

#1117



**EXCO Resources, Inc.**

1775 Sherman Street • Suite 2650 • Denver, Colorado 80203  
Phone (303) 830-1490 • FAX (303) 831-1397

March 12, 2001

Gary Gourley  
Bureau of Land Management  
Roswell District Office  
1717 West Second St  
Roswell, NM 88202

RE: Self Certification for Resignation of Unit Operator and Designation of Successor Operator for Little Eddy Unit Agreement, Lea County, New Mexico

Gentlemen:

Central Resources, Inc., was designated Unit Operator March 20, 1996, and has resigned as Operator. Enclosed please find one original and two copies of the required Change of Operator BLM form for the above-captioned unit.

EXCO Resources, Inc., as the designated Successor Operator under the Little Eddy Unit Agreement, hereby certifies that the requisite approvals of the current working interest owners in the agreement have been obtained to satisfy the requirements for selection of a successor operator as set forth under the terms and provisions of the agreement. All operations within the Little Eddy Unit Agreement will be covered by Bond No. 59-02-61.

Your approval is respectfully requested. Once received, EXCO will update Exhibit "B" and submit for your records.

Sincerely,

Christine L. Hinton  
Attorney

Cc: Pete Martinez  
State Land Office

Approved **APR 3 2001**  
*Roy Powell/CB*  
**COMMISSIONER OF PUBLIC LANDS**

File:  
56-NM-004

RECEIVED

APR - 9 2001

EXCO RESOURCES INC.



U.S. Department of the Interior

1849 • 1999



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second St.  
Roswell, New Mexico 88201  
www.nm.blm.gov

IN REPLY REFER TO:

3180 (06200)  
NM 70979X

APR 05 2001

CERTIFIED MAIL RETURN RECEIPT REQUESTED  
7099 3220 0004 0011 3405

EXCO RESOURCES Inc.  
Attn: Christine Hinton  
1775 Sherman Street Suite 2650  
Denver, Colorado 80203

Re: Designation of Successor Unit Operator for the Little Eddy Unit Agreement,  
located in Lea and Eddy County, New Mexico

Dear Ms. Hinton:

This office has received and reviewed your designation of successor unit operator in which your company has agreed to assume all rights, duties, and obligations as the unit operator of the Little Eddy Unit Agreement, Eddy County, New Mexico.

As your company has obtained a statewide bond and all the conditions for becoming a successor unit operator have been met to the Authorized Officer's satisfaction, is hereby approved as the unit operator for the Little Eddy Unit as of this date and is effective October 01, 2000 .

In accordance with this approval, EXCO Resources Inc. is responsible for all operations and the reporting of all production from the unit. Well signs should also reflect EXCO Resources, Inc. as the unit operator. Please inform all interested principles of such approval. An approval copy of this designation will be sent to your company.

In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approvals that would entitle it to conduct operations under the Little Eddy Unit Agreement.

In addition to becoming the successor unit operator, this office requests a revised Exhibit "B" for the subject unit within 60 days from the receipt of this letter.

4/17 Sharon F.  
cc: Pamela  
Debbie/Sidney

Should you have any questions regarding this matter, contact Gary Gourley at Lands and Minerals Division of the Bureau of Land Management at (505) 627-0249.

Sincerely,

A handwritten signature in black ink that reads "Larry D. Bray". The signature is written in a cursive style with a large, prominent "L" and "B".

Larry D. Bray  
Assistant Field Office Manager,  
Lands and Minerals,  
Roswell Field Office

**CHANGE IN UNIT OPERATOR  
LITTLE EDDY UNIT AREA  
COUNTY OF LEA, STATE OF NEW MEXICO  
NO. 14-08-001-3464**

This indenture, dated as of the 1<sup>st</sup> day of October 2000, is by and between CENTRAL RESOURCES, INC., hereinafter designated as "FIRST PARTY," and EXCO RESOURCES, INC., hereinafter designated as "SECOND PARTY."

WITNESSETH:

WHEREAS, under the provisions of the Act of February 25, 1920, 41 Stat. 43730 U.S.C. Secs. 181, *et seq.*, as amended by the Act of August 8, 1946, 60 Stat. 950, the Department of the Interior, on November 2, 1956, approved a unit agreement for the Little Eddy Unit Area, wherein the First Party is currently designated as Unit Operator; and

WHEREAS, the First Party desires to transfer, assign, release, and quitclaim, and the Second Party desires to assume all the rights, duties and obligations of Unit Operator under the unit agreement; and

WHEREAS, for sufficient and valuable consideration, the receipt whereof is hereby acknowledged, the First Party has transferred, conveyed, and assigned all its rights under certain operating agreements involving lands within the area set forth in said unit agreement unto the Second Party;

NOW, THEREFORE, in consideration of the premises hereinbefore set forth, the First Party does hereby transfer, assign, release, and quitclaim unto Second Party all of First Party's rights, duties, and obligations as Unit Operator under said unit agreement; and

SECOND PARTY hereby accepts this assignment and hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of said unit agreement to the full extent set forth in this assignment, effective upon approval of this indenture by the below-named authorized officer of the BLM; said unit agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively 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.

FIRST PARTY - CENTRAL RESOURCES, INC.

*James H. H. H. H.*  
Witness

*Debra S. Sullivan*  
Witness

By: *Catherine I. Eakle*

Name: Catherine I. Eakle

Title: Senior Vice President

SECOND PARTY - EXCO RESOURCES, INC.

*Western Hunter*  
Witness

*Robert L. Hodges*  
Witness

By: *R.L. Hodges*

Name: R.L. Hodges

Title: Vice President

I hereby approve the foregoing indenture designating EXCO RESOURCES, INC., as Unit Operator under the unit agreement for the Little Eddy Unit Area, this 4<sup>th</sup> day of April, 2001.

Authorized Officer of the Bureau of Land Management

By: *Larry D. Bray*

COMMISSIONER'S OFFICE

Phone (505) 827-5760  
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700  
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713  
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245  
Fax (505) 827-5766



File  
56-NM-004

COMMERCIAL RESOURCES

Phone (505) 827-5724  
Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744  
Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772  
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793  
Fax (505) 827-5711

New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.

April 17, 2001 - Notational Correspondence

RECEIVED

New Mexico Oil Conservation Commission  
PO Box 2088, Santa Fe, NM 87504

APR - 9 2001

State and BLM approvals of the below-noted unit are provided for your records and approval.

EXCO RESOURCES INC.

Christine Hinton  
Land Dept./EXCO Resources, Inc.

April 3, 2001

EXCO Resources, Inc.  
1775 Sherman Street  
Suite 2650  
Denver, Colorado 80203

Attn: Ms. Christine L. Hinton

Re: Resignation/Designation of Successor Unit Operator  
Little Eddy Unit  
Lea County, New Mexico

Dear Ms. Hinton:

We are in receipt of your resignation/designation of successor unit operator, wherein Central Resources, Inc. has resigned as unit operator of the Little Eddy Unit and designated EXCO Resources, Inc. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Central Resources, Inc. and the designation of EXCO Resources, Inc. as the successor unit operator of this unit. Our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

This change in operators is effective October 1, 2000. In accordance with this approval, EXCO Resources, Inc. is now responsible for all operations and the reporting of all production from the unit.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:  
JAMI BAILEY, Director  
Oil/Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
xc: Reader File                      Central Resources, Inc.                      BLM                      OCD

4/17 cc: Sharon F.  
Pamela  
Debbie/Sidney  
"WE WORK FOR EDUCATION"

1117



COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5793

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5715

PLANNING  
(505)-827-5752

State of New Mexico  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.  
310 Old Santa Fe Trail, P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Phone (505)-827-5760, Fax (505)-827-5766

November 4, 1997

Central Resources, Inc.  
2600 Mellon Center  
1775 Sherman Street  
Denver, Colorado 80203-4313

Attn: Mr. Scotty A. Smith

Re: 1997 Plan of Development  
Little Eddy Unit  
Lea County, New Mexico

Dear Mr. Smith:

The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the unit area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

In your 1998 Plan of Development, please address your plans for developing the Delaware Formation in the E/2 of Section 31-20S-33E and the SW/4NW/4 and NW/4SW/4 of Section 32-20S-33E.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
xc: Reader File

OCD

BLM

**CENTRAL**  
**RESOURCES, INC.**

RECEIVED  
JUN - 3 1996

1117

May 30, 1996

Bureau of Land Management  
Roswell District Office  
Attn: Tony L. Ferguson  
Assistant District Manager  
1717 West Second Street  
Roswell, NM 88202

State of New Mexico  
Commissioner of Public Lands  
Oil, Gas and Minerals Division  
Attn: Pete Martinez  
PO Box 1148  
Santa Fe, NM 87504-1148

New Mexico Conservation Commission  
Oil & Gas Division  
Attn: William Lemay  
2040 South Pacheco  
Santa Fe, NM 87505

Working Interest Owners  
Little Eddy Unit

Re: Exhibit "B" Unit Ownership  
Little Eddy Unit Area  
T20-21S, R32-33E  
Lea County, New Mexico

Gentlemen:

Central Resources, Inc. was approved as the successor Unit Operator for the Little Eddy Unit effective March 20, 1996. The Unit's ownership exhibit was last updated on October 4, 1989. Enclosed please find a revised Unit Exhibit "B" as of May 30, 1996 for your records. As footnoted on the Exhibit, the working interest ownership of record for the unit leasehold is impacted by various contractual agreements. Thus, ownership in the various participating area wells cannot be determined from the Exhibit itself, but all working interest owners sharing in unit costs and production are named in the working interest column or the footnote.

Questions concerning the updated exhibit may be directed to the undersigned.

Sincerely,

CENTRAL RESOURCES, INC.

  
Christine L. Hinton  
Consulting Landman

## LITTLE EDDY UNIT AREA, LEA COUNTY, NEW MEXICO

## SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS IN ALL LANDS IN THE UNIT AREA

Revised  
5/30/96

Tract No.	Description of Land	No. of Acres	Lease No. & Effective Date	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner of Record (** See p. 3)
<u>FEDERAL LAND</u>							
8	<u>T21S-R32E</u> Sec. 5: Lots 1,2,3 & 4	164.96	NM-01236 02/01/52	USA - 12 1/2%	Central Resources, Inc.	Board of Regents of the University of NM - 2.4% Board of Regents of NM Military Institute - .45% Conquistador Council, Boy Scouts of America Trust Fund - .15%	<u>Lower Morrow Formation and Below the Morrow*</u> Central Resources, Inc.
14-A	<u>T20S-R33E</u> Sec. 31: Lots 3,4, E/2SW/4, SW/4NE/4, NW/4WSE/4	240.15	NM-03023-A 05/01/52	USA - 12 1/2%	Texaco, Inc.	Trigg Family Trust - 1 1/2% Howard W. Jennings Estate - 1.34375% R.P. Kramer - .5625% Fisco, Inc. - .046875% First Century Oil, Inc. - .046875%	Central Resources, Inc.
14-B	<u>T20S, R33E</u> Sec. 31: Lot 2, SE/4NW/4	80.19	NM-03023-B 05/01/52	USA - 12 1/2%	Central Resources, Inc.	Trigg Family Trust - 1 1/2% Howard W. Jennings Estate - 1.34375% R.P. Kramer - .5625% Fisco, Inc. - .046875% First Century Oil, Inc. - .046875%	Central Resources, Inc.
29-A	<u>T21S, R32E</u> Sec. 5: Lots 5,6	80.00	NM-04229-B 02/01/51	USA - 12 1/2	Central Resources, Inc.	W.D. Blaydes Trust - .5% Mary Loomis Cleve - 2.5% Eugene L. & Martha Heath - 2.5%	<u>Lower Morrow Formation and Below the Morrow*</u> Central Resources, Inc.
30-A	<u>T21S, R32E</u> Sec. 5: Lots 7,8	80.00	NM-04229-C 02/01/51	USA - 12 1/2%	Central Resources, Inc.	Lucy R. & Edward Muse - .5% Mary Loomis Cleve - 2.5% Eugene L. & Martha Heath - 2.5%	<u>Lower Morrow Formation and Below the Morrow*</u> Central Resources, Inc.

\*Surface to base of Morrow  
save and except Lower  
MorrowPerry B. Bass, Inc., Sid R. Bass,  
Inc., Lee M. Bass, Inc.,  
Keystone, Inc., Thru Line, Inc.

\*\*\*\*\*5 FEDERAL TRACTS CONTAINING 645.30 ACRES, OR 41.21% OF THE UNIT AREA\*\*\*\*\*

Tract No.	Description of Land	No. of Acres	Lease No. & Effective Date	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner of Record (** See p. 3)
	<u>STATE LAND</u>						
92	<u>T20S, R32E</u> Sec. 36: E/2E/2, NW/4SE/4	280.00	E-5231-10 05/10/51	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.
	<u>T20S, R33E</u> Sec. 31: SE/4NE/4, NE/4SE/4						
92-B	<u>T20S, R33E</u> Sec. 31: Lot 1, NE/4NW/4	80.26	E-5231-10 05/10/51	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.
94	<u>T20S, R33E</u> Sec. 31: S/2SE/4	80.00	E-6142-5 04/10/52	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.
99	<u>T20S-R33E</u> Sec. 32: W/2SW/4	80.00	E-9052-9 05/17/55	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.
99-A	<u>T20S, R33E</u> Sec. 32: SW/4NW/4	40.00	E-9052-0 05/17/55	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.
113	<u>T20S, R32E</u> Sec. 36: W/2NE/4, SW/4SE/4	120.00	E-9543-3 11/15/55	State of New Mexico - 12 1/2%	Central Resources, Inc.	None	Central Resources, Inc.

\*\*\*\*\*6 STATE TRACTS CONTAINING 680.26 ACRES OR 43.44% OF UNIT AREA.\*\*\*\*\*

Tract No.	Description of Land	No. of Acres	Lease No. & Effective Date	Basic Royalty Owner & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner of Record (** See below)
125	<u>FEE OR PRIVATELY OWNED LAND</u> T20S, R32E Sec. 25: SE/4	240.45	04/08/57	Devon Energy Corp. - 3.125%	Central Resources, Inc. - 50% leasehold	The following parties own a contractual ORR on a well basis:	Central Resources, Inc. Southwest Royalties, Inc.
	<u>T20S, R33E</u> Sec. 30: Lots 3,4			Fina Oil and Chemical Company - 1.17186% Frank O. Elliott Living Trust - .58593% Edna Ione Hall Living Trust - .58593% David Bond Kyte 1.5625% Higgins Trust, Inc. 1.5625% Oxy USA, et al (19 additional ORR owners - owning from 7/10 of 1% to 6/100 of 1% - complete list of current ORR can be provided to BLM by Operator upon request).	Devon Energy Corp. - 25% UMI* Frank O. Elliott Living Trust - 4.6875% UMI* & 1.5625% leasehold Edna Ione Hall Living Trust - 4.6875% UMI* & 1.5625% leasehold Texas Independent Exploration, Inc. - 9.375% UMI* & 3.125% leasehold	Perry Bass, Trustee Sid R. Bass, Inc. Lee M. Bass, Inc. Keystone, Inc. Thru Line, Inc.	Devon Energy Corp. Texas Independent Exploration, Inc. Frank O. Elliott Living Trust Edna Ione Hall Living Trust

\*\*\*\*\*1 FEE OR PRIVATELY OWNED TRACT CONTAINING 240.45 ACRES, OR 15.35% OF THE UNIT AREA.\*\*\*\*\*

\*\*\*\*\*TOTAL 12 TRACTS CONTAINING 1566.01 ACRES IN THE LITTLE EDDY UNIT AREA.\*\*\*\*\*

\*\*This exhibit represents mineral and working interests as filed under numerous assignments in the BLM, in the New Mexico State Land Office or in the county records. However, numerous contractual interests under farmouts, joint operating agreements and letter agreements alter the ownership, expense obligations and percentage of unit production to which parties are entitled. Additional unit owners holding contractual interests only are W. Ridley Wheeler Estate, Trustees w/v of Hubert L. Brown, Hubert L. Brown Jr. and Elizabeth Marie Brown.

1117



APR 2 1996  
10 52

State of New Mexico  
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

(505) 827-5760  
FAX (505) 827-5766

SANTA FE, NEW MEXICO 87504-1148

April 2, 1996

Central Resources, Inc.  
2600 Mellon Center  
1775 Sherman Street  
Denver, Colorado 80203-4313

Attn: Mr. Howard T. Kingry

Re: Resignation/Designation of Successor Unit Operator  
Little Eddy Unit  
Lea County, New Mexico

Dear Mr. Kingry:

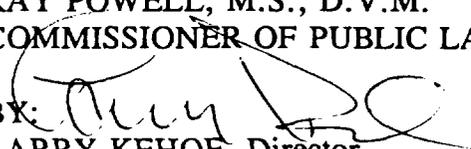
We have received a resignation/designation of successor unit operator, wherein Texaco Exploration and Production, Inc. resigned as unit operator of the Little Eddy Unit, and designated Central Resources, Inc. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation/designation described herein. This change in operators is effective March 20, 1996. In accordance with this approval, Central Resources, Inc. is now responsible for all operations and the reporting of all production from the unit. Our approval is subject to like approval by the Bureau of Land Management.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BX:   
LARRY KEHOE, Director  
Oil, Gas & Minerals Division  
(505) 827-5744

RP/LK/cpm  
Enclosure

cc: Reader File Commissioner's File OCD-Roy Johnson BLM TRD  
Texaco Exploration & Production, Inc.



Texaco Exploration and Production Inc.  
Southwest Exploitation

500 N. Loraine  
Midland TX 79701

P.O. Box 3109  
Midland TX 79702

1117

*D-UNIT LETTER*  
*7/12/93*

August 9, 1993

District Supervisor  
Bureau of Land Management  
Roswell District Office  
P. O. Box 1397  
Roswell, New Mexico 88202-1397  
ATTN: Mr. Gary Gorley

State of New Mexico  
Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
ATTN: Mr. Pete Martinez

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

All Working Interest Owners  
(Address List Attached)

RE: LITTLE EDDY UNIT  
PLAN OF DEVELOPMENT - 1993  
LEA COUNTY, NEW MEXICO

Gentlemen:

As operator of the Little Eddy Unit, Texaco Exploration and Production Inc. submits, for your approval, a 1993 plan of development and operations for the Delaware Participating Area.

**PAST OPERATIONS**

Texaco operates four wells in the Little Eddy Unit. The four wells are currently active. Enclosed, for your information, is a map of the unit area and production curves for the active wells.

Texaco completed the Audie Richards No. 1 (SE Section 25, T-20-S, R-32-E) January, 1958. The well potential for 1,794 MCFGPD and 48 BOPD through Morrow perforations at 12,909 feet to 12,916 feet. In July, 1979, Texaco added additional Morrow perforations from 13,006 feet to 13,220 feet. Through March 31, 1993, cumulative production is 50 MBO, and 2,500 MMCF. The well produces 20 MCFD, 1 BOPD, 0 BWPD.

Bureau of Land Management,  
Commissioner of Public Lands,  
NM Oil Conservation Division,  
Working Interest Owners

-2-

August 9, 1993

Texaco completed the New Mexico State 'CM' No.1 (SE Section 31, T-20-S, R-33-E) in April, 1960. The initial potential was 208 BOPD and 8,400 MCFD from Morrow perforations at 13,288 feet to 13,602 feet. Cumulative Morrow production through March 31, 1993, is 79 MBO and 8,548 MMCF. The well currently produces 160 MCFD, 1 BOPD, 0 BWPD.

In April, 1960, Texaco finaled the New Mexico State 'CH' No. 1 (NE Section 36, T-20-S, R-32-E) as a dual Morrow and Atoka producer. Initial potential from Morrow perforations at 13,242 feet to 13,307 feet was 3,526 MCFD and 114 BOPD. Atoka perforations at 12,640 feet to 12,654 feet produced 1,414 MCFD and 49 BOPD upon initial completion. The Morrow interval was shut-in January, 1978. The well currently produces 30 MCFD, 0 BOPD, 0 BWPD from the Atoka. Cumulative Morrow production from the State 'CH' No. 1 is 17 MBO and 470 MMCF. Through March, 1993, cumulative Atoka production has been 50 MBO and 3,403 MMCF.

Texaco operates one Delaware well in the Little Eddy Unit. The Little Eddy Unit #1 was drilled and completed on March 26, 1993. The well potential for 120 BOPD, 60 MCFD, 186 BWPD through Delaware perforations from 7,085 feet to 8,252 feet. Texaco has applied for a commercial determination and participating area for the Little Eddy Unit #1 well.

#### **PLAN OF DEVELOPMENT FOR 1993**

During the remainder of 1993, Texaco plans to drill a second 8,350' Delaware test in the Little Eddy Unit. No other activity is scheduled for 1993. However, Texaco continues to study additional drilling and workover possibilities in the Delaware.

Yours very truly,



Charles C. Atherton, Jr.  
Area Manager SW Exploitation & Evaluations

PHMcC/dls  
Attachments  
File  
Chrono

**LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO**

**Working Interest Owners**

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, TX 79702

Bass Enterprises Production Co.  
Perry R. Bass, Inc.  
Sid R. Bass, Inc.  
Lee M. Bass, Inc.  
Keystone, Inc.  
201 Main Street, Suite 3100  
Fort Worth, TX 76102

Texas Independent Exploration, Inc.  
1600 Smith, Suite 3800  
Houston, TX 77002

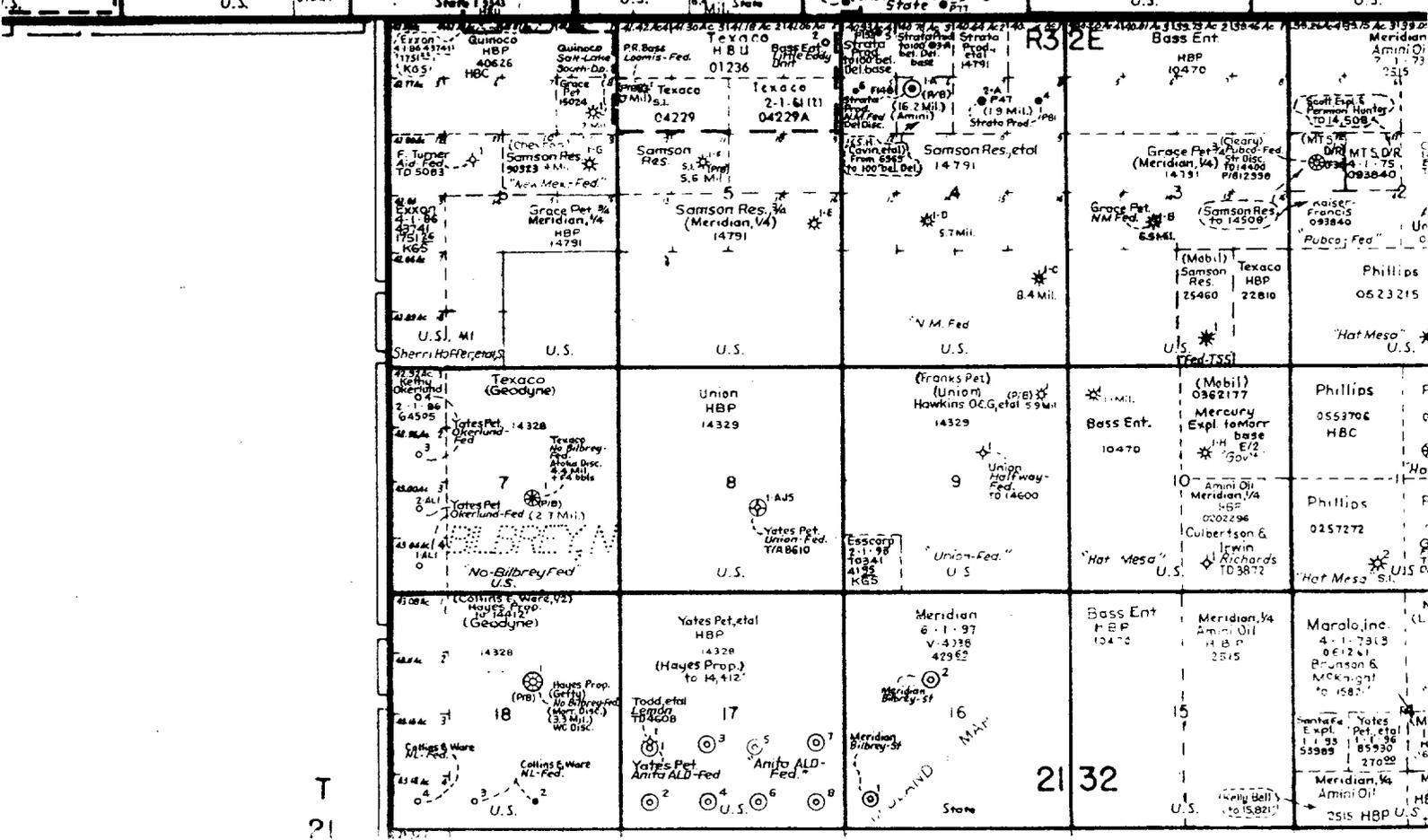
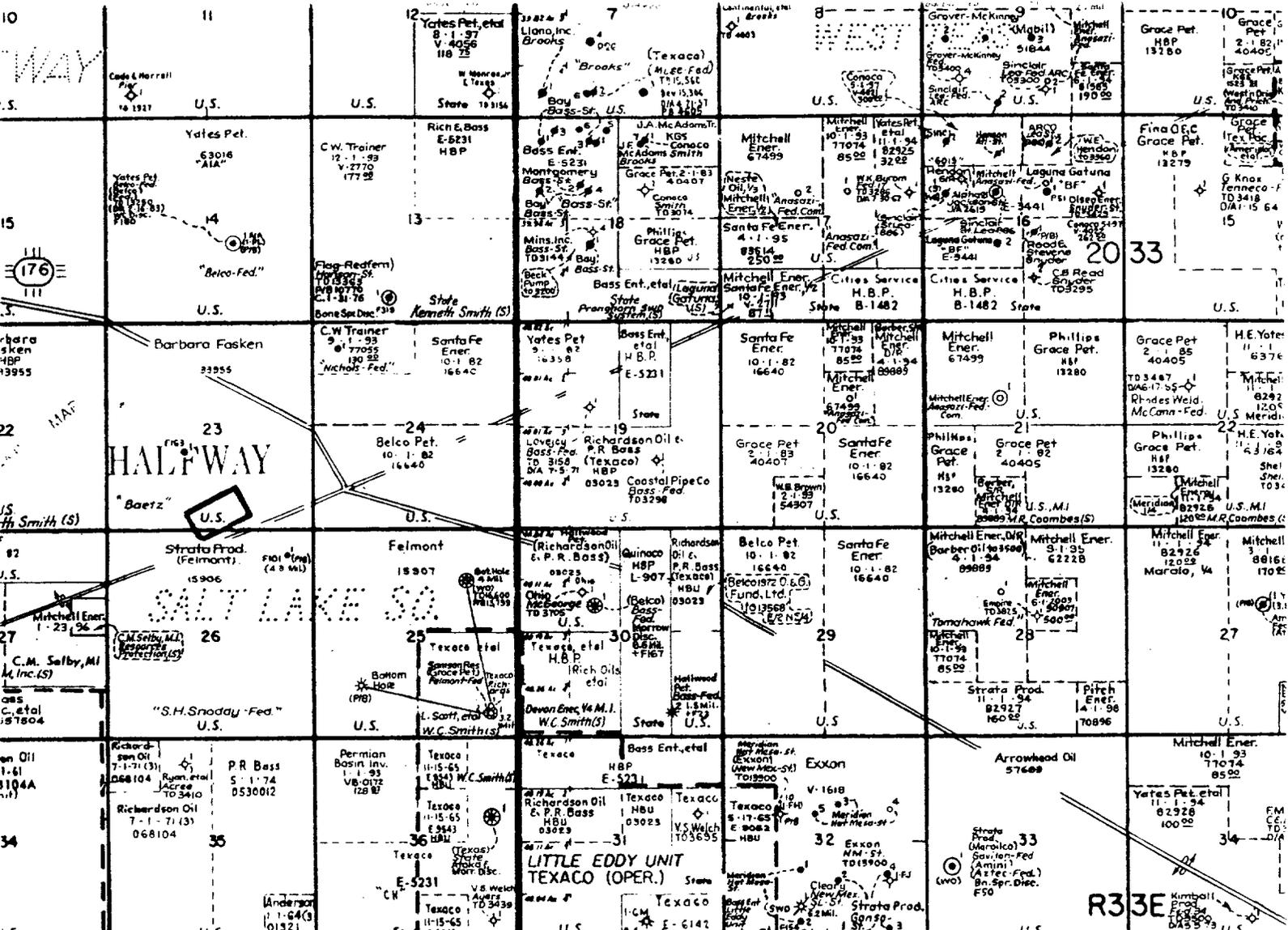
Frank O. Elliot  
Trustee of the Frank O. Elliot Living Trust  
Edna Ione Hall  
Trustee of the Edna Ione Hall Living Trust  
P. O. Box 1355  
Roswell, NM 88202

H. L. Brown Estate  
Hubert L. Brown, Jr.  
Elizabeth Marie Brown  
6300 Ridglea Place, Suite 1118  
Fort Worth, TX 76102

W. Ridley Wheeler Estate  
500 Throckmorton, Suite 2010  
Fort Worth, TX 76102

Devon Energy Corporation  
Devon Energy Partners  
1500 Mid America Tower  
Oklahoma City, OK 73102

Fina Oil and Chemical Company  
P. O. Box 62102  
Houston, TX 77205-2102  
ATTN: Mr. Mark Lampson



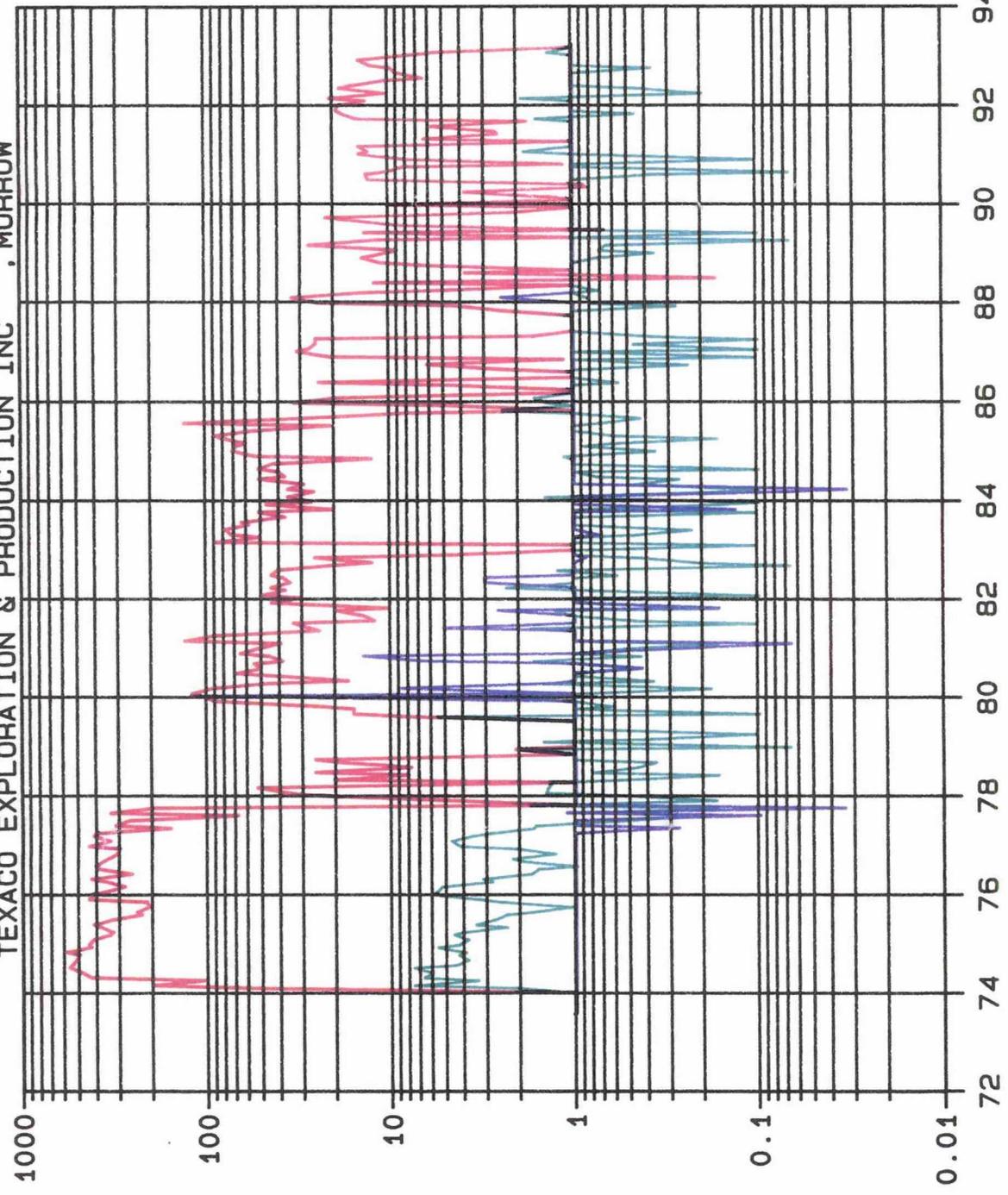
T  
21

2132

LITTLE EDDY UNIT AUDIE RICHARDS - 001 SALT LAKE . SOUTH  
 TEXACO EXPLORATION & PRODUCTION INC . MORROW

LEASE DATA  
 LSE 436570  
 FLD 48410  
 OPER 93322  
 ZONE 402  
 020S-032E-25  
 COUNTY 025  
 STATE 30

STATUS 3-93  
 CO 6 MBO  
 CG 608 MMCF  
 BOPD 0  
 BWPD 0  
 MCFPD 0  
 WELLS 0  
 CI 0 MBWI  
 BWIPD 0



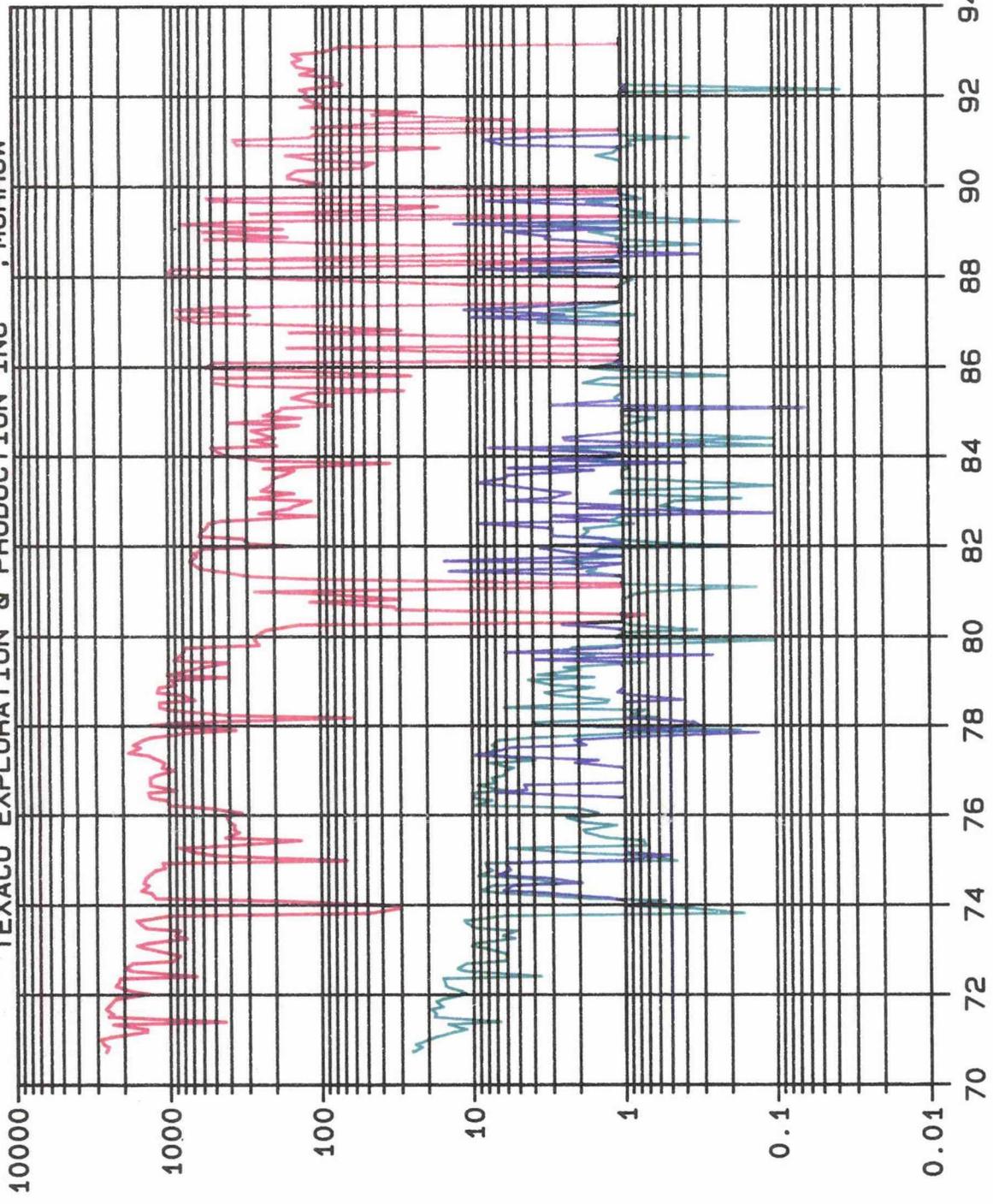
MCFPD  
 BWPD  
 BOPD

YEARS

LITTLE EDDY UNIT CM STATE - 001 SALT LAKE . SOUTH  
 TEXACO EXPLORATION & PRODUCTION INC . MORROW

LEASE DATA  
 LSE 436650  
 FLD 48410  
 OPER 93322  
 ZONE 402  
 020S-033E-31  
 COUNTY 025  
 STATE 30

STATUS 3-93  
 CO 79 MBO  
 CG 8548 MMCF  
 BOPD 0  
 BWPD 0  
 MCFPD 0  
 WELLS 0  
 CI 0 MBWI  
 BWIPD 0



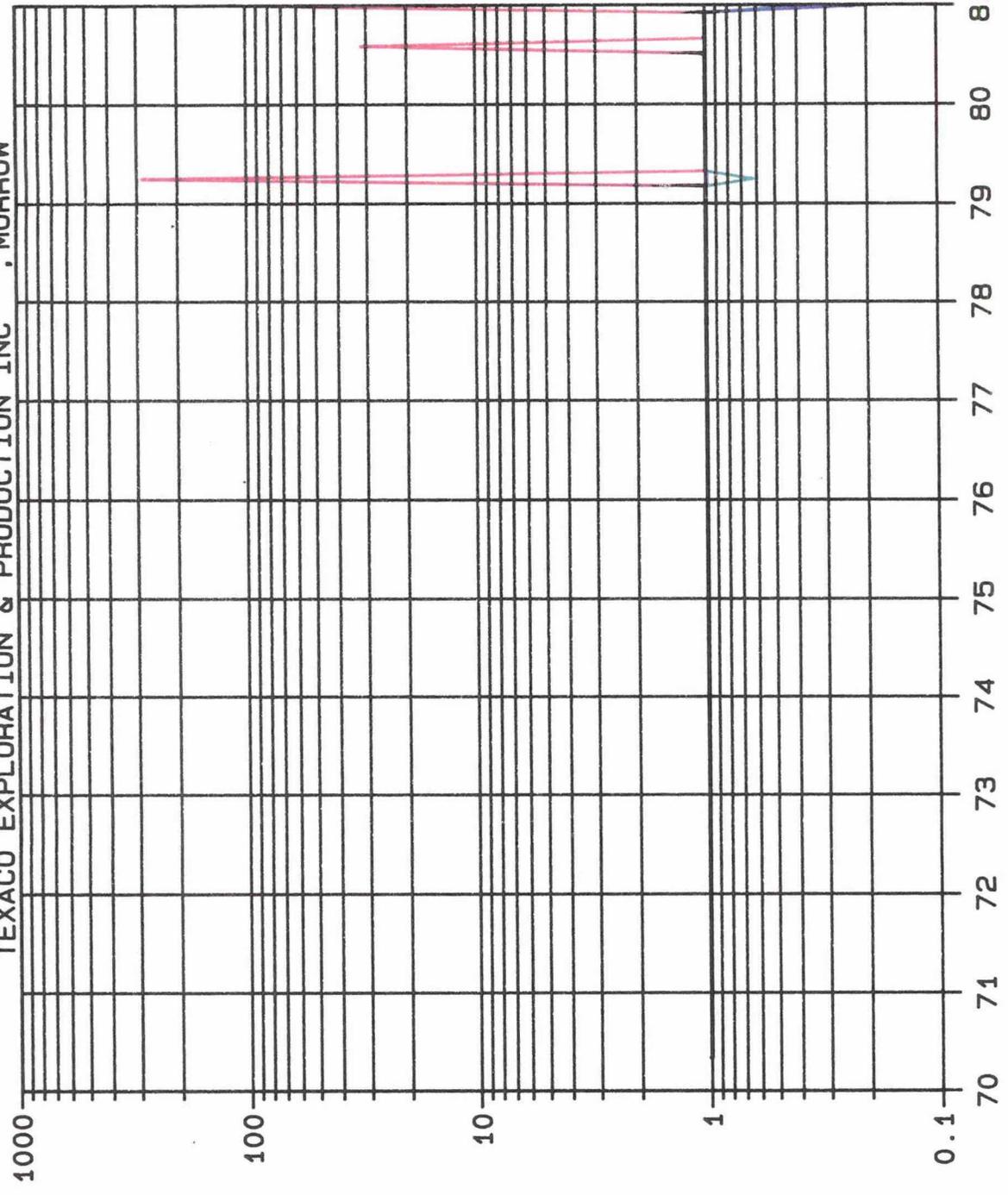
MCFPD  
 BWPD  
 BOPD

YEARS

LITTLE EDDY UNIT CH STATE - 001 SALT LAKE , SOUTH  
 TEXACO EXPLORATION & PRODUCTION INC , MORROW

LEASE DATA  
 LSE 436600  
 FLD 48410  
 OPER 93322  
 ZONE 402  
 020S-032E-36  
 COUNTY 025  
 STATE 30

STATUS 12-80  
 CO 17 MBO  
 CG 466 MMCF  
 BOPD 0  
 BWPD 0  
 MCFPD 116  
 WELLS 1  
 CI 0 MBWI  
 BWIPD 0



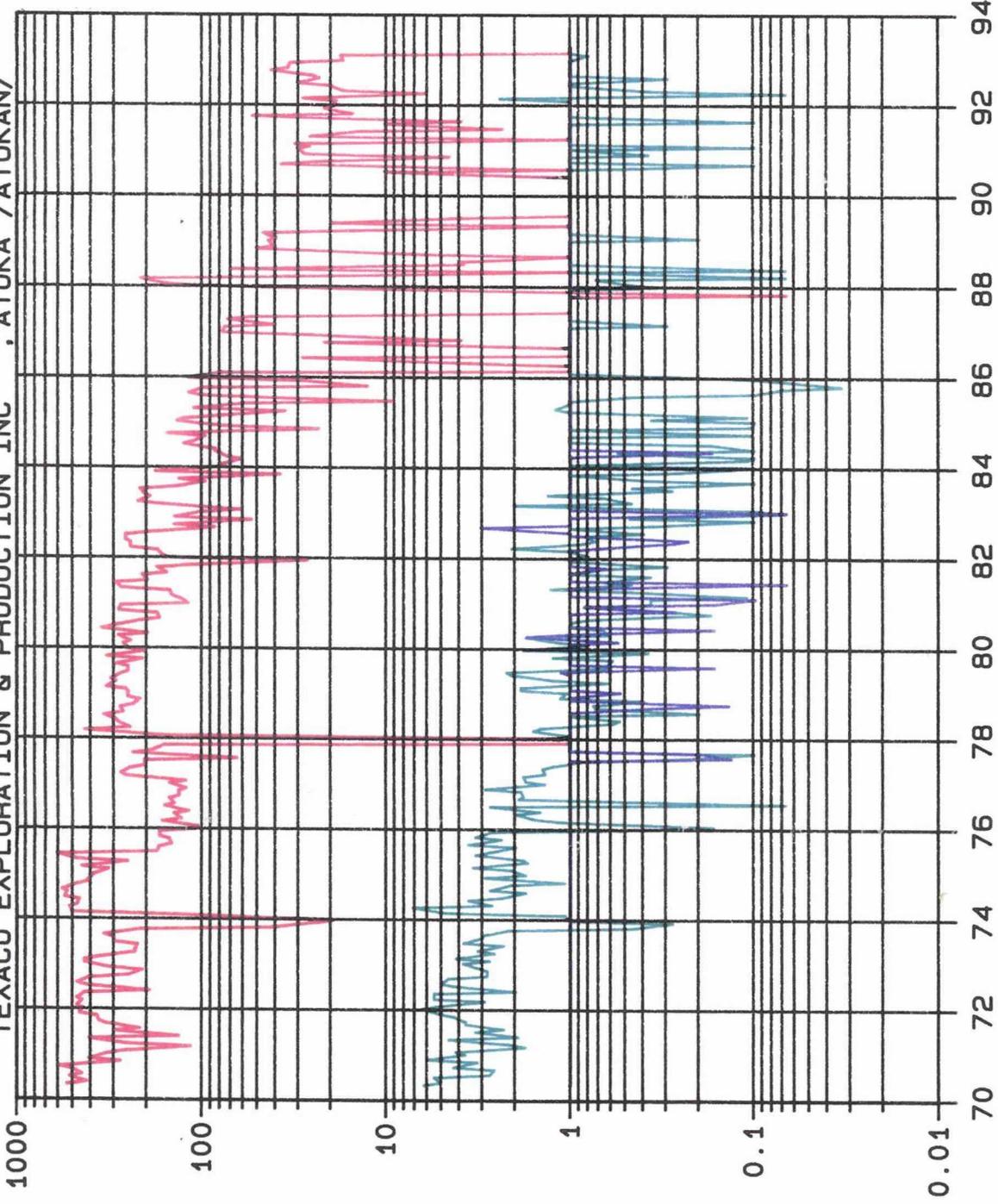
BOPD  
 BWPD  
 MCFPD

YEARS

LITTLE EDDY UNIT CH STATE - 001 SALT LAKE . SOUTH  
 TEXACO EXPLORATION & PRODUCTION INC . ATOKA / ATOKAN/

LEASE DATA  
 LSE 436600  
 FLD 48410  
 OPER 93322  
 ZONE 403  
 020S-032E-36  
 COUNTY 025  
 STATE 30

STATUS 3-93  
 CO 50 MBO  
 CG 3403 MMCF  
 BOPD 0  
 BWPD 0  
 MCFPD 0  
 WELLS 0  
 CI 0 MBWI  
 BWIPD 0



MCFPD  
 BWPD  
 BOPD

YEARS



RAY B. POWELL  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

September 3, 1993

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, Texas 79702

Attn: Mr. Charles C. Atherton, Jr.

Re: Little Eddy Unit  
1993 Plan of Development  
Lea County, New Mexico

Dear Mr. Atherton:

This office is in receipt of your 1993 Plan of Development for the little Eddy Unit, Lea County, New Mexico.

The Commissioner of Public lands has this date approved the above captioned Plan of Development. Such plan calls for the drilling of an 8,350' Delaware test in the Little Eddy Unit. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Please be advised that as part of your next (1994) plan of development, we would like you to address the possibility of drilling a Morrow/Atoka well in the W/2 of Section 31, Township 20 South, Range 33 East.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
RBP/FOP/pm  
cc: Reader File  
OCD - Roy Johnson



RAY B. POWELL  
COMMISSIONER

State of New Mexico  
OFFICE OF THE  
Commissioner of Public Lands  
Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

September 3, 1993

Texaco Inc.  
P.O. Box 730  
Hobbs, New Mexico 88240

Attention: Mr. Tony Ferguson

Re: Name Change Request for all Wells Producing from the  
Little Eddy Unit, Lea County, New Mexico

Dear Mr. Ferguson:

The Bureau of Land Management by their letter of August 12, 1993, has requested that Texaco rename all wells producing from the Little Eddy Unit to coincide with the unit name. The Commissioner of Public Lands concurs with the Bureau of Land Management that all producing wells in the Little Eddy Unit be renamed and must carry the unit name and number in sequential order.

Please submit copies of your changed well names to this office for our files.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
RBP/FOP/pm  
cc: Reader File  
BLM - Mr. Gary Gourley  
OCD



Texaco Exploration and Production Inc

RECEIVED  
MARCH 8 1994  
P.O. Box 48517  
Denver, CO 80248-6517  
ATTN: DTC, Petroleum  
Denver, CO 80237

March 3, 1994

Application for Approval of the Initial Participating Area  
for the Delaware Formation and Commercial  
Well Determination for the Little Eddy Unit Well Nos. 1 & 5  
Little Eddy Unit  
Lea County, New Mexico  
**NM177700 - Little Eddy Unit**  
**Leases NM177445, NM205388 & NM192484**

*3/7/94*  
*D Unit letter*  
*Tex*  
*Ry*

Bureau of Land Management  
Attention: John Simitz  
1717 West 2nd  
Roswell, New Mexico 88201

Commissioner of Public Lands  
State of New Mexico  
Attention: Pete Martinez  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

Oil Conservation Division  
State of New Mexico  
Attention: Roy Johnson  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Gentlemen:

Texaco, in letter dated July 30, 1993, applied for commercial well determination and a participating area for the Little Eddy Unit Well #1 which was completed on March 26, 1993. The proposed participating area covered the SW/4SW/4 of Section 32, T20S, R33E. Our request for the participating area was approved by the State of New Mexico but was never approved by the Bureau of Land Management. Texaco completed the Little Eddy Unit Well #5 on December 14, 1993, at a location 530' FNL & 330' FEL of Section 5, T21S, R32E. We now wish to submit an application for both commercial well determination and a participating area for these wells. These wells appear to be commercially productive under the terms of the Little Eddy Unit Agreement. Hopefully our most recent selection of land for the participating area will meet the approval of all concerned.

March 3, 1994  
Little Eddy Unit

Texaco Exploration and Production Inc., as Operator of the Little Eddy Unit, pursuant to the provisions of Section 11 of the Little Eddy Unit Agreement, respectfully submits for your approval the selection of the following described land in Lea County, New Mexico to constitute the initial participating area for the Delaware formation, to-wit:

T-20-S, R-33-E, N.M.P.M.  
Section 32: SW/4SW/4  
and  
T-21-S, R-32-E, N.M.P.M.  
Section 5: Lots 1,2,7 & 8  
containing 202.24 acres, more or less.

In support of this application we have enclosed Exhibit "A", which is a map of the Little Eddy Unit showing the proposed initial participating area for the Delaware formation, and Exhibit "B", which is a schedule setting forth the land to be included in the participating area, the percent of participation of such land and the working interest ownership in each of the two wells.

All geological data and other well information necessary to support this application has been previously furnished to the appropriate parties.

Applicant respectfully requests your approval of the hereinabove selection of land to constitute the Initial Delaware Formation Participating Area, to be effective March 26, 1993.

Very truly yours,  
Texaco Exploration and Production Inc.

  
David L. Sleeper  
West Region Land

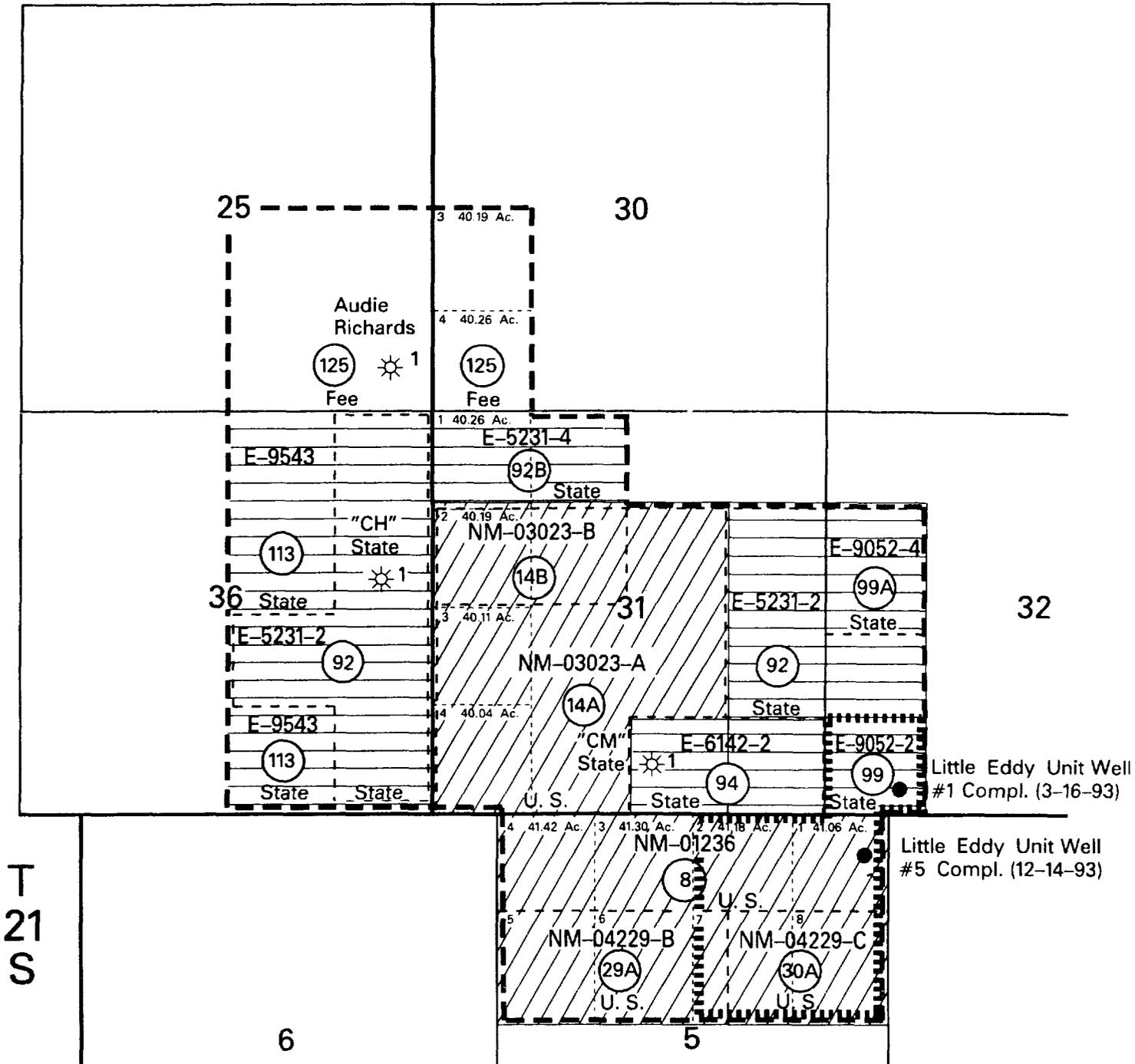
DLS:

cc: W.I. Owners

R32E

R33E

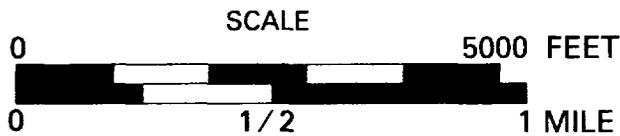
T  
20  
S



T  
21  
S

R32E

**EXHIBIT "A"**  
**LITTLE EDDY UNIT**  
 LEA COUNTY, NEW MEXICO



(99) (30A) (8) TRACT NUMBERS - EXHIBIT "B"

 PROPOSED 202.24 ACRE INITIAL PARTICIPATING AREA FOR THE DELAWARE FORMATION

<b>LITTLE EDDY UNIT</b>			
	FEE	240.45 AC.	15.35%
	STATE	680.26 AC.	43.44%
	FEDERAL	645.30 AC.	41.21%
TOTAL		1566.01 AC.	100.00%



Summary

<u>Type Land</u>	<u>Committed Acres</u>	<u>Percentage of Participating Area</u>
State	40.00	19.7785%
Federal	<u>162.24</u>	<u>80.2215%</u>
TOTAL	202.24	100.0000%



Oil Conservation Division  
State of New Mexico  
34700177 AM 8 39

March 16, 1994

Application for Approval of the Initial Participating Area  
for the Delaware Formation and Commercial  
Well Determination for the Little Eddy Unit Well Nos. 1 & 5  
Little Eddy Unit  
Lea County, New Mexico  
**NM177700 - Little Eddy Unit**  
**Leases NM 177445, NM 205388 & NM 192484**

Bureau of Land Management  
Attention: John Simitz  
1717 West 2nd  
Roswell, New Mexico 88201

Oil Conservation Division  
State of New Mexico  
Attention: Roy Johnson  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Commissioner of Public Lands  
State of New Mexico  
Attention: Pete Martinez  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

Gentlemen:

The following economic data is offered in support of Mr. Sleeper's March 3, 1994 application for an Initial Participating Area and Commercial Well Determination for the Little Eddy Unit #5. Please contact myself at (505) 397-0419 concerning any questions you may have regarding this information.

Yours truly,

Scott G. Warhover  
Production Engineer

/sgw  
file

Attachments

**PARTICIPATING AREA  
DELAWARE FORMATION  
LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO**

Well Name: LEU #5  
 Formation: Delaware  
 Location: 530' FNL & 330' FEL, T21-S R32-E, Sec 5  
 County, State: Lea, New Mexico

Date Spudded: 10-25-93  
 Date Completed: 12-14-93

**Well Cost Data**

Total Well Costs: \$651,000 (Drilling, Completion and Facilities)

**Production History**

<u>Month</u>	<u>Oil (BBLs)</u>	<u>Water (BBLs)</u>	<u>Gas (MCF)</u>	<u>Days on</u>
Jan-94	4047	4526	1207	31
Feb-94	3789	4004	2900	28

**Product Pricing**

<u>Year</u>	<u>Oil Price (\$/BBL)</u>	<u>Gas Price (\$/MCF)</u>
1994	15.00	2.00

**Production Taxes and Royalties**

Royalty	12.5%
Severance Tax	7.08%
Ad Valorem	1.16425%

**Estimated Annual Production and Operating Expenses**

<u>Year</u>	<u>Oil (MBO)</u>	<u>Gas (MMCF)</u>	<u>Operating Exp (\$)</u>
1994	38	30	40
1995	23	18	30
1996	14	11	25
1997	8	6	22
1998	5	4	21
1999	3	2	19

Total Reserves 91 MBO 71 MMCF

Based upon an IP of 133 BOPD, 104 MCFPD and 145 BWPD (average of first two full months production except gas IP which is Feb avg), a Hat Mesa Delaware field average decline of  $\ln(q_i/q_f) / \text{#yrs} = 40\%$ , and an operating cost of \$15,000/year + \$0.60 disposal cost per barrel of water produced.

**Economic Parameters**

Payout (Undiscounted - from project start) = 2.2 years  
 Payout (Undiscounted - from production start) = 2.0 years



**NMOPD**

Texaco OIL CONSERVATION

ION

RECEIVED

MAR 1 2 17 PM '94

39

BUR. OF LAND MGMT  
ROSWELL DISTRICT

February 21, 1994

District Supervisor  
Bureau of Land Management  
Roswell District Office  
P. O. Box 1397  
Roswell, New Mexico 88202-1397

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

All Working Interest Owners  
(Address List Attached)

RE: LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO

Gentlemen:

As operator of the Little Eddy Unit, Texaco Exploration and Production Inc submits, for your approval, a 1994 plan of development and operations for the subject unit.

Past Operations

Texaco operates three wells within the Little Eddy Unit. The three wells are currently active. Enclosed, for your information, is a map of the unit area and production curves for the active wells.

Texaco completed the Audie Richards No. 1 (SE Sec. 25-T20S-R32E) January, 1958. The well potential for 1,794 MCFGPD and 48 BOPD through Morrow perforations at 12,909 feet-12,916 feet. In July, 1979, Texaco added additional Morrow perforations from 13,006 feet-13,220 feet. Through August 31, 1992, cumulative Morrow production was 49 MBO, and 2,418 MMCF. The well produces 13 MCFD, 1 BOPD, and 0 BWPD.

Bureau of Land Management,  
Commissioner of Public Lands,  
NM Oil Conservation Division,  
Working Interest Owners

- 2 -

February 21, 1994

Texaco completed the New Mexico State 'CM' No. 1 (SE Sec. 31-T20S-R33E) April, 1960. The initial potential was 208 BOPD and 8,400 MCFD from Morrow perforations at 13,288 feet-13,602 feet. Cumulative Morrow production through August 31, 1992 is 79 MBO and 8,531 MMCF. The well currently produces 126 MCFD, 1 BOPD, and 0 BWPD.

In April, 1960 Texaco finaled the New Mexico State 'CH' No. 1 (NE Sec. 36-T20S-R32E) as a dual Morrow and Atoka producer. Initial potential from Morrow perforations at 13,242 feet - 13,307 feet was 3,526 MCFD and 114 BOPD. Atoka perforations at 12,640 feet-12,654 feet produced 1,414 MCFD and 49 BOPD upon initial completion. The Morrow interval was shut-in January, 1978 and the well now produces 28 MCFD, 0 BOPD, and 0 BWPD from the Atoka. Cumulative Morrow production from the State 'CH' No. 1 is 17 MBO and 470 MMCF. Through August 31, 1992, Atoka cumulative production is 50 MBO and 3,399 MMCF.

The Little Eddy Unit No. 1 (SE Sec. 32-T20S-R33E) was completed in March, 1993. The initial potential was 120 BOPD, 159 BWPD and 60 MCFD from Delaware perforations at 7,085 feet-8,252 feet. Cumulative Delaware production through December 31, 1993 is 25 MBO and 28 MMCF. The well currently produces 50 BOPD, 56 BWPD and 70 MCFD.

The LEU No. 5 (SE Sec. 32-T20S-R33E) was completed in March, 1993. The initial potential was 180 BOPD, 107 BWPD and 102 MCFD from Delaware perforations at 7,104 feet-8,282 feet. The well currently produces 130 BOPD, 146 BWPD, and 110 MCFD.

Plan of Development for 1994

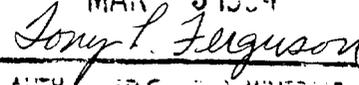
Texaco plans to drill two Hat Mesa Delaware development wells in 1994 to a depth of 8500' within the Little Eddy Unit. These wells are currently being evaluated based upon expected reserves of the first two Delaware wells and the current crude oil price forecast. Texaco plans to continue producing the existing Little Eddy Unit wells in an efficient manner. This will be accomplished through equipment modifications and well workovers as necessary.

Yours very truly,

Texaco Exploration and Production Inc.

  
T. L. Frazier  
Hobbs Area Manager

**APPROVED**

MAR 3 1994  
  
AUTH. TO EXECUTE AGREEMENTS  
BUREAU OF LAND MANAGEMENT

SGW/s  
Attachments

file  
chrono



Texaco Exploration and Production Inc.  
Midland Producing Division

600 N. Loraine  
Midland TX 79701

P. O. Box 3105  
Midland TX 79702

*Kel  
1-26-93*

January 18, 1993

District Supervisor  
Bureau of Land Management  
Roswell District Office  
P. O. Box 1397  
Roswell, New Mexico 88202-1397

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

All Working Interest Owners  
(Address List Attached)

RE: LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO

Gentlemen:

As operator of the Little Eddy Unit, Texaco Exploration and Production Inc. submits, for your approval, a 1992 plan of development and operations for the subject unit.

**PAST OPERATIONS**

Texaco operates three wells within the Little Eddy Unit. The three wells are currently active. Enclosed, for your information, is a map of the unit area and production curves for the active wells.

Texaco completed the Audie Richards No. 1 (SE Sec. 25-T20S-R32E) January, 1958. The well potential for 1,794 MCFGPD and 48 BOPD through Morrow perforations at 12,909 feet to 12,916 feet. In July, 1979, Texaco added additional Morrow perforations from 13,006 feet to 13,220 feet. Through August 31, 1992, cumulative Morrow production was 49 MBO, and 2,418 MMCF. The well produces 13 MCFD, 1 BOPD, and 0 BWPD.

Bureau of Land Management,  
Commissioner of Public Lands,  
NM Oil Conservation Division,  
Working Interest Owners

- 2 -

January 18, 1993

Texaco completed the New Mexico State 'CM' No. 1 (SE Sec. 31-T20S-R33E) in April, 1960. The initial potential was 208 BOPD and 8,400 MCFD from Morrow perforations at 13,288 feet to 13,602 feet. Cumulative Morrow production through August 31, 1992, is 79 MBO and 8,531 MMCF. The well currently produces 126 MCFD, 1 BOPD, and 0 BWPD.

In April, 1960, Texaco finaled the New Mexico State 'CH' No. 1 (NE Sec. 36-T20S-R32E) as a dual Morrow and Atoka producer. Initial potential from Morrow perforations at 13,242 feet to 13,307 feet was 3,526 MCFD and 114 BOPD. Atoka perforations at 12,640 feet to 12,654 feet produced 1,414 MCFD and 49 BOPD upon initial completion. The Morrow interval was shut-in January, 1978, and the well now produces 28 MCFD, 0 BOPD, and 0 BWPD from the Atoka. Cumulative Morrow production from the State 'CH' No. 1 is 17 MBO and 470 MMCF. Through August 31, 1992, Atoka cumulative production was 50 MBO and 3,399 MMCF.

#### PLAN OF DEVELOPMENT FOR 1992

In 1992, Texaco plans to continue producing the Little Eddy Unit in an efficient manner. This will be accomplished through equipment modifications and well workovers as necessary.

Yours very truly,



D. D. Ulrich  
Assistant Division Manager

JFG/srt  
Attachments

**LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO**

**Working Interest Owners**

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, TX 79702

Frank O. Elliott Trust  
Edna Ione Hall Trust  
Box 1355  
Roswell, NM 88201

Bass Enterprises Prod.  
201 Main Street  
Fort Worth, TX 76102  
ATTN: Joint Interest Manager

Ellwood Oil Company  
P. O. Box 11390  
Midland, TX 79702

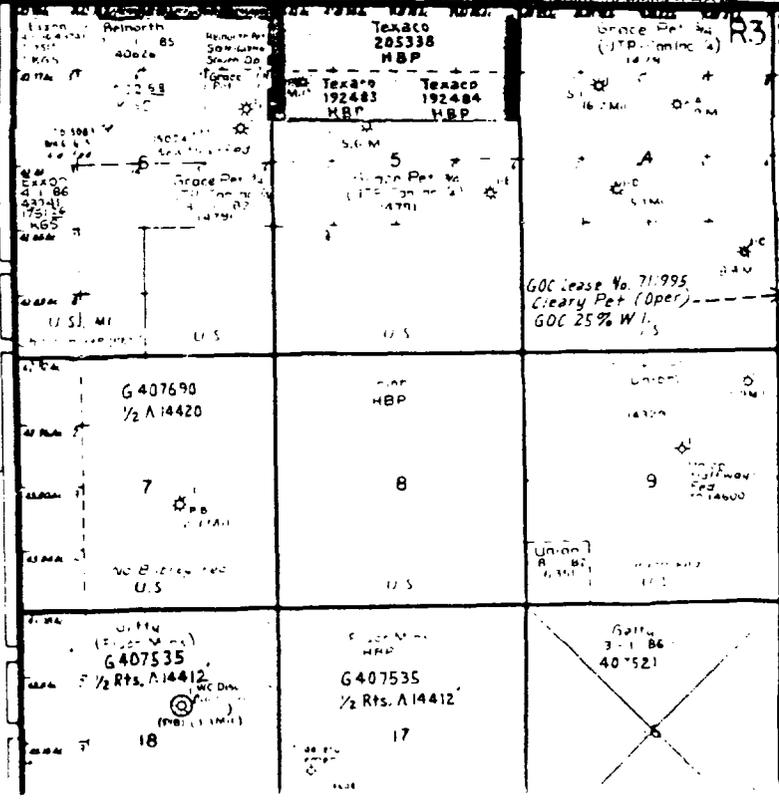
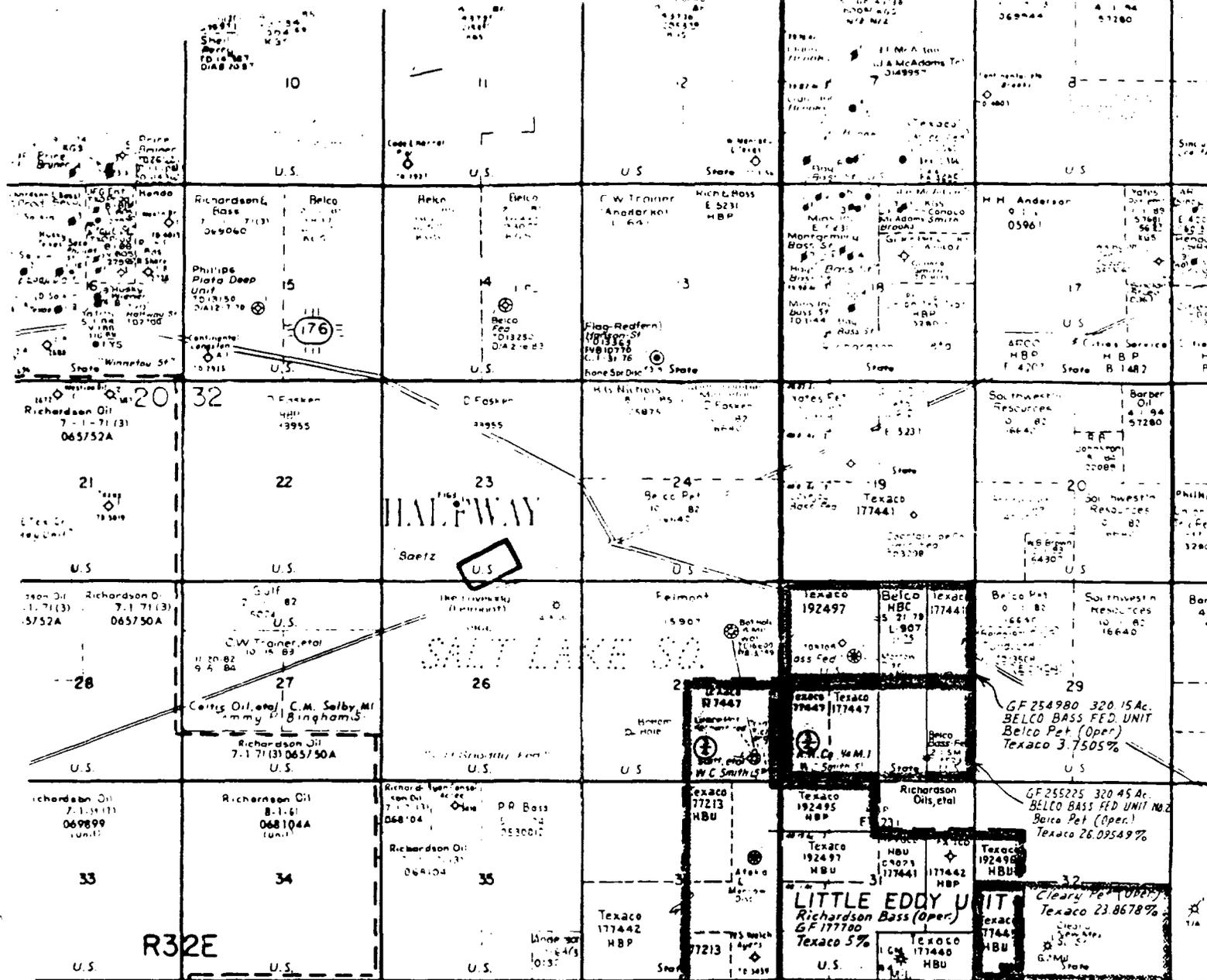
H. L. Brown Estate  
1730 Texas American Bank Building  
500 Throckmorton Street  
Fort Worth, TX 76102

Graham Royalty Ltd.  
ATTN: J. F. Maniscalco  
P. O. Box 3301  
Covington, LA 70434

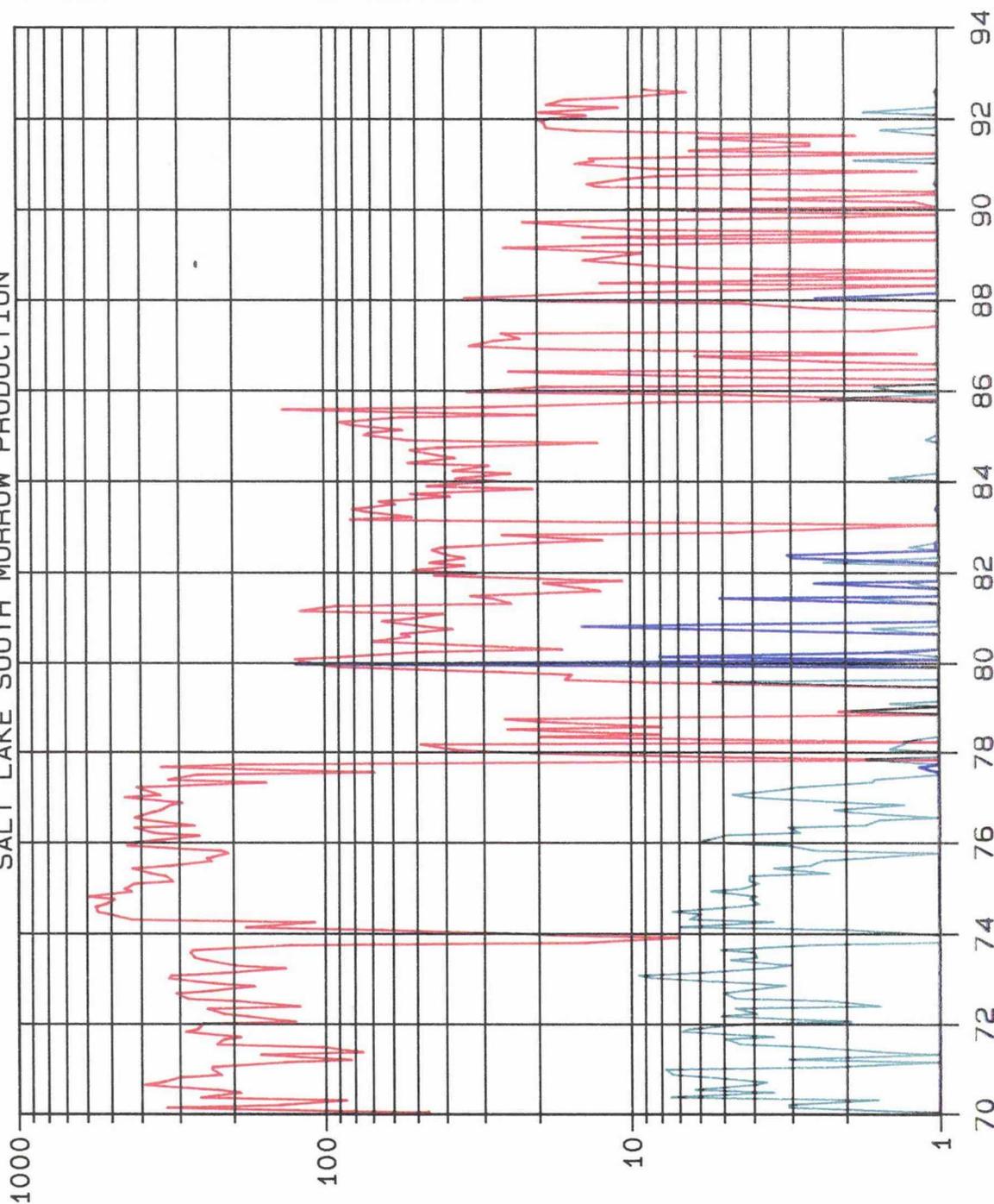
Devon Energy Corp.  
20 North Broadway  
Suite 1500  
Oklahoma City, OK 73102  
ATTN: Mr. Steve Blair

W. Ridley Wheeler Estate  
2010 Texas American Bank Building  
Fort Worth, TX 76102

Devon Energy Partners  
20 North Broadway  
Suite 1500  
Oklahoma City, OK 73102  
ATTN: Mr. Steve Blair



LITTLE EDDY UNIT AUDIE RICHARDS NO. 1  
SALT LAKE SOUTH MORROW PRODUCTION



BOPD  
BWPD  
MCFPD

LEASE DATA  
LSE 20S32E25P01  
FLD 8064724  
OPER 158628  
ZONE  
20S-32E-25  
COUNTY 025  
STATE 30

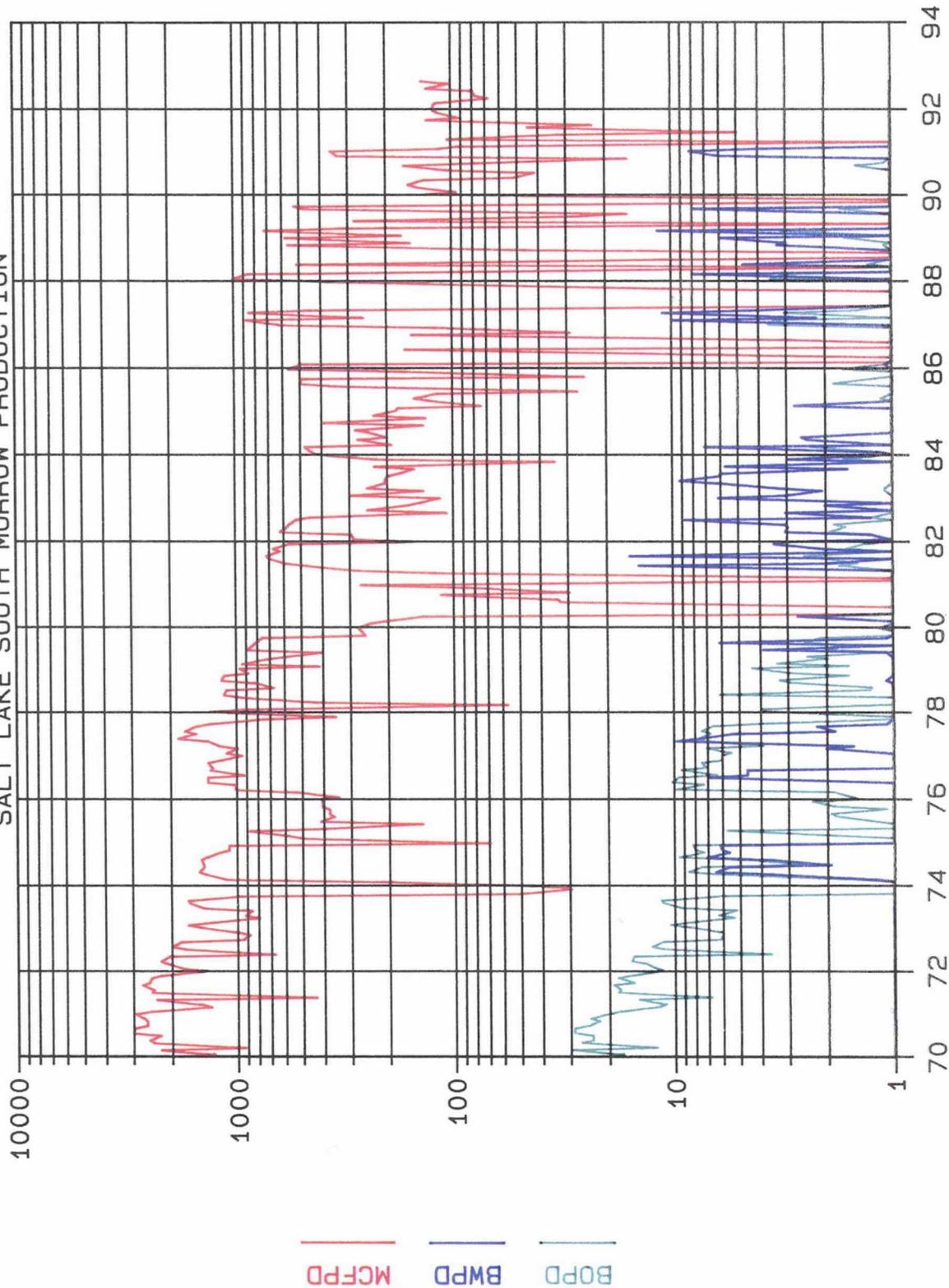
STATUS 8-92  
CO 49 MBO  
CG 2418 MMCF  
BOPD 0  
BWPD 0  
MCFPD 9  
WELLS 1  
C I O MBWI  
BWIPD 0

YEARS

LITTLE EDDY UNIT NM STATE 'CM' NO. 1  
SALT LAKE SOUTH MORROW PRODUCTION

LEASE DATA  
LSE 20S33E3100'  
FLD 8064724  
OPER 1586628  
ZONE  
20S-33E-31  
COUNTY 025  
STATE 30

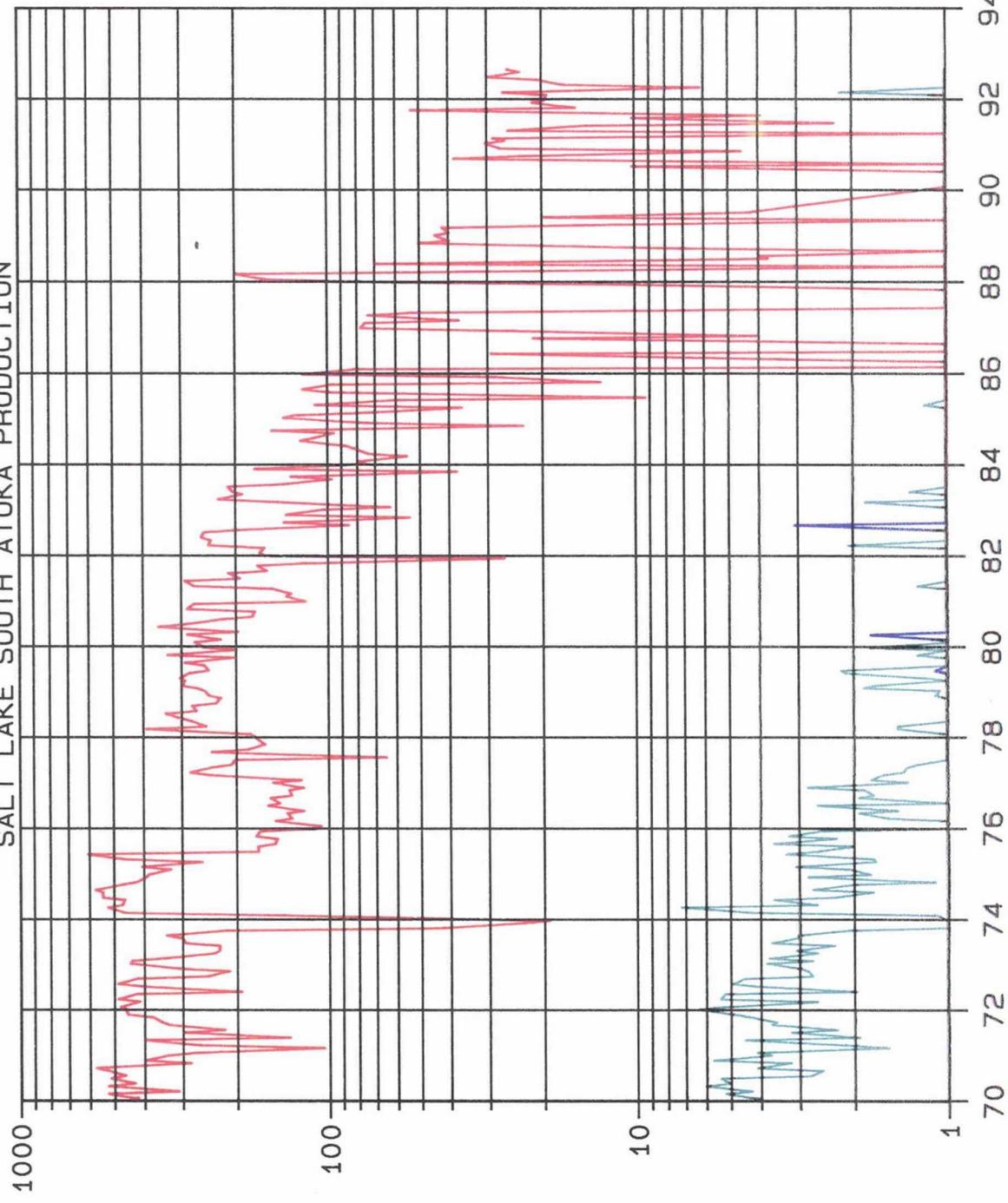
STATUS 8-92  
CO 79 MBO  
CG 8531 MMCF  
BOPD 0  
BWPDP 0  
MCFPD 134  
WELLS 1  
CI 0 MBWI  
BWIPD 0



MCFPD  
BWPDP  
BOPD

YEARS

LITTLE EDDY UNIT STATE 'CH' NO. 1  
SALT LAKE SOUTH ATOKA PRODUCTION



BOPD  
MCFPD  
BWIPD

LEASE DATA  
LSE 20S32E36H0  
FLD 8064624  
OPER 158628  
ZONE  
20S-32E-36  
COUNTY 025  
STATE 30

STATUS 8-92  
CO 50 MBO  
CG 3399 MCMF  
BOPD 0  
BWIPD 0  
MCFPD 26  
WELLS 1  
CI 0 MBWI  
BWIPD 0

YEARS



Texaco Exploration and Production Inc.  
Western E&P Region

1700 So. 2100  
Denver CO 8020  
1000 P.O. Box 300  
Denver CO 80207

July 30, 1993

RECEIVED  
OIL CONSERVATION  
DIVISION  
1993 JUL 30 10 49

Application for Approval of the Initial Participating Area  
for the Delaware Formation and Commercial  
Well Determination for the Little Eddy Unit Well #1  
Little Eddy Unit  
Lea County, New Mexico  
NM177700 - Little Eddy Unit  
Lease NM177445

Bureau of Land Management  
Attention: Gary Gorley  
1717 West 2nd  
Roswell, New Mexico 88201

Commissioner of Public Lands  
State of New Mexico  
Attention: Pete Martinez  
P.O. Box 1148  
Santa Fe, New Mexico 87504-1148

Oil Conservation Division  
State of New Mexico  
Attention: Roy Johnson  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Gentlemen:

The Little Eddy Unit Well #1 was completed on March 26, 1993, as a Delaware oil well. We feel this well is commercially productive under the terms of the Little Eddy Unit Agreement.

Texaco Exploration and Production Inc., as Operator of the Little Eddy Unit, pursuant to the provisions of Section 11 of the Little Eddy Unit Agreement, respectfully submits for your approval the selection of the following described land in Lea County, New Mexico to constitute the initial participating area for the Delaware formation, to-wit:

T-20-S, R-33-E, N.M.P.M.  
Section 32: SW/4SW/4  
containing 40.00 acres, more or less.



OFFICIAL SPONSOR  
OF THE 1992  
U.S. OLYMPIC TEAM

July 30, 1993  
Little Eddy Unit

In support of this application, we have enclosed the following items attached hereto and made a part hereof:

- 1) Exhibit "A" map showing the boundaries of the Unit area and the proposed initial participating area.
- 2) Exhibit "B" showing the land entitled to participation in the unitized substances produced from the Delaware formation, the working interest ownership in the Little Eddy Unit Well #1 and the percentage participation of the lease indicated thereon.
- 3) Exhibit "C" containing well information indicating that the Little Eddy Unit Well #1 should be determined as commercial.

Also, for the state of New Mexico, enclosed are Isopach maps for three (3) of the Delaware zones that produce in the Hat Mesa field and a structure map.

Applicant respectfully requests your approval of the hereinabove selection of land to constitute the Initial Delaware Formation Participating Area, to be effective March 26, 1993.

Very truly yours,

TEXACO EXPLORATION AND PRODUCTION INC.



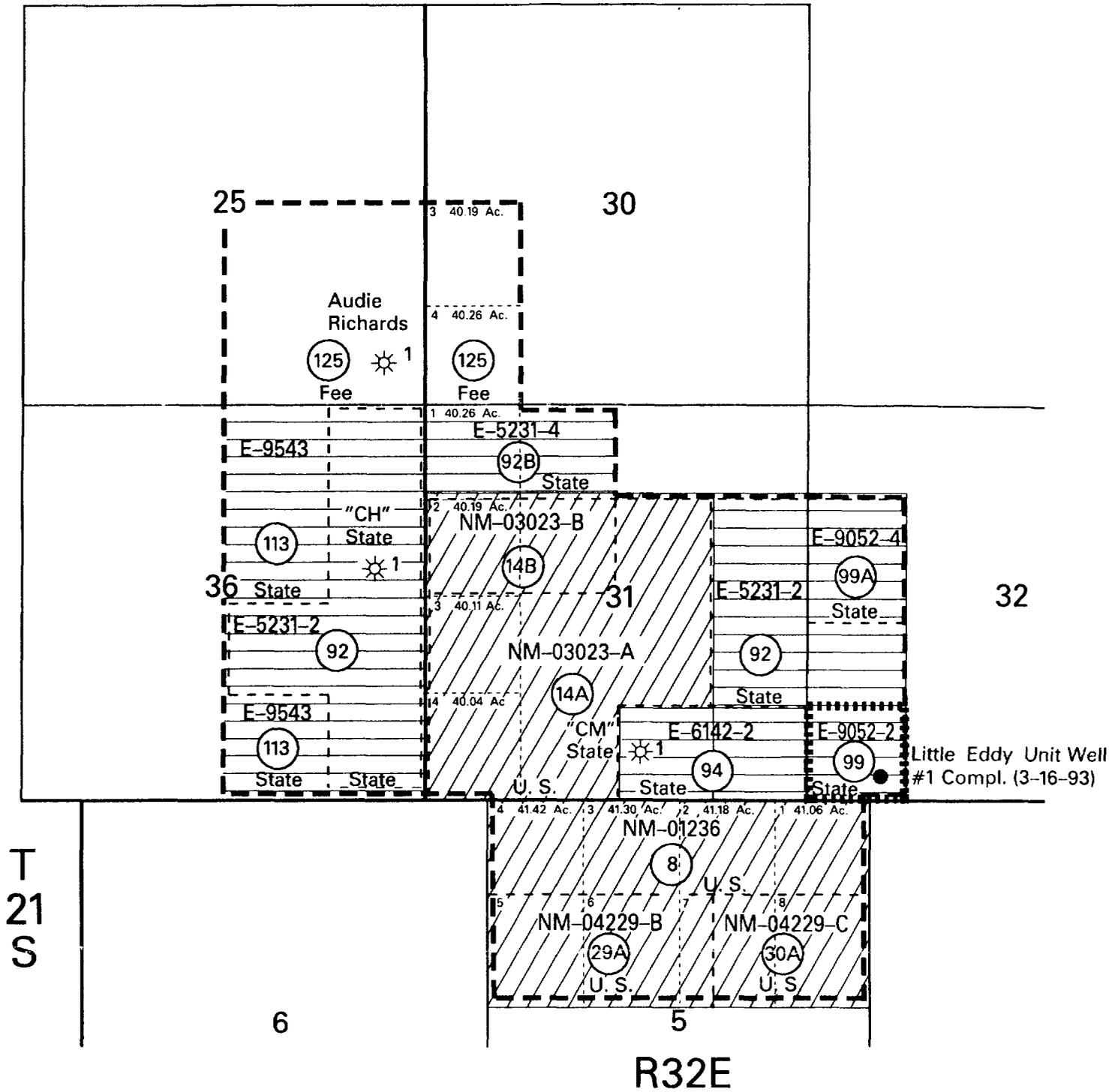
David L. Sleeper  
West Region Land

/DLS  
enclosures

R32E

R33E

T  
20  
S

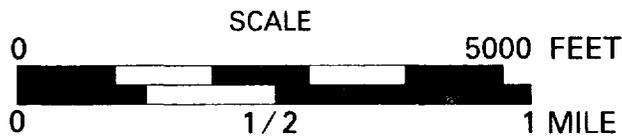


T  
21  
S

EXHIBIT "A"

LITTLE EDDY UNIT

LEA COUNTY, NEW MEXICO



	TRACT NUMBER - EXHIBIT "B"		
	LITTLE EDDY UNIT		
	PROPOSED FORTY (40) ACRE INITIAL PARTICIPATING AREA FOR THE DELAWARE FORMATION LITTLE EDDY UNIT WELL #1		
	FEE	240.45 AC.	15.35%
	STATE	680.26 AC.	43.44%
	FEDERAL	645.30 AC.	41.21%
	TOTAL	1566.01 AC.	100.00%

EXHIBIT "B"

INITIAL DELAWARE FORMATION PARTICIPATING AREA  
 LITTLE EDDY UNIT  
 LEA COUNTY, NEW MEXICO

TRACT NO.	LEASE NO.	DESCRIPTION	PARTICIPATING ACRES	PERCENT OF PARTICIPATION	WORKING INTEREST OWNERSHIP	BPO	APQ
99	E-9052-2	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 32: SW/4SW/4	40.00	100.00%	Texaco Exploration and Production Inc. Perry R. Bass, Trustee Sid R. Bass, Inc. Thru Line Inc. Robert M. Bass Group, Inc. Lee M. Bass, Inc. Texas Independent Exploration, Inc. Fina Oil & Chemical Company Frank O. Elliott, Trustee of the Frank O. Elliott Living Trust Edna Ione Hall, Trustee of the Edna Ione Hall Living Trust Devon Energy Corporation Devon Energy Partners, a limited partnership	48.11799% 12.02950% 9.02212% 9.02212% 9.02212% 9.02212% 9.02212% -0- .50123% .50123% .30074% <u>1.70418%</u>	48.000000% 12.000000% 9.000000% 9.000000% 9.000000% 9.000000% 9.000000% .75480% .24520% .500000% .500000% .300000% <u>1.700000%</u>
<b>Summary</b>							
Type Land			Committed Acres	Percent			
State			40.00	100.00%			

**EXHIBIT "C"**  
**INITIAL PARTICIPATING AREA**  
**DELAWARE FORMATION**  
**LITTLE EDDY UNIT**  
**LEA COUNTY, NEW MEXICO**

Well Name: Little Eddy Unit #1  
 Formation: Delaware  
 Location: 330' FSL & 990' FWL, T20-S R33-E, Sec 32  
 County, State: Lea, New Mexico

Date Spudded: 12-25-92  
 Date Completed: 3-9-93

**Well Cost Data**

Total Well Costs: \$678,350

Based upon expected average well cost of drilling, completion and facilities.

**Production History**

<u>Month</u>	<u>Oil (BBLs)</u>	<u>Water (BBLs)</u>	<u>Gas (MCF)</u>	<u>Days on</u>
Mar-93	1232	0	57	19
Apr-93	5015	4077	5400	27
May-93	3117	3334	1607	29

**Product Pricing**

<u>Year</u>	<u>Oil Price (\$/BBL)</u>	<u>Gas Price (\$/MCF)</u>
1993	17.50	1.65

**Production Taxes and Royalties**

Royalty	12.5%
Severance Tax	7.08%
Ad Valorem	1.16425%

**Estimated Annual Production and Operating Expenses**

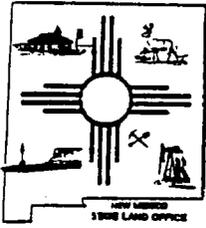
<u>Year</u>	<u>Oil (MBO)</u>	<u>Gas (MMCF)</u>	<u>Operating Exp (\$)</u>
1993	33	30	41
1994	28	28	39
1995	19	21	33
1996	12	16	30
1997	8	12	29
1998	5	9	27
1999	3	6	27
2000	2	5	27

Total Reserves    110 MBO                      127 MMCF

Based upon an IP of 133 BOPD, 115 MCFPD and 121 BWPD (average of first two full months production), a Hat Mesa Delaware field average decline of  $\ln(q_1/q_2) / \text{#yrs} = 42\%$ , and an operating cost of \$20,000/year + \$0.60 disposal cost per barrel of water produced.

**Economic Parameters**

Payout (Undiscounted - from project start) = 1.9 years  
 Payout (Undiscounted - from production start) = 1.6 years



State of New Mexico  
Commissioner of Public Lands

# 1117

W. R. Humphries  
COMMISSIONER April 27, 1990

Advisory Board

George Clark  
Chairman

Texaco USA

Kristin Conniff  
Vice Chairman

P.O. Box 3109  
Midland, Texas 79702

Melvin Cordova

Joe Kelly

Robert Portillos

ATTN: S.G. Snyder

Nancy Lynch Vigil

RE: Little Eddy Unit

Rex Wilson

1990 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved the 1990 Plan of Development for the Little Eddy Unit. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the Unit may exist. You will be contacted at a later date regarding these possibilities.

Enclosed is an approved copy of the 1990 Plan of Development for your files. If we may be of further help, please do not hesitate to contact this office at (505) 827-5746.

Very truly yours,

W.R. HUMPHRIES,  
COMMISSIONER OF PUBLIC LANDS

BY:

*Floyd O. Prando*

FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5746

cc: OCD - Santa Fe, New Mexico  
BLM  
Unit Correspondence File  
Unit P.O.D. File

WRH/FOP/SMH

State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

June 16, 1989

Texaco USA  
P.O. Box 3109  
Midland, Texas 79702

ATTN: David L. Sleeper

RE: 90 Day Extension for Selection and Approval  
of Successor Unit Operator:  
Little Eddy Unit  
Lea County, New Mexico

*1117*

Gentlemen:

We received your letter of June 5, 1989 requesting a 90 day extension to select and approve a Successor Unit Operator for the Little Eddy Unit, Lea County, New Mexico. Please be advised that the Commissioner of Public Lands has this date granted your request for the 90 extension which expires on October 13, 1989.

If we can be of further help, please do not hesitate to contact us.

Very truly yours,

W.R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5749

cc: OCD - Santa Fe, New Mexico  
BLM - Roswell, New Mexico  
Unit Correspondence File

State of New Mexico

OCD



W.R. HUMPHRIES  
COMMISSIONER

Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

August 22, 1989

Texaco USA  
Producing Department  
Midland Division  
P.O. Box 3109  
Midland, Texas 79702

# 1117

ATTN: David Sleeper

RE: Little Eddy Unit  
Lea County, New Mexico

Gentlemen:

We received your letters, dated June 13 and July 20, 1989, proposing the contraction of the Little Eddy Unit by removing Lot 1, NE/4 NW/4 and NW/4NE/4 of Section 30, T-19-S, R-33-E. We also received your letter, dated May 18, 1989, requesting our approval of Texaco Inc. as successor Little Eddy Unit Operator to Bass Enterprises Production. We have also received the necessary signatures from working interest owners approving both the contraction of the Unit and the designation of successor Unit Operator.

Please be advised that the Commissioner of Public Lands has this date approved both the contraction of the Little Eddy Unit as described above and the resignation of Bass Enterprises Production and subsequent designation of Texaco, Inc. as Unit Operator. Please inform all interested parties of these approvals and be advised that our approvals are subject to approval by other appropriate agencies. In addition, it is requested that a revised Exhibit "B" to the Unit Agreement be submitted.

If we can be of further help, please do not hesitate to contact us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: Floyd O. Prando  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5749

cc: OCD  
BLM - Roswell



Texaco USA  
Producing Department  
Midland Division

P O Box 3109  
Midland TX 79702

#1117

1990 FEB 2 AM 9 59

March 29, 1990

District Supervisor  
Bureau of Land Management  
Roswell District Office  
P. O. Box 1397  
Roswell, New Mexico 88201

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

All Working Interest Owners  
(Address List Attached)

RE: ~~LITTLE EDDY UNIT~~  
LEA COUNTY, NEW MEXICO

Gentlemen:

Having recently been designated as the official operator of the Little Eddy Unit, Texaco is herewith submitting, for your approval, a 1990 plan of development and operations for the subject unit.

#### Past Operations

Two wells are currently producing in the Little Eddy Unit. The Audie Richards No. 1 (originally known as the Little Eddy Unit Richards No. 1) is located in section 25 of T-20-S, R-32-E. This well was completed in January of 1958 from perforations at 12,909 feet-12,916 feet. The well potentialled for 1794 MCFGPD and 48 BOPD in the Salt Lake South Atoka field. The well has a total cumulative production from the Atoka of 1,811,386 MCFG, 43,013 BO and 0 BW.

The Atoka formation appears to have been abandoned in December of 1973, while making only 497 MCFGPD, 11 BO and 0 BW. The Audie Richards No. 1 is currently producing from the Salt Lake South Morrow zone. Production appears to have begun in July of 1973.

Bureau of Land Management,  
Commissioner of Public Lands,  
NM Oil Conservation Division,  
Working Interest Owners

- 2 -

March 30, 1990

The well is currently producing only 36 MCFGPD. In 1989, the well made 3,696 MCFG, 0 oil and 0 water. The total cumulative production for this well from this zone through February of 1990 is 2,409,289 MCFG, 0 BO and 0 BW.

The New Mexico State 'CM' No. 1 was completed in April of 1960 for an IP of 114 BOPD and 3526 MCFGPD from perforations of 13,242 feet-13,307 feet in the Salt Lake South Morrow gas field. The well is located in Section 25, T-20-S, R-32-E. This well has cumulative gas production of 87,892 MCFG, 79,151 BO and 0 BW through February of 1990. The well is currently producing at a daily average rate 143 MCFGPD and .73 BOPD.

The Little Eddy Unit 'CH' State No. 1 was completed in the Salt Lake South Morrow field with an IP of 208 BOPD and 11 BOPD. The well is located in Section 31, T-20-S, R-33-E. The original perforations were from 13,288 feet-13,602 feet. This well is currently shut in. The well has cumulative production of 465,613 MCFG, 17,159 BO and 5 BW from the Morrow formation. The last production shown for this well from the Morrow was in December of 1980. The well has produced 3,382,866 MCFGPD, 50,112 BO and 350 BW from the Salt Lake South Atoka field.

Tabular production for 1988 and 1989 is provided as Table I and a map of the unit is enclosed as well as a list of the working interest owners.

#### Plan of Development for 1990

The proposed plan of development for 1990 is to continue producing the Little Eddy Unit in an efficient manner. This will be accomplished through equipment modifications and well workovers as necessary.

Yours very truly,

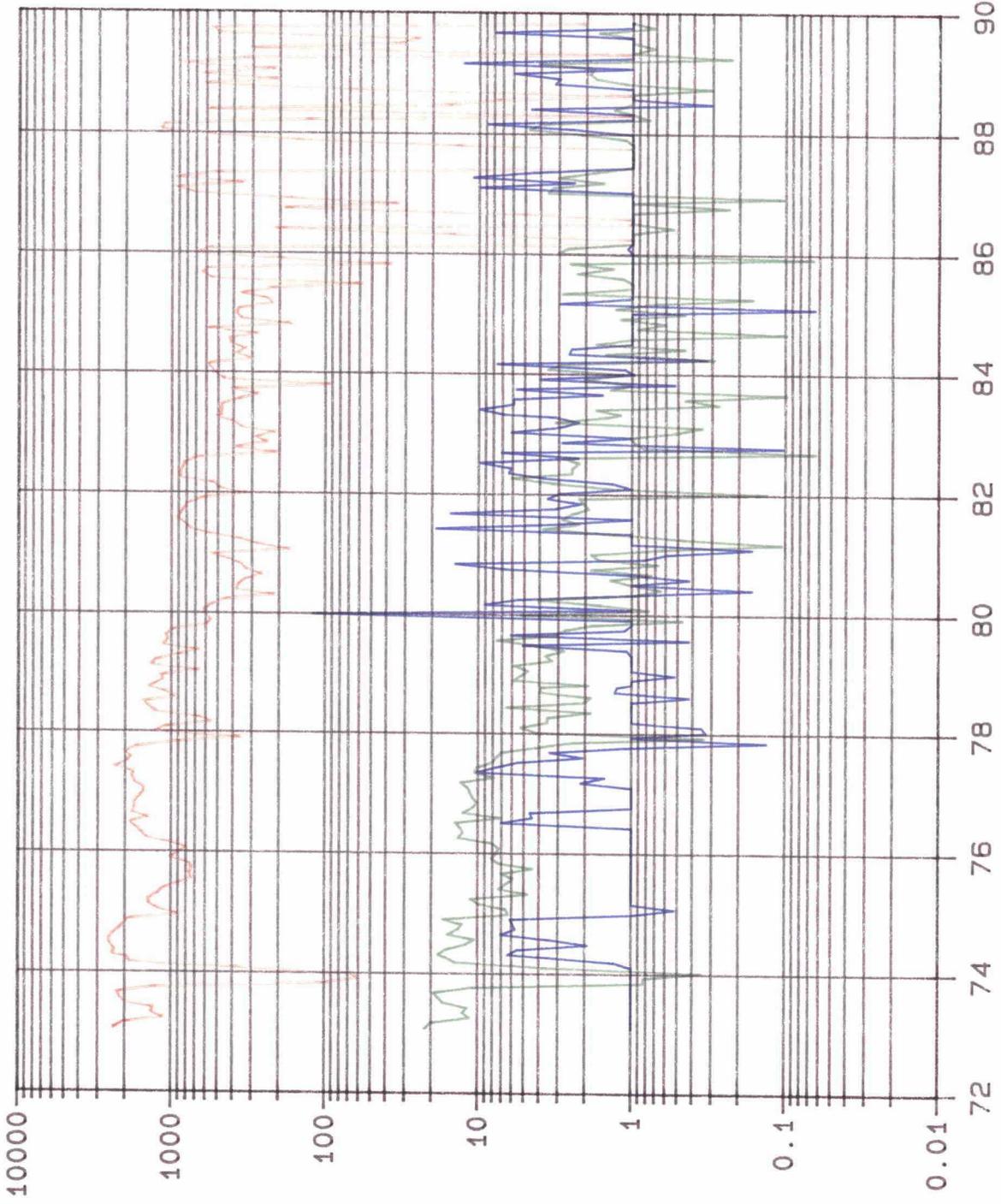
Texaco Inc.

  
S. G. Snyder  
Portfolio Manager

MOS/srt  
Attachments

file  
chrono

# Little Eddy Unit



## LEASE DATA

LSE

FLD

OPER

ZONE

--

COUNTY

STATE

STATUS

CO 196 MBO

CG 14682 MMCF

BOPD 0

BWPD 0

MCFPD 2

WELLS 1

YEARS



WORKING INTEREST OWNERS  
LITTLE EDDY UNIT AGREEMENT

Texaco Inc.  
P. O. Box 3109  
Midland, Texas 79702

W. Ridley Wheeler Estate  
2010 Texas American Bank Building  
Fort Worth, Texas 76102

Exxon Company, U.S.A.  
P. O. Box 1600  
Midland, Texas 79702-1600

H. L. Brown Estate  
1730 Texas American Bank Building  
500 Throckmorton Street  
Fort Worth, Texas 76102

ARCO Petroleum Company  
P. O. Box 1610  
Midland, Texas 79702

Frank O. Elliott Trust  
Edna Ione Hall Trust  
Box 1355  
Roswell, New Mexico 88201

Phillips Petroleum Company  
4001 Pembroke  
Odessa, Texas 79762

Tenneco Inc.  
P. O. Box 2511  
Houston, Texas 77002

Little Eddy Unit Audie Richards No. 1

<u>Date</u>	<u>Gas Mcf</u>	<u>Condensate Bbls</u>	<u>Water Bbls</u>
1/88	1,046	25	75
2/88	412	0	0
3/88	152	22	0
4/88	0	0	0
5/88	380	0	0
6/88	5	0	0
7/88	119	0	0
8/88	0	0	0
9/88	193	0	0
10/88	341	0	0
11/88	428	22	0
12/88	310	11	0
1/89	274	22	0
2/89	778	18	0
3/89	362	2	0
4/89	0	0	0
5/89	429	3	0
6/89	20	0	0
7/89	281	0	0
8/89	508	0	0
9/89	670	0	0
10/89	64	0	0
11/89	0	0	0
12/89	310	0	0
1/90	0	0	0
2/90	36	0	0

Little Eddy Unit 'CM' State No. 1

<u>Date</u>	<u>Gas Mcf</u>	<u>Condensate Bbls</u>	<u>Water Bbls</u>
1/88	30,281	107	0
2/88	25,625	91	243
3/88	2,767	0	0
4/88	0	0	0
5/88	15,525	39	143
6/88	346	0	9
7/88	0	0	0
8/88	0	0	0
9/88	1,377	9	0
10/88	17,146	33	99
11/88	4,618	30	90
12/88	17,707	49	180
1/89	5,100	28	0
2/89	21,597	96	352
3/89	9,886	5	0
4/89	0	0	0
5/89	8,475	19	0
6/89	815	0	0
7/89	482	0	0
8/89	14,508	52	243
9/89	15,906	22	0
10/89	0	0	0
11/89	0	0	0
12/89	3,927	0	0
1/90	2,894	0	0
2/90	4,302	0	0

**TABLE I**

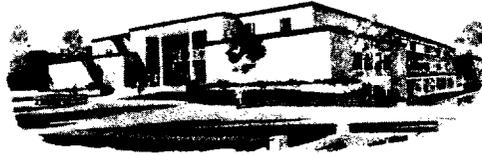
**SUMMARY OF PRODUCTION FOR LITTLE EDDY UNIT**

1988 AND 1989

Little Eddy Unit 'CH" State No. 1 (Salt Lake South, Atoka)

<u>Date</u>	<u>Gas Mcf</u>	<u>Condensate Bbls</u>	<u>Water Bbls</u>
1/88	4776	14	0
2/88	6008	20	0
3/89	1077	2	0
4/88	0	0	0
5/88	2122	2	0
6/88	113	0	0
7/88	121	0	0
8/88	0	0	0
9/88	208	0	0
10/88	1535	0	0
11/88	1203	0	0
12/88	1337	0	0
1/89	1209	6	0
2/89	1273	0	0
3/89	474	0	0
4/89	0	0	0
5/89	610	0	0
6/89	130	0	0
7/89	0	0	0
8/89	0	0	0
9/89	0	0	0
10/89	0	0	0
11/89	0	0	0
12/89	0	0	0
1/90	0	0	0
2/90	0	0	0

State of New Mexico



Commissioner of Public Lands  
November 20, 1973

ALEX J. ARMIJO  
COMMISSIONER

P. O. Box 1148  
SANTA FE, NEW MEXICO

Texaco, Inc.  
P. O. Box 3109  
Midland, Texas 79701

Re: Little Eddy Unit

Attn: Mr. B. E. Hellman

Gentlemen:

During your recent visit to Santa Fe, we discussed the impending Morrow development and well spacing units involving both Little Eddy Unit lands and non-unit lands in Lea County, New Mexico. The discussion was occasioned by recent New Mexico Oil Conservation Commission Order No. 4600 requiring 320 acre spacing for all Morrow wells in the Salt-Lake Morrow gas pool.

Revision of the existing Little Eddy Unit participating area to now include non-unit lands in order to satisfy the new spacing requirement does not appear to be practicable. The unit agreement has no provision for revising the participating areas solely to conform to spacing units, nor is there a provision for the adjudication of equities in such situations.

It is our position that enlarging or revising the participating area after a well has been completed to include non-unit lands would diminish the State's royalty and therefore we will not approve any enlargement of the present unit area.

Very truly yours,

RAY D. GRAHAM, DIRECTOR  
OIL AND GAS DIVISION

RDG:cw

cc: New Mexico Oil Conservation Commission - Santa Fe, New Mexico

cc: United States Geological Survey  
Attn: Mr. Carl Traywick  
P. O. Box 1857  
Roswell, New Mexico 88201

cc: Commissioner



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
WASHINGTON 25, D. C.

NOV 22 1967

Ferry A. Bass  
Twelfth Floor  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

Attention: Mr. W. P. Duncan, Jr.

Gentlemen:

Your application of October 18, accompanied by revised Exhibits A and B, describes the automatic elimination of certain lands from the Little Eddy unit agreement pursuant to Section 2(e) thereof.

The Little Eddy unit agreement covering 54,046.10 acres, more or less, was approved and effective on November 2, 1956. The 369.71 acre initial Upper Morrow participating area, which became effective March 17, 1958, was the first initial participating area established under the terms of the unit agreement. Pursuant to Section 2(e) of the unit agreement, automatic elimination was to become effective as of April 2, 1965. However, diligent drilling operations conducted on lands not entitled to participation have deferred such elimination date to August 2, 1967. The Commissioner of Public Lands of the State of New Mexico and the New Mexico Oil Conservation Commission approved the application on October 23 and October 26, 1967, respectively, effective as of August 2, 1967.

Your application correctly describes the 52,357.15 acres, more or less, automatically eliminated from the Little Eddy unit agreement effective August 2, 1967. You should notify all parties in interest as to the lands eliminated.

Sincerely yours,

Acting Director

cc:  
Roswell (2) (w/2 cys. appln.)  
BLM, Santa Fe (w/cy. appln.)  
Com. of Public Lands, Santa Fe (ltr. only)  
NMOCC, Santa Fe (ltr. only) ✓

ERNyatt:bw:11-3-67

Leases affected by automatic elimination:  
 (\*-Indicates noncommitted leases)

Entirely Eliminated

New Mexico	01235	New Mexico	025607	Las Cruces	061640
	01235-B		025668		061640-A
	02139		025669		062975
	02139-A		025670		063106
	02139-B		*026982		063587
	02967		029082		063587-A
	03023		031333		064228
	03183-B		032056		065161-B
	03273-A		032056-A		065161-C
	03497		039490		065161-D
	03504		*040425		065750
	03505		051517		065750-B
	03507		051525		065750-C
	03508		073239		065751
	03585		093697		065752
	03653		0149957		065833
	04225		0255681		066446
	04225-A		0301929		067052
	04229		0391981		067053-A
	04229-A		0446668		067054
	04382-A		0461537		067056-A
	04383-B		0496384		067130-A
	04749		0521198		068104
	04801		0530012		068137
	*05148		0530846		068921
	05522		0554243		069060
	05960		0557333		069188
	05961		0557334		069944
	06408-A		0557834		069944-A
	016807		0557835		070792-A
	*025233	Las Cruces	060117		070876
	*025233-B		060118		071771-A
					*071900-A

Partially Eliminated

New Mexico 03023-A  
 03023-B  
 04229-B  
 04229-C  
 073240

No. 635787

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. Perry R. Bass		POSTMARK OR DATE
STREET AND NO. 12th Floor Fort Worth National		
CITY, STATE AND ZIP CODE Bank Bldg. Fort Worth, Texas		
<input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered	If you want a return receipt, check which If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee	

POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL

<b>INSTRUCTIONS TO DELIVERING EMPLOYEE</b>		
<input type="checkbox"/> Show to whom and when delivered	<input type="checkbox"/> Show to whom, when, and address where delivered	<input type="checkbox"/> Deliver ONLY to addressee
<i>(Additional charges required for these services)</i>		

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 635787	<i>Perry R Bass</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>Bellie Van Loh</i>
DATE DELIVERED NOV 15 1967	SHOW WHERE DELIVERED (only if requested)

OIL CONSERVATION COMMISSION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

117

October 26, 1967

Mr. Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

Attention: Mr. W. P. Duncan

Re: Automatic Elimination  
Little Eddy Unit Area,  
Lea County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the contraction of the Little Eddy Unit Area, Lea County, New Mexico, as per application dated October 18, 1967, to become effective August 2, 1967, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the application is returned herewith.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/og  
cc: Commissioner of Public Lands  
Santa Fe, New Mexico

United States Geological Survey  
Drawer 1857  
Roswell, New Mexico 88201

C  
O  
P  
Y

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

1117

October 26, 1967

C  
O  
P  
Y  
Mr. Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

Attention: Mr. W. P. Duncan

Re: Automatic Elimination  
Little Eddy Unit Area,  
Lea County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the contraction of the Little Eddy Unit Area, Lea County, New Mexico, as per application dated October 18, 1967, to become effective August 2, 1967, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the application is returned herewith.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/og

cc: Commissioner of Public Lands  
Santa Fe, New Mexico

United States Geological Survey  
Drawer 1857  
Roswell, New Mexico 88201

PERRY R. BASS  
12<sup>TH</sup> FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

November 10, 1967

New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

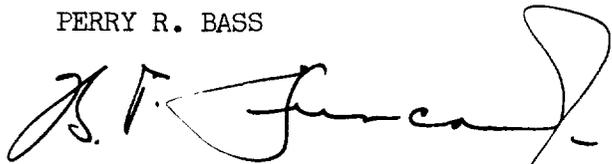
Re: Automatic Elimination  
Little Eddy Unit Area  
Lea County, New Mexico

Gentlemen:

For some unknown reason, your letter to us dated October 26, 1967 to which you attached an approved copy of the Application covering the above, has failed to reach us, and in order that we will have our files complete, we would very much appreciate your furnishing us with a Xerox copy of your Approval of this Application.

Yours very truly,

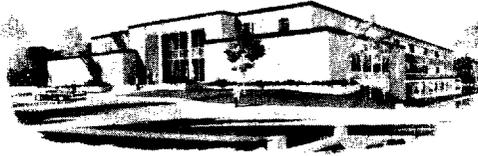
PERRY R. BASS

A handwritten signature in black ink, appearing to read "W. P. Duncan, Jr.", with a large, stylized flourish at the end.

W. P. Duncan, Jr.

/jdb

State of New Mexico



Commissioner of Public Lands



October 23, 1967

GUYTON B. HAYS  
COMMISSIONER

P. O. BOX 1148  
SANTA FE, NEW MEXICO

OCT 24 1967

Perry R. Bass  
12th Floor  
Ft. Worth National Bank Building  
Ft. Worth, Texas 76102

Re: Little Eddy Unit  
Lea County, New Mexico  
Automatic Elimination

ATTENTION: Mr. W. P. Duncan, Jr.

Gentlemen:

The Commissioner of Public Lands has approved your application for the contraction of the Little Eddy Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

This contraction is in accordance with the automatic elimination provisions of Section 2 (e) of the Unit Agreement. Said automatic elimination date was extended to become effective August 2, 1967, by diligent drilling operations.

The Unit Area remaining comprises a total of thirteen (13) tracts containing 1,686.95 acres as described in your Exhibit "B" dated August 2, 1967.

We are returning one approved copy of this application.

Very truly yours,

GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:  
Ted Bilberry, Director  
Oil and Gas Department

GBH/TB/EL/v  
cc: United States Geological Survey  
Roswell, New Mexico  
Oil Conservation Commission  
Santa Fe, New Mexico

APPLICATION FOR APPROVAL OF AUTOMATIC ELIMINATION  
OF LITTLE EDDY UNIT AREA (NO. 14-08-001-3464)

Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico 87501

Director  
United States Geological Survey  
Washington, D. C.

New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico 87501

The Little Eddy Unit Agreement entered into as of the 15th day of June, 1956, by and between the parties subscribing, ratifying or consenting thereto,

W I T N E S S E T H:

Whereas, the Little Eddy Unit Agreement was approved by the Acting Director, United States Geological Survey and by the Commissioner of Public Lands, State of New Mexico effective November 2, 1956; and

Whereas, the following wells have been drilled upon the Unit and have been completed as wells capable of producing unitized substances in paying quantities:

- (1) Texas Co. #1 Richards well, located 660' from the South and East lines of Section 25, T-20-S, R-32-E, was completed March 17, 1958.
- (2) Texaco Inc. #1-CH State of New Mexico well, located 1980' from the North line and 660' from the East line of Section 36, T-20-S, R-32-E, was completed April 12, 1960.
- (3) Texaco Inc. #1-CM State of New Mexico well, located 660' from the South line and 1980' from the East line of Section 31, T-20-S, R-33-E, was completed September 23, 1961.
- (4) Wm. A. and Edward R. Hudson #1 Signal Ross-Federal well, located 660' from the North line and 1980' from the East line of Section 30, T-19-S, R-33-E, was completed June 22, 1961.
- (5) Wm. A. and Edward R. Hudson #3 Signal Ross-Federal well, located 330' from the North line and 2310' from the West line of Section 30, T-19-S, R-33-E, was completed March 4, 1962.
- (6) Wm. A. and Edward R. Hudson #4 Signal Ross-Federal well, located 330' from the North line and 990' from the West line of Section 30, T-19-S, R-33-E, was completed July 21, 1962, and

Whereas, the following participating areas have been approved by the Commissioner of Public Lands, the Acting Director, United States Geological Survey as being lands reasonably proved to be productive of unitized substances in paying quantities:

- (1) The initial Upper Morrow participating area, as established by the Texas Co. #1 Richards well, was approved effective March 17, 1958 and included the SE $\frac{1}{4}$  of Section 25, N $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 36, T-20-S, R-32-E and Lots 3 & 4 of Section 30 and Lot 1 of Section 31, T-20-S, R-33-E, containing 360.71 acres.
- (2) The initial Atoka and Lower Morrow participating areas, as established by the Texaco Inc. #1-CH State well, were approved effective April 12, 1960 and included the E $\frac{1}{2}$  of Section 36, T-20-S, R-32-E and Lots 1,2,3,4 and E $\frac{1}{2}$ W $\frac{1}{2}$  of Section 31, T-20-S, R-33-E, containing 640.60 acres.

- (3) The first enlargement of the Lower Morrow participating area, as established by the Texaco Inc. #1-CM State well, was approved effective September 1, 1961 and included the SE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 31, W $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 32, T-20-S, R-33-E, and Lots 1 through 8 of Section 5, T-21-S, R-32-E, containing 684.96 acres.
- (4) The initial Yates participating area, as established by the Wm. A. and Edward R. Hudson #1 Signal Ross-Federal well, was approved effective June 22, 1961, and included the NW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 30, T-19-S, R-33-E, containing 40 acres.
- (5) The first enlargement of the Yates participating area, as established by the Wm. A. and Edward R. Hudson #3 Signal Ross-Federal well, was approved effective March 1, 1962, and included the NE $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 30, T-19-S, R-33-E, containing 40 acres.
- (6) The second enlargement of the Yates participating area, as established by the Wm. A. and Edward R. Hudson #4 Signal Ross-Federal well, was approved effective July 1, 1962 and included Lot 1 of Section 30, T-19-S, R-33-E, containing 40.94 acres, and

Whereas, two other Devonian wells and numerous Yates wells have been drilled within the boundaries of the Unit Area without establishing production of unitized substances in quantities sufficient to establish additional participating areas or to revise the initial participating areas; and

Whereas, Section 2(e) of the Little Eddy Unit Agreement provides that all legal subdivisions of unitized lands, no parts of which are entitled to be in a participating area within 7 years after the first day of the month following the effective date of the first initial participating area established under this Unit Agreement, shall be eliminated automatically from this Agreement, effective as of the first day thereafter, and such lands shall no longer be a part of the Unit Area and shall no longer be subject to this Agreement, unless at the expiration of said 7 year period diligent drilling operations are in progress on unitized lands not entitled to participation, in which event all such lands shall remain subject to the Unit Agreement for so long as such drilling operations are continued diligently, with not more than 180 days elapsing between the completion of one such well and the commencement of the next such well; and

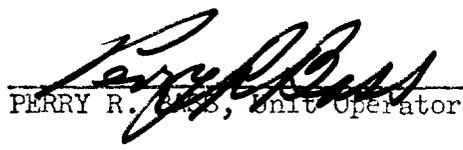
Whereas, the first participating area established under the terms of the Little Eddy Unit Agreement became effective March 17, 1958, the effective date of automatic elimination as established by Section 2(e) of the Unit Agreement was April 1, 1965; and

Whereas, the automatic elimination date was extended to August 2, 1967 by diligent drilling operations.

Now, therefore, Perry R. Bass, as Operator of the Little Eddy Unit, and pursuant to Section 2(e) of the Unit Agreement, respectfully requests your approval to contract the Unit Area to the outline of the present participating areas as shown on the Revised Exhibit "A" to the Unit Agreement. Also attached to this application is a Revised Exhibit "B" to the Unit Agreement.

The effective date of the contraction will be August 2, 1967.

Dated this 18 day of October, 1967.

  
PERRY R. Bass, Unit Operator



SCHEDULE SHOWING LANDS ELIMINATED FROM THE LITTLE EDDY UNIT AREA  
LEA AND EDDY COUNTIES, NEW MEXICO  
Effective August 2, 1967

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>FEDERAL LANDS</u>			
1.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 3: E $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 NM-0461537 3/1/64 USA-A11	
1-A	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 3: W $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 NM-0461537 3/1/64 USA-A11	
2.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 9: S $\frac{1}{2}$	320.00 NM-025669 3/1/50 USA-A11	
3.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 10: SW $\frac{1}{4}$	160.00 NM-0530846 8/1/64 USA-A11	
4.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 3: Lots 9 thru 16 inc., SW $\frac{1}{4}$ Sec. 4: Lots 7,8,9,10,15 & 16	720.00 NM-025670 11-1-51 USA-A11	
5.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 3: N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  <u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 34: Lots 3,4,N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 35: Lots 1,2,3,4,N $\frac{1}{2}$ S $\frac{1}{2}$ , N $\frac{1}{2}$ (A11)	914.83 NM-0301929 3/1/50 USA-A11	
5-A	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 3: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 NM-0255681 11/1/62 USA-A11	
5-B	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 3: Lots 1,2,3,4,S $\frac{1}{2}$ N $\frac{1}{2}$ , SW $\frac{1}{4}$	481.04 NM-093697 7/1/60 USA-A11	
6.	<u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 25: SE $\frac{1}{4}$	160.00 NM-01235 1/1/52 USA-A11	
7.	<u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 25: SW $\frac{1}{4}$	160.00 NM-01235-E 1/1/52 USA-A11	
9.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 35: E $\frac{1}{2}$	320.00 NM-0530012 5/1/64 USA-A11	
10.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 12: All	640.00 NM-02139 1/1/51 USA A11	

11.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 1: Lots 1,2,3 & 6 thru 16, Inc. N $\frac{1}{2}$ SE $\frac{1}{4}$ , S $\frac{1}{2}$ S $\frac{1}{2}$	807.55 NM-02139-A 1/1/51 USA-A11	
12.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 1: Lots 4 & 5, N $\frac{1}{2}$ SW $\frac{1}{4}$	162.49 NM-02139-B 1/1/51 USA-A11	
13.	<u>T-22-S, R-32-E, N.M.P.M.</u> Sec. 3: Lots 1,2,3 & 4, S $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 4: Lot 1, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$	758.25 NM-02967 4/1/52 USA-A11	
14.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 19: Lots 1,2, E $\frac{1}{2}$ NW $\frac{1}{4}$	160.03 NM-03023 5/1/52 USA-A11	
14-A	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 19: Lots 3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ , E $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 30: E $\frac{1}{2}$ E $\frac{1}{2}$	560.01 NM-03023-A 5/1/52 USA-A11	Partially eliminated
14-B	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 30: Lots 1,2, E $\frac{1}{2}$ NW $\frac{1}{4}$	160.15 NM-03023-B 5/1/52 USA-A11	Partially eliminated
15.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 11: S $\frac{1}{2}$	320.00 NM-03183-B 3/1/52 USA-A11	
16.	<u>T-22-S, R-32-E, N.M.P.M.</u> Sec. 4: Lots 2,3,4, SE $\frac{1}{4}$ NW $\frac{1}{4}$	159.27 NM-03273-A 5/1/52 USA-A11	
17.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 15: S $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 22: N $\frac{1}{2}$ NW $\frac{1}{4}$	160.00 NM-03497 4/1/50 USA-A11	
18.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 31: Lots 3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$  <u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 27: S $\frac{1}{2}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$	487.44 NM-051525 7/1/60 USA-A11	
19.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 30: Lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31: Lots 1,2, E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 33: S $\frac{1}{2}$	570.87 NM-03504 9/1/48 USA-A11	
20.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 30: Lots 1,2,3, E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$	250.61 NM-03505 9/1/48 USA-A11	
22.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 35: SE $\frac{1}{4}$	160.00 NM-03507 9/1/48 USA-A11	
23.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 35: SW $\frac{1}{4}$	160.00 NM-03508 9/1/48 USA-A11	

24.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 22: SW $\frac{1}{4}$	160.00 NM-03585 4/1/50 USA-A11	
25.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 8: E $\frac{1}{2}$ E $\frac{1}{2}$ Sec. 9: N $\frac{1}{2}$	480.00 NM-03653 2/1/51 USA-A11	
26.	<u>T-22-S, R-31-E, N.M.P.M.</u> Sec. 1: Lots 1,2,S $\frac{1}{2}$ NE $\frac{1}{4}$	159.81 NM-051517 4/1/60 USA-A11	
27.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 13: SE $\frac{1}{4}$ Sec. 24: SW $\frac{1}{4}$	320.00 NM-04225 7/1/50 USA-A11	
28.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 13: SW $\frac{1}{4}$ Sec. 23: SE $\frac{1}{4}$ Sec. 25: S $\frac{1}{2}$	640.00 NM-04225-A 7/1/50 USA-A11	
29.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 5: Lots 13 & 14	80.00 NM-04229 2/1/51 USA-A11	
29-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 5: Lots 11 & 12	80.00 NM-04229-B 2/1/51 USA-A11	Partially eliminated
30.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 5: Lots 15,16,S $\frac{1}{2}$	400.00 NM-04229-A 2/1/51 USA-A11	
30-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 5: Lots 9 & 10	80.00 NM-04229-C 2/1/51 USA-A11	Partially eliminated
31.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 22: NE $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$	240.00 NM-04382-A 11/1/51 USA-A11	
32.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 14: S $\frac{1}{2}$ , S $\frac{1}{2}$ N $\frac{1}{2}$ Sec. 15: SE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$	720.00 NM-04383-B 7/1/52 USA-A11	
33.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 19: Lots 1,2,E $\frac{1}{2}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$	246.55 NM-04749 7/1/53 USA-A11	
34.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 21: All Sec. 22: All Sec. 27: N $\frac{1}{2}$	1600.00 NM-04801 9/1/52 USA-A11	
35.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 3: SE $\frac{1}{4}$ Sec. 10: N $\frac{1}{2}$ , SE $\frac{1}{4}$	640.00 NM-0554243 7/1/64 USA-A11	
36.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 18: N $\frac{1}{2}$ SE $\frac{1}{4}$	80.00 NM-05148 7/1/51 USA-A11	Non-Committed

37.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 4: SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 9: N $\frac{1}{2}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$	680.00 NM-05522 8/1/51 USA-A11	
38.	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 31: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$	641.72 NM-05960 9/1/51 USA-A11	
39.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 17: NW $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 20: NW $\frac{1}{4}$ , SE $\frac{1}{4}$	560.00 NM-05961 9/1/51 USA-A11	
40.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 18: S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 20: SW $\frac{1}{4}$	240.00 NM-026982 9/1/60 USA-A11	Non-Committed
41.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 29: NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 33: NE $\frac{1}{4}$  <u>T-22-S, R-32-E, N.M.P.M.</u> Sec. 6: Lots 1,2, S $\frac{1}{2}$ NE $\frac{1}{4}$	399.52 NM-06408-A 11/1/51 USA-A11	
42.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 7: Lots 2,3,4, SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 18: N $\frac{1}{2}$ NE $\frac{1}{4}$	559.47 NM-0149957 4/1/61 USA-A11	
43.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 29: NW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00 NM-0557834 10/1/65 USA-A11	
43-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 29: SE $\frac{1}{4}$ SW $\frac{1}{4}$	40.00 NM-0557835 12/1/65 USA-A11	
44.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 9: SW $\frac{1}{4}$ SW $\frac{1}{4}$	40.00 NM-016807 2/1/55 USA-A11	
45.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 4: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$	400.24 NM-039490 4/1/59 USA-A11	
46.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 9: E $\frac{1}{2}$ SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$	160.00 Unleased U. S. Lands	Non-Committed
47.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 1: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 12: E $\frac{1}{2}$ NE $\frac{1}{4}$	160.00 LC-060117 11/1/48 USA-A11	
48.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 12: E $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 LC-060118 11/1/48 USA-A11	
49.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 13: NE $\frac{1}{4}$ Sec. 23: W $\frac{1}{2}$ Sec. 24: E $\frac{1}{2}$ Sec. 25: NE $\frac{1}{4}$ , W $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 26: NE $\frac{1}{4}$	1200.00 LC-061640 7/1/50 USA-A11	

50.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 23: NE $\frac{1}{4}$ Sec. 24: NW $\frac{1}{4}$ Sec. 25: E $\frac{1}{2}$ NW $\frac{1}{4}$	400.00 LC-061640-A 7/1/50 USA-A11	
51.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 27: S $\frac{1}{2}$ Sec. 28: A11	960.00 NM-029082 1/1/57 USA-A11	
52.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 29: NW $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	160.00 LC-062975 6/1/49 USA-A11	
53.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 4: NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 7: N $\frac{1}{2}$ NE $\frac{1}{4}$	120.00 LC-063106 2/1/51 USA-A11	
54.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 1: Lots 1,2,3,4, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 11: A11 Sec. 12: NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$	1158.80 LC-063587-A 11/1/48 USA-A11	
54-A	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 10: A11	640 LC-063587 11/1/48 USA-A11	
55.	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 29: NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$	400.00 NM-073239 2/1/60 USA-A11	
55-A	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$	120.00 NM-031333 5/1/57 USA-A11	
55-B	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 29: W $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 30: Lots 2,3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$	642.08 NM-073240 2/1/60 USA-A11	Partially eliminated
56.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 4: SE $\frac{1}{4}$ Sec. 8: W $\frac{1}{2}$ NE $\frac{1}{4}$	240.00 NM-025607 3/1/51 USA-A11	
57.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 1: SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 23: NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 24: N $\frac{1}{2}$ NW $\frac{1}{4}$	160.00 LC-064228 2/1/51 USA-A11	
58.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 6: Lots 1 to 12 inc.	496.48 NM-032056-A 10/1/57 USA-A11	
59.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 6: Lots 13,14,15,16,17,18, N $\frac{1}{2}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$	368.58 NM-032056 10/1/57 USA-A11	
60.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 29: E $\frac{1}{2}$  <u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 4: Lots 1, 2	401.13 LC-065161-C 4/1/51 USA-A11	

61.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 29: SW $\frac{1}{4}$	160.00 LC-065161-B 4/1/51 USA-A11	
61-A	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 29: NW $\frac{1}{4}$	160.00 LC-065161-D 4/1/51 USA-A11	
62.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 24: S $\frac{1}{2}$ N $\frac{1}{2}$ , N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 26: All Sec. 27: N $\frac{1}{2}$ N $\frac{1}{2}$	1040.00 LC-065750 7/1/51 USA-A11	
62-A	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 24: SW $\frac{1}{4}$ Sec. 25: SW $\frac{1}{4}$ , NE $\frac{1}{4}$	480.00 LC-065750-B 7/1/51 USA-A11	
62-B	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 24: SE $\frac{1}{4}$ Sec. 25: NW $\frac{1}{4}$	320.00 LC-065750-C 7/1/51 USA-A11	
63.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 22: W $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 LC-065751 8/1/51 USA-A11	
64.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 22: W $\frac{1}{2}$ NW $\frac{1}{4}$	80.00 LC-065752 7/1/51 USA-A11	
65.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 7: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 8: W $\frac{1}{2}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 17: All Sec. 18: E $\frac{1}{2}$ E $\frac{1}{2}$	1320.00 LC-065833 6/1/51 USA-A11	
66.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 13: E $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 26: S $\frac{1}{2}$ , NW $\frac{1}{4}$	600.00 LC-066446 5/1/51 USA-A11	
66-A	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 13: NW $\frac{1}{2}$ NW $\frac{1}{4}$	40.00 NM-0391981 9/1/63 USA-A11	
67.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 27: N $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 34: E $\frac{1}{2}$ Sec. 35: N $\frac{1}{2}$	960.00 LC-067052 9/1/48 USA-A11	
68.	<u>T-22-S, R-31-E, N.M.P.M.</u> Sec. 1: Lots 3,4, S $\frac{1}{2}$ NW $\frac{1}{4}$	159.43 LC-067053-A 9/1/48 USA-A11	
69.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 30: S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ Sec. 34: SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , NE $\frac{1}{2}$ SE $\frac{1}{4}$	520.00 LC-067054 9/1/48 USA-A11	
70.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 20: S $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 34: NW $\frac{1}{4}$	280.00 NM-025233 9/1/56 USA-A11	Non-Committed

70-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 20: NE $\frac{1}{4}$ Sec. 34: NW $\frac{1}{4}$	320.00 NM-0496384 4/1/64 USA-A11	
70-B	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 20: NW $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 NM-025233-B 9/1/56 USA-A11	Non-Committed
71.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 20: S $\frac{1}{2}$	320.00 LC-067056-A 9/1/48 USA-A11	
72.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 29: E $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$	160.00 NM-0521198 6/1/64 USA-A11	
73.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 33: NW $\frac{1}{4}$	160.00 LC-067130-A 2/1/52 USA-A11	
74.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 35: W $\frac{1}{2}$	320.00 LC-068104 8/1/51 USA-A11	
75.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 15: SW $\frac{1}{4}$	160.00 LC-068137 4/1/51 USA-A11	
76.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 19: Lots 3,4,E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ Sec. 30: NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 31: E $\frac{1}{2}$	686.85 NM-0557333 9/1/65 USA-A11	
76-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 30: NW $\frac{1}{4}$ NE $\frac{1}{4}$	40.00 NM-0557334 9/1/65 USA-A11	
77.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 4: Lots 3,4,5,6,11,12,13,14,W $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 6: SE $\frac{1}{4}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 7: NE $\frac{1}{4}$ NW $\frac{1}{4}$	601.71 LC-068921 10/1/51 USA-A11	
78.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 14: All Sec. 15: All Sec. 22: E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ Sec. 23: W $\frac{1}{2}$ , SE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$	2360.00 LC-069060 11/1/51 USA-A11	
79.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 7: Lots 3,4,E $\frac{1}{2}$ SW $\frac{1}{4}$ ,W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 18: Lots 1,2,3,4,E $\frac{1}{2}$ W $\frac{1}{2}$ , W $\frac{1}{2}$ E $\frac{1}{2}$ Sec. 19: E $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 29: NE $\frac{1}{4}$	978.56 LC-069188 6/1/51 USA-A11	
79-A	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 7: Lots 1,2,SE $\frac{1}{4}$ NW $\frac{1}{4}$ ,SW $\frac{1}{4}$ NE $\frac{1}{4}$	165.88 LC-069188 6/1/51 USA-A11	
80.	<u>T-22-S, R-32-E, N.M.P.M.</u> Sec. 6: Lots 3,4,5,SE $\frac{1}{4}$ NW $\frac{1}{4}$	167.58 NM-040425 12/1/58 USA-A11	Non-Committed

81.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 5: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$ (All) Sec. 6: Lots 1,2,3,4,5,6,7, SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ (All) Sec. 7: Lot 1, NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8: All	2004.86 LC-069944 6/1/51 USA-A11	
82.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 7: N $\frac{1}{2}$ NE $\frac{1}{4}$	80.00 LC-069944-A 6/1/51 USA-A11	
83.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 3: Lots 1 thru 8 inc. Sec. 10: W $\frac{1}{2}$ Sec. 15: W $\frac{1}{2}$	959.48 NM-025668 8/1/49 USA-A11	
84.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 22: S $\frac{1}{2}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$	160.00 LC-070792-A 4/1/50 USA-A11	
85.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 11: N $\frac{1}{2}$	320.00 LC-070876 8/1/51 USA-A11	
86.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 14: N $\frac{1}{2}$ N $\frac{1}{2}$ Sec. 15: N $\frac{1}{2}$ N $\frac{1}{2}$	320.00 LC-071771-A 8/1/49 USA-A11	
87.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 17: NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 20: E $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$	360.00 LC-071900-A 9/1/51 USA-A11	Non-Committed
87-A	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 20: SW $\frac{1}{4}$ NE $\frac{1}{4}$	40.00 NM-0446668 11/1/63 USA-A11	

STATE LANDS

88.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 32: NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	280.00 E-1623-3 12/10/57 St. of N.M. 12 $\frac{1}{2}$ %	
89.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 16: All	640.00 E-2784-4 7/11/59 St. of N.M. 12 $\frac{1}{2}$ %	
90.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 16: NW $\frac{1}{4}$ , E $\frac{1}{2}$ NE $\frac{1}{4}$	240.00 E-5230-1 5/10/61 St. of N.M. 12 $\frac{1}{2}$ %	
91.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 2: N $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , Lots 1, 4 Sec. 13: NE $\frac{1}{4}$	759.76 E-5231-1 5/10/61 St. of N.M. 12 $\frac{1}{2}$ %	
	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 18: Lot 2, SE $\frac{1}{4}$ NW $\frac{1}{4}$		
	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 2: S $\frac{1}{2}$		

92.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 36: SW $\frac{1}{2}$	559.99 E-5231-2 5/10/61 St.of N.M. 12 $\frac{1}{2}$ %	Partially eliminated
	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 18: Lots 3,4,S $\frac{1}{2}$ SE $\frac{1}{2}$ ,E $\frac{1}{2}$ SW $\frac{1}{2}$ Sec. 19: W $\frac{1}{2}$ NE $\frac{1}{2}$ Sec. 31: N $\frac{1}{2}$ NE $\frac{1}{2}$		
92-A	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 18: Lot 1, NE $\frac{1}{2}$ NW $\frac{1}{2}$	79.93 E-5231-4 St.of N.M. 12 $\frac{1}{2}$ % 5/10/61	
93.	<u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 36: NW $\frac{1}{2}$ ,E $\frac{1}{2}$ NE $\frac{1}{2}$ ,NW $\frac{1}{2}$ NE $\frac{1}{2}$ ,N $\frac{1}{2}$ SE $\frac{1}{2}$ ,NE $\frac{1}{2}$ SW $\frac{1}{2}$ , Lot 1	438.86 E-5558-1 9/10/61 St.of N.M. 12 $\frac{1}{2}$ %	
95.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 2: SW $\frac{1}{2}$ NE $\frac{1}{2}$ ,SW $\frac{1}{2}$ SW $\frac{1}{2}$ ,SE $\frac{1}{2}$ SW $\frac{1}{2}$	120.00 E-7671-1 12/15/63 St.of N.M. 12 $\frac{1}{2}$ %	
96.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 2: Lots 2,3,SE $\frac{1}{2}$ NE $\frac{1}{2}$ ,SE $\frac{1}{2}$	279.80 E-9051-1 5/17/65 St.of N.M. 12 $\frac{1}{2}$ %	
97.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 30: W $\frac{1}{2}$ E $\frac{1}{2}$	160.00 E-9051-2 5/17/65 St.of N.M. 12 $\frac{1}{2}$ %	
98.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 32: E $\frac{1}{2}$	320.00 E-9052-1 5/17/65 St.of N.M. 12 $\frac{1}{2}$ %	
99.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 32: E $\frac{1}{2}$ SW $\frac{1}{2}$	80.00 E-9052-2 5/17/65 St.of N.M. 12 $\frac{1}{2}$ %	Partially eliminated
99-A	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 32: E $\frac{1}{2}$ NW $\frac{1}{2}$ ,NW $\frac{1}{2}$ NW $\frac{1}{2}$	120.00 E-9052-4 5/17/65 St.of N.M. 12 $\frac{1}{2}$ %	Partially eliminated
100.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 2: Lots 1 thru 16	649.52 E-9360-1 9/20/65 St.of N.M. 12 $\frac{1}{2}$ %	
101.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 13: W $\frac{1}{2}$ SW $\frac{1}{2}$ Sec. 36: W $\frac{1}{2}$ NW $\frac{1}{2}$	160.00 E-1931-1 6/10/58 St.of N.M. 12 $\frac{1}{2}$ %	
102.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 16: SW $\frac{1}{2}$ , NW $\frac{1}{2}$ SE $\frac{1}{2}$	200.00 B-3277-12 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
103.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 16: S $\frac{1}{2}$ SE $\frac{1}{2}$ , NE $\frac{1}{2}$ SE $\frac{1}{2}$	120.00 B-3277-7 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	
104.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 16: SW $\frac{1}{2}$ NE $\frac{1}{2}$	40.00 E-6568-1 10/10/62 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed

105.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 16: NW $\frac{1}{2}$ NE $\frac{1}{4}$	40.00 OG-1431-6 10/15/67 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
106.	<u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 36: NW $\frac{1}{2}$ SW $\frac{1}{4}$	40.00 B-1565-2 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
107.	<u>T-19-S, R-32-E, N.M.P.M.</u> Sec. 36: Lots 2,3,4, SW $\frac{1}{2}$ NE $\frac{1}{4}$	158.54 B-1482-1 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
108.	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 32: W $\frac{1}{2}$ SW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$	120.00 B-1581-6 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
109.	<u>T-19-S, R-33-E, N.M.P.M.</u> Sec. 32: NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$	320.00 E-8013 3/16/64 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
110.	<u>T=19-S, R-33-E, N.M.P.M.</u> Sec. 32: NE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	200.00 B-11290 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	
111.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 2: SE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 B-1482-1 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
112.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 12: SE $\frac{1}{4}$ Sec. 13: NW $\frac{1}{4}$ , SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$	560.00 B-3615-2 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	
113.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 36: NE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 E-9543 11/15/65 St.of N.M. 12 $\frac{1}{2}$ %	Partially eliminated
114.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 36: SE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 E-2863-1 8/10/59 St.of N.M. 12 $\frac{1}{2}$ %	
115.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 17: S $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 E-4207-3 9/11/60 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
116.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 17: S $\frac{1}{2}$ SE $\frac{1}{4}$	80.00 B-1482-1 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
117.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 36: NE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$	240.00 E-7812 2/16/64 St.of N.M. 12 $\frac{1}{2}$ %	
118.	<u>T-21-S, R-31-E, N.M.P.M.</u> Sec. 36: S $\frac{1}{2}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$	400.00 E-7645 12-15-63 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
119.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 32: SW $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$	280.00 Unleased State Lands	Non-Committed

120.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 32: SE $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 E-1932-1 6/10/58 St.of N.M. 12 $\frac{1}{2}$ %	
121.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 32: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 B-399-34 H.B.P. St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
122.	<u>T-22-S, R-31-E, N.M.P.M.</u> Sec. 2: Lots 1,2,3,4,S $\frac{1}{2}$ N $\frac{1}{2}$	319.48 OG-520 1/15/67 St.of N.M. 12 $\frac{1}{2}$ %	Non-Committed
<u>FEE OR PRIVATELY OWNED LANDS</u>			
123.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 1: SE $\frac{1}{4}$ ,NW $\frac{1}{4}$ SW $\frac{1}{4}$ ,S $\frac{1}{2}$ NW $\frac{1}{4}$ ,SW $\frac{1}{4}$ NE $\frac{1}{4}$	320.00 8/30/56 W. M. Snyder	Non-Committed
124.	<u>T-20-S, R-32-E, N.M.P.M.</u> Sec. 27: N $\frac{1}{2}$ S $\frac{1}{2}$ , S $\frac{1}{2}$ N $\frac{1}{2}$	320 Est. of J.M.Campbell	Non-Committed
125.	<u>T-20-S, R-33-E, N.M.P.M.</u> Sec. 30: E $\frac{1}{2}$ SW $\frac{1}{4}$	80.00 4/8/57 Argo Oil Corp. et al Leonard Oil Co. Sunshine Royalty Co. Est. E. C.Higgins Mabel Stewart Cecil H. Kyte Pearl Monteith	Partially eliminated - Partially Committed
126.	<u>T-21-S, R-32-E, N.M.P.M.</u> Sec. 34: SE $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 C. H. James	Non-Committed
127.	<u>T-22-S, R-32-E, N.M.P.M.</u> Sec. 3: SE $\frac{1}{4}$ NE $\frac{1}{4}$	40.00 C. H. James	Non-Committed



Revised as of August 2, 1967

EXHIBIT "B"  
LITTLE EDDY UNIT AREA, LEA COUNTY, NEW MEXICO  
TOWNS. 19, 20, AND 21, RGS. 32 AND 33, N. M. P. M.  
SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS  
IN ALL LANDS IN THE UNIT AREA

Tract No.	Description of Land	No. of Acres	Application or Ser. No. & Effective Date	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner
<u>FEDERAL LAND</u>							
8.	<u>T-21-S, R-32-E</u> Sec. 5: Lots 1, 2, 3 & 4	164.96	NM-01236 2-1-52	USA-A11	Texaco, Inc.	W. E. Bondurant, Jr. 3%	Texaco, Inc.
14-A.	<u>T-20-S, R-33-E</u> Sec. 31: Lots 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$	240.15	NM-03023-A 5-1-52	USA-A11	Texaco, Inc.	John H. Trigg Howard W. Jennings 1 $\frac{1}{2}$ % 2%	Texaco, Inc.
14-B.	<u>T-20-S, R-33-E</u> Sec. 31: Lot 2, SE $\frac{1}{4}$ NW $\frac{1}{4}$	80.19	NM-03023-B 5-1-52	USA-A11	Texaco, Inc.	John H. Trigg Howard W. Jennings 1 $\frac{1}{2}$ % 2%	Texaco, Inc.
29-A.	<u>T-21-S, R-32-E</u> Sec. 5: Lots 5, 6	80.00	NM-04229-B 2-1-51	USA-A11	Texaco, Inc.	W. D. Blaydes Cliffie A. Loomis .5% 5%	Texaco, Inc.
30-A.	<u>T-21-S, R-32-E</u> Sec. 5: Lots 7, 8	80.00	NM-04229-C 2-1-51	USA-A11	Texaco, Inc.	Lucy R. Muse Cliffie A. Loomis .5% 5%	Texaco, Inc.
55-B.	<u>T-19-S, R-33-E</u> Sec. 30: Lot 1, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$	120.94	NM-073240 2-1-60	USA-A11	Wm. G. Ross - 1/4 Signal Oil & Gas Co. - 1/2 The Superior Oil Co. - 1/4	Above 4000' Edith Casper Signal Oil & Gas Co. A. C. Holder R. M. Young & Adele J. Young Wm. G. Ross 2.850%	Above 4000' William A. Hudson & Edward R. Hudson Below 4000' Wm. G. Ross Signal Oil & Gas Co. The Superior Oil Co.
6 FEDERAL TRACTS CONTAINING 766.24 ACRES, OR 45.42% OF THE UNIT AREA.							

Tract No.	Description of Land	No. of Acres	Serial No. & Expiration Date of Use.	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty & Percentage	Working Interest Owner
<u>STATE LAND</u>							
92.	T-20-S, R-32-E Sec. 36: E $\frac{1}{2}$ E $\frac{1}{2}$ , NW $\frac{1}{2}$ SE $\frac{1}{2}$	280.00	E-5231-2 5-10-61	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
	T-20-S, R-33-E Sec. 31: SE $\frac{1}{2}$ NE $\frac{1}{2}$ , NE $\frac{1}{2}$ SE $\frac{1}{2}$						
92-B	T-20-S, R-33-E Sec. 31: Lot 1, NE $\frac{1}{2}$ NW $\frac{1}{2}$	80.26	E-5231-4 5-10-61	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
94.	T-20-S, R-33-E Sec. 31: S $\frac{1}{2}$ SE $\frac{1}{2}$	80.00	E-6142-2 4-10-62	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
99.	T-20-S, R-33-E Sec. 32: W $\frac{1}{2}$ SW $\frac{1}{2}$	80.00	E-9052-2 5-17-65	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
99-A.	T-20-S, R-33-E Sec. 32: SW $\frac{1}{2}$ NW $\frac{1}{2}$	40.00	E-9052-4 5-17-65	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
113.	T-20-S, R-32-E Sec. 36: W $\frac{1}{2}$ NE $\frac{1}{2}$ , SW $\frac{1}{2}$ SE $\frac{1}{2}$	120.00	E-9543 11-15-65	State of New Mexico 12 $\frac{1}{2}$ %	Texaco, Inc.	None	Texaco, Inc.
6 STATE TRACTS CONTAINING 680.26 ACRES OR 40.33% OF UNIT AREA							

Tract No.	Description of Land	No. of Acres	Expiration Date of Use.	Basic Royalty Owner and Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest Owner
<u>FEE OR PRIVATELY OWNED LAND</u>							
125.	<u>T-20-S, R-32-E</u> Sec. 25: SE $\frac{1}{4}$	240.45	4-8-57	Argo Oil Corp. et al Leonard Oil Company Sunshine Royalty Co. Est. of E. C. Higgins Mabel Stewart Cecil H. Kyte Pearl Monteith	Texaco, Inc.	None	Texaco, Inc.
	<u>T-20-S, R-33-E</u> Sec. 30: Lots 3, 4						

1 FEE OR PRIVATELY OWNED TRACTS CONTAINING 240.45 ACRES, OR 14.25% OF THE UNIT AREA

TOTAL 13 TRACTS CONTAINING 1,686.95 ACRES IN THE LITTLE EDDY UNIT AREA

Drawer 1857  
Roswell, New Mexico 88201

1117  
November 26, 1965

Perry R. Bass  
12th Floor, Fort Worth National Bank Bldg.  
Fort Worth, Texas

Dear Mr. Bass:

On November 23, 1965, this office received a ratification and joinder to the Little Eddy unit agreement and unit operating agreement, New Mexico, No. 14-08-001-3464, transmitted by the Bureau of Land Management, Santa Fe, New Mexico. The ratification and joinder is executed by F. J. and B. J. Bradshaw who will become lessees of record and working interest owners of lease New Mexico 0557835.

Section 30 of the unit agreement requires that copies of such ratification and joinder be filed with the Commissioner of Public Lands, State of New Mexico, and the New Mexico Oil Conservation Commission. Subject to compliance with the foregoing requirements, the lands covered by lease New Mexico 0557835 (that portion of Federal land unit tract 43 described as the SE1/4 sec. 29, T. 21 S., R. 32 E., N.M.P.M.) will be considered effectively committed to the Little Eddy unit agreement as of the effective date of the lease.

Copies of the ratification and joinder are being distributed to the appropriate Federal offices.

Sincerely yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK  
Acting Oil & Gas Supervisor

cc:  
Washington (w/cy of joinder)  
BLM - Santa Fe (w/cy of joinder)  
Kobbe (w/cy of joinder)  
N.M.O.C.C. - Santa Fe (ltr. only)✓  
Accounts

1117  
Drawer 1857  
Roswell, New Mexico 88201

October 19, 1965

Ferry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your plan of development covering the period from June 1, 1965, to June 1, 1966, for the Little Eddy unit area, Lea and Eddy Counties, New Mexico, has been approved on this date subject to like approval by the appropriate State officials. The plan proposes the drilling of one shallow test well and one Devonian test well during this period.

Two approved copies of the plan are enclosed.

Sincerely yours,

JOHN A. ANDERSON  
Regional Oil & Gas Supervisor

cc:  
Washington (w/cy of plan)  
Hobbs (w/cy of plan)  
Gen. of Pub. Lands - Santa Fe (ltr. only)  
H.M.O.C.C. - Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION

P. O. ~~XXXXXXXXXX~~ BOX 2088

SANTA FE, NEW MEXICO

1117

October 6, 1965

**Perry R. Bass  
Fort Worth National  
Bank Building  
Fort Worth, Texas**

**Attention: Mr. Howard W. Jennings**

**Re: Plan of Development,  
June 1, 1965 to June 1, 1966,  
Little Eddy Unit, Lea and  
Eddy Counties, New Mexico**

**Gentlemen:**

**This is to advise that the New Mexico Oil  
Conservation Commission has this date approved the Plan of  
Development covering the period from June 1, 1965 to June 1,  
1966 for the Little Eddy Unit, Lea and Eddy 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 plan is returned herewith.**

**Very truly yours,**

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

**ALP/JEK/og**

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

C  
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September 29, 1965

Perry R. Bass  
12th Floor Fort Worth  
National Bank Building  
Fort Worth, Texas

Re: Little Eddy Unit  
Lea and Eddy Counties,  
New Mexico

Attention: Mr. Howard Jennings

Gentlemen:

In reference to your Plan of Development for the Little Eddy Unit Area, dated August 30, 1965,

This Plan contemplates the drilling of one shallow well and one Devonian test the locations not yet determined, during the period of June 1, 1965 to June 1, 1966.

The Commissioner of Public Lands approves this Plan of Development subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We would call your attention to Section 2 (e) of the Unit Agreement. Our records reflect that as of March 31, 1965 this Unit is being operated under Section 2 (e) and unless the terms of this section

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**Perry R. Bass**  
**Attention: Mr. Howard Jennings**  
**September 29, 1965**  
**- page 2 -**

are complied with the acreage not participating will be automatically eliminated from the Unit Area. Therefore, the Commissioner's approval of this drilling program is subject to the terms of Section 2 (e) of the Unit Agreement.

We are returning one approved copy of this Plan of Development.

Very truly yours,

**GUYTON B. HAYS**  
**COMMISSIONER OF PUBLIC LANDS**

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

**MR/e**  
**cc:**

**United States Geological Survey**  
**Post Office Drawer 1857**  
**Roswell, New Mexico**  
**Attention: Mr. John A. Anderson**

**New Mexico Oil Conservation Commission**  
**Post Office Box 2088**  
**Santa Fe, New Mexico**

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PERRY R. BASS  
1ST FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

August 30, 1965

MAIN OFFICE  
'65 SEP 24 PM 11

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

Re: Plan of Development - June 1,  
1965 to June 1, 1966 - Little  
Eddy Unit Area - Lea and  
Eddy Counties, New Mexico

Gentlemen:

In accordance with the Unit Agreement covering the Little Eddy Unit in Eddy and Lea Counties, New Mexico, Perry R. Bass, as Unit Operator, submits for your approval a Plan of Development covering the period from June 1, 1965 to June 1, 1966.

History of Past Development

You have previously been furnished with the past development on the Little Eddy Unit, which consisted of five deep tests and eight shallow tests, which was a total of 13 wells being drilled on this Unit from the period of its inception to June 1, 1963.

In the period from June 1, 1963 to June 1, 1964, four additional shallow tests were drilled, which are reviewed as follows:

A unit well was spudded on 7-12-63, entitled Randall F. Montgomery No. 6 - Brooks - 7. This was a rework of The Texas Company No. 1 Muse Federal, located in the SE $\frac{1}{4}$  SW $\frac{1}{4}$  Section 7-20S-33E, Lea County, New Mexico. This well was originally P&A on 3-6-57. The well was re-entered and perforated 3026-3032 and 3046-3052. 2" tubing was run to 2993.50 and after acidizing with 1000 gallons, the well was completed for an I.P. of 38 BOPD and 16 BXW. This well was completed 8-7-63.

The next unit well was the Randall F. Montgomery No. 1 Bass State, located in the NE $\frac{1}{4}$  NW $\frac{1}{4}$  Section 18-20S-33E. The well was spudded 9-7-63 and completed in the Yates-Seven Rivers pay, with perforations at

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission  
August 30, 1965  
Page 2

3058-3063 and 3067-3072. The I.P. was 33 BOPD, plus 2 BXW. The completion date was 9-18-63.

The next unit well was the Randall F. Montgomery No. 2 Bass State in the SE $\frac{1}{4}$  NW $\frac{1}{4}$  Section 18-20S-33E. The well was spudded 1-2-64 and completed in the Yates-Seven Rivers formation after perforations from 3014-3022, 3024-3030, 3048-3052, 3074-3080. After acidizing with 5,000 gallons, the well was completed on 1-12-64, pumping 25 BOPD, plus 100 BXW.

The next unit well was the Randall F. Montgomery No. 3 Bass State, located in the NW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 18-20S-33E. This well was spudded 3-27-65 and completed in the Yates-Seven Rivers formation after perforating from 3096-3100, 3104-3106, 3112. The well was completed, showing an I.P. of 31 BOPD, plus 20 BXW on 4-3-65.

#### Development

During the period from June 1, 1965 to June 1, 1966, the undersigned, as Unit Operator, contemplates the drilling, or causing to be drilled, at least one shallow well and one Devonian test, the depth and location of same depending upon the results obtained from our continued geological and geophysical work. A joint geophysical program has been agreed upon, and work was commenced on re-shooting this entire unit, said geophysical work being commenced on July 1, 1965. It is anticipated that the entire unit area will be again explored, using a new geophysical technique which has only recently been developed. We are pursuing this exploration program most vigorously, and we anticipate selecting a Devonian location within the next three to four months and anticipate commencing a Devonian test shortly after the first of the year.

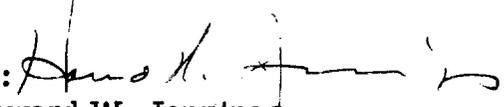
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission  
August 30, 1965  
Page 3

Effective Date

This Plan of Development shall be effective June 1, 1965 and  
expire June 1, 1966.

Very truly yours,

PERRY R. BASS

By:   
Howard W. Jennings

HWJ:lcc

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Supervisor, United States Geological Survey

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Commissioner of Public Lands

Approved:  Date: 10-6-65  
Oil Conservation Commission



MAIN OFFICE  
SEP 20 AM 6 3

IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Drawer 1857  
Roswell New Mexico 88201

1117

September 17, 1965

Perry R. Bass  
Twelfth Floor, Fort Worth National Bank Building  
Fort Worth, Texas

Dear Mr. Bass:

The following ratification and joinder relating to the Little Eddy unit agreement, New Mexico, No. 14-08-001-3464, was transmitted to this office by the Bureau of Land Management:

<u>Joinder to</u>	<u>Date Received</u>	<u>Executed by</u>
Unit agreement and unit operating agreement	September 13, 1965	Anne E. and Curtis J. Little who will become lessee of record and working interest owner of lease New Mexico 0557834

Section 30 of the unit agreement requires that copies of such ratification and joinder be filed with the Commissioner of Public Lands, State of New Mexico, and the New Mexico Oil Conservation Commission. Subject to compliance with the foregoing requirement, the lands covered by lease New Mexico 0557834 (that portion of Federal land unit tract 43 described as the NW 1/4 sec. 29, T. 21 S., R. 32 E., N.M.P.M.) will be considered effectively committed to the Little Eddy unit agreement as of the effective date of the lease.

Copies of the ratification and joinder are being distributed to the appropriate Federal offices.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:

- Washington (w/cy joinder)
- BLM, Santa Fe (w/cy joinder)
- Hobbs (w/cy joinder)
- MSOCC, Santa Fe (ltr. only) ✓
- N. Mex. Com. Pub. Lands, Santa Fe (ltr. only)
- Accounts

Note to BLM: This will answer your memorandum of September 8, 1965.



MAIN OFFICE 000

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IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Drawer 1937  
Roswell, New Mexico 88201

1117

August 5, 1965

Perry R. Bass  
12th Floor Fort Worth National Bank Building  
Fort Worth, Texas

Dear Mr. Bass:

The following ratifications and joinders relating to the Little Eddy unit agreement, New Mexico, No. 14-08-001-3464, were transmitted to this office by the Bureau of Land Management:

<u>Joinder to</u>	<u>Date Received</u>	<u>Executed by</u>
Unit agreement and unit operating agreement	August 3, 1965	Caroline W. and Theo H. Law who will become lessee of record and working interest owner of lease New Mexico 0557333.
Unit agreement and unit operating agreement	August 3, 1965	Audrey G. Eitenmiller who will become lessee of record and working interest owner of lease New Mexico 0557334.

Section 30 of the unit agreement requires that copies of such ratification and joinders be filed with the Commissioner of Public Lands State of New Mexico, and the New Mexico Oil Conservation Commission. Subject to compliance with the foregoing requirement, the lands covered by lease New Mexico 0557333 (that portion of Federal land unit tract 70 described as lots 3, 4, Eight, SE 1/4 sec. 19, NE 1/4 sec. 30 and E 1/2 sec. 31, T. 21 S., R. 32 E., N.M.P.M.) and lease New Mexico 0557334 (that portion of Federal land unit tract 70 described as the NE 1/4 sec. 30, T. 21 S., R. 32 E., N.M.P.M.) will be considered effectively committed to the Little Eddy unit agreement as of the effective date of the leases.

Copies of the ratification and joinder are being distributed to the appropriate Federal offices.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

cc:

Washington (w/cy joinder)

BLM, Santa Fe (w/cy joinder)

Hobbs (w/cy joinder)

NRGCC, Santa Fe (ltr. only) ✓

N.Mex. Com. Pub. Lands, Santa Fe (ltr. only)

Accounts

JOHN A. ANDERSON

Regional Oil and Gas Supervisor

Note to BLM: This will answer your memorandums of August 2, 1965.

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

1117

September 24, 1963

**Mr. Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas**

**Attention: Mr. Howard W. Jennings**

**Re: Plan of Development  
June 1, 1963 to June 1, 1964  
Little Eddy Unit, Lea and  
Eddy Counties, New Mexico**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development for the period June 1, 1963, to June 1, 1964, for the Little Eddy Unit, Lea and Eddy 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 plan is returned herewith.**

**Very truly yours,**

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

**ALP/JEK/og**

**cc: New Mexico State Land Office- Santa Fe  
U. S. Geological Survey - Roswell**

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RECEIVED  
JUN 24 1963

June 24, 1963

Mr. Perry R. Bass  
12th Floor  
Fort Worth National Bank Building  
Fort Worth, Texas

Re: Plan of Development  
June 1, 1963 to June 1, 1964  
Little Eddy Unit, Lea and  
Eddy Counties, New Mexico

Attention: Mr. Howard W. Jennings

Gentlemen:

The Commissioner of Public Lands has approved as of June 24, 1963 the Plan of Development for the Little Eddy Unit Area, for the period beginning June 1, 1963 to June 1, 1964. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

This Plan of Development provides for two additional wells to be drilled on the Unit Area during the period from June 1, 1963 to June 1, 1964.

We are returning one approved copy of this Plan of Development.

Mr. Perry R. Bass

June 24, 1963

-page 2-

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

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

ESJW/mar/m

encl:

cc: Oil Conservation Commission

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



PERRY R. BASS  
12<sup>TH</sup> FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

RECEIVED 10 11 1 May 30, 1963

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

Attention Mr. A. L. Porter

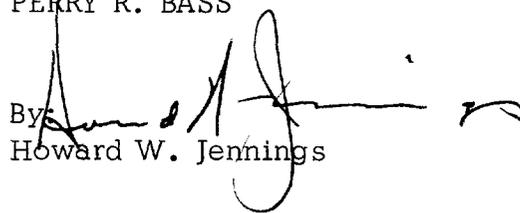
Gentlemen:

We enclose herewith, in duplicate, Plan of Development covering the Little Eddy Unit Agreement for the period beginning June 1, 1963.

We trust that this Plan of Development will be satisfactory and ask that you please approve same, subject to like approval by the Commissioner of Public Lands and the United States Geological Survey. It would be appreciated if one copy of the enclosed Plan could be returned with your approval.

Very truly yours,

PERRY R. BASS

By:   
Howard W. Jennings

HWJ:lcc

Encls. (2)

PERRY R. BASS  
12TH FLOOR FT. WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

May 30, 1963

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

Re: Plan of Development - June 1,  
1963 to June 1, 1964 - Little  
Eddy Unit Area - Lea and  
Eddy Counties, New Mexico

Gentlemen:

In accordance with the Little Eddy Unit Agreement, under Section 10 of said Unit Agreement, Perry R. Bass, as Unit Operator, submits for your approval the Plan of Development covering the period from June 1, 1963 to June 1, 1964.

#### History of Past Development

The past development on the Little Eddy Unit has consisted of five deep tests and eight shallow tests, for a total of 13 wells which have been drilled on this Unit to June 1, 1963. Although the Devonian formation has been tested, it has proven to be nonproductive; however, we have production both in the Pennsylvanian and Yates formations. It is hoped that additional information will be obtained which will give us further information looking for deeper production.

We are attaching hereto an Exhibit "A" which reflects the five wells which were drilled under the last Plan of Development from June 1, 1962 to June 1, 1963. A review of our Participating Areas reflects that we have three deep Participating Areas around the Pennsylvanian, Atoka and Morrow wells, and we also have three Yates producing wells around which Participating Areas have been established.

#### Development

During the period from June 1, 1963 to June 1, 1964, Perry R. Bass, as Unit Operator, contemplates drilling, or causing to be drilled, two additional

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission  
May 30, 1963  
Page 2

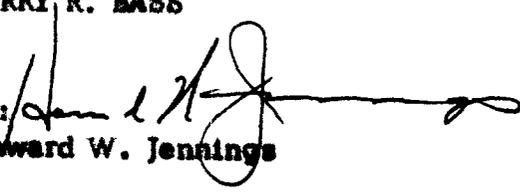
wells, the depth and location of same will depend upon information obtained from our constant geological studies. A concerted effort will be made to enlarge the present Participating Areas and to develop new production through wildcat exploration.

Effective Date

This Plan of Development shall be effective June 1, 1963 and expire June 1, 1964.

Very truly yours,

PERRY R. BASS

By:   
Howard W. Jennings

HWJ:lcc

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Supervisor, United States Geological Survey

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Commissioner of Public Lands

Approved:  Date: Sept 25, 1963  
Oil Conservation Commission

EXHIBIT "A"  
 LITTLE EDDY UNIT  
LEA & EDDY COUNTIES, NEW MEXICO

<u>NAME</u>	<u>LOCATION</u>	<u>TOTAL DEPTH</u>	<u>SPUD DATE</u>	<u>COMP. DATE</u>	<u>POTENTIAL</u>	<u>PAY ZONE</u>
Randall F. Montgomery Brooks--Federal	Sec. 18-20-33	3,034	OW/WO	9-14-62	D&A	
Randall F. Montgomery Brooks--Federal	Sec. 7-20-33	3,025	9-15-62	11-29-62	37 BOPD, 200 BWPD	Yates
Hudson #4 Ross--Federal	Sec. 30-19-33	3,317	6-18-62	7-21-62	327 BOPD	Yates
Hudson #5 Ross--Federal	Sec. 30-19-33	3,005	11- 7-62	11-28-62	D&A	
Randall F. Montgomery Brooks--Federal	Sec. 7-20-33	3,064	7- 5-62	7-27-62	26 BOPD, 125 BWPD	Yates

C O P Y

1117

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APR 1 1963  
APR 1 1963

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
U. S. Geological Survey  
P. O. Drawer 1857  
Roswell, New Mexico

Re: Little Eddy Unit Agreement  
No. 14-08-001-3464

Dear Mr. Anderson:

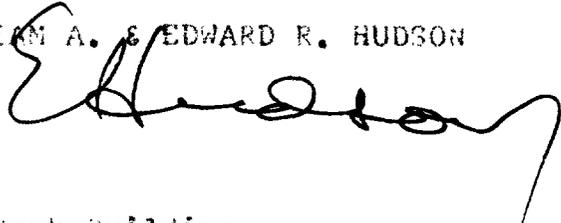
We have received a copy of your letter to Perry R. Bass Operator of the Little Eddy Unit No. 14-08-001-3464, notifying us that a portion of tract 66 being LC-066446 is effectively committed to that Unit as of March 1st, 1963, and likewise that copies of such ratification and joinder be filed with the Commissioner of Public Lands of the State of New Mexico and the New Mexico Oil and Gas Conservation Commission.

On January 25th, 1963, we mailed copies of the ratification and joinder to both the Commission and the Commissioner of Public Lands.

Yours truly,

WILLIAM A. & EDWARD R. HUDSON

By:



ERMJr:m

CC: Mr. Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

CC: Commissioner of Public Lands  
Santa Fe, New Mexico

CC: New Mexico Oil and Gas Conservation Commission  
Santa Fe, New Mexico

MAIL OFFICE GDC

1963 FEB 20 AM 8:29

Drawer 1857  
Roswell, New Mexico

February 18, 1963

Ferry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your plan of development dated November 27, 1962, for the period June 1, 1962, to June 1, 1963, for the Little Eddy unit area, Lea and Eddy Counties, New Mexico, proposing the drilling of four 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 Oil and Gas Supervisor

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

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OIL OFFICE OCC

1963 FEB 11 AM 10:18  
1857  
Roswell, New Mexico

February 7, 1963

William A. Hudson  
1510 First National Building  
Fort Worth, Texas

Gentlemen:

Your letter of January 23 transmits four copies of a ratification and joinder to the Little Eddy unit agreement and unit operating agreement, Eddy and Lea Counties, New Mexico, executed by William A. Hudson, Marie E. Hudson, Edward R. Hudson, and Josephine T. Hudson as record title and working interest owners of unit tract 66 lease Las Cruces 066446. This ratification and joinder was filed with this office on January 28, 1963.

Acceptable evidence of compliance with section 8.3 of the Little Eddy unit operating agreement as required by section 30 of the Little Eddy unit agreement must be furnished this office before the ratification and joinder can be accepted. If such is not filed with this office by March 15, 1963, the joinder will be returned as unacceptable.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

HLM - Santa Fe  
Artesia  
New Mex. Comm. Pub. Lands

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

1117

January 8, 1963

Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: Plan of Development -  
June 1, 1962, to June 1, 1963,  
Little Eddy Unit, Lea and Eddy  
Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development for the period June 1, 1962, to June 1, 1963, for the Little Eddy Unit, Lea and Eddy 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 plan is returned herewith.

Very truly yours,

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

ALP/JEK/ear  
Enclosure

cc: United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
Santa Fe, New Mexico

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Y

December 3, 1962

PERRY R. BASS  
12th Floor Ft. Worth Nat'l. Bank Bldg.,  
Fort Worth, Texas

Re: Plan of Development, Little  
Eddy Unit, Lea and Eddy  
Counties, New Mexico,  
June 1, 1962 to June 1, 1963

Attention: Mr. Howard W. Jennings

Gentlemen:

We are returning one approved copy of Plan of Development  
for Little Eddy Unit, Lea and Eddy Counties, New Mexico.

The Commissioner approved this Plan of Development  
December 3, 1962, 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 Department

EMM/mmr/v

cc: Oil Conservation Commission  
Santa Fe, New Mexico

U. S. Geological Survey  
P. O. Drawer 1857  
Roswell, New Mexico

PERRY R. BASS  
12<sup>TH</sup> FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

November 27, 1962

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

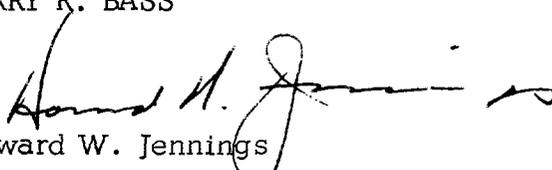
Gentlemen:

Enclosed please find Plan of Development covering the Little Eddy Unit Area in duplicate.

Your approval of said Plan of Development is subject, of course, to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Very truly yours,

PERRY R. BASS

By:   
Howard W. Jennings

HWJ:lcc

Encls. (2)

PERRY R. BASS  
12TH FLOOR FT. WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

November 27, 1962

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

Re: Plan of Development - June 1,  
1962 to June 1, 1963 - Little  
Eddy Unit Area - Lea and  
Eddy Counties, New Mexico

Gentlemen:

In compliance with Section 10 of the Little Eddy Unit Agreement, Perry R. Bass, as Unit Operator, hereby submits for your approval Plan of Development covering the period from June 1, 1962 to June 1, 1963.

#### History of Past Development

A review of the development of the Little Eddy Unit reflects that five deep tests and three shallow tests have been drilled on this Unit through the year 1961. These wells have tested all formations down to and including the Devonian formation and have proven to be productive in the Pennsylvanian formation and the Yates formation.

A summary of the tests drilled is set forth as Exhibit "A" attached. You will note from this summary that we have three deep Pennsylvanian tests producing, around which participating areas have been established. We also have two Yates tests producing on the unit, around which participating areas have been established. It should be pointed out that the Texaco No. 1 CH State in Section 36, Township 20 South, Range 32 East, was reworked in March, 1962, and additional pay horizons were developed in this well which have proven additional Pennsylvanian production.

#### Development

Perry R. Bass, as Unit Operator, plans to drill, or cause to be drilled, at least four additional shallow tests on the Unit Area in the period from June 1, 1962 to June 1, 1963. The depth and location of these tests

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission  
November 27, 1962  
Page 2

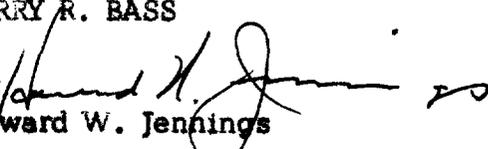
will depend upon the geological information obtained from studies which are constantly being conducted. An effort will be made to enlarge the present participating areas, and we are developing plans for other production within the Unit Area.

Effective Date

This Plan of Development shall be effective June 1, 1962 and expire June 1, 1963.

Very truly yours,

PERRY R. BASS

By:   
Howard W. Jennings

HWJ:lcc

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Supervisor, United States Geological Survey

Approved: \_\_\_\_\_ Date: \_\_\_\_\_  
Commissioner of Public Lands

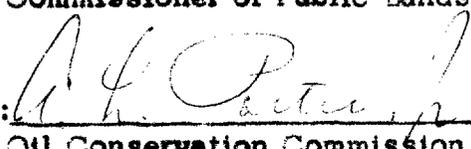
Approved:  Date: Jan 2, 1963  
Oil Conservation Commission

EXHIBIT "A"  
LITTLE EDDY UNIT  
LEA & EDDY COUNTIES, NEW MEXICO

<u>NAME</u>	<u>LOCATION</u>	<u>TOTAL DEPTH</u>	<u>SPUD DATE</u>	<u>COMP. DATE</u>	<u>POTENTIAL</u>	<u>PAY ZONE</u>
Texaco #1 Muse-Fed.	Sec. 7-20-33	15,561	6-17-56	4-21-57	PSA	
Texaco #1 Richards	Sec. 25-20-32	16,600	11-29-56	1-31-58	2100 MCF / 48 BD	Pennsylvanian
Shell #1 Perry-Fed.	Sec. 10-20-32	14,367	12-28-56	1-13-58	PSA	
Texaco #1 CH State	Sec. 36-20-32	14,816	5-28-59	4-12-60	1415 MCF / 49 BD	Pennsylvanian
Texaco #1 OM State	Sec. 31-20-33	13,785	2-21-61	9-26-61	2338 MCF	Pennsylvanian
Hudson #1 Sinc. Fed.	Sec. 30-19-33	3,192	5-3-61	6-22-61	840 BOPD	Yates
Hudson #2 Sinc. Fed.	Sec. 30-19-33	3,173	9-5-61	9-22-61	PSA	
Hudson #3 Sinc. Fed.	Sec. 30-19-33	3,157	1-25-62	3-4-62	246 BOPD	Yates

1117  
Drawer 1857  
Roswell, New Mexico

October 9, 1962

Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your application of August 15, 1962, for the second revision of the Yates participating area, Little Eddy unit agreement, Lea County, New Mexico, was approved on September 27, 1962, by the Acting Director of the Geological Survey, effective as of July 1, 1962.

We have corrected the supplemental schedule of participation to show 80 acres as the participating acreage after the first enlargement and 120.94 acres as the participating acreage after the second enlargement. The correct effective date of the second revision is July 1, 1962, pursuant to section 11 of the Little Eddy unit agreement.

Four approved copies of the application are enclosed. You are requested to furnish the State of New Mexico and any other interested party with evidence of this approval.

Very truly yours,

(Orig. Sig) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington (ltr. only)  
Artesia (w/cy of appln.)  
BLM-Santa Fe (w/ cy of appln.)  
EMOCC-Santa Fe (ltr. only) ✓  
Com. of Public Lands-Santa Fe (ltr. only)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

1117

September 5, 1962

C  
O  
P  
Y

Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: Second Enlargement of the  
Initial Participating Area  
for the Yates Formation,  
Little Eddy Unit, Lea County,  
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Second Enlargement of the Initial Participating Area, Yates Formation, for the Little Eddy Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Eight approved copies of the application are being forwarded to the United States Geological Survey, Roswell, New Mexico.

Very truly yours,

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

ALP/JEK/lqg  
cc: Commissioner of Public Lands  
Santa Fe, New Mexico

U. S. Geological Survey  
Roswell, New Mexico

August 31, 1962

William A. & Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas

Re: Little Eddy Unit, Lea  
County, New Mexico,  
Second Enlargement of  
the Initial Participating  
Area Yates Formation

Attention: Mr. William A. Hudson II

Gentlemen:

The Commissioner of Public Lands has approved as of August 31, 1962, the Second Enlargement of the Initial Participating Area, for the Yates Formation, for the Little Eddy Unit, Lea County, New Mexico.

We are handing nine copies of this application to the Oil Conservation Commission and by copy of this letter we are requesting them to forward to the United States Geological Survey for their consideration.

We expect to receive at your earliest convenience a designation as Little Eddy Unit Wells on all three of these Yates Formation wells.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

BY:

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

ESW/mar/v

cc: Oil Conservation Commission-Santa Fe, N.M.  
U. S. Geological Survey - Roswell, N. M.

PERRY R. BASS  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS

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

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

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

Re: Little Eddy Unit #14-08-001-3464  
Lea County, New Mexico

Application for Approval of the  
Second Enlargement of the Initial  
Participating Area for the Yates  
Formation

Gentlemen:

Pursuant to the provisions of Section 11 of the captioned Unit Agreement dated June 15th, 1956, approved by the Director of the United States Geological Survey effective November 2nd, 1956, Perry R. Bass, Unit Operator, respectfully submits for the approval of said Director, the Oil Conservation Commission of the State of New Mexico, and the Commissioner of Public Lands of the State of New Mexico, selection of the following described acreage to constitute the Second Enlargement of the Initial Participating Area for the Yates Formation:

Township 19 South, Range 33 East, NMPM

Section 30: The NW/4 of the NW/4 (Lot 1) containing 40.94 acres.

In support of this Application the following numbered items are attached hereto and made a part hereof:

1. An ownership map showing the boundaries of the Unit Area in the immediate vicinity, the Initial Participating Area for the Yates Formation, the First Enlargement of this Initial Participating Area, and the Proposed Second Enlargement of Initial Participating Area.

2. A schedule showing the lands entitled to participation in the unitized substances produced from the Yates Formation.

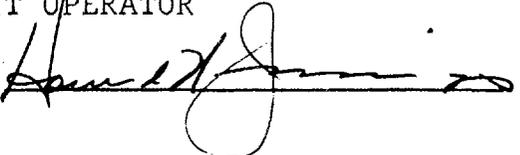
3. A geologic interpretation with accompanying maps prepared by Harry Miller of Midland, which supports and justifies the proposed Second Enlargement of the Initial Participating Area for the Yates Formation.

This proposed enlargement of the Initial Participating Area for the Yates Formation is predicated upon the knowledge and information obtained upon the completion in paying quantities under the terms of the Unit Agreement on July 21, 1962, of the William A. & Edward R. Hudson, Joint Operators, Signal-Ross Federal No. 4, in the NW/NW (Lot 1) of Section 30, T19S, R33E, NMPM, Lea County, New Mexico, which well had an initial production of 327 barrels of oil on a 24-hour test, from the Yates Formation, at a depth of 2972-2982 feet. This well is currently producing its allowable. The Permian Corporation is purchasing this production. The effective date of this proposed Enlargement of the Initial Participating Area shall be the date of completion of said well, the 21st day of July, 1962, pursuant to Section 11 of the Unit Agreement.

Applicant respectfully requests that the Director, the Commission and the Commissioner approve the selection of land proposed above to constitute the Second Enlargement of the Initial Participating Area for the Yates Formation to be effective the 21st day of July, 1962.

Dated this 15th day of August, 1962.

PERRY R. BASS,  
UNIT OPERATOR

By: 

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1962.

UNITED STATES GEOLOGICAL SURVEY

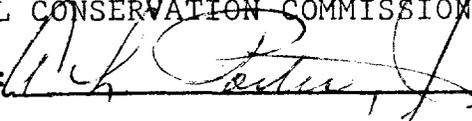
By: \_\_\_\_\_

APPROVED this 31st day of August, 1962.

COMMISSIONER OF PUBLIC LANDS

By: 

OIL CONSERVATION COMMISSION

By: 

August 28, 1962

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

Attention: Mrs. Marian Rhea

Dear Mrs. Rhea:

Re: Application for Approval of the  
Second Enlargement of the Initial  
Participating Area of the Yates  
Formation -  
Little Eddy Unit #14-08-001-3464  
Lea County, New Mexico

Supplementing our Application for Approval of the  
Second Enlargement of the Initial Participating  
Area for the Yates Formation in the Little Eddy  
Unit, Lea County, New Mexico, I enclose ten  
copies of a Schedule setting forth the record  
ownership of the working interest under the  
three 40-acre tracts set forth in our Applica-  
tion.

Very truly yours,

WAHII:m  
Encls

WILLIAM A. HUDSON II, FOR  
WILLIAM A. & EDWARD R. HUDSON

HARRY A. MILLER, JR.

GEOLOGIST

MIDLAND, TEXAS

706 1st National Bank Building

August 6, 1962

Mr. Edward R. Hudson  
c/o William A. & Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas.

REFERENCE: Application for Approval of the  
Second Enlargement of the  
Initial Participating Area for the  
Yates Formation - Little Eddy Unit 14-08-001-3464  
Lea County, New Mexico.

Dear Sir:

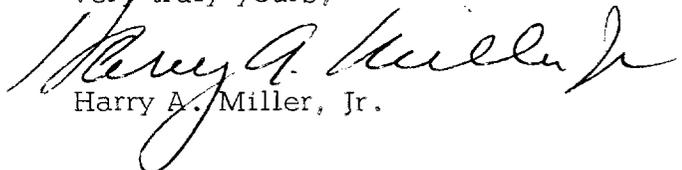
The drilling and completing of the William A. and Edward R. Hudson No. 4 Signal-Ross-Federal has extended the productive limits of the South Tonto Field one location West. However, the pay sand conditions found in this well indicate a facies change is taking place between this well and the two producers to the East, as well as between this well and the Kewanee dry hole to the West.

Although the Hudson No. 4 Signal-Ross-Federal was structurally as high as was postulated and the gross sand thickness similar to the other producers, only four feet of pay sand was encountered; the remainder was barren, i.e., no water or oil was indicated, and the hole was drilled with cable tools. This was totally unexpected as sand characteristics in the Kewanee dry hole, although low structurally, indicated dead oil stain throughout the entire reservoir sand, leading one to believe the entire sand was filled with oil and water.

It is therefore possible that the Hudson No. 4 Signal-Ross-Federal is producing from a separate facies or sand lens other than that found in the other wells. That such a condition could be encountered was expressed in the letter of application for the first enlargement dated March 12, 1962.

This fact, along with those stated in previous reports, again proves that each well drilled must be classified as a wildcat, as this well proved to be.

Very truly yours,

  
Harry A. Miller, Jr.

HAMJr:mr

SUPPLEMENTAL SCHEDULE TO THE APPLICATION  
FOR APPROVAL OF THE SECOND ENLARGEMENT  
OF THE INITIAL PARTICIPATING AREA FOR  
THE YATES FORMATION

(1) INITIAL PARTICIPATING AREA FOR THE YATES FORMATION:

LEASE: Record Owner: The Superior Oil Company  
William G. Ross  
Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240  
Participating Acreage: 40.00 acres  
Percent of Participation: 100%  
Description: NW/4 of NE/4 of Section 30,  
T 19 S, R 33 E, NMPM,  
Lea County, New Mexico

(2) FIRST ENLARGEMENT OF THE INITIAL PARTICIPATING AREA  
FOR THE YATES FORMATION

LEASE: Record Owner: The Superior Oil Company  
William G. Ross  
Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240  
Participating Acreage: 40.00 acres  
Percent of Participation: 100%  
Description: NE/4 of NW/4 of Section 30,  
T 19 S, R 33 E, NMPM,  
Lea County, New Mexico

(3) SECOND ENLARGEMENT OF THE INITIAL PARTICIPATING AREA  
FOR THE YATES FORMATION

LEASE: Record Owner: The Superior Oil Company  
William G. Ross  
Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240  
Participating Acreage: 40.94 acres  
Percent of Participation: 100%  
Description: NW/4 of NW/4 (Lot 1) of Sec-  
tion 30, T 19 S, R 33 E, NMPM,  
Lea County, New Mexico.

SCHEDULE

LEASE: Record Owner: The Superior Oil Company  
William G. Ross  
Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240

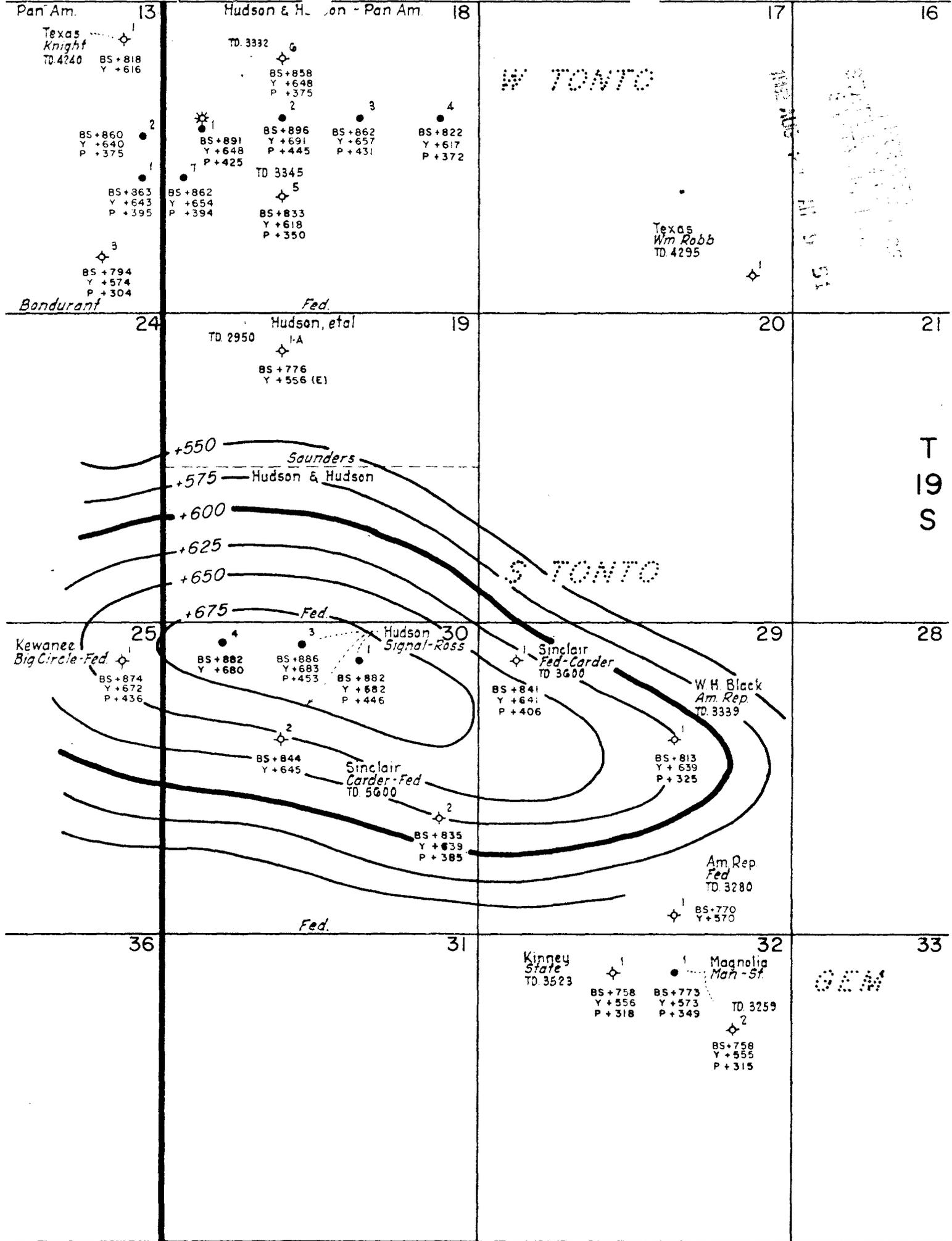
Participating Acreage: 40.94 acres

Percent of Participation: 100%

Description: NW/4 of the NW/4 (Lot 1) of  
Section 30, T 19 S, R 33 E,  
NMPM,  
Lea County, New Mexico

R-32-E

R-33-E

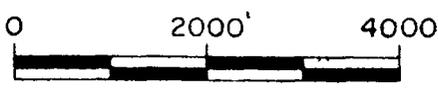


R-32-E

R-33-E

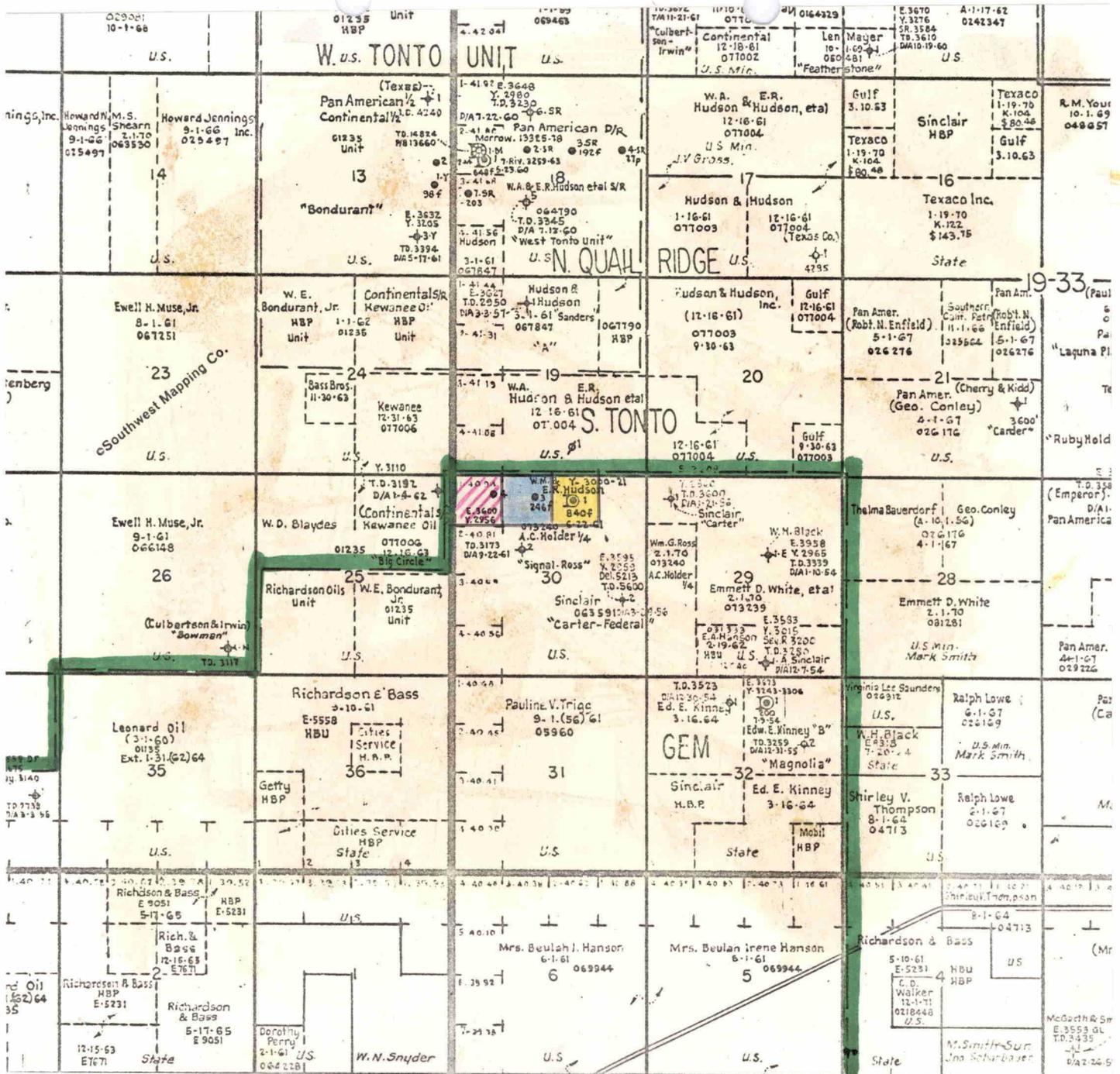
S. TONTO & W. TONTO AREA  
LEA COUNTY, NEW MEXICO

CONTOUR HORIZON: Top Yates  
CONTOUR INTERVAL: 25'



DATE: 7 - 31 - 62

GEOLOGY BY Harry A. Miller



INITIAL PARTICIPATING AREA

FIRST ENLARGEMENT OF THE INITIAL PARTICIPATING AREA

NORTH BOUNDARY OF UNIT

PROPOSED SECOND ENLARGEMENT OF THE INITIAL PARTICIPATING AREA

RECEIVED  
 STATE LAND OFFICE  
 SANTA FE, N.M.  
 1962 AUG 24  
 9 11 AM

PERRY R. BASS  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS

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

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

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

Re: Little Eddy Unit #14-08-001-3464  
Lea County, New Mexico

Application for Approval of the  
Second Enlargement of the Initial  
Participating Area for the Yates  
Formation

Gentlemen:

Pursuant to the provisions of Section 11 of the captioned Unit Agreement dated June 15th, 1956, approved by the Director of the United States Geological Survey effective November 2nd, 1956, Perry R. Bass, Unit Operator, respectfully submits for the approval of said Director, the Oil Conservation Commission of the State of New Mexico, and the Commissioner of Public Lands of the State of New Mexico, selection of the following described acreage to constitute the Second Enlargement of the Initial Participating Area for the Yates Formation:

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Section 30: The NW/4 of the NW/4 (Lot 1) containing 40.94 acres.

In support of this Application the following numbered items are attached hereto and made a part hereof:

1. An ownership map showing the boundaries of the Unit Area in the immediate vicinity, the Initial Participating Area for the Yates Formation, the First Enlargement of this Initial Participating Area, and the Proposed Second Enlargement of Initial Participating Area.

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Applicant respectfully requests that the Director, the Commission and the Commissioner approve the selection of land proposed above to constitute the Second Enlargement of the Initial Participating Area for the Yates Formation to be effective the 21st day of July, 1962.

Dated this 15th day of August, 1962.

PERRY R. BASS,  
UNIT OPERATOR

By: *H. J. [Signature]*

APPROVED this 27th day of  
September, 1962. Effective as  
of July 1, 1962.

UNITED STATES GEOLOGICAL SURVEY

By: Acting Director *[Signature]*

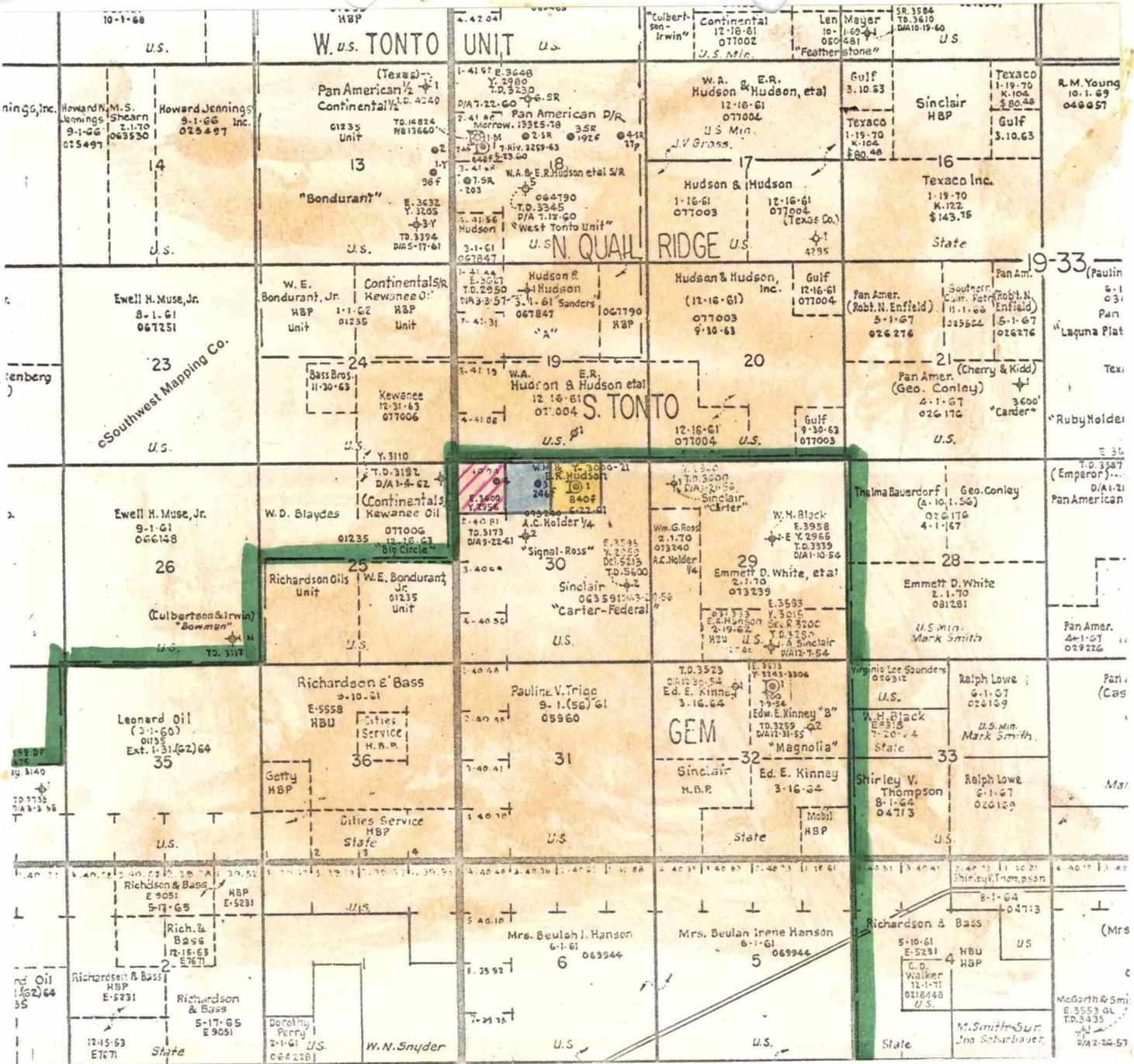
APPROVED this 31st day of  
August, 1962.

COMMISSIONER OF PUBLIC LANDS

By: *[Signature]*

OIL CONSERVATION COMMISSION

By: *[Signature]*



-  INITIAL PARTICIPATING AREA
-  FIRST ENLARGEMENT OF THE INITIAL PARTICIPATING AREA
-  NORTH BOUNDARY OF UNIT
-  PROPOSED SECOND ENLARGEMENT OF THE INITIAL PARTICIPATING AREA

RECEIVED  
 STATE LAND OFFICE  
 SANTA FE, N. M.  
 1962 AUG 24 AM 9 56

SUPPLEMENTAL SCHEDULE TO THE APPLICATION  
FOR APPROVAL OF THE SECOND ENLARGEMENT  
OF THE INITIAL PARTICIPATING AREA FOR  
THE YATES FORMATION

(1) INITIAL PARTICIPATING AREA FOR THE YATES FORMATION:

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FOR THE YATES FORMATION

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Signal Oil and Gas Company

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Lea County, New Mexico

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FOR THE YATES FORMATION

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Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240  
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tion 30, T 19 S, R 33 E, NMPM,  
Lea County, New Mexico

SCHEDULE

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William G. Ross  
Signal Oil and Gas Company

Working Interest Owner: William A. & Edward R. Hudson,  
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NMPM,  
Lea County, New Mexico

HARRY A. MILLER, JR.

GEOLOGIST

MIDLAND, TEXAS

706 1st National Bank Building

August 6, 1962

Mr. Edward R. Hudson  
c/o William A. & Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas.

REFERENCE: Application for Approval of the  
Second Enlargement of the  
Initial Participating Area for the  
Yates Formation - Little Eddy Unit 14-08-001-3464  
Lea County, New Mexico.

Dear Sir:

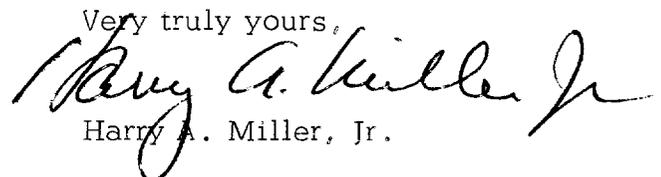
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Although the Hudson No. 4 Signal-Ross-Federal was structurally as high as was postulated and the gross sand thickness similar to the other producers, only four feet of pay sand was encountered; the remainder was barren, i.e., no water or oil was indicated, and the hole was drilled with cable tools. This was totally unexpected as sand characteristics in the Kewanee dry hole, although low structurally, indicated dead oil stain throughout the entire reservoir sand, leading one to believe the entire sand was filled with oil and water.

It is therefore possible that the Hudson No. 4 Signal-Ross-Federal is producing from a separate facies or sand lens other than that found in the other wells. That such a condition could be encountered was expressed in the letter of application for the first enlargement dated March 12, 1962.

This fact, along with those stated in previous reports, again proves that each well drilled must be classified as a wildcat, as this well proved to be.

Very truly yours,

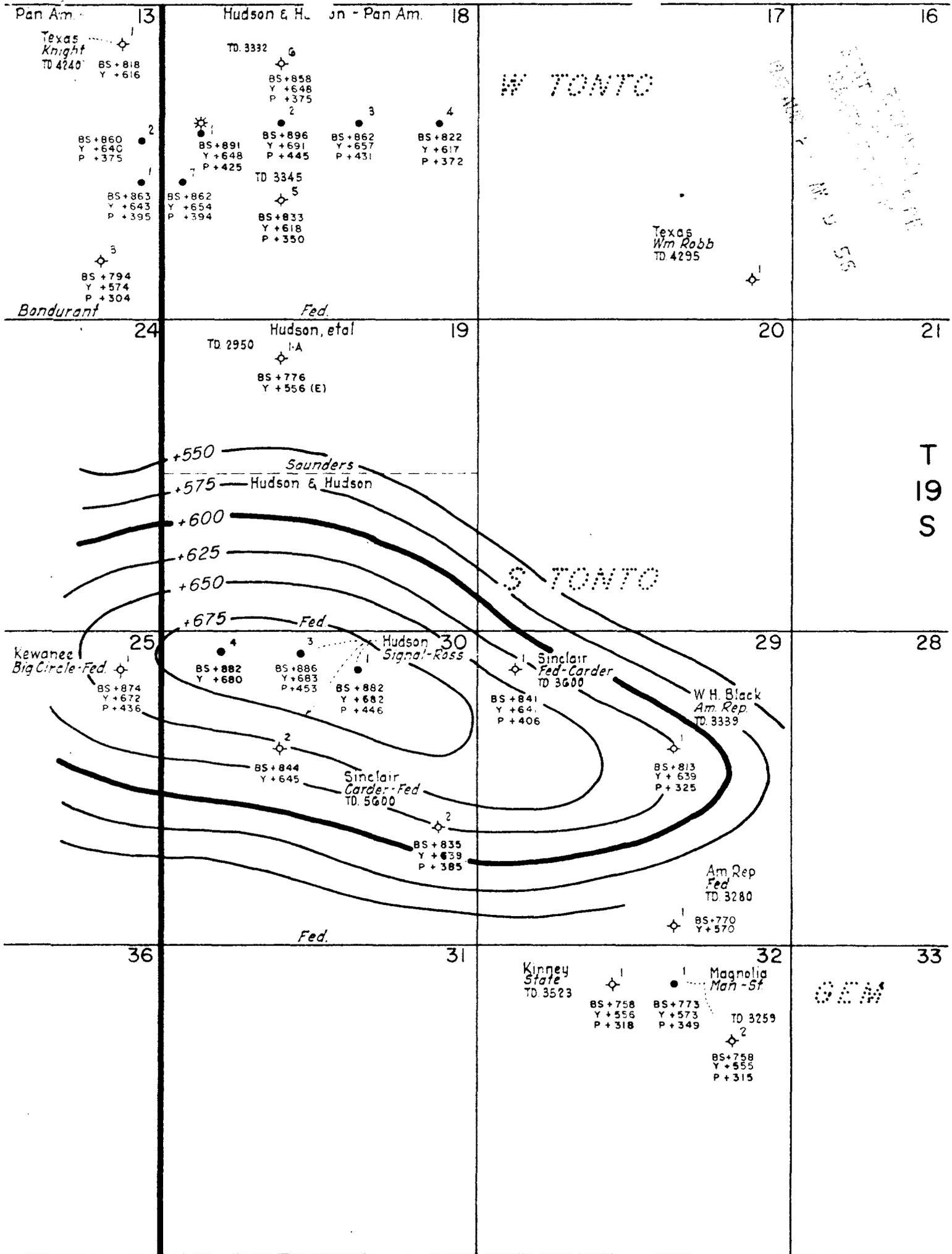


Harry A. Miller, Jr.

HAMJr:mr

R-32-E

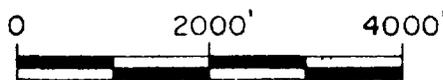
R-33-E



S. TONTO & W. TONTO AREA  
LEA COUNTY, NEW MEXICO

CONTOUR HORIZON: Top Yates

CONTOUR INTERVAL: 25'



DATE: 7 - 31 - 62

GEOLOGY BY Harry A. Miller

PERRY R. BASS  
12<sup>TH</sup> FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

1117

1962 JUL 13 11 13 AM '62

July 31, 1962

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

RE: Little Eddy Unit

Gentlemen:

We are enclosing for your files copy of Application for Approval of the First Enlargement of the Initial Participating Area for the Yates Formation covering the Little Eddy Unit which has now been approved by all parties.

Yours very truly,

PERRY R. BASS



Howard W. Jennings

pdf  
enc

PERRY R. BASS  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS

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

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

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

Re: Little Eddy Unit #14-08-001-3464  
Lea County, New Mexico

Application for Approval of the First  
Enlargement of the Initial Participat-  
ing Area for the Yates Formation

Gentlemen:

Pursuant to the provisions of Section 11 of the Unit Agree-  
ment dated June 15th, 1956, approved by the Director of the  
United States Geological Survey effective November 2nd, 1956,  
Perry R. Bass, Unit Operator, respectfully submits for the  
approval of said Director, the Oil Conservation Commission  
of the State of New Mexico, and the Commissioner of Public  
Lands of the State of New Mexico, selection of the following  
described acreage to constitute the First Enlargement of the  
Initial Participating Area for the Yates Formation:

Township 19 South, Range 33 East, NMPM

Section 30: The NE/4 of the NW/4, contain-  
ing 40 acres, more or less.

In support of this Application the following numbered items  
are attached hereto and made a part hereof:

1. An ownership map showing the boundaries of the  
Unit Area in the immediate vicinity, the Initial Participat-  
ing Area for the Yates Formation and the Proposed First En-  
largement of this Initial Participating Area.

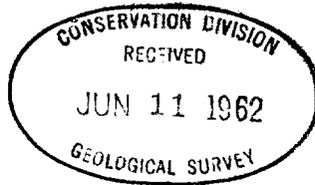
2. A schedule showing the lands entitled to partici-  
pation in the unitized substances produced from the Yates  
Formation.

3. A geologic interpretation with accompanying maps  
prepared by Harry Miller of Midland, which supports and justifi-

RECEIVED

APR 16 1962

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO



fies the proposed First Enlargement of the Initial Participating Area for the Yates Formation.

This proposed enlargement of the Initial Participating Area for the Yates Formation is predicated upon the knowledge and information obtained upon the completion in paying quantities under the terms of the Unit Agreement on March 4, 1962, of the William A. & Edward R. Hudson, Joint Operators, Signal-Ross Federal No. 3, in the NE/NW of Section 30, T19S, R33E, NMPM, Lea County, New Mexico, which well had an initial production of 246 barrels of oil on a 24-hour test, from the Yates Formation, at a depth of 2975 to 2991 feet. This well is currently producing its allowable. The Permian Corporation is purchasing this production. The effective date of this proposed Enlargement of the Initial Participating Area shall be the date of completion of said well, the 4th day of March, 1962, pursuant to Section 11 of the Unit Agreement.

Applicant respectfully requests that the Director, the Commission and the Commissioner approve the selection of land proposed above to constitute the First Enlargement of the Initial Participating Area for the Yates Formation to be effective the 4th day of March, 1962.

Dated this 12th day of March, 1962.

PERRY R. BASS,  
UNIT OPERATOR

By: [Signature]

APPROVED this 4th day of March, 1962.

UNITED STATES GEOLOGICAL SURVEY

By: [Signature]  
ACTING DIRECTOR

APPROVED this 5th day of April, 1962.

COMMISSIONER OF PUBLIC LANDS

By: [Signature]

OIL CONSERVATION COMMISSION

By: [Signature]



U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

SCHEDULE

LEASE: Record Owner: A. C. Holder  
William G. Ross  
Signal Oil and Gas Company

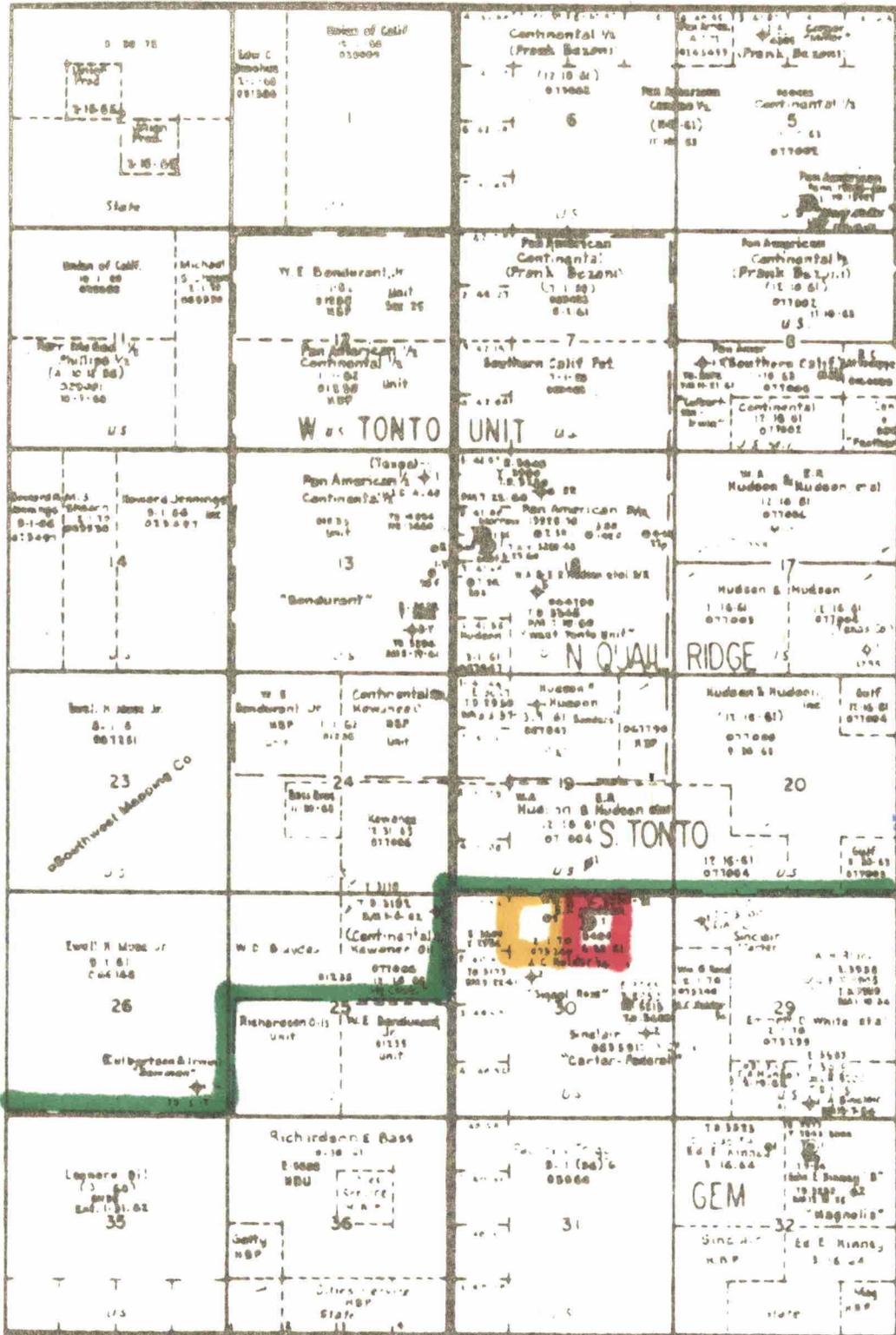
Working Interest Owner: William A. & Edward R. Hudson,  
Joint Operators

Federal Serial Number: NM 073240

Participating Acreage: 40 acres

Percent of Participation: 100%

Descriptions: NE/4 of the NW/4 of Section 30,  
T 19 S, R 33 E, NMPM,  
Lea County, New Mexico



INITIAL PARTICIPATING AREA

UNIT OUTLINE

PROPOSED FIRST ENLARGEMENT OF THE INITIAL PARTICIPATING AREA

RECEIVED  
STATE LAND OFFICE  
SANTA FE, N.M.  
1962 MAR 23 AM 10:25

HARRY A. MILLER, JR.  
GEOLOGIST  
MIDLAND, TEXAS  
706 1st National Bank Building

March 12, 1962

Mr. Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas.

REFERENCE: Application for Approval of the First Enlargement  
of the Initial Participating Area for the Yates Formation -  
Little Eddy Unit 14-08-001-3464 - Lea County, New Mexico.

Dear Sir:

Conditions relating to the South Tonto Field production in the above captioned area indicate that with two producing wells in the field additional drilling still must be considered as wildcat exploration rather than extension exploitation.

Since the drilling of the discovery well two dry holes and one additional producer have been drilled. The Hudson No. 2 Signal Ross Federal was structurally 40 feet low to the discovery. Casing was run and perforated in the equivalent pay zone of the No. 1 well. After frac treatment the well produced only water and was plugged and abandoned.

To the west of the discovery, and in Section 25, Township 19 South, Range 32 East, Kewanee drilled and cored their No. 1 Big Circle Federal. This well was only 10 feet low to the discovery. The pay sand, however, was filled with dead oil and black carbonaceous residue and, therefore, no attempt was made to complete it. It was plugged and abandoned.

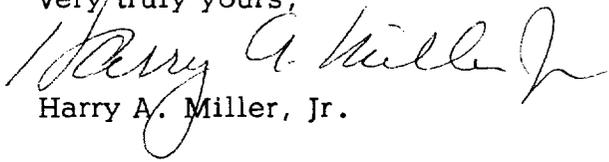
The reason for this change in the pay sand at the structural position encountered cannot be explained, but it certainly limits production in that direction, as well as brings up the question as to what the controlling factors of this reservoir are and just how limited a reservoir it is.

As shown on the enclosed map, the production is presently limited to the NE/4 of the NW/4 and the NW/4 of the NE/4 of Section 30. No control is available immediately north of these wells in Section 19; however, the Hudson No. 1-A Sanders Federal on the North line of Section 19 shows fast dip in that direction. This would indicate that a well drilled in a regular location and along the South line of Section 19 would probably be low to

production, if only a few feet; yet stands to have the same sand conditions encountered in the Kewanee Big Circle Federal.

The conclusions drawn, therefore, are that each location considered must evaluate the facies condition that might exist as well as the structural position, and every well must be classified as a wildcat.

Very truly yours,

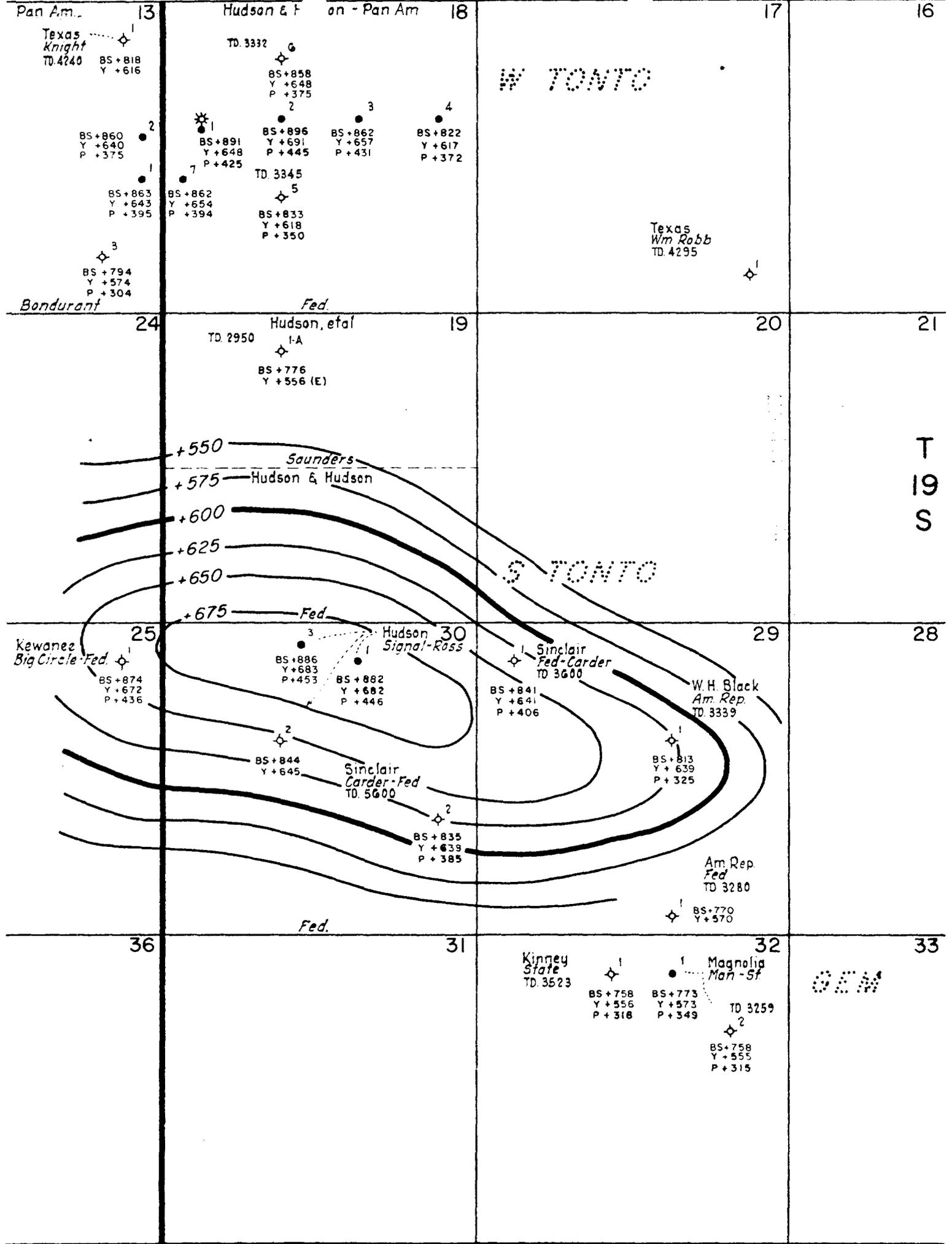
A handwritten signature in cursive script that reads "Harry A. Miller, Jr." The signature is written in dark ink and is positioned above the printed name.

Harry A. Miller, Jr.

HAMJr:mr  
Enclosure

R-32-E

R-33-E



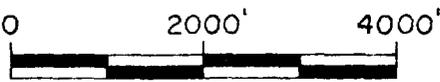
R-32-E

R-33-E

S. TONTO & W. TONTO AREA  
LEA COUNTY, NEW MEXICO

CONTOUR HORIZON: Yates

CONTOUR INTERVAL: 25'



DATE: 3-13-62

GEOLOGY BY Harry A. Miller

PERRY R. BASS  
12<sup>TH</sup> FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

1962 MAY 14 11 23

May 14, 1962

1117

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

Gentlemen:

Enclosed please find photostatic copy of approved Participating Area for the Little Eddy Unit. This fully executed copy is for retention in your files.

Yours very truly,

PERRY R. BASS



Howard W. Jennings

HWJ:pdf  
enc.



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico

May 8, 1962

Perry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your application of November 1, 1961, for approval of (1) the initial Atoka participating area, (2) the initial Lower Morrow participating area and first revision thereof, and (3) change in designation of the initial Pennsylvanian participating area to the initial Upper Morrow area, for the Little Eddy unit, Lea and Eddy Counties, New Mexico, was approved on April 19, 1962, by the Acting Director of the Geological Survey. The effective date of the initial Atoka and Lower Morrow participating areas is April 12, 1960. The effective date of the first revision of the Lower Morrow participating area is September 1, 1961.

Two copies of the approved application are 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,

*Carl C. Traywick*

CARL C. TRAYWICK  
Acting Regional Oil & Gas Supervisor

PERRY R. BASS  
Ft. Worth Nat Bank Bldg.  
Fort Worth, Texas

November 1, 1961

Little Eddy Unit  
#14-08-001-3464  
Lea and Eddy Counties, New Mexico

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

Gentlemen:

Perry R. Bass, as Unit Operator for the Little Eddy Unit Agreement, #14-08-001-3464, approved by the Director of the United States Geological Survey, effective November 2, 1956, pursuant to the provisions of Section 11 thereof, respectfully submits for approval by the Director, Commissioner, and the Commission the selection of the following described lands to constitute the Initial Participating Area for the Atoka zone, the Initial Participating Area for the Lower Morrow zone, and the First Enlargement of the Participating Area for the Lower Morrow zone, to-wit:

Initial Area for Atoka zone: E/2 Section 36, T-20-S, R-32-E, and Lots 1, 2, 3, 4 and E/2 W/2 Section 31, T-20-S, R-33-E, containing 640.60 acres.

Initial Area for Lower Morrow zone: E/2 Section 36, T-20-S, R-32-E, and Lots 1, 2, 3, 4, and E/2 W/2 Section 31, T-20-S, R-33-E, containing 640.60 acres.

First Enlargement for Lower Morrow zone: SE/4 and S/2 NE/4 Section 31, W/2 SW/4 and SW/4 NW/4 Section 32, T-20-S, R-33-E, and Lots 1 through 8 Section 5, T-21-S, R-32-E, containing 684.96 acres.

In support of this Application, the following numbered items attached hereto and made a part hereof:

1. An ownership map marked Exhibit "A" showing thereon the boundaries of the unit area, unit wells completed to date, and the proposed Initial Participating Areas and First Enlargement.

2. A schedule marked Exhibit "B" showing the lands entitled to participation in unitized substances produced from the Atoka and Lower Morrow zones under the Initial Participating Areas and First Enlargement with the percentage participation of each lease or tract indicated thereon.

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

- 2 -

November 1, 1961

Applicant is submitting separately a geological and engineering report supporting and justifying the proposed selection of the Initial Participating Areas and First Enlargement.

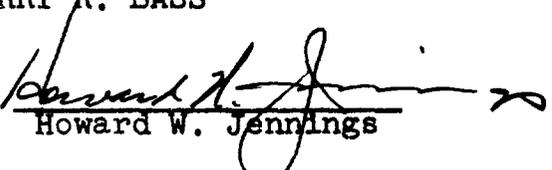
Each of you have heretofore approved our applications of September 10, 1958 covering the Initial Participating Area for the Pennsylvanian zone based upon information received from the Audie Richards Well No. 1 in the SE/4 SE/4 Section 25, T-20-S, R-32-E. With additional subsurface control it has been possible to more clearly define the individual reservoirs within the Pennsylvanian system. This additional data, as illustrated in the geological and engineering report, makes it possible to identify the producing zone in the Richards well as the Upper Morrow zone. Applicant, therefore, requests your approval to change the name of the participating area under the Richards well to Initial Participating Area for the Upper Morrow zone.

The proposed Initial Participating Areas are predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on April 12, 1960, of unit well No. 1, State of New Mexico "CH", in the SE/4 NE/4 of Section 36, T-20-S, R-32-E. This well obtained a total depth of 14,816 feet, and tested 1,413,988 CFGPD plus 49 barrels of distillate from the Atoka zone. The Lower Morrow zone tested 3,526,000 CFGPD plus 114 barrels of distillate.

The proposed First Enlargement of the Participating Area for the Morrow zone is predicated upon the knowledge and information first obtained upon the completion in paying quantities of unit well No. 1, State of New Mexico "CM", in the SW/4 SE/4 Section 31, T-20-S, R-33-E. This well was completed on September 23, 1961, at a total depth of 13,785' and tested 8,400 MCF gas per day plus 208 barrels of condensate and 11 barrels of water from the Lower Morrow zone.

Applicant respectfully requests that the Director, Commissioner, and the Commission approve the hereinabove selection of lands to constitute the Initial Participating Areas for the Atoka and Lower Morrow zones, and First Enlargement for the Lower Morrow zone. The effective dates of the Initial Areas shall be April 12, 1960, on which date the State "CH" well was completed. The effective date of the First Enlargement for the Lower Morrow zone will be September 1, 1961, as provided in the Unit Agreement. Your early approval to this Application and execution in the spaces provided below will be appreciated.

PERRY R. BASS

By   
Howard W. Jennings

BEH:bw



EXHIBIT "B"  
INITIAL PARTICIPATING AREA FOR ATOKA ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
14-B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	12.51795%
14-A	Federal Lease NM-03023-A	Lots 3, 4 and E/2 SW/4 Sec. 31, T-20-S, R-33-E	160.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	25.00000%
92-B	State Lease E-5231-4	Lot 1 and NE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.26	TEXACO Inc. State of New Mexico	All All	12.52888%
92-A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	All All	31.22073%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 36, T-20-S, R-32-E	120.00	TEXACO Inc. State of New Mexico	All All	18.73244%
Totals			640.60			<u>100.00000%</u>

EXHIBIT "B"  
INITIAL PARTICIPATING AREA FOR LOWER MORROW ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
14-B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	12.51795%
14-A	Federal Lease NM-03023-A	Lots 3, 4 and E/2 SW/4 Sec. 31, T-20-S, R-33-E	160.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	25.00000%
92-B	State Lease E-5231-4	Lot 1 and NE/4 NW/4 Sec. 31 T-20-S, R-33-E	80.26	TEXACO Inc. State of New Mexico	All All	12.52888%
92-A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	All All	31.22073%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 36, T-20-S, R-32-E	120.00	TEXACO Inc. State of New Mexico	All All	18.73244%
Totals			640.60			100.00000%

## EXHIBIT A

## FIRST ENLARGED PARTICIPATING AREA FOR LOWER MORROW ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
8	Federal Lease NM-01236	Lots 1, 2, 3, 4, Sec. 5, T-21-S, R-32-E	164.96	TEXACO Inc. USA W. E. Rondurant, Jr.	.845 WI .125 RI .03C ORRI	All All All 12.44455%
14-B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	.840 WI .125 RI .015 ORRI .020 ORRI	All All All All 6.04952%
14-A	Federal Lease NM-03023-A	Lots 3, 4, E/2 SW/4, SW/4 NE/4, and NW/4 SE/4, Sec. 31, T-20-S, R-33-E	240.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	.840 WI .125 RI .015 ORRI .020 ORRI	All All All All 18.11687%
29-A	Federal Lease NM-04229-B	Lots 5 and 6, Sec. 5, T-21-S, R-32-E	80.00	TEXACO Inc. USA W. D. Blaydes C. A. Loomis	.820 WI .125 RI .005 ORRI .050 ORRI	All All All All 6.03519%
29-B	Federal Lease NM-04229-C	Lots 7 and 8, Sec. 5, T-21-S, R-32-E	80.00	TEXACO Inc. USA W. D. Blaydes C. A. Loomis	.820 WI .125 RI .005 ORRI .050 ORRI	All All All All 6.03518%
92-B	State Lease E-5231-4	Lot 1, NE/4 NW/4, SE/4 NE/4 and NE/4 SE/4, Sec. 31, T-20-S, R-33-E	160.26	TEXACO Inc. State of New Mexico	.875 WI .125 RI	All All 12.08998%
92-A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	.875 WI .125 RI	All All 15.08796%

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

November 1, 1961

APPROVED this 19<sup>th</sup> day of April, 1962

United States Geological Survey

*John A. Baker*  
By Acting Director

Subject to like approval by appropriate State officials.

APPROVED this 27<sup>th</sup> day of November, 1961

Commissioner of Public Lands

By *E. Smalzer*

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

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

Oil Conservation Commission

By

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

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

- 3 -

November 1, 1961

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

United States Geological Survey

By ~~Acting Director~~  
Subject to like approval by appropriate State officials.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

Commissioner of Public Lands

By \_\_\_\_\_  
Subject to like approval by the U.S.G.S. and the Commission.

APPROVED this 28th day of Nov, 1961

Oil Conservation Commission

By A. L. Carter Jr.  
Subject to like approval by the U.S.G.S. and the Commission.

FIRST ENLARGED PARTICIPATING AREA FOR LOWER MORROW ZONE, Continued

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participant	
94	State Lease E-6142-2	S/2 SE/4 Sec. 31, T-20-S, R-33-E	80.00	TEXACO INC., State of New Mexico	875 WI 125 RI	All All	6.03519%
99-A	State Lease E-9052-2	W/2 SW/4 Sec. 29, T-20-S, R-33-E	80.00	TEXACO INC., State of New Mexico	875 WI 125 RI	All All	6.03519%
99-B	State Lease E-9052-4	SW/4 NW/4 Sec. 29, T-20-S, R-33-E	40.00	TEXACO INC., State of New Mexico	875 WI 125 RI	All All	3.01759%
113	State Lease E-9543	SW/4 SW/4 and SW/4 SE/4 Sec. 29, T-20-S, R-33-E	120.00	TEXACO INC., State of New Mexico	875 WI 125 RI	All All	9.05278%
					1,325.56		100.00000%

**ILLEGIBLE**



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

1117  
May 8, 1962

Ferry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your application of November 1, 1961, for approval of (1) the initial Atoka participating area, (2) the initial Lower Morrow participating area and first revision thereof, and (3) change in designation of the initial Pennsylvanian participating area to the initial Upper Morrow area, for the Little Eddy unit, Lea and Eddy Counties, New Mexico, was approved on April 19, 1962, by the Acting Director of the Geological Survey. The effective date of the initial Atoka and Lower Morrow participating areas is April 12, 1960. The effective date of the first revision of the Lower Morrow participating area is September 1, 1961.

Two copies of the approved application are 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,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK  
Acting Regional Oil & Gas Supervisor

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

**C. CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

1117

April 6, 1962

**Perry R. Bass  
Fort Worth National Bank Bldg.  
Fort Worth, Texas**

**Attention: Mr. H. W. Jennings**

**Re: First Enlargement Yates  
Participating Area Little  
Eddy Unit, Lea County,  
New Mexico**

**Gentlemen:**

**This is to advise that the New Mexico Oil Conservation Commission has this date approved the First Enlargement of the Yates Formation Participating Area for the Little Eddy Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.**

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

**Very truly yours,**

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

**ALP/JEK/ig**

**cc: State Land Office - Santa Fe, New Mexico  
U. S. Geological Survey - Roswell, New Mexico**

C  
O  
P  
Y

April 5, 1962

William A. & Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas

Re: Little Eddy Unit,  
Lea County, New Mexico,  
Application for Approval  
of First Enlargement  
Initial Participating  
Area, Yates Formation

Attention: Mr. E. R. Hudson, Jr.

Gentlemen:

The Commissioner of Public Lands has of this date approved the application for the First Enlargement to the Initial Participating Area, Yates Formation for the Little Eddy Unit Area, Lea County, New Mexico.

By copy of this letter we are handing twelve copies of the approved application to the Oil Conservation Commission.

Please furnish us a fully approved copy when full approval has been obtained.

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  
Santa Fe, N. M.

U. S. Geological Survey  
Roswell, New Mexico

C  
O  
P  
Y

PERRY R. BASS  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS

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

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

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

Re: Little Dry Unit #14-88-001-2454  
Lea County, New Mexico

Application for Approval of the First  
Enlargement of the Initial Participat-  
ing Area for the Yates Formation

Gentlemen:

Pursuant to the provisions of Section 11 of the Unit Agree-  
ment dated June 15th, 1958, approved by the Director of the  
United States Geological Survey effective November 2nd, 1958,  
Perry R. Bass, Unit Operator, respectfully submits for the  
approval of said Director, the Oil Conservation Commission  
of the State of New Mexico, and the Commissioner of Public  
Lands of the State of New Mexico, selection of the following  
described acreage to constitute the First Enlargement of the  
Initial Participating Area for the Yates Formation:

Township 19 South, Range 32 East, NHPM

Section 30: The NE/4 of the NW/4, contain-  
ing 40 acres, more or less.

In support of this Application the following numbered items  
are attached hereto and made a part hereof:

1. An ownership map showing the boundaries of the  
Unit Area in the immediate vicinity, the Initial Participat-  
ing Area for the Yates Formation and the Proposed First En-  
largement of this Initial Participating Area.

2. A schedule showing the lands entitled to partici-  
pation in the unitized substances produced from the Yates  
Formation.

3. A geologic interpretation with accompanying maps  
prepared by Harry Miller of Midland, which supports and justi-

files the proposed First Enlargement of the Initial Participating Area for the Yates Formation.

This proposed enlargement of the Initial Participating Area for the Yates Formation is predicated upon the knowledge and information obtained upon the completion in paying quantities under the terms of the Unit Agreement on March 4, 1962, of the William A. & Edward R. Hudson, Joint Operators, Signal-Ross Federal No. 3, in the NE/NW of Section 30, T19S, R33E, NMPM, Lea County, New Mexico, which well had an initial production of 246 barrels of oil on a 24-hour test, from the Yates Formation, at a depth of 2975 to 2991 feet. This well is currently producing its allowable. The Permian Corporation is purchasing this production. The effective date of this proposed Enlargement of the Initial Participating Area shall be the date of completion of said well, the 4th day of March, 1962, pursuant to Section 11 of the Unit Agreement.

Applicant respectfully requests that the Director, the Commission and the Commissioner approve the selection of land proposed above to constitute the First Enlargement of the Initial Participating Area for the Yates Formation to be effective the 4th day of March, 1962.

Dated this 12th day of March, 1962.

PEFRY J. BASS,  
UNIT OPERATOR

By: *[Signature]*

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1962.

UNITED STATES GEOLOGICAL SURVEY

By: \_\_\_\_\_

APPROVED this 5<sup>th</sup> day of April, 1962.

COMMISSIONER OF PUBLIC LANDS

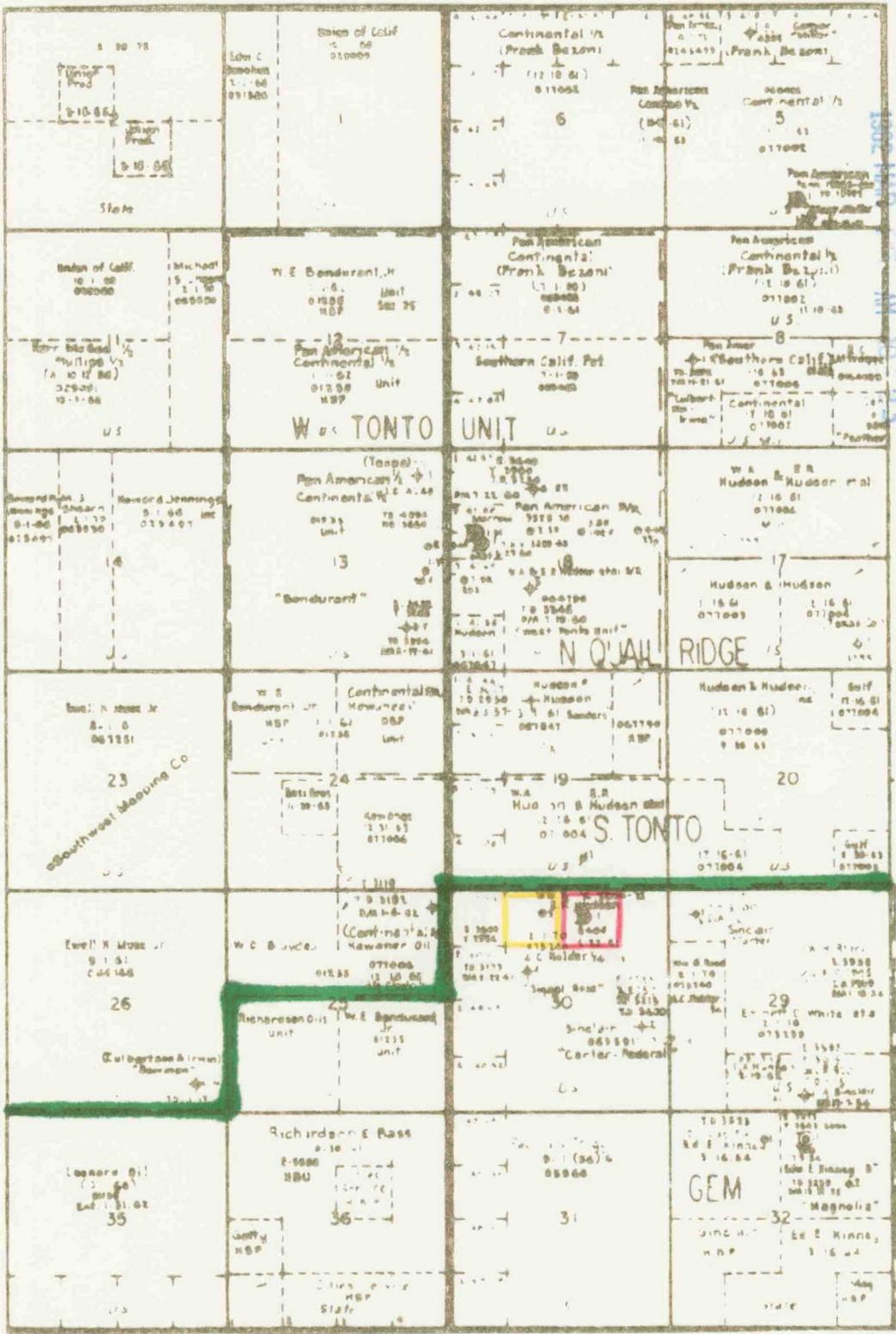
By: *[Signature]*

OIL CONSERVATION COMMISSION

By: *[Signature]*



RECEIVED  
STATE LAND OFFICE  
SANTA FE, N. M.



- INITIAL PARTICIPATING AREA
- UNIT OUTLINE
- PROPOSED FIRST ENLARGEMENT OF THE INITIAL PARTICIPATING AREA

HARRY A. MILLER, JR.

GEOLOGIST

MIDLAND, TEXAS

706 1st National Bank Building

March 12, 1962

Mr. Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas.

REFERENCE: Application for Approval of the First Enlargement  
of the Initial Participating Area for the Yates Formation -  
Little Eddy Unit 14-08-001-3464 - Lea County, New Mexico.

Dear Sir:

Conditions relating to the South Tonto Field production in the above captioned area indicate that with two producing wells in the field additional drilling still must be considered as wildcat exploration rather than extension exploitation.

Since the drilling of the discovery well two dry holes and one additional producer have been drilled. The Hudson No. 2 Signal Ross Federal was structurally 40 feet low to the discovery. Casing was run and perforated in the equivalent pay zone of the No. 1 well. After frac treatment the well produced only water and was plugged and abandoned.

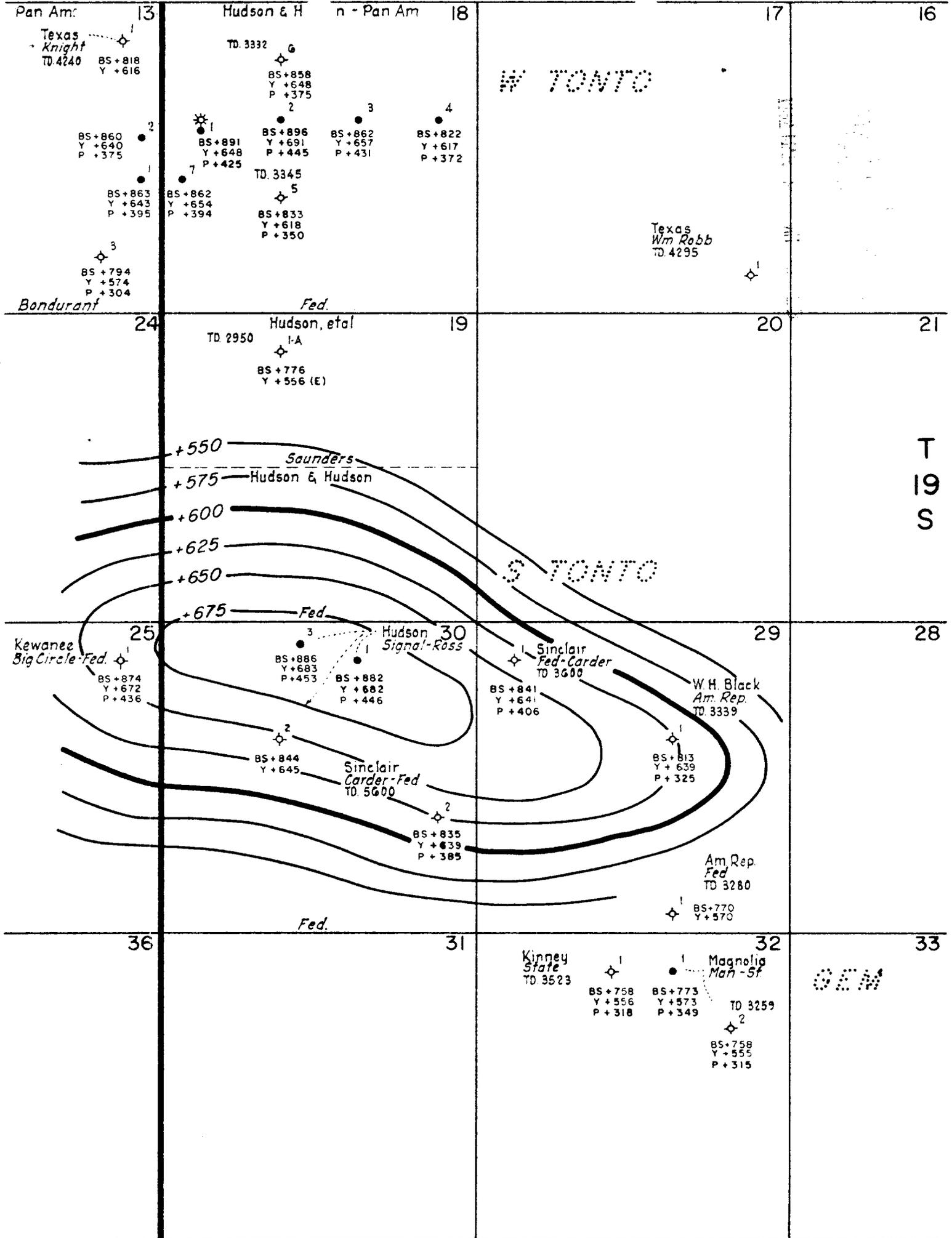
To the west of the discovery, and in Section 25, Township 19 South, Range 32 East, Kewanee drilled and cored their No. 1 Big Circle Federal. This well was only 10 feet low to the discovery. The pay sand, however, was filled with dead oil and black carbonaceous residue and, therefore, no attempt was made to complete it. It was plugged and abandoned.

The reason for this change in the pay sand at the structural position encountered cannot be explained, but it certainly limits production in that direction, as well as brings up the question as to what the controlling factors of this reservoir are and just how limited a reservoir it is.

As shown on the enclosed map, the production is presently limited to the NE/4 of the NW/4 and the NW/4 of the NE/4 of Section 30. No control is available immediately north of these wells in Section 19; however, the Hudson No. 1-A Sanders Federal on the North line of Section 19 shows fast dip in that direction. This would indicate that a well drilled in a regular location and along the South line of Section 19 would probably be low to

R-32-E

R-33-E

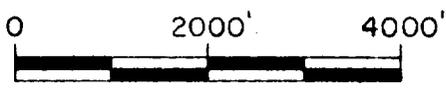


R-32-E

R-33-E

S. TONTO & W. TONTO AREA  
LEA COUNTY, NEW MEXICO

CONTOUR HORIZON: Yates  
CONTOUR INTERVAL: 25'



DATE: 3-13-62

GEOLOGY BY Harry A. Miller

1117

April 5, 1962

William A. & Edward R. Hudson  
1510 First National Building  
Fort Worth, Texas

Re: Little Eddy Unit,  
Lea County, New Mexico,  
Application for Approval  
of First Enlargement  
Initial Participating  
Area, Yates Formation

Attention: Mr. E. R. Hudson, Jr.

Gentlemen:

The Commissioner of Public Lands has of this date approved the application for the First Enlargement to the Initial Participating Area, Yates Formation for the Little Eddy Unit Area, Lea County, New Mexico.

By copy of this letter we are handing twelve copies of the approved application to the Oil Conservation Commission.

Please furnish us a fully approved copy when full approval has been obtained.

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  
Santa Fe, N. M.

U. S. Geological Survey  
Roswell, New Mexico

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MAIN OFFICE OCC

1962 APR 2 March 26th, 1962

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

Attention: Mrs. Marian M. Rhea

Dear Mrs. Rhea:

Re: Application for Approval of the First  
Enlargement of the Initial Participat-  
ing Area for the Yates Formation Lit-  
tle Eddy Unit, Lea County, New Mexico.

William A. & Edward R. Hudson, Joint  
Operators, Signal-Ross #3, NE/NW Sec-  
tion 30, T19S, R33E

Complying to your request regarding the well records on  
the captioned Signal-Ross #3, we enclose the following:

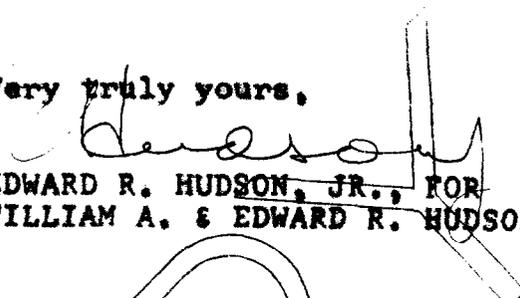
1. Notice of Intention to Drill, with accompanying  
Plat - Forms 9-331a & C-125 USGS
2. Report of Water Shut-Off - Form 9-331a USGS
3. Report of Sand-Oil Frac - Form 9-331a USGS
4. Log of Oil or Gas Well - Form 9-330 USGS
5. Request for Oil Allowable - Form C-104 OCC
6. Certificate of Compliance and Authorization to  
Transport Oil and Natural Gas - C-110 OCC
7. Request for Extension of an Existing Pool -  
Form C-123 OCC.

The Gas-Oil Ratio test on this well has not as yet been  
made due to the fact that the required time has not

elapsed for the making of such test. When we do have this report we will furnish you a copy for your file.

If you need any further information on this well, please advise us.

Very truly yours,

  
EDWARD R. HUDSON, JR., FOR  
WILLIAM A. & EDWARD R. HUDSON

ERHjr:jbm  
Encls

CC: Mr. Perry R. Bass  
Fort Worth Natl Bank Bldg  
Fort Worth, Texas

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

CC: U. S. Geological Survey  
P. O. Box 1887  
Roswell, New Mexico

**C. CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

*Case 1117*

November 28, 1961

**Perry R. Bass**  
**Ft. Worth National Bank Bldg.**  
**Fort Worth, Texas**

**Attention: Mr. Howard W. Jennings**

**Re: Initial Participating Area**  
**Acha Formation Little Eddy**  
**Unit, Lea and Eddy Counties,**  
**New Mexico**

**Gentlemen:**

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area for the Acha Formation for the Little Eddy Unit, Lea and Eddy 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 application are returned herewith.

**Very truly yours,**

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

**ALP/JEK/199**

**cc: Commissioner of Public Lands**  
**U. S. Geological Survey**

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**C. CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

November 28, 1961

**Perry R. Bass**  
**Ft. Worth National Bank Bldg.**  
**Fort Worth, Texas**

**Attention: Mr. Howard W. Jennings**

**Re: Initial and First Enlargement**  
**Lower Morrow Formation Partici-**  
**pating Area Little Eddy Unit,**  
**Lea and Eddy Counties, New Mexico**

**Gentlemen:**

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial and First Enlargement of the Lower Morrow Formation participating area for the Little Eddy Unit, Lea and Eddy 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 application are returned herewith.

**Very truly yours,**

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

**ALP/JEK/ig**

**cc: Commissioner of Public Lands**  
**U. S. Geological Survey**

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**In Reply Refer:  
to Unit Division**

**November 27, 1961**

**Perry R. Bass  
Ft. Worth National Bank Bldg.,  
Fort Worth, Texas**

**Re: Initial Participating  
Area Atoka Formation  
Little Eddy Unit, Lea  
and Eddy Counties,  
New Mexico**

**Attention: Mr. Howard W. Jennings**

**Gentlemen:**

**The Commissioner of Public Lands has of this date  
approved the Initial Participating Area for the Atoka  
formation, Little Eddy Unit, Lea and Eddy Counties,  
New Mexico.**

**We are forwarding six approved copies to the U. S.  
Geological Survey, Roswell, New Mexico.**

**Please advise us when this participating area has  
been fully approved.**

**Very truly yours,**

**E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS**

**KSW/mmk/v**

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

**Oil Conservation Commission  
Santa Fe, New Mexico**

**Texaco Inc.  
P. O. Box 3109  
Midland, Texas**

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**In Reply Refer:  
to Unit Division**

**November 27, 1961**

**Perry R. Bass  
Ft. Worth National Bank Bldg.,  
Fort Worth, Texas**

**Re: Initial and First Enlarge-  
ment, Lower Morrow Formation,  
Little Eddy Unit, Lea and  
Eddy Counties, New Mexico**

**Attention: Mr. Howard W. Jennings**

**Gentlemen:**

**The Commissioner of Public Lands has of this date approved  
the Initial and First Enlargement for the Lower Morrow form-  
ation, Little Eddy Unit, Lea and Eddy Counties, New Mexico.**

**We are forwarding six approved copies to the U. S. Geological  
Survey, Roswell, New Mexico.**

**Please advise us when this participating area has been fully  
approved.**

**Very truly yours,**

**E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS**

**ESW/mxz/v**

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

**Oil Conservation Commission  
Santa Fe, New Mexico**

**Texasco Inc.  
P. O. Box 3109  
Midland, Texas**

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11117  
March 27, 1962

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Perry R. Bass  
Fort Worth National Bank Bldg.,  
Fort Worth, Texas

Re: Application for Approval  
of the First Enlargement  
of the Initial Participating  
Area for the Yates Formation  
Little Eddy Unit, Lea County,  
New Mexico

Attention: Mr. Howard W. Jennings

Dear Mr. Jennings:

We have received an application for approval of the First Enlargement of the Initial Participating Area for the Yates formation, Little Eddy Unit, Lea County, New Mexico.

This enlargement is predicated on a well designated as the William A. and Edward R. Hudson, Joint Operators, Signal-Ross Federal No. 3, located in the NE/4NW/4 of Section 30, Township 19 South, Range 33 East, Lea County, New Mexico.

This office has not received any well records on this well. Therefore, we request that you notify the sub-operator of our requirements.

May we also call to your attention that this No. 3 well and the No. 1 well which the Initial Participating Area is Predicated on should be reported to the Oil Conservation Commission and the Oil and Gas Accounting Commission as Little Eddy wells.

Perry R. Bass  
Fort Worth National Bank Bldg.,  
Fort Worth, Texas

March 26, 1962  
Page (2)

If a well is drilled in a unit area on committed acreage the C-101 and all other forms should designate it as a unit well and if it should be classified as non-commercial the designation can later be changed.

We will approve this application upon receiving these reports and will greatly appreciate your help in receiving and correcting these reports.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

BY:  
(Mrs.) Marlan M. Rhea, Supervisor

ESW/mmr/v

cc: William A. and Edward A. Hudson  
1510 First National Bldg.,  
Fort Worth, Texas

Oil Conservation Commission  
Santa Fe, New Mexico

U. S. Geological Survey  
Roswell, New Mexico

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**TEXACO**  
**INC.**

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT  
MIDLAND DIVISION



P. O. BOX 3109  
MIDLAND, TEXAS

November 14, 1961

177700 - Little Eddy Unit  
Lea and Eddy Counties,  
New Mexico

---

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

Attention: Mrs. M. M. Rhea  
Unit Division

Gentlemen:

Enclosed to the Commissioner are nine (9) copies and to the Commission three (3) copies of a Participating Area Application dated November 1, 1961. This Application is executed by Perry R. Bass, the Unit Operator, and requests your approval to the designation of the initial area for the Atoka zone, initial area for the Lower Morrow zone, and the first enlargement of the Lower Morrow zone.

Upon approval of this Application by the Commissioner, he is requested to forward six (6) copies to the Survey in Roswell, New Mexico.

Also enclosed to the Survey is a temporary copy of the Application with three (3) copies of the Geological and Engineering Report. A copy of the Geological and Engineering Report is also enclosed to the Commissioner. Attached to each Geological and Engineering Report is a North-South cross section covering wells in this area. It is requested that all copies of the Geological and Engineering Report with cross section attached be treated as confidential.

November 14, 1961

Your early consideration and approval of this Application will be appreciated.

Yours very truly,

R. T. MAXWELL  
Division Landman

By   
B. E. Heilman

BEH:bw

Enclosures

CC: Mr. John A. Anderson  
U. S. Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

FERRY R. BASS  
Ft. Worth Nat'l Bank Bldg.  
Fort Worth, Texas

November 1, 1961

Little Eddy Unit  
#14-08-001-3464  
Lea and Eddy Counties, New Mexico

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

Gentlemen:

Perry R. Bass, as Unit Operator for the Little Eddy Unit Agreement, #14-08-001-3464, approved by the Director of the United States Geological Survey, effective November 2, 1956, pursuant to the provisions of Section 11 thereof, respectfully submits for approval by the Director, Commissioner, and the Commission the selection of the following described lands to constitute the Initial Participating Area for the Atoka zone, the Initial Participating Area for the Lower Morrow zone, and the First Enlargement of the Participating Area for the Lower Morrow zone, to-wit:

Initial Area for Atoka zone: E/2 Section 36, T-20-S, R-32-E, and Lots 1, 2, 3, 4 and E/2 W/2 Section 31, T-20-S, R-33-E, containing 640.60 acres.

Initial Area for Lower Morrow zone: E/2 Section 36, T-20-S, R-32-E, and Lots 1, 2, 3, 4, and E/2 W/2 Section 31, T-20-S, R-33-E, containing 640.60 acres.

First Enlargement for Lower Morrow zone: SE/4 and S/2 NE/4 Section 31, W/2 SW/4 and SW/4 NW/4 Section 32, T-20-S, R-33-E, and Lots 1 through 8 Section 5, T-21-S, R-32-E, containing 684.96 acres.

In support of this Application, the following numbered items attached hereto and made a part hereof:

1. An ownership map marked Exhibit "A" showing thereon the boundaries of the unit area, unit wells completed to date, and the proposed Initial Participating Areas and First Enlargement.

2. A schedule marked Exhibit "B" showing the lands entitled to participation in unitized substances produced from the Atoka and Lower Morrow zones under the Initial Participating Areas and First Enlargement with the percentage participation of each lease or tract indicated thereon.

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

- 2 -

November 1, 1961

Applicant is submitting separately a geological and engineering report supporting and justifying the proposed selection of the Initial Participating Areas and First Enlargement.

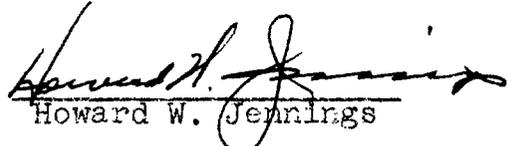
Each of you have heretofore approved our applications of September 10, 1958 covering the Initial Participating Area for the Pennsylvanian zone based upon information received from the Audie Richards Well No. 1 in the SE/4 SE/4 Section 25, T-20-S, R-32-E. With additional subsurface control it has been possible to more clearly define the individual reservoirs within the Pennsylvanian system. This additional data, as illustrated in the geological and engineering report, makes it possible to identify the producing zone in the Richards well as the Upper Morrow zone. Applicant, therefore, requests your approval to change the name of the participating area under the Richards well to Initial Participating Area for the Upper Morrow zone.

The proposed Initial Participating Areas are predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on April 12, 1960, of unit well No. 1, State of New Mexico "CH", in the SE/4 NE/4 of Section 36, T-20-S, R-32-E. This well obtained a total depth of 14,816 feet, and tested 1,413,988 CFGPD plus 49 barrels of distillate from the Atoka zone. The Lower Morrow zone tested 3,526,000 CFGPD plus 114 barrels of distillate.

The proposed First Enlargement of the Participating Area for the Morrow zone is predicated upon the knowledge and information first obtained upon the completion in paying quantities of unit well No. 1, State of New Mexico "CM", in the SW/4 SE/4 Section 31, T-20-S, R-33-E. This well was completed on September 23, 1961, at a total depth of 13,785' and tested 8,400 MCF gas per day plus 208 barrels of condensate and 11 barrels of water from the Lower Morrow zone.

Applicant respectfully requests that the Director, Commissioner, and the Commission approve the hereinabove selection of lands to constitute the Initial Participating Areas for the Atoka and Lower Morrow zones, and First Enlargement for the Lower Morrow zone. The effective dates of the Initial Areas shall be April 12, 1960, on which date the State "CH" well was completed. The effective date of the First Enlargement for the Lower Morrow zone will be September 1, 1961, as provided in the Unit Agreement. Your early approval to this Application and execution in the spaces provided below will be appreciated.

PERRY R. BASS

By   
Howard W. Jennings

BEH:bw

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

November 1, 1961

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

United States Geological Survey

By \_\_\_\_\_  
Subject to like approval by appropriate State officials.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

Commissioner of Public Lands

By \_\_\_\_\_  
Subject to like approval by the U.S.G.S. and the Commission.

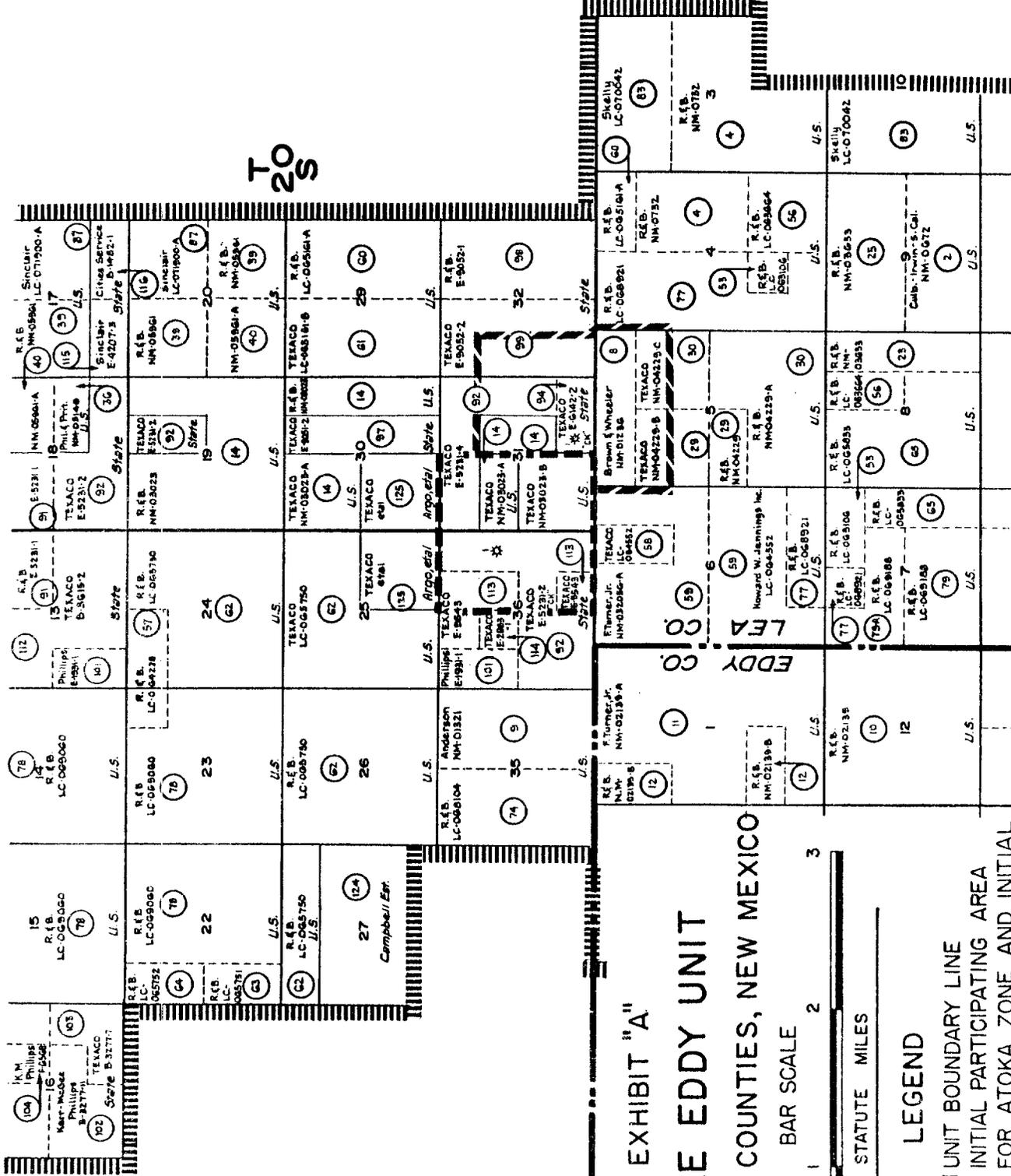
APPROVED this 28th day of Nov., 1961

Oil Conservation Commission

By A. H. Porter  
Subject to like approval by the U.S.G.S. and the Commission.

R-32-E

R-33-E



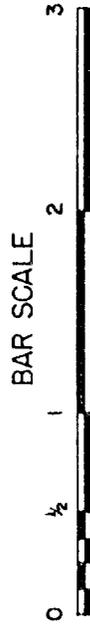
TOS

T/S

EXHIBIT "A"

# LITTLE EDDY UNIT

## LEA & EDDY COUNTIES, NEW MEXICO



### LEGEND

- UNIT BOUNDARY LINE
- INITIAL PARTICIPATING AREA FOR ATOKA ZONE AND INITIAL PARTICIPATING AREA FOR LOWER MORROW ZONE, BOTH EFFECTIVE APRIL 12, 1960
- FIRST ENLARGEMENT FOR LOWER MORROW ZONE EFFECTIVE SEPTEMBER 1, 1961

R-31-E

R-32-E

R-33-E

LEA & EDDY COUNTIES, NEW MEXICO

EXHIBIT "A"

LITTLE EDDY UNIT

LEA & EDDY COUNTIES, NEW MEXICO

BAR SCALE

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STATUTE MILES

LEGEND

- UNIT BOUNDARY LINE
- INITIAL PARTICIPATING AREA FOR ATOKA ZONE AND INITIAL PARTICIPATING AREA FOR LOWER MORROW ZONE, BOTH EFFECTIVE APRIL 12, 1960
- FIRST ENLARGEMENT FOR LOWER MORROW ZONE EFFECTIVE SEPTEMBER 1, 1961

EXHIBIT "B"

INITIAL PARTICIPATING AREA FOR ATOKA ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
14 -B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	12.51795%
14 -A	Federal Lease NM-03023-A	Lots 3, 4 and E/2 SW/4 Sec. 31, T-20-S, R-33-E	160.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	25.00000%
92 -B	State Lease E-5231-4	Lot 1 and NE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.26	TEXACO Inc. State of New Mexico	All All	12.52888%
92 -A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	All All	31.22073%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 36, T-20-S, R-32-E	120.00	TEXACO Inc. State of New Mexico	All All	18.732 %
Totals			640.60			<u>100.00000%</u>

EXHIBIT "B"

INITIAL PARTICIPATING AREA FOR LOWER MORROW ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
14-B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	12.51795%
14-A	Federal Lease NM-03023-A	Lots 3, 4 and E/2 SW/4 Sec. 31, T-20-S, R-33-E	160.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All	25.0000%
92-B	State Lease E-5231-4	Lot 1 and NE/4 NW/4 Sec. 31 T-20-S, R-33-E	80.26	TEXACO Inc. State of New Mexico	All All	12.52888%
92-A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	All All	31.22073%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 36, T-20-S, R-32-E	120.00	TEXACO Inc. State of New Mexico	All All	18.73244%
Totals			640.60			100.00000%

## EXHIBIT "B"

## FIRST ENLARGED PARTICIPATING AREA FOR LOWER MORROW ZONE

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation
8	Federal Lease NM-01236	Lots 1, 2, 3, 4, Sec. 5, T-21-S, R-32-E	164.96	TEXACO Inc. USA W. E. Bondurant, Jr.	All All All	12.44455%
14-B	Federal Lease NM-03023-B	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All All	6.049%
14-A	Federal Lease NM-03023-A	Lots 3, 4, E/2 SW/4, SW/4 NE/4, and NW/4 SE/4, Sec. 31, T-20-S, R-33-E	240.15	TEXACO Inc. USA John H. Trigg Howard W. Jennings	All All All All All	18.11687%
29-A	Federal Lease NM-04229-B	Lots 5 and 6, Sec. 5, T-21-S, R-32-E	80.00	TEXACO Inc. USA W. D. Blaydes C. A. Loomis	All All All All	6.03519%
29-B	Federal Lease NM-04229-C	Lots 7 and 8, Sec. 5, T-21-S, R-32-E	80.00	TEXACO Inc. USA W. D. Blaydes C. A. Loomis	All All All All	6.0351%
92-B	State Lease E-5231-4	Lot 1, NE/4 NW/4, SE/4 NE/4 and NE/4 SE/4, Sec. 31, T-20-S, R-33-E	160.26	TEXACO Inc. State of New Mexico	All All All All	12.08998%
92-A	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	All All All	15.08796%

## FIRST ENLARGED PARTICULATING AREA FOR LOWER MORROW ZONE, Continued

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committee Percentage	Participation
94	State Lease E-6142-2	3/2 SE/4 Sec. 31, T-20-S, R-33-E	70.00	TEXACO Inc., State of New Mexico	All	6.03519%
99-A	State Lease E-9052-2	W/2 SW/4 Sec. 32, T-20-S, R-33-E	80.00	TEXACO Inc., State of New Mexico	All	6.03519%
99-B	State Lease E-9052-4	SW/4 NW/4 Sec. 32, T-20-S, R-33-E	40.00	TEXACO Inc., State of New Mexico	All	3.01759%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 33, T-20-S, R-33-E	120.00	TEXACO Inc., State of New Mexico	All	9.05278%
						<hr/>
						100.00000%

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

*Case 1117*

October 16, 1961

**Ferry R. Bass**  
Fort Worth National Bank Building  
Fort Worth, Texas

Gentlemen:

Your application of July 28, 1961, for the initial 40-acre Yates participating area for the Little Eddy unit agreement, Lea and Eddy Counties, New Mexico, was approved October 6, 1961, by the Acting Director, Geological Survey, effective as of June 22, 1961.

Two approved copies of the application are 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,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

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

OIL CONSERVATION COMMISSIC .

P. O. BOX 871

SANTA FE, NEW MEXICO

Case # 1117

August 21, 1961

Ferry R. Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: Initial Participating Area,  
Yates Formation, Little Eddy  
Unit, Eddy and Lea Counties,  
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area, Yates Formation for the Little Eddy Unit, Lea and Eddy 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.

Six approved copies of the application are being forwarded to the United States Geological Survey, Roswell.

Please furnish this office a fully approved copy.

Very truly yours,

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

ALP/JEK/1g

cc: United States Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
Santa Fe, New Mexico

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**In Reply: Refer to  
Unit Division**

**August 15, 1961**

**Perry R. Ross  
12th Floor Ft. Worth National Bank Bldg.,  
Fort Worth, Texas**

**Re: Initial Participating Area,  
Yates Formation Little  
Eddy Unit, New Mexico**

**Attention: Mr. Howard W. Jennings**

**Gentlemen:**

**The Commissioner of Public Lands has approved  
as of August 15, 1961 your application dated July 28,  
1961 for the initial participating area, Yates  
formation, Little Eddy, Unit Area.**

**We are handing six approved copies of this  
application to the Oil Conservation Commission to-  
gether with a copy of your July 31, 1961 letter also  
a copy of this letter.**

**Please furnish us a fully approved copy.**

**Very truly yours,**

**E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS**

**ESW/mnr/v**

**cc: U. S. Geological Survey, Roswell, New Mexico  
Oil Conservation Commission, Santa Fe, New Mexico**

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PERRY R. BASS  
1221 FLOOR FT. WORTH NATL BANK BLDG.  
FORT WORTH, TEXAS

July 31, 1961

Mrs. Marian Rhea  
State Land Office  
P. O. Box 791  
Santa Fe, New Mexico

RE: Little Eddy Unit

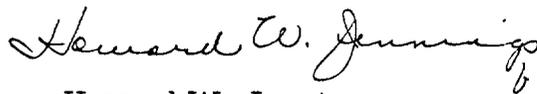
Dear Mrs. Rhea:

Enclosed you will find Application for Participating Area within the Little Eddy Unit Area. We are submitting seven copies of this application. We ask that after you have approved same that you submit it to the Oil Conservation Commission for their approval and request that they forward all copies to the United States Geological Survey in Roswell for their approval.

We will furnish you a fully executed copy after same has been returned to us.

Yours very truly,

PERRY R. BASS



Howard W. Jennings

HWJ:pdf  
enc.

1961 AUG 2 AM 9 53  
STATE LAND OFFICE  
SANTA FE, N. M.



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico

June 5, 1961

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your plan of development for 1961, dated January 3, 1961, for the Little Eddy unit area, Lea and Eddy Counties, New Mexico, which proposes the drilling of one Pennsylvanian test well, has been approved on this date subject to like approval by the appropriate State officials.

Four approved copies of the plan are enclosed.

Very truly yours,

for JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*Case 4-117*

April 28, 1961

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: 1961 Plan of Development  
Little Eddy Unit, Lea and  
Eddy 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 Little Eddy Unit, Lea and Eddy 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.

Seven approved copies of the plan are being forwarded to the United States Geological Survey.

Very truly yours,

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

ALP/JEK/ig

cc: US Geological Survey  
Roswell, New Mexico

Commissioner of Public Lands  
Santa Fe, New Mexico

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Exec # 1117

April 12, 1961

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Re: 1961 Plan of Development  
Little Eddy Unit  
Lea and Eddy Counties, N.M.

Gentlemen:

The Commissioner of Public Lands has approved the 1961 Plan of Development for the Little Eddy Unit Area as of April 12, 1961.

We are handing six approved copies of this Plan to the Oil Conservation Commission for their consideration and transmittal to the United States Geological Survey.

This plan calls for the drilling of an additional Pennsylvanian test well during 1961 and our approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission. Please notify us at the time full approval is received.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

ESW/mxr/s

cc: Oil Conservation Commission  
Santa Fe, New Mexico

US Geological Survey  
Roswell, New Mexico

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RICHARDSON & BASS  
Ft. Worth Nat'l Bank Bldg.  
Fort Worth, Texas

January 3, 1961

Little Eddy Unit  
#14-08-001-3464  
Lea and Eddy Counties, New Mexico

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Gentlemen:

In compliance with Section 10 of the Little Eddy Unit Agreement dated June 15, 1956, and approved by the Survey on November 2, 1956, Richardson and Bass, as unit operator, hereby submits for your approval a Plan of Development for the year, 1961.

History of Past Development - Four (4) Devonian tests have been drilled in the unit area. The Texas Company (now Texaco Inc.) No. 1 Muse in Section 7, T-20-S, R-33-E, was plugged and abandoned on April 21, 1957, at a total depth of 15,560 feet. The Shell Oil Company No. 1 Perry in Section 10, T-20-S, R-32-E, was plugged and abandoned on December 31, 1957, at a total depth of 14,367 feet.

Two (2) of the Devonian tests were completed for production in paying quantities at a lesser depth. The Texas Company (now Texaco Inc.) No. 1 Richards in Section 25, T-20-S, R-32-E, reached a total depth of 16,600 feet in the Devonian formation and was completed in the Pennsylvanian zone from 12,909 feet to 12,917 feet. The Initial Pennsylvanian Participating Area under the Richards well was approved effective as of first production on March 17, 1958. The Texaco Inc. No. 1 State "CH" in Section 36, T-20-S, R-32-E, was drilled to a total depth of 14,816 feet in the Devonian formation and was completed on April 12, 1960, in the Atoka zone from 12,640 feet to 12,654 feet and in the Morrow zone from 13,242 feet to 13,307 feet. The Atoka zone in this well tested 1,413,988 CFGPD plus 49 barrels of distillate through a 22/64-inch choke, with GOR 29,612. The Morrow zone tested 3,526,000 CFGPD plus 114 barrels of distillate through a 1-inch choke, with GOR 30,930. An Application for Approval of the Initial Participating Areas for the Atoka and Morrow zones is being filed simultaneously with this Application.

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

-2-

January 3, 1961

Proposed Additional Wells - The drilling of an additional Pennsylvanian test within the unit area is proposed for the year, 1961. This well will be located in the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 31, T-20-S, R-33-E, and will be commenced within ninety (90) days from approval of this Application.

Well Casing Program - The well casing program will include such surface casing and other casing as may be required by the Director, the Commissioner, and the Commission, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

Offset Obligations - Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Little Eddy Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 18 of said Agreement.

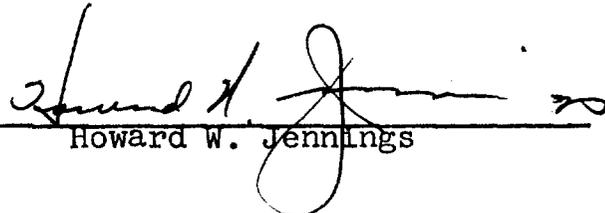
Further Development - This plan of development shall constitute the drilling obligations of the Unit Operator under the terms of the Little Eddy Unit Agreement for the year, 1961. Before this plan expires, another plan for further development of the unit area will be submitted.

Modifications - It is understood that this plan of development is dependent upon certain information to be obtained prior to drilling and upon other contingencies such as availability of well casing; therefore, this plan of development may be modified to meet changing conditions or to protect the interest of all parties to this Agreement.

Dated: January 3, 1961

RICHARDSON AND BASS

By

  
Howard W. Jennings

BEH:lg

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

-3-

January 3, 1961

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

United States Geological Survey

By \_\_\_\_\_

Subject to like approval by appropriate State officials.

APPROVED this 12<sup>th</sup> day of April, 1961

Commissioner of Public Lands

By *C. J. Walker*

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

APPROVED this 28 day of April, 1961

Oil Conservation Commission

By *A. L. Patten, Jr.*

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

Case #1117

March 28, 1961

In reply refer to:  
Unit Division

Mr. Howard W. Jennings  
Richardson & Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Re: Change of Operator,  
Little Eddy Unit, Lea and  
Eddy Counties, New Mexico

Dear Mr. Jennings:

This office has received an application, dated March 10, 1961, by which Richardson & Bass, present operator of the Little Eddy Unit, resigns as Little Eddy Unit Operator. This same application designates Perry R. Bass as successor unit operator and by this instrument Perry R. Bass accepts all the obligations of unit operator, under and pursuant to all the terms of the Little Eddy Unit.

Therefore, the Commissioner of Public Lands approves as of March 28, 1961, this application for change of unit operator.

We are forwarding five approved copies to the Director of the U S Geological Survey in Roswell, New Mexico.

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Mr. Howard W. Jennings  
March 28, 1961  
-2-

At such time as this application is fully approved,  
please furnish us another copy stating the effective  
date thereof.

Yours very truly,

E. S. JOHNNY WALKER  
Commissioner of Public Lands

By: *Ted Bilberry*  
Ted Bilberry, Supervisor  
Oil and Gas Division

ESW:MR:eg

cc: Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

U S Geological Survey  
Roswell, New Mexico

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C. L. CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 1117

March 2, 1961

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: Little Eddy Unit  
Eddy County, New Mexico.

Gentlemen:

This office agrees with your determination that the I. W. Lovelady, Phillips-State Well No. 1 is not capable of producing unitized substances in commercial quantities and should therefore be operated on a lease basis.

Five approved copies of your determination 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

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**In reply refer to:  
Unit Division**

**February 28, 1961**

**Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas**

**Re: Little Eddy Unit  
Eddy County, New Mexico**

**Attention: Mr. Howard W. Jennings**

**Dear Mr. Jennings:**

**We have your letter of February 23, 1961 in regard to the I. W. Levelady No. 1 Phillips State Well in Section 16, Township 20-South, Range 32-East and furnishing us with additional information.**

**This office agrees with your determination that this well is not a commercial well and therefore will be operated on a lease basis.**

**We are handing the Oil Conservation Commission six copies of your determination for their approval.**

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

**BY:  
Marian M. Rhea, Supervisor  
Unit Division**

**KSW/mxr/s**

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RICHARDSON AND BASS

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

February 1, 1961

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

Attention: Mrs. Marian Rhea

RE: Little Eddy Unit

Dear Mrs. Rhea:

We have your letter of January 30, 1961, inquiring about the determination on the I. W. Lovelady No. 1 Phillips-State well in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 16, T-20-S, R-32-E.

We have reviewed your letter and wish to point out that we still feel that in our opinion this is not a commercial well. This is an extremely expensive area to drill wells as will be noted by the casing program necessary, which we set out as follows:

1. 10-3/4" set at 1154'
2. 7" set at 2416'
3. 4-1/2" set at 2714'

This well was acidized with 250 gallons of mud acid; and due to the water percentage, it is very likely that the well had but very little bottom hole pressure.

Based on the production from this well from the completion date to the present time, the well will return to the operator approximately \$4,000.00 per year. This would show a payout on the original well cost of \$35,000.00 to be approximately 8 years. However, considering the salt water percentage of total fluid being produced, and taking into consideration the normal rate of decline in production, the life of this well would probably never reach the original investment since this would show an approximate 16 year payout.

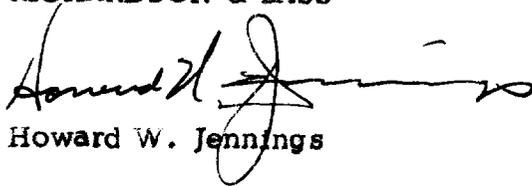
Commissioner of Public Lands  
February 22, 1961

2

We trust that the above information will answer your inquiry regarding this well.

Yours very truly,

RICHARDSON & BASS

A handwritten signature in cursive script, appearing to read "Howard W. Jennings", written in dark ink over the typed name.

Howard W. Jennings

HWJ:pdf

cc: Mr. Kaptina  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

RICHARDSON AND BASS

FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

January 12, 1961

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

RE: Little Eddy Unit  
14-08-001-3464

I. W. Lovelady #1 Phillips State  
SW $\frac{1}{4}$ NE $\frac{1}{4}$  Sec. 16, T-20-S, R-32-E

Gentlemen:

Our records indicate that the above captioned well located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 16, Township 20 South, Range 32 East, was completed on or above May 29, 1960, for 36 barrels of oil and 17 barrels of water per day from the Yates formation. The well was completed in the interval between 2,547-2,552 feet, after being drilled to a total depth of 2,700 feet.

Richardson & Bass, as Unit Operator, hereby respectfully request that this well be declared non-commercial and that the well be permitted to produce on a lease basis rather than establish a participating area around said well. In support of this determination, we submit that our records reflect that the well produced the following amounts:

	<u>Barrels of Oil</u>	<u>Barrels of Water</u>
June	558	179
July	247	118
August	134	64
September	137	66
October	498	239

Inasmuch as this well is located on New Mexico State Land, we respectfully request the concurrence of the Commissioner of Public Lands, together with the New Mexico Oil Conservation Commission and

United States Geological Survey  
Commissioner of Public Lands  
New Mexico Oil Conservation Commission

January 12, 1961  
Page 2

the United States Geological Survey, that this well continue to be produced on a lease basis.

Yours very truly,

RICHARDSON & BASS

  
Howard W. Jennings

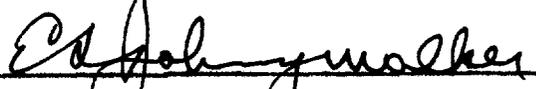
HWJ:pdf

APPROVED:

UNITED STATES GEOLOGICAL SURVEY

\_\_\_\_\_  
Date \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

  
Date 2-28-61

NEW MEXICO OIL CONSERVATION COMMISSION

  
Date 3-2-61

Case # 1117

March 1, 1961

Richardson and Bass  
Fort Worth National Bank  
Fort Worth, Texas

Re: Initial Participating  
Areas, Atoka and Morrow Zones,  
Little Eddy Unit, Lea and Eddy  
Counties, New Mexico

Attention: Mr. Howard W. Jennings

Gentlemen:

The Commissioner of Public Lands has of this date approved the Initial Participating Areas, Atoka and Morrow Zones, for the Little Eddy Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the US Geological Survey and approval which has already been granted by the Oil Conservation Commission.

Eight approved copies of this application are being forwarded to the US Geological Survey, Roswell, New Mexico.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

ESW/mmrs/s

cc: United States Geological Survey  
Roswell, New Mexico

Oil Conservation Commission-Santa Fe

C . CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 27, 1961

Richardson & Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Edward W. Jennings

Re: Initial Participating  
Areas, Atoka and Morrow  
Zones, Little Eddy Unit,  
Lea and Eddy Counties,  
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Areas, Atoka and Morrow Zones, for the Little Eddy Unit, Lea and Eddy 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.

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

Very truly yours,

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

ALP/JEK/og

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

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RICHARDSON & BASS  
Ft. Worth Nat'l Bank Bldg.  
Fort Worth, Texas

see 1951  
Order

January 18, 1961

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Little Eddy Unit  
#14-08-001-3464  
Lea and Eddy Counties, New Mexico

Gentlemen:

Richardson & Bass, as unit operator for the Little Eddy Unit Agreement, #14-08-001-3464, approved by the Director of the United States Geological Survey, effective November 2, 1956, pursuant to the provisions of Section 11 thereof, respectfully submits for approval by the Director, Commissioner, and the Commission the selection of the following described lands to constitute the Initial Participating Areas for the Atoka zone and the Morrow zone, to-wit:

Township 20 South, Range 32 East, N.M.P.M.  
Section 36: E/2

Township 20 South, Range 33, East, N.M.P.M.  
Section 31: Lots 1, 2, 3, 4, and  
E/2 W/2  
containing 640.61 acres.

In support of this Application, the following numbered items are attached hereto and made a part hereof:

1. An ownership map marked Exhibit "A" showing thereon the boundaries of the unit area, unit wells completed to date, and the proposed Initial Participating Areas.
2. A schedule marked Exhibit "B" showing the lands entitled to participation in the unitized substances produced from the Atoka and Morrow zones, with the percentage participation of the lease or tract indicated thereon.
3. A geological and engineering report with cross section attached, and marked Exhibit "C", supporting and justifying the proposed selection of the Initial Participating Areas.

The proposed Initial Participating Areas are predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on April 12, 1960, of unit well No. 1, State of New Mexico "CH", in the SE/4 NE/4 of Section 36, T-20-S, R-32-E.

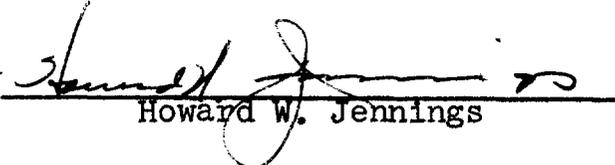
The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

-2-

January 18, 1961

Applicant respectfully requests that the Director, Commissioner, and the Commission approve the hereinabove selection of lands to constitute the Initial Participating Areas for the Atoka and Morrow zones. The effective dates of these initial areas shall be April 12, 1960, on which date the above well was completed. Your early approval to this Application and execution in the spaces provided below will be appreciated.

RICHARDSON AND BASS

By   
Howard W. Jennings

BEH:lg

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

United States Geological Survey

By \_\_\_\_\_  
Subject to like approval by appropriate State officials.

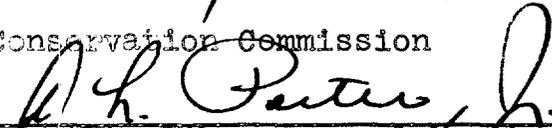
APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1961

Commissioner of Public Lands

By \_\_\_\_\_  
Subject to like approval by the U.S.G.S. and the Commission.

APPROVED this 27 day of February, 1961

Oil Conservation Commission

By   
Subject to like approval by the U.S.G.S. and the Commissioner.

R-32-E

R-33-E

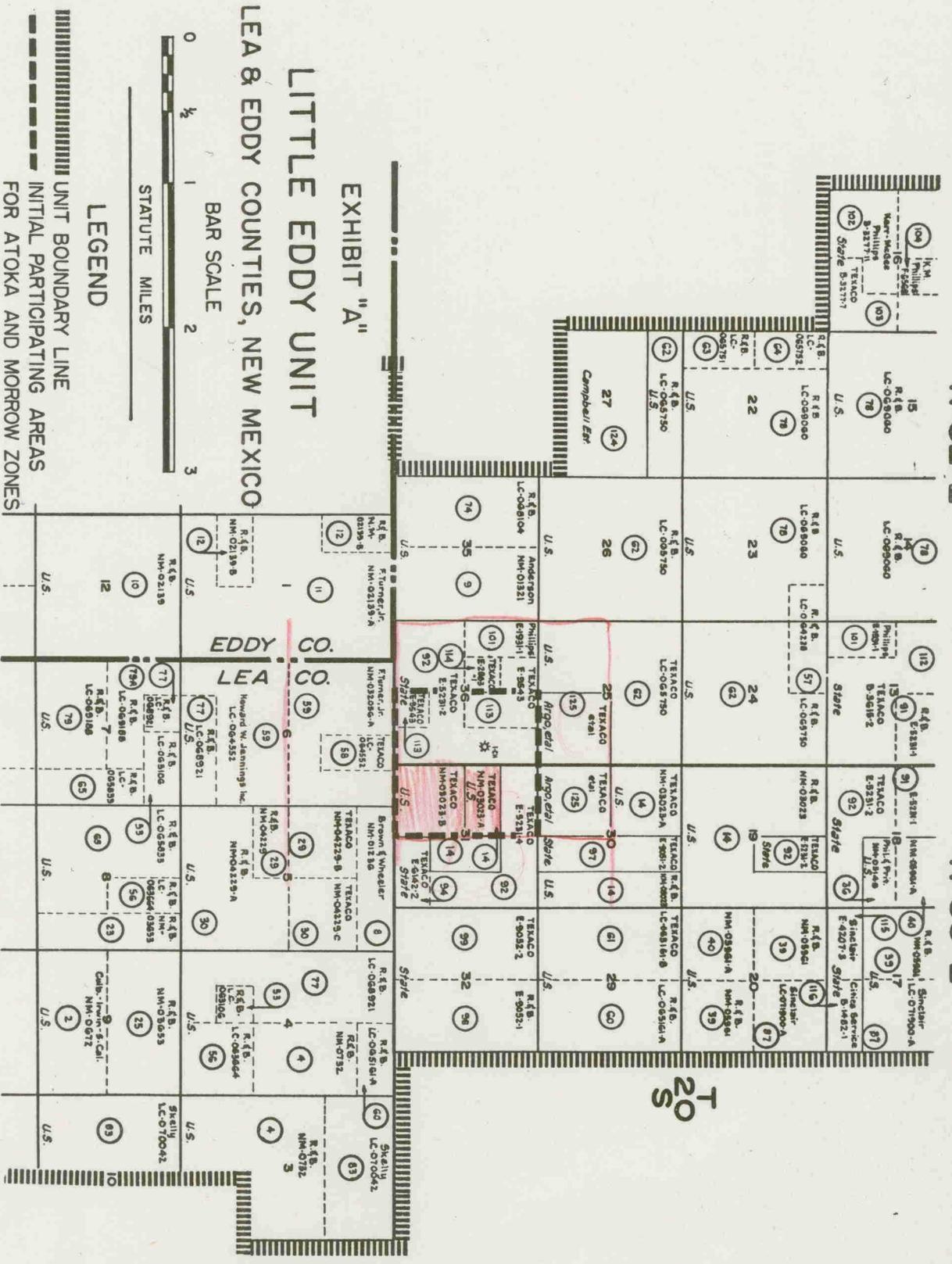


EXHIBIT "A"

# LITTLE EDDY UNIT

## LEA & EDDY COUNTIES, NEW MEXICO

BAR SCALE



### LEGEND

- UNIT BOUNDARY LINE
- INITIAL PARTICIPATING AREAS FOR ATOKA AND MORROW ZONES

R-31-E

R-32-E

TO S

T N S

EXHIBIT "B"

Tract No.	Lease No.	Description	No. of Acres	Ownership	Committed Percentage	Participation	
92	State Lease E-5231-4	Lot 1 and NE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.26	TEXACO Inc. State of New Mexico	.875 WI .125RI	A11 A11	12.52868%
14	Federal Lease NM-03023-A	Lot 2 and SE/4 NW/4 Sec. 31, T-20-S, R-33-E	80.19	TEXACO Inc. USA John H. Triggs Howard W. Jennings	.840 WI .125 RI .015 ORRI	A11 A11 A11	12.51776%
92	State Lease E-5231-2	E/2 E/2 and NW/4 SE/4 Sec. 36, T-20-S, R-32-E	200.00	TEXACO Inc. State of New Mexico	.875 WI .125 RI	A11 A11	31.22024%
113	State Lease E-9543	W/2 NE/4 and SW/4 SE/4 Sec. 36, T-20-S, R-32-E	120.00	TEXACO Inc. State of New Mexico	.875 WI .125 RI	A11 A11	18.73215%
14	Federal Lease NM-03023-B	Lots 3, 4 and E/2 SW/4 Sec. 31, T-20-S, R-33-E	160.16	TEXACO Inc. USA John H. Triggs Howard W. Jennings	.840 WI .125 RI .015 ORRI	A11 A11 A11	25.00117%
Totals			640.61				100.00000%

*160.16  
20.19  
175  
100.00*

1,5027 MCF

EXHIBIT "C"

ENGINEERING AND GEOLOGICAL REPORT

The proposed Initial Participating Areas are predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on April 12, 1960, of unit well No. 1, State of New Mexico "CH", in the SE/4 NE/4 of Section 36, T-20-S, R-32-E. This well attained a total depth of 14,816 feet, and was plugged back to 13,620 feet where it tested 1,413,988 CFGPD plus 49 barrels of distillate through a 22/64-inch choke, GOR 29,612, from the Atoka zone between 12,640 feet to 12,654 feet. The Morrow zone between 13,242 feet and 13,307 feet tested 3,526,000 CFGPD plus 114 barrels of distillate through a 1-inch choke, GOR 30,930. The total cumulative production from the Atoka zone to December 1, 1960, was 315 MCF of gas and 7,145 barrels of distillate. The total cumulative production from the Morrow zone to December 1, 1960, was 754 MCF of gas and 2,095 barrels of distillate.

24,293

92,875 MCF

The attached cross section shows that the State "CH" well No. 1 is producing from two separate zones of porosity in the lower Pennsylvanian sandstones which are represented in Richards Well No. 1, one-half mile north, by intervals of tight interbedded limestone and shale in which no shows of oil or gas were encountered.

Data from these wells suggest better sand development flanking the local structure.

7-15-60  
41  
20-1-70

In reply refer to:  
Unit Division

Case # 1117

February 28, 1961

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Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Re: Little Eddy Unit  
Eddy County, New Mexico

Attention: Mr. Howard W. Jennings

Dear Mr. Jennings:

We have your letter of February 23, 1961 in regard to the I. W. Lovelady No. 1 Phillips State Well in Section 16, Township 20-South, Range 32-East and furnishing us with additional information.

This office agrees with your determination that this well is not a commercial well and therefore will be operated on a lease basis.

We are handing the Oil Conservation Commission six copies of your determination for their approval.

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

BY:  
Marjan M. Rhea, Supervisor  
Unit Division

ESW/mxr/s

Q.C.C.

In reply refer to:  
Unit Division

January 30, 1961

*Case # 1117*

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Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Re: Little Eddy Unit  
Lea and Eddy Counties,  
New Mexico

Attention: Mr. Howard W. Jennings

Dear Mr. Jennings:

We have received your letter dated January 12, 1961, requesting a determination by the Commissioner and the Oil Conservation Commission that the I. W. Levelady # 1 Phillips State SW/4NE/4 of Section 16, Township 20-South, Range 32-East be declared a non-commercial well and that this well be permitted to produce on a lease basis. We discussed this with the Oil Conservation Commission and we feel we do not have adequate information to make the determination you wish.

Please furnish us the cost of this well, the bottom hole pressure and any engineering data available so we may evaluate the well. Do you intend to try to stimulate production in any manner?

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

ESW/mmcr/s

cc:

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

- Attention: Mr. Kaptina

P. O. Box 6721  
Roswell, New Mexico

December 21, 1939

Richardson and Ross  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard Jennings

Gentlemen:

This is to acknowledge receipt of the following documents relating to the Little Eddy unit agreement, New Mexico, No. LA-08-091-3664:

Four copies of a Ratification and Joinder to the unit agreement and unit operating agreement executed by Emmett B. White, et al, who will own record title and working interest in a portion of Federal land unit tract 55 upon issuance of lease New Mexico 073239. Approval and Consent of Richardson and Ross, unit operator, is affixed to each copy of the Ratification and Joinder.

Seven copies of a Ratification and Joinder to the unit agreement and unit operating agreement, executed by Wm. G. Ross and Vee K. Ross who will own record title and working interest in a portion of Federal land unit tract 55 upon issuance of lease New Mexico 073240. Approval and Consent of Richardson and Ross, unit operator, is affixed to each copy of the Ratification and Joinder.

By virtue of the Ratifications and Joinders listed above, that portion of Federal land unit tract 55 covered by oil and gas lease offer New Mexico 073239 and that portion of Federal land unit tract 55 covered by oil and gas lease offer New Mexico 073240 is considered effectively committed to the Little Eddy unit agreement, effective as of the issuance date of the respective lease.

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. Three copies of the Ratifications and Joinders executed by Wm. G. Ross and Vee K. Ross are surplus to our needs and are returned herewith.

Very truly yours,  
(Orig. Sgd.) JOHN A. ANDERSON

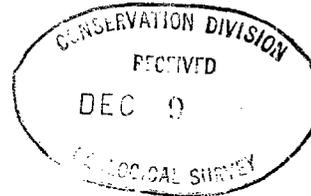
JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Wash. (w/cy of Joinders)  
Artesia (w/cy of Joinders)  
NLM-Santa Fe (w/cy of Joinders)  
State Land Office, (Mrs. Ross) (Letter only)  
BMSCC

P. O. Box 6721  
Roswell, New Mexico

*Jim*

December 3, 1959



*Dec 11/59*

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Reference is made to your letter of October 1, 1959, advising that the unit test well located in the SE $\frac{1}{4}$  sec. 36, T. 20 S., R. 32 E., N.M.P.M., in the Little Eddy unit area (No. 14-68-001-3464), Lea and Eddy Counties, New Mexico, is drilling at 12,436 feet and it is difficult to anticipate when this well will be completed. Your plan of development dated March 13, 1959, proposing the drilling of this well, covered a six months period ending September 17, 1959, for the Little Eddy unit area.

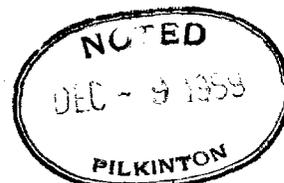
The drilling status of this test well is regarded as automatically extending the period of time covered by your last plan of development. A new plan of development should be submitted within 30 days after completion of this well.

Very truly yours,

EDWIN M. THOMASSON  
Acting Oil and Gas Supervisor

Copy to: Washington (w/cy of letter of Oct. 1)  
Artesia (w/cy of letter of Oct. 1)  
BMOCC, Santa Fe (letter only) ✓  
Commissioner of Public Lands, Santa Fe (letter only)

JORDSON



RICHARDSON AND BASS

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

MAIN OFFICE 900

October 1, 1959

OCT 7 AM 10 29

*W. W. Jennings*

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

RE: Little Eddy Unit  
#14-08-001-3464  
Lea and Eddy Counties, N. M.

Gentlemen:

On March 13, 1959, Richardson & Bass, as Unit Operator for the above captioned unit area, submitted a plan of development for the six months period ending September 17, 1959. On May 28, 1959, a Devonian test was commenced in the SE $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 36, Township 20 South, Range 32 East, in compliance with the provisions of the plan of development. This well is currently drilling at a depth of 12,436 feet, and it is difficult for us to estimate when this well will reach total depth as on deeper drilling of this nature, very little footage is drilled per day.

Inasmuch as the plan of development as outlined is currently in progress, we are merely advising you for record only, as we assume the extension of the plan will be automatic.

Yours very truly,

RICHARDSON & BASS

*Howard W. Jennings*

Howard W. Jennings

HWI/pdf

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

April 2, 1959

*File 1117*

C  
O  
P  
Y

Richardson & Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

ATTENTION: Mr. Howard Jennings

RE: Six Month Plan of Development  
ending September 17, 1959  
Little Eddy Unit Lea & Eddy  
Counties, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the six month Plan of Development ending September 17, 1959 for the Little Eddy Unit Lea and Eddy 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 application is returned herewith.

Very truly yours,

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

ALP:RLS:ig

cc: State Land Office - Santa Fe  
U. S. Geological Survey - Roswell

P. O. Box 6721  
Roswell, New Mexico

March 30, 1959

Richardson & Bass  
Fort Worth National Bank Bldg.,  
Fort Worth, Texas

Attention: W. P. Duncan, Jr.

Gentlemen:

Your Plan of Development, dated March 13, 1959, for a six-months period ending September 17, 1959, for the Little Eddy unit area, No. 14-08-001-3464, Lea and Eddy Counties, New Mexico, which proposes the drilling of one Devonian formation well, has been approved on this date subject to like approval by the appropriate State Officials.

Two copies of the plan are being sent to each of the State offices.

One approved copy of the plan is enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Enclosure 1

Copy to: Washington (w/copy of plan)  
Artesia  
NMOCC, Santa Fe (w/2 cys of plan) ✓  
Comm. of Pub. Lands, Santa Fe (w/2 cys of plan)

**RICHARDSON & BASS**  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

March 13, 1959

RECEIVED  
MAR 16 1959  
U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

**Little Eddy Unit**  
**#14-08-001-3464**  

---

**Lea and Eddy Counties, New Mexico**

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Gentlemen:

In compliance with Section 10 of the Little Eddy Unit Agreement dated June 15, 1956, and approved by the Survey on November 2, 1956, Richardson and Bass, as unit operator, hereby submits for your approval a Plan of Development for the six months period ending September 17, 1959.

History of Past Development - Since the approval of this unit, three deep tests have been drilled in the unit area. Two of these tests, drilled to the Devonian formation, were The Texas Company #1 Muse in Section 7, T-20-S, R-33-E, plugged and abandoned on April 21, 1957, at a total depth of 15,560 feet, and the Shell Oil Company #1 Perry in Section 10, T-20-S, R-32-E, plugged and abandoned on December 31, 1957, at a total depth of 14,367 feet.

The Texas Company #1 Audie Richards in Section 25, T-20-S, R-32-E, was drilled to a total depth of 16,600 feet in the Devonian formation, and was completed in the Pennsylvanian zone from 12,909 feet to 12,917 feet. The Initial Pennsylvanian Participating Area comprising 360.71 acres under the Richards well was approved effective as of first production on March 17, 1958. As of February 28, 1959, the total cumulative production from this well was 349,164 MCF of gas and 10,467 barrels of distillate.

**RICHARDSON & BASS**  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Page 2

March 13, 1959

Proposed Additional Wells - The drilling of an additional Devonian test within the unit area is proposed for the six months period ending September 17, 1959. This well will be located in the SE/4 of the NE/4 Section 36, T-20-S, R-32-E. The new test is located one-half mile south of the Richards well and is outside the Initial Pennsylvanian Participating Area.

Well Casing Program - The well casing program will include such surface casing and other casing as may be required by the Director, the Commissioner, and the Commission, or as set forth in approvals of the applicable U. S. G. S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

Offset Obligations - Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Little Eddy Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 18 of said Agreement.

Further Development - This plan of development shall constitute the drilling obligations of the Unit Operator under the terms of the Little Eddy Unit Agreement for the period ending September 17, 1959. Before this plan expires, another plan for further development of the unit area will be submitted.

Modifications - It is understood that this plan of development is dependent upon certain information to be obtained prior to drilling and upon other contingencies such as availability of well casing; therefore, this plan of development may be modified to meet changing conditions or to protect the interest of all parties to this Agreement.

RICHARDSON & BASS  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

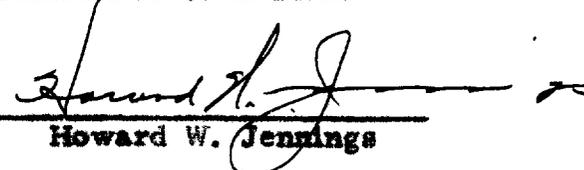
Page 3

March 13, 1959

Effective Date - This plan of development shall  
be effective March 17, 1959.

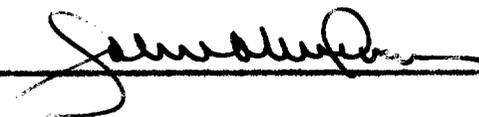
Dated: March 13, 1959

RICHARDSON AND BASS

By   
Howard W. Jennings

BEH:mj

APPROVED this 30 day of March, 1959  
Subject to like approval by appropriate state officials.  
United States Geological Survey

By 

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1959

Commissioner of Public Lands

By \_\_\_\_\_

APPROVED this 2 day of April, 1959

Oil Conservation Commission

By 

RICHARDSON & BASS  
FT. WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

File  
1117

January 9, 1959

Mr. A. L. Porter, Jr.  
Oil Conservation Commission  
State of New Mexico  
P. O. Box 871  
Santa Fe, New Mexico

RE: Little Eddy Unit  
No. 14-08-001-3464

Dear Mr. Porter:

Enclosed please find photostatic copy of approved participating area in the above captioned unit. You will note that this participating area has been approved by the Commissioner of Public Lands and the United States Geological Survey, in addition to the approval by your office.

Photostatic copies of this approval are being furnished to you inasmuch as we only received one original executed copy.

Yours very truly,

RICHARDSON & BASS

  
Howard W. Jennings

HWJ/pdf  
Enc.



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
WASHINGTON 25, D. C.

DEC 18 1958

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Gentlemen:

Your application of September 10, 1958, for the initial 360.71-acre Pennsylvanian participating area under the Little Eddy unit agreement, New Mexico, was approved December 17, 1958, by Arthur A. Baker, Acting Director of the Geological Survey, effective as of March 17, 1958.

Enclosed is one copy of the approved application for your records. It is assumed that you will furnish the State of New Mexico or any other interested principal with whatever evidence of this approval is deemed appropriate.

Very truly yours,

For the Director

Enclosure

**RICHARDSON & BASS**  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

NOV 28 1958  
SEPTEMBER 19, 1958

RECEIVED

OCT 28 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

RECEIVED

SEP 22 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

United States Geological Survey  
Commissioner of Public Lands  
Oil Conservation Commission

Re: Little Eddy Unit  
#14-08-081-3464

Gentlemen:

Reference is made to the above captioned unit which covers lands located in Eddy and Lea Counties, New Mexico. In accordance with the terms of the Unit Agreement, Richardson & Bass, as unit operator, hereby requests that a participating area be established.

In this connection, we attach hereto as a part of this application a map marked Exhibit "A", which reflects the outline of the unit, together with all of the wells which have been drilled to date. We have shown outlined in red on the map the proposed participating area, and we have also designated the wells which have been dry holes and were plugged and abandoned. We also attach Exhibit "B", which is a schedule of the initial participating area.

In reviewing the producing well on this unit, we submit that the Texas Company #1 Andie Richards was completed March 17, 1956, and through July, 1958, the well has produced a cumulative total of 4,260 barrels of distillate and 120,266,000 cubic feet of gas. As you will recall from our previous correspondence concerning this unit, this well was drilled to a total depth of 16,650 feet and was plugged back to 12,925 feet. The well is producing in the Pennsylvanian formation with a flowing pressure of 2080 $\psi$ .

On June 30, 1958, Mr. A. L. Porter, Jr., Secretary-Director of the Oil Conservation Commission of the State of New Mexico, concurred in our determination that a valuable and commercial discovery of unitized substances has been made on the land within the unit area. Inasmuch as the #1 Richards was drilled on fee land, the concurrence was made by the Oil Conservation Commission.

By letter of July 10, 1958, Mr. John A. Anderson, Regional Oil & Gas Supervisor of the United States Geological Survey, advised that the completion of this well was in accordance with the provisions of Section 9 of the Little Eddy Unit Agreement, placing this unit in a producing status.

**ILLEGIBLE**

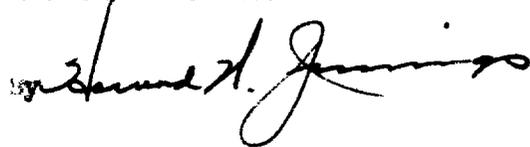
United States Geological Survey  
Commissioner of Public Lands  
Oil Conservation Commission  
September 10, 1958  
Page #3

NOV 1958

Upon completion of the #1 Audie Richards on March 17, 1958 we ran velocity surveys in this well in order to correlate our seismograph data. We are, at the present time, combining our data with the Texas Company in a thorough seismograph review in an attempt to evaluate the three deep wells which were drilled on this Unit. As unit operator, we hereby respectfully submit that a participating area of nine 40-acre tracts surrounding said well be established in accordance with the terms and provisions of the Little Eddy Unit Agreement, and in order that we may make a further study and correlation of our geological and geophysical data, we request a six months extension for the filing of an acceptable plan of development, providing for further exploration on the unit.

Very truly yours,

RICHARDSON & BASS



rfw/dn

APPROVED this 17<sup>th</sup> day of December, 1958

United States Geological Survey

by Arthur O. Baker

acting Director, U. S. Geological Survey

APPROVED this 16<sup>th</sup> day of September, 1958

Commissioner of Public Lands

by W. M. Young

APPROVED this 18<sup>th</sup> day of September, 1958

Oil Conservation Commission

by A. K. Porter

ILLEGIBLE

EXHIBIT B  
SCHEDULE 1

Initial Participating Area "A" for the Pennsylvania Formation

Tract No.	Lease No.	Description	No. Acres	Ownership	Committed Percentage	Particl- patlon	
125	A. Richards et al fee	SEC sec. 25, T205, R32E Lots 3, 4 sec. 30, T205, R32E	240.45	Texas Co.	.8350 W.I.	All	66.66%
				Argo	.02 W.I.	All	
				Leonard	.01 W.I.	None	
				Sunshine	.01 W.I.	None	
		Audie Richards et al		Royalty in .1250 Suspense*	None		
92	State Lease E-5231-2	MAYMAY sec. 36, T205, R32E Lot 1, sec. 31, T206, R32E	30.26	Texas Co.	.8790 W.I.	100%	22.25%
				St. of N.M.	.1250 Royalty	100%	
113	State Lease E-9543	MAYMAY sec. 36, T205, R32E	40.00	Texas Co.	.8750 W.I.	100%	11.09%
				St. of N.M.	.1250 Royalty	100%	

TOTAL - Texas Co.

Argo Oil Corp.	.848360
Leonard Oil Co.	.013320
Sunshine Royalty	.006660
State of N. Mexico	.041675
Audie Richards et al	.083325
	<u>1.000000</u>

Texas Co. #1 Audie Richards  
Completed 3-17-58

\* This tract in litigation pending outcome of court decision, and proceeds will be held in suspense.

**ILLEGIBLE**



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

*File  
1117*

November 24, 1958

Richardson and Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Gentlemen:

Your letter-application of September 10, 1958 requests approval of an initial participating Pennsylvanian area and a six-months' extension within which to file a plan of development pursuant to section 10 of the Little Eddy unit agreement, New Mexico No. 14-08-001-3464.

Said application has been transmitted to our Washington office for consideration by the Director with respect to approval of the initial participating area.

Please consider this memorandum as approval by this office of your application insofar as it requests a six-months' extension for the filing of an acceptable plan of development in order to allow more complete correlation of geologic information now available, before attempting further exploratory drilling. Said application was approved by the Commissioner of Public Lands of the State of New Mexico on September 16, 1958, and by the New Mexico Oil Conservation Commission on September 18, 1958.

A plan of development will therefore be required for the Little Eddy unit area on or before March 17, 1959.

Very truly yours,

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington  
Artesia  
Oil Cons. Comm., Santa Fe ✓  
Comm. of Public Lands, Santa Fe

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*File  
case  
1117*

September 17, 1958

Richardson & Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Attention: Mr. Howard W. Jennings

Re: Initial Participating Area  
Little Eddy Unit Lea And Eddy  
Counties, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Initial Participating Area and six months extension of time in which to file a Plan of Development for the Little Eddy Unit Lea & Eddy 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 being forwarded to the United States Geological Survey in Roswell.

Very truly yours,

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

cc: U. S. Geological Survey  
Commissioner of Public Lands

C  
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P  
Y

In reply refer to:  
Unit Division

September 16, 1958

C  
O  
P  
Y  
Richardson & Bass  
Fort Worth National Bank Bldg.  
Fort Worth, Texas

Re: Little Eddy Unit  
Participating Area

Attention: Mr. Howard W. Jennings

Gentlemen:

The Commissioner of Public Lands has of this date approved your Initial Participating Area for the Little Eddy Unit. This Participating Area establishes nine 40-acre tracts surrounding the No. 1 Audie Richards Well including the forty acres where the well is located. The Commissioner is also approving your request for a six months extension for an acceptable plan of development.

The Texas Company's No. 1 Audie Richards Well, according to information on their C-105, was completed January 8, 1958, the Plan of Development was due six months later or July 20, 1958, therefore, a six months extension would call for the Plan of Development to be filed by January 20, 1959.

We are handing to the New Mexico Oil Conservation Commission six approved copies of the aforementioned applications.

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

**RICHARDSON & BASS**

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

September 10, 1958

United States Geological Survey  
Commissioner of Public Lands  
Oil Conservation Commission

Re: Little Eddy Unit  
#14-08-001-3464

Gentlemen:

Reference is made to the above captioned unit which covers lands located in Eddy and Lea Counties, New Mexico. In accordance with the terms of the Unit Agreement, Richardson & Bass, as unit operator, hereby requests that a participating area be established.

In this connection, we attach hereto as a part of this application a map marked Exhibit "A", which reflects the outline of the unit, together with all of the wells which have been drilled to date. We have shown outlined in red on the map the proposed participating area, and we have also designated the wells which have been dry holes and were plugged and abandoned. We also attach Exhibit "B", which is a schedule of the initial participating area.

In reviewing the producing well on this unit, we submit that the Texas Company #1 Andie Richards was completed March 17, 1958, and through July, 1958, the well has produced a cumulative total of 4,260 barrels of distillate and 120,266,000 cubic feet of gas. As you will recall from our previous correspondence concerning this unit, this well was drilled to a total depth of 16,659 feet and was plugged back to 12,925 feet. The well is producing in the Pennsylvanian formation with a flowing pressure of 2050#.

On June 30, 1958, Mr. A. L. Porter, Jr., Secretary-Director of the Oil Conservation Commission of the State of New Mexico, concurred in our determination that a valuable and commercial discovery of unitized substances has been made on the land within the unit area. Inasmuch as the #1 Richards was drilled on fee land, the concurrence was made by the Oil Conservation Commission.

By letter of July 10, 1958, Mr. John A. Anderson, Regional Oil & Gas Supervisor of the United States Geological Survey, advised that the completion of this well was in accordance with the provisions of Section 9 of the Little Eddy Unit Agreement, placing this unit in a producing status.

United States Geological Survey  
Commissioner of Public Lands  
Oil Conservation Commission  
September 10, 1958  
Page #2

Upon completion of the #1 Audis Richards on March 17, 1958 we ran velocity surveys in this well in order to correlate our seismograph data. We are, at the present time, combining our data with the Texas Company in a thorough seismograph review in an attempt to evaluate the three deep wells which were drilled on this Unit. As unit operator, we hereby respectfully submit that a participating area of nine 40-acre tracts surrounding said well be established in accordance with the terms and provisions of the Little Eddy Unit Agreement, and in order that we may make a further study and correlation of our geological and geophysical data, we request a six months extension for the filing of an acceptable plan of development, providing for further exploration on the unit.

Very truly yours,

RICHARDSON & BASS

By 

HWJ/dn

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1958

United States Geological Survey

By \_\_\_\_\_

APPROVED this 16th day of September 1958

Commissioner of Public Lands

By 

APPROVED this 18th day of September 1958

Oil Conservation Commission

By 



**MAIN OFFICE OCC** UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 GEOLOGICAL SURVEY  
 1958 JUL 14 AM 8:45  
 P. O. Box 6721  
 Roswell, New Mexico

July 10, 1958  
 F. C. Case  
 1117

**Richardson & Bass**  
**Fort Worth National Bank Building**  
**Fort Worth, Texas**

Gentlemen:

Reference is made to your letters of May 22, June 13 and July 3, 1958, regarding the discovery of gas and condensate in your Little Eddy unit well Audie Richards No. 1, drilled on privately-owned land in the SE¼ sec. 25, T. 20 S., R. 32 E., Eddy County, New Mexico. On June 30, 1958, the Oil Conservation Commission, State of New Mexico, concurred in the determination made in the above mentioned letters of May 22 and June 13 that a valuable and commercial discovery of unitised substances has been made in such well.

Completion of the gas and condensate well in accordance with the provisions of Section 9, "Drilling to Discovery," of the Little Eddy unit agreement places the unit in producing status. Accordingly, Federal leases committed to the Little Eddy unit agreement will be extended for the life of said agreement, pursuant to Section 17(b) of the Mineral Leasing Act and as provided in Section 19(a) of the unit agreement.

An acceptable plan of development providing for further exploration of the unit area should be filed within six months from the date of completion of the discovery well. In addition, an application for approval of a participating area should be filed at or before such time.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

**JOHN A. ANDERSON**  
 Regional Oil and Gas Supervisor

Copy to: Cons. Div., Wash. (w/cy of determination ltrs-  
 O.C.G. approved cys)  
 O.C.G., Santa Fe (w/cy of determination ltrs) ✓  
 Comm. Public Lands, Santa Fe (w/cy of determination ltrs)  
 Artesia (w/cy of determination ltrs)  
 File

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

June 30, 1958

**C**  
**O**  
**P**  
**Y**  
Richardson & Bass  
1211 Fort Worth National Bank Bldg.  
Fort Worth, Texas

**ATTENTION: Howard Jennings**

**Gentlemen:**

Reference is made to your letter applications of May 22, 1958, and June 13, 1958, wherein you have made the determination that a valuable and commercial discovery of unitized substances has been made by the completion of the No. 1 Richards on the Little Eddy Unit, New Mexico No. 14-08-001-3464.

On the basis of the available information, the Oil Conservation Commission concurs in your determination that a valuable and commercial discovery of unitized substances has been made on land within the unit area. Please be reminded that Section 10 of the unit agreement requires that within six months after completion of a well capable of producing unitized substances in paying quantities, the unit operator shall submit an acceptable plan of development and operation for the unitized area.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

bp  
Encls.

CC-John Anderson, USGS  
State Land Office

**RICHARDSON & BASS**

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

MAIN OFFICE OCC  
June 13, 1958

1958 JUL 14 AM 8:45

File  
1117  
RECEIVED

JUL 7 - 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Re: Little Eddy Unit  
No. 14-08-001-3464

Gentlemen:

Reference is made to our letter of May 22, 1958, in which we requested a determination that a valuable and commercial discovery of unitized substances had been made on the above captioned unit.

In further support of our letter, we set forth below the production figures on the No. 1 Andie Richards:

March	9,345 MCF	349 barrels distillate
April	13,157 MCF	502 barrels distillate
May	40,130 MCF	1,390 barrels distillate

In commenting on the above production figures, it should be recalled that the well was first placed on partial production effective March 17, 1958, and due to pipe line difficulties the well was only produced intermittently. During the month of April, the well was produced only eleven days; while during the month of May, the final difficulties were overcome.

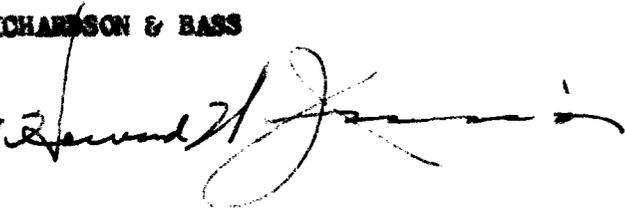
The Southern Union Gas Company is buying the gas, paying 10.75 cents per MCF, while the distillate is bringing \$3.07 less 20¢ for trucking, less 5¢ for gathering. On the basis of the May production, the well produced \$4,313.00 on gas sales and \$3,919.80 for distillate sales, or for a total of \$8,232.80. As was previously pointed out, the initial flowing pressure on this well was 2325#, and on a test made June 4, 1958, the flowing pressure was 2100#.

The performance of this well has been extremely gratifying, and the pipe line difficulties have been overcome by selling the distillate to the Texas-New Mexico Pipe Line Company, and a 3½" gas line 29,000' long was connected to Southern Union Gas Company. The cost of this line alone was \$37,000.00, and we feel that such an expenditure was warranted on the basis of present income from the well.

Please consider this letter as a formal application, and Richardson & Bass, as unit operator, feel that in their opinion a valuable and commercial discovery has been made in accordance with Section 19 E of the Little Eddy Unit agreement concerning lease extensions.

Very truly yours,

RICHARDSON & BASS

BY 

Approved: June 30, 1958

/s/ A. L. Porter, Jr.  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

**RICHARDSON & BASS**

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

MAIN OFFICE OCC

May 22, 1958 JUL 14 AM 8:45

JUL 7 - 1958  
U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Re: Littly Eddy Unit  
No. 14-08-001-3464

Gentlemen:

Richardson and Bass, unit operator for the above captioned unit area hereby requests a determination that a valuable and commercial discovery of unitisation substances has been made on land within the unit area and in support of this application, respectfully state.

Said unit area was approved by the Acting Director of the United States Geological Survey and the New Mexico Oil Conservation Commission effective November 2, 1956. Since the approval of this unit, three deep tests have been drilled in the unit area. Two of these Devonian tests, the Texas Company No. 1 Muse in Section 7, Township 20 South, Range 33 East, was plugged and abandoned and the Shell Oil Company No. 1 Perry in Section 10, Township 20 South, Range 32 East, was also drilled to the Devonian formation and proved to be a dry hole also.

The Texas Company No. 1 Audie Richards in Section 25, Township 20 South, Range 33 East, was drilled to a total depth of 16,600 feet and was completed at a plugged back depth of 12,925 feet. This well was placed on production effective March 17, 1958, and is presently producing 72 barrels of 47.8 gravity distillate per day plus 1,266 mcf per day through a 12/64 inch choke with a flowing pressure of 2325#. The shut in pressure on the well is 4300# and as soon as pipeline difficulties are overcome, we anticipate the monthly production of 1700 barrels of distillate and 45,000 mcf.

A market is available for the sale of the gas and distillate and the calculated open flow of the well is in excess of 2,000 mcf per day. The flowing pressure of this well has been extremely steady and has actually increased since the first test of the well. First actual

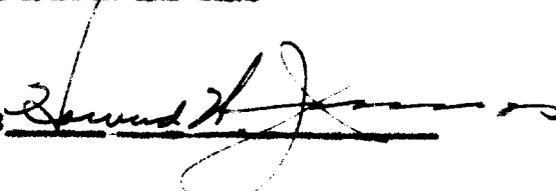
production test before the well was completed was on January 17, 1958, when the well flowed on a 24 hour test having a tubing pressure of 1681# while the pressure at the present time is in excess of 2300#. The well has been producing at the present time approximately two months.

This well is completed in the Pennsylvanian formation with the top of the pay at 12,909 feet and the tubing set at 12,908 feet.

On the basis of the available information Richardson and Bass, as unit operator, advise that in their opinion a valuable and commercial discovery has been made and that in accordance with the applicable provisions of Section 19E of the Unit Agreement concerning lease extensions, it is requested that all leases within said unit area be extended beyond their terms and for the term of said unit agreement.

Very truly yours,

RICHARDSON AND BASS

BY: 

Approved: June 30, 1958

/s/ A. L. Porter, Jr.  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

MIN OFFICE OCC

DEC 15 AM 8:15

In reply refer to:  
Unit Division

December 15, 1958

*File*

*1117*

C

The Texas Company  
Midland, Texas

O

Re: Little Eddy Unit  
Lea and Eddy Counties,  
New Mexico

ATTENTION: Mr. John H. Clark

P

Gentlemen:

Reference is made to your letter of December 2, 1958  
in regard to the completion date of your Audie Richards No.  
1 Well.

Y

We believe the only effect of changing our date from  
the completion date of January 20, 1958 to March 17, 1958  
would be to delay the date the Plan of Development would be  
due. Therefore, we will change our records to reflect the  
completion date as March 17, 1958.

I would point out, however, that under the terms of a  
unit the completion date of a well for most purposes is at  
such time as a well is completed capable of producing in pay-  
ing quantities and would not be at such time as a pipeline  
is completed, which is true for an allowable and other such  
purposes.

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

BY:  
Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MMR/m

**RICHARDSON & BASS**

FORT WORTH NAT'L BANK BLDG.

FORT WORTH, TEXAS

June 13, 1958

RECEIVED  
JUN 16 1958  
FEDERAL RESERVE BANK  
FORT WORTH, TEXAS

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Re: Little Eddy Unit  
No. 14-08-001-3464

Gentlemen:

Reference is made to our letter of May 22, 1958, in which we requested a determination that a valuable and commercial discovery of unitized substances had been made on the above captioned unit.

In further support of our letter, we set forth below the production figures on the No. 1 Audie Richards:

March	9,345 MCF	349 barrels distillate
April	13,157 MCF	502 barrels distillate
May	40,130 MCF	1,390 barrels distillate

In commenting on the above production figures, it should be recalled that the well was first placed on partial production effective March 17, 1958, and due to pipe line difficulties the well was only produced intermittently. During the month of April, the well was produced only eleven days; while during the month of May, the final difficulties were overcome.

The Southern Union Gas Company is buying the gas, paying 10.75 cents per MCF, while the distillate is bringing \$3.07 less 20¢ for trucking, less 5¢ for gathering. On the basis of the May production, the well produced \$4,313.00 on gas sales and \$3,919.80 for distillate sales, or for a total of \$8,232.80. As was previously pointed out, the initial flowing pressure on this well was 2325#, and on a test made June 4, 1958, the flowing pressure was 2100#.

The performance of this well has been extremely gratifying, and the pipe line difficulties have been overcome by selling the distillate to the Texas-New Mexico Pipe Line Company, and a 3½" gas line 29,000' long was connected to Southern Union Gas Company. The cost of this line alone was \$37,000.00, and we feel that such an expenditure was warranted on the basis of present income from the well.

**RICHARDSON & BASS**

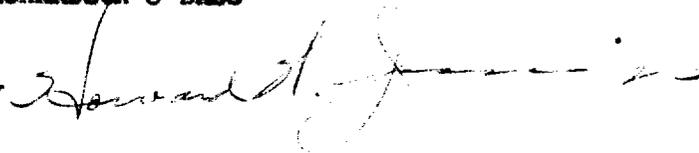
FORT WORTH NAT'L BANK BLDG.

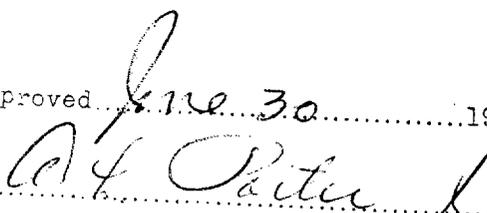
FORT WORTH, TEXAS

Please consider this letter as a formal application, and Richardson & Bass, as unit operator, feel that in their opinion a valuable and commercial discovery has been made in accordance with Section 19 E of the Little Eddy Unit agreement concerning lease extensions.

Very truly yours,

RICHARDSON & BASS

By 

Approved  June 30 ..... 1948

Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

RICHARDSON & BASS  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

May 22, 1958

RECEIVED

MAY 23 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Re: Little Eddy Unit  
No. 14-08-001-3464

Gentlemen:

Richardson and Bass, unit operator for the above captioned unit area hereby requests a determination that a valuable and commercial discovery of unitization substances has been made on land within the unit area and in support of this application, respectfully state.

Said unit area was approved by the Acting Director of the United States Geological Survey and the New Mexico Oil Conservation Commission effective November 2, 1956. Since the approval of this unit, three deep tests have been drilled in the unit area. Two of these Devonian tests, the Texas Company No. 1 Muse in Section 7, Township 20 South, Range 33 East, was plugged and abandoned and the Shell Oil Company No. 1 Perry in Section 10, Township 20 South, Range 32 East, was also drilled to the Devonian formation and proved to be a dry hole also.

The Texas Company No. 1 Audie Richards in Section 25, Township 20 South, Range 32 East, was drilled to a total depth of 16,600 feet and was completed at a plugged back depth of 12,925 feet. This well was placed on production effective March 17, 1958, and is presently producing 72 barrels of 47.8 gravity distillate per day plus 1,266 mcf per day through a 12/64 inch choke with a flowing pressure of 3325#. The shut in pressure on the well is 4300# and as soon as pipeline difficulties are overcome, we anticipate the monthly production of 1700 barrels of distillate and 45,000 mcf.

A market is available for the sale of the gas and distillate and the calculated open flow of the well is in excess of 2,000 mcf per day. The flowing pressure of this well has been extremely steady and has actually increased since the first test of the well. First actual

production test before the well was completed was on January 17, 1958, when the well flowed on a 24 hour test having a tubing pressure of 1681# while the pressure at the present time is in excess of 2300#. The well has been producing at the present time approximately two months.

This well is completed in the Pennsylvanian formation with the top of the pay at 12,909 feet and the tubing set at 12,908 feet.

On the basis of the available information Richardson and Bass, as unit operator, advise that in their opinion a valuable and commercial discovery has been made and that in accordance with the applicable provisions of Section 19E of the Unit Agreement concerning lease extensions, it is requested that all leases within said unit area be extended beyond their terms and for the term of said unit agreement.

Very truly yours,

RICHARDSON AND BASS

BY: *[Handwritten Signature]*

Approved *June 30, 1958*  
*[Handwritten Signature]*  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

RICHARDSON & BASS  
FORT WORTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

May 22, 1958

RECEIVED

MAY 23 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

The Director  
United States Geological Survey  
Commissioner of Public Lands  
New Mexico Conservation Commission

Re: Little Eddy Unit  
No. 14-08-001-3464

Gentlemen:

Richardson and Bass, unit operator for the above captioned unit area hereby requests a determination that a valuable and commercial discovery of unitization substances has been made on land within the unit area and in support of this application, respectfully state.

Said unit area was approved by the Acting Director of the United States Geological Survey and the New Mexico Oil Conservation Commission effective November 2, 1956. Since the approval of this unit, three deep tests have been drilled in the unit area. Two of these Devonian tests, the Texas Company No. 1 Muse in Section 7, Township 20 South, Range 33 East, was plugged and abandoned and the Shell Oil Company No. 1 Perry in Section 10, Township 20 South, Range 32 East, was also drilled to the Devonian formation and proved to be a dry hole also.

The Texas Company No. 1 Andie Richards in Section 25, Township 20 South, Range 32 East, was drilled to a total depth of 16,600 feet and was completed at a plugged back depth of 12,925 feet. This well was placed on production effective March 17, 1958, and is presently producing 72 barrels of 47.8 gravity distillate per day plus 1,266 mcf per day through a 12/64 inch choke with a flowing pressure of 2325#. The shut in pressure on the well is 4300# and as soon as pipeline difficulties are overcome, we anticipate the monthly production of 1700 barrels of distillate and 45,000 mcf.

A market is available for the sale of the gas and distillate and the calculated open flow of the well is in excess of 2,000 mcf per day. The flowing pressure of this well has been extremely steady and has actually increased since the first test of the well. First actual

RICHARDSON & BASS  
FIFTH NAT'L BANK BLDG.  
FORT WORTH, TEXAS

production test before the well was completed was on January 17, 1958, when the well flowed on a 24 hour test having a tubing pressure of 1681# while the pressure at the present time is in excess of 2300#. The well has been producing at the present time approximately two months.

This well is completed in the Pennsylvanian formation with the top of the pay at 12,909 feet and the tubing set at 12,908 feet.

On the basis of the available information Richardson and Bass, as unit operator, advise that in their opinion a valuable and commercial discovery has been made and that in accordance with the applicable provisions of Section 19E of the Unit Agreement concerning lease extensions, it is requested that all leases within said unit area be extended beyond their terms and for the term of said unit agreement.

Very truly yours,

RICHARDSON AND BASS

BY: *Richardson & Bass*

Approved *June 30, 1958*

*W. J. Carter*  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

OFFICE 200  
M 2:11

In reply refer to:  
Unit Division

March 4, 1958

File  
1117

The Texas Company  
P. O. Box 1270  
Midland, Texas

Re: Little Eddy Unit

Audie Richards Well No 1  
SE/4SE/4 Sec. 25-203-32E

Attention: Asst. Dist. Superintendent

Gentlemen:

In reference to your letter of February 20, 1958 in reply to ours of February 10, 1958.

We have checked the Oil Conservation Commission files for progress reports on the above designated well and find their last report was received July 24, 1957.

It is necessary that this office be furnished complete reports on all wells drilled on units, eventhough, they are not on State land. We must insist that you immediately furnish this office with up to date reports.

Since this well was spudded November 29, 1956 and completed January 8, 1958, it would appear we should have some information other than the C-101 which was sent in February 25, 1958, upon request.

Very truly yours,

MURRAY E. MORGAN,  
Commissioner of Public Lands

BY:

Ted Bilberry, Supervisor  
Oil and Gas Division

MEM/MAR/s  
cc:

Howard W. Jennings  
P. O. Box 450  
Roswell, New Mexico

Oil Conservation Commission

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

October 15, 1979

Bass Enterprises Production Company  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

Attention: Jens Hansen

Re: Case No. 1117  
Little Eddy Unit  
Amended 1979 Plan  
of Development

Gentlemen:

We hereby approve the 1979 Amended Plan of Development for the Little Eddy Unit, Eddy and Lea Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

One approved copy of the Amended Plan of Development is returned herewith.

Yours very truly,

JOE D. RAMEY  
Director

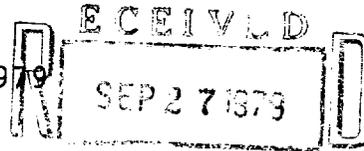
JDR/EP/fd  
enc.

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

C  
O  
P  
Y

BASS ENTERPRISES PRODUCTION CO.  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS 76102

September 24, 1979



OIL CONSERVATION DIVISION  
SANTA FE

United States Geological Survey  
P. O. Box 26124  
Albuquerque, New Mexico 87125

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87501

✓ Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

1117  
OK  
10/5/79  
EJP

Re: Amended 1979 Plan of  
Development for the  
Little Eddy Unit  
Eddy & Lea Cos., New Mexico

Gentlemen:

Under letter dated July 24, 1979, we submitted our Plan of Development for 1979 for the Little Eddy Unit. In that letter, we proposed the drilling of the C. A. Loomis Federal #1 Well to be located 1980' FNL & 1980' FEL, Section 5, T21S-R32E, Lea County, New Mexico, with same to be drilled to a depth of 13,665' or a depth sufficient in which to test the Morrow formation. Due to changing conditions, the well location has been moved from the above-stated location to a location at 660' FWL & 1640' FNL, Section 5, T21S-R32E, Lea County, New Mexico, which is an unorthodox location which will require a hearing for approval.

Therefore, we are requesting your approval of the above-stated amendment to the 1979 Plan of Development and accordingly, if this amended Plan of Development meets with your approval, please indicate by signing in the appropriate space provided below and return one copy to us for our records.

Sincerely,

Jens Hansen  
Division Landman

JH:vm

Agreed to and accepted this 15<sup>th</sup> day of October, 1979.

Signed by:

cc: Jim Greve

State of New Mexico



Commissioner of Public Lands

August 3, 1979

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501

ALEX J. ARMIJO  
COMMISSIONER

Bass Enterprises Production Co.  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

1117

Re: Amended 1979 Plan of Development  
Little Eddy Unit  
Eddy and Lea Counties, New Mexico

ATTENTION: Mr. Jens Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your Amended 1979 Plan of Development for the Little Eddy Unit, Eddy and Lea Counties, New Mexico. Such plan proposes the drilling of the C.A. Loomis Federal # 1 Well located 1980' FNL and 1980' FEL in Section 5, Township 21 South, Range 32 East, Lea County, New Mexico. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505-827-2748

AJA/RDG/s  
encl.  
cc:

OCD-Santa Fe, New Mexico ✓  
USGS-Roswell, New Mexico  
USGS-Albuquerque, New Mexico



# United States Department of the Interior

GEOLOGICAL SURVEY  
P. O. Box 26124  
Albuquerque, New Mexico 87125

AUG 10 1979

Bass Enterprises Production Co.  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

1117

Gentlemen:

The 1979 plan of development submitted for the Little Eddy unit area, Eddy and Lea Counties, New Mexico, was approved on this date subject to like approval by the appropriate State officials.

Such plan proposes to drill a Morrow test in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  section 5, T. 21 S., R. 32 E., N.M.P.M.

One approved copy is enclosed.

Sincerely yours,

(ORIG. SGD.) JACK WILLOCK

Jack Willock  
Acting Oil and Gas Supervisor, SRMA

Enclosure

cc:  
NMOCD, Santa Fe  
Comm. Pub. Lands, Santa Fe

U.S. DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
ALBUQUERQUE, NEW MEXICO 87125  
AUG 10 1979

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 21, 1979

Bass Enterprises Production Co.  
Fort Worth National Bank Building  
Fort Worth, Texas 76102

Attention: Jens Hansen

Re: Case No. 1117  
Little Eddy Unit  
Amended 1979 Plan of  
Development

Gentlemen:

We hereby approve the 1979 Amended Plan of Development for the Little Eddy Unit, Eddy and Lea Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands.

Two approved copies of the Amended Plan of Development are returned herewith.

Yours very truly,

JOE D. RAMEY  
Director

JDR/EP/fd  
enc.

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

C

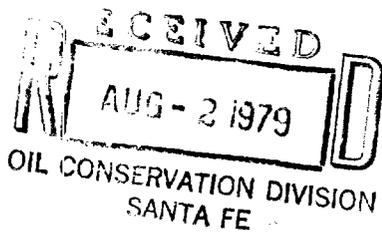
O

P

Y

BASS ENTERPRISES PRODUCTION CO.  
FORT WORTH NATIONAL BANK BUILDING  
FORT WORTH, TEXAS 76102

July 24, 1979



117

United States Geological Survey  
Post Office Box 26124  
Albuquerque, New Mexico 87125

Commissioner of Public Lands  
Post Office Box 1148  
Santa Fe, New Mexico 87501

Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

THIS COPY FOR

Approved  
Aug 20, 1979  
EJP

Re: Amended 1979 Plan of Development  
Little Eddy Unit  
Eddy and Lea Counties, New Mexico

Gentlemen:

Under agreement dated October 18, 1967, the Little Eddy Unit was contracted to cover only those lands within approved participating areas thereby eliminating approximately 52,357 acres from the unit area. The effective date of the contraction was August 2, 1967.

By letter dated March 30, 1979, the United States Geological Survey advised Bass, Unit Operator, that certain lands within the approved participating area assigned to the Texaco #1 CM State Well were being drained by the Grace Petroleum Corp. #1 Well located in Lot 11 of Section 5, Township 21 South, Range 32 East, Lea County, New Mexico. Since Texaco is the operator of the #1 CM State Well and all lands within the approved participating area assigned thereto, the March 30th letter was forwarded to Texaco for further handling.

We have been advised by Texaco that they plan to drill the C. A. Loomis Federal #1 Well at a location of 1980' FNL and 1980' FEL in Section 5, Township 21 South, Range 32 East, Lea County, New Mexico, and to drill same to a depth of 13,665' or to a depth sufficient to test the Morrow formation.

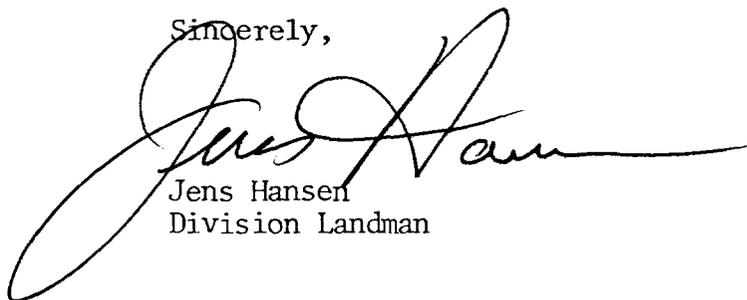
Page 2  
July 23, 1979

Therefore, in accordance with Section 10 of the Little Eddy Unit Agreement which provides for Plans of Development, the above described well is hereby submitted for your approval.

In the event Texaco should change their plans relative to the drilling of this well, we will advise accordingly with an amended Plan of Development.

If this Plan of Development meets with your approval, please indicate by signing in the appropriate space provided below and return one copy to us for our records.

Sincerely,



Jens Hansen  
Division Landman

JH/ma

cc: Texaco, Inc.  
P. O. Box 3109  
Midland, Texas 79701

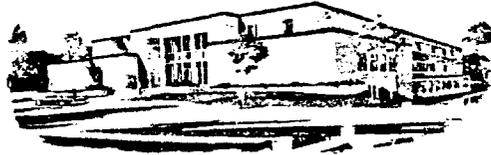
Agreed to and accepted this 21<sup>st</sup> day of August, 1979

Signed: \_\_\_\_\_



#1117

State of New Mexico



Commissioner of Public Lands

W.R. HUMPHRIES  
COMMISSIONER

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

January 21, 1987

Bass Enterprises Production Company  
ATTENTION: Mr. Jens Hansen  
3100 First City Bank Tower, 201 Main St.  
Fort Worth, Texas 76102

Re: 1987 Plan of Development Little Eddy  
Unit, Eddy & Lea Counties, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1987 Plan of Development for the Little Eddy Unit Area, Eddy and Lea Counties, New Mexico. Such plan advises that no additional wells are planned for drilling within the approved participating areas for the calendar year 1987.

A further review of the Little Eddy Unit Agreement, reflects that Bass Enterprises Production Company (formerly Perry R. Bass) is still the current Unit Operator. Our records also indicate that Texaco, Incorporated is reporting production from this unit. Please submit a Designation of Agent document, designating Texaco, Inc. as operator of these wells.

Also, please be advised that in future Plans of Development requiring the Commissioner approval, we will require an up-to-date map of the unit area showing all wells and their zone(s) of completion. In addition please furnish a summary for each well by months, of the last years production history.

Our approval is conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files. If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS  
BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP: pm  
encls.

cc: OCD-Santa Fe, New Mexico

BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

January 20, 1987

BUREAU OF LAND MANAGEMENT  
P. O. Box 1397  
Roswell, New Mexico 88201  
Attention: Mr. Joe Lara

COMMISSIONER OF PUBLIC LANDS  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attention: Mr. Floyd Prado

NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 2088  
Santa Fe, New Mexico 87501  
Attention: Acting Commissioner

RE: 1987 Plan of Development  
Little Eddy Unit  
Eddy and Lea Counties, New Mexico

Gentlemen:

In accordance with Section 10 of the Little Eddy Unit Agreement dated June 15, 1956, Bass Enterprises Production Co., operator of the referenced unit, hereby submits a Plan of Development for the Little Eddy Unit for the year 1987.

History of Past Development

Pursuant to Provision 2.E. of the Little Eddy Unit Agreement (automatic elimination), effective August 2, 1967, 52,357.15 acres was eliminated from the original 54,054.10 acres to leave 1,868.95 acres in participating areas for wells drilled and completed under the terms and provisions of the unit and unit operating agreement.

Under letter dated March 30, 1979, from Mr. Gene F. Daniel, Oil and Gas Supervisor of the Geological Survey of the United States Department of Interior, Perry R. Bass was requested to submit plans to the United States Geological Survey to protect Lots 1 through 8 of Section 5, T21S-R32E, Lea County, New Mexico from drainage from offsetting wells, notwithstanding Lots 1-8 of Section 5 are located within a participating area for the Texaco #1 "CM" Well. In order to protect the unit area from drainage, Bass Enterprises Production Co. commenced the drilling of the C. A. Loomis Federal No. 1 Well on November 14, 1980, and completed the well on February 16, 1981, as a gas well in the Morrow formation. Upon depletion of the Morrow formation, the well was recompleted on October 28, 1983, in the Atoka formation as a gas well with producing intervals being 13,017' through 13,028'. As of this date the well is still producing gas from the Atoka formation.

Bureau of Land Management  
Commissioner of Public Lands  
New Mexico Oil Conservation Division  
January 20, 1987  
Page 2

Under letter dated October 8, 1981, Mr. Gene F. Daniels, of the Geological Survey of the United States Department of the Interior, advised Bass Enterprises Production Co. that the drilling and completion of the C. A. Loomis Federal No. 1 adequately protected the unit from drainage and no compensatory royalty was required. No additional drilling operations have been conducted in the Little Eddy Unit since the completion of the C. A. Loomis Federal No. 1 Well.

#### Future Development

No additional wells are planned for drilling within the approved participating areas for the Little Eddy Unit during the calendar year 1987.

#### Offset Obligations

Appropriate and adequate measures will be taken to prevent drainage from unitized substances from the lands subject to the Little Eddy Unit Agreement or pursuant to applicable regulations.

#### Additional Development

This Plan of Development will constitute the activity to be conducted under the terms of the Little Eddy Unit Agreement for the period ending December 31, 1987.

#### Modifications

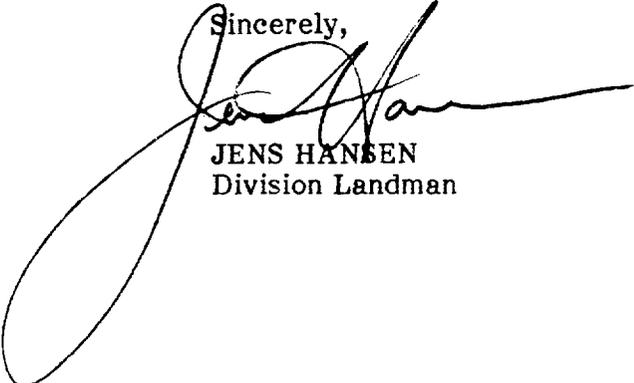
In accordance with the terms and provisions of the Little Eddy Unit Agreement, this Plan of Development may be modified from time to time as a result of changing conditions.

#### Effective Date

This Plan of Development shall be effective from January 1, 1987 to December 31, 1987.

If this Plan of Development meets with your approval please so indicate by signing in the appropriate space provided below and return one (1) signed signature letter to Bass for its records.

Sincerely,



JENS HANSEN  
Division Landman

JH:jh

Bureau of Land Management  
Commissioner of Public Lands  
New Mexico Oil Conservation Division  
January 20, 1987  
Page 3

BUREAU OF LAND MANAGEMENT

By \_\_\_\_\_

COMMISSIONER OF PUBLIC LANDS

By \_\_\_\_\_

NEW MEXICO OIL CONSERVATION DIVISION

By *Roy E. Johnson* 1-28-87

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



April 13, 1987

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2085  
STATE LAND OFFICE BUILDING  
SANTA FE NEW MEXICO 87501  
(505) 827-5800

Bass Enterprises Production Co.  
201 Main St.  
First City Bank Tower  
Fort Worth, Texas 76102

Attention: Louis W. Wilpitz

Re: Non-Commercial Determination  
C. A. Loomis Federal No. 1  
Little Eddy Unit  
Salt Lake, South (Atoka) Field  
Lea County, New Mexico

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

MAR 30 1987

March 25, 1987

BUREAU OF LAND MANAGEMENT  
P. O. Box 1397  
Roswell, New Mexico 88201  
Attention: Mr. Les Babyak

COMMISSIONER OF PUBLIC LANDS  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Attention: Mr. Floyd Prando

NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 2088  
Santa Fe, New Mexico 87501-2088  
Attention: Mr. Richard Stamets

*D - Unit letter  
Tex R*

*N NON*

RE: Commercial Determination  
C. A. Loomis Federal No. 1  
Bass Lease Nos. 3929-A - U.S.A. New  
Mexico N.M.-04229-C  
3929-B - U.S.A. New Mexico N.M.-  
04229-B  
28630 - U.S.A. New Mexico N.M.-01236  
Little Eddy Unit  
Salt Lake, South (Atoka) Field  
Lea County, New Mexico

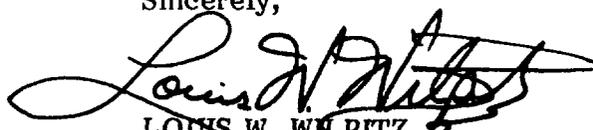
Gentlemen:

In accordance with Section 11 of the Little Eddy Unit Agreement dated June 15, 1956, approved effective November 2, 1956, (contract number 14-08-001-3464), we hereby submit information covering the C. A. Loomis Federal No. 1 Well, located 1600 feet from the north line and 660 feet from the west line of Section 5, T21S-R32E, Lea County, New Mexico, to support our recommendation that the C. A. Loomis Federal No. 1 Well be determined to be non-commercial, and thereby not receive a participating area.

Please advise Bass of your findings regarding this commercial determination at your convenience.

Should you have any questions or need any additional information, please feel free to contact me at (817) 390-8585.

Sincerely,

  
LOUIS W. WELPITZ  
Landman

LWW:jh

WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL C. A. LOOMIS FEDERAL NO. 1 FORMATION ATOKA

LOCATION E UNIT, 1600 FEET FROM N LINE & 660 FEET FROM W LINE,  
SECTION 5, RANGE 32E, TOWNSHIP 21S, COUNTY LEA NEW MEXICO.

SPUD DATE 11/14/80 COMPLETION DATE 10/28/83 INIT. PROD. DATE 2/6/84

PERFORATIONS 13,017', 13,018', 13,019', 13,020', 13,021', 13,022', 13,023',  
13,024', 13,025', 13,026', 13,027' (11 HOLES)

STIMULATION:

ACID 3000 GALS 7-1/2% MS ACID

FRACTURE \_\_\_\_\_

POTENTIAL CAOF 646 MCFGPD

(ATTACH COPY OF C-104. ATTACH COPY OF WELLBORE SKETCH OF COMPLETED WELL.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED	FORMATION SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	320	NONE
*Porosity ( $\emptyset$ ), %	6.75	NONE
*Water saturation ( $S_w$ ), %	30.2	NONE
*Net thickness (h) > 5% $\emptyset$ & < 45% $S_w$ , ft	8	NONE
*Temperature (T), °F	203	NONE

\*See attached calculations

(2)

Bottomhole pressure (P), psia @ 13,022' mid-perf	<u>8210 psi</u>	<u>NONE</u>
Recovery factor (RF), (80% assumed)	<u>80%</u>	<u>NONE</u>
Recoverable gas, MCF (See eq. below)	<u>1,458,500</u>	<u>NONE</u>
Recoverable Gas, MCF = (43,560)(Ø)(1-Sw)(A)(h)(RF)(Bgi)		where

$$Bgi = 0.03535 \frac{P}{ZT} \frac{MSCF}{Cu Ft} = 0.03535 \frac{(8210)}{(1.26)(203 + 460)}$$

PERFORMANCE DATA

If sufficient history exists, attach plot of gas production rate vs time.

(Cumulative production to 12 / 31 / 86 ; 182,184 MCF.

Current rate (qi), 6,500 MCF/mo

Economic limit (ql), 466 MCF/mo

Decline rate, dy 20 %

Remaining gas (Q) = 324,491 MCF

Ultimate Recoverable Gas 506,675 MCF

$$Q = \frac{(qi-ql) 12 \text{ mo/yr}}{-\ln(1-dy)}$$

Attach plat showing proration unit and participating area.

<u>RECOVERABLE GAS</u>	<u>GAS (MCF)</u>	<u>COND (BBLs)</u>
Gas sand previously produced	<u>0</u>	<u>0</u>
Sand perforated	<u>506,675 (1)</u>	<u>8730</u>
Sands not perforated, but potentially productive	<u>0 (2)</u>	<u>0</u>
Total recoverable gas	<u>506,675</u>	<u>8730</u>

(1) performance recoverable gas if available

(2)  $\frac{\text{performance sand perforated}}{\text{volumetric sand perforated}} \times \text{volumetric sands not perforated} = \text{performance sands not perforated}$

Participating area size based on ratio of production history and volumetrics

320 acres---minimum area is proration unit.

(3)

ECONOMIC

---

\*Well Cost \$ 1,243,055 (to the depth of formation completed)

Recompletion Cost \$ 115,000

TOTAL COST \$ 1,358,055 X .9688886 WI = \$1,315,804

(Gas Price)(Net Revenue Interest)(1-Ad Valorem Taxes) - Production Tax + [(Oil Price)(Net Revenue Interest)(Cond. Yield, bbl/MCFG)(1 -Production and Ad Valorem Taxes)] - [(Oil Price - Base Price) WFPT %] NRI

Net Gas Price = Gas Price (.845)(1-0.1) + (16+(33-16).7)(0.845)(1-.1)(Cond. Yield, bbls/MCF)

\*\*Operating Cost \$1136/Month

BEPCO Net Income = (Gross Gas)(Net Gas Price)

YEAR	GROSS GAS	BEPCO NET INCOME	OPERATING COST	20% DISCOUNT FACTOR	DISCOUNTED CASH FLOW
Zero	---	---	---	1.0000	-1,315,804
1984	102,596	274,957	14,274	0.9129	237,978
1985	62,409	157,895	7,751	0.7607	114,214
1986	17,179	41,917	7,630	0.6339	21,735
1987	69,914	117,456	8,100	0.5283	57,773
1988	55,931	136,472	8,575	0.4402	56,300
Remainder	198,646	484,696	50,028	0.3669	159,480
					<u>-668,324</u>

If payout is five years or less, well is considered economical.

(BEPCO Net Income - Operating Expense) discount factor = discounted cash flow.

\* Includes 11% of drilling cost as overhead.

\*\* Includes \$500/month as overhead.

UNECONOMICAL

C. A. LOOMIS FEDERAL NO. 1  
PERFORATED SANDS

INTERVALS	h	ØD	ØN	ØXP	Øh
13,017'-20'	3	11	4	8	24
* 20'-22'	2	6	3	4	*
22'-27'	<u>5</u>	10	2	6	<u>30</u>
TOTAL h	8			TOTAL Øh	54

$$\text{AVERAGE } \phi = \frac{\text{TOTAL } \phi h}{\text{TOTAL } h} = \frac{54}{8} = 6.75\% \phi \text{ above } 3\% \phi$$

INTERVALS	LLD	LLS	MSFL	Rt	(Sw)(ØXP)(h) = Sw WEIGHTED
13,017'-20'	90	90	110	90	(25.1)(8)(3)=602.4
* 20'-22'	130	130	200	110	(47.8) =*
22'-27'	110	110	200	90	(34.2)(6)(5)=1026.0

$$\text{AVERAGE } S_w = \frac{\sum(h)(\phi)(S_w)}{(\phi)(h)} = \frac{1628.4}{54} = 30.2\% S_w \text{ below } 40\% S_w$$

\*This interval has been eliminated from calculations due to Sw being greater than 40%

Reservoir temperature @ 13630' = 210°F

Annual mean temperature = 60°F

Calculated reservoir temperature @ 13,022' (midperf) = 203°F

VOLUMETRIC CALCULATIONS  
RECOVERABLE GAS  
PERFORATED SANDS

-----  
Bgi CALCULATION

$$Z = 1.26$$

$$B_{gi} = 0.03535 \frac{8210}{(1.26)(203+406)} = .347$$

$$MCF = (43560)(\emptyset)(1-S_w)(A)(h)(RF)(B_{gi})$$

$$MCF = (43560)(0.675)(1-0.302)(320)(8)(0.80)(0.347)$$

$$MCF = 1,458,500$$

-----

REMAINING GAS CALCULATION

$$Q = \frac{(q_i - q_l)12 \text{ mo/yr}}{-\ln(1-dy)}$$

$$Q = \frac{(6500-466)12}{-\ln(1-0.20)}$$

$$Q = 324,491 \text{ MCF}$$

$$\text{CURRENT GOR} = 58,037$$

$$\text{RECOVERABLE GAS} = 506,675 \text{ MCF}$$

$$\text{RECOVERABLE CONDENSATE} = 8730 \text{ Bbls}$$

ECONOMIC

Drilling Cost to 13,100'	\$ 781,500
Logging, Casing & Cement Cost	338,370
Atoka Recompletion Cost	115,000
Overhead Costs	123,185
TOTAL COST TO DEPTH OF FORMATION COMPLETED	<u>\$1,358,055</u>

Gas Price = Dec LIOR                      Production Tax =  $\frac{\text{Production \& Severance Taxes, Net}}{\text{Total Bass Gross Revenues}}$

Oil Price = \$12.55                      Ad Valorem Tax = 2%                      WPT = 0

$$\begin{aligned} \text{Net Gas Price (1984)} &= [(3.38)(.74701272)[(1-.02)-(\frac{23,727.09}{281,356.51})] \\ &+ [(29.51)(.74701272)(\frac{2,178}{102,596})(1-.02-.084)] \\ &= \$2.68/\text{MCF} \end{aligned}$$

$$\begin{aligned} \text{Net Gas Price (1985)} &= [(3.27)(.74701272)[(1-.02)-(\frac{17,833.94}{206,380.05})] \\ &+ [(25.14)(.74701272)(\frac{1,299}{62,409})(1-.02-.086)] \\ &= \$2.53/\text{MCF} \end{aligned}$$

$$\begin{aligned} \text{Net Gas Price (1986)} &= [(3.45)(.74701272)[(1-.02)-(\frac{4,374.93}{48,714.28})] \\ &+ [(12.55)(.74701272)(\frac{296}{17,179})(1-.02-.09)] \\ &= \$2.44 \end{aligned}$$

NEW MEXICO OIL CONSERVATION COMMISSION  
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

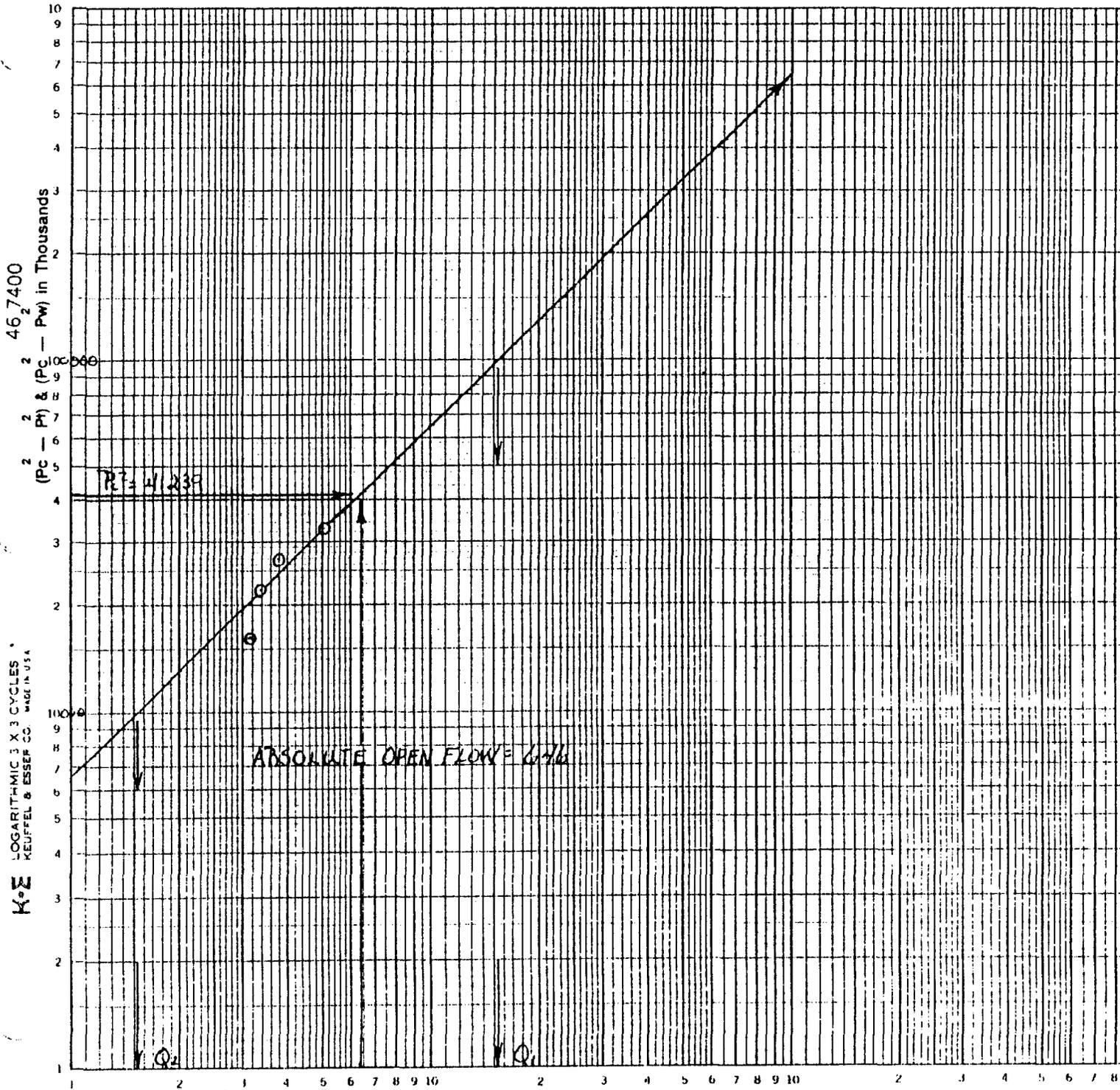
Form C-122  
Revised 9-1-64

Type Test <input checked="" type="checkbox"/> Initial 4-POINT <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 10-19-83		1600 FNL					
Company <b>PERRY R. BASS</b>			Connection <b>NATURAL GAS PIPE LINE CO.</b>			600 FWL					
Pool <b>UNDES.</b>			Formation <b>ATOKA</b>			Unit <b>E</b>					
Completion Date <b>10-13-83</b>		Total Depth <b>14,131'</b>		Plug Hole L. <b>13465</b>		Elevation <b>3638'</b>					
Firm. Size <b>5.500</b>		Wt. <b>17</b>		Set At <b>13465</b>		Perforations From <b>13017</b> To <b>13027</b>					
Firm. Size <b>2.375</b>		Wt. <b>4.7</b>		Set At <b>12919</b>		Perforations From <b>OPEN</b> To <b>ENDED</b>					
Type Well - Single - Bradenhead - G.O. or G.O. Multiple <b>SINGLE</b>				Packer Set At <b>12,900'</b>		County <b>LEA</b>					
Producing thru <b>TUBING</b>		Reservoir Temp. °F <b>60°</b>		Mean Annual Temp. °F <b>60°</b>		Baro. Press. - P <sub>a</sub> <b>13.2</b>					
L <b>13022</b>		H <b>13022</b>		C <sub>g</sub> <b>.658</b>		% CO <sub>2</sub> <b>.371</b>					
				% H <sub>2</sub> <b>1.920</b>		% H <sub>2</sub> O <b>0</b>					
				Prover <b>0</b>		Motor Run <b>4,026</b>					
						Taps <b>FLANGE</b>					
FLOW DATA						TUBING DATA		B.H.P. DATA		Duration of Flow	
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h <sub>w</sub>	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.		CHOKE
51							6180		8090		72.0
1.	4.03 X 1.000			455	6.0	87	4730	55	6537	2/64	1.0
2.	4.03 X 1.000			455	7.0	96	4080	52	5806	4/64	1.0
3.	4.03 X 1.000			455	9.0	104	3520	51	5130	6/64	1.0
4.	4.03 X 1.000			455	16.0	104	2760	47	4160	8/64	1.0
5.											
RATE OF FLOW CALCULATIONS											
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P <sub>m</sub>	Flow Temp. Factor F <sub>t</sub>	Gravity Factor F <sub>g</sub>	Super. Compress. Factor, F <sub>sp</sub>	Rate of Flow O, Mcfd				
1	4.75	53.00	468.2	0.9750	1.2328	1.0421	316.	1317			
2	4.75	57.25	468.2	0.9671	1.2328	1.0395	337.	1404			
3	4.75	64.91	468.2	0.9602	1.2328	1.0371	379.	1579			
4	4.75	86.55	468.2	0.9602	1.2328	1.0371	505.	2164			
5											
NO.	P <sub>1</sub>	Temp. °R	T <sub>r</sub>	Z	Gas Liquid Hydrocarbon Ratio _____ Mc/ubi.		A.P.I. Gravity of Liquid Hydrocarbons _____ Deg.				
1	0.70	547	1.45	0.921	Specific Gravity Separator Gas _____ 0.658		XXXXXXXXXX				
2	0.70	556	1.48	0.926	Specific Gravity Flowing Fluid _____ XXXXX		0.658				
3	0.70	564	1.50	0.930	Critical Pressure _____ 670 P.S.I.A.		670 P.S.I.A.				
4	0.70	564	1.50	0.930	Critical Temperature _____ 377 °F		377 °F				
5											
P <sub>1</sub> 6421.7		P <sub>2</sub> 41239									
NO.	P <sub>1</sub> <sup>2</sup>	P <sub>w</sub>	P <sub>w</sub> <sup>2</sup>	P <sub>1</sub> <sup>2</sup> - P <sub>w</sub> <sup>2</sup>	(1) $\frac{P_1^2}{P_w^2 - P_1^2} = 1.2785$						
1	42905	5016	25159	16079	(2) $\left[ \frac{P_1^2}{P_w^2 - P_1^2} \right]^n = 1.2785$						
2	33863	4371	19107	22132	AOI = 0 $\left[ \frac{P_1^2}{P_w^2 - P_1^2} \right]^n = 646$						
3	26453	3791	14375	26863							
4	17416	2997	8983	32255							
5											
Absolute Open Flow _____ 646. _____ Mcfd @ 15.025				Angle of Slope @ _____ 45.0				Slope, n _____ 1.000			
Remarks: <b>BOTTOM HOLE PRESSURES MEASURED WITH AMERADA PRESSURE ELEMENTS.</b>											
Approved by Commission			Conducted by <b>RICHARD TOWNLEY</b>			Calculated by <b>BENNETT &amp; CATHEY</b>			Checked by		

# BENNETT & CATHEY PRODUCTION TESTING BACK PRESSURE CUR :

Operator Boss, PARRY R. Lease C.A. LOOMIS Well No. 1  
 County LEA Field UNRES. ATOKA Location 600' FW L + 660' FW L  
 Date of Test 10-19-83 Slope "n" 1.000 Angle of Slope 45°

Calc. Abs. Potential 646 MCF/Day



K-O-E LOGARITHMIC 3 X 3 CYCLES  
KEUFFEL & ESSER CO. MADE IN U.S.A.

$\Delta P_1: P_c^2 - P_w^2 = 100000$   
 $\Delta P_2: P_c^2 - P_w^2 = 10000$   
 $Q_1 = 1530$   
 $Q_2 = 153$

Q In MCF/Day

$\log Q_1 = 3.18469$   
 $\log Q_2 = 2.18469$   
 $n = 1.00000$

NO. OF COPIES DESIRED	
DETERMINATION	
SANTA FE	
FILE	
U.S.D.S.	
LAND OFFICER	
TRANSPORTER	OIL
	GAS
OPERATION	
REGISTRATION OFFICE	

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. OPERATOR  
Operator: PERRY R. BASS  
Address: Box 2760, MIDLAND, TX 79702-2760

Reason(s) for filing (Check proper box)  
 New Well  Change in Transporter oil   
 Recompletion  Oil  Dry Gas   
 Change in Ownership  Casinghead Gas  Condensate

Other (Please explain): \_\_\_\_\_

If change of ownership give name and address of previous owner: \_\_\_\_\_

II. DESCRIPTION OF WELL AND LEASE

Lease Name: C.A. LOOMIS FEDERAL Well No.: 1 Pool Name, including Formation: UNRES. ATOKA Kind of Lease: NM Lease No.: 0422

Location: Unit Letter E; 1600 Feet From The NORTH Line and 660 Feet From The WEST Line of Section 5 Township 21S Range 32E, NMPM, LEA Co.

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil  or Condensate   
THE PERMIAN CORPORATION Address (Give address to which approved copy of this form is to be sent): Box 1183, HOUSTON, TX 77001

Name of Authorized Transporter of Casinghead Gas  or Dry Gas   
NATURAL GAS PIPE LINE CO. OF AMERICA Address (Give address to which approved copy of this form is to be sent): Box 236, MIDLAND, TX 79702

If well produces oil or liquids, give location of tanks: Unit E, Sec. 5, Twp. 21S, Rge. 32E Is gas actually connected? No When: \_\_\_\_\_

If this production is commingled with that from any other lease or pool, give commingling order number: \_\_\_\_\_

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Well	Drill
		<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		
Date Spudded <u>NOV. 14, 1980</u>	Date Compl. Ready to Prod. <u>OCT. 28, 1983</u>	Total Depth <u>14,131</u>		P.B.T.D. <u>CIAP @ 13,500'</u>				
Elevations (DF, RKB, RT, GR, etc.) <u>3638' GL</u>	Name of Producing Formation <u>ATOKA</u>	Top Oil/Gas Pay <u>13,017'</u>		Tubing Depth <u>12,900</u>				
Perforations				Depth Casing Shoe <u>14,131'</u>				

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
15"	11 3/4"	560'	450 CLASS "C"
11"	8 5/8"	4966'	220 LITE + 200 "C"
7 1/2"	5 1/2"	14131'	835 LITE + 900 "H"
5 1/2" CSG	2 3/8"	12,900'	

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	OH-Bble.	Water-Bble.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D <u>64MCF (AOF 606)</u>	Length of Test <u>4 HOURS</u>	Bble. Condensate/MMCF <u>NONE</u>	Gravity of Condensate <u>.658</u>
Testing Method (prior, back pr.) <u>BACK PRESSURE</u>	Tubing Pressure (Shut-in) <u>6180</u>	Casing Pressure (Shut-in) <u>PACKER</u>	Choke Size <u>VARIOUS</u>

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

W. D. Murty, Jr.  
(Signature)  
Senior Production Clerk  
(Title)  
November 1, 1983  
(Date)

OIL CONSERVATION DIVISION  
**JUN 26 1984**  
APPROVED \_\_\_\_\_, 19\_\_\_\_  
BY ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR  
TITLE \_\_\_\_\_

This form is to be filed in compliance with RULE 1104.  
If this is a request for allowable for a newly drilled or deep well, this form must be accompanied by a tabulation of the devl tests taken on the well in accordance with RULE 111.  
All sections of this form must be filled out completely for a file on new and recompleted wells.  
Fill out only Sections I, II, III, and VI for change of a well name or number, or transporter, or other such change of record.  
Separate Forms C-104 must be filed for each pool in uncompleted wells.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-121  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

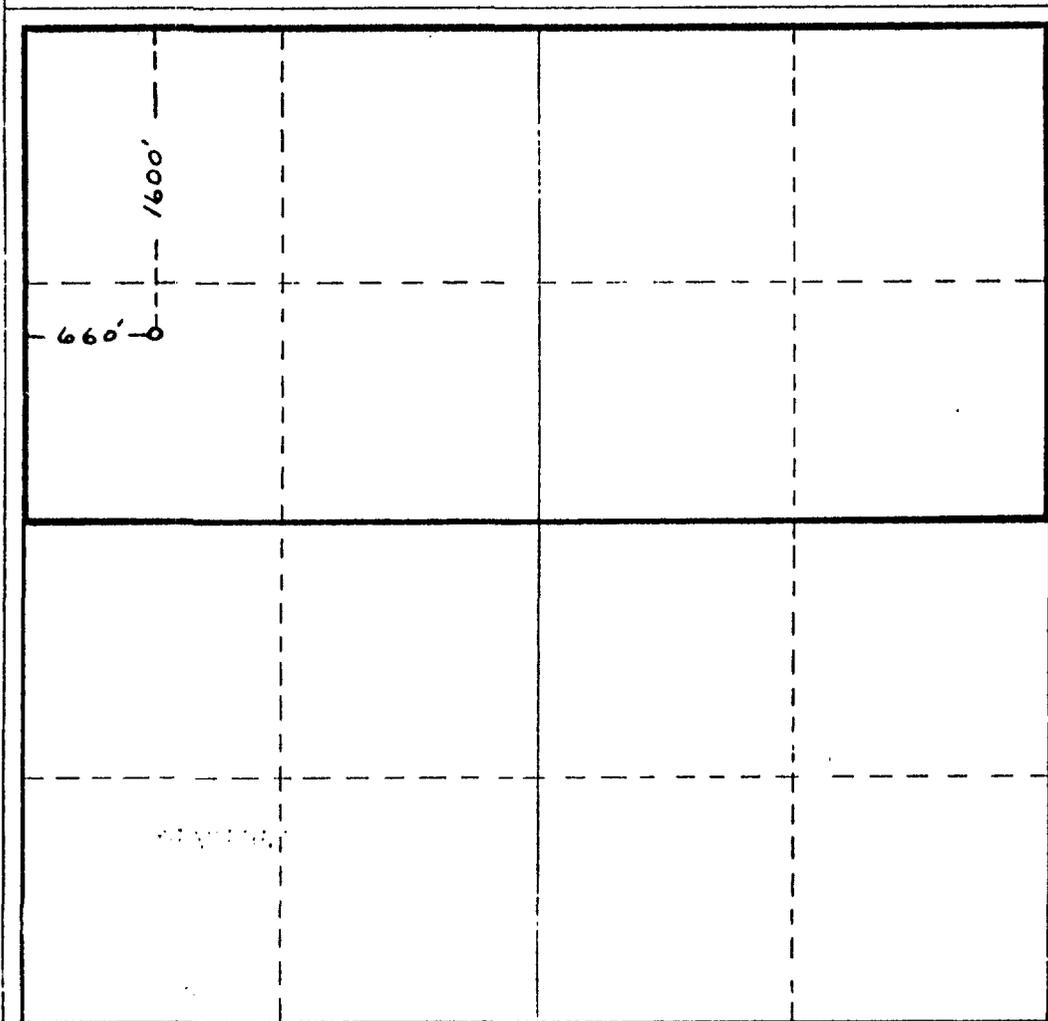
Operator <b>PERRY R. BASS</b>		Lease <b>C. A. LOOMIS FEDERAL</b>		Well No. <b>1</b>
Unit Letter <b>E</b>	Section <b>5</b>	Township <b>21S</b>	Range <b>32E</b>	County <b>LEA</b>
Actual Footage Location of Well: <b>1600</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line				
Ground Level Elev. <b>3638'</b>	Producing Formation <b>ATOKA</b>	Pool <b>UNDES.</b>	Dedicated Acreage: <b>324.96</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes" type of consolidation **LITTLE EDDY UNIT**

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*H. F. Nurtz, Jr.*

Name

**H. F. NURTZ, JR.**

Position

**S.R. PROD'N CLERK**

Company

**PERRY R. BASS**

Date

**NOVEMBER 1, 1983**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

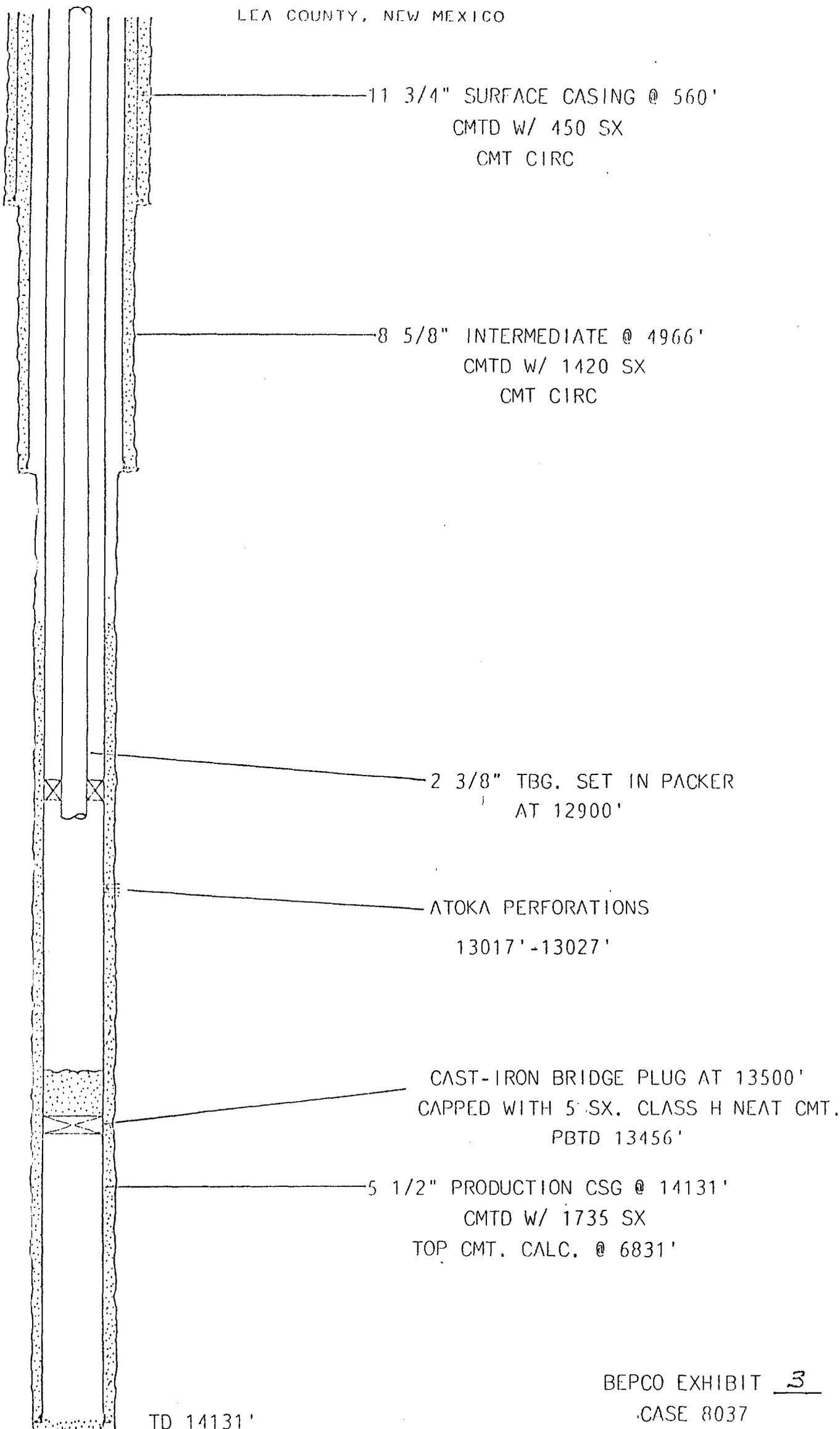
Registered Professional Engineer and/or Land Surveyor

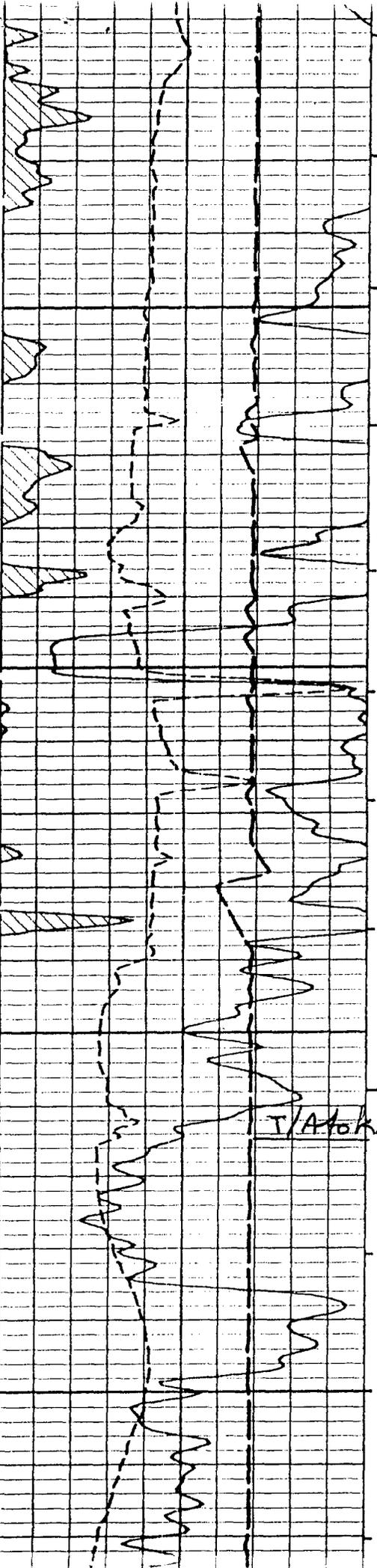
Certificate No.



BASS ENTERPRISES PRODUCTION COMPANY

C. A. LOOMIS FEDERAL WELL NO. 1  
1640' FROM NORTH LINE, 660' FROM WEST LINE  
SECTION 5, TOWNSHIP 21 SOUTH, RANGE 32 WEST  
LEA COUNTY, NEW MEXICO

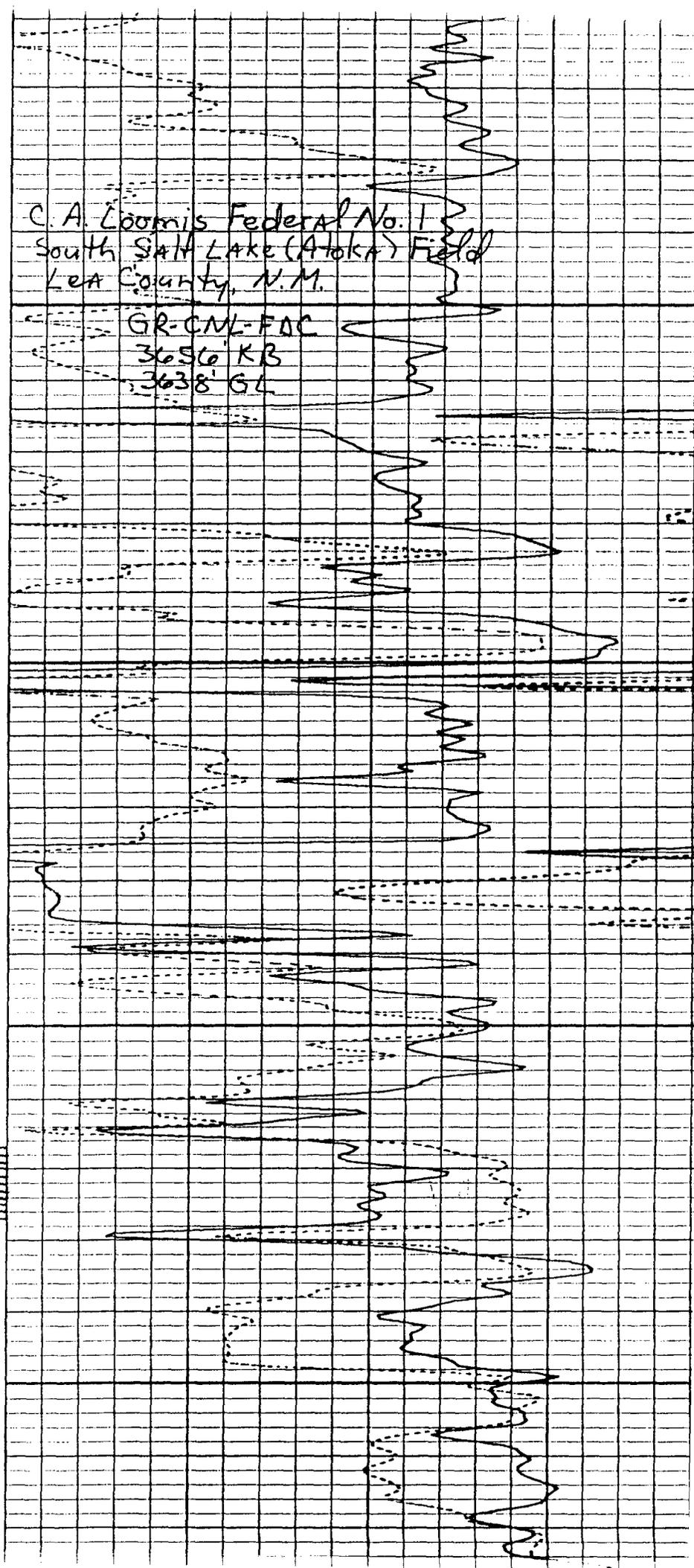




12900

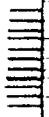
13000

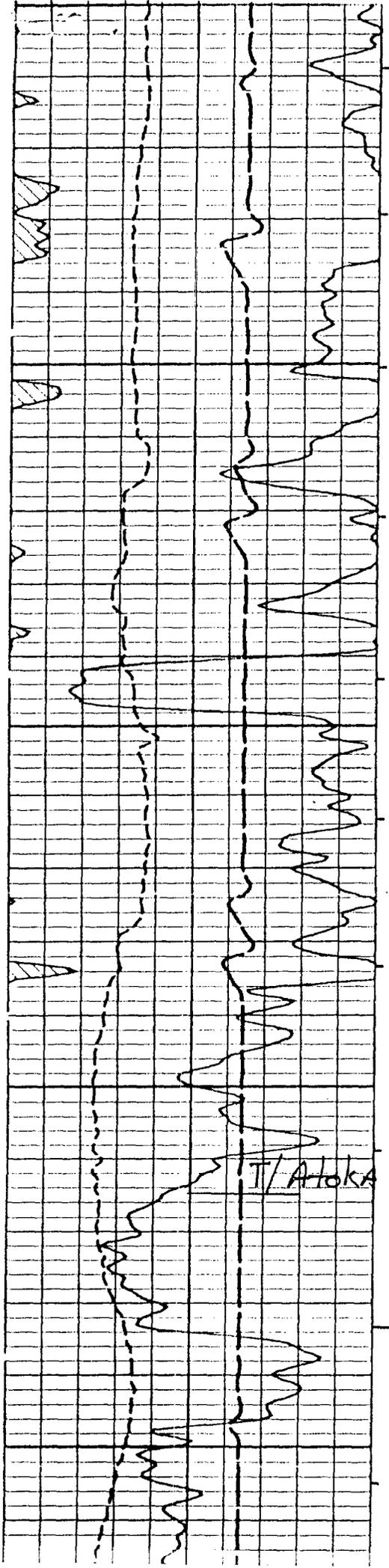
T/Atoka



C. A. Coornis Federal No. 1  
South Salt Lake (Atoka) Field  
Lea County, N.M.

GR-CNL-FDC  
3656 KB  
3638 GL

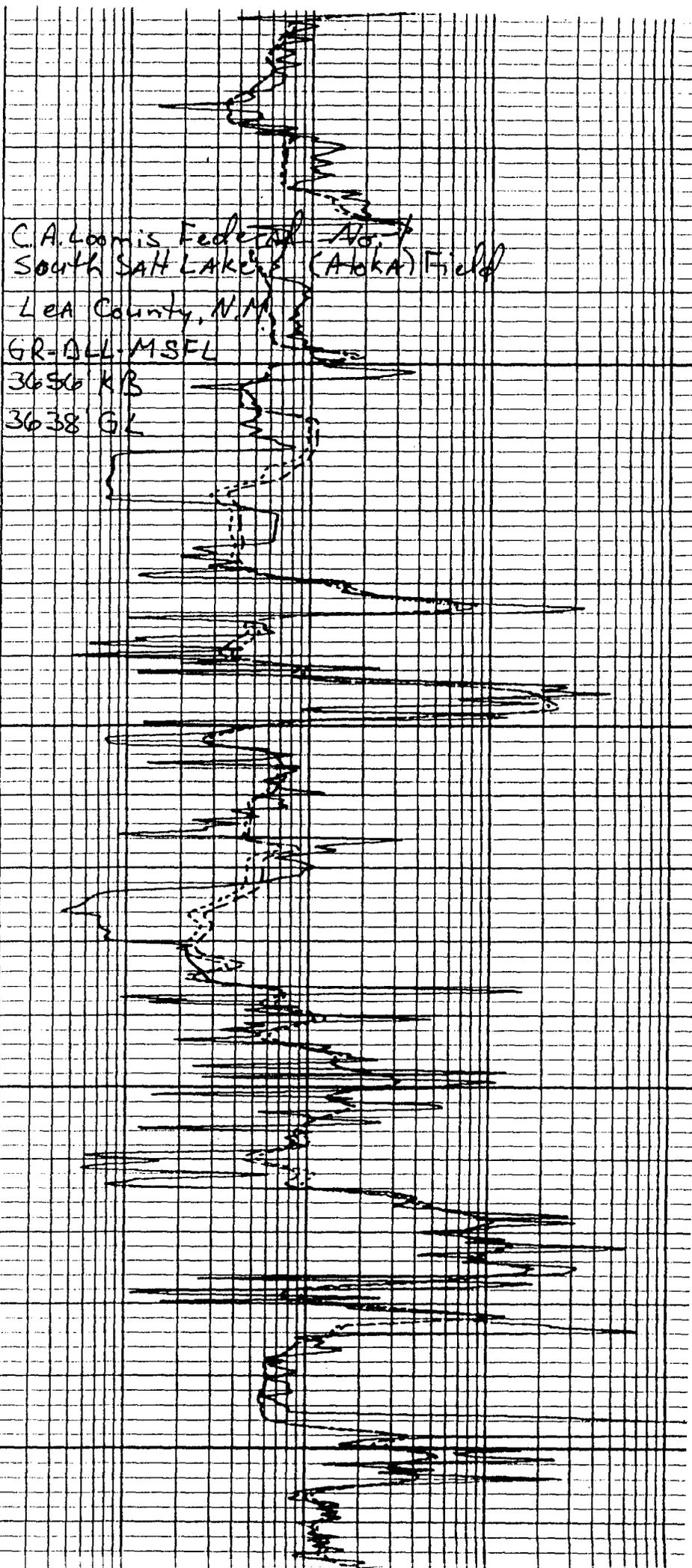




12900

13000

T/Atoka



C.A. Loomis Federal No. 1  
South Salt Lake (Atoka) Field  
Lea County, N.M.  
GR-DLL-MSFL  
3656 KB  
3638 GL



State of New Mexico

1117



SLO REF NO. OG-687

W.R. HUMPHRIES  
COMMISSIONER

Commissioner of Public Lands

March 2, 1988

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Bass Enterprises Production Co.  
ATTN: Mr. Jens Hansen  
First City Bank Tower  
201 Main Street  
Fort Worth, Texas 76102

Re: Non-Commercial Well Determination  
C.A. Loomis Federal No. 1  
Little Eddy Unit  
Salt Lake, South (Atoka)  
Lea County, New Mexico

Gentlemen:

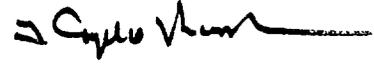
The Bureau of Land Management has advised this office that they have concurred with your determination that the C. A. Loomis Federal Well No. 1-E Sec. 5-21S-32E, is noncommercial on a unit basis and therefore are not entitled to receive a participating area in the Little Eddy Unit and should be produced on a lease basis.

Please be advised that the Commissioner of Public Lands, concurs with the Bureau of Land Management's noncommercial determination for the C.A. Loomis Federal No. 1 well.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

WILLIAM R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/pm  
encls.

cc: OCD-Santa Fe, New Mexico  
BLM-Roswell, New Mexico

BASS ENTERPRISES PRODUCTION CO.

FIRST CITY BANK TOWER  
201 MAIN ST.  
FORT WORTH, TEXAS 76102  
817/390-8400

January 13, 1989

Bureau of Land Management  
P.O. Box 1397  
Roswell, New Mexico 88201

Attention: Joe Lara

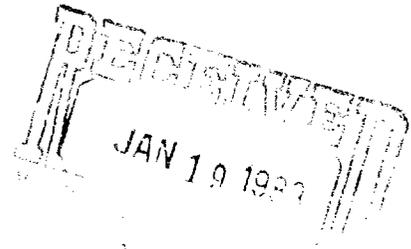
# 1117

Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87504

Attention: Floyd Prondo

New Mexico Oil Conservation Division  
P.O. Box 3088  
Santa Fe, New Mexico 87501

Attention: William LeMay



RE: Little Eddy Unit  
Lea County, New Mexico

Gentlemen:

Perry R. Bass is the designated Unit Operator for the Little Eddy Federal Unit pursuant to the Little Eddy Unit Agreement dated effective November 2, 1956. However, Perry R. Bass no longer operates any of the unit wells in the Little Eddy Unit. As a result this letter will serve as official notification that Perry R. Bass hereby resigns as Unit Operator pursuant to Sections 5 and 6 of the Little Eddy Unit Agreement.

Working interest owners are being notified of this resignation pursuant to this letter so that a successor Unit Operator can be elected.

The six-month period for the release of Perry R. Bass as Unit Operator under provision 5 of the Unit Agreement will commence as of the date of this letter.

Sincerely,

*RAMaxwell*

R. Andrew Maxwell

RAM:glb



Texaco Exploration and Production Inc.  
Midland Producing Division

OIL CONSERVATION DIVISION  
REC'D

#1117

'91 MAY 20 AM 9 36

5-20-91  
D-Unit letter  
Th 104

May 10, 1991

District Supervisor  
Bureau of Land Management  
Roswell District Office  
P. O. Box 1397  
Roswell, New Mexico 88201

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

✓ New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

All Working Interest Owners  
(Address List Attached)

RE: LITTLE EDDY UNIT  
LEA COUNTY, NEW MEXICO

Gentlemen:

As operator of the Little Eddy Unit, Texaco Exploration and Production Inc. is herewith submitting, for your approval, a 1991 plan of development and operations for the subject unit.

Past Operations

Two wells are currently producing in the Little Eddy Unit. The Audie Richards No. 1 (originally known as the Little Eddy Unit Richards No. 1) is located in section 25 of T-20-S, R-32-E. This well was completed in January of 1958 from perforations at 12,909 feet-12,916 feet. The well potentialled for 1794 MCFGPD and 48 BOPD in the Salt Lake South Atoka field. The well has a total cumulative production from the Atoka of 1,811,386 MCFG, 43,013 BO and 0 BW.

The Atoka formation appears to have been abandoned in December of 1973, while making only 497 MCFGPD, 11 BO and 0 BW. The Audie Richards No. 1 is currently producing from the Salt Lake South Morrow zone. Production appears to have begun in July of 1973.

Bureau of Land Management,  
Commissioner of Public Lands,  
NM Oil Conservation Division,  
Working Interest Owners

- 2 -

May 10, 1991

The well is currently producing approximately 8 MCFGPD. Through November of the year 1990, the well made 1,854 MCFG, 16 BO and no water. The total cumulative production for this well through November of 1990 is 2,411 MMCFG and 49 MBO.

The New Mexico State 'CM' No. 1 was completed in April of 1960 for an IP of 114 BOPD and 3526 MCFGPD from perforations of 13,242 feet-13,307 feet in the Salt Lake South Morrow gas field. The well is located in Section 25, T-20-S, R-32-E. This well has cumulative production of 8,468 MMCFG and 79 MBO through November of 1990. The well is currently producing at a daily average rate 333 MCFGPD and 1 BOPD.

The Little Eddy Unit 'CH' State No. 1 was completed in the Salt Lake South Morrow field with an IP of 208 BOPD and 11 BOPD. The well is located in Section 31, T-20-S, R-33-E. The original perforations were from 13,288 feet-13,602 feet. The well has cumulative production of 466 MMCFG and 17 MBO from the Morrow formation. The last production shown for this well from the Morrow was in December of 1980. The well has produced 3,386 MMCFG and 50 MBO from the Salt Lake South Atoka field.

Tabular production for 1988, 1989 and 1990 is provided along with a map of the unit and a list of the working interest owners.

Plan of Development for 1991

The proposed plan of development for 1991 is to continue producing the Little Eddy Unit in an efficient manner. This will be accomplished through equipment modifications and well workovers as necessary.

Yours very truly,

Texaco Exploration and Production Inc.



H. C. Pattison  
Portfolio Manager

KAR/srt  
Attachments

file  
chrono

WORKING INTEREST OWNERS  
LITTLE EDDY UNIT AGREEMENT

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, Texas 79702

W. Ridley Wheeler Estate  
2010 Texas American Bank Building  
Fort Worth, Texas 76102

Exxon Company, U.S.A.  
P. O. Box 1600  
Midland, Texas 79702-1600

H. L. Brown Estate  
1730 Texas American Bank Building  
500 Throckmorton Street  
Fort Worth, Texas 76102

ARCO Petroleum Company  
P. O. Box 1610  
Midland, Texas 79702

Frank O. Elliott Trust  
Edna Ione Hall Trust  
Box 1355  
Roswell, New Mexico 88201

Phillips Petroleum Company  
4001 Pembroke  
Odessa, Texas 79762

Tenneco Inc.  
P. O. Box 2511  
Houston, Texas 77002



STATE NAME NEW MEXICO  
COUNTY NAME LEA  
COUNTY NUMBER 025  
TOWNSHIP 20S  
RANGE 32E  
SECTION 25  
FIELD NAME SALT LAKE, SOUTH  
FIELD NUMBER 48410  
FORMATION NAME MORROW (PENNSYLVANIAN)  
FORMATION NUMBER PM  
LEASE-WELL NUMBER 436570  
OPERATOR NAME TEXACO INC.  
OPERATOR NUMBER 833000  
LEASE-WELL NAME LITTLE EDDY UNIT AUDIE RICHARDS - 001  
LOCATION P  
PRODUCTION DATES 7307,9011

MONTH	BOPD	MCFPD	BWPD	DAYS	WELLS	BWIPD	WHPSI	CUM OIL	CUM GAS	CUM WTR	CUM INJ
1-1988	1	34	2	31	1	0	0	6016	591831	5520	0
2-1988	0	15	0	28	1	0	0	6016	592243	5520	0
3-1988	1	5	0	31	1	0	0	6038	592395	5520	0
4-1988	0	0	0	0	0	0	0	6038	592395	5520	0
5-1988	0	12	0	31	1	0	0	6038	592775	5520	0
6-1988	0	0	0	30	1	0	0	6038	592780	5520	0
7-1988	0	4	0	31	1	0	0	6038	592899	5520	0
8-1988	0	0	0	0	0	0	0	6038	592899	5520	0
9-1988	0	6	0	30	1	0	0	6038	593092	5520	0
10-1988	0	11	0	31	1	0	0	6038	593433	5520	0
11-1988	1	14	0	30	1	0	0	6060	593861	5520	0
12-1988	0	10	0	31	1	0	0	6071	594171	5520	0
1-1989	1	9	0	31	1	0	0	6093	594445	5520	0
2-1989	1	28	0	28	1	0	0	6111	595223	5520	0
3-1989	0	12	0	31	1	0	0	6113	595585	5520	0
4-1989	0	0	0	0	0	0	0	6113	595585	5520	0
5-1989	0	14	0	31	1	0	0	6116	596014	5520	0
6-1989	0	1	0	30	1	0	0	6116	596034	5520	0
7-1989	0	9	0	31	1	0	0	6116	596315	5520	0
8-1989	0	16	0	31	1	0	0	6116	596823	5520	0
9-1989	0	22	0	30	1	0	0	6116	597493	5520	0
10-1989	0	2	0	31	1	0	0	6116	597557	5520	0
11-1989	0	0	0	0	0	0	0	6116	597557	5520	0
12-1989	0	10	0	31	1	0	0	6116	597867	5520	0
1-1990	0	0	0	0	0	0	0	6116	597867	5520	0
2-1990	0	1	0	28	1	0	0	6116	597903	5520	0
3-1990	0	4	0	31	1	0	0	6116	598024	5520	0
4-1990	0	1	0	30	1	0	0	6116	598049	5520	0
5-1990	0	1	0	31	1	0	0	6116	598076	5520	0
6-1990	0	13	0	30	1	0	0	6116	598464	5520	0
7-1990	0	13	1	31	1	0	0	6127	598881	5551	0
8-1990	0	10	0	31	1	0	0	6129	599191	5551	0
9-1990	0	8	0	30	1	0	0	6129	599438	5551	0
10-1990	0	1	0	31	1	0	0	6129	599473	5551	0
11-1990	0	8	0	30	1	0	0	6132	599721	5551	0

STATE NAME NEW MEXICO  
 COUNTY NAME LEA  
 COUNTY NUMBER 025  
 TOWNSHIP 20S  
 RANGE 33E  
 SECTION 31  
 FIELD NAME SALT LAKE, SOUTH  
 FIELD NUMBER 48410  
 FORMATION NAME MORROW (PENNSYLVANIAN)  
 FORMATION NUMBER PM  
 LEASE-WELL NUMBER 436650  
 OPERATOR NAME TEXACO INC.  
 OPERATOR NUMBER 833000  
 LEASE-WELL NAME LITTLE EDDY UNIT CM STATE - 001  
 LOCATION 0  
 PRODUCTION DATES 0,9011

MONTH	BOPD	MCFPD	BWPD	DAYS	WELLS	BWIPD	WHPSI	CUM OIL	CUM GAS	CUM WTR	CUM INJ
1-1988	3	977	0	31	1	0	0	78678	8262429	8455	0
2-1988	3	915	9	28	1	0	0	78769	8288054	8698	0
3-1988	0	89	0	31	1	0	0	78769	8290821	8698	0
4-1988	0	0	0	0	0	0	0	78769	8290821	8698	0
5-1988	1	501	5	31	1	0	0	78808	8306346	8841	0
6-1988	0	12	0	30	1	0	0	78808	8306692	8850	0
7-1988	0	0	0	0	0	0	0	78808	8306692	8850	0
8-1988	0	0	0	0	0	0	0	78808	8306692	8850	0
9-1988	0	46	0	30	1	0	0	78817	8308069	8850	0
10-1988	1	553	3	31	1	0	0	78850	8325215	8949	0
11-1988	1	154	3	30	1	0	0	78880	8329833	9039	0
12-1988	2	571	6	31	1	0	0	78929	8347540	9219	0
1-1989	1	165	0	31	1	0	0	78957	8352640	9219	0
2-1989	3	771	13	28	1	0	0	79053	8374237	9571	0
3-1989	0	319	0	31	1	0	0	79058	8384123	9571	0
4-1989	0	0	0	0	0	0	0	79058	8384123	9571	0
5-1989	1	273	0	31	1	0	0	79077	8392598	9571	0
6-1989	0	27	0	30	1	0	0	79077	8393413	9571	0
7-1989	0	16	0	31	1	0	0	79077	8393895	9571	0
8-1989	2	468	8	31	1	0	0	79129	8408403	9814	0
9-1989	1	530	0	30	1	0	0	79151	8424309	9814	0
10-1989	0	0	0	0	0	0	0	79151	8424309	9814	0
11-1989	0	0	0	0	0	0	0	79151	8424309	9814	0
12-1989	0	127	0	31	1	0	0	79151	8428236	9814	0
1-1990	0	93	0	31	1	0	0	79151	8431130	9814	0
2-1990	0	154	0	28	1	0	0	79151	8435432	9814	0
3-1990	0	153	0	31	1	0	0	79151	8440164	9814	0
4-1990	0	135	0	30	1	0	0	79151	8444201	9814	0
5-1990	0	50	0	31	1	0	0	79151	8445752	9814	0
6-1990	0	42	0	30	1	0	0	79151	8447024	9814	0
7-1990	0	98	0	31	1	0	0	79151	8450068	9814	0
8-1990	1	160	0	31	1	0	0	79195	8455022	9814	0
9-1990	1	79	0	30	1	0	0	79228	8457402	9814	0
10-1990	0	15	0	31	1	0	0	79228	8457880	9814	0
11-1990	1	333	6	30	1	0	0	79253	8467879	9994	0

STATE NAME NEW MEXICO  
 COUNTY NAME LEA  
 COUNTY NUMBER 025  
 TOWNSHIP 20S  
 RANGE 32E  
 SECTION 36  
 FIELD NAME SALT LAKE, SOUTH  
 FIELD NUMBER 48410  
 FORMATION NAME ATOKA (PENNSYLVANIAN)  
 FORMATION NUMBER PA  
 LEASE-WELL NUMBER 436600  
 OPERATOR NAME TEXACO INC.  
 OPERATOR NUMBER 833000  
 LEASE-WELL NAME LITTLE EDDY UNIT CH STATE - 001  
 LOCATION H  
 PRODUCTION DATES 0,9011

MONTH	BOPO	MCFPD	BWPD	DAYS	WELLS	BWIPD	WHPSI	CUM OIL	CUM GAS	CUM WTR	CUM INJ
1-1988	0	154	0	31	1	0	0	50082	3365446	350	0
2-1988	1	215	0	28	1	0	0	50102	3371454	350	0
3-1988	0	35	0	31	1	0	0	50104	3372531	350	0
4-1988	0	0	0	0	0	0	0	50104	3372531	350	0
5-1988	0	68	0	31	1	0	0	50106	3374653	350	0
6-1988	0	4	0	30	1	0	0	50106	3374766	350	0
7-1988	0	4	0	31	1	0	0	50106	3374887	350	0
8-1988	0	0	0	0	0	0	0	50106	3374887	350	0
9-1988	0	7	0	30	1	0	0	50106	3375095	350	0
10-1988	0	50	0	31	1	0	0	50106	3376630	350	0
11-1988	0	40	0	30	1	0	0	50106	3377833	350	0
12-1988	0	43	0	31	1	0	0	50106	3379170	350	0
1-1989	0	39	0	31	1	0	0	50112	3380379	350	0
2-1989	0	45	0	28	1	0	0	50112	3381652	350	0
3-1989	0	15	0	31	1	0	0	50112	3382126	350	0
4-1989	0	0	0	0	0	0	0	50112	3382126	350	0
5-1989	0	20	0	31	1	0	0	50112	3382736	350	0
6-1989	0	4	0	30	1	0	0	50112	3382866	350	0
7-1989	0	0	0	0	0	0	0	50112	3382866	350	0
8-1989	0	0	0	0	0	0	0	50112	3382866	350	0
9-1989	0	0	0	0	0	0	0	50112	3382866	350	0
10-1989	0	0	0	0	0	0	0	50112	3382866	350	0
11-1989	0	0	0	0	0	0	0	50112	3382866	350	0
12-1989	0	0	0	0	0	0	0	50112	3382866	350	0
1-1990	0	0	0	0	0	0	0	50112	3382866	350	0
2-1990	0	0	0	0	0	0	0	50112	3382866	350	0
3-1990	0	0	0	0	0	0	0	50112	3382866	350	0
4-1990	0	0	0	0	0	0	0	50112	3382866	350	0
5-1990	0	0	0	0	0	0	0	50112	3382866	350	0
6-1990	0	10	0	30	1	0	0	50112	3383174	350	0
7-1990	0	0	0	0	0	0	0	50112	3383174	350	0
8-1990	0	37	0	31	1	0	0	50115	3384333	350	0
9-1990	0	24	0	30	1	0	0	50115	3385043	350	0
10-1990	0	4	0	31	1	0	0	50115	3385181	350	0
11-1990	0	28	0	30	1	0	0	50126	3386008	350	0

**Insert**

**Color Page/Photo**

**Here**



# 1117

State of New Mexico  
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760  
FAX (505) 827-5766

April 13, 1994

Texaco Exploration and Production Inc.  
P. O. Box 2100  
Denver, CO 80201

Attn: Mr. David L. Sleeper

Re: Little Eddy Unit  
Initial Delaware Participating Area  
Lea County, New Mexico

Gentlemen:

This office is in receipt of your amended application for approval of the Initial Delaware participating area for the Little Eddy Unit, Lea County, New Mexico.

Your application also includes commercial well determinations for the Little Eddy Unit Well Nos. 1 and No. 5. Please be advised that according to the data submitted, the Commissioner of Public Lands concurs with your determination that the Little Eddy Unit Well Nos. 1 and 5 are capable of producing unitized substances in commercial quantities from the Delaware formation.

Please also be advised that the Commissioner of Public Lands has this date approved your amended application for the initial Delaware participating area. Such participating area is described as the SW/4SW/4 of Section 32, Township 20 South, Range 33 East, Lots 1,2,7 and 8, Section 5, Township 21 South, Range 32 East containing 202.24 Acres and is effective March 26, 1993. Please disregard our letter of August 19, 1993.

Pursuant to Section 11 of the unit agreement, our approval is subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

Texaco Exploration and Production, Inc.  
Page 2  
April 13, 1994

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
RBP/FOP/pm

cc: Reader File  
OCD

BLM - Attn: Mr. Gary Gourley  
TRD- Attn: Mr. Mike Holden

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

## TELEGRAM

W. P. MARSHALL, PRESIDENT

1220  
(R 11-54)

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

MAIN OFFICE OCC  
1935 JUL 19 PM 12 00

1935 JUL 19 PM 12 00

(43) 00

C RWA047 CONG DC PD=ROSWELL NMEX 19 1121AMM=

NEW MEXICO OIL CONSERVATION COMMISSION=

CAPITOL BLDG SANTA FE NMEX=

ATTENTION? WARREN HANKIN PLEASE PUBLISH NOTICE FOR HEARING FOR AUGUST 6 ON APPLICATION OF RICHARDSON AND BASS, A COMPARTNERSHIP COMPOSED OF SID W. RICHARDSON AND PERRY R. BASS, FOR APPROVAL OF LITTLE EDDY UNIT AGREEMENT EMBRACING 54,044.08 ACRES, EDDY AND LEA COUNTIES, N.M., SITUATED IN TOWNSHIPS 19, 20, 21 AND 22 SOUTH, RANGES 31, 32 AND 33 EAST, N.M.P.M. THIS UNIT CONSISTS OF FEDERAL, STATE AND PEE LANDS AND DESIGNATION OF UNIT AND FORM OF AGREEMENT HERETOFORE APPROVED BY U.S.G.S FORMAL APPLICATION WILL BE FILED AS SOON AS POSSIBLE=

HERVEY DOW AND HINKLE P O BO 547 ROSWELL NEW MEXICO=

MAIN OFFICE OCC

1935 JUL 19 PM 1:10

*Handwritten notes and scribbles:*  
19S 32E  
20S 32E  
21 31  
22 31  
32

19S 32E  
33E

20S 32E  
33E

21S 31E  
32E

22S 31E  
32E

MAIN OFFICE OCC

*William A. & Edward R. Hudson*  
1510 First National Building  
Fort Worth, Texas

117

1963 JAN 23 AM 8 37

January 25th, 1963

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

Gentlemen:

We enclose a single copy of a Consent and Ratification of the Little Eddy Unit Agreement and Unit Operating Agreement, committing Federal Lease LC-066446, to said Unit Agreement.

Yours very truly,



ERH:m  
Encl

EDWARD R. HUDSON, FOR  
WILLIAM A. & EDWARD R. HUDSON

*William A. & Edward R. Hudson*

*1510 First National Building*

*Fort Worth, Texas*  
**MAIN OFFICE OCC.**

January 28th, 1963

**1963 JAN 28 AM 8:37**

U. S. Geological Survey  
P. O. Drawer 1857  
Roswell, New Mexico

Gentlemen:

Enclose the original and three copies of Consent and Ratification of the Little Eddy Unit Agreement and Unit Operating Agreement covering lands in Eddy and Lea Counties, New Mexico, executed by William A. and wife, Roxie E. Hudson, and Edward R. and wife, Josephine T. Hudson, committing Lease No. 13-096446 to that Unit Agreement and ratifying the terms of that Unit Operating Agreement.

We are continuing negotiations with the Operator of that Unit, Perry P. Bass, with a view of working out an equitable basis for settlement with them in joining the Unit.

If there are any further requirements, kindly notify us.

We are filing a single copy of this Consent and Ratification with the Commissioner of Public Lands and the Oil Conservation Commission of the State of New Mexico.

Yours truly,



EDWARD R. HUDSON, FOR  
WILLIAM A. & EDWARD R. HUDSON

ERH:m  
Encls

**ILLEGIBLE**



TRAIN OFFICE OCC

1968 MAR 4 AM 8:21

CONSENT AND RATIFICATION OF  
LITTLE EDDY UNIT AGREEMENT  
AND UNIT OPERATING AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

The undersigned acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Little Eddy Unit Area dated the 15th day of June 1956, embracing lands situated in Eddy and Lea Counties, New Mexico, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Little Eddy Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

LC-066446

Chas. H. Moore  
Chas. H. Moore

Anita G. Moore  
Anita G. Moore

B. D. Moore, Jr.  
B. D. Moore, Jr.

Eleanor Moore  
Eleanor Moore

Frances Moore Shelton  
Frances Moore Shelton

Kenneth R. Shelton  
Kenneth R. Shelton

David W. Moore  
David W. Moore

Mary Lee Moore  
Mary Lee Moore

Carol Pauls Moore  
Carol Pauls Moore, a widow

ATTEST:  
[Signature]  
Its TRUST OFFICER

FIRST HUTCHINGS-SEALSY NATIONAL BANK OF GALVESTON, TRUSTEE OF FRANCES B. MOORE  
By: [Signature] Vice President & Trust Officer  
Its \_\_\_\_\_

ATTEST:  
[Signature]  
Its \_\_\_\_\_

THE FIRST NATIONAL BANK OF ROSWELL, GUARDIAN OF THE MINORS, JOHN KNOX HUTCHINGS MOORE AND DONALD BARTLETT MOORE  
By: [Signature]  
Its VICE PRESIDENT AND TRUST OFFICER

ATTEST:  
[Signature]  
Its [Signature]

THE STATE OF TEXAS )  
 )  
COUNTY OF HARRIS )

The foregoing instrument was acknowledged before me this \_\_\_ day of February, 1963, by CHAS. H. MOORE.

---

Notary Public, Harris County, Texas  
My Commission Expires: 6/1/63

THE STATE OF TEXAS )  
 )  
COUNTY OF HARRIS )

The foregoing instrument was acknowledged before me this \_\_\_ day of February, 1963, by ANITA G. MOORE, wife of CHAS H. MOORE.

---

Notary Public, Harris County, Texas  
My commission Expires: 6/1/63

THE STATE OF TEXAS )  
 )  
COUNTY OF GALVESTON )

The foregoing instrument was acknowledged before me this 25 day of February, 1963, by B. D. MOORE, JR., and wife, ELEANOR MOORE.

*Mrs. Delma Sims*  
Notary Public, Galveston County, Texas  
My Commission Expires: 6/1/63

THE STATE OF TEXAS )  
 )  
COUNTY OF GALVESTON )

The foregoing instrument was acknowledged before me this 25 day of February, 1963, by FRANCES MOORE SHELTON and husband, KENNETH R. SHELTON.

*Mrs. Delma Sims*  
Notary Public, Galveston County, Texas  
My Commission Expires: 6/1/63

THE STATE OF TEXAS )  
 )  
COUNTY OF GALVESTON )

The foregoing instrument was acknowledged before me this 25 day of February, 1963, by DAVID W. MOORE and wife, MARY LEE MOORE.

*Mrs. Delma Sims*  
Notary Public, Galveston County, Texas  
My Commission Expires: 6/1/63

THE STATE OF TEXAS )  
 )  
COUNTY OF HARRIS )

The foregoing instrument was acknowledged before me this \_\_\_ day of February, 1963, by CAROL PAULS MOORE, a widow.

---

Notary Public, Harris County, Texas.  
My Commission Expires: 6/1/63

THE STATE OF TEXAS    )  
                                  )  
COUNTY OF GALVESTON    )

The foregoing instrument was acknowledged before me this 25 day of February, 1963, by ERNEST STAVENHAGEN, the <sup>Vice President</sup> ~~Trust Officer~~ of the FIRST HUTCHINGS- SEALY NATIONAL BANK OF GALVESTON, Trustee of Frances B. Moore.

Robert R. Roberts, Jr.  
Notary Public, Galveston County, Texas  
My Commission Expires: 6/1/63

THE STATE OF NEW MEXICO    )  
                                  )  
COUNTY OF CHAVEZ        )

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of February, 1963, by Wilma M. Sherman, the <sup>VICE PRESIDENT AND TRUST OFFICER</sup> of the FIRST NATIONAL BANK OF ROSWELL, Guardian of the Minors, JOHN KNOW HUTCHINGS MOORE and DONALD BARTLETT MOORE.

Wilma M. Sherman  
Notary Public, Chavez County, New Mexico  
My Commission Expires: Commission Expires May 4, 1965

*William A. & Edward R. Hudson*  
*1510 First National Building*  
*Fort Worth, Texas 21*

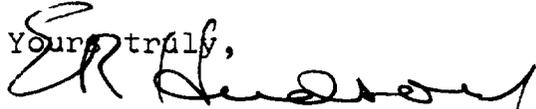
1117

February 28, 1963

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

Gentlemen:                    Re: LC-066446

Supplementing our application on the subject lease for the Little Eddy Unit, we enclose a single copy of a Consent and Ratification of the Little Eddy Unit Agreement and Unit Operating Agreement, executed by Chas H. Moore and wife, Anita G. Moore, B. D. Moore, Jr., and wife, Eleanor Moore, Frances Moore Shelton and husband, Kenneth R. Shelton, David W. Moore and wife, Mary Lee Moore, Carol Pauls Moore, a widow, First Hutchings-Sealy National Bank of Galveston, Trustee of Frances B. Moore, and The First National Bank of Roswell, Guardian of the Minors, John Knox Hutchings Moore and Donald Bartlett Moore,, who are the joint owners of a 15% working interest in Federal Lease LC-066446.

Yours truly,  


ERHJr:m  
Encl

EDWARD R. HUDSON, JR., FOR  
WILLIAM A. & EDWARD R. HUDSON

1117

**CONSENT AND RATIFICATION OF  
LITTLE EDDY UNIT AGREEMENT and  
UNIT OPERATING AGREEMENT**

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Little Eddy Unit Area embracing lands situated in Lea and Eddy Counties, New Mexico, which said agreements are dated the 15th day of June, 1956, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold royalty or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Little Eddy Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement and Unit Operating Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

NM-0301929

ATTEST:

Maria Roney  
Asst. Sec'y - Treas.

LEONARD OIL COMPANY

By Robert J. Leonard  
PRESIDENT

STATE OF NEW MEXICO

COUNTY OF

The foregoing instrument was acknowledged before me this the

17th day of March, 1964 by Robert J. Leonard, President  
of LEONARD OIL COMPANY.

My commission expires:

March 12, 1967

W. P. Duncan, Jr.  
Notary Public

Approved and Consented to:

PERRY R. BASS, Unit Operator

By

W. P. Duncan, Jr.  
W. P. Duncan, Jr., Attorney-in-Fact

# Memo

From

AM  
8/10/56

To Legal

Re: Case 1117

OK

OK to write

WOM

8/10/56

order approving

Said.

EXHIBIT B

SCHEDULE 1

Initial Participating Area "A" for the Pennsylvanian Formation

Tract No.	Lease No.	Description	No. Acres	Ownership	Percentage Committed	Participation %
125	A. Richards et al fee	SE $\frac{1}{4}$ Sec 25, T20S, R32E W $\frac{1}{2}$ SW $\frac{1}{4}$ Sec 30, T20S, R32E	240	Texas Co .8750 - W.I.	None	66.67%
92	State Lease E-5231-2	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 36, T20S, R32E NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 31, T20S, R32E	80	Audie Richards et al .1250 - Royalty Texas Co .8750 - W.I.	None	22.22%
113	State Lease E-9543	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 36, T20S, R32E	40	St. of N.M. .1250 - Royalty Texas Co .8750 - W.I.	100%	11.11%
<p>TOTAL - Texas Co .875000 Working Interest                  State of N. Mexico .041667 Royalty Interest                  Audie Richards et al .083333 Royalty Interest  <u>1.000000</u></p>						

Texas Co # 1 Audie Richards  
 Completed 3-17-58



1117

# SHELL OIL COMPANY

PETROLEUM BUILDING

P. O. BOX 1509  
MIDLAND, TEXAS

March 12, 1957

*file*

Subject: Lea County, New Mexico  
Salt Lake Area  
NM-1763 - USA (NM-01135-A)  
Little Eddy Unit Agreement  
Dated June 15, 1956, Effective  
November 2, 1956

Manager,  
United States District Land and Survey Office  
Bureau of Land Management  
P. O. Box 1251  
Santa Fe, New Mexico

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

Oil and Gas Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

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

Gentlemen:

Reference is made to the Little Eddy Unit Agreement No. 14-08-001-3464 covering lands situated in Eddy and Lea Counties, New Mexico, and to which Shell Oil Company is a party.

At the time the Unit Agreement was executed, Leonard Oil Company was the Oil and Gas Lessee of record of Lease NM-01135, which covered, among other lands, the following:

Lots 1, 2, 3 and 4, and the S-1/2 N-1/2 and the SW-1/4, all in Section 3, T-20-S, R-32-E.

This particular land was described in Exhibit B to the said Unit Agreement as Tract 5-A, with the following notation on the Exhibit:

"This lease is in the process of being assigned by the Leonard Oil Company to the Shell Oil Company and has been committed to the Unit Agreement by the Shell Oil Company."

Effective as of January 1, 1957, the Assignment of Lease NM-01135 from Leonard Oil Company to Shell Oil Company, as regards the above described land, was approved, and the lease, as to said land, was assigned Lease No. NM-01135-A. The Decision of Partial Assignment Approval contained the following notation:

"The assigned area has been committed to Little Eddy Unit Agreement No. 14-08-001-3464."

In view of the recitation contained on Exhibit B to the Unit Agreement, and the recitation of commitment contained in the Decision of Partial Assignment Approval, we do not consider that there could be any question about the lease on the above described land being fully committed to the said Little Eddy Unit Agreement and the terms thereof, and being covered by the Unit Operating Agreement for the development and operation of the Unit, and actually doubt the necessity of this confirming letter.

In order, however, to avoid any question, if one exists, Shell Oil Company, the present Oil and Gas Lessee of record of Lease No. NM-01135-A, covering:

Lots 1, 2, 3 and 4, and the S-1/2 N-1/2, and the SW-1/4, all in Section 3, T-20-S, R-32-E,

does hereby and by these presents confirm that the said Oil and Gas Lease and the land covered thereby are fully covered by the said Little Eddy Unit Agreement No. 14-08-001-3464 and the terms and provisions thereof, and the Unit Operating Agreement for the development and operation of the said Unit, and does subscribe to both the said Unit Agreement and the said Unit Operating Agreement as regards the Oil and Gas Lease and the lands above described.

If you consider that any additional instruments are required to accomplish this commitment, we would appreciate being so advised by you.

Very truly yours,

SHELL OIL COMPANY

By J. V. Mitty  
Attorney-in-Fact

By Dayton Howard  
Assistant Secretary

cc - Richardson & Bass  
Fort Worth National Bank Building  
Fort Worth, Texas

Continental Oil Company  
Fair Building  
Fort Worth 2, Texas

The Texas Company  
P. O. Box 1720  
Fort Worth 1, Texas

Magnolia Petroleum Company  
P. O. Box 900  
Dallas 2, Texas

Mr. and Mrs. H. L. Brown  
Fort Worth National Bank Building  
Fort Worth, Texas

Mr. and Mrs. Fred Turner, Jr.  
Box 910  
Midland, Texas

cc - Argo Oil Corporation  
1728 Milam Building  
San Antonio 5, Texas

Mr. and Mrs. W. R. Wheeler  
Fort Worth National Bank Building  
Fort Worth, Texas

Gulf Oil Corporation  
P. O. Box 1290  
Fort Worth, Texas

Skelly Oil Company  
Tulsa, Oklahoma

Honolulu Oil Corporation  
215 Market Street  
San Francisco 5, California

W. E. Bondurant, Jr.  
First National Bank Building  
Roswell, New Mexico

**WILDERNESS CONSERVATION COMMISSION**

P. O. BOX 871

**SANTA FE, NEW MEXICO**

September 20, 1956

C

O

P

Y

Mr. Clarence E. Hinkle  
Hervey, Dow & Hinkle  
P.O. Box 547  
Roswell, New Mexico

Dear Sir:

As requested in your letter of September 12th, we enclose a certified copy of Order R-862 and Order R-863 approving the Little Eddy Unit Agreement for Richardson & Bass and the Railroad Mountain Unit Agreement for the Humble Oil & Refining Company.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

brp  
Encls.

LAW OFFICES

J. M. HERVEY 1874-1953

HIRSH M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV

J. PENROD TOLES  
LEWIS C. COX, JR.

HERVEY, DOW & HINKLE  
FIRST NATIONAL BANK BUILDING  
ROSWELL, NEW MEXICO

TELEPHONE MAIN 2-6510

September 12, 1956

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Mr. Porter:

We have just recently received from your office copies of your orders Nos. R-862 and R-863 approving the Little Eddy Unit Agreement for Richardson & Bass and the Railroad Mountain Unit Agreement for the Humble Oil & Refining Company.

In submitting unit agreements for final approval of the Director of the U.S.G.S., it is necessary to attach to the executed copies of the unit agreement at least one original or signed copy of the order of the Commission approving the unit agreement or a certified copy thereof. For this purpose, we would like to obtain a signed copy of each of the above orders or else, certified copies of the same. I believe it would be well to keep this in mind in the future as I am sure the other companies will all want either a signed copy or a certified copy of the order of the Commission approving any unit agreement where federal lands are involved.

With best regards, I am

Yours sincerely,

HERVEY, DOW & HINKLE

By Clarence E. Hinkle  
mp

CEH:mp

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 6, 1956

C

O

P

Y

Mr. Clarence Hinkle  
Hervey, Dow & Hinkle  
Box 547  
Roswell, New Mexico

Dear Sir:

In behalf of your client, Richardson & Bass, we enclose two copies of Order R-862 issued August 30, 1956, by the Oil Conservation Commission in Case 1117, which was heard on August 7th at Santa Fe.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

brp  
Encls.

J. M. HERVEY 1874-1953  
H. RAM M. DOW  
C. CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV  
J. PENROD TOLES  
LEWIS C. COX, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
FIRST NATIONAL BANK BUILDING  
ROSWELL, NEW MEXICO

TELEPHONE MAIN 2-6510

August 9, 1956

Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Dear Mr. Porter:

We enclose original and several copies of proposed order in Case No. 1117, being the application of Richardson & Bass for approval of the Little Eddy Unit Agreement.

Yours sincerely,

HERVEY, DOW & HINKLE

By Clarence E. Hinkle  
mp

CEH:mp  
Encl.

April 4, 1957

In reply refer to:  
Unit Division

*File*

Mr. Howard W. Jennings  
P. O. Box 450  
Roswell, New Mexico

Re: Little Eddy Unit Agreement

Dear Mr. Jennings:

We wish to thank you for the information concerning Little Eddy Unit which you sent us in your letter of April 1, 1957.

With regard to Tract 102 which was ratified by Eva Rae Saikin, Independent Executrix of the Estate of David C. Saiken. This tract covers 200 acres of State acreage.

This office has a Notice of Lis Pendens on file, and this 200 acres is included in it. This was filed in the District Court of Lea County, New Mexico, therefore, we cannot consider this acreage ratified until such time as a copy of her appointment as executrix is filed with us, and also permission from the court or a release from this Lis Pendens is on file in this office.

Very truly yours,

MURRAY E. MORGAN  
Commissioner of Public Lands

By: Ted Bilberry, Supervisor  
Oil and Gas Department

cc: USGS-Roswell  
OCC-Santa Fe

Eva Rae Saikin  
826 Pioneer Dr.  
Abilene, Texas