**cc: United States Geological Survey
Roswell, New Mexico**

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

LA PLATA GATHERING SYSTEM, INC.

1962 FEB 22 10 00 AM
1940 Mercantile Dallas Building
Dallas 1, Texas 8120
February 22, 1962

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Fifth Expansion of Dakota Participating Area
Effective October 1, 1961

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits for approval the Fifth Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the well herein-after specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-27 located 840' from the North line and 735' from the East line of Section 27, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on June 20, 1961 and was completed July 28, 1961 at a total depth of 7,895'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 7666-88', 7732-54', and 7792-7812'. The well was tested on October 12, 1961 and gauged 3,744 MCFD on 3/4" choke and 3,893 MCFD by the calculated open flow method. The SITP was 2,919 psia and the SICP was 2,919 psia.

By virtue of completion of the San Juan 32-5 Unit Well No. 1-27, described above, the SE/4 of Section 22 and all of Section 27, Township 32 North, Range 6 West, containing 800 acres, more or less, are included in the

Page - 2 -

Fifth Expansion of Dakota Participating Area

Fifth Expansion of the Dakota Participating Area. Attached hereto is a schedule showing the Fifth Expansion of the Dakota Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

WGW:lc

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. H. Porter Date: 2-27-62
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas

February 22, 1962

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Fourth Expansion of Dakota Participating Area
Effective July 1, 1961

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit, herewith submits for approval the Fourth Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-23 located 2310' from the North line and 990' from the East line of Section 23, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on May 24, 1961 and dually completed in the Mesa Verde and Dakota Formations, on July 11, 1961 at a depth of 8,106', P/B 8,090'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 7979-8000', 8013-18', and 8065-73'. After being shut in for seven days the well was tested on July 18, 1961 and gauged 1095 MCFD on 3/4" choke and 1,106 MCFD by the calculated open flow method. The SITP was 2213 psia. The well is being produced from beneath a packer and therefore there are no casing working pressures.

By virtue of completion of the San Juan 32-5 Unit Well No. 2-23 described above, the S/2 S/2 of Section 14, N/2 of Section 23, and the NW/4 of Section 24, Township 32 North, Range 6 West, consisting of 640 acres, more or less, are included in the Fourth Expansion of the Dakota Participating Area. Attached hereto is a schedule showing the Fourth Expansion of the Dakota Participating Area.

Page - 2 -

Fourth Expansion of Dakota Participating Area

This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President


WGW:lc

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED:  Date: 2-27-62
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas
February 22, 1962

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Third Expansion of Dakota Participating Area
Effective June 1, 1961

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the Third Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 3-26 located 900' from the North line and 2450' from the West line of Section 26, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on April 24, 1961 and completed May 29, 1961 at a total depth of 8098' P/B 8050'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 7890-7908', 7937-40', 7950-97' and 8029-38'. After being shut in for gauge for 16 days the well was tested on June 14, 1961 and gauged 4,639 MCFD on 3/4" choke and 5,480 MCFD by the calculated open flow method. The SITP was 2,669 psia and the SICP was 2,669 psia.

By virtue of completion of the San Juan 32-5 Unit Well No. 3-26, described above, the SW/4 of Section 26, Township 32 North, Range 6 West, consisting of 160 acres, more or less, is included in the Third Expansion of the Dakota Participating Area. Attached hereto is a schedule showing the Third Expansion of the Dakota Participating Area. This schedule describes

Page - 2 -


Third Expansion of Dakota Participating Area

the entire participating area, showing the percentage of unitized substances allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President


WGW:lc
Enclosures

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED:  Date: 2-27-60
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
Post Office Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

491

[Handwritten signature]

October 4, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: 1961 Supplemental Plan of
Development San Juan 32-5
Unit, Rio Arriba & San Juan
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1961 Supplemental Drilling Program dated September 11, 1961 which proposes the drilling of one additional well for the San Juan 32-5 Unit, Rio Arriba and San Juan Counties, 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 supplemental plan are returned herewith.

Very truly yours,

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

ALP/JEK/ig

cc: Commissioner of Public Lands
Santa Fe, New Mexico

US Geological Survey
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC. OFFICE CCC

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

1962 FEB 13 AM 8 24

February 13, 1962

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits, for your approval, the Proposed 1962 Drilling Program for the captioned unit, which provides for the drilling of the following described wells during the calendar year 1962.

The proposed wells are as follows:

<u>DRILLING BLOCK</u>	<u>FORMATION</u>
(1) All of Sections 18 and 19, Township 32 North, Range 5 West	Dakota-Mesaverde Dual
(2) S/2 of Section 27, Township 32 North, Range 6 West	Dakota-Mesaverde Dual

February 13, 1962

The above drilling program, insofar as can be determined, incorporates the wishes of all affected working interest owners for drilling within the Unit Area during the calendar year 1962, and has been approved by the Unit Advisory Committee.

La Plata Gathering System, Inc., as Unit Operator, intends to drill the first of the above referred to test wells to the top of the Dakota Formation, using rotary tools. Surface casing will be 8-5/8", 24#, J-55 cemented at approximately six hundred feet in an 11" hole, with cement circulated to surface. A 7-7/8" hole shall be drilled to the top of the Dakota Formation, using water or mud as necessary. The entire Dakota Formation would then be cored and logged. If the core and log analysis indicates that the Dakota Formation would be productive, then 5-1/2", 17#, J-55 casing will be cemented at total depth and a dual completion will be effected in the Dakota and Mesaverde Formations. In the event such core and log analysis indicates that the Dakota Formation is void of fractures and would be incapable of producing in commercial quantities, then the well would be plugged back and casing run only through the Mesaverde Formation and a single completion effected at that point. Due care will be taken to protect all horizons.

As to the second of such wells set forth above, the same procedure would be followed as specified for the first of such wells except the Dakota Formation would not be cored and pipe would initially be set through the Dakota Formation.

If this drilling program 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 La Plata Gathering System, Inc. A copy of this drilling program is being sent to the working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


Fred T. Simpson, Secretary

WGW:mch

Attached Sheets (2)

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico.

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Sunshine Royalty Company
Post Office Box 1355
Roswell, New Mexico

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

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

APPROVED:

Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

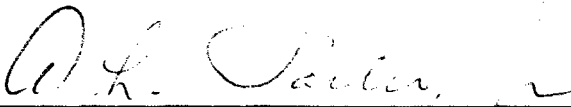
DATE: _____

APPROVED:

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

DATE: _____

APPROVED:


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

DATE: 3-22-62

The foregoing approvals are for the 1962 Drilling
Program for the San Juan 32-5 Unit, #14-08-001-534, San Juan
and Rio Arriba Counties, New Mexico.

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

September 26, 1961

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

We are pleased to enclose herewith conformed copy of Interpretation of Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, as approved by the Commissioner of Public Lands of the State of New Mexico on May 26, 1961, the Oil Conservation Commission of the State of New Mexico on May 24, 1961, and the United States Geological Survey on September 19, 1961. Copies of such Agreement have been furnished to all Working Interest Owners listed on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 

William G. Webb
Vice President

WGW:mch
Enclosures

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 367
Corona Del Mar, California

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

September 11, 1961

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits, for your approval, a Supplemental 1961 Drilling Program for the captioned unit, which provides for the drilling of an additional well, to be projected to the Dakota Formation in the E/2 of Section 24, Township 32 North, Range 6 West. In the event the Mesaverde Formation, as penetrated by such well, indicates the commercial production of gas therefrom, it is proposed that same be dually completed in the Mesaverde and Dakota Formations. The drilling of the subject well has been approved by the Unit Advisory Committee.

La Plata Gathering System, Inc., as Unit Operator, intends to drill the above listed Dakota Formation test well

September 11, 1961

to the base of the Dakota Formation, using rotary tools. Surface casing will be 8-5/8", 24#, J-55, cemented at approximately six hundred feet in an 11" hole, with cement circulated to surface. A 7-7/8" hole shall be drilled to approximately seventy-eight hundred feet, or the base of the Dakota Formation, using water or mud as necessary. A 4-1/2", 11.60#, N-80 production string will be cemented at total depth. The Dakota Formation will then be selectively perforated and sand-water fraced. In the event the Mesaverde Formation is indicated to be productive, 5-1/2", 17#, J-55 casing will be cemented at total depth and a dual completion will be effected between the Dakota and Mesaverde Formations. Due care will be taken to protect all horizons.

If this Supplemental Drilling Program 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 La Plata Gathering System, Inc. Copies of this Supplemental Drilling Program are being sent to the Working Interest Owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 

William G. Webb
Vice President

WGW:mch

Attached Sheets: 2

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 the Oil Conservation
Commission.

DATE: _____

APPROVED:



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

DATE: OCT - 4 1961

The foregoing approvals are for a 1961 Supplemental Drilling Program for the San Juan 32-5 Unit, #14-08-001-534, San Juan and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 367
Corona Del Mar, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

INTERPRETATION OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
SAN JUAN 32-5 UNIT AREA
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO

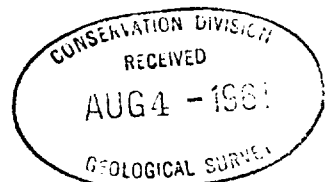
THIS AGREEMENT, entered into as of the 1st day of November, 1960, by and between LA PLATA GATHERING SYSTEM, INC., a Delaware corporation, (hereinafter sometimes referred to as "Unit Operator") and such other parties owning working interests subject to the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area as may execute this Agreement (all parties being sometimes hereinafter referred to as "Working Interest Owners"),

W I T N E S S E T H:

WHEREAS, the parties hereto are also parties to that certain Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, which was approved by the Commissioner of Public Lands of the State of New Mexico on March 4, 1953, and by the Acting Director of the United States Geological Survey on March 30, 1953, and designated Contract Number 14-08-001-534, and which has heretofore been approved by the Oil Conservation Commission of the State of New Mexico; and

WHEREAS, Section 11 of the Unit Agreement provides in part as follows:

"That portion of the unit area lying above the base of the Mesaverde formation is hereby divided into Drilling Blocks containing 320 acres, each more or less, which Drilling Blocks shall constitute one-half sections, by Government survey, the sections being divided by a line running north and south in such manner that each Drilling Block shall be either the East Half (E/2) or the West Half (W/2) of each given section; provided, however, that in any instances of irregular surveys that portion of a section which



most nearly constitutes either the East Half (E/2) or the West Half (W/2) shall constitute a Drilling Block even though its acreage may be irregular...";

and

WHEREAS, the western tier of sections of Township 32 North, Range 5 West, are fractional and each section embraces less than the normal one-half section of government survey, the acreage of each of said sections being as follows:

Section 7:	155.72 acres
Section 18:	177.17 acres
Section 19:	178.08 acres
Section 30:	174.41 acres
Section 31:	171.18 acres;

and

WHEREAS, Sections 1 and 2 of Township 31 North, Range 5 West, N.M.P.M., are irregular and each section embraces more than the normal one-half section of government survey, the acreage of each of said sections being as follows:

Section 1:	368.20 acres
Section 2:	368.60 acres;

and

WHEREAS, the western boundary line of the subject Unit Area excludes the SW/4 of Section 9, Township 32 North, Range 6 West, N.M.P.M., and which exclusion makes impossible the division of said section in accordance with Section 11 of the Unit Agreement, and, as the result of which, that portion of Section 9 which is situated within the subject unit covers a total of 397.60 acres; and

WHEREAS, due to the non-commitment of the oil and gas lease covering the N/2 of Section 32, Township 32 North, Range 5 West, N.M.P.M., to the subject unit, said section may not be divided into drilling blocks covering committed lands in accordance with Section 11 of the Unit Agreement; and

WHEREAS, due to the aforesaid reasons, the sections described above do not conform to drilling blocks defined in Section 11 of the Unit Agreement as quoted above; and

WHEREAS, Section 10 of the Unit Agreement provides for the exploration of the Unit Area and the determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation, and it is necessary that the fractional sections and other incomplete drilling blocks referred to above be drilled to accomplish such exploration and determination; and

WHEREAS, Section 17 of the Unit Agreement provides in part that the Unit Operator shall take appropriate and adequate measures to prevent drainage of unitized substances from unitized lands by wells on land not subject to this Agreement, including wells on adjacent unit areas; and

WHEREAS, the San Juan 32-5 Unit Area is currently offset by wells completed to the south in the Rosa Unit Area and potentially to the west by wells in the Allison Unit Area, and it is or may be necessary that wells be drilled and produced on the fractional sections or unorthodox sections referred to above in order to protect the San Juan 32-5 Unit Area from drainage;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to be obtained hereunder, the undersigned Working Interest Owners in the San Juan 32-5 Unit Area, who have heretofore executed the Unit Agreement and Unit Operating Agreement for the Development and Operation of the San Juan 32-5 Unit Area, do hereby agree that the term "Drilling Block", as defined in Section 11 of the Unit Agreement, shall be interpreted to include the following described acreage as acceptable drilling blocks for all formations above the base of the Mesa-verde formation pursuant to the terms and provisions of the San Juan 32-5 Unit Agreement and Unit Operating Agreement, and that allocation of unitized substances to each of such drilling blocks shall be made on an acreage basis, said drilling blocks to be as follows:

- (1) Section 1, Township 31 North, Range 5 West, N.M.P.M., 368.20 acres.
- (2) Section 2, Township 31 North, Range 5 West, N.M.P.M., 368.60 acres.
- (3) Lots 1 and 2 of Section 7, and the W/2 of Section 8, Township 32 North, Range 5 West, N.M.P.M., 347.03 acres.
- (4) Lots 3 and 4 of Section 7, Township 32 North, Range 5 West, and the E/2 of Section 12, Township 32 North, Range 6 West, N.M.P.M., 366.72 acres.
- (5) All of Sections 18 and 19, Township 32 North, Range 5 West, N.M.P.M., 355.25 acres.
- (6) All of Sections 30 and 31, Township 32 North, Range 5 West, N.M.P.M., 345.59 acres.
- (7) Lots 1, 2, 3 and 4, S/2 N/2, and SE/4 of Section 9, Township 32 North, Range 6 West, N.M.P.M., 397.60 acres.
- (8) S/2 of Section 32, Township 32 North, Range 5 West, N.M.P.M., 320 acres.

THAT the Unit Operator, on behalf of the undersigned Working Interest Owners, shall obtain the approval of this Agreement by the Oil Conservation Commission of the State of New Mexico, the Commissioner of Public Lands of the State of New Mexico, and the Director of the United States Geological Survey; and

THAT, upon such approval hereof, the definition of a drilling block as set forth in Section 11 of the Unit Agreement shall be modified and extended to include the fractional sections and partial sections enumerated herein for the purposes and to the extent set forth in this Agreement.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, with the same force and effect as if all parties had signed the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment of the subject Unit Agreement as of the day and year first hereinabove written.

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Fred T. Simpson
Secretary

By

[Signature]
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By

Vice President

[Signature]
VINCENT CUCCIA

[Signature]
, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By

Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By

Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

J. H. Humphreys
Secretary

By [Signature]
Vice President

A.P.P.C.	
SECRET	FILED
APR 10 1968	APR 10 1968
AMERADA PETROLEUM CORPORATION	LA PLATA GATHERING SYSTEM, INC.
AMT. 100	AMT. 100
GAS	GAS

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

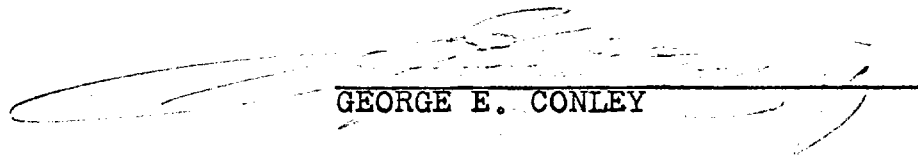
AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife



GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By *[Signature]*
Vice President



ATTEST:

EL PASO NATURAL GAS COMPANY

[Signature]
Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

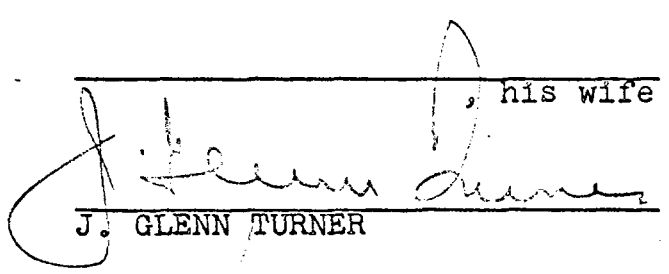
By _____
Vice President


VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife


J. GLENN TURNER


WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

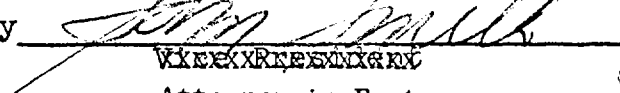
Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By 
~~Vice President~~
Attorney in Fact

W. M. VAUGHNEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

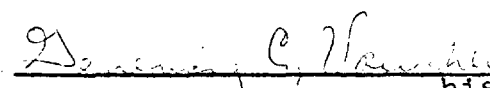
EL PASO NATURAL GAS COMPANY

Secretary

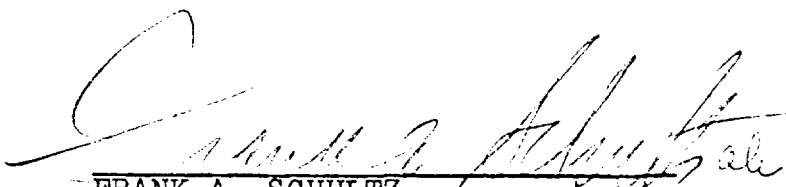
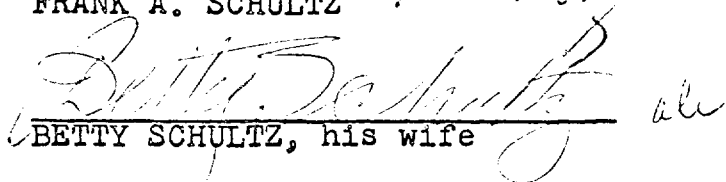
By _____
Vice President



W. M. VAUGHEY



, his wife


FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST: BENSON-MONTIN-GREER DRILLING CORP.

Secretary By _____
President


ATTEST: THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier By _____
Vice President


GLADYS HURLEY, a feme sole

ATTEST: SUNSHINE ROYALTY COMPANY

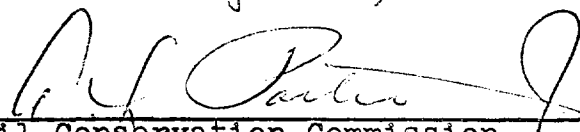
Secretary By _____
President

APPROVED: ^{Acting} DIRECTOR 
Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

DATE: SEP 19 1961

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

DATE: May 26, 1961

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Lucile Stevenson
Asst. Secretary

By

Jack L. Benson
President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By

Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By

President

APPROVED:

Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

DATE: May 24, 1961

APPROVED:

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

DATE: May 24, 1961

APPROVED:

A. F. Porter, Jr.
Oil Conservation Commission
Subject to like approval by the United States
Geological Survey and the Commissioner of Public Lands.

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

R. L. Taylor
Assistant Cashier

By W. H. Gluff
Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By President

APPROVED:

Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

DATE: May 24, 1961

APPROVED:

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

DATE: May 24, 1961

APPROVED:

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By President

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 the Oil Conservation Commission.

DATE: _____

APPROVED:

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By

President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By

Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Edna M. Elliott
Secretary

By

President

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 the Oil Conservation Commission.

DATE: May 24, 1961

APPROVED:

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

DATE: May 24, 1961

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
_____, President of _____
a _____
corporation, on behalf of said corporation.

My Commission Expires: _____

August 12, 1964

Mary Dixon
Notary Public in and for _____
Tulsa County, _____
State of _____ Oklahoma

MARY DIXON, Notary Public
in and for State of Oklahoma
My commission expires August 12, 1964

STATE OF California §
COUNTY OF San Bernardino §

The foregoing instrument was acknowledged before me
this 13th day of April, 1961, by
Vincent Lucia St. Louis Luciani, his wife.

My Commission Expires:
October 14, 1961

Robert Smith
Notary Public in and for
Los Angeles County,
State of California

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for _____ County,
State of _____

STATE OF TEXAS §
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me
this 19th day of April, 1961, by
William G. Webb, Vice President of
La Plata Gathering System, Inc., a Delaware
corporation, on behalf of said corporation.

My Commission Expires:
June 1, 1961

Barbara Malloy
Notary Public in and for
Dallas County,
State of Texas

BARBARA MALLOY

STATE OF NEW MEXICO i

COUNTY OF SANTA FE i

The foregoing instrument was acknowledged before me
this 28 day of August, 1961, by

My Commission Expires:

My Commission expires July 15, 1963

Joseph B. Leland
Notary Public in and for

Santa Fe County,
State of New Mexico

STATE OF _____ i

COUNTY OF _____ i

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for

State of _____ County,

STATE OF _____ i

COUNTY OF _____ i

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, _____ President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public in and for

State of _____ County,

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF Nebraska

COUNTY OF Laramie

The foregoing instrument was acknowledged before me
this 21st day of April, 1961, by
C. F. BEDFORD, ATTORNEY AT LAW, President of
PAN AMERICAN PETROLEUM CORPORATION, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Ada Belle Zartman Ada Belle Zartman
Notary Public in and for _____
County, Laramie
State of Nebraska

6-1-61

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me
this _____ day of April, 1961, by
J. Glenn Turner and William G. Webb

My Commission Expires:

June 1, 1961

Florian Hamilton
Notary Public in and for
Dallas County,
State of Texas

STATE OF TEXAS §

COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me
this 25th day of April, 1961, by
Frank A. Schultz and Betty Schultz,
his wife.

My Commission Expires:

June 1, 1961

One D. L. L...
Notary Public in and for
Dallas County,
State of Texas

STATE OF TEXAS §

COUNTY OF EL PASO §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
SAM SMITH, Attorney in Fact xxxxxxxxxxxxxxxxxxxx President of
EL PASO NATURAL GAS COMPANY, a Delaware
corporation, on behalf of said corporation.

My Commission Expires:

NATALIE TAYLOR
Notary Public in and for El Paso County, Texas
My Commission Expires June 1, 1961

Notary Public in and for
_____ County,
State of _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF MISSISSIPPI

COUNTY OF HINDS

The foregoing instrument was acknowledged before me
this 17th day of March, 1961, by
Wm. J. ... and ...
his wife.

My Commission Expires: _____
My Commission Expires Jan 25, 1964

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

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires: _____

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

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

Notary Public in and for _____
County,
State of _____

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

Notary Public in and for _____
County,
State of _____

STATE OF Oklahoma §

COUNTY OF Oklahoma §

The foregoing instrument was acknowledged before me
this 21st day of March, 1961, by
Jack Sandberg, Jr., President of
Hansen-Winter-Sandberg Corp., a Delaware
corporation, on behalf of said corporation.

My Commission Expires: _____

Thomas D. Hurst
Notary Public in and for
Oklahoma County,
State of Oklahoma

February 18, 1963

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____

My Commission Expires: _____

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

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF LOUISIANA

~~COUNTY~~ OF CAJALOUPE

The foregoing instrument was acknowledged before me
this 21st day of March, 1961, by
H. E. Phelps, Jr., Vice President of
The First National Bank of Shreveport, a Louisiana
corporation, on behalf of said corporation, as Trustee of THE
ED E. AND GLADYS HURLEY FOUNDATION.

My Commission Expires: _____

Notary Public in and for _____
Cadde Parish County,
State of Louisiana

STATE OF LOUISIANA §
PARISH
~~XXXXXX~~ OF CADDO §

The foregoing instrument was acknowledged before me
this 31st day of March, 1961, by
GLADYS HURLEY

My Commission Expires:

Notary Public in and for
Caddo Parish ~~County~~,
State of Louisiana

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for
_____ County,
State of _____

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, _____, President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public in and for
_____ County,
State of _____

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

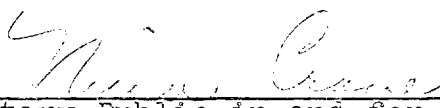
STATE OF NEW MEXICO §

COUNTY OF CHAVES §

The foregoing instrument was acknowledged before me
this 5th day of May, 1961, by
L. E. Elliott, President of
Sunshine Royalty Company, a New Mexico
corporation, on behalf of said corporation.

My Commission Expires: _____

Dec. 20, 1963


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

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas

August 18, 1961

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

Commissioner of Public Lands
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

Case 1471

Re: San Juan 32-5 Unit No. 14-08-001-534,
San Juan and Rio Arriba Counties, New Mexico
Approvals of the Initial Dakota Participating
Area, effective August 22, 1960; First Expansion
of Dakota Participating Area, effective November 1,
1960 and Second Expansion of Dakota Participating
Area, effective December 1, 1960

Gentlemen:

This is to advise that the captioned Dakota participating areas were approved by the Regulatory Bodies as follows:

1. Acting Director, United States Geological Survey, August 2, 1961.
2. Commissioner of Public Lands of the State of New Mexico, April 28, 1961.
3. Oil Conservation Commission of the State of New Mexico, April 28, 1961.

Copies of this letter are being sent to the working interest owners of the San Juan 32-5 Unit.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice-President

WGW:bk

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
P. O. Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
P. O. Box 5669
Roswell, New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

August 14, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your applications of April 13, 1961, for the initial Dakota participating area and the first and second revisions thereof for the San Juan 32-5 unit agreement, San Juan and Rio Arriba Counties, New Mexico, were approved August 2, 1961, by the Acting Director, Geological Survey, effective as of August 22, November 1, and December 1, 1960, respectively.

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

Very truly yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (ltr. only)
Farmington (w/cy of appln.)
BLM-Santa Fe (w/cy of appln.)
BIOCC, Santa Fe (ltr. only)
Com. of Pub. Lands, Santa Fe (ltr. only)

ILLEGIBLE

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

July 10, 1961

Chas. E. Walker

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

This will advise that the Supplemental Plan of Development, dated June 8, 1961, for the captioned Unit Area has been approved as follows:

- (1) By the Supervisor, United States Geological Survey, on July 6, 1961;
- (2) By the Commissioner of Public Lands of the State of New Mexico on June 21, 1961; and
- (3) By the Oil Conservation Commission of the State of New Mexico on June 28, 1961.

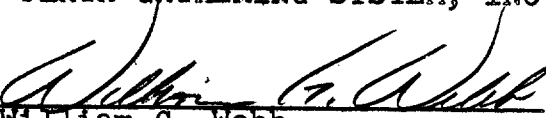
Page Two

July 10, 1961

Copies of this notice have been forwarded to each of the Working Interest Owners set forth on the attached list.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 
William G. Webb
Vice President

WGW:mch
Attached Sheet: 1

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 367
Corona Del Mar, California

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

491

July 6, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your 1961 supplemental plan of development dated June 8, 1961, for the San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, which proposes the drilling of one well to be dually completed in the Mesaverde and Dakota formations, has been approved on this date subject to like approval by the appropriate State officials.

One copy of the approved plan is enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC, Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Chas 471

June 28, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: Supplemental 1961 Drilling
Program San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Supplemental 1961 Drilling Program for the San Juan 32-5 Unit San Juan and Rio Arriba Counties, 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 program are returned herewith.

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

In Reply Refer
to Unit Division

(6-11491)

June 21, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas, 1, Texas

Re: Supplemental 1961
Plan of Development
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved your Supplemental Plan of Development for 1961, for the San Juan 32-5 Unit Area as of June 21, 1961, subject to like approval by the U. S. Geological Survey and the Oil Conservation Commission.

One approved copy of this plan is enclosed.
Please notify us when fully approved.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

Ted Bilberry, Supervisor
Oil and Gas Division

Enc:
cc: OCC
USGS
ESW/mmr/v

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

June 8, 1961

7-481

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits, for your approval, the Supplemental 1961 Drilling Program for the captioned unit, which provides for the drilling of an additional well, to be projected to the Dakota Formation in the E/2 of Section 27, Township 32 North, Range 6 West. In the event the Mesaverde Formation, as penetrated by such well, indicates the commercial production of gas therefrom, it is proposed that same be dually completed in the Mesaverde and Dakota Formations. The drilling of the subject well has been approved by the Unit Advisory Committee.

La Plata Gathering System, Inc., as Unit Operator, intends to drill the above listed Dakota Formation test wells

June 8, 1961

to the base of the Dakota Formation, using rotary tools. Surface casing will be 8-5/8", 24#, J-55, cemented at approximately six hundred feet in an 11" hole, with cement circulated to surface. A 7-7/8" hole shall be drilled to approximately seventy-eight hundred feet, or the base of the Dakota Formation, using water or mud as necessary. A 4-1/2", 11.60#, N-80 production string will be cemented at total depth. The Dakota Formation will then be selectively perforated and sand-water fraced. In the event the Mesaverde Formation is indicated to be productive, 5-1/2", 17#, J-55 casing will be cemented at total depth and a dual completion will be effected between the Dakota and Mesaverde Formations. Due care will be taken to protect all horizons.

If this Supplemental Drilling Program 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 La Plata Gathering System, Inc. Copies of this Supplemental Drilling Program are being sent to the Working Interest Owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb
Vice President

WGW:mch

Attached Sheets: 2

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 the Oil Conservation
Commission.

DATE: _____

APPROVED:

A. L. Porter, 2

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

DATE: *June 28, 1961*

The foregoing approvals are for the 1961 Supplemental Drilling Program for the San Juan 32-5 Unit, #14-08-001-534, San Juan and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mr. Floyd Kepler, Land Department
Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Sunshine Royalty Company
Post Office Box 5669
Roswell, New Mexico

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Case #491

May 26, 1961

**La Plata Gathering System, Inc.
1040 Mercantile Dallas Building
Dallas 1, Texas**

**Re: Amendment of Unit Agreement
San Juan 32-5 Unit Area
San Juan and Rio Arriba
Counties, New Mexico**

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved the amendment of the San Juan 32-5 Unit Agreement as of May 26, 1961.

This approval is subject to like approval by the US Geological Survey as approval from the Oil Conservation Commission has already been obtained.

Five approved copies of the amendment are enclosed

**Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS**

**BY:
Ted Bilberry, Supervisor
Oil and Gas Department**

ESW/mmr/s

cc:

**OCC- Santa Fe
USGS- Roswell**

May 23, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: Amendment of Unit Agreement
San Juan 32-5 Unit Area
San Juan and Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

Please be advised that this office is forwarding the above designated amendment to the San Juan 32-5 Unit Area to the New Mexico Oil Conservation Commission for their prior consideration.

At such time as they take action on this amendment they will return six copies to this office for our attention.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Marian M. Nhea, Supervisor
Unit Division

ESW/mmz/s

cc: OCC- Santa Fe

C. CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 24, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: Amendment of Unit Agreement
San Juan 32-5 Unit Area
San Juan and Rio Arriba
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Amendment of Unit Agreement for The Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Approval of the drilling blocks as set forth in said Amendment does not constitute approval of the described drilling blocks as proration units. Approval of the drilling blocks as proration units can be obtained only after notice and hearing.

Six approved copies of the Amendment are being forwarded to the Commissioner of Public Lands.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/me

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

C
O
P
Y

AMENDMENT OF UNIT AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
SAN JUAN 32-5 UNIT AREA
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO

THIS AGREEMENT, entered into as of the 1st day of November, 1960, by and between LA PLATA GATHERING SYSTEM, INC., a Delaware corporation, (hereinafter sometimes referred to as "Unit Operator") and such other parties owning working interests subject to the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area as may execute this Agreement (all parties being sometimes hereinafter referred to as "Working Interest Owners"),

W I T N E S S E T H:

WHEREAS, the parties hereto are also parties to that certain Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, which was approved by the Commissioner of Public Lands of the State of New Mexico on March 4, 1953, and by the Acting Director of the United States Geological Survey on March 30, 1953, and designated Contract Number 14-08-001-534, and which has heretofore been approved by the Oil Conservation Commission of the State of New Mexico; and

WHEREAS, Section 11 of the Unit Agreement provides in part as follows:

"That portion of the unit area lying above the base of the Mesaverde formation is hereby divided into Drilling Blocks containing 320 acres, each more or less, which Drilling Blocks shall constitute one-half sections, by Government survey, the sections being divided by a line running north and south in such manner that each Drilling Block shall be either the East Half (E/2) or the West Half (W/2) of each given section; provided, however, that in any instances of irregular surveys that portion of a section which

most nearly constitutes either the East Half (E/2) or the West Half (W/2) shall constitute a Drilling Block even though its acreage may be irregular...";

and

WHEREAS, the western tier of sections of Township 32 North, Range 5 West, are fractional and each section embraces less than the normal one-half section of government survey, the acreage of each of said sections being as follows:

Section 7:	155.72 acres
Section 18:	177.17 acres
Section 19:	178.08 acres
Section 30:	174.41 acres
Section 31:	171.18 acres;

and

WHEREAS, Sections 1 and 2 of Township 31 North, Range 5 West, N.M.P.M., are irregular and each section embraces more than the normal one-half section of government survey, the acreage of each of said sections being as follows:

Section 1:	368.20 acres
Section 2:	368.60 acres;

and

WHEREAS, the western boundary line of the subject Unit Area excludes the SW/4 of Section 9, Township 32 North, Range 6 West, N.M.P.M., and which exclusion makes impossible the division of said section in accordance with Section 11 of the Unit Agreement, and, as the result of which, that portion of Section 9 which is situated within the subject unit covers a total of 397.60 acres; and

WHEREAS, due to the non-commitment of the oil and gas lease covering the N/2 of Section 32, Township 32 North, Range 5 West, N.M.P.M., to the subject unit, said section may not be divided into drilling blocks covering committed lands in accordance with Section 11 of the Unit Agreement; and

WHEREAS, due to the aforesaid reasons, the sections described above do not conform to drilling blocks defined in Section 11 of the Unit Agreement as quoted above; and

WHEREAS, Section 10 of the Unit Agreement provides for the exploration of the Unit Area and the determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation, and it is necessary that the fractional sections and other incomplete drilling blocks referred to above be drilled to accomplish such exploration and determination; and

WHEREAS, Section 17 of the Unit Agreement provides in part that the Unit Operator shall take appropriate and adequate measures to prevent drainage of unitized substances from unitized lands by wells on land not subject to this Agreement, including wells on adjacent unit areas; and

WHEREAS, the San Juan 32-5 Unit Area is currently offset by wells completed to the south in the Rosa Unit Area and potentially to the west by wells in the Allison Unit Area, and it is or may be necessary that wells be drilled and produced on the fractional sections or unorthodox sections referred to above in order to protect the San Juan 32-5 Unit Area from drainage;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to be obtained hereunder, the undersigned Working Interest Owners in the San Juan 32-5 Unit Area, who have heretofore executed the Unit Agreement and Unit Operating Agreement for the Development and Operation of the San Juan 32-5 Unit Area, do hereby agree that the term "Drilling Block", as defined in Section 11 of the Unit Agreement, shall be interpreted to include the following described acreage as acceptable drilling blocks for all formations above the base of the Mesa-verde formation pursuant to the terms and provisions of the San Juan 32-5 Unit Agreement and Unit Operating Agreement, and that allocation of unitized substances to each of such drilling blocks shall be made on an acreage basis, said drilling blocks to be as follows:

- (1) Section 1, Township 31 North, Range 5 West, N.M.P.M., 368.20 acres.
- (2) Section 2, Township 31 North, Range 5 West, N.M.P.M., 368.60 acres.
- (3) Lots 1 and 2 of Section 7, and the W/2 of Section 8, Township 32 North, Range 5 West, N.M.P.M., 347.03 acres.
- (4) Lots 3 and 4 of Section 7, Township 32 North, Range 5 West, and the E/2 of Section 12, Township 32 North, Range 6 West, N.M.P.M., 366.72 acres.
- (5) All of Sections 18 and 19, Township 32 North, Range 5 West, N.M.P.M., 355.25 acres.
- (6) All of Sections 30 and 31, Township 32 North, Range 5 West, N.M.P.M., 345.59 acres.
- (7) Lots 1, 2, 3 and 4, S/2 N/2, and SE/4 of Section 9, Township 32 North, Range 6 West, N.M.P.M., 397.60 acres.
- (8) S/2 of Section 32, Township 32 North, Range 5 West, N.M.P.M., 320 acres.

THAT the Unit Operator, on behalf of the undersigned Working Interest Owners, shall obtain the approval of this Agreement by the Oil Conservation Commission of the State of New Mexico, the Commissioner of Public Lands of the State of New Mexico, and the Director of the United States Geological Survey; and

THAT, upon such approval hereof, the definition of a drilling block as set forth in Section 11 of the Unit Agreement shall be modified and extended to include the fractional sections and partial sections enumerated herein for the purposes and to the extent set forth in this Agreement.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, with the same force and effect as if all parties had signed the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment of the subject Unit Agreement as of the day and year first hereinabove written.

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

J. H. Humphreys
Assistant Secretary

By *[Signature]*
JOHN B. CAMPBELL Vice President

A. P. C.	

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Dred T. Simpson
Secretary

By

William G. Webb
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By

Vice President

Vincent Cuccia
VINCENT CUCCIA

Louise Cuccia
, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By

Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By

Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife



GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By *C. F. Bedford*
~~Vice President~~ ATTORNEY-AT-LAW



ATTEST:

EL PASO NATURAL GAS COMPANY

W. M. Vaughney
Secretary

By _____
Vice President

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

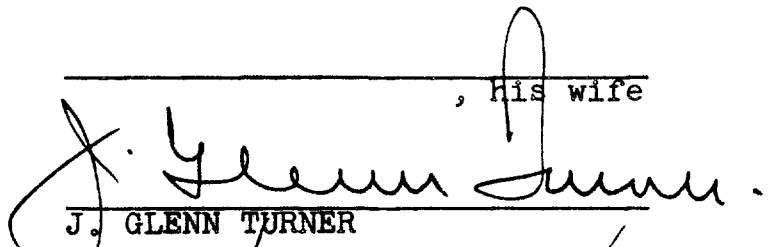
By _____
Vice President

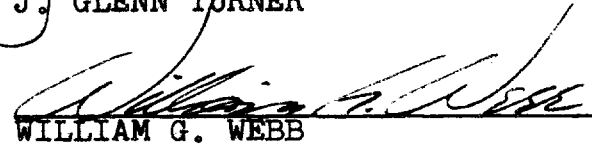
VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife


J. GLENN TURNER


WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

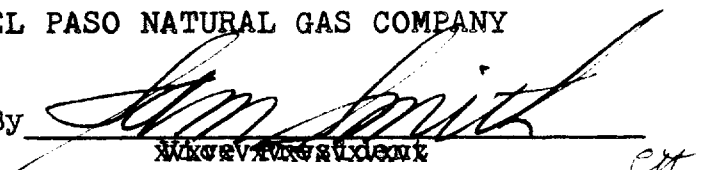
Secretary

By _____
Vice President

ATTEST:

EL PASO NATURAL GAS COMPANY

Secretary

By 
~~W. M. VAUGHY~~
Attorney in Fact CH

W. M. VAUGHEY

, his wife

UNIT OPERATOR

ATTEST:

LA PLATA GATHERING SYSTEM, INC.

Secretary

By _____
Vice President

WORKING INTEREST OWNERS

ATTEST:

AMERADA PETROLEUM CORPORATION

Secretary

By _____
Vice President

VINCENT CUCCIA

, his wife

GEORGE E. CONLEY

, his wife

J. GLENN TURNER

WILLIAM G. WEBB

ATTEST:

PAN AMERICAN PETROLEUM CORPORATION

Secretary

By _____
Vice President

ATTEST:

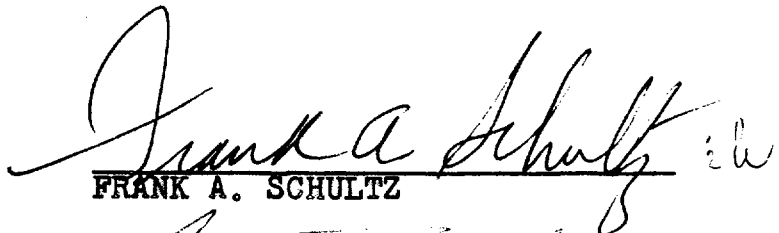
EL PASO NATURAL GAS COMPANY

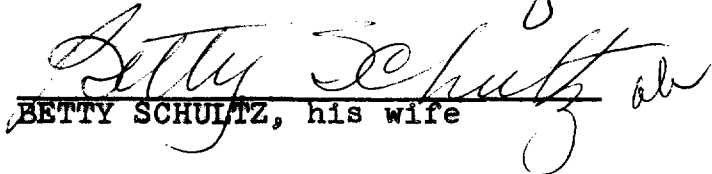
Secretary

By _____
Vice President

W. M. VAUGHNEY

, his wife


FRANK A. SCHULTZ


BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By _____
President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By _____
Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By _____
President

APPROVED:

Supervisor, United States Geological Survey
Subject to like approval by the appropriate
State Officials.

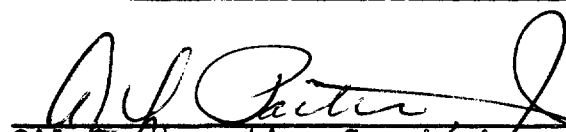
DATE: _____

APPROVED:

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

DATE: _____

APPROVED:



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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Willie Thompson
act. Secretary

By

Jack L. ...
President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By

Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By

President

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 the Oil Conservation Commission.

DATE: _____

APPROVED:

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

R. L. Taylor
Assistant Cashier

By J. H. Phifer
Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By President

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 the Oil Conservation Commission.

DATE: _____

APPROVED:

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By Vice President

Gladys Hurley
GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Secretary

By President

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 the Oil Conservation Commission.

DATE: _____

APPROVED:

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

DATE: May 24, 1961

FRANK A. SCHULTZ

BETTY SCHULTZ, his wife

ATTEST:

BENSON-MONTIN-GREER DRILLING CORP.

Secretary

By President

ATTEST:

THE FIRST NATIONAL BANK IN SHREVEPORT,
TRUSTEE FOR THE ED E. AND GLADYS
HURLEY FOUNDATION

Assistant Cashier

By Vice President

GLADYS HURLEY, a feme sole

ATTEST:

SUNSHINE ROYALTY COMPANY

Edmund M. Elliott
Secretary

By A. S. Elliott
President

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 the Oil Conservation Commission.

DATE: _____

APPROVED:

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

DATE: May 24, 1961

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF Oklahoma I

COUNTY OF Tulsa I

The foregoing instrument was acknowledged before me
this 11th day of April, 1961, by
John P. Hammonds, Jr. President of
Amerasia Petroleum Corporation, a Delaware
corporation, on behalf of said corporation.

My Commission Expires: _____

August 12, 1964

Mary Dixon
Notary Public in and for
Tulsa _____ County,
State of Oklahoma

MARY DIXON, Notary Public
in and for State of Oklahoma
My commission expires August 12, 1964

STATE OF California I
COUNTY OF San Bernardino I

The foregoing instrument was acknowledged before me
this 13th day of April, 1961, by
Vincent Cuccia & Louise Cuccia, his wife.

My Commission Expires:

October 14, 1961

Doreen Smith
Notary Public in and for
Los Angeles County,
State of California

STATE OF _____ I
COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for _____ County,
State of _____

STATE OF TEXAS I
COUNTY OF DALLAS I

The foregoing instrument was acknowledged before me
this 19th day of April, 1961, by
William G. Webb, Vice President of
La Plata Gathering System, Inc., a Delaware
corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1961

Barbara Malloy
Notary Public in and for
Dallas County,
State of Texas

BARBARA MALLOY

STATE OF NEW MEXICO I

COUNTY OF Santa Fe I

The foregoing instrument was acknowledged before me
this 28 day of MARCH, 1961, by
GEORGE E. CONLEY

My Commission Expires:

My Commission expires July 15, 1961

Jerry B. Gumples
Notary Public in and for
Santa Fe County,
State of New Mexico

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for _____
County,
State of _____

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, _____, President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public in and for _____
County,
State of _____

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF Texas I

COUNTY OF Tarrant I

The foregoing instrument was acknowledged before me
this 21st day of April, 1961, by
C. F. BEDFORD, ATTORNEY-IN-FACT President of
PAN AMERICAN PETROLEUM CORPORATION, a
corporation, on behalf of said corporation.

My Commission Expires: _____

Ada Belle Zartman Ada Belle Zartman
Notary Public in and for _____
County, Tarrant
State of Texas

6-1-61

STATE OF TEXAS I

COUNTY OF DALLAS I

The foregoing instrument was acknowledged before me
this _____ day of April, 1961, by
J. Glenn Turner and William G. Webb

My Commission Expires:

June 1, 1961

Florence Hamilton
Notary Public in and for
Dallas County,
State of Texas

STATE OF TEXAS I

COUNTY OF DALLAS I

The foregoing instrument was acknowledged before me
this 25th day of April, 1961, by
Frank A. Schultz and Betty Schultz,
his wife.

My Commission Expires:

June 1, 1961

Orin D. Runyon
Notary Public in and for
Dallas County,
State of Texas

STATE OF TEXAS I

COUNTY OF EL PASO I

The foregoing instrument was acknowledged before me
this 4th day of April, 1961, by
SAM SMITH, Attorney in Fact ~~XXXXXXXXXXXXXXXXXXXX~~ President of
EL PASO NATURAL GAS COMPANY, a Delaware
corporation, on behalf of said corporation.

My Commission Expires:

NATALIE TAYLOR
Notary Public in and for El Paso County, Texas
My Commission Expires June 1, 1961

Natalie Taylor
Notary Public in and for

State of _____ County,

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

Notary Public in and for _____
County,
State of _____

STATE OF Mississippi I

COUNTY OF Hinds I

The foregoing instrument was acknowledged before me
this 17th day of March, 1961, by
W. M. Vaughney and Genevieve C. Vaughney,
his wife.

My Commission Expires: _____

My Commission Expires June 20, 1961

James C. Stone
Notary Public in and for _____
County,
State of Miss

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, _____ President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires: _____

Notary Public in and for _____
County,
State of _____

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF Oklahoma I

COUNTY OF Oklahoma I

The foregoing instrument was acknowledged before me
this 21st day of March, 1961, by
Jack London, Jr. President of
Benson-Martin Greer Audley Corp., a Delaware
corporation, on behalf of said corporation.

My Commission Expires: _____

February 18, 1963

Norma V. Hurst
Notary Public in and for
Oklahoma County, _____
State of Oklahoma

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF LOUISIANA I

~~COUNTY~~ OF CADDO I

The foregoing instrument was acknowledged before me
this 21st day of March, 1961, by
H. K. Phelps, Jr., Vice President of
The First National Bank of Shreveport, a Louisiana
corporation, on behalf of said corporation.

My Commission Expires: _____

At death

June W. Watcuff
Notary Public in and for _____
Caddo Parish ~~County~~,
State of Louisiana

STATE OF LOUISIANA |
~~COUNTY~~ PARISH OF CADDO |

The foregoing instrument was acknowledged before me
this 31st day of March, 1961, by
GLADYS HURLEY

My Commission Expires:

At Death

June W. Hatchell
Notary Public in and for
Caddo Parish ~~County~~,
State of Louisiana

STATE OF _____ |

COUNTY OF _____ |

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____ and _____,
his wife.

My Commission Expires:

Notary Public in and for _____
State of _____ County,

STATE OF _____ |

COUNTY OF _____ |

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by
_____, _____ President of
_____, a _____
corporation, on behalf of said corporation.

My Commission Expires:

Notary Public in and for _____
State of _____ County,

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____.

My Commission Expires: _____

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

STATE OF _____ I

COUNTY OF _____ I

The foregoing instrument was acknowledged before me
this _____ day of _____, 1961, by _____
and _____,
his wife.

My Commission Expires: _____

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

STATE OF NEW MEXICO I

COUNTY OF CHAVES I

The foregoing instrument was acknowledged before me
this 5th day of May, 1961, by
L. E. Elliott, President of
Sunshine Royalty Company, a New Mexico
corporation, on behalf of said corporation.

My Commission Expires: _____

Dec. 20, 1963

Nina Crane
Notary Public in and for _____
County, Chaves
State of New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 28, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: Second Expansion of Dakota
Participating Area San Juan
32-5 Unit, San Juan & Rio
Arriba Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Second Expansion of the Dakota Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the application are returned herewith.

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

ILLEGIBLE

April 28, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
San Juan & Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved the Initial, First Expansion and Second Expansion of Dakota Participating Area for the San Juan Unit Area.

We are returning one approved copy of each of these Participating Areas.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mmr/s
cc:

Oil Conservation Commission
Santa Fe, New Mexico

US Geological Survey
Roswell, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 28, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: First Expansion of Dakota
Participating Area, San Juan
32-5 Unit San Juan & Rio Arriba
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the First Expansion of the Dakota Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the application are returned herewith.

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

ILLEGIBLE

C . CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

April 28, 1961

C
O
P
Y
La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Re: Initial Participating Area,
Dakota Formation, San Juan
32-5 Unit, San & Rio Arriba
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area, Dakota Formation, for the San Juan 32-5 Unit San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the application are returned herewith.

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

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas

April 13, 1961

491

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
Second Expansion of Dakota Participating Area
Effective December 1, 1960

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the Second Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the wells hereinafter specified are capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The wells upon which such determination is based are as follows:

The San Juan 32-5 Unit Well No. 1-23 located 790' from the South line and 1,850' from the West line of Section 23, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on November 5, 1960 and completed December 14, 1960 at a total depth of 8,080' C/O 8,040'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 7,834-46', 7,899-7,924', 7,933-38' and 7,962-70'. After being shut in

Second Expansion of Dakota Participating Area

for gauge for 7 days the well was tested on December 21, 1960 and gauged 6,095 MCFD on 3/4" choke and 6,813 MCFD by the calculated open flow method. The SITP was 2,642 psia and the SICP was 2,852 psia.


The San Juan 32-5 Unit Well No. 1-24 located 990' from the South line and 790' from the West line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on October 4, 1960, and completed November 23, 1960 at a total depth of 8,110' P/B 8,092'. The Dakota Formation was treated with a sand water fracturing process in the perforated intervals 8,070-80', 8,056-61', 8,045-50', 8,034-36', 8,002-17', 7,922-49', 7,912-15' and 7,867-78'. After being shut in for gauge for 8 days the well was tested on December 1, 1960 and gauged 6,489 MCFD on 3/4" choke and 8,451 MCFD by the calculated open flow method. The SITP was 2,904 psia and the SICP was 2,904 psia.

Attached hereto is a schedule showing the Second Expansion of the Dakota Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each unitized tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

WGW:bk
Enclosures

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. H. Porter Jr. Date: 4-28-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
P. O. Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
P. O. Box 5669
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas

April 13, 1961

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties, New Mexico
First Expansion of Dakota Participating Area
Effective November 1, 1960

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the First Expansion of the Dakota Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-25 located 910' from the North line and 1,760' from the East line of Section 25, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on September 2, 1960, and was dually completed on November 14, 1960, at a total depth of 8,118', P. B. 8,094'. The Dakota Formation was treated with a sand-water fracturing process in the perforated intervals 8,062-84', 8,020-42', 7,952-82', 7,907-16' and 7,897-08'. After being

Page -2-

First Expansion of Dakota Participating Area


shut in for gauge for 16 days the well was tested on November 28, 1960, and gauged 984 MCFD on 3/4" choke and 989 MCFD by the calculated absolute open flow method. The SITP was 2,950 psia and the SICP was 1,172 psia.

Attached hereto is a schedule showing the First Expansion of the Dakota Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each unitized tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

WGW:bk
Enclosures

Approved.....April 28 1961


Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Porter, Jr. Date: 4-28-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
P. O. Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
P. O. Box 5669
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Bldg.
Dallas 1, Texas

April 13, 1961

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Request for Approval of Initial
Participating Area, Dakota Formation
Effective Date of First Production

Gentlemen:

Pursuant to the provisions of Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator, hereby requests approval of the Initial Participating Area for the Dakota Formation. It is the belief of the Unit Operator that the San Juan 32-5 Unit Well No. 2-26, located 1,850 feet from the North line and 660 feet from the East line of Section 26, Township 32 North, Range 6 West, Rio Arriba County, New Mexico is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

This well was spudded May 16, 1960, and dually completed in the Dakota and Mesaverde Formations on August 15, 1960, at a total depth of 8,025 feet. The well was tested August 22, 1960, and gauged 3,389 MCFD on 3/4" choke and 3,595 MCFD by the calculated absolute open flow method in the Dakota Formation; shut-in tubing pressure was 2,931 psia and shut-in casing pressure was 1,113 psia.

Page - 2 -


The acreage which we feel to be reasonably proved productive by this well is described as the E/2 of Section 26 and the W/2 of Section 25, both in Township 32 North, Range 6 West, N.M.P.M., and containing 640 acres.

Attached hereto is a schedule which shows the proposed Participating Area for this well, together with other information pertinent to such Participating Area. If this initial participating area for the Dakota Formation meets with your approval, please indicate such approval in the space provided on said schedule and return an approved copy for our files.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

WGW:bk
Enclosures

Approved.....*April 28*.....19*61*

A. L. Peter
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
P. O. Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
P. O. Box 5669
Roswell, New Mexico

Case # 491

LA PLATA GATHERING SYSTEM, INC.

1940 Mercantile Dallas Building
Dallas 1, Texas

April 13, 1961

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit Well No. 1-31
Rio Arriba County, New Mexico
NOTICE OF COMPLETION OF NON-
COMMERCIAL WELL - Dakota Formation

Gentlemen:

La Plata Gathering System, Inc., as Unit Operator of the subject unit and pursuant to the decision of the advisory committee established under the unit operating agreement finds that the following described well is not capable of producing unitized substances in paying quantities from the Dakota Formation:

The San Juan 32-5 Unit Well No. 1-31 is located 990' from the North line and 713' from the East line of Section 31, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This well was spudded on July 11, 1960 and was dually completed on October 13, 1960 at a total depth of 8,369' P/B 8,334'. The Dakota Formation between 8,184-88', 8,194-98', 8,230-36', 8,245-66', 8,271-78', 8,383-88' and 8,295-8,300' was treated with a sand water fracturing process. The well was shut in October 13, 1960 and, after being shut in for eighteen (18) days, was tested on October 31,

Page -2-

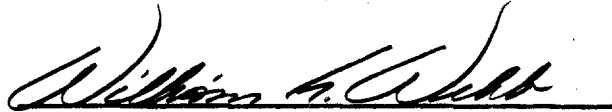
1960, gauging 906 MCFPD through a 3/4" choke and 912 MCFPD by the calculated absolute open-flow method in the Dakota Formation; shut-in tubing pressure was 2,323 psia and shut-in casing pressure was 1,128 psia.

Pursuant to Section 10 of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Unit Operator hereby requests the approval of the foregoing determination by the Regional Oil and Gas Supervisor, as the above described well is located on Federal Leases NM-02850 and SF-080657.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

WGW:bk
Enclosure

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Attention: Mr. Floyd Kepler
Land Department
Post Office Box 2040
Tulsa, Oklahoma

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

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
P. O. Box 611
Santa Fe, New Mexico

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

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

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. W. M. Vaughey
P. O. Box 4268
Jackson 6, Mississippi

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

Sunshine Royalty Company
P. O. Box 5669
Roswell, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

March 29, 1961

Case 8491

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

Mr. E. S. Johnny Walker
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

Mr. A. L. Porter, Jr.,
Secretary-Director
Oil Conservation Commission
of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: 1961 Plan of Development
San Juan 32-5 Unit Number 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

This will advise that the captioned Plan of Development has been approved as follows:

- (a) By the Oil Conservation Commission of the State of New Mexico under date of March 24, 1961;
- (b) By the United States Geological Survey on March 13, 1961; and
- (c) By the Commissioner of Public Lands of the State of New Mexico on March 23, 1961.

-2-

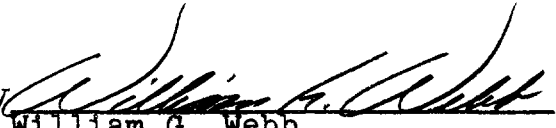
We are advising all Working Interest Owners of such approval by copies of this letter.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb
Vice President

WGW:mch

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

100 #491

March 24, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: 1961 Plan of Development,
San Juan 32-5 Unit, San Juan
and Rio Arriba Counties,
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1961 Plan of Development for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, 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
Enclosures

cc: United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

C. L. CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 24, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: Fourth Expansion Mesaverde
Participating Area, San Juan
32-5 Unit, San Juan and Rio
Arriba Counties, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Fourth Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the Fourth Expansion are returned herewith.

Very truly yours,

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

ALP/JEK/ig
Enclosures

cc: United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

O. CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 24, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: Third Expansion of Mesaverde
Participating Area, San Juan
32-5 Unit, San Juan and Rio
Arriba Counties, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Third Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the Third Expansion are returned herewith.

Very truly yours,

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

ALP/JEK/ig
Enclosures

cc: United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

O CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 24, 1961

**La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas**

ATTENTION: Mr. William G. Webb

**Re: Second Expansion Mesaverde
Participating Area, San Juan
32-5 Unit, San Juan and Rio
Arriba Counties, New Mexico**

Gentlemen:

**This is to advise that the New Mexico Oil Conser-
vation Commission has this date approved the Second Expansion
of the Mesaverde Participating Area for the San Juan 32-5
Unit, San Juan and Rio Arriba Counties, New Mexico, subject
to like approval by the United States Geological Survey and
the Commissioner of Public Lands of the State of New Mexico.**

**Four approved copies of the Second Expansion are
returned herewith.**

Very truly yours,

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

**ALP/JEK/ig
Enclosures**

**cc: United States Geological Survey
Roswell, New Mexico**

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

01 CONSERVATION COMMISSIC

P. O. BOX 871
SANTA FE, NEW MEXICO

March 24, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: First Expansion of Mesaverde
Participating Area, San Juan
32-5 Unit, San Juan and Rio
Arriba Counties, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the First Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Four approved copies of the First Expansion are returned herewith.

Very truly yours,

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

ALP/JEK/ig
Enclosures

cc: United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands
Santa Fe, New Mexico

March 23, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
1961 Drilling Program

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands is approving your 1961 Drilling Program for the San Juan 32-5 Unit as of March 23, 1961.

This plan calls for two Dakota wells and one Mesaverde Well during the calendar year 1961.

The Commissioner's approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are enclosing one approved copy of this program. Please notify us at such time as this program has been approved by the United States Geological Survey.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS
BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mm/s OCC-Santa Fe
cc: USGS-Roswell

March 23, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: Fourth Expansion of Mesaverde
Participating Area, Effective
Effective November 1, 1960
San Juan 32-5 Unit, San Juan and
Rio Arriba Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved as of March 23, 1961, the Fourth Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit Area.

We are enclosing four approved copies of this Fourth Expansion. Please furnish us another copy at such time as full approval is obtained.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mar/s

cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

March 23, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: Third Expansion of Mesaverde
Participating Area, Effective June
1, 1960, San Juan 32-5 Unit,
San Juan and Rio Arriba Counties,
New Mexico

Attention: Mr. William G. Webb:

Gentlemen:

The Commissioner of Public Lands has approved the Third Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit Area.

We are enclosing four approved copies of this third expansion. Please furnish us another copy at such time as full approval is obtained.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/emr/s

cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

March 23, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: Second Expansion of Mesaverde
Participating Area, Effective
September 1, 1959, San Juan 32-5
Unit, San Juan and Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb:

Gentlemen:

The Commissioner of Public Lands has approved as of
March 23, 1961, the Second Expansion of the Mesaverde Parti-
cipating Area for the San Juan 32-5 Unit Area.

We are enclosing four approved copies of this Second
Expansion. Please furnish us another copy at such time as
full approval is obtained.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mmr/s

cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

March 23, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: First Expansion of Mesaverde
Participating Area, Effective
July 1, 1959, San Juan 32-5 Unit
San Juan and Rio Arriba Counties,
New Mexico

Attention: Mr. William G. Webb

Gentlemen:

The Commissioner of Public Lands has approved as of March 23, 1961, the First Expansion of the Mesaverde Participating Area for the San Juan 32-5 Unit Area.

We are enclosing four approved copies of this First Expansion. Please furnish us another copy at such time as full approval is obtained.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

KSW/mmr/s
cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

March 14, 1961

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
San Juan and Rio Arriba Counties
New Mexico

Attention: Mr. William G. Webb

Gentlemen:

We acknowledge receipt of your letter dated March 10, 1961, regarding State Tracts in San Juan 32-5 Unit Area.

It is not customary to change the tract numbers from the original Exhibit "B" for the reasons you have mentioned.

This division puts out a memorandum to all the Oil and Gas Departments and lists the tracts as shown on Exhibit "B".

We also put out a memorandum on the Participating Areas by tract numbers and land discription not only in the Oil and Gas Department but to the Oil and Gas Accounting Department, which is not part of the Land Office.

Therefore, you can see we cannot easily change tract numbers on an Exhibit "B".

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS
BY:

Marian M. Rhea, Supervisor
Unit Division

ESW/mmz/s USGS-Roswell
OCC- Santa Fe



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P.O. Box 6721
Roswell, New Mexico

March 13, 1961

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your plan of development for 1961, dated February 9, 1961, for the San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, which proposes the drilling of two Dakota formation and one Mesaverde formation wells, has been approved on this date subject to like approval by the appropriate State officials.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Farmington (w/cy of plan)
NMOCC, Santa Fe (ltr. only)

ILLEGIBLE

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

March 10, 1961

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

Re: San Juan 32-5 Unit Agreement
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

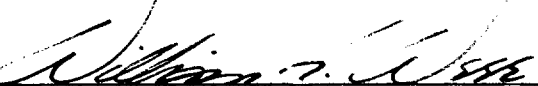
We have been requested by the Commissioner of Public Lands of the State of New Mexico to advise his office of the date of your approval of the initial participating area for the Mesaverde Formation under the subject Unit. Such participating area was approved during the latter part of the calendar year 1955, but we have been unable to ascertain from the former Unit Operator the precise date of your approval thereof. If you can advise us of such date from information I am sure you have in your files, we will greatly appreciate the courtesy.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb
Vice President

WGW:mch
Enclosure

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

March 10, 1961

C
Mr. Ted Bilberry, Supervisor
Oil and Gas Division
Commissioner of Public Lands
State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

O
Re: San Juan 32-5 Unit Agreement
San Juan and Rio Arriba Counties,
New Mexico

Dear Mr. Bilberry:

This will acknowledge receipt of your letter dated March 8, 1961, relative to the captioned matter.

P
Y
As your records will reflect, the N/2 of Section 32, Township 32 North, Range 6 West, was denoted as Tract Number 21 in Exhibits "A" and "B" to the subject Unit as originally prepared. The State of New Mexico Oil and Gas Lease covering said lands has, in the intervening period, been released and a new Oil and Gas Lease bearing Serial Number OG-23 has been issued. In view of such circumstances and for the sake of uniformity, we have, on a revision of Exhibit "B" to the subject Unit, designated the lands covered by State of New Mexico Oil and Gas Lease OG-23 as Tract Number 23; accordingly, former Tract 23 is now Tract 22 and former Tract 22 is now Tract 21.

The revised Exhibit "B" to the subject Unit is now being put in final form and we should be able to forward to you within the next few days multiple copies of such Exhibit "B" as revised.

With reference to your comment concerning the approval of the initial participating area under the subject Unit for the Mesaverde Formation by the New Mexico Oil Conservation Commission and the United States Geological Survey,

Mr. Ted Bilberry

-2-

March 10, 1961

we do not have in our files the date of their approval of such participating area; however, by letters of even date herewith, we have requested them to examine their files and advise us of the dates of such approval. As soon as we have been advised of the date of approval, we will so advise you.

In the event we may furnish you with any further data in connection with this matter, please advise.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb

WGW:mch

cc: Oil Conservation Commission
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

March 8, 1961

C
O
P
Y

La Plata Gathering System, Inc.
Turner, White, Atwood, McLane
and Francis
1900 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
San Juan & Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

We have received your Participating Areas covering the First, Second, Third and Fourth Expansions for the Mesaverde Participating Areas San Juan 32-5 Unit Area.

We find you have listed your Initial Participating Area as Tract No. 22, Lease E-504, Assignment No. 6. This is in error as the Exhibit "B" and map show the E/2 of Section 16, Township 32-North, Range 6-West, was Tract No. 23, Lease E-504, Assignment No. 11. Your 2nd. Expansion shows the S/2 of Section 32, Township 32-North, Range 5-West, Lease E-346, Assignment Number 21, as tract number 21. This is in error as the Exhibit "B" and map reflect this as Tract No. 22, Lease E-346, Assignment No. 24.

Your Initial Participating Area, which was approved by the Commissioner of Public Lands, November 18, 1955, did not reflect a tract number, nor have we ever been informed as to the date of approval of the Initial Participating Area by the Oil Conservation Commission and the US Geological Survey.

**La Plata Gathering System, Inc.
Dallas 1, Texas**

**March 8, 1961
Page 2.**

**We suggest that a correction be made in regard to the
Tract Number on the Participating Areas.**

May we please hear from you at your earliest convenience.

**Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS**

**BY:
Ted Bilberry, Supervisor
Oil and Gas Division**

**ESW/mmz/s
cc:**

**US Geological Survey
Roswell, New Mexico**

**Oil Conservation Commission
Santa Fe, New Mexico**

C
O
P
Y

February 9, 1961

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
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Fourth Expansion of Mesaverde
Participating Area
Effective November 1, 1960

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the Fourth Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing untaxed substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-31 is located 713' from the West line and 990' from the North line, Section 31, Township 32 North, Range 5 West, Rio Arriba County, New Mexico. This well was spudded on July 11, 1960 and dually completed on October 13, 1960 at a total depth of 8369'. The Mesaverde Formation was treated with a sand-water fracturing process in

the perforated intervals 5738-47', 5760-66', 5866-70' and 5876-83', and another sand-water fracturing process in the perforated intervals 6006-28', 5988-6000', 5970-78', 5958-62', 5929-54' and 5918-25'. After being shut in for gauge for 11 days the well was tested on October 24, 1960, and gauged 3389 MCFD on 3/4" choke and 3679 MCFD by the calculated absolute open flow method. The SITP was 451 psia and the SICP was 1102 psia.

The completion of the San Juan 32-5 Unit Well No. 1-31 in the Mesaverde Formation creates one intervening drilling block. This intervening drilling block is described as the E/2 of Section 25, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, and containing 320 acres.

Under the terms of the San Juan 32-5 Unit Agreement, the above described intervening drilling block is admitted to the Mesaverde Participating Area as of November 1, 1960. A well must be commenced on this intervening drilling block by November 1, 1961.

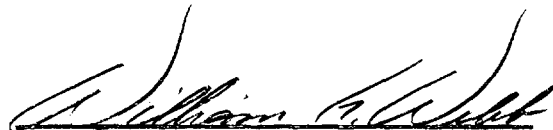
The San Juan 32-5 Unit Well No. 1-31 was dually completed in the Mesaverde and Dakota Formations.

Attached hereto is a schedule showing the Fourth Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Carter, Jr. Date: 3-24-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

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

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

Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

February 9, 1961

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
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Third Expansion of Mesaverde
Participating Area
Effective June 1, 1960

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the Third Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-25 located 910' from the West line and 1100' from the South line, Section 25, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on November 25, 1959, and completed on December 15, 1959, at a total depth of 5836' in the Mesaverde Formation. The Mesaverde Formation was treated with one sand-water fracturing process in the perforated intervals 5444-54', 5480-96', 5502-06', 5514-18', 5530-32',

5540-56', 5572-88', and another sand-water fracturing process in the perforated intervals 5612-16', 5734-40', 5744-50', 5762-84'. After being shut in for 156 days the well was tested in the Mesaverde Formation on May 19, 1960, and gauged 5041 MCFD on 3/4" choke and 13384 MCFD by the calculated absolute open flow method. the SITP was 1267 psia and the SCIP was 1265 psia.

The completion of the San Juan 32-5 Unit Well No. 1-25 in the Mesaverde Formation creates one intervening drilling block. This intervening drilling block is described as the E/2 of Section 26, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, and containing 320 acres.

Under the terms of the San Juan 32-5 Unit Agreement, the above described intervening drilling block is admitted to the Mesaverde Participating Area as of June 1, 1960. A well must be commenced on this intervening drilling block by June 1, 1961.

Attached hereto is a schedule showing the Third Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each unitized tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. H. Parker, Jr. Date: 3-24-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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El Paso, Texas

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400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

February 9, 1961

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

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
Second Expansion of Mesaverde
Participating Area
Effective September 1, 1959

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the Second Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-32 located 1105' from the South line and 1650' from the West line of Section 32, Township 32 North, Range 5 West, Rio Arriba County, New Mexico, was spudded on July 12, 1959, and completed

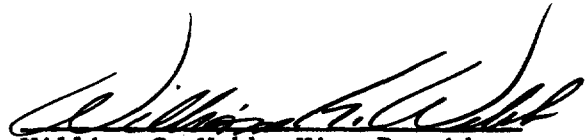
on August 6, 1959, at a total depth of 5975' in the Mesaverde Formation. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals 5745-51, 5756-5840, 5859-63, 5880-84, 5900-10. After being shut in for 14 days the well was tested in the Mesaverde Formation on August 20, 1959, and gauged 3835 MCFD on a 3/4" choke and 6144 MCFD by the calculated open flow method. The SITP was 1192 psia and the SICP was 1191 psia.

Attached hereto is a schedule showing the Second Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each unitized tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Parter, Jr. Date: 3-24-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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El Paso, Texas

Pan American Petroleum Corp.
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Shreveport, Louisiana

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Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

February 9, 1961

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
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
First Expansion of Mesaverde
Participating Area
Effective July 1, 1959

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator of such Unit herewith submits, for approval, the First Expansion of the Mesaverde Participating Area. It is the belief of the Unit Operator that the well hereinafter specified is capable of producing unitized substances in paying quantities and, therefore, respectfully requests your approval of same.

The well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 1-26 located 940' from the North line and 1850' from the West line of Section 26, Township 32 North, Range 6 West, Rio Arriba County, New Mexico, was spudded on April 13, 1959, and completed

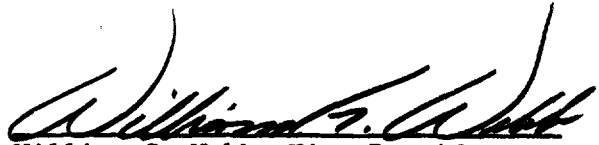
on May 18, 1959, at a total depth of 5801' in the Mesaverde Formation. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals 5772-50, 5702-5680, 5636-04, 5512-5498, 5474-65, 5460-56, 5535-28, 5323-19. After being shut in for 19 days the well was tested in the Mesaverde Formation on June 10, 1959, and gauged 1272 MCFD on 3/4" choke and 1410 MCFD by the calculated absolute open flow method. The SITP was 838 psia and the SICP was 850 psia.

Attached hereto is a schedule showing the First Expansion of the Mesaverde Participating Area. This schedule describes the entire participating area, showing the percentage of unitized substances allocated to each unitized tract and the exact breakdown of production allocated to each tract according to the various ownerships in said tract.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

APPROVED: _____ Date: _____
Director, United States Geological Survey

Subject to like approval by the appropriate State Officials.

APPROVED: _____ Date: _____
Commissioner of Public Lands

Subject to like approval by the United States Geological Survey
and the Oil Conservation Commission.

APPROVED: A. L. Porter, Jr. Date: 3-24-61
Oil Conservation Commission

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

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

February 9, 1961

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

Case # 1291

Commissioner of Public Lands
of the 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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
NOTICE OF COMPLETION OF ADDITIONAL
WELL

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator, determined on November 21, 1960, 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 well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-25 is located 910' from the North line and 1760' from the East line of Section 25, Township 32 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on September 3, 1960, and dually completed on November 12, 1960, at a total depth of 8118'. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals 5777-5816', 5742-52', 5702-09', 5638-90', 5608-25', 5587-90', 5536-47', 552028', 5506-12' and 5451-64'. After being shut in for gauge for 9 days the well

was tested on November 21, 1960, and gauged 5442 MCFD on 3/4" choke and 6444 MCFD by the calculated absolute open flow method. The SITP was 1145 psia and the SICP was 1143 psia. The committed drilling block upon which this well is located is described as the E/2 of Section 25, Township 32 North, Range 6 West, and consists of 320 acres.


This drilling block was included in the Fourth Expansion of the Mesaverde Participating Area, effective November 1, 1960, as an intervening drilling block. Therefore, the present Mesaverde Participating Area is not enlarged.

The San Juan 32-5 Unit Well No. 2-25 was dually completed in the Mesaverde and Dakota Formations.

A copy of this letter is being sent to each of the working interest owners shown on the attached list.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.


William G. Webb, Vice President

SECTION 32.5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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

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El Paso, Texas

Pan American Petroleum Corp.
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Fort Worth, Texas

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Mr. W. M. Vaughey
4001 Northview Drive
Jackson 6, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

February 9, 1961

Copy #491

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
State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico
NOTICE OF COMPLETION OF ADDITIONAL
WELL

Gentlemen:

Pursuant to Section 11 of the San Juan 32-5 Unit Agreement, approved March 30, 1953, by the Acting Director of the United States Geological Survey, La Plata Gathering System, Inc., as Unit Operator, determined on August 30, 1960, 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 well upon which such determination is based is as follows:

The San Juan 32-5 Unit Well No. 2-26, located 1850' from the North line and 660' from the East line, Section 26, Township 32 North, Range 6 West, Rio Arriba County, New Mexico. This well was spudded on May 16, 1960, and dually completed on August 18, 1960, at a total depth of 8025'. The Mesaverde Formation was treated with a sand-water fracturing process in the perforated intervals 5760-66', 5750-57', 5743-47', 5727-33', 5692-5701' and 5609-35', and another sand-water fracturing process in the perforated intervals 5559-62', 5535-40', 5500-29', 5492-96' and

5436-56'. After being shut in for gauge for 15 days the well was tested on August 30, 1960, and gauged 4177 MCFD on 3/4" choke and 4692 MCFD by the calculated absolute open flow method. The SITP was 1213 psia and the SICP was 1210 psia. The committed drilling block upon which this well is located is described as the E/2 of Section 26, Township 32 North, Range 6 West, and consists of 320 acres.


This drilling block was included in the Third Expansion of the Mesaverde Participating Area, effective June 1, 1960, as an intervening drilling block. Therefore, the present Mesaverde Participating Area is not enlarged.

The San Juan 32-5 Unit Well No. 2-26 was dually completed in the Mesaverde and Dakota Formations and has been included in the Request for Approval of Initial Dakota Formation Participating Area Effective September 1, 1960.

A copy of this letter is being sent to each of the Working Interest Owners shown on the attached list.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.



William G. Webb, Vice President

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Pan American Petroleum Corp.
Post Office Box 1410
Fort Worth, Texas

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Dallas 1, Texas

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Dallas 1, Texas

Mr. William G. Webb
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4001 Northview Drive
Jackson 6, Mississippi

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

The First National Bank in Shreveport,
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mr. Frank A. Schultz
2630 Fidelity Union Tower
Dallas 1, Texas

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

February 9, 1961

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

Mr. Murray E. Morgan
Commissioner of Public Lands
of the State of New Mexico
Post Office Box 791
Santa Fe, New Mexico

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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits for your approval the Proposed 1961 Drilling Program for the captioned unit, which provides for the drilling of the following described wells during the calendar year 1961.

The proposed wells are as follows:

<u>DRILLING BLOCK</u>	<u>FORMATION</u>
(1) W/2 of Section 26, T-32-N, R-6-W	Dakota
(2) E/2 of Section 23, T-32-N, R-6-W	Dakota

February 9, 1961

DRILLING BLOCKFORMATION

(3) W/2 of Section 29,
T-32-N, R-5-W

Mesaverde

The above drilling program, insofar as can be determined, incorporates the wishes of all affected working interest owners for drilling within the unit area during the calendar year 1961 and has been approved by the Unit Advisory Committee.

La Plata Gathering System, Inc., as Unit Operator, intends to drill the above listed Dakota Formation test wells to the base of the Dakota Formation using rotary tools. Surface casing will be 8-5/8", 24#, J-55 cemented at approximately six hundred feet in an 11" hole, with cement circulated to surface. A 7-7/8" hole shall be drilled to approximately eighty-two hundred feet, or the base of the Dakota Formation, using water or mud as necessary. A 5-1/2", 17#, N-80 production string will be cemented at total depth. The Dakota Formation will then be selectively perforated and sand water fraced. Due care will be taken to protect all horizons.

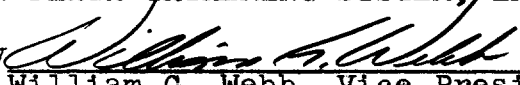
The above listed Mesaverde well will be drilled to the base of the Mesaverde Formation, using rotary tools. Surface casing of 8-5/8", 24#, J-55 will be cemented at approximately six hundred feet in an 11" hole and cement circulated to surface. A 7-7/8" hole shall be drilled to the base of the Mesaverde Formation, following which 5-1/2", 17#, N-80 casing will be set to total depth. The Mesaverde Formation will then be selectively perforated and sand water fraced. The entire operation will be performed with rotary drilling mud or water. Due care will be taken to protect all horizons.

If this drilling program 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 La Plata Gathering System, Inc. Copies of this drilling program are being sent to the working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb, Vice President

WGW:mch
Attached Sheets (2)

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 the Oil Conservation
Commission.

DATE: _____

APPROVED:



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

DATE: _____

March 24, 1961

The foregoing approvals are for the 1961 Drilling
Program for the San Juan 32-5 Unit, #14-08-001-534, San Juan
and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Post Office Box 611
Santa Fe, New Mexico

Mr. J. Glenn Turner
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Dallas 1, Texas

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

Pan American Petroleum Corporation
Post Office Box 1410
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Post Office Box 1492
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The First National Bank in Shreveport
Trustee for the Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys Hurley
400 Petroleum Building
Shreveport, Louisiana

Mr. Ora R. Hall
Post Office Box 1001
Roswell, New Mexico

MAIN OFFICE 000

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

1960 JUN 20 AM 8:19

June 28, 1960

Case 491

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
Post Office Box 791
Santa Fe, New Mexico

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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties, New Mexico

Gentlemen:

This will advise that the Drilling Program for the
captioned Unit for the calendar year 1960 has been approved
as follows:

John A. Anderson, Supervisor, United States
Geological Survey, on May 11, 1960;

Murray E. Morgan, Commissioner of Public
Lands of the State of New Mexico, on
June 22, 1960; and

A. L. Porter, Jr., Secretary-Director,
New Mexico Oil Conservation Commission, on
June 23, 1960.

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

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

BY

William B. White
Vice President

WGW:mch

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Mr. Frank A. Schultz
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Dallas 1, Texas

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Oklahoma City 2, Oklahoma

Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys F. Hurley d/b/a Hurley Oil and Gas Company
400 Petroleum Building
Shreveport, Louisiana

CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 23, 1960

C
La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

O
ATTENTION: Mr. William G. Webb

RE: 1960 Plan of Development
San Juan 32-5 Unit San
Juan and Rio Arriba
Counties, 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 32-5 Unit San Juan and Rio Arriba Counties, 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: US Geological Survey - Roswell

State Land Office - Santa Fe

In reply refer to:
Unit Division

RECEIVED

JUN 23 1960

June 22, 1960

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: 1960 Drilling Program
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico

Attention: Mr. William G. Webb

Gentlemen:

We are enclosing two copies of the above designated Drilling Program, which was approved by the Commissioner of Public Lands June 22, 1960, subject to like approval by the United States Geological Survey and the Oil Conservation Commission. Please furnish us another copy when fully executed by the proper agencies.

We wish to call to your attention the fact that this office has not in many instances received all well reports on the wells which have previously been drilled on the San Juan 32-5 Unit and to request that we receive all of these reports regardless as to the location of the well if it is in the Unit Area.

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

By:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/AMR/1

cc:

OCC-Santa Fe
USGS-Roswell

Case 811

MAIN OFFICE 000

In Reply, Please to:
Unit 32-5

1960 MAY 19 AM 8:26

C

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P

Y

10 Plate Center System, Inc.
1040 Main Street Dallas Bldg.
Dallas, Texas

Re: San Juan 32-5
San Juan and Rio Arriba
Counties, New Mexico

ATTENTION: William G. Webb

Gentlemen:

We have received your proposed 1960 Drilling Program for the San Juan 32-5 Unit Area.

This office must insist that you bring this unit up to date and furnish information in an orderly fashion.

First we want a resume of the wells drilled on this unit, copies of participating areas as approved by this office, subject to approval by the United States Geological Survey and the Oil Conservation Commission, showing the approval by the other two agencies.

We have received no further information from you concerning the dedication of the W/2 of Section 32, Township 32-North, Range 5-West, to a well. As you are aware by your letter dated April 6, 1959 the W/2 of Section 32, Township 32-North, Range 5-West is not committed to the unit. This acreage was released by Pacific Northwest Pipeline Corporation from Lease E-346 assignment No. 18, on May 28, 1956. It was sold to Southern Union Gas Company, July 17, 1956 and is in Lease OG-23 and has never been committed by Southern Union.

ILLEGIBLE

La Plata Gathering System, Inc.
1940 Mercantile Dallas Bldg.
Dallas 1, Texas

May 17, 1960
(Page 2.)

If the well in the SW/4 of Section 32, Township 32-North, Range 5-West, is producing to whom is the royalty allocated and why hasn't it been put into a participating area?

Before this office approves any forms pertaining to this unit, we must have a complete report.

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

ILLEGIBLE

P. O. Box 6721
Roswell, New Mexico

May 11, 1960

La Plata Gathering System, Inc.,
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your plan of development for 1960, dated April 29, 1960, for the San Juan 32-5 unit area, No. 14-08-001-534, San Juan and Rio Arriba Counties, New Mexico, which proposes the drilling of one Mesaverde formation well and one Dakota formation well, to be dually completed in the Mesaverde and Dakota formations, has been approved on this date subject to like approval by the appropriate State officials. Kindly furnish us with suitable evidence of State approval.

When submitting future plans of development, please enclose a minimum of four copies of the plan so that we may return to you an approved original copy.

One approved copy of the plan is enclosed.

Very truly yours,

(Sgt. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Enclosure

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

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

April 29, 1960

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

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

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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits for your approval the Proposed 1960 Drilling Program for the captioned unit, which provides for the drilling of the following described wells during the calendar year 1960.

The proposed wells are as follows:

<u>DRILLING BLOCK</u>	<u>FORMATION</u>
E/2 Section 26, T-32-N, R-6-W	Mesaverde-Dakota Dual
All of Sections 30 and 31, T-32-N, R-5-W	Mesaverde

April 29, 1960

The above drilling program, insofar as can be determined, incorporates the wishes of all affected working interest owners for drilling during the calendar year 1960.

La Plata Gathering System, Inc., as Unit Operator, intends to drill the above listed Mesaverde-Dakota Formation test well to the base of the Dakota Formation, using rotary tools. Surface casing will be 8-5/8", 24#, J-55 cemented at approximately six hundred feet in an 11" hole, with cement circulated to surface. A 7-7/8" hole will be drilled to approximately eighty-two hundred feet, or the base of the Dakota Formation, using water or mud as necessary. A 5-1/2", 17#, N-80 production string will be cemented at total depth. A DV tool will be run approximately two hundred feet below the bottom of the Mesaverde Formation, and this zone will be cemented with sufficient cement to provide a minimum of five hundred feet of cement above the top of the producing member of the Mesaverde Formation. The Dakota Formation will then be selectively perforated and sand water fraced, following which a retrievable bridge plug will be set below the Mesaverde Formation, following which the Mesaverde Formation will be selectively perforated and sand water fraced. A production packer will be set below the Mesaverde Formation and parallel strings of 1-1/2" NU, 2.75#, J-55 tubing will be run. Due care will be taken to protect all horizons.

The above listed Mesaverde well will be drilled to the base of the Mesaverde Formation, using rotary tools. Surface casing of 8-5/8", 24#, J-55 will be cemented at approximately six hundred feet in an 11" hole and cement circulated to surface. A 7-7/8" hole shall be drilled to the base of the Mesaverde Formation, following which 5-1/2", 17#, N-80 casing will be set to total depth. The Mesaverde Formation will then be selectively perforated and sand water fraced. The entire operation will be performed with rotary drilling mud or water. Due care will be taken to protect all horizons.

In the event the above operations meet with favorable success, it is the Unit Operator's intention to file a supplemental plan of development for the calendar year 1960 providing for additional Mesaverde-Dakota and/or Mesaverde Formation test wells.

If this drilling program is acceptable, please signify your approval as required under Section 10 of the Unit

San Juan 32-5 Unit

-3-

April 29, 1960

Agreement in the space provided on the attached sheet and return an approved copy to La Plata Gathering System, Inc. Copies of this drilling program are being sent to the working interest owners shown on the attached sheet.

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb, Vice President

WGW:mch

Attached Sheets (2)

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 the Oil
Conservation Commission.

DATE: _____

APPROVED:



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

DATE: 6-23-60

The foregoing approvals are for the 1960 Drilling
Program for the San Juan 32-5 Unit, #14-08-001-534, San Juan
and Rio Arriba Counties, New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma

Mr. W. M. Vaughey
Post Office Box 4268
Jackson, Mississippi

Mr. Vincent Cuccia
Post Office Box 247
Ontario, California

Mr. George E. Conley
Ontario, California

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

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

Pan American Petroleum Corporation
Post Office Box 1410
Fort Worth, Texas

El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

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

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

Ed E. and Gladys Hurley Foundation
400 Petroleum Building
Shreveport, Louisiana

Mrs. Gladys F. Hurley d/b/a Hurley Oil and Gas Company
400 Petroleum Building
Shreveport, Louisiana

P. O. Box 6721
Roswell, New Mexico

December 14, 1959

La Plata Gathering System, Inc.,
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

This is to acknowledge receipt of the following documents
relating to the San Juan 32-5 unit agreement, New Mexico, No.
14-08-001-534:

1. Four copies of a Ratification and Joinder to the unit agreement, executed by Frank A. Schultz and Betty Schultz who state that they own a partial working interest in State land unit tract 22. Approval and Consent of La Plata Gathering System, unit operator, is affixed to each copy of the Ratification and Joinder.
2. Four copies of a Ratification and Joinder to the unit operating agreement, executed by Frank A. Schultz and Betty Schultz also relating to State land unit tract 22.
3. Four copies of a Ratification and Joinder to the unit agreement, executed by J. Glenn Turner and Sue Reeder Turner who state that they own a partial working interest in State land unit tract 22. Approval and Consent of La Plata Gathering System, unit operator, is affixed to each copy of the Ratification and Joinder.
4. Four copies of a Ratification and Joinder to the unit operating agreement, executed by J. Glenn Turner and Sue Reeder Turner also relating to State land unit tract 22.
5. Four copies of a Ratification and Joinder to the unit agreement, executed by William G. Webb who states that he owns a partial working interest in State land unit tract 22. Approval and Consent of La Plata Gathering System, unit operator, is affixed to each copy of the Ratification and Joinder.

ILLEGIBLE

6. Four copies of a Ratification and Joinder to the unit operating agreement, executed by William G. Webb, also relating to State land unit tract 22.

By virtue of the Ratifications and Joinders listed above the working interest owned by the above named parties in State land unit tract 22 is considered effectively committed to the San Juan 32-5 unit agreement, effective June 1, 1959, the first day of the month following filing of the Ratifications and Joinders.

Copies of the Ratifications and Joinders are being distributed to appropriate Federal offices for inclusion in the official case records. It is assumed you will furnish other interested parties with appropriate evidence of this action.

Very truly yours,

EDWIN M. THOMASSON
Acting Oil and Gas Supervisor

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

WHFeldmiller:ibm

ILLEGIBLE

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

September 14, 1959

Mr. Ted Bilberry, Supervisor
Oil and Gas Division
State Land Office
Post Office Box 791
Santa Fe, New Mexico

Re: San Juan 32-5 Unit
Rio Arriba County, New Mexico

C
Dear Mr. Bilberry:

O
P
Thank you very much for your letter dated September 8, 1959 relative to the San Juan 32-5 Unit. As we have heretofore advised, there has been one well drilled in Section 32, Township 32 North, Range 5 West, Rio Arriba County, New Mexico, such well being the San Juan 32-5 Unit Well Number 1-32, and is located in the SW/4 of said section. The entire S/2 of such section is committed to the Unit. The N/2 of the subject section is not committed to the Unit and Mr. Frank A. Schultz is presently drilling a well in the NE/4 of said section. Upon completion of the well, it will then be determined whether or not the N/2 of the section will be committed to the Unit. If the entire section is ultimately committed to the Unit, it would not appear to make any difference whether or not the dedicated acreage is the N/2 and the S/2 or the E/2 and the W/2 of the section. Your Farmington Office has been fully advised of this situation and have concurred therein. In the event you have any further questions in connection with this matter, please advise.

Y
Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 
William G. Webb

WGW:mch

cc: Southern Union Gas Company
Oil Conservation Commission
Mr. Frank A. Schultz

100-11112-300
SEP 10 1959

In reply refer to:
Unit Division

September 8, 1959

*File
C-101*

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: San Juan 32-5 Unit
Rio Arriba County,
New Mexico

Gentlemen:

In reply to your letter dated September 2, 1959, you state that Mr. Frank A. Schultz intends committing the N/2 of Section 32, Township 32-North, Range 5-West to the San Juan 32-5 Unit Agreement and drilling a Mesaverde well in the NW/4 of this section.

Mr. Schultz will be unable to drill a Mesaverde well in the NW/4. You have stated that the W/2 will be dedicated to your 1-32 well, which will be located in the SW/4.

In accordance with the Oil Conservation Commission spacing requirements a Mesaverde well requires 320 acre dedication and the well must be located in the SW/4 if drilled in the West half and in the NE/4 if drilled in the East half of a section.

We will expect to receive the ratification of the N/2 of Section 32 immediately with a copy of a corrected C-101.

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Page (2)
9-8-59

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

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MER/ta
cc:

Southern Union Gas Co.
Dallas, Texas

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

Frank A. Schultz
8th Floor Corrigan Tower
Dallas 1, Texas

C

O

P

Y

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

September 2, 1959

Mr. Ted Bilberry, Supervisor
Oil and Gas Division
State Land Office
Post Office Box 1251
Santa Fe, New Mexico

Re: San Juan 32-5 Unit
Rio Arriba County, New Mexico

Dear Mr. Bilberry:

La Plata Gathering System, Inc., as Unit Operator of the captioned Unit, has heretofore drilled, in the SW/4 of Section 32, Township 32 North, Range 5 West, that certain Mesaverde Formation gas well known as the San Juan 32-5 Unit Well Number 1-32. On La Plata's Plan of Development for the calendar year 1959, the W/2 of said Section 32 was dedicated to this well. At that time it was anticipated that Southern Union Gas Company would commit to the Unit its acreage covering the entire N/2 of said Section 32. Although La Plata made an effort to secure the commitment of such acreage by Southern Union prior to the drilling of the San Juan 32-5 Unit Well Number 1-32, it was unsuccessful in securing such commitment. Therefore, immediately prior to the drilling of such well, the S/2 of Section 32 was dedicated to that well.

You have pointed out in prior correspondence that the San Juan 32-5 Unit Agreement provides that the E/2 or W/2 of a section will be dedicated to a Mesaverde Formation well and have requested that we secure an exception to such provision of the Unit Agreement in this case.

Mr. Frank A. Schultz has now taken a farmout from Southern Union Gas Company of its acreage in the N/2 of Section 32, and it is anticipated that a Mesaverde Formation test well will be commenced within the next week or ten days at a

Mr. Ted Bilberry

-2-

September 2, 1959

location in the NW/4 of Section 32. Such tract will be effectively committed to the Unit prior to the commencement of operations.

In view of the fact that the entire Section 32 will now be committed to the Unit, we have instructed Mr. C. Beeson Neal to file an amended acreage dedication plat with the Oil Conservation Commission dedicating the W/2 of Section 32 to the 1-32 well and the E/2 of Section 32 to the 2-32 well. If this procedure is not entirely satisfactory, please advise.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By 

William G. Webb

WGW:mch

cc: Mr. John A. Anderson

Mr. Emery C. Arnold

Mr. P. T. McGrath

Mr. C. Beeson Neal

Oil Conservation Commission
Santa Fe, New Mexico

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

August 24, 1959

Aug 28 1959

Dick Starnes

Mr. Ted Bilberry, Supervisor
Oil and Gas Division
State Land Office
Post Office Box 791
Santa Fe, New Mexico

Re: San Juan 32-5 Unit
Rio Arriba County, New Mexico

Dear Mr. Bilberry:

Thank you very much for your letter dated August 18, 1959 relative to the captioned Unit and the San Juan 32-6 Unit Well Number 1-32 located in the SE/4 of the SW/4 of Section 32, Township 32 North, Range 5 West, Rio Arriba County, New Mexico. When our Plan of Development for the subject Unit was initially filed, it was contemplated that Southern Union Gas Company would dedicate to the subject Unit its acreage in the N/2 of Section 32, thereby making a Unit consisting of the W/2 of Section 32 a possibility. As we were unable to secure the commitment of Southern Union of its acreage in the N/2 of said Section 32, it was impossible to dedicate to the subject well the W/2 of Section 32. In the event your office desires further evidence of the dedication of the S/2 of Section 32 to this Unit, we will be only too happy to comply.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By

William G. Webb
William G. Webb

WGW:mch

cc: United States Geological Survey
Roswell, New Mexico

ILLEGIBLE

In reply refer to:
Unit Division

June 26, 1959

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: 1959 Drilling Program
San Juan 32-5 Unit
San Juan and Rio Arriba Counties

ATTENTION: Mr. William G. Webb

Gentlemen:

Your 1959 Plan of Development dated March 18, 1959, for the San Juan 32-5 Unit, San Juan and Rio Arriba Counties, New Mexico, which proposes the drilling of two Mesaverde wells, has been approved on this date by the Commissioner of Public Lands, subject to like approval by United States Geological Survey.

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

C
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Y

UNIT OFFICE OCC

JUN 27 1959

File 491

May 19, 1959

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: 1959 Drilling Program San
Juan 32-5 Unit San Juan
and Rio Arriba Counties,
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1959 Drilling Program for the San Juan 32-5 Unit San Juan and Rio Arriba Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Five approved copies of the application are returned herewith.

Very truly yours,

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

ALP/RLS/pj

Encls.

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

P. O. Box 6721
Roswell, New Mexico

File
471
April 17, 1959

La Plata Gathering System, Incorporated
1940 Mercantile Dallas Building
Dallas 1, Texas

Attention: Mr. William G. Webb

Gentlemen:

Your 1959 Plan of Development dated March 18, 1959, for the San Juan 32-5 unit No. 14-08-001-534, San Juan and Rio Arriba Counties, New Mexico, which proposes the drilling of two Mesaverde wells, has been approved on this date subject to like approval by appropriate State Officials.

One approved copy of the plan is enclosed.

Very truly yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Enclosure 1

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

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS 1, TEXAS

March 18, 1959

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

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

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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

Pursuant to Section 10 of the San Juan 32-5 Unit Agreement, La Plata Gathering System, Inc., as Unit Operator, herewith submits for your approval the Proposed 1959 Drilling Program for the above captioned unit, which provides for the drilling of the following described wells during the calendar year 1959.

The proposed wells are as follows:

<u>DRILLING BLOCK</u>	<u>FORMATION</u>
W/2 Section 26, T 32 N, R 6 W	Mesaverde
W/2 Section 32, T 32 N, R 5 W	Mesaverde

The above drilling program, insofar as can be determined, incorporates the wishes of all affected working interest owners for drilling during the calendar year 1959.

La Plata Gathering System, Inc., as Unit Operator, intends to drill all of the above listed Mesaverde wells to the base of the Mesaverde Formation using rotary tools. Surface casing of 10-3/4" will be set to approximately 150' below the surface and an intermediate string of 7-5/8" will be set through the Pictured Cliffs Formation to a depth of approximately 4,200'. A 5-1/2" production string will be set through the Mesaverde Formation, and the casing of the Mesaverde Formation will then be

San Juan 32-5 Unit

-2-

March 18, 1959

selectively perforated and the Mesaverde Formation will be subjected to a hydraulic fracturing process. Mud will be used in setting the intermediate string of casing, and the hole below the intermediate string will be drilled with gas, if economically possible. If gas is not economically available for drilling below the Pictured Cliffs Formation, the intermediate string of 7-5/8" will not be set and the entire operation will be performed with rotary drilling mud. Due care will be taken to protect all horizons.

If this Drilling Program 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 La Plata Gathering System, Inc.

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

Very truly yours,

LA PLATA GATHERING SYSTEM, INC.

By 
William G. Webb, Vice-President

WGW:bk

Attached Sheets (2)

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 the Oil Conservation
Commission.

DATE: _____

APPROVED:



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

DATE: 5-19-57

The foregoing approvals are for the 1959 Drilling Program for
the San Juan 32-5 Unit, #14-08-001-534, San Juan and Rio Arriba Counties,
New Mexico.

SAN JUAN 32-5 UNIT
WORKING INTEREST OWNERS

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma

Mr. Ed E. Hurley
305 Petroleum Building
Shreveport, Louisiana

W. M. Vaughey
P. O. Box 4268
Jackson, Mississippi

Vincent Cuccia
Box 247
Ontario, California

George E. Conley
Ontario, California

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

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

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

Pan American Petroleum Corporation
P. O. Box 1410
Fort Worth, Texas

LA PLATA GATHERING SYSTEM, INC.

1940 MERCANTILE DALLAS BUILDING

DALLAS, TEXAS

March 16, 1959

File
491

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

Re: San Juan 32-5 Unit

Gentlemen:

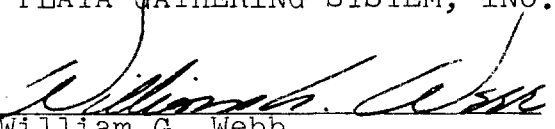
Please find enclosed herewith approved copy
of Resignation of Mr. L. H. J. Harper as Unit Operator
of the captioned Unit and Designation of La Plata
Gathering System, Inc., as Successor Unit Operator.

With best wishes, we are

Yours very truly,

LA PLATA GATHERING SYSTEM, INC.

By


William G. Webb

WGW:mch
Enclosure

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

File
491

October 21, 1958

C La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

O Re: Resignation of Unit Operator
and Designation of Successor
Unit Operator San Juan 32-5
Unit San Juan and Rio Arriba
Counties, New Mexico.

Gentlemen:

P This is to advise that the New Mexico Oil Conservation Commission has
this date approved the resignation of L. H. J. Harper as Unit Operator and the
designation of La Plata Gathering System Incorporated as successor to the Unit
Operator for the San Juan 32-5 Unit San Juan and Rio Arriba Counties, New Mexico,
subject to like approval by the United States Geological Survey and the Comm-
issioner of Public Lands of the State of New Mexico.

Y Fifteen approved copies of the application are returned herewith.

Very truly yours,

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

ALP/1g

cc: State Land Office, Santa Fe
U.S. Geological Survey, Roswell

RESIGNATION OF UNIT OPERATOR AND
DESIGNATION OF SUCCESSOR UNIT OPERATOR

WHEREAS, under date of December 4, 1952, that certain Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, located in San Juan and Rio Arriba Counties, New Mexico, was entered into by parties owning interests in the acreage embraced in said Unit Area, and, thereafter, said Unit Agreement was duly approved by the Commissioner of Public Lands of the State of New Mexico on March 4, 1953, and by the Acting Director of the United States Geological Survey on March 30, 1953; and

WHEREAS, by the terms of said Unit Agreement, Stanolind Oil and Gas Company was designated as Unit Operator, and thereafter, by instrument dated June 16, 1955, effective July 1, 1955, Pacific Northwest Pipeline Corporation was designated as Successor Unit Operator, and thereafter, by instrument effective June 1, 1957, L. H. J. Harper was designated as Successor Unit Operator to Pacific Northwest Pipeline Corporation, and the said L. H. J. Harper is now acting in said capacity; and

WHEREAS, it is the desire of L. H. J. Harper to resign as Unit Operator, and the parties executing this instrument, who now own more than seventy-five percent (75%) of the working interests, qualified to vote in the selection of a Successor Unit Operator, desire to designate La Plata Gathering System, Inc., whose address is 1940 Mercantile Dallas Building, Dallas 1, Texas, as Successor Unit Operator effective as of and from September 1, 1958 in accordance with the terms of the Unit Agreement above referred to;

NOW, THEREFORE, this instrument evidences the following:

1. Effective September 1, 1958, L. H. J. Harper does hereby resign as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico and agrees to settle and discharge any and all liabilities, obligations and responsibilities, if any, incurred by him as such Unit Operator prior to September 1, 1958.

2. Effective September 1, 1958, the undersigned, Pan American Petroleum Corporation (formerly Stanolind Oil and Gas Company), Pacific Northwest Pipeline Corporation, J. Glenn Turner and his wife, Sue Reeder Turner, and William G. Webb, whose addresses are 1900 Mercantile Dallas Building, Dallas 1, Texas, do hereby select and designate La Plata Gathering System, Inc., as Successor Unit Operator with all of the rights, privileges, obligations and responsibilities provided for in the Unit Agreement aforesaid.

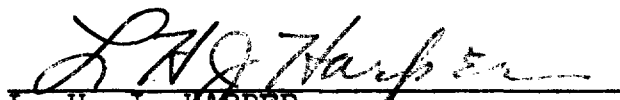
3. La Plata Gathering System, Inc., does hereby accept effective as of and from September 1, 1958 the duties and responsibilities of Unit Operator under the Unit Agreement above referred to and agrees to serve in said capacity until its designation as Unit Operator shall be terminated in accordance with said Unit Agreement. By such acceptance La Plata Gathering System, Inc. shall not incur or assume any liability, obligation or responsibility of any kind or character which shall or might arise due to any act, deed or performance occurring prior to September 1, 1958.

IN WITNESS WHEREOF, the parties hereinabove named have caused this instrument to be executed in counterpart originals as of the day and year set forth opposite their respective names.

UNIT OPERATOR AND WORKING INTEREST OWNER


Date:

8/30/58


L. H. J. HARPER
610 Roswell Petroleum Building
Roswell, New Mexico

SUCCESSOR UNIT OPERATOR AND WORKING INTEREST OWNER

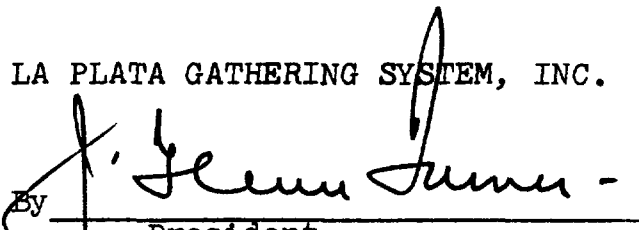
ATTEST:


Secretary

Date:

AUG 28 1958

LA PLATA GATHERING SYSTEM, INC.

By 
President

1940 Mercantile Dallas Building
Dallas 1, Texas

WORKING INTEREST OWNERS

ATTEST:

J. K. Smith
Assistant Secretary
Date: SEP 16 1958

PAN AMERICAN PETROLEUM CORPORATION

By *E. Hewitt*
Vice President
ATTORNEY-IN-FACT
Post Office Box 1410
Fort Worth, Texas

ATTEST:

Blair Lanning
Assistant Secretary
Date:

PACIFIC NORTHWEST PIPELINE CORPORATION

By *A. B. Allen*
Vice President
Post Office Box 1526
Salt Lake City, Utah

Date:

AUG 28 1958

J. Glenn Turner
J. GLENN TURNER
1900 Mercantile Dallas Building
Dallas 1, Texas

Date:

AUG 28 1958

Sue Reeder Turner
SUE REEDER TURNER, his wife
1900 Mercantile Dallas Building
Dallas 1, Texas

Date:

AUG 28 1958

William G. Webb
WILLIAM G. WEBB
1900 Mercantile Dallas Building
Dallas 1, Texas

STATE OF Mississippi
COUNTY OF Hinds

30th day of August, 1958, by L. H. J. HARPER.

My Commission Expires:

My Commission Expires October 16, 1960

Louise G. McFadden
Notary Public in and for
Hinds County,
Mississippi

STATE OF TEXAS)

COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 16th day of September, 1958, by E.V. Hewitt ATTORNEY, IN - FACT
~~Vice President~~ of PAN AMERICAN PETROLEUM CORPORATION, a corporation, on behalf of said corporation.

My Commission Expires:

6-1-59

Dorothy E. Pickens
Notary Public in and for
Tarrant County, Texas

STATE OF UTAH)

COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 29th day of September, 1958, by A.B. Allene,
Vice President of PACIFIC NORTHWEST PIPELINE CORPORATION, a Delaware corporation, on behalf of said corporation.

My Commission Expires:

Sept. 27, 1961

Margaret J. Carlson
Notary Public in and for
Salt Lake County, Utah

STATE OF TEXAS)

COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 28th day of August, 1958, by J. GLENN TURNER and SUE REEDER TURNER, his wife.

My Commission Expires:

June 1, 1959

Betty Kingsbury
Notary Public in and for
Dallas County, Texas
BETTY KINGSBURY, NOTARY PUBLIC
DALLAS COUNTY, TEXAS

STATE OF TEXAS)

COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 28th day of August, 1958, by WILLIAM G. WEBB.

My Commission Expires:

June 1, 1959

Betty Kingsbury
Notary Public in and for
Dallas County, Texas
BETTY KINGSBURY, NOTARY PUBLIC
DALLAS COUNTY, TEXAS

STATE OF TEXAS)

COUNTY OF DALLAS)

The foregoing instrument was acknowledged before me this 30th day of August, 1958, by J. Glenn Turner, President of LA PLATA GATHERING SYSTEM, INC., a Delaware corporation, on behalf of said corporation.

My Commission Expires:

June 1, 1959

Betty Kingsbury
Notary Public in and for
Dallas County, Texas

BETTY KINGSBURY, NOTARY PUBLIC
DALLAS COUNTY, TEXAS

APPROVAL OF DIRECTOR, UNITED STATES GEOLOGICAL SURVEY
UNITED STATES DEPARTMENT OF INTERIOR

Pursuant to authority vested by law in the Secretary of the Interior and delegated to the Director of the Geological Survey by departmental order, I do hereby:

A. Approve the resignation of L. H. J. Harper as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of La Plata Gathering System, Inc., 1940 Mercantile Dallas Building, Dallas 1, Texas, as Successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated:

Director
United States Geological Survey

APPROVAL OF COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO

Pursuant to authority vested by law in me, I, the undersigned, Murray Morgan, Commissioner of Public Lands of the State of New Mexico, do hereby:

A. Approve the resignation of L. H. J. Harper as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of La Plata Gathering System, Inc., 1940 Mercantile Dallas Building, Dallas 1, Texas, as Successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated:



Commissioner of Public Lands

10-14-58

**APPROVAL OF OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO**


Pursuant to authority vested by law in me, I, the undersigned, A. L. Porter, Jr., Secretary-Director, Oil Conservation Commission of the State of New Mexico, do hereby:

A. Approve the resignation of L. H. J. Harper as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of La Plata Gathering System, Inc., 1940 Mercantile Dallas Building, Dallas 1, Texas, as Successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated:

OCT 21, 1958



Secretary-Director
Oil Conservation Commission

In reply refer to:
Unit Division

October 14, 1958

File
471

C
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Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

Re: San Juan 32-5 Unit
Area, San Juan and Rio
Arriba Counties, New Mexico

ATTENTION: Mr. William G. Webb

Gentlemen:

We are handing to the Oil Conservation Commission, sixteen copies of the Resignation and Designation of Successor Unit Operator for the San Juan Unit 32-5.

The Commissioner of Public Lands approved the above designation October 14, 1958 subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

This office is retaining one copy. Please furnish us with a completely executed copy at such time as 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

ILLEGIBLE



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

December 13, 1957

L. H. J. Harper, Oil Properties
610 Roswell Petroleum Building
Roswell, New Mexico

Attention: Mr. Clark Baker

Gentlemen:

Your plan of development for the San Juan 32-5 unit area, dated April 30, 1957, covering the period from June 15, 1957, to December 31, 1957, was approved by this office on September 11, 1957, subject to the condition that a supplemental plan of development providing for additional drilling during the calendar year of 1957 would be submitted upon completion of your 32-5 unit well 1-10, SW $\frac{1}{4}$ sec. 10, T. 32 N., R. 5 W., N.M.P.M.

Your letter of October 28, 1957, advises that well No. 1-10 is shut down at 4214 feet with a fishing job, which has prevented successful completion as a Pictured Cliffs gas well. You advise that torrential rains have completely washed out the road to the location, thereby making it impossible to continue fishing operations, and that the heavy winter snows in this area will prevent rebuilding the road until the spring of 1958.

We feel that it is reasonable that further operations be deferred until spring weather permits a road to be constructed into the location. Accordingly, our requirement for a supplemental plan of development providing for additional drilling during 1957 is hereby withdrawn. Your plans for further drilling on the unit area should be submitted when you complete operations on well No. 1-10.

Very truly yours,

John A. Anderson

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Wash. w/copy of letter

Farmington
Comm. of Public Lands, Santa Fe
Cons. Comm., Santa Fe

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 25, 1957

62
CO
1111

L. H. J. Harper
610 Roswell Petroleum Building
Roswell, New Mexico

Attention: Mr. Clark Baker

Re: San Juan Unit Area
Rio Arriba and San Juan
Counties, New Mexico
Plan of Development for
the Calendar year of 1957.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved your Plan of Development for the calendar year 1957 for the subject unit area, which plan calls for the drilling of one well during the period from June 15, 1957 to December 31, 1957, said well to be located in the W/2 of Section 10, Township 32 North, Range 5 West, N41PM. One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/og

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

C
O
P
Y

OFFICES:
JACKSON, MISSISSIPPI
ROSWELL, NEW MEXICO

ROSWELL OFFICE
610 ROSWELL PETROLEUM BLDG.
PHONE MAIN 2-2444

MAIN OFFICE 000

L. H. J. HARPER
OIL PROPERTIES
ROSWELL, NEW MEXICO

107 OCT 30 PM 1:09

October 29, 1957

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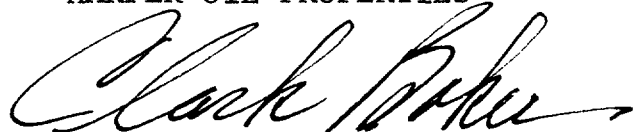
Oil Conservation Commission of
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Dear Sir:

Enclosed herewith are two copies of our
plan of development for the San Juan 32-5 unit.
Also enclosed is a fully executed copy of the
Resignation of Unit Operator and Designation
of Successor Unit Operator.

Sincerely,

HARPER OIL PROPERTIES



CLARK BAKER, Agent

CB:lt
Encl's. 5



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

September 11, 1957

L. H. J. Harper, Oil Properties
610 Roswell Petroleum Building
Roswell, New Mexico

Attention: Mr. Clark Baker

Gentlemen:

The plan of development for the calendar year of 1957, dated April 30, 1957, for the San Juan 32-5 unit area, San Juan and Rio Arriba Counties, New Mexico, No. 14-08-001-534 is hereby approved, subject to like approval by the appropriate State officials. Said approval is subject to the further condition that a supplemental plan of development providing for additional drilling operations within the unit area during the calendar year of 1957 will be submitted upon completion of San Juan 32-5 unit well 1-10, which is now being drilled in the SW $\frac{1}{4}$ sec. 10, T. 32 N., R. 5 W., N.M.P.M.

One approved copy of the plan is enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional 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)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 5, 1957

file 4-1

Mr. L. H. J. Harper
610 Roswell Petroleum Bldg.
Roswell, New Mexico

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
Designation of Unit Operator

Dear Sir:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the resignation of Pacific Northwest Pipeline Corporation as unit operator of the above captioned unit and the designation of L. H. J. Harper as the operator thereof, subject to like approval by the Commissioner of Public Lands of the State of New Mexico and by the United States Geological Survey.

Eleven approved copies of said "Resignation - Designation," previously approved by the Land Commissioner, are this date being forwarded to the Regional Supervisor of the Geological Survey for his consideration.

Yours very truly,

A. L. Porter, Jr.
Secretary - Director

ALP/DSN:bp

CC-Commissioner of Public Lands
USGS, Roswell
Pacific Northwest Pipeline Corp., Salt Lake City
Box 1526

C
O
P
Y

STATE LAND OFFICE

MAIN OFFICE OCC

Santa Fe, New Mexico

1957 AUG 2 PM 3:45

August 2, 1957



*return to
DSN*

MURRAY E. MORGAN
COMMISSIONER OF PUBLIC LANDS

In reply refer to:
Unit Division

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Re: San Juan 32-5 Unit Area -
San Juan and Rio Arriba Counties,
New Mexico

Dear Mr. Porter:

We hand you herewith twelve (12) copies of an instrument entitled Resignation of Unit Operator and Designation of Successor Unit Operator, as requested by letter from L. H. J. Harper dated August 1, 1957.

This instrument was approved by the Commissioner of Public Lands August 2, 1957.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

Ted Bilberry
MR

By: Ted Bilberry, Supervisor
Oil and Gas Department

MEM:MMR/m
Enc.

cc: L. H. J. Harper

MAIN OFFICE REC
RESIGNATION OF UNIT OPERATOR AND
DESIGNATION OF SUCCESSOR UNIT OPERATOR

1957 AUG 2 PM 3:45

KNOW ALL MEN BY THESE PRESENTS: That,

WHEREAS, under date of December 4, 1952, a certain Unit Agreement for the development and operation of the San Juan 32-5 Unit Area, located in the counties of San Juan and Rio Arriba, State of New Mexico, was entered into by parties owning interests in the acreage embraced in said unit area, and thereafter said Unit Agreement was duly approved by the Commissioner of Public Lands of the State of New Mexico on March 4, 1953, and by the Acting Director of the U. S. Geological Survey on March 30, 1953, and,

WHEREAS, by the terms of said Unit Agreement, Stanolind Oil and Gas Company was designated as Unit Operator and thereafter, by an instrument dated June 16, 1955, effective July 1, 1955, Pacific Northwest Pipeline Corporation was designated as successor Unit Operator, and Pacific Northwest Pipeline Corporation is now acting in said capacity, and,

WHEREAS, it is the desire of Pacific Northwest Pipeline Corporation to resign as Unit Operator, and the parties executing this instrument, who now own more than 75% of the working interests, qualified to vote in the selection of a successor unit operator, desire to designate L. H. J. Harper of Jackson, Mississippi, who maintains an office at 610 Roswell Petroleum Building, Roswell, New Mexico, as successor Unit Operator in accordance with the terms of the Unit Agreement above referred to.

NOW THEREFORE, this instrument evidences the following:

1. Effective June 1, 1957, Pacific Northwest Pipeline Corporation does hereby resign as Operator under

the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of San Juan and Rio Arriba, State of New Mexico.

2. Effective June 1, 1957, the undersigned, Pan American Petroleum Corporation (formerly Stanolind Oil and Gas Company), Pacific Northwest Pipeline Corporation and Nellie Murphy Collins, wife of Frank B. Collins, whose address is 215 $\frac{1}{2}$ Columbia, S.E., of Albuquerque, New Mexico, do hereby select and designate L. H. J. Harper, hereinabove named, as successor Unit Operator with all of the rights, privileges, obligations and responsibilities provided for in the Unit Agreement aforesaid.

3. L. H. J. Harper does hereby accept the duties and responsibilities of Unit Operator under the Unit Agreement above referred to and agrees to serve in said capacity until his designation as Unit Operator shall be terminated in accordance with said Unit Agreement.

IN WITNESS WHEREOF, the parties hereinabove named have caused this instrument to be executed and have set opposite their respective names the date of execution.

UNIT OPERATOR AND WORKING INTEREST OWNER

ATTEST:

DATE

PACIFIC NORTHWEST PIPELINE CORPORATION

Nellie Murphy Collins
Ass't Secretary

May 8, 1957

By:

Albert B. Smith
Vice-President

SUCCESSOR UNIT OPERATOR AND WORKING INTEREST OWNER

7/10/57 *L. H. J. Harper*
L. H. J. Harper
610 Roswell Petroleum Building
Roswell, New Mexico

APPROVED
AS TO FORM
75
LEGAL DEPT

WORKING INTEREST OWNERS

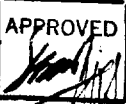
ATTEST:

DATE PAN AMERICAN PETROLEUM CORPORATION

John R. Evans
Assistant Secretary

By:

John R. Evans
Vice-President



4/3/57 *Nellie Murphy Collins*
Nellie Murphy Collins
215½ Columbia, S.E.
Albuquerque, New Mexico

6/3/57 *Frank B. Collins*
Frank B. Collins
215½ Columbia, S.E.
Albuquerque, New Mexico

STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

The foregoing instrument was acknowledged before me
this 8th day of May, 1957, by Allen B. Hiatt,
Vice President of Pacific Northwest Pipeline Corporation, a
Delaware corporation, on behalf of said corporation.

James C. Lockford
Notary Public

My commission expires:

September 10, 1960

STATE OF Mississippi)
COUNTY OF Heads) ss.

The foregoing instrument was acknowledged before me
this 10th day of July, 1957, by L. H. J. Harper.

Louise G. McFadden
Notary Public

My commission expires:

My Commission Expires October 16, 1960

STATE OF Texas)
COUNTY OF Tarrant) ss.

The foregoing instrument was acknowledged before me
this 20th day of June, 1957, by JOHN R. EVANS,
Vice President of Pan American Petroleum Corporation, a
Delaware corporation, on behalf of said corporation.

Ada Belle Zartman Ada Belle Zartman
Notary Public

My commission expires: 6-1-59

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

On this 3rd day of June, 1957, before me
personally appeared Nellie Murphy Collins and her husband, Frank B.
Collins, to me known to be the persons described in and who executed
the foregoing instrument, and acknowledged that they executed the same
as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year in this certificate above written.

Elphinstone
Notary Public

My commission expires:

5-20-59

APPROVAL OF DIRECTOR, UNITED STATES GEOLOGICAL SURVEY
UNITED STATES DEPARTMENT OF INTERIOR

Pursuant to authority vested by law in the Secretary of the Interior and delegated to the Director of the Geological Survey by departmental order, I do hereby:

A. Approve the resignation of Pacific Northwest Pipeline Corporation as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of L. H. J. Harper, of Jackson, Mississippi, with an office at 610 Roswell Petroleum Building, Roswell, New Mexico, as successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated: _____

Director, U. S. Geological Survey

APPROVAL OF COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO

Pursuant to authority vested by law in me, I, the undersigned, Murray Morgan, Commissioner of Public Lands of the State of New Mexico, do hereby:

A. Approve the resignation of Pacific Northwest Pipeline Corporation as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of L. H. J. Harper, of Jackson, Mississippi, with an office at 610 Roswell Petroleum Building, Roswell, New Mexico, as successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated: August 2, 1957

Murray Morgan
Commissioner of Public Lands

APPROVAL OF OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Pursuant to authority vested by law in me, I, the undersigned, A. L. Porter, Jr., Secretary-Director, Oil Conservation Commission of the State of New Mexico, do hereby:

A. Approve the resignation of Pacific Northwest Pipeline Corporation as Operator under the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, State of New Mexico.

B. Approve the selection of L. H. J. Harper, of Jackson, Mississippi, with an office at 610 Roswell Petroleum Building, Roswell, New Mexico, as successor Unit Operator under the terms of the Unit Agreement aforesaid.

Dated: AUG 5 1957


Secretary-Director, Oil
Conservation Commission

OFFICES:

JACKSON, MISSISSIPPI
ROSWELL, NEW MEXICO

ROSWELL OFFICE
610 ROSWELL PETROLEUM BLDG.
PHONE MAIN 2-2444

MAIN OFFICE OGC

L. H. J. HARPER

OIL PROPERTIES
ROSWELL, NEW MEXICO

1957 AUG 2

PM

1:28

August 1, 1957

File 11

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Santa Fe
New Mexico

Re: San Juan 32-5 Unit Area
San Juan and Rio Arriba
Counties, New Mexico

Dear Mr. Porter:

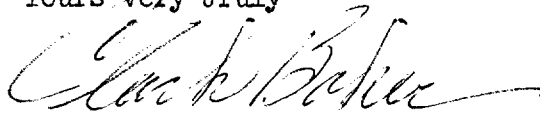
We have this date mailed to Mr. Murray Morgan, Commissioner of Public Lands, twelve (12) copies of an instrument entitled Resignation of Unit Operator and Designation of Successor Unit Operator.

We have asked Mr. Morgan to approve and sign each of these instruments and forward all twelve copies to your office for your signature and approval. A place for your signature is provided on page six thereof.

When this has been done please return all twelve copies to this office so that they can be delivered to John Anderson here in Roswell for transmittal by him to Washington, D. C.

A copy of your letter has been sent to Mr. Morgan and a copy of our letter to him is enclosed herewith.

Yours very truly



HARPER OIL PROPERTIES
Clark Baker, Agent

CB:s
Encl. 1 copy of Letter to Murray Morgan

cc: Mr. Murray Morgan
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

MAIN OFFICE OCC

August 1, 1957

1957 AUG 2 PM 1:29

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

Re: San Juan 32-5 Unit Area
San Juan and Rio Arriba
Counties, NEW MEXICO

Dear Sir:

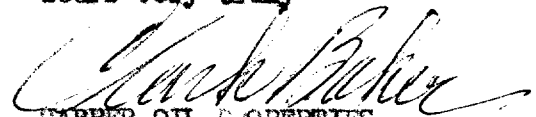
Enclosed are twelve (12) copies of an instrument entitled
Resignation of Unit Operator and Designation of Successor Unit
Operator.

We ask that Mr. Morgan please sign each of these instru-
ments on page 5 thereof, if they meet with his approval.

After this has been done we would greatly appreciate your
sending them to the office of The New Mexico Oil Conservation Comm-
ission for the signature and approval of Mr. Porter.

We are sending Mr. Porter a copy of this letter and a
letter to him, a copy of which is enclosed herewith.

Yours very truly



HARPER OIL PROPERTIES
Clark Baker, Agent

CB:s
Encl. 12 instruments
1 copy of letter

cc: Mr. A. L. Porter, Jr.
Oil Conservation Commission
Santa Fe, New Mexico

491
PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

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

May 10, 1957

Mr. Murray E. Morgan
Commissioner of Public Lands
State Capitol Building
Santa Fe, New Mexico

Attention: Mr. Ted Bilberry

Re: San Juan 32-5 Unit
Plan of Development, 1957

Dear Sir:

Your letter of May 7, states that you have received a Plan of Development for the referenced unit from Mr. L. H. J. Harper, which you cannot approve for the reason that Pacific Northwest Pipeline Corporation is the present Unit Operator.

Please be advised that Pacific Northwest Pipeline Corporation is in the process of resigning as Unit Operator and that L. H. J. Harper is being appointed to that position. We anticipate that the appropriate instruments will be presented to you for your approval in the very near future and suggest that you hold the Plan of Development for action after receiving the resignation and designation instruments.

Very truly yours,

R. N. Richey, Manager
Land Department

RNR:jl

cc: Mr. L. H. J. Harper
610 Roswell Petroleum Bldg.
Roswell, New Mexico
OCC, Santa Fe, New Mexico
USGS, Roswell, New Mexico
Pan American Petroleum Corp.
Albuquerque, New Mexico

May 7, 1957

In reply refer to:
Unit Division

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

Attention: Mr. R. N. Richey

Re: San Juan 32-5 Unit Area -
Rio Arriba and San Juan Counties, N. Mex.
Plan of Development for the
Calendar Year 1957

Gentlemen:

We have received the above designated Plan of Development from L. H. J. Harper, Oil Properties, Clark Baker, Agent.

In this Plan of Development for the San Juan 32-5 Unit, it states L. H. J. Harper is Unit Operator.

The Commissioner of Public Lands has not been notified that you as Unit Operator have resigned, therefore, we cannot approve this Plan of Development.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

By: Ted Bilberry, Supervisor
Oil and Gas Department

MEM:MMR/m

cc: L. H. J. Harper, 610 Roswell Petroleum Bldg.-Roswell
Attention: Mr. Clark Baker
OCC-Santa Fe
USGS-Roswell

OFFICES:

JACKSON, MISSISSIPPI
ROSWELL, NEW MEXICO

ROSWELL OFFICE
610 ROSWELL PETROLEUM BLDG.
PHONE MAIN 2-2444

L. H. J. HARPER
OIL PROPERTIES
ROSWELL, NEW MEXICO

April 30, 1957

Re: San Juan 32-5 Unit Area,
Rio Arriba and San Juan
Counties, New Mexico.
PLAN OF DEVELOPMENT FOR
THE CALENDAR YEAR 1957.

Director,
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 10 of San Juan 32-5 Unit Agreement, L. H. J. Harper, as Unit Operator, is submitting this Plan of Development providing for the drilling of the following well during the period from June 15, 1957 to December 31, 1957. This well will be drilled to the Pictured Cliffs formation unless production is obtained at a shallower depth.

WELL LOCATION

W/2 Sec. 10, Twp. 32N, Rge. 5W

This well will be drilled to a total depth of approximately 4,500 feet. If indicated, production casing (5 $\frac{1}{2}$ "OD) will be run through the producing formation (s) the gas sands will be selectively perforated and sand-oil or sand-water fraced, whichever method is indicated.

In addition to the above well, L. H. J. Harper, as Unit Operator, also plans to drill any offset wells required to prevent drainage of unitized substances.

San Juan 32-5 Unit

(2)

April 30, 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; L. H. J. Harper, Oil Properties.

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

Yours very truly

CB:s

L. H. J. HARPER, OIL PROPERTIES
Clark Baker, Agent

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 Comm.

APPROVED: _____ DATE: _____
Oil Conservation Commission

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

In reply refer to:
Unit Division

April 1, 1957

C
O
P
Y

La Plata Gathering System, Inc.
1940 Mercantile Dallas Building
Dallas 1, Texas

ATTENTION: Mr. William G. Webb

Re: 1959 Drilling Program
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties

Gentlemen:

In reviewing your 1959 Drilling Program for the San Juan 32-5 Unit, we note you have proposed a well in the W/2 of Section 32, Township 32-North, Range 5-West, our records do not contain a ratification for this acreage, which is listed under tracts 21 and 22 of the Exhibit "B".

May we hear from you concerning this at your earliest convenience.

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 28, 1957

C
O
P
Y

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

Attention: Mr. R. N. Richey


Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
1957 Plan of Development

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved your proposed extension of time to July 1, 1957, in which to file your 1957 Plan of Development for the above-captioned unit area, subject to like approval by the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the proposal, dated December 21, 1956, is returned herewith.

Very truly yours,


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

ALP/DSN/ir

Enclosure

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

491
February 20, 1957

In reply refer to:
Unit Division

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

Re: San Juan 32-5 Unit Agreement

Attention: Mr. R. N. Pichey

Gentlemen:

Reference is made to your letter of December 21, 1956, requesting an extension until July 1, 1957, within which to file a Plan of Development for the Calendar Year 1957 for the San Juan 32-5 Unit Area.

The Commissioner of Public Lands has approved this extension as of February 20, 1957.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

By: Ted Bilberry, Supervisor
Oil and Gas Department

MEM:MMR/m

cc: OCC-Santa Fe
USGS-Roswell

PACIFIC NORTHWEST PIPELINE CORPORATION

SALT LAKE CITY, UTAH

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

December 21, 1956

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: Plan of Development
San Juan 32-5 Unit
San Juan & Rio Arriba
Counties, New Mexico

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

Gentlemen:

During the year 1955 Pacific Northwest Pipeline Corporation acquired a majority interest in Mesaverde and shallower formations in lands subject to the San Juan 32-5 Unit and became Unit Operator. At that time, the previous Operator had drilled one well to the Dakota formation, one to the Mesaverde and one to the Pictured Cliffs formation. The objective formation was non-productive in each well, but the Mesaverde test produced a small amount of gas when plugged to the Fruitland formation.

Upon assuming the operatorship, Pacific Northwest drilled well #4-16 in the NE/4 of Section 16, Township 32 North, Range 6 West, obtaining an initial potential of 1457 Mcfgpd from the Mesaverde. This well is now shut in.

In December, 1955, Pacific Northwest commenced a second well, No. 6-10 in Section 10, Township 32 North, Range 6 West, which was completed in early 1956 as a small producer but was later abandoned when tests showed the well to be non-commercial.

Prior to the completion of No. 6-10, Pacific Northwest as Unit Operator filed a Plan of Development for 1956, which called for the drilling of three wells located respectively in the E/2, Section 17, Township 32 North, Range 5 West; the W/2, Section 26, Township 32 North, Range 6 West; and the E/2, Section 28, Township 32 North, Range 6 West. These wells will not be drilled because of the marginal results obtained in well #4-16 and because of the sub-marginal results obtained elsewhere throughout the unit and in other areas adjacent to the unit.

Pacific Northwest has, during the past few months, divested itself of all holdings within the unit except the Mesaverde and shallower rights in the E/2 of Section 16, Township 32 North, Range 6 West; the E/2, Section 21, Township 32 North, Range 6 West; and the E/2 Section 28, Township 32

Re: Plan of Development
San Juan 32-5 Unit

December 21, 1956

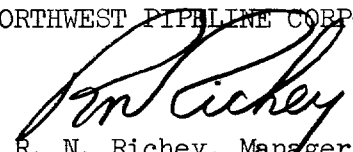
North, Range 6 West.

None of the working interests within the unit have requested development of their holdings during 1957. However, representatives of a large majority of the working interests have advised that they desire further drilling but cannot at this time make commitments.

In view of these circumstances, Pacific Northwest, as Unit Operator, respectfully requests that it be allowed until July 1, 1957, to submit a Plan of Development.

Very truly yours,


PACIFIC NORTHWEST PIPELINE CORPORATION


R. N. Richey, Manager
Land Department

RNR:jl

cc: Mr. Ben Kee
Stanolind Oil & Gas Co.
Albuquerque, New Mexico

Mr. E. R. Richardson
3205 Central N. E.
Albuquerque, New Mexico

Approved.....2-28.....1957.....

.....
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL
BEING GRANTED BY THE UNITED STATES GEOLOGICAL
SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO.



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 5721
Roswell, New Mexico

February 8, 1956

Pacific Northwest Pipeline Corporation
Sinas Building
Albuquerque, New Mexico

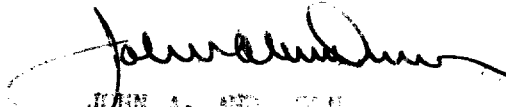
Attention: Mr. P. N. Richay

Gentlemen:

Your plan of development dated December 14, 1955, for the San Juan 32-5 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. MCLEAN
Regional Oil and Gas Supervisor

Enclosure

Copy to: Wash. (w/copy of plan)

Permitting (w/copy of plan)

Comm. of Public Lands, Santa Fe (letter only)

> Oil Cons. Comm., Santa Fe (letter only)

ILLEGIBLE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 5, 1956

Pacific Northwest Pipeline Corporation
Simms Building
Albuquerque, New Mexico

Attention: Mr. R. N. Richey

Re: San Juan 32-5 Unit Area
Rio Arriba and San Juan
Counties, New Mexico
1956 Plan of Development

Gentlemen:

This is to advise that the Plan of Development for the San Juan 32-5 Unit Area, dated December 14, 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

491
December 29, 1955

file

Pacific Northwest Pipeline Corporation
Simms Building
Albuquerque, New Mexico

Re: (San Juan 32-5 Unit Area,
Rio Arriba and San Juan
Counties, New Mexico.
PLAN OF DEVELOPMENT FOR
THE CALENDAR YEAR 1956.

Gentlemen:

We are enclosing one copy of the Plan of Development for Calendar Year 1956 for the San Juan 32-5 Unit Area, Rio Arriba and San Juan Counties, New Mexico, which was approved by the Commissioner of Public Lands December 28, 1955, subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
enc: 1

cc: USGS-Roswell
OCC-Santa Fe

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

December 21, 1955

File

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

Re: (San Juan 32-5 Unit) 114-08-001-934
San Juan & Rio Arriba Counties,
New Mexico
Approvals of Initial Participating
Area - Mesaverde Formation
Effective October 29, 1955

Gentlemen:

The Initial Participating Area for the Mesaverde Formation of the San Juan 32-5 Unit has been approved effective October 29, 1955, as follows:

1. Approved: E. S. Walker, Commissioner of Public Lands, November 15, 1955
2. Approved: W. B. Macey, Oil Conservation Commission, November 15, 1955
3. Approved: Arthur A. Baker, Acting Director, United States Geological Survey (effective as of October 29, 1955) December 14, 1955

Copies of this letter are being sent to all Working Interest Owners within the San Juan 32-5 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

D. L. Anderson
D. L. Anderson,
Land Department

DLA:joe

cc: Regional Oil and Gas Supervisor
United States Geological Survey
Department of the Interior
Roswell, New Mexico

ILLEGIBLE

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 7-0211 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

December 14, 1955

Re: San Juan 32-5 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 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 10 of San Juan 32-5 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. All of these wells will be drilled to the Mesaverde formation unless production is obtained at a shallower depth.

LOCATION

E $\frac{1}{2}$ Sec. 17, T 32N, R 5W
W $\frac{1}{2}$ Sec. 26, T 32N, R 6W
E $\frac{1}{2}$ Sec. 28, T 32N, R 6W

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.

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.

December 14, 1955

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: JAN 5 1956

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

SAN JUAN 32-5 UNIT

WORKING INTEREST OWNERS

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

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

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma.
Attention: F. W. Hulsizer & Lloyd Keples.

Mr. W. M. Vaughey
P. O. Box 4268
Jackson, Mississippi.

Mr. Ed E. Hurley
305 Petroleum Building
Shreveport, Louisiana.

491
PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 7-0211 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

December 5, 1955

Re: (San Juan 32-5 Unit) #14-08-001-534,
Rio Arriba and San Juan Counties, N.M. *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:

Under date of August 17, 1955, Pacific Northwest Pipeline Corporation, as Unit Operator, submitted for your approval a Plan of Development for the year 1955 for San Juan 32-5 Unit. This plan was duly approved by the appropriate governmental agencies.

This Plan of Development provided for the drilling of two Mesaverde wells in the following locations:

E $\frac{1}{2}$ Sec. 16, T 32N, R 6W

W $\frac{1}{2}$ Sec. 26, T 32N, R 6W. < *San Juan 32-5 Unit*

At the present time Pacific Northwest Pipeline Corporation has completed the well in the E $\frac{1}{2}$ of Sec. 16, T 32N, R 6W for an initial potential of 1,457 Mcfgpd. By the completion of this well the initial Mesaverde participating area for San Juan 32-5 Unit was formed effective October 29, 1955, the completion date of the well.

This is to advise that due to the winter conditions presently existing in the San Juan Basin it would prove uneconomical to attempt to drill the well proposed on the W $\frac{1}{2}$ of Sec. 26, T 32N, R 6W because of the inaccessibility of the location, and therefore, Pacific Northwest Pipeline Corporation, as Unit Operator, is substituting a well to be drilled on the E $\frac{1}{2}$ of Sec. 10, T 32N, R 6W in place of the original scheduled well.

By copies of this letter we are advising all Working Interest Owners within the Unit of these changes in the 1955 Plan of Development.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

R. N. Richey
R. N. RICHEY, Manager, Land Department.

RNR:DNC:gm

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

411
November 18, 1955

C
O
P
Y

Pacific Northwest Pipeline Corp.
Simms Building
Albuquerque, New Mexico

Attention: Mr. R. N. Richey

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
Initial Participating Area
Mesaverde Formation

Gentlemen:

This is to advise that the Initial Mesaverde Participating Area for the subject unit, dated November 11, 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.

We are enclosing nine copies of the request for approval, all of which have been signed by the Commissioner of Public Lands and by the Secretary-Director of the Oil Conservation Commission.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:jh

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

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

November 16, 1955

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

file

Re: (San Juan 32-5 Unit)
#14-08-001-534
Initial Participating Area
Mesaverde Formation

Gentlemen:

I enclose ten copies of "Schedule I, Initial Participating Area for the Mesaverde Formation, San Juan 32-5 Unit". Since this is an initial participating area, it is necessary that the schedule be submitted to the United States Geological Survey, Department of the Interior in Washington after approvals have been acquired from the Commissioner of Public Lands of the State of New Mexico and the Oil Conservation Commission of the State of New Mexico. Consequently, to facilitate matters, it is respectfully requested that if the enclosed Initial Participating Area Schedule meets with your approval, you sign in the appropriate space and transmit the approved copies to the Oil Conservation Commission of the State of New Mexico, Attention Mr. William B. Macey. I have enclosed a sufficient number of copies so that you may retain a copy for your files.

By copy of this letter to the Oil Conservation Commission of the State of New Mexico, Attention Mr. William B. Macey, I am asking that if the Initial Participating Area Schedule meets with the Commission's approval, that all of the copies be signed in the appropriate space, retaining one copy for the Commission's files, and transmitting the remaining eight copies directly to me for transmittal to the United States Geological Survey.

Thank you very much for your cooperation.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

Donald L. Anderson
Donald L. Anderson,
Land Department

DLA:jce
Enclosures

cc: Oil Conservation Commission

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

November 11, 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

Re: San Juan 32-5 Unit #14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico

REQUEST FOR APPROVAL

INITIAL PARTICIPATING AREA

MESAVERDE FORMATION

Effective: October 29, 1955

*Retain this
copy for OCC files*

Gentlemen:

Pursuant to Section 11 (a) of the San Juan 32-5 Unit Agreement, approved March 30, 1953, Pacific Northwest Pipeline Corporation, as Unit Operator, hereby requests approval of the Initial Participating Area for the Mesaverde Formation. A well capable of producing unitized substances in paying quantities from the Mesaverde Formation has been completed upon acreage committed to this Unit, and accordingly we submit for your approval the Initial Participating Area for the Mesaverde Formation.

The well data upon which this initial participating area is based is as follows:

SAN JUAN 32-5 MESAVERDE WELL #4-16

LOCATION:	1650' from east line and 990' from north line of Section 16, T 32 N, R 6 W, N.M.P.M.
ELEVATION:	6086.88' (grd.)
SPUD DATE:	September 20, 1955
CASING:	10 3/4" cemented at 277' with 175 sx 7 5/8" cemented at 3200' with 200 sx 5 1/2" cemented at 5388' with 150 sx
TOTAL DEPTH:	5395'
DRILLING METHODS:	Drilled with mud to 7 5/8" casing point; drilled with gas from 7 5/8" casing point to total depth

Initial Participating Area - Mesaverde
San Juan 32-5 Unit

November 11, 1955

COMPLETION METHOD:

Perforated 5 1/2" casing and aqua-
fraced upper Cliff House interval
from 4872' to 4992', lower Cliff
House interval from 5010' to 5086'.
Menefee interval from 5106' to 5228'
and Point Lookout interval from
5266' to 5368'

TUBING:

2" hung at 5246'

COMPLETION TEST DATA

DATE:

October 29, 1955

SHUT-IN-PERIOD:

9 days

FINAL SHUT-IN-PRESSURES:

Tubing 1040 #
Casing 1232 #

RATE BY PITOT TUBE

AFTER 3 HOUR BLOW DOWN:

1457 Mcfgpd

San Juan 32-5 Mesaverde Well #4-16 is located upon the drilling block described
as the E/2 of Section 16, T 32 N, R 6 W, N.M.P.M.

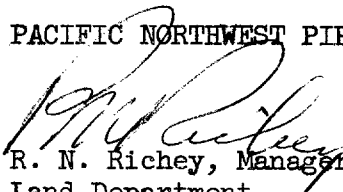
Attached is Schedule I, showing the Initial Participating Area for the Mesaverde
Formation of San Juan 32-5 Unit Area. This describes the initial participating
area and shows the percentage of unitized substances allocated to the unitized
tract.

If this Initial Participating Area meets with your approval, please indicate
such approval in the space provided and return one approved copy for our files.

Copies of this letter and schedule are being sent to all working interest
owners within San Juan 32-5 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION


R. N. Richey, Manager
Land Department

DLA:jce
Attachment

Initial Participating Area - Mesaverde
San Juan 32-5 Unit

November 11, 1955

APPROVED: _____ DATE: _____
Regional Oil and Gas Supervisor
United States Geological Survey

Subject to like approval by the Commissioner of Public Lands of the State of New Mexico, and Oil Conservation Commission of the State of New Mexico.

APPROVED: orig/s/ by Eswalker DATE: November 18, 1955
Commissioner of Public Lands
su

Subject to like approval by the Regional Oil and Gas Supervisor of the United States Geological Survey and Oil Conservation Commission of the State of New Mexico.

APPROVED: W B Macey DATE: 11/18/55
Oil Conservation Commission

Subject to like approval by the Regional Oil and Gas Supervisor of the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

SCHEDULE I
 INITIAL PARTICIPATING AREA FOR THE MESAVEERDE FORMATION
 SAN JUAN 32-5 UNIT AREA
 EFFECTIVE OCTOBER 29, 1955

SERIAL NUMBER	DRILLING BLOCK	NUMBER OF ACRES	OWNERSHIP AND	DRILLING BLOCK PERCENTAGE	COMMITTED	PRESENT ACTUAL PARTICIPATION
TRACT 3						
E-504-6	T 32 N, R 6 N Sec. 16: E/2	320.00	Working Interest: Pacific Northwest Pipeline Corp. Royalty: O.R.R.I.:	84.50 % 12.50 % 3.00 % TOTAL 100.00 %	84.50 % 12.50 % 3.00 % 100.00 %	100.000000 %
San Juan 32-5 Mesaverde Well #4-16	Sec. 16: E/2	320.00			100.00 %	100.000000 %

SCHEDULE I
INITIAL PARTICIPATING AREA FOR THE MESAVERT DE FORMATION
SAN JUAN 32-5 UNIT AREA
EFFECTIVE OCTOBER 29, 1955

RECAPITULATION

Description of lands in Participating Area:

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

Sec. 16: E/2

Total Number of Acres in Participating Area:	320.00
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

File

November 9, 1955

Re: (San Juan 32-5,) Juan F. Quintana
and wife, Stella Quintana, Con-
sents, San Juan and Rio Arriba
Counties, New Mexico.

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.

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

Gentlemen:

Please find enclosed herewith copies of Consents signed by Juan F. Quintana and wife, Stella Quintana, committing their interest to San Juan 32-5 Unit.

These Consents have been approved by Stanolind Oil and Gas Company, as Working Interest Owner, and by Pacific Northwest Pipeline Corporation, as Working Interest Owner and Unit Operator for San Juan 32-5 Unit.

By copies of this letter we are furnishing copies of this Consent to all Working Interest Owners in San Juan 32-5 Unit.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

D. N. Canfield

D. N. CANFIELD,
Land Department.

DNC:gm
Enclosure.

CONSENT

In consideration of the execution of the Unit Agreement for the development and operation of the San Juan 12-5 Unit Area, Rio Arriba County, New Mexico by Pacific Northwest Pipeline Corporation in form approved by the Secretary of the Interior and the Commissioner of Public Lands of the State of New Mexico, the undersigned owners of lands or interest in lands or royalties or other interests in production of oil, gas and other hydrocarbon substances which may be produced from the land affected by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement as being applicable to said several lands and interests, agree that the term of any lease or other agreement given by the undersigned in which the undersigned claims an interest is extended or modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling and development requirements of all leases and other instruments in which their several rights and interests are created or defined shall be deemed fully performed by the performance of the provisions of said Unit Agreement, and agree that payment for unitized substances upon the basis of production allocated under said Unit Agreement to the particular lands to which their rights or interest apply, regardless of actual production therefrom, shall constitute full performance of any and all such obligations to the undersigned existing under such leases or other contracts. For the same consideration each of the undersigned warrants and agrees that the schedule attached as Exhibit "B" to said Unit Agreement correctly states his interest in the lands within the unit area as of the date of his execution of this Consent.

The terms and provisions hereof shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the undersigned and each of them.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be effected and have set opposite their respective names the date of execution thereof.

ADDRESS

Rosa, New Mexico

c/o P. O. , Arboles, Colorado

Date: 9-14-55

Date: _____

Date: _____

Date: _____

SIGNATURE

Leon F. Quintana
Stella Quintana

APPROVED AND CONSENTED TO:
PACIFIC NORTHWEST PIPELINE CORPORATION

BY J. M. Smith
VICE PRESIDENT
Working Interest Owner and Unit Operator

APPROVED
STANDARD OIL COMPANY
BY [Signature]
WORKING INTEREST OWNER

APPROVED
[Signature]

STATE OF New Mexico)
COUNTY OF Mio Arriba) SS

On this 14th day of September, 1955, before me personally appeared

Juan F. Quintana and Stella Quintana, Being Husband

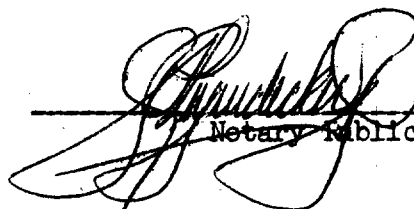
and Wife

to me known to be the person ■ described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

My Commission Expires June 17, 1969



Notary Public

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

Notary Public

CONSENT

In consideration of the execution of the Unit Agreement for the development and operation of the San Juan 22-1 Unit Area, San Arriba County, New Mexico by Pacific Northwest Pipeline Corporation in form approved by the Secretary of the Interior and the Commissioner of Public Lands of the State of New Mexico, the undersigned owners of lands or interest in lands or royalties or other interests in production of oil, gas and other hydrocarbon substances which may be produced from the land affected by said Unit Agreement hereby severally, each to the extent of his or her particular ownership or interest, consent to the inclusion of said lands within the Unit Area therein defined, ratify, approve and adopt the terms of said Unit Agreement as being applicable to said several lands and interests, agree that the term of any lease or other agreement given by the undersigned in which the undersigned claims an interest is extended or modified to the extent necessary to make the same conform to the terms of said Unit Agreement, agree that the drilling and development requirements of all leases and other instruments in which their several rights and interests are created or defined shall be deemed fully performed by the performance of the provisions of said Unit Agreement, and agree that payment for unitized substances upon the basis of production allocated under said Unit Agreement to the particular lands to which their rights or interest apply, regardless of actual production therefrom, shall constitute full performance of any and all such obligations to the undersigned existing under such leases or other contracts. For the same consideration each of the undersigned warrants and agrees that the schedule attached as Exhibit "B" to said Unit Agreement correctly states his interest in the lands within the unit area as of the date of his execution of this Consent.

The terms and provisions hereof shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the undersigned and each of them.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be effected and have set opposite their respective names the date of execution thereof.

ADDRESS

Rosa, New Mexico

c/o P. O. , Arboles, Colorado

Date: 9-14-55

Date: _____

Date: _____

Date: _____

SIGNATURE

Jesus F Quintana
Stella Quintana

APPROVED AND CONSENTED TO:
PACIFIC NORTHWEST PIPELINE CORPORATION

BY [Signature]
VICE PRESIDENT
Working Interest Owner and Unit Operator

APPROVED AND CONSENTED TO:
SEVERAL OWNERS AND JOINT OWNERS
WORKING INTEREST OWNER



STATE OF New Mexico)
COUNTY OF Rio Arriba) SS

On this 14th day of September, 1959, before me personally appeared

Juan F. Quintana and Stella Quintana, Being Husband

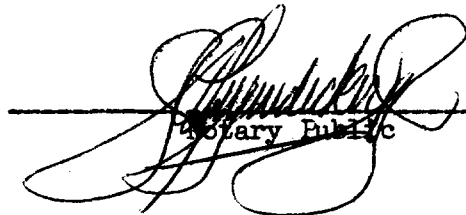
and wife

to me known to be the person so described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

My Commission Expires June 17, 1960



Notary Public

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

Notary Public

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

My commission expires:

Notary Public

September 7, 1955

C
O
P
Y

Pacific Northwest Pipeline Corporation
Simms Building
Albuquerque, New Mexico

Attention: Mr. R. N. Richey

Re: San Juan 32-5 Unit
Rio Arriba County, New Mexico
Plan of Development

Gentlemen:

This is to advise that the San Juan 32-5 Unit Plan of Development for the remainder of calendar year 1955, dated August 17, 1955, has this date been approved by the New Mexico Oil Conservation Commission, subject to like approval by the Commissioner of Public Lands of the State of New Mexico and by the United States Geological Survey.

The next Plan of Development shall become due upon the completion of the two wells provided for in this subject Plan or on January 1, 1956, whichever comes first.

One approved copy of the Plan is returned herewith.

Very truly yours,

W. B. Macey
Secretary-Director

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

September 6, 1955

Pacific Northwest Pipeline Corporation
Simms Building
Albuquerque, New Mexico

Re: Plan of Development
San Juan 32-5

Gentlemen:

Your Plan of Development dated August 17, 1955, for the above designated Unit Area, has been approved on this date, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are enclosing one copy of the approved plan.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

Encl.
cc: USGS-Roswell
OCC-Santa Fe

MMR:m

C
O
P
Y



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

August 23, 1955

Pacific Northwest Pipeline Corporation
Simms Building
Albuquerque, New Mexico

Gentlemen:

The plan of development dated August 17, 1955, for the
(San Juan 32-5 unit area,) San Juan and Rio Arriba Counties, New Mexico,
No. 14-08-001-534, has been approved on this date, subject to like
approval by the appropriate State officials.

One copy of said plan is returned herewith.

Very truly yours,


JOHN A. ANDERSON

Regional Oil and Gas Supervisor

Enclosure

Copy to: Conn. Div., Wash (w/1 copy of plan)
Farmington (w/1 copy of plan)
NMOC, Santa Fe (ltr. only) ✓

ILLEGIBLE

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

August 17, 1955

Re: Plan of Development, San
Juan 32-5 Unit, San Juan
and Rio Arriba Counties,
New Mexico.

Director, U. S. Geological Survey
Department of Interior
Roswell, New Mexico.

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:

In compliance with the San Juan 32-5 Unit Agreement which was duly approved by the Director of the U. S. Geological Survey, The Commissioner of Public Lands of the State of New Mexico and by the Oil Conservation Commission of the State of New Mexico, Pacific Northwest Pipeline Corporation, as Successor Unit Operator, hereby submits a plan of development for 32-5 Unit for the remainder of the calendar year 1955.

The following table reflects the history of past development within the Unit Area:

<u>Well No.</u>	<u>Location</u>	<u>Completed Date</u>	<u>Form</u>	<u>Potentials</u>	<u>Remarks</u>
1	SW $\frac{1}{4}$ Sec. 14 T 32N-R 5W	7-3-53	Pictured Cliffs	T. A.	Non-Commercial shows of gas with fresh water.
2	NE $\frac{1}{4}$ Sec. 35 T 32N- R 5W	11-21-53	Pictured Cliffs (Tested Mesaverde)	.396 Mcftgpd.	Unit discovery well, Mesaverde formation dry.
3	SW $\frac{1}{4}$ Sec. 10 T 32N-R 5W	2-3-54	Morrison	P & A	Non-Commercial shows of gas with water.

August 17, 1955

The completion of No. 6 Allison Well in Sec. 16-32N-6W offsetting this unit and the No. 2 Allison Well a mile to the west in Sec. 17 T 32N- R 6W with respective potentials of 1174 Mcfgpd and 1532 Mcfgpd indicate that the westerly extreme of the San Juan 32-5 Unit will probably be to some extent productive in the Mesaverde Horizon. Completion of the No. 1 Allison Well in Sec. 17 T 32N-R 6W with a 2326 Mcfgpd potential from the Dakota Horizon lends some hope for deeper production within the San Juan 32-5 Unit, but present sub-surface data indicate that the Dakota Sands within the 32-5 Unit may be too low on structure to be commercial.

Possibilities of the Fruitland Pictured Cliffs Formation are not clear at this time. Stanolind Oil and Gas Company No. 1 Bixler, Sec. 14 T 32N-R 6W, Archuleta County, Colorado, tested only 279 Mcfgpd and the Unit Discovery Well in Sec. 35 T 32N-R 5W, Rio Arriba County, New Mexico, gauged only 396 Mcfgpd on potential test. Further exploration of this horizon alone does not now seem to be warranted.

The easterly portion of the unit now appears condemned by non-productive unit wells in Sec. 10 T 32N-R 5W, and Sec. 14 T 32N-R 5W, and the two San Juan 32-4 Unit Wells drilled respectively in Sections 16 and 29 of Township 32N-R 4W. No information favorable to the 32-5 Unit was gained from wells drilled to date on the Ross Unit to the south.

It is therefore our conclusion, as Unit Operator, that further random drilling within the San Juan 32-5 Unit will be wasteful and that further exploration must commence in the semi-proven area adjacent to the western unit boundary. We further conclude that if the initial westerly well is a commercial success, development should progress to the east a short step at a time.

Because the Mesaverde now appears most capable of economic development, we propose that the fourth unit well be drilled in the E $\frac{1}{2}$ Sec. 16 T 32N-R 6W as an offset to the No. 6 Allison Well and that the Fruitland Pictured Cliffs Section be tested by a drill stem test or other appropriate means. After such test we propose to either complete the well in the Fruitland Pictured Cliffs or deepen the hole to test the Mesaverde formation. We further propose as a part of this Plan of Development to drill a fifth Unit Well in the W $\frac{1}{2}$ of Sec. 26 T 32N-R 6W to test the Mesaverde, unless completed in the Fruitland Pictured Cliffs. In addition to drilling the two wells set out above, we also propose under this Plan of Development to:

1. Continue to prosecute our present program of attempting to obtain joinders to the unit of uncommitted lands in the westerly portion of the unit area since commitment of these lands will be necessary for progressive development to the east.

Re: San Juan 32-5 Unit

-3-


August 17, 1955

2. File for your approval a Plan of Further Unit Development after completion or abandonment of the fifth unit well.

We believe that pursuance of this plan will adequately and economically determine the productive capacities of the San Juan 32-5 Unit and provide reasonably for its development. Your approval is respectfully requested.

Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION


R. N. RICHEY, Manager,
Land Department.

DNC:gm

Approved.....9.7.....19.55

.....W. B. Macey.....
Secretary-Treasurer

NEW MEXICO OIL CONSERVATION COMMISSION

THIS APPROVAL GRANTED SUBJECT TO LIKE APPROVAL
GRANTED BY THE UNITED STATES GEOLOGICAL
SURVEY AND BY THE COMMISSIONER OF PUBLIC LANDS
OF THE STATE OF NEW MEXICO.

PACIFIC NORTHWEST PIPELINE CORPORATION

PHONE 3-3547 • SIMMS BUILDING

ALBUQUERQUE, NEW MEXICO

July 25, 1955

file

Re: Designation of Successor
Unit Operator San Juan
32-5 Unit, #14-08-001-534,
Rio Arriba and San Juan
Counties, New Mexico.

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

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

Gentlemen:

We forward herewith one photostat copy of the Designation of Pacific Northwest Pipeline Corporation, as Successor Unit Operator to Stanolind Oil and Gas Company for the San Juan 32-5 Unit Area. This Designation has been duly approved by your offices and by Arthur A. Baker, as Acting Director of the Geological Survey. Also find attached a photostat copy of the Resignation by Stanolind Oil and Gas Company as the Unit Operator for San Juan 32-5 Unit.

We forward these instruments to your offices for the completion of your files.

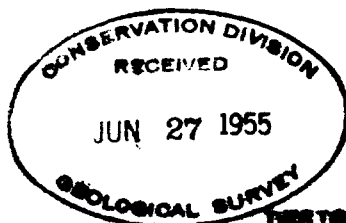
Very truly yours,

PACIFIC NORTHWEST PIPELINE CORPORATION

[Signature]
D. N. CANFIELD,
Land Department.

DNC:GM

ILLEGIBLE



RECEIVED
JUN 28 1955
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

DESIGNATION OF SUCCESSOR UNIT OPERATOR
SAN JUAN 32-5 UNIT AREA
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO
SERIAL NUMBER 14-08-002-534

THIS INSTRUMENT, dated as of this 16 day of June, 1955, by and between PACIFIC NORTHWEST PIPELINE CORPORATION, hereinafter designated as "First Party", and the owners of unitized working interests, hereinafter designated as "Second Parties",

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1933, 48 Stat. 137, 30 U.S.C. Secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the 30th day of March, 1953, approved a unit agreement for the San Juan 32-5 Unit Area, wherein Stanolind Oil and Gas Company is the designated Unit Operator; and

WHEREAS, said Stanolind Oil and Gas Company has resigned as such operator, and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

WHEREAS, the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties, and obligations of Unit Operator under the said Unit Agreement;

NOW, THEREFORE, in consideration of the premises hereinabove set forth and the provisions hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of unit operator under and pursuant to all the terms of the San Juan 32-5 Unit Agreement, and the Second Parties covenant and agree that, effective upon approval of this instrument by the Director of the Geological Survey, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said unit agreement, said unit agreement being as fully and effectively incorporated herein and made a part hereof as though said unit agreement were expressly set forth in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date hereinabove set forth.

The effective date hereof shall be July 1, 1955.

ATTEST:

PACIFIC NORTHWEST PIPELINE CORPORATION

[Signature]
W. H. [illegible]

[Signature]
Vice President

First Party

ATTEST:

STANOLIND OIL AND GAS COMPANY

[Signature]
Assistant Secretary

[Signature]
[illegible]
APPROVED
(2)

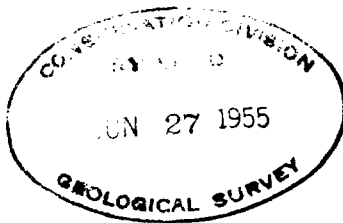
ILLEGIBLE

The undersigned hereby approve the foregoing indenture designating Pacific Northwest Pipeline Corporation as Unit Operator under the Unit Agreement for the San Juan 32-5 Unit Area, as of the 1st day of July, 1955.

Acting Arthur A. Baker
Director of the Geological Survey

W B Macey
Oil Conservation Commission
of the State of New Mexico

E. Sculler
Commissioner of Public Lands
of the State of New Mexico



DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

RECEIVED
JUN 9 1955
U. S. GEOLOGICAL SURVEY
ROSWEIL, NEW MEXICO

In re: Unit Agreement For The Development And
Operation Of The, San Juan 32-5 Unit Area
Counties of San Juan And Rio Arriba
State of New Mexico
14-08-001-534

RESIGNATION OF UNIT OPERATOR

To The Honorable Director of the U. S. Geological Survey
Washington, D.C.

To The Honorable The Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

To The Working Interest Owners under said Unit Agreement

Gentlemen:

Stanolind Oil and Gas Company, Unit Operator
under the above described Unit Agreement, and pursuant
to the provisions of Section 5, of said agreement, hereby
respectfully resigns as Unit Operator under said Unit
Agreement effective July 1, 1955, and gives notice of
such resignation.

Proceedings have been initiated looking towards
the selection of a Successor Unit Operator. If no
successor Operator is designated and qualified by July
1, 1955 the provisions of Section 5 of the Unit Agreement
will still be applicable.

Dated, this 6th day of June, A.D., 1955.

Attest:

STANOLIND OIL AND GAS COMPANY

Asst. Secretary

By

Vice-President





IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

June 9, 1955

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

Gentlemen:

Returned herewith unapproved is the amended plan of development received April 18, 1955, for the San Juan 32-5 unit area, New Mexico, No. 14-08-001-534, for the calendar year 1955. The plan proposes the drilling of only two Mesaverde wells during the year.

A review of the case record discloses that only one well capable of producing unitized substances in paying quantities has been completed in the unit area. The well was completed in the SW¹/₄ sec. 35, T. 32 N., R. 5 W., N.M.P.M., on or about November 21, 1953, in the Fruitland formation. The initial participating area was established effective as of the completion date of the well. No operations have since been conducted to develop the Fruitland gas reserves.

The unit agreement contemplates reasonable development of the unit area after the initial discovery, and additional Fruitland wells should be drilled. Accordingly, it is requested that you amend the plan of development to provide for the two proposed Mesaverde wells and for such additional Fruitland wells as will constitute reasonable continuing development.

One copy of the subject plan is being retained for our files.

Very truly yours,

John A. Anderson

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Cons. Div., Wash. ✓
N.M.O.C.C., Santa Fe ✓

12 22

MAIN OFFICE, CCC
AMENDED PLAN OF DEVELOPMENT
FOR CALENDAR YEAR 1955
1955 APR 12 AM 11 SAN JUAN 32-5 UNIT
SAN JUAN AND RIO ARriba COUNTIES
NEW MEXICO

TO: THE OIL AND GAS SUPERVISOR
UNITED STATES GEOLOGICAL SURVEY (6)
ROSWELL, NEW MEXICO

COMMISSIONER OF PUBLIC LANDS (3)
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION (3)
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

*fold - forward
if appropriate*

In compliance with Section X of the San Juan 32-5 Unit Agreement, Stanolind Oil and Gas Company, as Unit Operator, has previously filed for approval a Plan of Development for the Calendar Year 1955. Said Plan was approved by the Commissioner of Public Lands on January 21, 1955. Subsequently, the Supervisor and the Commission each accepted said Plan on the condition that an amended Plan of Development providing for the drilling of a certain number of wells be submitted not later than April 15, 1955.

Stanolind, as Unit Operator, on behalf of itself and the other working interest owners within the San Juan 32-5 Unit Area hereby amends the Plan of Development for the Calendar Year 1955 previously filed to provide for the drilling of two wells to be drilled on the following locations:

NE/4 SECTION 16, T-32-N, R-6-W.

SW/4 SECTION 23, T-32-N, R-6-W.

It is planned that these wells will be drilled to a depth sufficient to adequately test the Mesaverde Formation unless production in paying quantities is found at a lesser depth.

It is understood that portions of the Amended Plan of development herein outlined are dependent upon certain information to be obtained prior and subsequent to drilling and other contingencies such as availability of well casing; and for these reasons this Amended Plan

of Development may be modified from time to time with the approval of the Supervisor, the Commissioner and the Commission to meet changing conditions.

Stanolind, as Unit Operator, respectfully requests that this Amended Plan of Development for the Calendar Year 1955 be approved.

Stanolind Oil and Gas Company
Unit Operator

By:

C. F. Bedford.
Attorney-in-fact

cc: All Working Interest
Owners in the San Juan
32-5 Unit Area

APPROVED:

By _____
Regional Oil and Gas Supervisor
United States Geological Survey

Date _____

APPROVED:

By _____
Commissioner of Public Lands
State of New Mexico

Date _____

APPROVED:

By _____
Oil Conservation Commission
State of New Mexico

Date _____

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 9, 1955

File case 491

C
O
P
Y

Stanoline Oil & Gas Company
Oil and Gas Building
Fort Worth, Texas

Attention: Mr. C. F. Bedford

Re: San Juan 32-5 Unit
San Juan and Rio Arriba Counties,
New Mexico
1955 Drilling Program

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 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.

OK
One approved copy of the Plan is herewith returned.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

February 4, 1955

Stanolind Oil and Gas Company
Oil and Gas Building
Fortworth, Texas

Gentlemen:

The 1955 plan of development dated December 31, 1954, for the San Juan 32-5 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,



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)

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

MAIN OFFICE 800

FORT WORTH, TEXAS

C. F. BEDFORD
DIVISION PRODUCTION SUPERINTENDENT

RECEIVED 12 31 41

December 31, 1954

File: RLH-8547-216.110

Subject: San Juan 32-5 Unit No. 14-08-001-534
San Juan and Rio Arriba Counties,
New Mexico - Plan of Development
for 1955

Regional Supervisor
United States Geological Survey
Department of the Interior
P. O. Box 6721
Roswell, New Mexico

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:

As provided in Section X of the subject Unit Agreement, Stanolind Oil and Gas Company, as Unit Operator, herewith submits its Plan of Development for the calendar year 1955.

All drilling requirements as outlined in Section IX of the Unit Agreement have been satisfied by the completion of three wells. Attached for your information is a tabulation of pertinent completion data on all of the wells that have been drilled in this Unit as of this date.

Section IX of the Unit Agreement provides for the drilling of two Fruitland wells and three Mesaverde wells. In the event, however, the first Mesaverde well is found to be dry, drilling of the two additional Mesaverde wells would be waived if, within 30 days after the Mesaverde was declared non-commercial, operations were commenced to deepen or drill a Dakota test. The Fruitland and Pictured Cliffs formations were tested by Wells No. 1, 2 and 3 to fulfill the drilling obligations for these formations. The Mesaverde formation was tested by Well No. 2 and found to be non-commercial on November 21, 1953. The Mesaverde formation was also found to be non-commercial in Well No. 3; therefore, on November 4, 1953, operations to deepen this well to the Dakota were commenced. This well was completed as a dry hole on February 4, 1954, and on that date, the drilling program outlined in Section IX was completed.

no wells
hold *4 MV wells*

December 31, 1954

The initial participating area for the Fruitland Area, consisting of the west half of Section 35, T-32-N, R-5-W, and embracing Well No. 2, was approved by the United States Geological Survey on June 3, 1954, by the Oil Conservation Commission on June 17, 1954, and by the Commissioner of Public Lands on June 21, 1954. As of this date, this well, the only one in this Unit considered to be commercial, is shut in awaiting a pipeline connection.

Stanolind, as Unit Operator, has canvassed the owners of all the working interest committed to the Unit. None have stated that they desire wells to be drilled on their land during 1955.

The chosen market outlet for the gas from this Unit is not available at this time, nor is it expected to be prior to January 1, 1956. Consequently, since the Unit is not being drained at this time and wells, if drilled and completed, cannot be produced, it seems appropriate to defer the drilling of additional development wells until pipeline facilities are available.

Inasmuch as the drilling program outlined in Section IX of the Unit Agreement has been completed, since there are no intervening drilling blocks which would necessitate the drilling of additional wells at this time under the provisions of the Unit Agreement, and since none of the working interest owners within the Unit expressed a desire to have wells drilled on their Unit holdings at this time, Stanolind, as Unit Operator, plans to drill during 1955 only such wells, if any, as may be required for the protection of the Unit against drainage or as you may otherwise require.

You approval of this Plan of Development is respectfully requested.

Yours very truly,



RLH:cp
Attachments

APPROVED:

United States Geological Survey

APPROVED:

Commissioner of Public Lands

Date: _____

Date: _____

Joint Letter

- 3 -

December 31, 1954

ACCEPTED*
~~APPROVED:~~

h/ wpm
New Mexico Oil Conservation Commission

Date:

2/9/55

* Accepted subject to conditions of acceptance as set forth in attached letter of transmittal.

cc: Phillips Petroleum Company
Bartlesville
Oklahoma
Attention: Mr. R. M. Richey

Mr. W. M. Vaughey
P. O. Box 4268
Jackson, Mississippi

Amerada Petroleum Corporation
P. O. Box 2050
Tulsa, Oklahoma

Mr. Ed E. Hurley
305 Petroleum Building
Shreveport, Louisiana

San Juan 32-5 Unit

Individual Well Completion Data

<u>Well</u>	<u>Location</u>	<u>Spud Date</u>	<u>Comp. Date</u>	<u>T.D.</u>	<u>Prod. String</u>	<u>Formations Tested</u>	<u>No. Tests</u>	<u>Results</u>	<u>Completion Date</u>
1	SW/4 Sec. 14-32-5	5-26-53	7-3-53	4235'	None	Fruitland T. 3452' Pictured Cliffs T. 3820'	2 5	No commercial shows No commercial shows	D & A 7-3-53
2	SW/4 Sec. 35-32-5	7-24-53	11-21-53	5884'	7" @ 5595	Fruitland T 2875'	1	IP 396 MCF/D	IP 396 F/D (Fruitland) 11-21-53
				PBD 3142'		Pictured Cliffs T 3030 Mesaverde T- 5430	2 1 (Shot w/844	No commercial shows No commercial shows	
							qts. SNG)		
3	SW/4 Sec. 10-32-5	9-10-53	2-4-54	9153'	7" @ 8990	Fruitland T. 3822' Pictured Cliffs T. 4053' Mesaverde T 6510' Dakota T 8858'	1 3 9 8	No commercial shows " " "	D&A 2-4-54
				(Deepening to Dakota commenced 11-4-54)				(Perf. & treated 285 MCFD Max.)	
				53					

RLH:lee
Fort Worth, Texas
December 30, 1954



IN REPLY REFER TO:

4911
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Box 6721
Roswell, New Mexico

September 3, 1954


Stanolind Oil and Gas Co.
Oil and Gas Building
Fort Worth, Texas

Gentlemen:

The plan of development dated August 3, 1954,
for the remainder of the calendar year 1954, for the San
Juan 32-5 unit area New Mexico, No. 14-08-001-534 has been
approved on this date subject to like approval by the appro-
priate State officials.

Three approved copies of the plan are returned
herewith.

Very truly yours,


JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Cons. Div., Wash., D.C. (w/1 copy of plan)
New Mexico Oil Cons. Comm., Santa Fe (ltr. only) ✓

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

191
August 23, 1954

CC
Stanolind Oil & Gas Co.
Oil & Gas Building
Fort Worth, Texas

Gentlemen:

PP
Enclosed please find approved copies of your Plan
of Development for the remainder of 1954 for your San Juan
32-5 Unit in San Juan and Rio Arriba Counties, New Mexico.

V
Very truly yours,

W. B. Macey
Secretary - Director

WBM;jh

encl.

STANOLIND OIL AND GAS COMPANY

MAIN OFFICE OCC

OIL AND GAS BUILDING

FORT WORTH, TEXAS

C. F. BEDFORD
DIVISION PRODUCTION SUPERINTENDENT

August 3, 1954

File: RLH-8320-216.101

Subject: San Juan 32-5 Unit
No. 14-08-001-534
San Juan and Rio Arriba
Counties, New Mexico
Plan of Development
Remainder of 1954

Regional Supervisor
United States Geological Survey
Department of the Interior
P. O. Box 6721
Roswell, New Mexico

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

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

Gentlemen:

As provided in Section 10 of the subject Unit Agreement, Stanolind Oil and Gas Company as Unit Operator herewith submits its Plan of Development for the remainder of the calendar year 1954.

All drilling requirements as outlined in Section 9 of the Unit Agreement have been satisfied by the completion of three wells. Attached for your information is a tabulation of pertinent completion data on all of the wells that have been drilled in this unit as of this date.

Section 9 of the Unit Agreement provides for the drilling of two Fruitland wells and three Mesaverde wells. In the event, however, the first Mesaverde well is found to be dry, the drilling of the two additional Mesaverde wells would be waived if, within 30 days after the Mesaverde was declared non-commercial, operations were commenced to deepen or drill a Dakota test. The Fruitland and Pictured Cliffs formations were tested by Wells No. 1, 2 and 3 to fulfill the drilling obligations for these formations. The Mesaverde formation was tested by Well No. 2 and found to be non-commercial on November 21, 1953. The Mesaverde was also found to be non-commercial in Well No. 3; therefore, on November 4, 1953, operations to deepen this well to the Dakota were commenced. This well was completed as a dry hole on February 4, 1954, and on that date, the drilling program outlined in Section 9 was completed.

Joint Letter

- 2 -

File: RLH-8320-216.101

August 3, 1954

The initial participating area for the Fruitland formation, consisting of the west half of Section 35, T-32-N, R-5-W, and embracing Well No. 2, was approved by the United States Geological Survey on June 3, 1954, by the Oil Conservation Commission on June 17, 1954, and by the Commissioner of Public Lands on June 21, 1954. As of this date, this well, the only one in this unit considered to be commercial, is shut in awaiting a pipeline connection.

Stanolind as Unit Operator has canvassed the owners of all working interest committed to the unit. None have stated that they desire wells to be drilled on their land during the remainder of the year.

The chosen market outlet for the gas from this unit is not available at this time, nor is it expected to be prior to January 1, 1955. Consequently, Stanolind does not desire to drill development wells for its own account until pipeline facilities are available.

Inasmuch as the drilling program outlined in Section 9 of the Unit Agreement has been completed, since there are no intervening drilling blocks which would necessitate the drilling of additional wells at this time under the provisions of the Unit Agreement, and since none of the working interest owners within the unit have expressed a desire to have wells drilled on their unit holdings at this time, Stanolind, as Unit Operator, plans to drill during the remainder of 1954 only such wells, if any, as may be required for the protection of the unit against drainage 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,

C. W. Bradford

RLH:cp

Copies to All Working Interest Owners (See Attached List)

APPROVED: _____ DATE: _____
United States Geological Survey

APPROVED: _____ DATE: _____
Commissioner of Public Lands

APPROVED: W. B. Macey DATE: 8-23-54
New Mexico Oil Conservation Commission
SECRETARY DIRECTOR

San Juan 32-5 Unit

Individual Well Completion Data

<u>Well</u>	<u>Location</u>	<u>Spud Date</u>	<u>Comp. Date</u>	<u>T.D.</u>	<u>Prod. String</u>	<u>Formations Tested</u>	<u>No. Tests</u>	<u>Results</u>	<u>Completion Date</u>
1	SW/4 Sec. 14-32-5	5-26-53	7-3-53	4235'	None	Fruitland T. 3452' Pictured Cliffs T 3820'	2 5	No commercial shows No commercial shows	D & A 7-3-53
2	SW/4 Sec. 35-32-5	7-24-53	11-21-53	5884'	7" @ 5595	Fruitland T 2875	1	IP 396 MCF/D	IP 396 MCF/D (Fruitland) 11-21-53
				PBD 31142'		Pictured Cliffs T 3030 Mesaverde T- 5430	2 1 (Shot w/844 qts. SNG)	No commercial shows No commercial shows	
3	SW/4 Sec. 10-32-5	9-10-53	2-4-54	9153'	7" @ 8990	Fruitland T. 3822' Pictured Cliffs T 4053' Mesaverde T 6510' Dakota T 8858'	1 3 9 8	No commercial shows " " " (Perf. & treated 285 MCFD Max.)	D&A 2-4-54

53
OK

RLH:lee
Fort Worth, Texas
August 3, 1954

June 21, 1954

C
O
P
Y

Mr. C. F. Bedford
Division Production Superintendent
Stanolind Oil and Gas Company
Fort Worth, Texas

Re: Initial Participating Area
San Juan 32-5 Unit Agreement
San Juan and Rio Arriba
Counties
Your File: BLM-2248-216.108

Dear Sir:

Reference is made to your letter dated June 15, 1954 which has reference to your correspondence of April 30, 1954.

Please be advised that we approve your revised application for an initial participating area in the Fruitland formation for the above captioned area provided like approval is obtained from the United States Geological Survey and Oil Conservation Commission.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

cc: United States Geological Survey
Albuquerque, New Mexico (3)
Oil Conservation Commission
Santa Fe, New Mexico (1)

✓

ILLEGIBLE

File

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

June 17, 1954

C
O
P
Y

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

Re: Initial Participating Area;
San Juan 32-5 Unit

Dear Mr. Bedford:

Your revised application dated April 28, 1953 requesting approval of an initial participating area for the Fruitland Formation in the above captioned unit is approved this date by the New Mexico Oil Conservation Commission. This approval is subject to like action by the New Mexico State Land Commissioner and the U. S. Geological Survey.

We regret the delay in furnishing our decision.

Very truly yours,

R. R. SPURRIER,
Secretary-Director

ir

STANOLIND OIL AND GAS COMPANY**MAIN OFFICE OCC**

OIL AND GAS BUILDING

FORT WORTH, TEXAS

C. F. BEDFORD

DIVISION PRODUCTION SUPERINTENDENT

1954 JUN 17 AM 8:30 June 15, 1954

File: RLH-8249-216.108

Subject: Initial Participating Area
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New MexicoOil Conservation Commission
Capital Annex Building
Santa Fe, New Mexico

Gentlemen:

This will refer to our letter of April 30, 1954,
File: RLH-8164-216.108, wherein we submitted a revised
application for an initial participating area for the
Fruitland formation for the subject unit. On June 3,
1954, this application was approved by the acting director
of the United States Geological Survey.

We would appreciate being furnished your decision
on this matter at your earliest convenience.

Yours very truly,



RLH:gp

STANOLIND OIL AND GAS COMPANY
FORT WORTH, TEXAS

MAIN OFFICE OCC

1954 MAY 3 AM 9:05

April 30, 1954

File: RLH-8164-216.108

Subject: Initial Participating Area
San Juan 32-5 Unit
No. 14-08-001-534
San Juan and Rio Arriba
Counties, New MexicoUnited States Geological Survey
P. O. Box 6721
Roswell, New Mexico

ATTENTION: Mr. R. E. Canfield

Gentlemen:

This will refer to your letter of April 20, 1954, wherein you returned for correction our application for an initial participating area for San Juan 32-5 Unit. The correction was deemed necessary since the application indicated the producing formation to be Fruitland and Pictured Cliffs, whereas the Unit Agreement provides that each of these formations should be treated as a single zone or pool. You further stated that the records in your office indicate that the well on which the application is based was completed in the Fruitland Formation.

We are returning herewith a revised application which will reflect the above outlined corrections. We appreciate you calling this to our attention.

Yours very truly,

Original Signed By
G. F. Bedford
by AC

RLH:gp

cc: Commissioner of Public Lands
Oil Conservation Commission

COPY

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

FORT WORTH, TEXAS

C. F. BEDFORD
DIVISION PRODUCTION SUPERINTENDENT

April 28, 1954

File: RLH-8155-216.108

Subject: Initial Participating Area
San Juan 32-5 Unit
No. 14-08-001-534
San Juan and Rio Arriba
Counties, New Mexico

Regional Supervisor (6)
United States Geological Survey
Department of the Interior
Roswell, New Mexico

Commissioner of Public Lands (2)
of the State of New Mexico
Capital Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (2)
of the State of New Mexico
Capital Annex Building
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 11 (a) of the San Juan 32-5 Unit Agreement No. 14-08-001-534, effective December 4, 1952, Stanolind Oil and Gas Company as Unit Operator, has determined that the first well capable of producing unitized substances in paying quantities from the Fruitland Formation was completed on November 21, 1953, upon acreage committed to this unit and that an initial participating area should, therefore, be established effective November 21, 1953. The well data upon which this application is based is as follows:

WELL DESIGNATION: San Juan 32-5 Unit, Well No. 2 (Fruitland)

LOCATION: 260' from the south line and 260' from the west
line of Section 35, T-32-N, R-5-W, NMPM.

ELEVATION: 6335' (derrick floor)

SPUD DATE: July 24, 1953

PRODUCING FORMATION: Fruitland

TOP OF PAY: 2875'

To: Regional Supervisor
Commissioner of Public Lands
of the State of New Mexico
Oil Conservation Commission
of the State of New Mexico

- 2 -

April 28, 1954

PRODUCING INTERVAL: Perforations 2875'-94', 2920'-56', 2980'-3000',
3048'-64'.

TOTAL DEPTH: 5884'

PLUG BACK TOTAL DEPTH: 3142'

CASING PROGRAM: 10-3/4" surface pipe cemented at 472' with 300 sx
7" casing cemented at 5595' with 375 sx

DRILLING METHODS: Rotary tools to 5734', cable tools through Mesa-
verde to total depth 5884'. Well shot with 844
quarts of SNG from 5625' to 5884' with gravel
cap from 5625' to 5355'. Well cleaned out and
shut-in for 48 hours. On test, well died in
seven minutes, volume too small to measure.
Plugged back to 3142' and perforated as outlined
above.

TUBING: 2" tubing landed at 3114'.

POTENTIAL TEST DATA: Well shut-in seven days, shut-in casing
pressure, 1478 psi, three hour potential
test, 396 MCFPD, completed November 21, 1953.

The drilling block upon which this well is located is described
as the W/2 of Section 35, T-32-N, R-5-W. Attached is Schedule I showing
the initial participating area for the Fruitland Formation for the San Juan
32-5 Area, Exhibit "A", which shows lease ownership within the initial
participating area, and Exhibit "B" which shows a breakdown of allocation
of production within the initial participating area.

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

Yours very truly,

RLH:gp



ATTACHMENT

Phillips Petroleum Company
Bartlesville
Oklahoma
ATTENTION: Mr. R. N. Richey

Amerada Petroleum Corporation
Beacon Building
P. O. Box 2050
Tulsa, Oklahoma

Mr. W. M. Vaughey
P. O. Box 4268
Jackson, Mississippi

Mr. Ed. E. Hurley
305 Petroleum Bldg.
Shreveport, Louisiana

SCHEDULE I
INITIAL FRUITLAND PARTICIPATING AREA
SAN JUAN 32-5 UNIT
SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO
EFFECTIVE NOVEMBER 21, 1953

NEW MEXICO PRINCIPAL MERIDIAN
Township 32 North, Range 5 West

Sec. 35: W/2 (Tract 18)

Vested Working Interest

Phillips Petroleum Company	100.00%
----------------------------	---------

Federal leases on which Royalties Payable

Santa Fe	079238*
----------	---------

*United States of America owns 1/8 Royalty Interest

EXHIBIT "A"
 INITIAL FRUITLAND PARTICIPATING AREA
 SAN JUAN 32-5 UNIT
 SAN JUAN AND RIO ARriba COUNTIES, NEW MEXICO
 EFFECTIVE NOVEMBER 21, 1953

Tract No. (Ex. B-Unit Agreement)	Description	No. Ac.	Serial No.	Land Owner & % Royalty	Record Owner of Lease or Application	Overriding Royalty Owner and %	Working Int. Owner & %
18	Sec. 35 T-32-N R-5-W	320.0	SF-079238	USA - 12.5%	Joseph Miller	Florence Whitsitt, Individually and as Administratrix of the Estate of Pat Whitsitt, deceased, - 5.0%	Phillips 82.5%

EXHIBIT "B"
 INITIAL FRUITLAND PARTICIPATING AREA
 SAN JUAN 32-5 UNIT
 SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO
 EFFECTIVE NOVEMBER 21, 1953

INITIAL PARTICIPATING AREA			WORKING INTEREST PARTICIPATION		ROYALTY PARTICIPATION		OVERRIDING PARTICIPATION	
Tract No.	Acres in Part. Area	Committed Acres	Tract Part.	%	% of Prod.	%	% of Prod.	% of Prod.
18	320.0	320.0	100.0%	82.5%	82.5%	12.5%	12.5%	5.0%
								5.0%
								Phillips
Totals	320.0	320.0	100.0%		82.5%		12.5%	5.0%

COMMITTED ACREAGE		RECAPITULATION OF WORKING INTEREST PARTICIPATION	
		<u>Acres</u>	<u>%</u>
Federal		320.0	100%
		Phillips Petroleum Company	100.0%



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
MAIN OFFICE OCC GEOLOGICAL SURVEY

1954 APR 22 AM 8:17 P. O. Box 6721
Roswell, New Mexico

April 20, 1954

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

Gentlemen:

Returned herewith for correction is your application dated April 12, 1954, for approval of the initial participating area for the San Juan ~~12-5~~ unit agreement, New Mexico, No. 14-08-001-534.

It is noted that the application indicates that you consider the Fruitland and Pictured Cliffs formations as a single zone or pool. Section 11 of the unit agreement is specific in that it considers all wells completed for production in the Fruitland formation as producing from a single zone or pool and likewise all wells completed for production in the Pictured Cliffs formation as producing from a single zone or pool.

Records of this office indicate that the well on which the application is based was completed in the Fruitland formation. Accordingly, the application should be revised to provide for the establishment of the initial participating area for the Fruitland formation only.

Very truly yours,

(Orig. 850) R. E. CANFIELD

R. E. CANFIELD
Acting Regional Oil & Gas Supervisor

Enclosures
Copy to New Mexico Oil Conservation Commission
Commissioner of Public Lands
Farmington

December 17, 1953

Stanolind Oil and Gas Company
P. O. Box 1410
Fort Worth, Texas

Re: San Juan 32-5 Unit Agreement
San Juan and Rio Arriba Counties
New Mexico

Gentlemen:

Reference is made to your application dated November 3, 1953 requesting an extension of seven months from and after November 1, 1953 for the commencement of the fourth well to be drilled on the above captioned Unit Agreement so that said test well be commenced on or before June 1, 1954.

This office approves the extension as requested provided, however, like consent therefor is obtained from the United States Geological Survey and Oil Conservation Commission.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

cc: United States Geological Survey
Roswell, New Mexico (3)

Oil Conservation Commission
Santa Fe, New Mexico (1)

ILLEGIBLE

STANOLIND OIL AND GAS COMPANY
Tulsa, Oklahoma

November 30, 1953

File: GBJ-41.557

Re: AFE-9884
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico

Case 491

~~Mr. John Anderson~~
~~Regional Oil and Gas Supervisor~~
~~U. S. Geological Survey~~
~~Roswell, New Mexico~~

Dear Sir:

Please find herewith for Departmental distribution four (4) copies of "Ratification and Joinder of Unit Agreement" duly executed by Thos. B. Scott, Jr., President of both the Brookhaven Oil Company and the Dacresa Corporation.

This instrument serves to commit a 6.25% interest under Tract 36 of the subject unit. Please note that the joinder has been accepted by Stanolind Oil and Gas Company as unit operator and working interest owner under Tract 36.

Yours very truly,

Original G. B. JENKINSON
Signed by

G. B. Jenkinson

JM/gjc

Enclosures

cc: New Mexico Oil Conservation Commission - w/attach.
New Mexico State Land Commissioner

DEC 4 1953

COPY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

NAME Attorney
Name Margaret H. Seif
Address Secretary

NAME Attorney
Name Margaret H. Seif
Address Post Secretary

Name _____

Address _____

STANOLIND OIL COMPANY
NAME President
Name Thomas B. Seif
Address P. O. Box 414

STANOLIND OIL COMPANY
NAME President
Name Thomas B. Seif
Address P. O. Box 414
Albuquerque, New Mexico

Name _____

Address _____

ACCEPTED:

STANOLIND OIL AND GAS COMPANY,
UNIT OPERATOR AND WORKING
INTEREST OWNER

BY [Signature]
VICE PRESIDENT



STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF NEW MEXICO

28

COUNTY OF BERNALILLO

On this 27th day of May, A.D. 1953, before me personally appeared Thos. E. Scott, Jr., to me personally known who being by me duly sworn, did say that he is the President of Brookhaven Oil Company, a Delaware corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Thos. E. Scott, Jr., acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.

Evelyn L. Welking
Notary Public

My Commission expires June 13, 1953.

STATE OF NEW MEXICO

29

COUNTY OF BERNALILLO

On this 27th day of May, A.D. 1953, before me personally appeared Thomas E. Scott, Jr., to me personally known who being by me duly sworn, did say that he is the President of Deereza Corporation, a New Mexico corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Thomas E. Scott, Jr., acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this, the day and year last above written.

Evelyn L. Welking
Notary Public

My Commission expires June 13, 1953.

ILLEGIBLE

STANOLIND OIL AND GAS COMPANY

Tulsa, Oklahoma

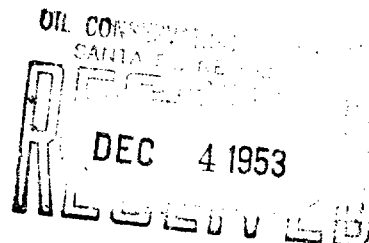
November 30, 1953

File: GBJ-41.519

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico

491

Mr. John Anderson
Regional Oil and Gas Supervisor
U. S. Geological Survey
Roswell, New Mexico



Dear Sir:

Please find herewith for Departmental distribution four (4) copies of a "Ratification and Joinder of Unit Agreement" for the captioned unit which have been executed by Edward S. Martinez and Rosalie A. Martinez, his wife.

The instrument serves to commit their 6.25% royalty interest in Tract 63 as described in Exhibit "B" to the Unit Agreement. Stanolind Oil and Gas Company, as working interest owner and unit operator, has consented to the joinder.

Yours very truly,

Original
Signed by G. B. JENKINSON

G. B. Jenkinson

Original
Signed by LAWRENCE E. BROCK

JM/gje
Enclosures

cc: New Mexico Oil
Conservation Commission - w/attach.

New Mexico State Land
Commissioner

Mr. and Mrs. Edward S. Martinez
2848 Childs Ave.
Ogden, Utah

COPY

STANDARD OIL AND GAS COMPANY,
UNIT OPERATOR AND WORKING INTEREST OWNER

BY Frank Lindeman
VICE PRESIDENT



RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

Name Edward S. Martinez
~~Edward S. Martinez~~
Address 2848 Childs Avenue
Ogden, Utah

Name Rosalie A. Martinez
~~Rosalie A. Martinez~~
Address 2848 Childs Avenue
Ogden, Utah

Name _____
Address _____

Name _____
Address _____

NOTARY ACKNOWLEDGMENT—Individual

~~STATE OF COLORADO~~
STATE OF NEW MEXICO
County of SAN JUAN
LA PLATA } ss.

On this 30th day of June, 1953, before me personally appeared Edward S. Martinez and Rosalie A. Martinez, husband and wife to me known to be the person^s described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Witness my hand and seal the day and year last above written.

My commission expires July 19, 1954

Roger A. Ptolomy
Notary Public

STANOLIND OIL AND GAS COMPANY
FORT WORTH, TEXAS

November 3, 1953

File: JTM-7254-216.108

Subject: San Juan Unit 32-5
San Juan and Rio Arriba Counties,
New Mexico

AIRMAIL - SPECIAL DELIVERY

United States Geological Survey
P. O. Box 997
Roswell, New Mexico

Attention: Mr. John A. Anderson

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

Attention: Mr. R. R. Spurrier

State Land Commission
State of New Mexico
Santa Fe, New Mexico

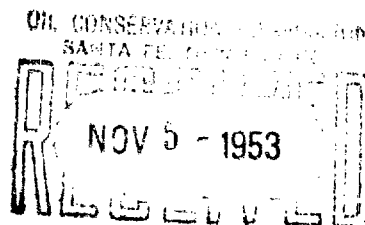
Attention: Mr. E. S. Walker

Gentlemen:

Stanolind Oil and Gas Company, as Unit Operator of the San Juan Unit 32-5, San Juan and Rio Arriba Counties, New Mexico, has completed one well and operations are currently in progress on two wells, all being drilled in compliance with Section 9 of the Unit Agreement. The first of these wells was a test of the Fruitland formation, which was dry. Operations are still in progress on the first Mesaverde test, which has drilled through and tested the Mesaverde and found to be non-productive. Shows were encountered in the Fruitland formation in this well and operations are in progress to plug back and test the Fruitland. The third test well was found to be non-productive in the Fruitland and the Mesaverde. A cable tool rig is being employed on the second well and a rotary rig on the third well.

Due to the approaching winter season which will hamper operations greatly and may force a shut-down of this rotary rig, we believe it advisable to move the rotary rig out of the San Juan Unit 32-5 Area before the bad weather begins. Further, we do not believe there is sufficient time to commence operations on another well in the Unit prior to the winter season, or to deepen one of the Mesaverde wells to the Dakota formation.

COPY

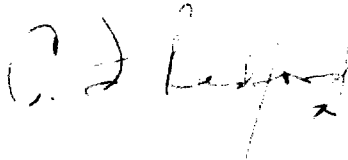


Page 2
JTM-7254-216.108
November 3, 1953

Based on past experience in the San Juan Basin, we believe that we may be able to move in another rig some time after May 1, 1954, and commence operation on the fourth test well as required by the Unit Agreement. As the Mesaverde has been tested in Well No. 3 and found non-productive, Stanolind, as Unit Operator, will be obligated to start another test well within thirty days after completion of this well in order to comply with the terms of the Unit Agreement. Therefore, in accordance with the terms of Section 9 of the Unit Agreement, Stanolind, as Unit Operator, is hereby making application for a deferment of the commencement date of the fourth test well in the Unit until June 1, 1954.

As we have completed testing the Mesaverde in the San Juan Unit No. 3 Well, and the rotary rig is still at this location, we would appreciate being advised of your decision regarding the above request at your earliest convenience in order that we may move this rotary rig out of the Unit Area.

Very truly yours,



JTM/ek

Attachments -

United States Geological Survey - 6
Oil Conservation Commission - 2
State Land Commission -2

APPLICATION FOR EXTENSION OF TIME FOR COMMENCEMENT OF TEST WELL

TO: THE DIRECTOR OF THE UNITED STATES GEOLOGICAL SURVEY

Stanolind Oil and Gas Company, as Unit Operator of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit, Counties of San Juan and Rio Arriba, State of New Mexico, has heretofore drilled three test wells referred to in Article 9 of said Unit Agreement. The said Unit Operator is now obligated to commence the drilling of two additional Mesaverde test wells on the Unit Area, the first of these wells to be started within thirty days after the completion of the presently drilling well, San Juan Unit 32-5 Well No. 3; however, due to the approaching winter season which will hamper operations and which may force a shut-down of the rotary rig on Well No. 3, we do not believe there is sufficient time to complete another well in the Unit Area; therefore, we believe that a reasonable extension of time for the commencement of such additional test well would be proper. The first well under the terms of the Unit Contract was completed as a dry hole in the Pictured Cliffs formation; the second well had shows of gas in the Fruitland formation and is currently testing the Mesaverde formation; the third well was barren in the Fruitland and is now testing the Mesaverde formation. The Unit Operator has the prerogative of drilling one of the presently drilling Mesaverde wells to the Dakota formation, if one of such wells is so deepened, the Unit Operator will have complied with the terms of the Unit Agreement and has no further obligations under the terms of Section 9 thereof. At the present time, it is not known whether we will have sufficient time before the winter season to accomplish this drilling; therefore, the Unit Operator prefers to reserve the right to temporarily abandon Well No. 3, in the event we do not drill to the Dakota now, and to decide at some later date whether or not to re-enter the hole and continue drilling to test the Dakota formation. As the Operator fully intends to comply with the terms of the Unit Contract, we are asking for a reasonable extension of time in order that we may not violate the terms of the Contract unintentionally.

Premises considered, Stanolind Oil and Gas Company, Unit Operator under the San Juan 32-5 Unit Agreement, hereby makes application to the Director of the United States Geological Survey, pursuant to Article 9 of said Unit Agreement,

for an extension of seven months from and after November 1, 1953, for the commencement of the fourth test well to be drilled on the Unit Area so that said test well shall be commenced on or before June 1, 1954. Copies of this application have been filed with the Commissioner of Public Lands of the State of New Mexico and the Oil Conservation Commission of the State of New Mexico.

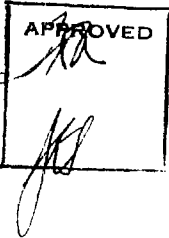
IN WITNESS WHEREOF, this application is hereby made this 3rd day of November, 1953.

ATTEST:

[Signature]
Assistant Secretary

STANOLIND OIL AND GAS COMPANY
Unit Operator of the San Juan
Unit Agreement

BY *[Signature]*
Attorney-in-Fact



The foregoing application is hereby approved this _____ day of _____, 1953, and the time for the commencement of the test well referred to in the foregoing application is hereby extended to June 1, 1954.

DIRECTOR OF THE UNITED STATES
GEOLOGICAL SURVEY

BY: _____

The foregoing application is hereby approved this 15th day of December, 1953, and the time for the commencement of the test well referred to in the foregoing application is hereby extended to June 1, 1954.

OIL CONSERVATION COMMISSION

Original Signed
BY: *[Signature]*
Secretary and Director

MEMORANDUM

TO: R. R. Spurrier and Elvis A. Utz

FROM: W. B. Macey

SUBJECT: San Juan 32-5 and Four Mile Unit Agreements

DRKS — I have today discussed the above units with John Anderson of the U. S. G. S. and he informs me that in regard to the San Juan 32-5 Unit, Stanolind had requested a six month extension so that they could shut down operations on their obligatory Dakota Well during the winter. Stanolind has informed Mr. Anderson that they are going to attempt to drill a well to the Dakota (present drilling depth 8800'). They have approximately three weeks' supply of Butane and hope to complete the well in that time. They would like to have written approval of their application for extension even though the possibility exists that they may drill the well to the Dakota and therefore fulfill their unit obligation.

With regard to the Four Mile Unit, the U. S. G. S. is going to approve Kewanee's application for a one year extension from November 16th.

W.B.M.

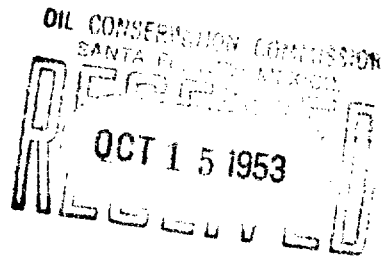
STANOLIND OIL AND GAS COMPANY

Tulsa, Oklahoma

October 13, 1953

File: ORJ-41.519

Re: AFE 9884
San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico



~~Mr. John Anderson
Regional Oil and Gas Supervisor
U. S. Geological Survey
Roswell, New Mexico~~

Dear Sir:

Please find herewith for Departmental distribution four (4) counterparts of a "Ratification and Joinder of Unit Agreement" by which W. L. Simmons and Lois Simmons, his wife, commit their 1.5625% Royalty Interest under Tract 49 as described in Exhibit "B" to the San Juan 32-5 Unit Agreement.

Mr. Frank Lindeman, Jr., Vice President, has by his signature approved and consented to this joinder for the Stanolind Oil and Gas Company, which is Unit Operator and Working Interest owner under the subject tract.

Yours very truly,

JM:gg

(Signed) G. B. Jenkinson

CC: Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Mr. R. R. Spurrier ←
Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

COPY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

Name _____

Address _____

Name _____

Address _____

Name _____

Address _____

Name W. L. Simmons

Address P.O. Box 97
Midland Texas

Name Lois Simmons

Address P.O. Box 97
Midland, Texas

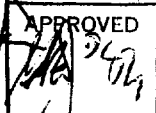
Name _____

Address _____

ACCEPTED: SEP 30 1953

STANOLIND OIL AND GAS COMPANY,
UNIT OPERATOR AND WORKING INTEREST OWNER

By Frank S. [Signature]
VICE PRESIDENT



My commission expires:

WAYNE S. UNDERWOOD

Notary Public

STATE OF _____
COUNTY OF _____
SS _____

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF _____
COUNTY OF _____
SS _____

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF Texas
COUNTY OF Midland
SS _____

On this 15th day of August, 1953, before me personally appeared

W. L. Simmons, and wife, Lois Simmons

to me known to be the person _____ described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

6-1-55

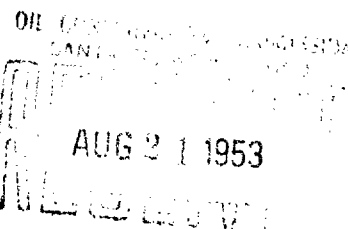
STANOLIND OIL AND GAS COMPANY

Tulsa, Oklahoma

August 19, 1953

File: GBJ-41.519

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico



Mr. John Anderson
Regional Oil and Gas Supervisor
U. S. Geological Survey
Roswell, New Mexico

Dear Sir:

Please find herewith for Departmental Distribution four (4) counterparts of a "Ratification and Joinder of Unit Agreement" by which Lamar Lunt and Lucille C. Lunt, his wife, commit their 1.5625% Royalty Interest under Tract 49 as described in Exhibit "B" to the San Juan 32-5 Unit Agreement.

Mr. Frank Lindeman, Jr., Vice President, has by his signature approved and consented to this joinder for the Stanolind Oil and Gas Company which is Unit Operator and Working Interest Owner under the subject tract.

Yours very truly,

G. B. Jenkinson

By: Original Signed by T. A. CORY

JM/gjj
Enclosures

cc: Mr. E. S. Walker
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

Mr. R. R. Spurrier
Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

COPY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

Name Lamar Lent
Address Zia Road
Santa Fe NM

Name _____
Address _____

Name _____
Address _____

Approved and Consented to:
Stanolind Oil and Gas Company
Unit Operator and Working Interest Owner

By Frank J. [Signature]
Vice-President



Name Reneillo C. Lent
Address Zia Road
Santa Fe NM

Name _____
Address _____

Name _____
Address _____

STATE OF New Mexico)
COUNTY OF Santa Fe) SS

On this 10th day of August, 1953, before me personally appeared

Lamar Lunt and Lucille C. Lunt

to me known to be the person s described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.


Notary Public

My commission expires:

My Commission Expires May 24, 1957

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF _____)
COUNTY OF _____) SS

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Notary Public

My commission expires:

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate telegram	
FULL RATE TELEGRAM	
DAY LETTER	
NIGHT LETTER	

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WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHIP RADIOGRAM	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	COLLECT			

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Santa Fe, New Mexico
July 17, 1953

C. F. BEDFORD
STANOLIND OIL AND GAS COMPANY
FORT WORTH, TEXAS

REFERENCE SAN JUAN 32-5 UNIT WELL NUMBER 2 PERMISSION
GRANTED FOR UNORTHODOX LOCATION 260 FEET FROM SOUTH
AND WEST LINES SECTION 35 SAID WELL TO BE MESAVERDE TEST.

R. R. SPURRIER
OIL CONSERVATION COMMISSION

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

DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VLT=Int'l Victory Ltr.

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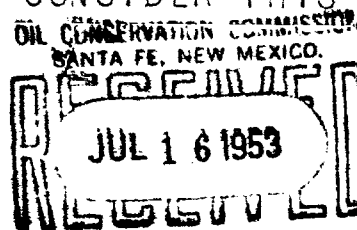
FW.BJ.69 PD=BJ FT WORTH TEX 16 401

=NEW MEXICO OIL AND GAS CONSERVATION COMM=

=ATTN R R SPURRIER SANTA FE NMEX=

=STANOLIND OIL AND GAS COMPANY HAS REQUESTED APPROVAL FOR US TO WAIVE OBJECTION TO IRREGULAR LOCATION 260 FEET OUT OF SOUTHWEST CORNER SECTION 35 TOWNSHIP 32 NORTH RANGE 5 WEST RIO ARriba COUNTY NEW MEXICO. PLEASE CONSIDER THIS OUR WAIVER=

NEVILLE G PENROSE=



THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

ON CONSERVATION COMMISSION SYMBOLS

SANTA FE, NEW MEXICO

JUL 17 1953

Day Letter.

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LT Letter Telegram

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=NEW MEXICO OIL CONSERVATION COMMISSION

ATTN R R SPURRIER SECRETARY=SANTA FE NMEX (MIS RTE)=

REFERENCE SAN JUAN 32-5 UNIT WELL NO TWO. YOUR WIRE OF JULY 1, 1953 TO MR R F ROOD WITH PHILLIPS PETROLEUM COMPANY GRANTED PERMISSION TO CHANGE LOCATION OF WELL FROM FRUITLAND OBLIGATIONS IN NE/4 SECTION 25, RT-32-N, R-5-W TO MESAVERDE TEST IN SW/4 SECTION 35, T-32-N, R-5-W. DUE TO EXTREMELY DIFFICULT TOPOGRAPHICAL CONDITIONS IN VICINITY ONLY POSSIBLE DRILL SITE IS 260 FEET FROM SOUTH AND WEST LINES OF SECTION 35. IT IS REQUESTED THAT WE, STANOLIND, AS

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

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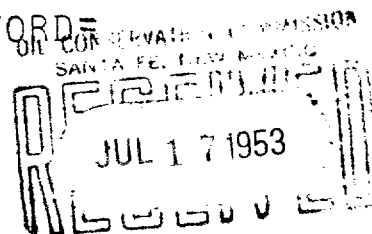
NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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

UNIT OPERATOR BE GRANTED AN EXCEPTION TO NEW MEXICO
STATEWIDE RULE 104 (B) IN ACCORDANCE WITH PROVISIONS OF
PARAGRAPH F OF RULE 104. WE UNDERSTAND NEVILLE G PENROSE
INCORPORATED, WHO HAS OFFSET ACREAGE IN SECTION 3, T-31-N,
R-5-W IS WIRING YOU TODAY FURNISHING WAIVER OF EXCEPTION
TO THIS UNORTHODOX LOCATION. WE HAVE RIG STANDING BY
AT THE PRESENT TIME AND WOULD APPRECIATE RECEIVING
APPROVAL BY WIRE COLLECT BY FRIDAY JULY 17 IF POSSIBLE=
STANDOLIND OIL AND GAS CO C F BEDFORD

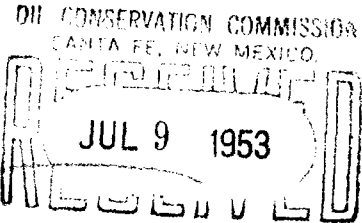


THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

10 W.W. Phillips Bldg.
July 7, 1953



Re: San Juan 32-5 Unit
Rio Arriba County
New Mexico
San Juan Basin

Mr. John A. Anderson
Regional Supervisor
United States Geological Survey
P.O. Box 6721
Roswell, New Mexico

Dear Sir:

On July 1, 1953, Phillips Petroleum Company requested authority to change the obligation Fruitland well to be in NE $\frac{1}{4}$ Sec. 25-32N-5W to a Mesaverde well to be located 990' from south and west lines of Sec. 35, Township 32 North, Range 5 West, N.M.P.M. Stanolind Oil and Gas Company is the Operator of this Unit, however, this well is to be paid for by Phillips Petroleum Company and in view of the fact that neither the Stanolind #1 Bennett in Sec. 14-32N-5W nor our two wells on San Juan 32-4 Unit (Nos. 1-29 in SW $\frac{1}{4}$ Sec. 29-32N-4W and 2-16 in SW $\frac{1}{4}$ Sec. 16-32N-4W) showed commercial gas in either Fruitland or Pictured Cliffs formations which was felt the drilling of the location in NE $\frac{1}{4}$ Sec. 25-32N-5W as a Fruitland well to be fruitless.

For your record we enclose photo copies of the following:

- (1) Telegram of July 1, 1953, requesting approval to make the change.
- (2) Approval replies from Supervisor of the USGS, Commissioner of Public Lands, Oil Conservation Commission, Amerada Petroleum Corporation and Ed E. Hurley. In connection with Mr. Hurley's approval, he advised me verbally by telephone conversation on July 1, 1953, that the change was agreeable with Mr. W. M. Vaughney. These, to our knowledge, are the signatories to the San Juan 32-5 Operating Agreement.

We have instructed Stanolind as Unit Operator to proceed with the drilling of this Mesaverde well at the location in Sec. 35-32N-5W, to be known as San Juan Unit 32-5 Mesa well No. 2-25.

Thank you for your cooperation.

Yours very truly,

ORIGINAL SIGNED BY

R. F. ROOD

R.F. ROOD

San Juan Division

RFR:wg

Encls.

cc: Hon. E. S. Walker
Mr. R. R. Spurrier

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

RECEIVED

2 Int'l Letter Telegram
1953

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R F ROOD=

PHILLIPS PETROLEUM CO BARTLESVILLE OKLA=

RETEL JULY 7 SAN JUAN 32-5 UNIT. PROPOSED CHANGE FRUITLAND OBLIGATION WELL FROM NE1/4 SECTION 25-32N-5W TO SW 1/4 SECTION 35 SAME TOWNSHIP SATISFACTORY TO THIS OFFICE. CHANGE SHOULD BE APPROVED BY SIGNATORIES TO UNIT OPERATING AGREEMENT=

JOHN A. JOHNSON REGIONAL SUPERVISOR U S GEOLOGICAL SURVEY=

WE WELCOME ALL CORRECTIVE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

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KA229 LC164

L.SNA193 12 COLLECT=SANTA FE NMEX 1 336PMME

R F ROODI

PHILLIPS CO BARTLESVILLE OKLA=

PERMISSION GRANTED TO CHANGE LOCATION FOR FRUITLAND
OBLIGATION WELL UNIT 32-5=

E S WALKER LAND COMMISSIONER=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

RECEIVED SYMBOLS

DL=Day Letter
NL=Night Letter
LT=Int'l Letter Telegram
VT=Int'l Victory Ltr.

JUL 2

LAND DEPARTMENT
SAN JUAN DIVISION

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KA186 DA351

D.SVA217 PD=SHREVEPORT LA 2 220 PMC

R F ROOD=

PHILLIPS PET CO BARTLESVILLE OKLA=

SATISFACTORY YOU CHANGE LOCATION TO SECTION 35 AS PER YOUR
TELEGRAM DATED JULY 1ST=

ED E HURLEY=

1953 JUL 2 PM 3 07

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION

W. P. MARSHALL, PRESIDENT

1901

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1190

K. TUB340 PD=TULSA OKLA 1 302PMC=

PHILLIPS PETROLEUM CO, R F ROOD SAN JUAN DIV

BARTLESVILLE OKLA=

RE SAN JUAN 32-5. APPROVE DRILLING SECTIN 35-32N-5W PER TUB

WIRE JULY 1ST=

AMERADA PETROLEUM CORP JOHN P HAMMOND=

1901 JUL 1 PM 1 30

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS CUSTOMERS CONCERNING ITS SERVICE

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	
DAY LETTER	
NIGHT LETTER	

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WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHIP RADIOGRAM	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

COLLECT

Send the following message, subject to the terms on back hereof, which are hereby agreed to

**SANTA FE, NEW MEXICO
JULY 1, 1953**

**R. F. ROOD
PHILLIPS PETROLEUM COMPANY
BARTLESVILLE, OKLAHOMA**

**PERMISSION GRANTED TO CHANGE LOCATION FOR FRUITLAND
OBLIGATION WELL, 32-5 UNIT.**

**R. R. SPURRIER
OIL CONSERVATION COMMISSION**

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unreported message rate is charged in addition. Unless otherwise indicated on its face, this is an unreported message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unreported message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the reported message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruptions in the working of its lines.
2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is reported for transmission, and unless the reported message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.
3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.
4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an international cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.
5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.
6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas, or between a point in the United States and a point on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a point at sea or in the air), (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.
7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.
8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.
9. No employee of the Company is authorized to vary the foregoing.

1-49

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Messages sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates actually lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 20 words applies.

VICTORY LETTER TELEGRAM (VLT)

Overnight plain language messages to armed forces overseas. Minimum charge for 10 words applies.

SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

LAND
11:35 a.m.

10TH FLOOR WEST WING - PHILLIPS BUILDING
BARTLESVILLE, OKLAHOMA
JULY 1, 1953

MR. JOHN A. ANDERSON
REGIONAL SUPERVISOR
UNITED STATES GEOLOGICAL SURVEY
POST OFFICE BUILDING
ROSWELL, NEW MEXICO

OK

MR. E. H. McCULLOUGH
AMERADA PETROLEUM CORPORATION
BEACON BUILDING
TULSA, OKLAHOMA

OK

HONORABLE E. S. WALKER
COMMISSIONER PUBLIC LANDS
CAPITOL ANNEX BUILDING
SANTA FE, NEW MEXICO

OK

MR. ED E. HURLEY
305 PETROLEUM BUILDING
SHREVEPORT, LOUISIANA

OK

MR. R. R. SPURDUE
OIL CONSERVATION COMMISSION
CAPITOL ANNEX BUILDING
SANTA FE, NEW MEXICO

OK

RE SAN JUAN 32-5 UNIT. BECAUSE NEITHER STANOLIND'S #1 BENNETT IN SECTION 14-32N-5W NOR
PHILLIPS PETROLEUM COMPANY'S #1-29 AND #2-16 IN SECTIONS 29 AND 16 RESPECTIVELY IN 32 N-

4W HAVE SHOWN ANY COMMERCIAL PRODUCTION IN EITHER FRUITLAND OR PICTURED CLIFFS FORMATIONS

WE PREFER AND REQUEST PERMISSION TO CHANGE LOCATION FOR FRUITLAND OBLIGATION WELL TO BE

PAID FOR BY PHILLIPS IN NE/4 SECTION 25-32N-5W TO SW/4 SECTION 35, THIS TOWNSHIP AND IN

CONSIDERATION OF YOUR APPROVAL WILL AGREE TO TEST MESAVERDE IN EVENT FRUITLAND UNPRODUCTIVE

AT THIS ALTERNATE LOCATION. PLEASE ADVISE BY WESTERN UNION COLLECT WHETHER OR NOT AGREEABLE

SO THAT WE MAY INSTRUCT UNIT OPERATOR TO COMMENCE OPERATIONS ON SW/4 SECTION 35.

PHILLIPS PETROLEUM COMPANY

R. F. ROOD
SAN JUAN DIVISION

RFR:pw

cc: Messrs. G. E. Benskin
O. I. Jones
W. M. Freeman

x7

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

1220

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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

LA20 KA279

K.BRA003-111 K LONG DL PD=BARTLESVILLE OKLA 1 NFT=.

R R SPURRIER=

=OIL CONSERVATION COMMISSION CAPITOL ANNEX BLDG SANTA FE
NMEX=.

RE SAN JUAN 32-5 UNIT. BECAUSE NEITHER STANOLIND'S #1 BENNETT
IN SECTION 14-32N-5W NOR PHILLIPS PETROLEUM COMPANY'S #1-29
AND #2-16 IN SECTIONS 29 AND 16 RESPECTIVELY IN 32 N-4W HAVE
SHOWN ANY COMMERCIAL PRODUCTION IN EITHER FRUITLAND OR
PICTURED CLIFFS FORMATIONS WE PREFER AND REQUEST PERMISSION
TO CHANGE LOCATION FOR FRUITLAND OBLIGATION WELL TO BE PAID
FOR BY PHILLIPS IN NE/4 SECTION 25-32N-5W TO SW/4 SECTION 35,
THIS TOWNSHIP AND IN CONSIDERATION OF YOUR APPROVAL WILL
AGREE TO TEST MESAVERDE IN EVENT FRUITLAND UNPRODUCTIVE AT
THIS ALTERNATE LOCATION. PLEASE ADVISE BY WESTERN UNION
COLLECT WHETHER OR NOT AGREEABLE SO THAT WE MAY INSTRUCT
UNIT OPERATOR TO COMMENCE OPERATIONS ON SW/4 SECTION 35=
PHILLIPS PET CO R F ROOD SAN JUAN DIVISION=

32-5 #1 14-32N-5W #1-29 #2-16 29 16 32 N-4W NE/4
25-32N-5W SW/4 35 SW/4 35= . . =

OKRS
1325 - 12 Jul 53

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

STANOLIND OIL AND GAS COMPANY

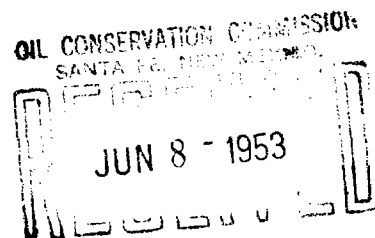
STANOLIND BUILDING
TULSA, OKLAHOMA

PRODUCING DEPARTMENT
G. B. JENKINSON
UNITIZATION MANAGER

June 5, 1953

File: GBJ-41.519

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico
No. 14-08-001-534



New Mexico Oil and Gas Conservation Commission
Santa Fe, New Mexico

New Mexico State Land Board
Santa Fe, New Mexico

Gentlemen:

Attached for your respective files are two copies of the United States Geological Survey's letter of May 27, 1953, acknowledging receipt of a Ratification and Joinder of the San Juan 32-5 Unit Agreement, signed by Charles E. Wilbanks, Jr., and Joan S. Wilbanks.

Yours very truly,


G. B. Jenkinson

Attachment



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

IN REPLY REFER TO:

RECEIVED UNITIZATION SECTION	
MAY 29 1953	
GEN.	117 5-29
FR.	636
AMOUNT	13 2/29
Handled	6-2
FILE NO.	44-519

MAY 27 1953

Stanolind Oil and Gas Company
Stanolind Building
Tulsa, Oklahoma

Attention: Mr. G. B. Jenkinson

Gentlemen:

Receipt is acknowledged of your letter of April 24 transmitting four duplicate originals of Ratification and Joinder of the San Juan 32-5 unit agreement, New Mexico, No. 14-08-001-534, executed by Charles E. Wilbanks, Jr., and Joan S. Wilbanks committing their 6.25 percent basic royalty interest in tract 63 listed on exhibit B, to the unit agreement. The ratification has been accepted by Stanolind Oil and Gas Company, the corresponding working interest owner and unit operator.

Copies of the ratification are being distributed to the appropriate Government offices to be filed with the official records of this case.

Very truly yours,

For the Director

STANOLIND OIL AND GAS COMPANY

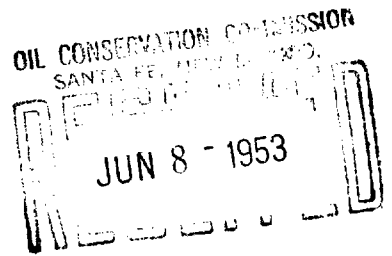
STANOLIND BUILDING
TULSA, OKLAHOMA

PRODUCING DEPARTMENT
G. B. JENKINSON
UNITIZATION MANAGER

June 5, 1953

File: GBJ-41.519

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico



New Mexico Oil and Gas Conservation Commission
Santa Fe, New Mexico

New Mexico State Land Board
Santa Fe, New Mexico

Gentlemen:

Enclosed for your files are two (2) copies of "Ratification and Joinder of Unit Agreement" signed by C. W. McCarty on May 6, 1953 whereby he commits his royalty interests under Unit Tracts 39 and 43 to the subject Unit Area.

Yours very truly,

G. B. Jenkinson

Enclosures

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

Name _____

Name C. W. McCarty

Address _____

Address _____

INDIVIDUAL ACKNOWLEDGEMENT

Colorado
STATE OF ~~NEW MEXICO~~

COUNTY OF La Plata

} ss.

On this 6 day of May, 1953, before me personally appeared C. W. McCarty, A Single Man

to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my official signature and affixed my notarial seal the day and year first above written.

My Commission expires: 7/19/1954

Roger A. Ptolomy
Notary Public

ACCEPTED:

STANOLIND OIL AND GAS COMPANY,
UNIT OPERATOR AND WORKING INTEREST OWNER.

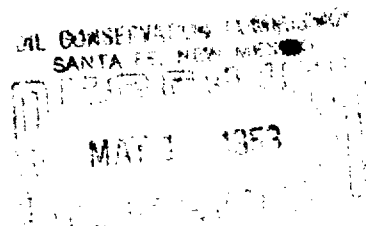
BY: [Signature]

VICE PRESIDENT



STANOLIND OIL AND GAS COMPANY

Tulsa, Oklahoma



April 29, 1953

File: G-41.919

Re: San Juan 32-5 Unit /
San Juan and Rio Arriba Counties
New Mexico

File: G-41.212

Re: Rosa Unit
San Juan and Rio Arriba Counties
New Mexico

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

Via Mr. John Anderson (4)
 Regional Oil and Gas Supervisor
 United States Geological Survey
 Roswell, New Mexico

Dear Mr. Director:

The Commissioner of Public Lands for the State of New Mexico has called to our attention an apparent conflict between the unit area of the Rosa Unit and the recently approved San Juan 32-5 Unit.

By letter of September 29, 1948, from Acting Director, Julian C. Beers, the lands described as lots 1,2,3 & 4 and 5/2, sec. 1; lots 1,2,3 & 4 and 5/2 sec. 2, T. 31 N., R. 5 W. and sections 31 to 36 inclusive, P. 32 N., R. 5 W., New Mexico Principal Meridian, were designated as a logical addition to the Rosa Unit area.

Our records do not disclose that any of the interest in the above-described lands were ever committed to the Rosa area.

By U.S.G.S. designation letters of September 1, 1952 and October 1, 1952, the lands referred to above were included in the San Juan 32-5 area. This unit was finally approved by letter of March 30, 1953, signed by R. J. Duncan for the Director.

Since nothing appears on the record to indicate that the lands were committed to the Rosa Unit and in view of the designation of such lands as included within the San Juan 32-5 Unit and to avoid any subsequent confusion,

COPY

ILLEGIBLE

The Director, U.S. Geological Survey
Via Mr. John Anderson

April 29, 1953

it is respectfully requested that the authority contained in the aforementioned letter of September 29, 1946 be withdrawn.

Yours very truly,

W. L. Dickinson

Original T. A. COBY
Signed by

By

c.c: Commissioner of Public Lands,
State Land Office
Santa Fe, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Mr. L. B. Mason, Jr.

BAL:gf

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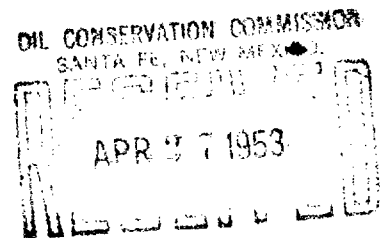
STANOLIND OIL AND GAS COMPANY

Tulsa, Oklahoma

April 24, 1953

File: GBJ-41.519

Re: San Juan 32-5 Unit
San Juan and Rio Arriba
Counties, New Mexico



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

Dear Sir:

Please find herewith for Departmental distribution four (4) copies of a "Ratification and Joinder of Unit Agreement" for the San Juan 32-5 Unit Area, San Juan and Rio Arriba Counties, New Mexico, which were duly executed by Charles E. Wilbanks, Jr. and Joan S. Wilbanks, husband and wife, on March 31, 1953.

The instrument serves to commit their 6.25% royalty interest in Tract 63 as described in Exhibit "B" to said unit agreement. Stanolind Oil and Gas Company, as working interest owner and unit operator, has consented to the joinder.

Copies of the instrument will be distributed promptly to all interested parties.

Yours very truly,

Original
Signed by G. B. JENKINSON

G. B. Jenkinson

Attachments

cc with attachment:

New Mexico Oil and Gas
Conservation Commission

New Mexico State Land Board

Mr. and Mrs. C. E. Wilbanks, Jr.
3940 East 4th Street
Tulsa, Oklahoma

COPY

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for the Development and Operation of the San Juan 32-5 Unit Area, Counties of Rio Arriba and San Juan, State of New Mexico, in form approved on behalf of the Secretary of the Interior, the undersigned owners of lands or leases, or interests therein or royalties presently held or which may arise under existing option agreements, or other interests in production covered by said Unit Agreement hereby severally, each to the extent of his particular ownership or interest, as may appear, consent to the inclusion of said lands within the Unit Area therein defined, approve and adopt the terms of said Unit Agreement and any modifications thereof approved by the Secretary of the Interior or his duly authorized representative as applicable to said several lands and interests, agree that the term of any lease given by the undersigned or under which the undersigned claims an interest herein is extended and modified to the extent necessary to make the same conform to the term of said Unit Agreement, agree that the drilling, development and producing requirements of all leases and other contracts in which their several rights and interests are created or defined shall be deemed fully performed by performance of the provisions of said Unit Agreement, and agree that payment for or delivery of (whichever may be required under prior agreements) oil and gas duly made at contract rates applied to the production allocated under said Unit Agreement to the particular lands to which such rights or interests do or shall apply, regardless of actual production therefrom, shall constitute full performance of all such obligations to the undersigned existing under such leases or other contracts.

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

SIGNATURES AND ADDRESSES

Name Joan S. Wilbanks
Joan S. Wilbanks
Address 3940 4th St.(East)
Tulsa, Oklahoma

Name Charles E. Wilbanks, Jr.
Charles E. Wilbanks, Jr.
Address 3940 East 4th St.
Tulsa, Oklahoma

Name _____

Name _____

Address _____

Address _____

Name _____

Name _____

Address _____

Address _____

ACCEPTED:

STANOLIND OIL AND GAS COMPANY
Working Interest Owner and Unit Operator

Tract 63

By [Signature] Vice President



STATE OF Oklahoma)
COUNTY OF Tulsa) SS

On this 31 day of March, 1953, before me personally appeared

~~Joan E. Wilbanks, and Charles E. Wilbanks, Jr. husband and wife~~

to me known to be the person S described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate above written.

B. A. Magnusson
Notary Public

My commission expires:

MY COMMISSION EXPIRES MARCH 30, 1957

STATE OF _____)
COUNTY OF _____) SS

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

to me known to be the person____described in and who executed the foregoing instrument,
and acknowledged that _____executed the same as _____free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate above written.

Notary Public

My commission expires:

STATE OF _____)
COUNTY OF _____) SS

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

to me known to be the person____described in and who executed the foregoing instrument,
and acknowledged that _____executed the same as _____free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
 and years in this certificate above written.

My commission expires:

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

417
April 22, 1953

C
O
P
Y

Stanolind Oil and Gas Company
Box 497
Farmington, New Mexico

Re: Unorthodox location within
San Juan 32-5 Unit.

Gentlemen:

The application to drill an unorthodox location within the San Juan 32-5 Unit has been received and also a verbal request for an unorthodox location in the same township and range.

Under authority granted to me by Rule 104 of the Commission's Rules and Regulations you have permission to drill these locations as set out in the application and as described below.

The Joseph Miller #1 for Pictured Cliffs production, 1600' from the north line and 1050' from the East line of Section 25, Twp. 32N, Rge. 5W, Rio Arriba County, in the San Juan 32-5 Unit Area. The second location 330' from the south line and 330' from the west line of Section 14, Twp. 32N, Rge. 5W, Rio Arriba County, in the San Juan 32-5 Unit Area.

A copy of this approval is being sent to our Aztec office in whose district these locations lie.

Very truly yours,

cc: Mr. Oliver Seth
OCC - Aztec

R. R. Spurrier
Secretary - Director

491

April 21, 1953

Stanolind Oil and Gas Company
Stanolind Building
Tulsa, Oklahoma

Re: San Juan 32-5 Unit Agreement
San Juan and Rio Arriba Counties,
New Mexico

Gentlemen:

We are in receipt of an approved copy for the above captioned Unit Agreement.

At the time that the original San Juan 32-5 Unit Agreement application was submitted to our office it was brought to the attention of your local legal representative and the Oil Conservation Commission that the S/2 and N/2 of Section 32, Township 32, Range 5 West, New Mexico Lease E-346 was included in your application for expansion of the Rosa Unit Agreement on September 1, 1948.

The following described acreage was included in your Rosa Unit enlargement proposal:

New Mexico Principal Meridian

T. 31N., R. 5W., sec. 1, Lots 1, 2, 3 & 4, S/2
sec. 2, Lots 1, 2, 3 & 4, S/2
T. 32N., R. 5W., secs. 31 to 36 inclusive.

Please advise if your records coincide with ours. The San Juan 32-5 Unit Agreement will remain in our pending file pending a reply to our letter.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

cc: U. S. Geological Survey (3)
Oil Conservation Commission (1) ✓

C
O
P
Y

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH
WM. FEDERICI
JUSTIN T. REID

SETH AND MONTGOMERY
ATTORNEYS AND COUNSELORS AT LAW
III SAN FRANCISCO ST.
SANTA FE, NEW MEXICO

April 20, 1953

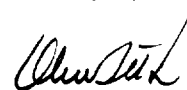
OIL CONSERVATION COMMISSION
State Capitol Building
Santa Fe, New Mexico

Gentlemen:

Re: San Juan 32-5 Unit,
San Juan and Rio Arriba Counties

Enclosed herewith is an approved and conformed copy of the San Juan 32-5 Unit Agreement which was the subject of the hearing in Case No. 491, ~~being previously~~ Order No. R-283, dated February 27, 1953.

Very truly yours,



OS:f
Enc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 17, 1953

C
O
P
Y

Mr. Oliver Seth
SETH AND MONTGOMERY
Box 828
Santa Fe, New Mexico

Dear Mr. Seth:

Attached are two signed copies of Order R-283-A issued nunc
pro tunc in Case 491. This order makes the correction in land
description in the San Juan 32-5 Unit of Stanolind Oil and Gas
Company. We will appreciate your forwarding a copy to your
client.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

February 19, 1953

Subject: Thorn Unit Agreement *Case 492*
Application, Otero
County, New Mexico
and
San Juan 32-5 Unit - *Case 491*
Agreement Application,
San Juan and Rio Arriba
Counties, New Mexico

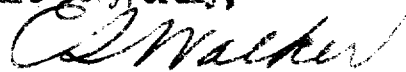
Stanolind Oil and Gas Company
Oil and Gas Building
Fort Worth, Texas

Attention: Mr. Oliver Seth

Gentlemen:

We are in receipt of applications requesting unitization of lands in the Thorn Unit Area in Otero County, New Mexico and the San Juan-32-5 Unit Area in San Juan and Rio Arriba Counties, New Mexico. The fees pertaining to these Unit Agreements have been submitted to this office on this date.

Yours very truly,



E. S. WALKER
Commissioner of Public Lands

cc: U. S. Geological Survey
Roswell, New Mexico (3)
Oil Conservation Commission
Santa Fe, New Mexico (1)

et

ILLEGIBLE

Rs

STANOLIND OIL AND GAS COMPANY
FORT WORTH, TEXAS

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.
RECEIVED
FEB 5 - 1953

February 3, 1953

File: RGH-3580-175

Subject: Applications for Hearing,
San Juan 32-5 Unit Area — *Case 471*
and Thorn Unit Area, — *Case 472*
New Mexico

Mr. Glenn Staley, Director
New Mexico Oil and Gas Engineering
Committee
Box 127
Hobbs, New Mexico

Dear Sir:

At the request of Mr. W. B. Macey of the New Mexico Oil Conservation Commission, we are transmitting one copy each of the applications of the Stanolind Oil and Gas Company for approval of two unit agreements, as follows:

Unit Agreement for the Development and
Operation of the San Juan 32-5 Unit Area
Counties of San Juan and Rio Arriba,
State of New Mexico

Unit Agreement for the Development and
Operation of the Thorn Unit Area,
County of Otero, State of New Mexico

Yours very truly,

ALEX CLARKE, JR.
Division Engineer

Attachments

RGH:chs

cc: Mr. W. B. Macey (L/Attach.) ✓
New Mexico Oil Conservation
Commission
Box 871
Santa Fe, New Mexico

ILLEGIBLE

COPY

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 26, 1953

Mr. C. F. Bedford
Stanclind Oil and Gas Company
Box 1410
Ft. Worth, Texas

Dear Sir:

We have received your requests for hearings on your two proposed unit agreements, the San Juan 32-5 Unit and the Thorn Unit.

These applications were received today by this office. In order for them to be heard at the February 17 hearing, as you requested, they should have been received at least 30 days prior to that time, so that proper advertisement might have been made. Inasmuch as legal notices for the February 17 hearing have long since been sent to the newspapers, it is impossible for these to be scheduled. We will be glad to set these up for the March 17 hearing, unless otherwise advised by you.

Yours very truly,

W. B. Macey,
Chief Engineer

WBM:mr

*Scheduled for special
hearing Feb 24 1953*

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STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

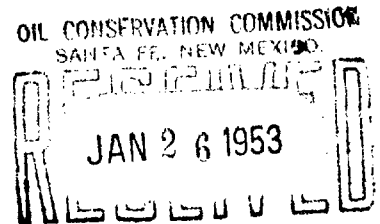
FORT WORTH, TEXAS

C. F. BEDFORD

DIVISION PRODUCTION SUPERINTENDENT

January 23, 1953

File: RGH-3547-175

Subject: Request for Hearings

Mr. R. R. Spurrier, Secretary
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

We are transmitting herewith applications of the Stanolind Oil and Gas Company for a hearing to consider approval of two unit agreements as follows:

Unit Agreement for the Development and
Operation of the San Juan 32-5 Unit Area
Counties of San Juan and Rio Arriba,
State of New Mexico

Unit Agreement for the Development and
Operation of the Thorn Unit Area,
County of Otero, State of New Mexico

It is requested that these matters be set for hearing at the New Mexico Statewide Proration Hearing tentatively scheduled for Tuesday, February 17, 1953.

Yours very truly,

A handwritten signature in cursive script, appearing to read "C. F. Bedford".

RGH:dhs
Attachments