



JIM BACA
COMMISSIONER

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

#1823
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. OG-1180

September 28, 1992

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attn: Debbie Reese

Re: 1992 (Thirty-fourth) Plan of Development
Lea Unit
Lea County, New Mexico

Gentlemen:

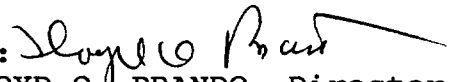
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
cc: OCD
BLM

1863



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

January 26, 1998

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attn: Ms. Debbie Reese

Re: 1998 Plan of Development
Lea Unit
Lea County, New Mexico

Dear Mr. Reese:

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.

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

A handwritten signature in cursive script, appearing to read "Jami Bailey".

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

RP/JB/cpm
xc: Reader File

OCD

BLM



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

**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

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5715

PLANNING
(505)-827-5752

January 29, 1997

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attn: Ms. Debbie Reese

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

Dear Ms. Reese:

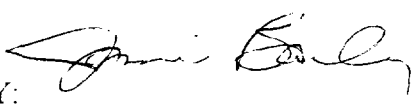
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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.

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
cc: Reader File

OCD

BLM



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

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

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

January 9, 1997

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attn: Ms. Debbie Reese

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

Dear Ms. Reese:

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.

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*

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

RP/JB/cpm
cc: Reader File

OCD-Roy Johnson

BLM



1823

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

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

July 17, 1995

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attention: Ms. Debbie Reese

Re: 1995 Plan of Development
Lea Unit
Lea County, New Mexico

Dear Ms. Reese:

The Commissioner of Public Lands has 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.

Please be advised that we have no problems with Marathon Oil Company submitting future Plans of Development on a calendar year basis.

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, Deputy Director
Oil/Gas and Minerals Division
(505) 827-5745

RP/JB/cpm

cc: Reader File
OCD-Roy Johnson
BLM



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

January 26, 1996

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702-0552

Attn: Mr. Richard E. Pollard

Re: 1996 Plan of Development
Lea Unit
Lea County, New Mexico

Dear Mr. Pollard:


The Commissioner of Public Lands has 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.

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

JAN 29 1996

RP/LK/cpm

Enclosure

cc: Reader File

OCD ✓

TRD

BLM



#1823

RECEIVED
JAN 24 1995

95 JAN 24 AM 8 52

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

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

January 24, 1995

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702-0552

Attn: Ms. Debbie Reese

Re: 1994 Plan of Development, Lea Unit, Amendment to the 36th Plan of
Development, Lea County, New Mexico

Dear Ms. Reese:

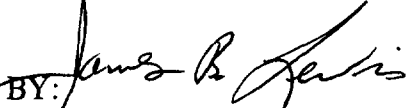
The Commissioner of Public Lands has this date approved the referenced Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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.

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: 
JAMES B. LEWIS, Director
Oil, Gas & Minerals Division
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File
OCD-Roy Johnson
BLM



1823

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

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

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

March 18, 1994

SANTA FE, NEW MEXICO 87504-1148

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attn: Mr. T. N. Tipton

Re: Lea Unit Well No. 16
Section 12-20S-34E
Lea County, New Mexico

Dear Mr. Tipton:

This office is in receipt of your letter of March 1, 1994 wherein you have requested that this office classify the Lea Unit Well No. 16 as a non-commercial well in the Morrow formation and not be included in the Lea (Penn) participating area.

Please be advised that since the Lea Unit Well No. 16 is producing from the Morrow formation, it is considered as being included in the Pennsylvanian Participating Area. The current Pennsylvanian participating includes, among other lands, All of Section 12-20S-34E and was effective October 1, 1963.

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, M.S., D.V.M.
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
BLM-Roswell
TRD-Santa Fe



JIM BACA
COMMISSIONER

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

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

February 19, 1993

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

Attention: Land Department

Re: Lea Unit Well No. 12
Commercial Determination
Section 13, T20S, R34E
Lea County, New Mexico

Gentlemen:

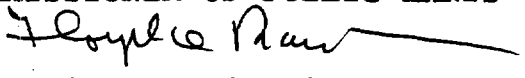
The Bureau of Land Management has notified this office that the Lea Unit Well No. 12, located in the SE/4NE/4 of Section 13-20S-34E, has been completed and is producing from the Morrow formation.

Pursuant to the unit agreement, please submit a commercial determination as to whether or not this well is a commercial well and entitled to a participating area.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.

cc: Reader File
BLM
OCD



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

SLO REF NO. OG-1313

June 29, 1993

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552

Attn: Ms. Debbie Reese

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

Gentlemen:

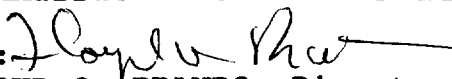
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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

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 and Gas Division
(505) 827-5744

RBP/FOP/pm
cc: OCD
BLM



JIM BACA
COMMISSIONER

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

#1866

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

SLO REF NO. OG-1209

September 29, 1992

Dugan Production Corporation
P.O. Box 420
Farmington, New Mexico 87499-0420

Attn: Jim L. Jacobs

Re: 1992 Plan of Development
West Bisti Lower Gallup Sand Unit
San Juan County, New Mexico

Gentlemen:

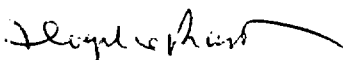
The Commissioner of Public Lands has this date approved the above captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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

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

Very truly yours,

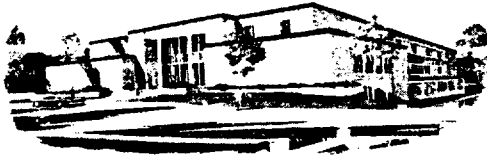
JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
cc: OCD
BLM

State of New Mexico

#1823



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 18, 1990

Marathon Oil Company
P.O. Box 552
Midland, TX 79702

Attn: Debbie Reese

Re: Lea Unit
Lea County, New Mexico
1990 Plan of Development

Dear Ms. Reese:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Lea 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 may exist. You will be contacted at a later date regarding these possibilities.

If we may be of further help, please do not hesitate to contact Clyde Langdale at (505) 827-5791.

Sincerely,

W. R. HUMPHRIES

BY: 
Floyd O. Prando, Director
Oil, Gas & Minerals Division

cc: OCD
Unit Corresp.
Unit POD

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 5, 1990

Marathon Oil Company
P.O. Box 552
Midland, TX 79702

Attn: Debbie Reese

Re: Lea Unit
Lea County, New Mexico
1990 Plan of Development

Dear Ms. Reese:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Lea Unit. Our approval is subject to like approval by all other appropriate agencies. Please forward to this office current copies of both Exhibits A & B.

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

If we may be of further help, please do not hesitate to contact Clyde Langdale at (505) 827-5791.

Sincerely,

W. R. HUMPHRIES

BY:

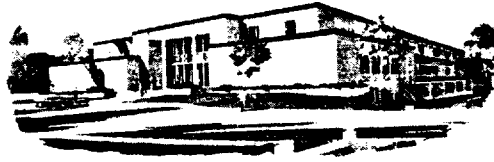
Floyd O. Prando
Floyd O. Prando, Director
Oil, Gas & Minerals Division

cc: OCD
Unit Corresp.
Unit POD

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

July 6, 1989

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

#1823

ATTN: S.C. Schraub

RE: 1989 Plan of Development
Lea Unit
Lea County, New Mexico

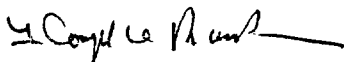
Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned 1989 Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

Enclosed are two approved copies for your files. If we may 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, Director
Oil and Gas Division
(505) 827-5749

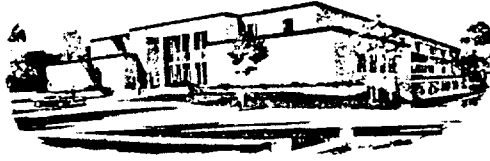
cc: OCD - Santa Fe, New Mexico
BLM
Unit Correspondence File

WRH/FOP/SMH



W.R. HUMPHRIES
COMMISSIONER

State of New Mexico



Commissioner of Public Lands

September 13, 1988

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

#1823

Marathon Oil Company
Attn: Mr. Steve Daniels
P. O. Box 552
Midland, Texas 79702

Re: Proposed Third Revision to Bone
Spring Participating Area, Lea
Unit, Lea County, New Mexico

Gentlemen:

This acknowledges receipt of your letter of September 6, 1988, regarding the Lea Unit. In your letter, you advised that you have withdrawn your request to expand the Bone Spring Participating Area to include the Well No. 13 in the W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 24, Township 20 South, Range 34 East.

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
BLM

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-800

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

June 6, 1988

Marathon Oil Company
Attn: Mr. J. F. Strong
P. O. Box 552
Midland, Texas 79702

Re: 1988 Plan of Development
Lea Unit
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1988 Plan of Development for the above captioned unit area.

Our approval is subject to like approval by all other appropriate agencies.

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
BLM



**Marathon
Oil Company**

P.O. Box 552
Midland, Texas 79702
Telephone 915/682-1626

#1823

December 17, 1986

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

Attention: Director

Re: Our NM-1603 - Lea Unit - San Andres Formation
SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 12, T-20-S, R-34-E
Lea County, New Mexico

Gentlemen:

Please find enclosed in triplicate an Application for Approval of Initial Participating Area for the San Andres Formation, Lea Unit Area, Lea County, New Mexico. The SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 12, T-20-S, R-34-E, is to constitute the Initial Participating Area for the San Andres Formation.

If this instrument meets with your approval, we would appreciate your returning one (1) copy showing such approval to this office.

Additional copies of this instrument are being submitted to the Commissioner of Public Lands of the State of New Mexico and to the Bureau of Land Management for similar approval, and you will be furnished a copy evidencing such approval when available.

Yours very truly,

MARATHON OIL COMPANY

S. C. Schraub
Regional Landman

DKR
Encls.

cc: Mr. J. C. Searcy, Jr.
Mr. J. F. Strong

In Re: Application for Approval of Initial Participating
Area for the San Andres Formation
Lea Unit Area, Lea County, New Mexico

To: Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201
Attention: Roswell District Manager

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Attention: Oil and Gas Division

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

Marathon Oil Company, as Unit Operator of the Lea Unit Area, which Unit was approved and established by the Commission of Public Lands of the State of New Mexico and by the Oil Conservation Commission of the State of New Mexico on November 30, 1959, and by the Acting Director of the United States Geological Survey by certification-determination, dated December 9, 1959, and became effective as of the latter date, pursuant to the provisions of Section 11 of the Lea Unit Agreement, dated November 10, 1959, respectfully submits for approval of the Roswell District Manager of the Bureau of Land Management, the Commissioner of Public Lands and the Director of the Oil Conservation Division of the State of New Mexico, an Initial Participating Area, based upon a subdivision of the public lands surveys, of all unitized lands in the Lea Unit Area now regarded as reasonably proved to be productive of unitized substances in paying quantities in the San Andres Formation; the following described lands are to constitute the Initial Participating Area for the San Andres Formation, to-wit:

Township 20 South, Range 34 East, N.M.P.M.
Section 12: SE/4 SW/4, 40 Acres
Total San Andres Participating Area, 40 Acres.

The effective date proposed for this initial participating area shall be November 4, 1982, the date of the recompletion of the Marathon-Lea Unit Well No. 7, located 1980 feet from the West line and 660 feet from the South line of Section 12, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico, into the San Andres Formation, hereinafter called "the discovery well".

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

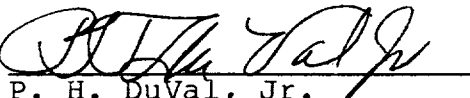
- (1) Ownership Map, marked Exhibit "A", showing thereon the boundaries of the Lea Unit Area, the proposed initial participating area for the San Andres Formation, and the location of the discovery well.
- (2) Schedule marked Exhibit "B", showing the leases and lands entitled to participation in the unitized substances produced from the San Andres Formation with the percentage of participation of each lease shown thereon.

- (3) Geologic and Engineering Report, marked Exhibit "C", with accompanying data and plats supporting and justifying the proposed selection of the Initial Participating Area for the San Andres Formation and setting forth therein pertinent information with reference to the completion of the discovery well and the production therefrom.

WHEREFORE, Marathon Oil Company, as Unit Operator of the Lea Unit Area, respectfully requests that the Roswell District Manager of the Bureau of Land Management, the Commissioner of Public Lands and the Director of the Oil Conservation Commission of the State of New Mexico approve the selection of lands and schedule of leases as herein specified to constitute the Initial Participating Area for the San Andres Formation in the Lea Unit Area to be effective as of November 4, 1982.

Dated this 10th day of March, 1986.

MARATHON OIL COMPANY
(Unit Operator)

By: 
P. H. DuVal, Jr.
Production Manager,
Mid-Continent Region

APPROVED this ___ day of _____, 19___, subject to the approval of the Commissioner of Public Lands of the State of New Mexico and the Director of the Oil Conservation Commission of the State of New Mexico.

District Manager
Bureau of Land Management
Roswell, New Mexico

APPROVED this ___ day of _____, 19___, subject to the approval of the District Manager, Bureau of Land Management, Roswell, New Mexico, and the Director of the Oil Conservation Division of the State of New Mexico.

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

APPROVED this 31st day of December, 1986, subject to the approval of the District Manager, Bureau of Land Management, Roswell, New Mexico, and the Commissioner of Public Lands of the State of New Mexico.

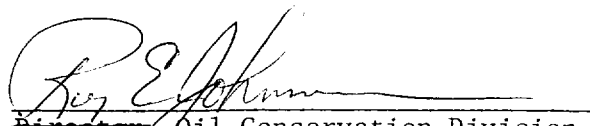
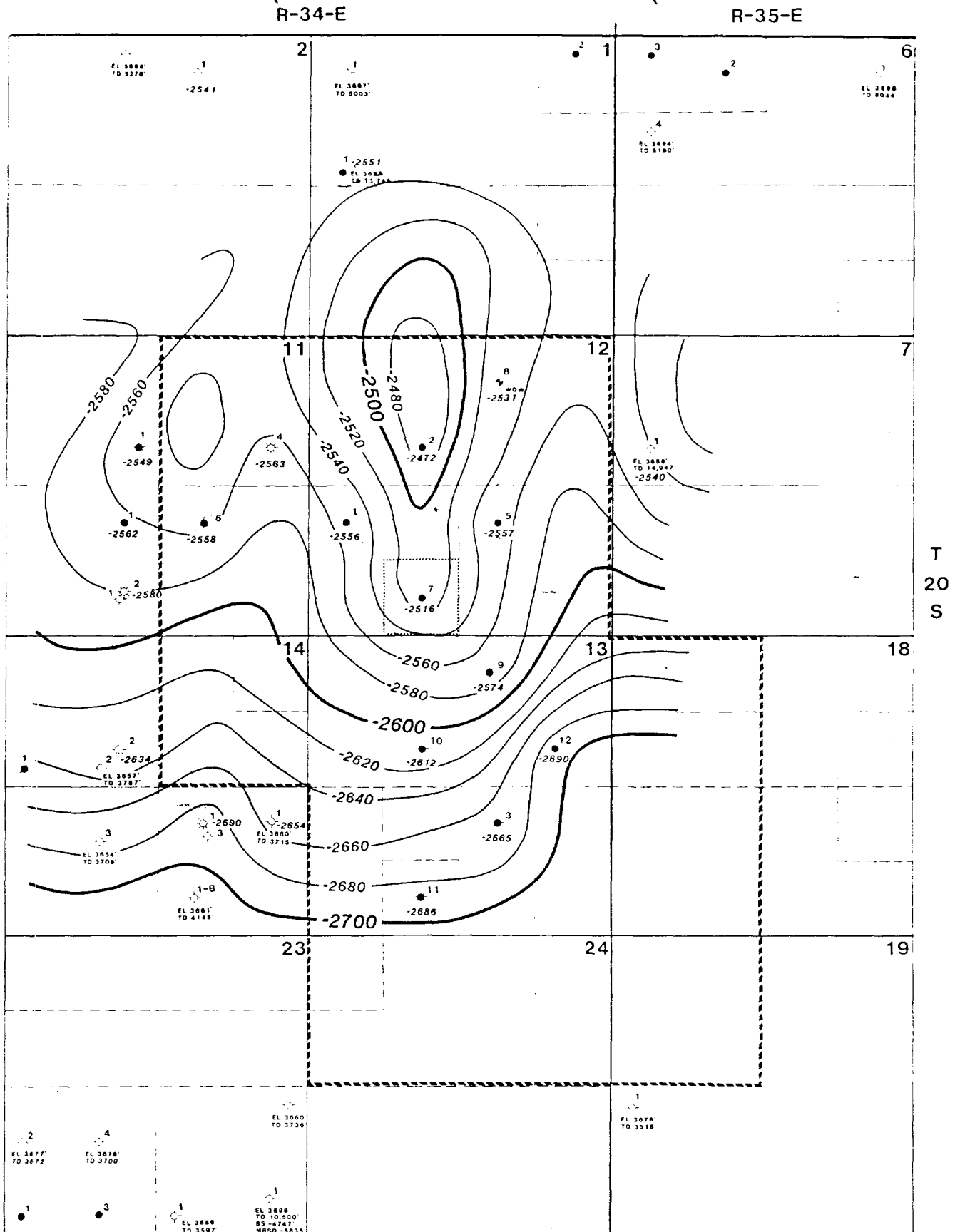

~~Director~~, Oil Conservation Division
State of New Mexico
Santa Fe, New Mexico
2


EXHIBIT "A"



LEGEND

- UNIT OUTLINE
- PROPOSED SAN ANDRES PARTICIPATING AREA





MARATHON OIL COMPANY
HOUSTON DIVISION
MIDLAND DISTRICT

LEA DEVONIAN FIELD
LEA COUNTY, NEW MEXICO

STRUCTURE: TOP OF
SAN ANDRES (DELAWARE
CARBONATE NO. 2)

C. I. 20'

REVISED 9/83 DGJ

M. GRUBE
12/82

EXHIBIT "B"

INITIAL SAN ANDRES PARTICIPATING AREA

SCHEDULE OF PERCENTAGE ALLOCATION

Lease:	Record Holders	Atlantic Richfield Company & Marathon Oil Company
	Working Interest Owners	Atlantic Richfield Company & Marathon Oil Company
	Serial No.	NM-02127-B
	Unit Tract 5	
	Lands Included	Section 12: SE/4 SW/4, Township 20 South, Range 34 East, Lea County, New Mexico
	Participating Acreage	40 acres
	Percentage of Participation	100%
Summary:	Total Federal Lands	40 acres
	Percentage	100%

Exhibit "C"

GEOLOGIC AND ENGINEERING REPORT

LEA UNIT WELL NO. 7

SAN ANDRES (DELAWARE CARBONATE NO. 2)

660' FSL & 1980' FWL,

SECTION 12, T-20-S, R-34-E

LEA COUNTY, NEW MEXICO

The San Andres (Delaware Carbonate No. 2) reservoir, which is currently being produced from Lea Unit Well No. 7, was discovered as the result of a casing leak in mid-1982. Prior to the time of the leak, the well was producing 50° API gravity condensate from the Devonian zone below 14,000' by gas lift. The crude oil gravity was measured in August, 1982 and found to be considerably lower than the anticipated 50° API. At that time, the electric logs were examined and they indicated a porous and permeable hydrocarbon interval which existed between 6196' - 6222'.

In the same month work was done to isolate the leak, which was found to be between 5888' and 6458', in the San Andres formation. This interval was swab tested, and on the 22nd of August 135 barrels of oil and 134 barrels of water were recovered in 9 hours with 22 swab runs. This oil was found to have an API gravity of 33.9°. The well was put on gas lift and produced from the leak through most of September, 1982. In October the leak was squeezed with cement and in November the San Andres was perforated from 6196 to 6199, 6204 to 6209, and 6213 to 6222 with 2 shots per foot. This completion was acidized two days later with 2000 gallons of NEFE acid (Halliburton). The well was put on gas lift and the initial potential test was taken on November 19, with the well producing 59 barrels of oil, 70 barrels of water, and 176,000 cubic feet of gas in 24 hours.

In January, 1983, a pumping unit was installed to replace the gas lift equipment. A new potential test was run on February 3, 1983, with production of 102 barrels of oil, 201 barrels of water, and 51,000 cubic feet of gas in 24 hours.

History

The Lea Unit Well No. 7 was spudded on September 26, 1961, with objectives being the Bone Springs oil zone at 10,220' and the Bend Sand gas zone at 12,875'. The well was drilled to 13,569' and plugged back to 13,510'. Successful completions were made in both zones and the well was equipped as a dual completion.

The Bone Springs zone was depleted in 1969 and the Bend Sand was depleted in 1972. In 1978, the existing completions were cement squeezed and the well was deepened to 14,540' to the Devonian reservoir. The Devonian was completed and tested in the summer of 1978, with the initial potential test reporting 20 barrels of oil, 495 barrels of water, and a non-measurable amount of gas produced in 24 hours. This zone was still producing between 10 and 20 barrels of oil per day in 1982 when the San Andres casing leak was discovered.

Geology

The following geologic description is based on a January 26, 1983 letter by Mr. M. H. Grube, Marathon Geologist, concerning the geology of the local San Andres reservoir.

The new productive zone appears to be a carbonate unit in among four other carbonates interbedded with sandstones, of the Delaware Mountain Group (a stratigraphic equivalent of San Andres). For purposes of identification here, these carbonate units are numbered one through five from the lowermost to the uppermost zones. The productive zone, identified by Verne Hull, Marathon Petroleum Engineer, is here referred to as to the San Andres (Delaware Carbonate No. 2). According to Mr. Hull, the producing zone is the only portion of this sequence which is hydrocarbon bearing, as indicated by wireline logs.

The few sample logs available describe these carbonates as dolomites for the upper four units and a limestone as the lowermost unit. However, the sample description is not entirely clear for purposes of delineating the break between dolomite and limestone. The limestone (Delaware Carbonate No. 1) is commonly described as tan to white, or buff to light gray and sometimes brown; fine to very-finely crystalline; occasionally sandy and with microfossils in the basal portion. The dolomites are described as tan to light tan, brown, or gray; fine to very-finely crystalline; and occasionally sandy. The interbedded sandstones are described as gray or sometimes brown; finely grained; well sorted; friable and occasionally slightly shaley.

The depositional environment of the San Andres (Delaware Mountain Group) has been interpreted as the result of density/turbidity currents, flows and debris slides of sediment from the shelf and shelf margin. Because the water depth of the Delaware Basin was 1000 feet or more in the location of the Lea Field during this time,

the Lea Carbonates did not "grow" in the sense of reefal growth. Rather, these carbonates were deposited by a process of density flow of reef talus from what may have been the Goat Seep Limestone shelf margin. These carbonates are lensoidal in nature consisting of fine crystalline to occasionally sandy, light gray and buff colored carbonate sediments that exhibit a stacking character. Furthermore, their resultant draping over the deep-seated anticlinal structure may be explained by post-Guadalupean regional tilting and upwarping, resulting in the closure of the Lea Field (please refer to attached Structure Map).

Extent of the Reservoir

As shown on the attached structure map of the top of the productive zone, an area of about 320 acres to the north of the Lea Unit No. 7 is structurally high to this well; however, material balance calculations and examination of logs of well Nos. 1, 2, and 5 indicate that the productive San Andres reservoir encountered by this well is relatively small. For this reason it is recommended that the San Andres participating area assigned to this well be only one 40-acre proration unit.

A pressure build-up test was run on this well by Diagnostic Services, Inc., on April 5, 1983 and material balance calculations were made by myself (as reported in a May 3, 1983 letter). It is estimated that the reservoir encountered by the Lea Unit No. 7 contains only 30,000 barrels of oil in place of which over 8,000 barrels had been produced prior to the April 5 test. A material balance calculation run to yield the maximum probable oil in place

(30,000 barrels = most likely) gave results of only 43,000 barrels of oil in place, still too small to justify application for a participating area larger than 40 acres. The available data indicates that this well has encountered only an incidental hydrocarbon accumulation and not a commercial reservoir.

Respectfully submitted,

Marathon Oil Company

By D. G. Jones

Donald G. Jones, Reservoir Engineer

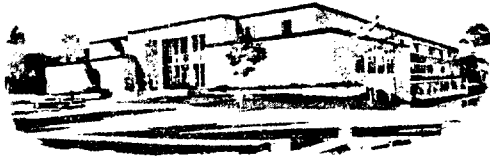
RECEIVED
DEC 30 1987
ALBUQUERQUE
DIST. 3

Lease No.	Well		LT S.I.	Location	Sec., T., R.	Elevation
	No.	Type	Extension Sundry Due			
14-20-603-735-A	100	Oil Producer	1/22/88	1,980' FNL, 1,980' FEL	13-26N-14W	6357
NM-013492	102	Oil Producer	1/22/88	1,980' FSL, 1,165' FWL	18-26N-13W	6463
NM-013492	103	Oil Producer	1/22/88	660' FSL, 660' FEL	18-26N-13W	6312
NM-013492	109	Oil Producer	12/23/87	1,980' FNL, 660' FEL	20-26N-13W	6376
NM-013492	118	Oil Producer	12/23/87	660' FSL, 660' FEL	20-26N-13W	6380
SF-078091	121	Oil Producer	12/23/87	660' FNL, 1,980' FWL	29-26N-13W	6572
	123	Oil Producer		660' FNL, 1,980' FWL	28-26N-13W	6256
SF-078091	128	" "	5/19/88	1,980' FNL, 660' FWL	28-26N-13W	6320
SF-078091	132	" "	5/19/88	1,980' FSL, 660' FEL	28-26N-13W	6231
	134	" "		1,980' FSL, 660' FEL	27-26N-13W	6198
SF-081028-A	136	" "	1/22/88	660' FSL, 1,978' FEL	26-26N-13W	6205
	141	" "		660' FSL, 1,980' FEL	28-26N-13W	6276
SF-078155	146	" "	"	660' FNL, 1,980' FWL	35-26N-13W	6221
SF-078155	154	" "	"	1,980' FSL, 660' FEL	35-26N-13W	6233
SF-078155	159	" "	"	660' FSL, 1,980' FEL	35-26N-13W	6169
SF-078155	161	" "	"	600' FNL, 600' FEL	1-25N-13W	6179
SF-078155	162	" "	"	1,880' FNL, 1,980' FEL	1-25N-13W	6218
SF-078155	165	" "	"	660' FSL, 1,980' FEL	1-25N-13W	6239
	149	" "	12/87	2,310' FNL, 1,650' FEL	35-26N-13W	6230
SF-078155	153	Injector	5/19/88	1,990' FSL, 1,960' FWL	35-26N-13W	6237
SF-078091	131	Oil Producer	1/22/88	2,200' FSL, 1,400' FEL	28-26N-13W	6210
SF-078091	138	Oil Producer	1/22/88	990' FSL, 990' FEL	27-26N-13W	6209

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

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

June 19, 1986

Marathon Oil Company
Attention: Mr. S. C. Schraub
P. O. Box 552
Midland, Texas 79702

Re: 1986-1987 Plan of Development
Lea Unit
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your Twenty-Eighth Plan of Development covering the period from July 1, 1986 to July 1, 1987, for the Lea Unit Area, Lea County, New Mexico. Such plan calls for no further development except for the possible recompletion of the Unit Well No. 13.

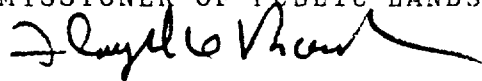
Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

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,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



IN REPLY REFER TO

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

14-00-001-6435
3180 (065)

JUN 12 1986

Marathon Oil Company
Attention: S. C. Schraub
P. O. Box 552
Midland, Texas 79702

Re: 1987 Plan of Development (Twenty-Eighth)
Lea Unit, Lea County, New Mexico

Gentlemen:

We are in receipt of your letter dated June 4, 1986 which describes your 1987 plan of development (twenty-eighth) for the Lea Unit, Lea County, New Mexico.

Such plan proposes no development except for possible recompletion of the Lea Unit Well No. 13 and is approved effective on this date for the period July 1, 1986 to July 1, 1987. Such plan is subject to like approval by the appropriate officials of the State of New Mexico.

Enclosed herewith are two (2) approved copies of your 1987 Plan of Development for the Lea Unit.

Sincerely,

Francis R. Cherry, Jr.

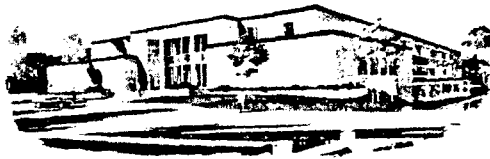
Francis R. Cherry, Jr.
District Manager

cc:
Commissioner of Public Lands, Santa Fe
✓ NMOCB, Santa Fe
NM (943B)
NM (067)



JIM BACA
COMMISSIONER

State of New Mexico



Commissioner of Public Lands

August 14, 1985

#1823

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Lea Unit
Lea County, New Mexico

ATTENTION: Mr. John P. Duddleston

Gentlemen:

The Commissioner of Public Lands has this date approved your 27th Plan of Development and Operation for the Lea Unit Area covering the period from July 1, 1985, to July 1, 1986. Such plan proposes to drill a Penn well in the N/2 of Section 24, Township 20 South, Range 34 East.

Our approval is subject to like approval by the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

GCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

14-08-001-6455
3180 (065)

August 6, 1985

Marathon Oil Company
Attention: John P. Duddleston
P.O. Box 552
Midland, TX 79702

Re: 1985-86 Plan of Development
(Twenty-Seventh)
Lea Unit, Lea County, New Mexico

Gentlemen:

We are in receipt of your letter dated June 25, 1985 which describes your Twenty-Seventh Plan of Development for the Lea Unit, Lea County, New Mexico.

Such plan proposes to drill the Lea Unit No. 13 well to be located 1980' FNL and 1980' FEL, Section 24, T. 20 S., R. 34 E., N.M.P.M., Lea County, New Mexico as a Pennsylvania Gas Well. This plan is approved for the period July 1, 1985 to July 1, 1986 and is subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely,

(ORIG. SGD.) JOE G. LARA

Francis R. Cherry, Jr.
District Manager

cc:
Commissioner of Public Lands, Santa Fe
✓NMOCD, Santa Fe

State of New Mexico



#1823

JIM BACA
COMMISSIONER

Commissioner of Public Lands

January 9, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Uses
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Re: 1984-85 Plan of Development
Lea Unit, Lea County, New Mexico

ATTENTION: Mr. John P. Duddleston

Gentlemen:

The Commissioner of Public Lands has this date approved your twenty-sixth Plan of Development and Operation for the Lea Unit covering the period from July 1, 1984, to July 1, 1985. Such plan proposes to continue to study and evaluate the Unit Area with only necessary remedial operations. Please address the development contemplated for the NE/4 of Section 14, Township 20 South, Range 34 East, in your next Plan of Development.

Enclosed is an approved copy of your twenty-sixth Plan for your files.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

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

October 27, 1983

#1823

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

Re: Lea Unit Agreement
25th Plan of Development
Lea County, New Mexico

Attn: Mr. John P. Duddleston

Gentlemen:

The Commissioner of Public Lands has this date approved your twenty fifth Plan of Development for the Lea Unit area, Lea County, New Mexico. Such plan proposes the evaluation of geological and engineering data of the field, plus any remedial or reworking operation as may be required. Our approval is subject to like approval by the Bureau of Land Management.

Enclosed are Three approved copies for your files.

Your filing fee in the amount of Three (\$3.00) Dollars has been received.

Yours truly,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, reading "Floyd O. Prando".

BY: Floyd O. Prando
Assistant Director
Oil and Gas Division
AC/505-827-5744

JB/FOP/cm

Enclosure

cc:

✓OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

June 30, 1982

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501
87504-1148

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Re: Lea Unit Agreement
24th Plan of Development
Lea County, New Mexico

ATTENTION: Mr. John P. Duddleston

Gentlemen:

The Commissioner of Public Lands has this date approved your twenty fourth Plan of Development for the Lea Unit area, Lea County, New Mexico. Such plan calls for the continued study and evaluation of the unit area and surrounding area, to determine what additional operations may be warranted in the Unit Area. Also, the possibility that a Devonian well will be drilled in the SW/4 of Section 18, Township 20 South, Range 35 East. You are requested to re-examine the E/2 of Section 11 and the NE/4 of Section 14, Township 20 South, Range 34 East for drainage of unitized substances from the Pennsylvanian formation by wells outside the unit boundary. Our approval is subject to like approval by the United States Minerals Management Service.

Enclosed are Three approved copies for your files.

Your filing fee in the amount of Five (\$5.00) Dollars has been received.

Very truly yours,

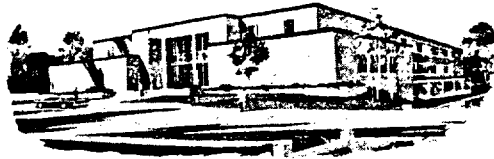
ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-2748

AJA/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

June 29, 1981

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Re: Lea Unit
Lea County, New Mexico

ATTENTION: W. H. Legg

Gentlemen:

The Commissioner of Public Lands has this date approved your 1981 Plan of Development for the Lea Unit, Lea County, New Mexico. Your plan calls for the continued study and evaluation of the unit area and surrounding area to determine what additional operations may be warranted in the Unit Area. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed are two approved copies of the plan.

The Five (\$5.00) Dollar filing fee has been received.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant
Director- Oil and Gas Division
AC 505-827-2748

AJA/FOP/s
encls.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Albuquerque, New Mexico

State of New Mexico



Commissioner of Public Lands

June 18, 1980

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Re: Lea Unit
Lea County, New Mexico
PLAN OF DEVELOPMENT FROM
JULY 1, 1980 to JULY 1, 1981

ATTENTION: Mr. A. W. Hanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Twenty-Second Plan of Development and Operation for the Lea Unit covering the period from July 1, 1980 to July 1, 1981. Such plan proposes to re-complete Lea Unit No. 5 in the Bone Springs oil zone. Also, will continue to study and evaluate the geological, engineering, and production data in the unit area and surrounding area. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed are three approved copies for your files.

The filing fee in the amount of Five (\$5.00) Dollars has been received.

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
encls.

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

JAN 25 1980

Marathon Oil Company
Attention: A. W. Hanley
P. O. Box 552
Midland, Texas 79701

1823

Gentlemen:

Four approved copies of your twenty-first plan of development for the Lea unit area, Lea County, New Mexico, are enclosed. Such plan, proposing the possible drilling of a 16,000 foot Ellenburger well and continuation of current operations, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SOD.) JAMES W. SUTHERLAND

James W. Sutherland
Oil and Gas Supervisor, SRMA

Enclosures 4

cc:
NMOCD, Santa Fe
Comm. Pub. Lands, Santa Fe



ONE HUNDRED YEARS OF EARTH SCIENCE IN THE PUBLIC SERVICE

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

June 20, 1979

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Re: Lea Unit
Lea County, New Mexico
TWENTY-FIRST PLAN OF DEVELOPMENT

ATTENTION: Mr. A. W. Hanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Plan of Development for the period from July 1, 1979, to July 1, 1980, for the Lea Unit, Lea County, New Mexico. Such plan proposes the drilling of a 16,600' Ellenburger Wildcat well in the NE/4 of Section 13, T-20-S, R-34-E. Our approval is subject to like approval by the United States Geological Survey.

Enclosed are two approved copies for your files.

Please remit a Five (\$5.00) 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
encls.

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

JUN 27 1978

Marathon Oil Company
Attention: Mr. A. W. Hanley
P. O. Box 552
Midland, Texas 79701

No. 1823

Gentlemen:

Four approved copies of your 1978 plan of development for the Lea unit area, Lea County, New Mexico, are enclosed. Such plan, proposing completion of the deepening of well No. 3 and continuation of current operations with no additional drilling, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

Oil and Gas Supervisor, SRMA

Enclosures (4)

cc:

NMOCD, Santa Fe (ltr. only)

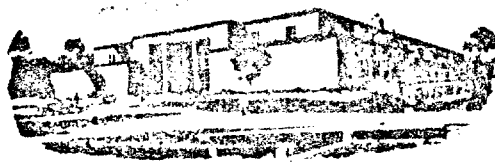
Com. Pub. Lands, Santa Fe (ltr. only)

← This Copy for

June 21st 1978



State of New Mexico



Commissioner of Public Lands

June 21, 1978

PHIL R. LUCERO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

no. 1823

Re: Lea Unit
Lea County, New Mexico
29th. PLAN OF DEVELOPMENT
AND OPERATION

ATTENTION: Mr. A. W. Hanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Twentieth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico. This plan covers the period from July 1, 1978 to July 1, 1979. Your plan calls for the continuation to study and evaluate the geological, engineering and production data, also, any remedial or reworking operations which are warranted, will be conducted during such period. This approval is subject to like approval by the United States Geological Survey.

Enclosed are two approved copies of the plan.

Please remit a Five (5) Dollar filing fee.

Very truly yours,

PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division

PRL/RDG/s
encl.
cc:

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



1823
United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

JUL 08 1977

Marathon Oil Company
Attention: Mr. A. W. Hanley
P. O. Box 552
Midland, Texas 79701

Gentlemen:

Enclosed are four approved copies of your nineteenth plan of development submitted for the Lea unit area, Lea County, New Mexico.

Such plan proposing continuation of current operations with no additional drilling was approved on this date subject to like approval by the appropriate State officials.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

JAMES W. SUTHERLAND
Area Oil and Gas Supervisor

Enclosures

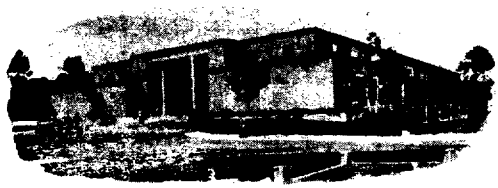
cc:
Comm. Public Lands, Santa Fe (letter only)
NMOCC, Santa Fe (letter only)

1823
JUL 11 1977
JUL 11 1977
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1823

State of New Mexico

TELEPHONE
505-827-2748



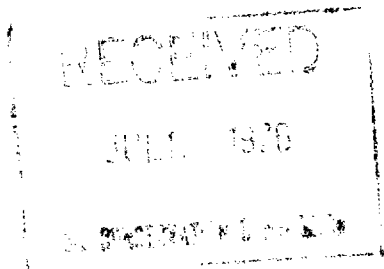
PHIL R. LUCERO
COMMISSIONER

Commissioner of Public Lands

June 23, 1976

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701



Re: Lea Unit
Eighteenth Plan of
Development and Operation
Lea County, New Mexico

ATTENTION: Mr. A. W. Hanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Eighteenth Plan of Development and Operation for the Lea Unit covering the period from July 1, 1976, to July 1, 1977. This plan calls for the drilling of no wells during such period. However, you will continue to study and evaluate the geological, engineering and production data.

This approval is subject to like approval by the United States Geological Survey.

Enclosed are three (3) copies of the plan surplus to our need.

Please remit a Five (\$5.00) Dollar filing fee.

Very truly yours,

PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division

PRL/RDG/s
encls.
cc:

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



United States Department of the Interior

GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201



June 28, 1976

Marathon Oil Company
Attention: Mr. A. W. Hanley
P.O. Box 552
Midland, Texas 79701

Gentlemen:

The eighteenth plan of development submitted for the Lea unit area, Lea County, New Mexico, was approved on this date subject to like approval by the appropriate State officials.

Such plan proposes continuation of current operations with no additional drilling, and four approved copies are enclosed.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK
CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc:
Hobbs (w/cy plan)
NMOCC, Santa Fe (ltr. only) ← This copy for
Com. Pub. Lands, Santa Fe (ltr. only)

JAGillham:dap



United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

August 14, 1975

Marathon Oil Company
Attention: Mr. Charles L. Southard
P. O. Box 552
Midland, Texas 79701

Gentlemen:

Four approved copies of your seventeenth plan of development for the Lea unit area, Lea County, New Mexico, are enclosed. Such plan, proposing continuation of current production operation with no additional drilling was approved on this date subject to like approval by the appropriate official of the State of New Mexico.

Sincerely yours,

[ORIG. SGD.] N. O. FREDERICK

N. O. FREDERICK
Area Oil and Gas Supervisor

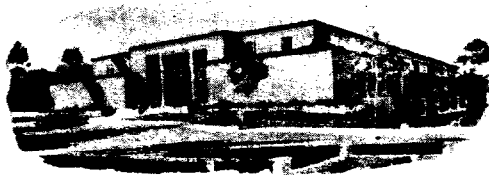
cc:
Hobbs (w/cy plan)
NMOCC, Santa Fe (Ltr only) ✓
Com. Pub. Lands, Santa Fe (Ltr only)

JAGillham/hr



State of New Mexico

TELEPHONE
505-827-2748



Commissioner of Public Lands

June 17, 1975

PHIL R. LUCERO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Re: Lea Unit
SEVENTEENTH PLAN OF DEVELOPMENT
AND OPERATION
Lea County, New Mexico

ATTENTION: Mr. Charles L. Southard

Gentlemen:

The Commissioner of Public Lands has this date approved your Seventeenth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico covering the period from July 1, 1975 to July 1, 1976. This approval is subject to like approval by the United States Geological Survey.

Enclosed are three (3) approved copies of your Seventeenth Plan of Development.

Please remit a Five (\$5.00) Dollar filing fee.

Very truly yours,

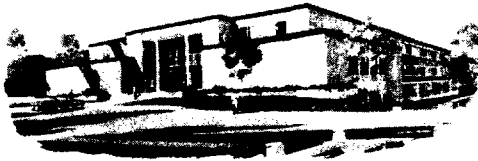
PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division

PHL/RDG/s
encs.
cc:

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

State of New Mexico



TELEPHONE
505-827-2748

Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

June 18, 1974

P. O. Box 1148
SANTA FE, NEW MEXICO

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Re: Plan of Development
Lea Unit
Lea County, New Mexico

Attention Mr. Charles L. Southard

Gentlemen:

The Commissioner of Public Lands has this date approved your Sixteenth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico covering the period from July 1, 1974 to July 1, 1975. This approval is subject to like approval by the United States Geological Survey.

Enclosed are three (3) approved copies of your Sixteenth Plan of Development.

Please remit a Five (\$5.00) Dollar filing fee.

Very truly yours,

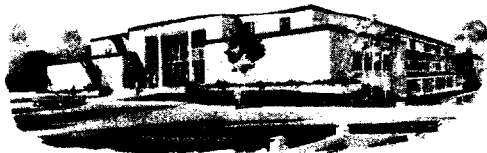
RAY D. GRAHAM, DIRECTOR
OIL AND GAS DIVISION

AJA:RDG:rz
Enclosures (3)

cc: USGS-Roswell, New Mexico
OCC-Santa Fe, New Mexico ✓

State of New Mexico

TELEPHONE
505-827-2748



Commissioner of Public Lands
June 20, 1973

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Re: Lea Unit
FIFTEENTH PLAN OF DEVELOPMENT
July 1, 1973 to July 1, 1974
Lea County, New Mexico

ATTENTION: Mr. Charles L. Southard

Gentlemen:

The Commissioner of Public Lands has this date approved your Fifteenth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico, covering the period from July 1, 1973 to July 1, 1974. This plan provides for no further drilling operations, abandonments or new zone completions. However, will continue to study and evaluate the geological, engineering and production data applicable to the Unit Area and the immediate surrounding area to determine what additional operations may be warranted in the Unit Area.

This approval is subject to like approval by the United States Geological Survey.

Enclosed are three (3) approved copies surplus to our need.

Please remit a Five (\$5.00) Dollar filing fee.

Very truly yours,

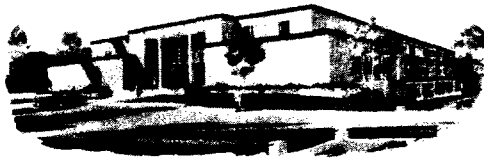
RAY D. GRAHAM, Director
Oil and Gas Department

AJA/RDG/s
encls.
cc:

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

State of New Mexico

1823



Commissioner of Public Lands

June 26, 1972

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Marathon Oil Company
P. O. Box 352
Midland, Texas 79701

Re: Lea Unit
Fourteenth Plan of Development
and Operation
Lea County, New Mexico

ATTENTION: Mr. Charles L. Southard

Gentlemen:

The Commissioner of Public Lands has this date approved your Fourteenth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico, covering the period from July 1, 1972 to July 1, 1973. This approval is subject to like approval by the United States Geological Survey.

Enclosed are three (3) approved copies of the plan.

Please remit a five (\$5.00) Dollar filing fee.

Very truly yours,

RAY D. GRAHAM, Director
Oil and Gas Department

AJA/RDG/s

encls.

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico ✓

1823

June 12, 1971

71 Jun 21 AM 8 3

Marathon Oil Company
P. O. Box 594
Roswell, Texas 75061

Re: The Oil
Thirteenth Plan of Development
Lea County, New Mexico

ATTENTION: Mr. Charles L. ...

Enclosure

The Commissioner of Public Lands has approved as of this date the Thirteenth Plan of Development and Operation for the Lea Unit, Lea County, New Mexico, proposing the drilling of no additional wells. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning two approved copies of the plan.

Please remit a four (\$4.00) dollar filing fee.

Very truly yours,

RAY D. GRAHAM, Director
Oil and Gas

AJA/RDG/s
encls.

cc: USGS-Roswell, New Mexico
OCC- Santa Fe, New Mexico ✓

RECEIVED
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1823
June 29, 1970

C
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P
Y
Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Re: Lea Unit Area
Twelfth Plan of Development
Lea County, New Mexico

ATTENTION: Mr. Charles L. Southard

Gentlemen:

The Commissioner of Public Lands has approved as of this date the Twelfth Plan of Development and Operation for the Lea Unit, covering the period from July 1, 1970 to July 1, 1971. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of the plan.

Please remit a five (\$5.00) Dollar filing fee at your earliest convenience.

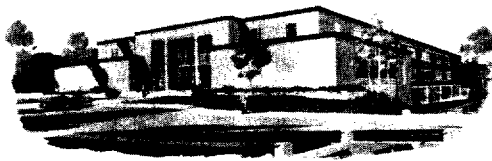
Very truly yours,

Ted Silberry, Director
Oil and Gas Department

TR/ML/s
encls.

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

State of New Mexico



Commissioner of Public Lands



July 16, 1968

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

68 JUL 21 PM 1 01

Marathon Oil Company
P. O. Box 3128
Houston, Texas 77001

Re: Lea Unit Area
Lea County, New Mexico

ATTENTION: Mr. William H. Holloway

Gentlemen:

The Commissioner of Public Lands has approved as of this date the Tenth Plan of Development and Operation for the Lea Unit, covering the period from July 1, 1968 to July 1, 1969. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of the plan.

We have also made the correction on page 2 as per your letter of June 28, 1968.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GNH/TR/s
encls.

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

MAIN OFFICE

'69 JUL 3 AM 11 12

1823

July 1, 1969

**Marathon Oil Company
P. O. Box 3128
Houston, Texas 77001**

**Re: Lea Unit
Eleventh Plan of Development
Lea County, New Mexico**

ATTENTION: Mr. J Robert Taylor

Gentlemen:

The Commissioner of Public Lands has this date approved your Eleventh Plan of Development and Operation for the Lea Unit Area, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are retaining two copies for our files and returning three copies to you.

Very truly yours,

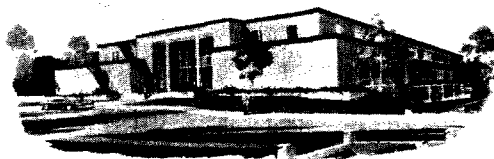
**Ted Bilberry, Director
Oil and Gas Department**

**TA/ML/s
encls.**

**cc: USGS-Roswell, New Mexico
OCC-Santa Fe, New Mexico**

C
O
P
Y

State of New Mexico



Commissioner of Public Lands



June 30, 1967

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Marathon Oil Company
Southern National Bank Building
P. O. Box 3128
Houston, Texas 77001

Re: Lea Unit
Lea County, New Mexico
Plan of Development

ATTENTION: Mr. Warren B. Leach, Jr.

Gentlemen:

The Commissioner of Public Lands has this date approved your Ninth Plan of Development and Operation for the Lea Unit Area, which covers the period from July 1, 1967 to July 1, 1968. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

Three approved copies of the plan are enclosed.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Eddie Lopez, Supervisor
Unit Division

GHH/TR/EL/s
encls.

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

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PH 1 25

Jul 6 PH 1 25

1872
June 28, 1965

Marathon Oil Company
P. O. Drawer 1398
Roswell, New Mexico

Attention: Mr. John L. Anderson, Jr.

Re: Lea Unit
Lea County, New Mexico
Plan of Development

Gentlemen:

The Commissioner of Public Lands approves your Plan of Development for the period from July 1, 1965 to July 1, 1966, subject to like approval by the United States Geological Survey.

We are returning three approved copies of this Seventh Plan of Development and Operation.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
(Mr.) Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/d
Enclosures

cc: United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico
Attention: Mr. John A. Anderson
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

1963 SEP 24 AM 8:59

1873

September 20, 1963

Marathon Oil Company
P. O. Box 3128
Houston 1, Texas

Re: Lea Unit Area
Lea County, New Mexico
Fifth Plan of Development

Attention: Mr. I. G. Burrell

Gentlemen:

The Commissioner of Public Lands has approved as of September 20, 1963, the Fifth Plan of Development and Operation for the Lea Unit Area, Lea County, New Mexico, subject to like approval by the United States Geological Survey.

We are returning eight approved copies of this Plan of Development.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mar/v

encl:

cc: Oil Conservation Commission
Santa Fe, New Mexico

United States Geological Survey
Drawer 1857
Roswell, New Mexico



MARATHON OIL COMPANY

FORMERLY THE OHIO OIL COMPANY

1823
P. O. Box 3128
Houston 1, Texas
May 21, 1963

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

Re: New Mexico Lease No. 1603 - Lea Unit
Lea County, New Mexico, Agreement No. 14-08-001-6455

Gentlemen:

As Operator under the above unit we herewith enclose for filing in your office two copies of First Amended Exhibit "A" and two copies of First Amended Exhibit "B" both of which are effective as of May 1, 1963. Would very much appreciate your acknowledging receipt by stamping and returning one copy of this letter.

We are today forwarding the necessary copies of said First Amended Exhibits to both the Oil and Gas Supervisor, United States Geological Survey and Commissioner of Public Lands, State of New Mexico for their files.

Yours very truly,

MARATHON OIL COMPANY
Title & Lease Record Department


W. O. Yokom

WOY:vg

Enclosures: 4

Amended as of May 1, 1963.

Tract Number	Description of Land	No. of Acres	Serial No. & Eff. Date of Lease	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest and Percentage	
FEDERAL LANDS - CONTINUED T-20-S, R-34-E, NMFM								
4	Sec. 12: SE/4 Sec. 24: W/2 NE/4, E/2 NW/4 & SW/4 NW/4	360.00	NM-01747 6-1-50	USA-12 $\frac{1}{2}$ %	Drilling and Exploration Co., Inc.	None	Drilling and Exploration Company, Inc. All	
5	Sec.12: N/2 & SW/4	480.00	NM-02127-B 3-1-52	USA-12 $\frac{1}{2}$ %	Sinclair Oil & Gas Co. & Marathon Oil Co.	W. H. Milner and Mrs. W. H. Milner E. B. Todhunter Ernest A. Hanson W. G. Ross et ux, Vee K. Ross R. R. Harrell W. G. Ross Rosalind Redfern, J. H. Herd	.15% .15% 2.70% .75% .25% .3103842%* 5115787%* .3030371%*	Sinclair Oil & Gas Company 50% Marathon Oil Co. 50%*
6	Sec. 13: NE/4 SW/4 & W/2 SE/4	120.00	NM-03085 10-1-48	USA-12 $\frac{1}{2}$ %	Estate of Edwin B. Cox, Jake L. Hamon & Marathon Oil Co.	Dorothy E. Cox McCormick et vlr, Don G. McCormick Roger H. Davis W. G. Ross	2.50% 2.50% .625%*	Estate of Edwin B. Cox 25% Jake L. Hamon 25% Marathon Oil Co. 50%*
7	Sec. 13: E/2 SE/4	80.00	NM-03085-A 10-1-48	USA-12 $\frac{1}{2}$ %	Drilling and Exploration Company, Inc.	Dorothy E. Cox McCormick et vlr Don G. McCormick Roger H. Davis	2.50% 2.50% 2.50%	Drilling and Exploration Company, Inc. All
8	Sec. 11: NE/4 NE/4	40.00	NM-06531 3-1-52	USA-12 $\frac{1}{2}$ %	Gulf Oil Corporation	William G. Ross	5%	Gulf Oil Corp. All
9	Sec. 11: NW/4 NE/4, S/2 NE/4 & SE/4	280.00	NM-06531-A 3-1-52	USA-12 $\frac{1}{2}$ %	Gulf Oil Corporation	Martha Featherstone Harvey E. Roelofs, Trustee for Olen F. Featherstone, II	2.5% 2.5%	Gulf Oil Corporation All

Amended as of May 1, 1963.

Tract Number	Description of Land	No. of Acres	Serial No. & Eff. Date of Lease	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest and Percentage
<u>FEDERAL LANDS - CONTINUED</u> <u>T-20-S, R-34-E, NMPM</u>							
10	Sec. 13: W/2 SW/4 Sec. 24: NW/4 NW/4	120.00	NM-048579 9-1-58	USA-12½% or more	The Pure Oil Co.	None	The Pure Oil Co. All
11	Sec. 13: N/2 & SE/4 SW/4 Sec. 14: NE/4 NE/4	400.00	NM-053434 8-1-59	USA-12½%	Marathon Oil Co.	E. F. Howe et ux, Frances E. Howe William Glenn Ross J. F. Maddox 1.5625% 3.125% 1.5625%	Marathon Oil Co. All
12	Sec. 14: NW/4 NE/4 & S/2 NE/4	120.00	NM-080262 4-1-60	USA-12½% or more	Marathon Oil Co. Gulf Oil Corp. The Pure Oil Co. W. G. Ross Vee K. Ross	Edith M. Kasper et vir, Paul Kasper .038967%*	Marathon Oil Co. 68.8299% Gulf Oil Corp. 20.7820% The Pure Oil Co. 7.7933% W. G. Ross 1.2959% Vee K. Ross 1.2989%
13	Sec. 24: E/2 NE/4	80.00	NM-01747-A 6-1-50	USA-12½%	Estate of Edwin B. Cox, Jake L. Hamon & Marathon Oil Co.	Drilling and Exploration Co., Inc. 5% W. G. Ross .625%*	Estate of Edwin B. Cox 25% Jake L. Hamon 25% Marathon Oil Co. 50%*
<u>13 Federal Tracts comprising 2,399.68 acres or 93.749% of Unit Area</u>							

*Each overriding royalty interest designated above by an asterisk is chargeable in its entirety against the Working Interest designated by an asterisk in the tract to which it applies.

Amended as of May 1, 1963.

Tract Number	Description of Land	No. of Acres	Serial No. & Eff. Date of Lease	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest and Percentage
STATE LANDS							
<u>T-20-S, R-35-E, NMPM</u>							
14	Sec. 19: Lots 1, 2 & E/2 NW/4	160.00	OG-5588 6-16-59	State 12 $\frac{1}{2}$ %	Marathon Oil Co.	None	Marathon Oil Co. ALL

1 State Tract comprising 160 acres or 6.251% of Unit Area

R-E-C-A-P-I-T-U-L-A-T-I-O-N

13	Federal Tracts	2,399.68 Acres	93.749 % of Unit Area
1	State Tract	160.00 Acres	6.251 % of Unit Area
		<u>2,559.68 Acres</u>	<u>100.000 % of Unit Area</u>

Amended as of May 1, 1963

MAIN OFFICE OCC

1963 JAN 11 AM 8:57

1823

January 9, 1963

Marathon Oil Company
P. O. Box 3128
Houston 1, Texas

Re: Lea Unit Area, Lea County,
New Mexico, Fourth Plan
Of Development and
Operation

Attention: Mr. I. G. Burrell

Gentlemen:

The Commissioner of Public Lands has approved as of January 9, 1963, your Fourth Plan of Development and Operation for the Lea County Unit Area, Lea County, New Mexico.

We are returning eight approved copies of this Plan. Please furnish us the date this Plan is approved by the United States Geological Survey.

Very truly yours,

E. S. JENNIFER WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

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

ESW/mmr/v

cc: Oil Conservation Commission
Santa Fe, New Mexico

U. S. Geological Survey
Roswell, New Mexico

MAIN OFFICE OCC

1962 MAR 9 AM 8:12

1823

March 8, 1962

The Ohio Oil Company
P. O. Box 3128
Houston 1, Texas

Re: First Supplement to
Second Plan of Development and Operation, Lea
Unit Area, Lea County,
New Mexico

Attention: Mr. I. G. Burrell

Gentlemen:

The Commissioner of Public Lands has of this date approved your First Supplement to the Second Plan of Development and Operation for the Lea Unit Area, Lea County, New Mexico.

We are returning five approved copies of this Plan.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mm/v

encl:

cc: Oil Conservation Commission
Santa Fe, New Mexico

U. S. Geological Survey
Roswell, New Mexico

C
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Y



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico

December 8, 1961

The Ohio Oil Company
P. O. Box 3128
Houston 1, Texas

Attention: Mr. I. G. Durrell

Gentlemen:

Your second plan of development dated December 1, 1961, for the Lea unit area, Lea County, New Mexico, which proposes the drilling of unit well No. 8 in the NW¼ sec. 12, T. 20 S., R. 34 E., N.M.P.M., has been approved on this date subject to like approval by the appropriate State officials.

Seven approved copies of the plan are enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Hobbs (w/cy of plan)
✓ NMOC, Santa Fe (ltr. only)
Com. of Pub. Lands, Santa Fe (ltr. only)

1573
December 5, 1961

Re: LEA UNIT AREA
LEA COUNTY, NEW MEXICO
NM 02127-B
Township 20 South, Range 34 East
Section 12, N/2 and SW/4

REGISTERED MAIL

Mr. Max Caplan, Chief
Division of Minerals
Department of the Interior
Bureau of Land Management
Washington 25, D. C.

Dear Sir:

For your information, the writer of this letter owns an overriding royalty under the above captioned tract. In April 1961 a payment of overriding royalty was received from the Ohio Oil Company covering the Devonian formation only, and for the period from September 1, 1960 to February 28, 1961.

There has been no other overriding royalty payment since that time covering the Devonian formations or the Bones Spring formations.

The writer of this letter objects and protests to the enlargement of the new participating area as proposed by the Ohio Oil Company.

Yours very truly,

ORIGINAL SIGNED BY
R. R. HERRELL

R. R. Herrell

RRH:ram

cc: Bureau of Land Management, Box 1251, Santa Fe, New Mexico
Oil & Gas Supervisor, U. S. G. S., Box 5721, Roswell, New Mexico
Mr. J. L. Walker, Commissioner of Public Lands, Santa Fe, New Mexico
Mr. A. L. Porter, Jr., Secretary-Director, New Mexico Oil Conservation
Commission, Box 871, Santa Fe, New Mexico ✓

November 14, 1981

Case 1823

Re: LEA UNIT AREA
LEA COUNTY, NEW MEXICO
NM 06881 & NM 08127-B

Township 20 South, Range 34 East

Sec. 11: E/2

Sec. 12: All

Sec. 13: All

No. 1 Sec. 14: NE/4

Sec. 24: N/2

Township 20 South, Range 35 East

Sec. 18: W/2

Sec. 19: NW/4

CERTIFIED MAIL NO. 781782

LEA UNIT AREA

FIRST PARTICIPATING AREA - DEVONIAN

Township 20 South, Range 34 East

No. 2 Sec. 11: SE/4 NE/4 & E/2 SE/4

Sec. 12: S/2 NW/4 & SW/4

PROPOSED ENLARGED PARTICIPATING AREA

Township 20 South, Range 34 East

Sec. 11: E/2

Sec. 12: W/2 & SE/4 & S/2 NE/4 & NW/4 NE/4

Sec. 13: All

No. 3 Sec. 14: NE/4

Sec. 24: N/2

Township 20 South, Range 35 East

Sec. 18: W/2 W/2

Sec. 19: W/2 NW/4

NM. G. RUES OVERRIDING ROYALTY

Township 20 South, Range 34 East

No. 4 Sec. 11: NE/4 NE/4 - NM 06881

Sec. 12: E/2 & SE/4 - NM 08127-B

Secretary of Interior
Bureau of Land Management
Washington, D. C.

Dear Sir:

In order to make this letter as clear as possible I am setting it out in statement form as follows:

November 14, 1961

- A. Your records will reflect that the Lea Unit Area, as set out above as No. 1, now contains four wells dually completed in the Devonian and Bone Springs formations, and a fifth well which is now in the stage of completion in both Devonian and Bone formations. It also contains one drilling well which will be completed in the Bone Springs and Bone formations.
- B. Upon completion of the first well in the NW/4 SW/4 Section 12, described above, The Ohio Oil Company, who is operator of the Lea Unit, applied for and obtained the First Participating Area for the Devonian as described by No. 2 above captioned tract. No Participating Area, to date, has ever been established for the Bone Springs formation.
- C. In April, 1961, a payment of Overriding Royalty was received from The Ohio Oil Company covering the Devonian formation only, and for the period from September 1, 1960, to February 28, 1961. THERE HAS BEEN NO OTHER OVERRIDING ROYALTY PAYMENT SINCE THAT TIME.
- D. Upon completion of the second well The Ohio Oil Company made application to increase the participating Area to cover almost all of the unit which is described in No. 3 above captioned.
- E. The writer owns an overriding royalty on the NE/4 NE/4 Section 11, which he purchased from T. J. Sheehan and wife, set out in No. 4 of above captioned. He also owns an overriding royalty interest in Section 12, set out in No. 4 of above captioned.
- F. The writer of this letter objects and protests to the enlargement of a New Participating Area to cover as large an area as Ohio has proposed and as described in No. 5 of above captioned. The writer does not believe it is fair to the overriding royalty owners under existing production for Ohio to enlarge the Participating Area to cover such a large amount of unproven acreage and to dilute the owners overriding royalty in the unit area.

Yours very truly,

Wm. G. Ross
Box 1094
Midland, Texas

WGR/bnf

cc: Bureau of Land Management, Box 1251, Santa Fe, New Mexico
Oil and Gas Supervisor, U. S. G. S., Box 5721, Roswell, New Mexico
Mr. J. L. Walker, Commissioner of Public Lands, Santa Fe, New Mexico
Mr. A. L. Porter, Jr., Secretary-Director, New Mexico Oil Conservation
Commission, Box 871, Santa Fe, New Mexico

September 5, 1961

C
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P
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The Ohio Oil Company
P. O. Box 3128
Houston 1, Texas

Re: Supplement No. 4
Lea Unit Area
Lea County, New Mexico

Attention: Mr. I. G. Burrell

Gentlemen:

We are returning nine copies of your Supplement No. 4 to the Plan of Development and Operation, Lea Unit Area. This Supplement was approved by the Commissioner of Public Lands as of September 5, 1961.

The Commissioner approval being subject to like approval by the United States Geological Survey.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mmr/v

Encl: 9

cc: United States Geological Survey, Roswell, N.M.
Oil Conservation Commission, Santa Fe, N. M.



SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

July 20, 1961

Subject: Proposed Revised Plan of Development
Henshaw Deep Unit
Eddy County, New Mexico

Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

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

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

FOR

Gentlemen:

Attached are copies of a proposed Revised Plan of Development on the Henshaw Deep Unit, Eddy County, New Mexico, for the remainder of the calendar year 1961.

If this Revised Plan of Development meets with your approval, please return one approved copy for our file.

Yours very truly,

R. L. Rankin

R. L. Rankin
Division Production Manager

Attachment

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 5, 1961

Shell Oil Company
P. O. Box 1858
Roswell, New Mexico

Attention: Mr. R. L. Rankin

Re: Revised Plan of Development
July to December, 1961
Henshaw Deep Unit, Eddy
County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Revised Plan of Development for the remainder of 1961, as submitted July 20, 1961 for the Henshaw Deep Unit Eddy 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.

Four approved copies of the plan are returned herewith.

Very truly yours,

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

ALP/JEK/ig

cc: US Geological Survey - Roswell

Commissioner of Public Lands - Santa Fe

REVISED PLAN OF DEVELOPMENT
FOR THE CALENDAR YEAR 1961
HENSHAW DEEP UNIT (NO. 14-08-001-6453)
EDDY COUNTY, NEW MEXICO

OIL AND GAS SUPERVISOR (6)
UNITED STATES GEOLOGICAL SURVEY
P. O. DRAWER 1857
ROSWELL, NEW MEXICO

COMMISSIONER OF PUBLIC LANDS (5)
STATE OF NEW MEXICO
STATE LAND BUILDING
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION (5)
STATE OF NEW MEXICO
STATE LAND BUILDING
SANTA FE, NEW MEXICO

Gentlemen:

In compliance with Section 10 of the Henshaw Deep Unit Agreement, Shell Oil Company, as Unit Operator, hereby submits for your approval a Revised Plan of Development for the remainder of the year 1961.

The initial test, Henshaw Deep Unit 1 located in NE/4 NW/4 Section 24-16S-30E, was originally completed as a non-commercial well in the Devonian. The well was recompleted on December 2, 1960, flowing 171 barrels of oil per day from Pennsylvanian perforations 8822 to 8830 feet. By letter dated January 27, 1961, the Regional Oil and Gas Supervisor for the USGS concurred with the determination that the Pennsylvanian completion constitutes the discovery of a unitized substance in paying quantities in accordance with the terms of the Henshaw Deep Unit Agreement. A 360-acre initial participating area for the discovery well was approved by the Acting Director of the United States Geological Survey on March 31, 1961.

Henshaw Deep Unit 2, a 10,000-foot test, located in the SW/4 SE/4 of Section 24-16S-30E was completed April 9, 1961, flowing 263 barrels of oil per day from Pennsylvanian perforations 9124 to 9132 feet. This pay interval proved to be a limited reservoir. Henshaw Deep Unit 2 was subsequently plugged back to 8870 feet and is currently producing from perforations 8753 to 8763 feet.

The Operator proposes to drill two additional Pennsylvanian tests near the two existing producers during the remainder of 1961 in the Henshaw Deep Unit.

This plan of development shall constitute the drilling obligations of the Unit Operator under the terms of the Henshaw Deep Unit Agreement for the

July 20, 1961

period ending December 31, 1961. Before this plan expires, another plan for further development of the Unit Area will be submitted.

It is understood that portions of the Plan of Development herein outlined are dependent upon certain information to be gained prior and subsequent to drilling and, therefore, this Plan of Development may be modified from time to time, with like approval, to meet changing conditions.

SHELL OIL COMPANY
Unit Operator

By *R. L. Rankin*
R. L. Rankin

Approved _____ DATE _____
Supervisor, United States Geological Survey

Approved _____ DATE _____
Commissioner of Public Lands

Approved *A. L. Porter, Jr.* DATE 9-5-61
Oil Conservation Commission

MAIL ROOM DE 105
1961 APR 7 11 11 AM

823

April 6, 1961

C
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The Ohio Oil Company
P. O. Box 3128
Houston, Texas

Re: Lea Unit Agreement
Lea County, New Mexico

Attention: Mr. I. G. Burrell

Gentlemen:

The Commissioner of Public Lands has approved, as of April 6, 1961, your Plan of Development and Operation, supplement No. 3, for the Lea Unit, Lea County, New Mexico. This Plan calls for the drilling and completion of Lea Unit Well No. 6, to be located in the NW/4SE/4 of Section 11, Township 20-South, Range 34-East, Lea County, New Mexico.

We are enclosing six approved copies of this plan.

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

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mm/s

cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

In reply refer to:
Unit Division

RECEIVED
JAN 31 1961

Case #1872

January 31, 1961

The Ohio Oil Company
P. O. Box 3128
Houston 1, Texas

Re: Plan of Development
Supplement No. 2
Lea Unit Agreement
Lea County, New Mexico

Attention: Mr. I. G. Burrell

Gentlemen:

We are returning nine approved copies of Supplement No. 2 to your Plan of Development for the Lea Unit Agreement, which was approved by the Commissioner of Public Lands January 31, 1961.

Our approval being subject to like approval by the Oil and Gas Supervisor for the US Geological Survey.

Very truly yours,

E. S. Johnny Walker
Commissioner of Public Lands

ESW/mmz/s

cc: US Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

C
O
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In reply refer to:
Unit Division

UNIT DIVISION

Case #1823

October 4, 1960

C
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The Ohio Oil Company
P. O. Box 3128
Houston 1, Texas

Re: Lea Unit Agreement
Lea County, New Mexico

Attention: Mr. I. G. Burrell

Gentlemen:

We are approving your Plan of Development for the Lea Unit Area for the period ending October 1, 1961.

This plan covers a Unit Well No. 2, located in the center of the SE/4NW/4, Section 12, Township 20-South, Range 34-East, which was spudded on or about September 16, 1960.

It also provides for a unit Well No. 3 in the NW/4SE/4, of Section 13, Township 20-South, Range 34-East, drilling to commence on or before January 1, 1961.

The Commissioner's approval of this Plan of Development is subject to like approval by the United States Geological Survey.

We are enclosing nine copies of this Plan of Development which the Commissioner approved October 4, 1960.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands
BY:
Marian M. Rhea, Supervisor
Unit Division

MEM/nmr/s
cc:

USGS-Roswell
OCC - Santa Fe

The Ohio Oil Co.

Legal Department

W. Hume Everett
Division Attorney

December 23, 1959

P.O. Box 3128
Houston, Texas

Thomas N. McElroy
J. C. Terrell Couch
Warren B. Leach, Jr.
Attorneys

Re: Lea Unit Area, Lea County, New Mexico
(NMOCC Case No. 1823, Order No. R-1540)

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

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

Gentlemen:

Pursuant to the provisions of the above numbered order, The Ohio Oil Company as Unit Operator submits the enclosed reproduced copy of the Unit Agreement for the Development and Operation of the Lea Unit Area. This Unit Agreement was approved December 9 by the United States Geological Survey, effective as of the date of approval. The number assigned to the Unit Agreement by the USGS is 14-08-001-6455.

Attached to the enclosed reproduced copy is a reproduced copy of each of the two ratifications of the agreement on behalf of overriding royalty owners, Certificate of Approval executed by the Commissioner of Public Lands of the State of New Mexico, your Order approving the Unit, and the Certification-Determination executed by the Acting Director USGS.

I also enclose a signed copy of the Certificate of Approval by the Commissioner of Public Lands of the State of New Mexico and a photostatic copy of the Certification-Determination executed by the Acting Director USGS. These two instruments are supplied at the request of your staff in order that they may be attached to the executed copy of the Unit Agreement introduced in evidence at the time of the hearing, along with the ratifications which were also introduced in evidence at the hearing.

I am very appreciative of the excellent cooperation afforded by you and your staff in connection with the procedures necessary to obtain final approval of this agreement.

Very truly yours,

TC:MK
Encls.

J. C. Terrell Couch
J. C. Terrell Couch
Merry Christmas

182

The Ohio Oil Co.

P. O. BOX 552
MIDLAND, TEXAS

November 11, 1959

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

Re: Unit Agreement for Lea Unit Area
including 2559.68 acres more or
less in T-20-S, R-34 & 35-E, NMPM
Lea County, New Mexico.

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

Gentlemen:

The Ohio Oil Company hereby applies for approval of the Unit Agreement for development and operation of the Lea Unit Area which includes 2559.68 acres of land, more or less, being in Lea County, New Mexico and more fully described as follows:

T-20-S, R-34-E, NMPM

Sec. 11; E/2
Sec. 12; All
Sec. 13; All
Sec. 14; NE/4
Sec. 24: N/2

T-20-S, R-35-E, NMPM

Sec. 18; Lots 1, 2, 3 & 4 and E/2 W/2
Sec. 19; Lots 1 & 2 and E/2 NW/4

The Lea Unit Area has been designated by the U.S.G.S. It includes 160 acres of State Land being the NW/4 Section 19, Township-20-South, Range-35-East, NMPM and the remainder of the land within the Unit Area is Federal Land.

The Unit Agreement has been approved by a sufficient number of working interest owners to indicate that there will be reasonably effective control of oil and gas operations in the Unit Area and it is expected that by the date which will be set for a hearing on this application, the Unit Agreement will have been executed by all or substantially all of the owners of working interests and overriding royalty interests in land within the Unit Area.

Preliminary approval of the Unit Agreement has been obtained from the U.S.G.S. subject to certain required changes which have now been made.

A copy of the Unit Agreement has heretofore been submitted to the Land Commissioner of the State of New Mexico, and a copy of the Agreement as finally revised is enclosed with this Application. The enclosed copy is identical to the copy previously submitted to the Land Commissioner except for minor changes in Exhibits A. and B.



1823

LIST OF INTERESTED PARTIES
LEA UNIT AREA

Mr. Murray E. Morgan
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

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

Drilling and Exploration Co., Inc.
Attention: Mr. R. E. Wiggins
P. O. Box 35366, Airlawn Station
Dallas, Texas

Gulf Oil Corporation
Attention Mr. F. E. Curtis, Jr.
P. O. Drawer 669
Roswell, New Mexico

The Pure Oil Company
Attention: Mr. C. B. Sabin
P. O. Box 2107
Fort Worth 1, Texas

Sinclair Oil & Gas Co.
Attention: Mr. C. S. Tinkler
P. O. Box 1470
Midland, Texas

Mr. Edwin B. Cox
2100 Adolphus Tower
Dallas, Texas

Mr. Roy Guffey
5543 Yale Blvd.
Dallas 6, Texas

Mr. Jake L. Hamon
Vaughn Building
Dallas, Texas

Mr. W. G. Ross
P. O. Box 1094
Midland, Texas

Dwight Allison et ux Lillian M. Allison
Box 9
Las Cruces, New Mexico

Dorothy E. Cox McCormick et vir
Don G. McCormick
c/o Reese, McCormick, Lusk & Paine
3 Bujac Building
112 North Canyon
Carlsbad, New Mexico

Martha Featherstone
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

L. N. Hagood et ux Mary C. Hagood
Box 966
Casper, Wyoming

E. F. Howe et ux Francis E. Howe
c/o New Mexico Bank & Trust
Hobbs, New Mexico

Mr. & Mrs. W. H. Milner
609 South Lea Street
Roswell, New Mexico

Harvey E. Roelofs, Trustee for Olin F.
Featherstone II
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

Thomas Joseph Sheehan et ux
Louise Sheehan
112 West Fairview Blvd.
Inglewood, California

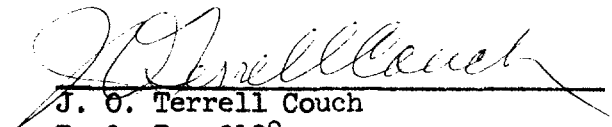
Edith M. Kasper et vir Paul Kasper
Box 1094
Midland, Texas

November 11, 1959

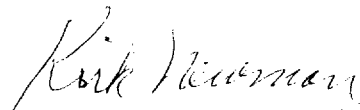
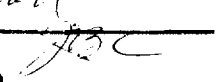
One copy of this Application is being mailed this date to each interested party whose address is known to applicant. A list of all interested parties known to applicant is attached.

The Ohio requests that this Application be set for hearing before a duly appointed Examiner of the Commission at the earliest possible date; that notice be given as required by law and the regulations and that the Lea Unit Area and the Unit Agreement be approved.

Respectfully submitted,


J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

ATWOOD & MALONE

By 
Kirk Newman
Roswell, New Mexico 

JOTC:r
Encls. 2

THE OHIO OIL CO.
Legal Department

W. Hume Everett
Division Attorney

October 26, 1959

P.O. Box 3128
Houston, Texas

Thomas H. McElroy

J. C. Terrell Couch

Warren B. Leach, Jr.
Attorneys

Re: Lea Unit Area

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

For your information, I enclose copy of my letter of this date directed to the State Land Office, Attention: Mr. Ted Bilberry, concerning the above identified unit. A copy of the proposed Unit Agreement is also enclosed.

As you will observe, the 2,559.68 acres within the proposed unit boundary include only 160 acres of State land, the balance of the acreage being Federal land.

The time factor is becoming rather critical in connection with this unit, and as soon as we are able to obtain concurrence of other interested parties on the form of this Agreement and an Operating Agreement, we plan to file an application with the Commission seeking approval of the unit. In order that the matter can be expedited, I thought it would be helpful for you to be aware of the status of the transaction and for you to have a copy of the proposed Unit Agreement. As indicated in my letter to Mr. Bilberry, the unit designation has been made by the U.S.G.S. and the enclosed Unit Agreement includes the revisions necessary to comply with the conditions of the U.S.G.S. preliminary approval of the agreement, except that there may be some minor revisions in Exhibit "B".

I am hopeful that our application for approval can be filed within the next week or ten days, although circumstances may delay it.

Very truly yours,


J. C. Terrell Couch

TC:MK
Enc.2

cc - Mr. C. W. Krouse, Houston, Texas
Mr. Ed L. Smith, Midland, Texas

1123

The Ohio Oil Co.

Legal Department

W. Hume Everett
Division Attorney

October 26, 1959

P.O. Box 3128
Houston, Texas

Thomas H. McElroy

J. C. Ferrell Couch

Warren B. Leach, Jr.
Attorneys

Re: Lea Unit Area

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

Attention: Mr. Ted Bilberry

Gentlemen:

The Ohio Oil Company and other interested parties are in the process of forming a 2,559.68 acre unit in Lea County. The boundary of the unit as designated by the U.S.G.S. includes 160 acres of State land, being the NW/4 Section 19, Township 20 South, Range 35 East, N.M.P.M., and the remainder of the land within the unit is Federal land. The State tract is covered by The Ohio's State Lease OG-5588 dated June 16, 1959.

For your advance information we enclose a copy of the proposed Unit Agreement, which has been revised to comply with the requirements made by the U.S.G.S. in granting preliminary approval of the agreement. Minor revisions of Exhibit "B" will probably be made before the Unit Agreement is submitted for final approval. When and if Exhibit "B" has been revised, I will promptly furnish a copy of the revision to you.

The Unit Agreement has not yet been approved by all of the working interest owners and has not yet been submitted to the owners of overriding royalty interests. However, we are hopeful that the working interest owners will be able to agree upon the Unit Agreement and upon a form of Operating Agreement within the near future. As soon as that has been done, we expect to file application with the New Mexico Oil Conservation Commission seeking approval of the unit, and of course at the time of hearing we expect to show execution or approval of the Unit Agreement by a sufficient number of interested parties to satisfy the Commission that there will be reasonably effective control of oil and gas operations in the unit area.

A copy of the Unit Agreement is being sent this day to the New Mexico Oil Conservation Commission, so that the Commission will be fully advised of the status of this transaction.

1823

October 26, 1959
Commissioner of Public Lands
State of New Mexico
Page 2

The interested parties desire to start the test well at the earliest possible date, preferably not later than December 1, 1959, and we would therefore appreciate it if you would review the enclosed form of agreement and give us your preliminary unofficial approval of the form, if you find it acceptable.

Please let us hear from you at your first convenience, and be assured that we will keep you posted on the developments in connection with the formation of the unit.

Very truly yours,


J. O. Terrell Couch

TC:MK
Enc.1

cc - Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Mr. C. W. Krouse
The Ohio Oil Company
Houston, Texas

Mr. Ed L. Smith
The Ohio Oil Company
Midland, Texas

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

December 1, 1959

Mr. J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

Dear Mr. Couch:

We enclose herewith two copies of Order No. R-1540 entered in Case No. 1823. This order was issued by the Oil Conservation Commission on November 30, 1959.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Enclosures: (2)

orig to H/ab 62

C
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In reply refer to:
Unit Division

November 23, 1959

C
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The Ohio Oil Company
P. O. Box 3128
Houston, Texas

Re: Proposed Lea Unit Agreement
Lea County, New Mexico

ATTENTION: Mr. J. O. Terrell Couch

Gentlemen:

Please be advised that our attorney Mr. W. O. Jordan has of this date approved as to form and content the proposed Lea Unit Agreement, Lea County, New Mexico.

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

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MMR/m
cc:

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

The Ohio Oil Co.

P. O. BOX 552
MIDLAND, TEXAS

November 11, 1959

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

Re: Unit Agreement for Lea Unit Area
including 2559.68 acres more or
less in T-20-S, R-34 & 35-E, NMPM
Lea County, New Mexico.

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

Gentlemen:

The Ohio Oil Company hereby applies for approval of the Unit Agreement for development and operation of the Lea Unit Area which includes 2559.68 acres of land, more or less, being in Lea County, New Mexico and more fully described as follows:

T-20-S, R-34-E, NMPM

Sec. 11; E/2
Sec. 12; All
Sec. 13; All
Sec. 14; NE/4
Sec. 24: N/2

T-20-S, R-35-E, NMPM

Sec. 18; Lots 1, 2, 3 & 4 and E/2 W/2
Sec. 19; Lots 1 & 2 and E/2 NW/4

The Lea Unit Area has been designated by the U.S.G.S. It includes 160 acres of State Land being the NW/4 Section 19, Township-20-South, Range-35-East, NMPM and the remainder of the land within the Unit Area is Federal Land.

The Unit Agreement has been approved by a sufficient number of working interest owners to indicate that there will be reasonably effective control of oil and gas operations in the Unit Area and it is expected that by the date which will be set for a hearing on this application, the Unit Agreement will have been executed by all or substantially all of the owners of working interests and overriding royalty interests in land within the Unit Area.

Preliminary approval of the Unit Agreement has been obtained from the U.S.G.S. subject to certain required changes which have now been made.

A copy of the Unit Agreement has heretofore been submitted to the Land Commissioner of the State of New Mexico, and a copy of the Agreement as finally revised is enclosed with this Application. The enclosed copy is identical to the copy previously submitted to the Land Commissioner except for minor changes in Exhibits A. and B.

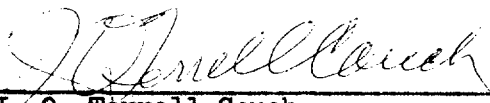


November 11, 1959

One copy of this Application is being mailed this date to each interested party whose address is known to applicant. A list of all interested parties known to applicant is attached.

The Ohio requests that this Application be set for hearing before a duly appointed Examiner of the Commission at the earliest possible date; that notice be given as required by law and the regulations and that the Lea Unit Area and the Unit Agreement be approved.

Respectfully submitted,



J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

ATWOOD & MALONE

By 

Kirk Newman
Roswell, New Mexico

JOTC:r
Encls. 2

LIST OF INTERESTED PARTIES
LEA UNIT AREA

Mr. Murray E. Morgan
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

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

Drilling and Exploration Co., Inc.
Attention: Mr. R. E. Wiggins
P. O. Box 35366, Airlawn Station
Dallas, Texas

Gulf Oil Corporation
Attention Mr. F. E. Curtis, Jr.
P. O. Drawer 669
Roswell, New Mexico

The Pure Oil Company
Attention: Mr. C. B. Sabin
P. O. Box 2107
Fort Worth 1, Texas

Sinclair Oil & Gas Co.
Attention: Mr. C. S. Tinkler
P. O. Box 1470
Midland, Texas

Mr. Edwin B. Cox
2100 Adolphus Tower
Dallas, Texas

Mr. Roy Guffey
5543 Yale Blvd.
Dallas 6, Texas

Mr. Jake L. Hamon
Vaughn Building
Dallas, Texas

Mr. W. G. Ross
P. O. Box 1094
Midland, Texas

Dwight Allison et ux Lillian M. Allison
Box 9
Las Cruces, New Mexico

Dorothy E. Cox McCormick et vir
Don G. McCormick
c/o Reese, McCormick, Lusk & Paine
3 Bujac Building
112 North Canyon
Carlsbad, New Mexico

Martha Featherstone
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

L. N. Hagood et ux Mary C. Hagood
Box 966
Casper, Wyoming

E. F. Howe et ux Francis E. Howe
c/o New Mexico Bank & Trust
Hobbs, New Mexico

Mr. & Mrs. W. H. Milner
609 South Lea Street
Roswell, New Mexico

Harvey E. Roelofs, Trustee for Olin F.
Featherstone II
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

Thomas Joseph Sheehan et ux
Louise Sheehan
112 West Fairview Blvd.
Inglewood, California

Edith M. Kasper et vir Paul Kasper
Box 1094
Midland, Texas

In reply refer to:
Unit Division

November 3, 1959

C
O
P
Y

The Ohio Oil Company
P. O. Box 3128
Houston, Texas

ATTENTION: Mr. J. O. Terrell Couch

Re: Proposed Lea Unit Agreement
Lea County, New Mexico

Gentlemen:

We have reviewed your proposed Lea Unit Agreement as to form and content and with a few minor exceptions we find the form satisfactory.

Section 2, UNIT AREA- designates the Commissioner of Public Lands of the State of New Mexico as State Commissioner and the New Mexico Oil Conservation Commission as State Commission. We believe these designations to be too synonymous. May we suggest the designation of "Land Commissioner" and "Oil Commission".

We suggest the following be inserted as subsection (f) to Section 2, UNIT AREA. This is a clause covering State Land which we are inserting in all units containing both Federal and State Lands. The United States Geological Survey has not objected to this clause:

"All tracts embracing lands of the State of New Mexico, no parts of which are entitled to be in a participating area within five years after the first day of the month following the effective date of this agreement, shall be automatically eliminated from this agreement, effective as of the first day thereafter, and such lands shall no longer be a part of the

The Ohio Oil Company
P. O. Box 3128
Houston, Texas

11-3-59
(Page 2.)

unit area and shall no longer be subject to this agreement, unless at the expiration of said five year period diligent drilling operations are in progress on said tract, in which event all lands in such tract shall remain subject hereto for so long as drilling operations are in progress on said tract.

C In view of the insertion it would seem subsection (g) under Section 18 should be eliminated.

O We will require geological information and engineering data; there is also a fee of \$35.00.

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

P BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MER/m
cc:

United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

Y

MAIN OFFICE OCC

DEC 17 AM 8:37

Dec. 10, 1959

The Ohio Oil Company
Post Office Box 3128
Houston, Texas

Gentlemen:

On December 9, 1959, Arthur A. Baker, Acting Director of the Geological Survey, approved the lease-unit agreement, Lea County, New Mexico, filed by your company as unit operator. This agreement has been designated No. 14-08-001-6455, and is effective as of the date of approval.

Enclosed is one copy of the approved unit agreement for your records. It is requested that you furnish the State of New Mexico and any other interested principal with whatever evidence of this approval is deemed appropriate.

Very truly yours,
Original Signed:

H. J. Duncan

For the Director

Enclosure

cc fo

ILLEGIBLE

ME:
cc:

In reply refer to:
Unit Division

November 30, 1959

C
O
P
Y

The Ohio Oil Company
P. O. Box 3128
Houston, Texas

Re: Lea Unit Agreement
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has of this date approved your Lea Unit Agreement, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

Seventeen approved copies of our certificate are being handed to Mr. J. O. Terrell Couch.

Your official receipt will be mailed to you as soon as it is processed.

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

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MER/m
cc:

OCC- Santa Fe ✓
USGS- Roswell

The Ohio Oil Co.

P. O. BOX 552
MIDLAND, TEXAS

November 11, 1959

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

Re: Unit Agreement for Lea Unit Area
including 2559.68 acres more or
less in T-20-S, R-34 & 35-E, NMPM
Lea County, New Mexico.

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

Gentlemen:

The Ohio Oil Company hereby applies for approval of the Unit Agreement for development and operation of the Lea Unit Area which includes 2559.68 acres of land, more or less, being in Lea County, New Mexico and more fully described as follows:

T-20-S, R-34-E, NMPM

Sec. 11; E/2
Sec. 12; All
Sec. 13; All
Sec. 14; NE/4
Sec. 24: N/2

T-20-S, R-35-E, NMPM

Sec. 18; Lots 1, 2, 3 & 4 and E/2 W/2
Sec. 19; Lots 1 & 2 and E/2 NW/4

The Lea Unit Area has been designated by the U.S.G.S. It includes 160 acres of State Land being the NW/4 Section 19, Township-20-South, Range-35-East, NMPM and the remainder of the land within the Unit Area is Federal Land.

The Unit Agreement has been approved by a sufficient number of working interest owners to indicate that there will be reasonably effective control of oil and gas operations in the Unit Area and it is expected that by the date which will be set for a hearing on this application, the Unit Agreement will have been executed by all or substantially all of the owners of working interests and overriding royalty interests in land within the Unit Area.

Preliminary approval of the Unit Agreement has been obtained from the U.S.G.S. subject to certain required changes which have now been made.

A copy of the Unit Agreement has heretofore been submitted to the Land Commissioner of the State of New Mexico, and a copy of the Agreement as finally revised is enclosed with this Application. The enclosed copy is identical to the copy previously submitted to the Land Commissioner except for minor changes in Exhibits A. and B.

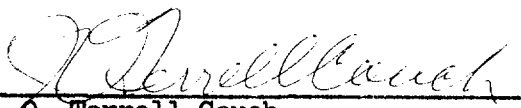


November 11, 1959

One copy of this Application is being mailed this date to each interested party whose address is known to applicant. A list of all interested parties known to applicant is attached.

The Ohio requests that this Application be set for hearing before a duly appointed Examiner of the Commission at the earliest possible date; that notice be given as required by law and the regulations and that the Lea Unit Area and the Unit Agreement be approved.

Respectfully submitted,


J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

ATWOOD & MALONE

By 
Kirk Newman
Roswell, New Mexico

JOTC:r
Encls. 2

LIST OF INTERESTED PARTIES
LEA UNIT AREA

Mr. Murray E. Morgan
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

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

Drilling and Exploration Co., Inc.
Attention: Mr. R. E. Wiggins
P. O. Box 35366, Airman Station
Dallas, Texas

Gulf Oil Corporation
Attention Mr. F. E. Curtis, Jr.
P. O. Drawer 669
Roswell, New Mexico

The Pure Oil Company
Attention: Mr. C. B. Sabin
P. O. Box 2107
Fort Worth 1, Texas

Sinclair Oil & Gas Co.
Attention: Mr. C. S. Tinkler
P. O. Box 1470
Midland, Texas

Mr. Edwin B. Cox
2100 Adolphus Tower
Dallas, Texas

Mr. Roy Gurfey
5543 Yale Blvd.
Dallas 6, Texas

Mr. Jake L. Hamon
Vaughn Building
Dallas, Texas

Mr. W. G. Ross
P. O. Box 1094
Midland, Texas

Dwight Allison et ux William M. Allison
Box 9
Las Cruces, New Mexico

Dorothy E. Cox McCormick et vir
Don G. McCormick
c/o Reese, McCormick, Lusk & Paine
3 Bujac Building
112 North Canyon
Carlsbad, New Mexico

Martha Featherstone
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

L. N. Hagood et ux Mary C. Hagood
Box 966
Casper, Wyoming

E. F. Howe et ux Francis E. Howe
c/o New Mexico Bank & Trust
Hobbs, New Mexico

Mr. & Mrs. W. H. Milner
609 South Lea Street
Roswell, New Mexico

Harvey E. Roelofs, Trustee for Olin F.
Featherstone II
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

Thomas Joseph Sheehan et ux
Louise Sheehan
112 West Fairview Blvd.
Ingleswood, California

Edith M. Kasper et vir Paul Kasper
Box 1094
Midland, Texas

CERTIFICATION - DETERMINATION

14-08-001-6455

Pursuant to the authority vested in the Secretary of Interior as to Federal Lands, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. Secs. 181, et seq., and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 C.F.R. Sec. 4.611, 12 F.R. 6784, I do hereby:

A. Approve the attached agreement for the development and operation of the Lea Unit Area, Lea County, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

DEC 9 - 1959

Dated


Acting DIRECTOR, UNITED STATES GEOLOGICAL SURVEY

The Ohio Oil Co.

P. O. BOX 552
MIDLAND, TEXAS

November 11, 1959

*make file for
Nov. 30 hearing*

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

Re: Unit Agreement for Lea Unit Area
including 2559.68 acres more or
less in T-20-S, R-34 & 35-E, NMPM
Lea County, New Mexico.

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

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✓ T-20-S, R-34-E, NMPM

Sec. 11; E/2 ✓
Sec. 12; All ✓
Sec. 13; All ✓
Sec. 14; NE/4 ✓
Sec. 24: N/2 ✓

T-20-S, R-35-E, NMPM

✓ Sec. 18; Lots 1, 2, 3 & 4 and E/2 W/2
✓ Sec. 19; Lots 1 & 2 and E/2 NW/4

The Lea Unit Area has been designated by the U.S.G.S. It includes 160 acres of State Land being the NW/4 Section 19, Township-20-South, Range-35-East, NMPM and the remainder of the land within the Unit Area is Federal Land.

The Unit Agreement has been approved by a sufficient number of working interest owners to indicate that there will be reasonably effective control of oil and gas operations in the Unit Area and it is expected that by the date which will be set for a hearing on this application, the Unit Agreement will have been executed by all or substantially all of the owners of working interests and overriding royalty interests in land within the Unit Area.

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*Locked Mailed
11-23-59
[Signature]*

November 11, 1959

One copy of this Application is being mailed this date to each interested party whose address is known to applicant. A list of all interested parties known to applicant is attached.

The Ohio requests that this Application be set for hearing before a duly appointed Examiner of the Commission at the earliest possible date; that notice be given as required by law and the regulations and that the Lea Unit Area and the Unit Agreement be approved.

Respectfully submitted,

✓

J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

ATWOOD & MALONE

✓ By _____
Kirk Newman
Roswell, New Mexico

JOTC:r
Encls. 2

DOCKET: EXAMINER HEARING NOVEMBER 30, 1959

The Oil Conservation Commission - 9 a.m., Room 109, Mabry Hall, State Capitol, Santa Fe, New Mexico.

The following case will be heard before Daniel S. Nutter, or Elvis A. Utz, Examiners, or A. L. Porter, Jr., Secretary-Director.

CASE 1823: Application of The Ohio Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Lea Unit Agreement, comprising 2560 acres, more or less, in Township 20 South, Ranges 34 and 35 East, Lea County, New Mexico.

WM. G. ROSS

OIL INVESTMENTS

BOX 1094

MIDLAND, TEXAS

BUS. PHONE MU 3-1412

RES. PHONE MU 2-2983

November 24, 1959

In re: My 59-14 Lea County, New Mexico
Lea Unit Area
Township 20 South, Range 34 East

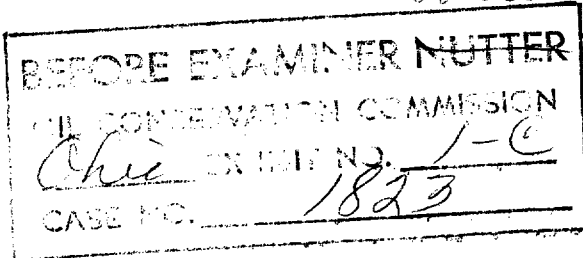
CERTIFIED MAIL NO. 200467

Section 11: E/2
Section 12: All
Section 13: All
Section 14: NE/4
Section 24: N/2

Township 20 South, Range 35 East

Section 18: W/2
Section 19: NW/4
Total Acres: 2,559.68

Lot 24 SE/4 NW/4 Section 18,
Township 20 South, Range 35 East
Dwight Allison et ux
5 percent Overriding Royalty



Mr. Dwight Allison
Box 9
Las Cruces, New Mexico

Dear Mr. Allison:

Confirming my telephone conversation with you on the morning of November 15, while I was in Roswell, New Mexico, and just as a matter of record for the file. When I talked with you on this date at your home, you advised that you had received a copy of the Unit Agreement for the development and operation of the above captioned unit.

In my conversation with you, you advised that you would not sign the Unit Agreement and gave as your reason that you had talked to various people in Las Cruces, and that it seemed to you as though you would be giving something to other people and would not gain anything in return. In this conversation you also advised that you held various federal leases and that you were well and personally acquainted with federal leases as well as federal units, etc.

Mr. Dwight Allison

-2-

November 24, 1959

As you know, The Ohio Oil Company will be the operator of the above captioned unit and upon my return to Midland, Texas, on November 17, 1959, I verbally advised a representative of The Ohio Oil Company of my phone conversation with you. This letter is being sent to you so that The Ohio Oil Company will have a written record of my conversation with you in its file.

Yours very truly,

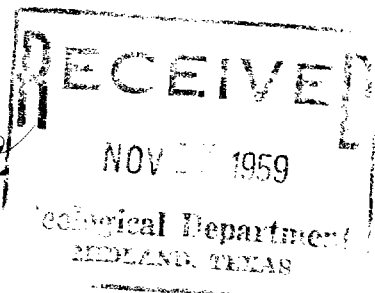

Wm. G. Ross

WOR/brf

Five carbon copies to: The Ohio Oil Company
Attention: Mr. Ed L. Smith
Box 552
Midland, Texas

The Ohio Oil Co.

P. O. BOX 552
MIDLAND, TEXAS



November 11, 1959

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

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including 2559.68 acres more or
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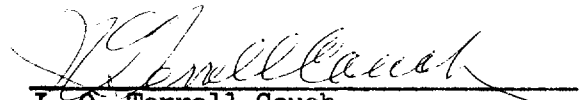


November 11, 1959

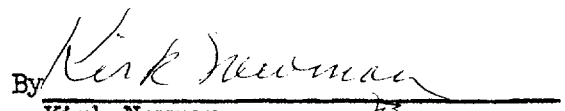
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Respectfully submitted,


J. O. Terrell Couch
P. O. Box 3128
Houston, Texas

ATWOOD & MALONE

By 
Kirk Newman
Roswell, New Mexico

JOTC:r
Encls. 2

LIST OF INTERESTED PARTIES
LEA UNIT AREA

Mr. Murray E. Morgan
Commissioner of Public Lands
State of New Mexico
Santa Fe, New Mexico

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

Drilling and Exploration Co., Inc.
Attention: Mr. R. E. Wiggins
P. O. Box 35366, Airlawn Station
Dallas, Texas

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Attention Mr. F. E. Curtis, Jr.
P. O. Drawer 669
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Attention: Mr. C. B. Sabin
P. O. Box 2107
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Sinclair Oil & Gas Co.
Attention: Mr. C. S. Tinkler
P. O. Box 1470
Midland, Texas

Mr. Edwin B. Cox
2100 Adolphus Tower
Dallas, Texas

Mr. Roy Guffey
5543 Yale Blvd.
Dallas 6, Texas

Mr. Jake L. Hamon
Vaughn Building
Dallas, Texas

Mr. W. G. Ross
P. O. Box 1094
Midland, Texas

Dwight Allison et ux Lillian M. Allison
Box 9
Las Cruces, New Mexico

Dorothy E. Cox McCormick et vir
Don G. McCormick
c/o Reese, McCormick, Lusk & Paine
3 Bujac Building
112 North Canyon
Carlsbad, New Mexico

Martha Featherstone
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

L. N. Hagood et ux Mary C. Hagood
Box 966
Casper, Wyoming

E. F. Howe et ux Francis E. Howe
c/o New Mexico Bank & Trust
Hobbs, New Mexico

Mr. & Mrs. W. H. Milner
609 South Lea Street
Roswell, New Mexico

Harvey E. Roelofs, Trustee for Olin F.
Featherstone II
c/o Olin F. Featherstone
Petroleum Building
Roswell, New Mexico

Thomas Joseph Sheehan et ux
Louise Sheehan
112 West Fairview Blvd.
Inglewood, California

Edith M. Kasper et vir Paul Kasper
Box 1094
Midland, Texas