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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

May 18, 1993

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Marks & Garner
P. O. Box 70
Lovington, New Mexico 88260

Attn: Mr. J. H. Buddy Garner

Re: Northeast Maljamar Unit
Termination
Lea County, New Mexico

Dear Mr. Garner:

This office is in receipt of your letter of May 6, 1993 regarding the status of the Northeast Maljamar Unit Well No. 1-I, Sec. 31-16S-33E, Lea County, New Mexico.

A review of our unit files reveals the following:

The Northeast Maljamar Unit Area was contracted to 120.03 acres effective April 1, 1967. The following acreage remains in this unit:

Township 16 South, Range 33 East
Section 31: E/2SE/4 80.00 Acres, Lease # OG-866

Township 17 South, Range 33 East
Section 5: Lot 4 (NW/4NW/4) 40.03 Acres, Lease # E-881

Our records reflect that Kaiser-Francis Oil Company is the Operator of Record for this unit agreement. Two field inspections were conducted on this unit. The first inspection was made on June 26, 1992 and a follow up inspection was conducted on October 20, 1992. The field inspections revealed that both Marks & Garner and Penroc Oil Corp. were now operating this unit. Neither Marks & Garner nor Penroc Oil Corporation have been approved as the successor unit operator to Kaiser-Francis Oil Company.

Penroc Oil Corporation is operating the NE Maljamar Unit Well No. 1-D Sec. 5-17S-33E. The January 1993 Monthly Statistical Report reveals that the well's last production date was October 1992. On December 30, 1992, Penroc Oil Corp. submitted to this office NMOCD Form C-103 advising us of their notice of intention to plug and abandon this well.

Marks & Garner Production
May 18, 1993
Page 2

Marks and Garner Production Company is operating the Northeast Maljamar Unit Well No. 1-I Sec. 31-16S-33E. We recently checked the production reports for this well. The January 1993 monthly statistical report reflects that the well is shut-in and the last production date was October 1992.

On August 4, 1992 a registered letter was sent from this office to Kaiser Francis Oil Company advising them that they had 30 days to submit a plan of development and an economic justification for continued operation of this unit. On August 14, 1992 Ms. Debbie Stout of Kaiser-Francis responded and advised that their interest had been sold to Pronto Petroleum in March 1992. As of this date we have not received a plan of development or the economic justification for continued operation of the unit.

On August 5, 1992, Mr. Link Marks of your office faxed to this office a notice of intention to perform remedial work on the NE Maljamar Unit Well No. 1-I, Sec. 31-16S-33E. The estimated starting date was August 5, 1992.

The September 1992 monthly statistical report reflects that the Marks & Garner NE Maljamar Unit Well No. 1-I, Sec. 31-16S-33E produced 4 barrels of oil and 2 barrels of water. The Penroc Oil Corp. NE Maljamar Unit Well No. 1-0 Sec. 5-17S-33E produced no oil and 310 barrels of water.

On October 13, 1992, Pete Martinez of this office spoke with Mr. Link Marks, of Marks & Garner, and advised him that a change of operator and bond would be needed if you intended to work over the Well No. 1-I Sec. 31-16S-33E. Our letter of October 13, 1992 makes reference to this conversation and enclosed the bond information.

On October 16, 1992, Marks & Garner submitted to the NMOC (Form C-103) a Notice of Subsequent Report and reported the following: "Completed workover 8-15-92- Pumping 2 BOPD 20 BW Gas TSTM-, 9-15-92 Pumping all water - hole in casing at 6230' - 10-9-92 run packer with on/off tool above perforations @ 10,100'".

On October 20, 1992, a field inspection was conducted on this unit. Our Land Use Specialist, Mr. Leon Anderson, reported that he talked to Penroc's pumper and he informed him that they had only pumped water since the well was reactivated. Mr. Anderson also reported that Marks & Garner was operating the well in Unit I, Sec. 31-16S-33E and was told by Mr. Marks that " . . . they started pumping in August. They pumped approximately 20 days, producing a couple of barrels of oil per day and 10 barrels of water. They felt there was a hole in the casing and recently set a bridge plug over the perforations to keep water out of the producing zone. Plans are to squeeze the hole and resume production."

Marks & Garner
May 18, 1993
Page 3

The October monthly statistical report reflects that the Marks & Garner NE Maljamar Unit Well No. 1-I, Sec. 31-16S-33E produced 31 barrels of oil and 15 barrels of water. Penroc Oil Corp. NE Maljamar Unit Well No. 1-0 Sec. 5-17S-33E produced no oil and 310 barrels of water.

On December 30, 1992, Penroc Oil Corporation submitted to the NMOCD a notice of intention to plug and abandon the NE Maljamar Unit Well No. 1-D, Sec. 5-17S-33E.

Since this office was not notified that production had ceased after October, 1992, on January 15, 1993 a registered letter was sent to Mr. Link Marks advising that the continued operation by Marks & Garner Production Company and Penroc Oil Corp. of the NE Maljamar Unit is in violation of the unit agreement. Thirty (30) days from the date of the letter were given to submit a resignation from Kaiser-Francis Oil Company and the designation of either Penroc Oil Corp. or Marks & Garner Production Company as the successor unit operator.

On February 3, 1993, a response letter was written to Mr. Link Marks regarding his inquiry of how to voluntarily terminate this unit.

On February 12, 1993, Mr. E. L. Link Marks submitted a letter referencing the Voluntary Termination of the Northeast Maljamar Unit Agreement and requested a 90 day extension to handle some details.

On February 17, 1993, the Commissioner of Public Lands granted Marks & Garner a 90-day extension from February 12, 1993 to work out details on the voluntary termination of the unit.

On May 4, 1993 Kaiser-Francis Oil Company resigned as unit operator and designated Marks & Garner production Co. as the successor unit operator of the NE Maljamar Unit. Since the date of last production was October 1992, the unit is considered terminated and a change in unit operators can not be approved.

On May 6, 1993 Mr. J. H. Buddy Garner, of Marks & Garner, advised this office by letter, that on January 15, 1993 a test on the NE Maljamar Unit Well No. 1-I, Sec. 31-16S-33E, indicated a hole in the casing at the 5000' level. Your letter also makes reference to a requested 90-day extension request to repair the well. Our records do not reflect any notification after October, 1992 that the above mentioned well ceased to produce nor a request in January to repair this well. Section 17 of state lease no. OG-866, provides that "written notice of intention to commence reworking operations shall be filed with the lessor within thirty days after the cessation of such production, and a report of the status of such operations shall be made by the lessee to the lessor every thirty days, and the cessation of such operations for more than twenty consecutive days shall be considered as an abandonment of such operations and this lease shall thereupon terminate."


Marks & Garner
May 18, 1993
Page 4

In view of the above, please be advised that the Northeast Maljamar Unit has this date been terminated effective October 31, 1992, being the date of last production from this unit. State lease no. E-881 is held by non-unit production however, lease no. OG-866 will be expired for non production.

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
E-881-2 - Foos Inc.
OG-866 - UNOCAL
Kaiser Francis Oil Co.
OCD
TRD

UNIT NAME: Northeast Matjamar Unit
OPERATOR: Kaiser-Francis Oil Company
COUNTY: Lea

DATE	OCD CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL-INDIAN	FEE	SEG CLAUSE	TERM
09/12/60	08/30/60	09/12/60	120.93	120.93	0	0	Strict	2 years and so long as

OCD: 08/30/60 - Case #2061, Order No. R-1760
CPL: 09/12/60

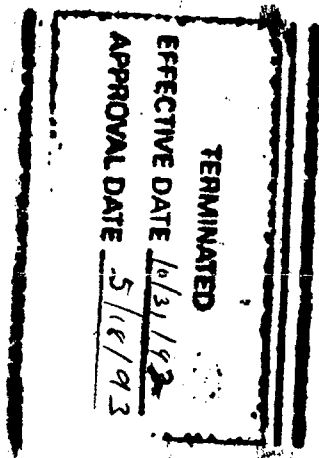
UNIT AREA:

TOWNSHIP 16 SOUTH-RANGE 33 EAST

SECTION 31: E3SE4

TOWNSHIP 17 SOUTH-RANGE 33 EAST

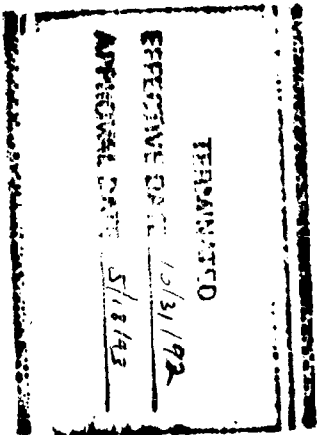
SECTION 5: Lot 4 (N44NE4)



41655

REVISED

EXHIBIT "B"



RECEIVED
OCT 18 9 02 AM '67
STATE LAND OFFICE
SANTA FE, N.M.

NORTHEAST MALJAMAR UNIT AREA, LEA COUNTY, NEW MEXICO, TOWNSHIPS 16 AND 17 SOUTH, RANGE 33 EAST

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

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES	LEASE NO. AND DATE	LESSOR	RECORD LESSEE	BASIC ROYALTY AND PERCENT	OVERRIDING ROYALTY AND PERCENT	WORKING INTEREST OWNER
1.	T-16-S, R-33-E Sec. 31: E/2 SE/4	80	06-866 5-21-57 (HBP)	State	Union Oil Company of California	State - All (12.5%)	None	Union Oil Company of California
2.	T-17-S, R-33-E • Sec. 5: lot 4	40.03	E-881 6-10-46 (HBP)	State	Aztec Oil & Gas Company	State - All (12.5%)	None	Aztec Oil & Gas Company

Two State tracts containing 120.03 acres

Effective April 1, 1967

SECTION 31 TOWNSHIP 16 South RANGE 33 East

D OPEN 03 93	40.31	C OPEN 03 93	B OPEN 03 93	A OPEN 03 93
E OPEN 03 93	40.29	F OPEN 03 93	G OPEN 03 93	H OPEN 03 93
L UNOCAL 05 67 06866	40.27	K UNOCAL 05 67 06866	J UNOCAL 05 67 06866	I UNOCAL U 05 67 06866
M UNOCAL 05 67 06866	40.25	N UNOCAL 05 67 06866	O UNOCAL F&A 05 67 06866	P UNOCAL U 05 67 06866

REMARKS

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NORTHEAST MALJAMAR UNIT (CONTRACT

NORTHEAST MALJAMAR UNIT (CONTRACT

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SECTION 05 TOWNSHIP 17 South RANGE 33 East

D FLOODS INC. U-P 06 56 E881-2	40.03	C FLOODS INC. 06 56 E881-2	40.09	B YATES 02 97 VA504	40.15	A YATES 02 97 VA504	40.21
E FLOODS INC. 06 56 E881-2		F FLOODS INC. 06 56 E881-2		G YATES 02 97 VA504		H YATES 02 97 VA504	
L FLOODS INC. 06 56 E881-2		K FLOODS INC. 06 56 E881-2		J SOUTHLAND ROYAL 06 56 E881-1		I SOUTHLAND ROYAL 06 56 E881-1	
M YATES 02 97 VA504		N YATES 02 97 VA504		O CHASE OIL 02 44 B2516-49		P CHASE OIL 02 44 B2516-49	

REMARKS

BENE:CS

NORTHEAST MALJAMAR UNIT (CONTRACT

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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

REGISTERED MAIL - RETURN RECEIPT REQUESTED

January 15, 1993

Penroc Oil Corporation
P. O. Box 5970
Hobbs, New Mexico 88241

Attn: Mr. Mohammed Yamin Merchant

Re: Resignation/Designation of Successor Unit Operator
Northeast Maljamar Unit Agreement
Lea County, New Mexico

Dear Mr. Merchant:

A review of the Northeast Maljamar Unit Agreement reveals that Penroc Oil Corporation is operating the Northeast Maljamar Unit Well No. 1-D Sec. 5-17S-33E, Lea County, New Mexico.

The Northeast Maljamar Unit Area was contracted to 120.03 acres effective April 1, 1967. The following acreage remains in this unit:

Township 16 South, Range 33 East

Section 31: E/2SE/4 80.00 Acres Lease No. OG-866

Township 17 South, Range 33 East

Section 5: Lot 4 (NW/4NW/4) 40.03 Acres Lease No. E-881-2

Our records reflect that Kaiser-Francis Oil Company is still the operator of record for this unit. Section 5 of the Northeast Maljamar Unit Agreement provides that any change in unit operators is not "*effective until (a) a unit operator so selected shall accept in writing the duties and responsibilities of unit operator, and (b) the selection shall have been approved by the Commissioner. If no successor unit operator is selected and qualified as herein provided, the Commissioner at his election may declare this unit agreement terminated.*"

Our records also reflect that Marks & Garner Production Company is operating the Northeast Maljamar Unit Well No. 1-I, Sec. 31-16S-33E.

Penroc Oil Corporation
January 15, 1993
Page 2

The continued operation by Marks & Garner Production Company and Penroc Oil Corporation of the Northeast Maljamar Unit is in violation of the unit agreement.

For this reason, please be advised that you have thirty (30) days from the date of this letter to submit the resignation of Kaiser-Francis Oil Company and the designation of either Penroc Oil Corporation or Marks & Garner Production Company as the successor unit operator for this unit. In addition, please be advised that you are operating wells on State Trust Lands without the required Surface Improvement Damage Bond being on file. Enclosed is an instruction sheet for filing an oil and gas lease surface improvement damage bond pursuant to State Land Office Rule 1.016. This change of unit operators will not be approved until the required bond has been filed with this office.

Failure to timely submit a bond and a designation of unit operator will subject the Northeast Maljamar Unit Agreement to termination.

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
Kaiser-Francis Oil Company
UNOCAL (OG-866)
Floos Inc. (E881-2)

#2061

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 16, 1990

Mr. David W. Rader, Engineer Manager
Meridian Oil, Inc.,
21 Desta Drive
Midland, TX 79705

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

Dear Mr. Rader:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Northeast Maljamar 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,

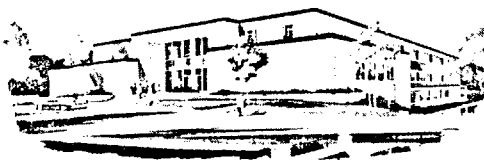
W. R. HUMPHRIES

BY:

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

cc: OCD
Unit Corresp.
Unit POD

State of New Mexico



Commissioner of Public Lands



GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

October 11, 1967

Aztec Oil & Gas Company
2000 First National Bank Building
Dallas, Texas 75202

67 OCT 13 PM 10
Re: Northeast Maljamar Unit
Agreement for Contraction
Lea County, New Mexico

ATTENTION: Mr. Gordon E. Coe

Gentlemen:

The Commissioner of Public Lands has this date approved your Agreement for Contraction of the Northeast Maljamar Unit, Lea County, New Mexico, effective as of April 1, 1967.

The Unit Area remaining is the E/2SE/4, Section 31, Township 16 South, Range 33 East and Lot 4 (NW/4NW/4), Section 5, Township 17 South, Range 33 East, comprising 120.93 acres.

We are returning four approved copies of the agreement and retaining two for our files.

Please mail us your revised Exhibit "B" and also Six (\$6.00) Dollars for the filing fee.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/TB/EL/s
encls.

cc: OCC-Santa Fe, New Mexico ✓

AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

LAND DEPARTMENT
KENNETH A. SWANSON, MANAGER

December 27, 1966

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

Attn: Mrs. Marian B. Rhea, Unit Supervisor

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

Re: Report of Status of Development and
Plan of Operations for the Northeast
Maljamar Unit Area

Gentlemen:

Our report of Status of Development and Plan of Operations dated September 2, 1966 contained a review of previous development of the Northeast Maljamar Unit and requested that the drilling of the J. M. Huber Corporation NEMU Well #5 be accepted in satisfaction of the reasonable development obligation applicable to the Northeast Maljamar Unit. By letter dated September 7, 1966 from the Director of Oil and Gas Department of the Office of the Commissioner of Public Lands, we were advised that the drilling of the NEMU Well #5 would not be accepted as the Plan of Operations for the period January 1, 1967 to January 1, 1968 because the well would probably be completed during 1966.

The J. M. Huber #5 NEMU was completed October 30, 1966 as a dry hole at the total depth of 10,900'. Three (3) drill stem tests were run but none indicated commercial production of oil or gas. This well was located 890' from the south line and 660' from the west line of Section 32-16S, 33E.

The working interest owners of the Northeast Maljamar Unit are presently evaluating the information obtained in the drilling of the NEMU #5 Well in an effort to determine whether further development is feasible. Should the working interest owners decide not to conduct further development, it is anticipated that parties who are not now working interest owners might be interested in conducting further development on lands within the Northeast Maljamar Unit. It is felt that additional time will be required in which to carry out these plans.

Commissioner of Public Lands and
New Mexico Oil Conservation Commission
December 27, 1966
Page 2

Accordingly, it is respectfully requested that an extension be granted
for the filing of a report of Status of Development and Plan of Operations
until July 1, 1967.

Yours very truly,

AZTEC OIL & GAS COMPANY

By



E. M. Anderson

Vice President Exploration

UNIT OPERATOR, NORTHEAST MALJAMAR UNIT

KAS:sbb

cc: Estate of Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

Union Oil Company of California
P. O. Box 239
Houston, Texas 77001

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

Monsanto Company
101 North Marienfeld
Midland, Texas 79704

J. M. Huber Oil Corporation
922 Vaughn Building
Midland, Texas

Mr. Prentice Watts

2061

AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

MAIN OFFICE OCC

JAN 26 PM 1:18

January 20, 1966

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

Attn: Mrs. Marian B. Rhea, Unit Supervisor

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

Re: Report of Status of Development
And Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the following twelve-month period. Prior reports of the status of development of the subject area have covered the Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, the Northeast Maljamar Unit Well No. 2, located in SE/4 NW/4 Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and the Northeast Maljamar Unit Well No. 3, located in SW/4 SE/4 Section 31, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico. At the present time the Northeast Maljamar Unit Well No. 1 is producing from the Bursum formation and the other wells are not in a producing status.

Arrangements were made with Monsanto Company for the drilling of a Kemnitz test to a depth of 10,900' on the subject unit. This well was spudded August 4, 1965, in the NE/4 SE/4 Section 31, Township 16 South, Range 33 East. The well was completed on October 5, 1965, for 280 barrels of oil per day from the Kemnitz formation.

Monsanto Company recently requested approval of the New Mexico Oil Conservation Commission for an unorthodox location for the drilling of the Northeast Maljamar Unit Well No. 5 at a location 1200' from the south line and 660' from the west line of Section

Commissioner of Public Lands
Mr. A. L. Porter, Jr.
January 20, 1966
Page 2

32, Township 16 South, Range 33 East. The Commission has since entered its Order approving this location. Monsanto advises that they plan to commence this well on or before March 25, 1966, and plan to drill the well to a depth of 10,900' or to a depth sufficient to test the Kemnitz pay.

It is respectfully requested that this Plan of Operations be accepted for the period January 1, 1966, to January 1, 1967.

Yours very truly,

AZTEC OIL & GAS COMPANY

By



E. M. Anderson
Vice President Exploration

UNIT OPERATOR, NORTHEAST MALJAMAR UNIT

KAS:1bb

cc: Mr. Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

Union Oil Company of California
P. O. Box 239
Houston, Texas 77001

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

Monsanto Company
101 North Marlenfeld
Midland, Texas 79704

Monsanto

C O M P A N Y

Hydrocarbons Division
101 North Marienfeld
Midland, Texas 79704

MAIN

65 OCT 29 AM 10

October 27, 1965

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

Attention Mrs. Marian B. Rhea
Unit Supervisor

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

Re: Report of Status of Development
And Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the following twelve-month period. Prior reports of the status of development of the subject area have covered the Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, the Northeast Maljamar Unit Well No. 2, located in SE 1/4 NW 1/4 Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and the Northeast Maljamar Unit Well No. 3, located in SW 1/4 SE 1/4 Section 31, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico. At the present time the Northeast Maljamar Unit Well No. 1 is producing from the Bursum formation and the other leases are not in a producing status.

Subsequent to this report, Aztec Oil & Gas Company, as Unit Operator, on October 14, 1965 filed a status report and plan of development. In said report Aztec advised that Monsanto Company, as Sub-Operator, was in the process of completing the Monsanto Northeast Maljamar Unit No. 1 well in the NE 1/4 SE 1/4 Section 31, Township 16 South, Range 33 East. This well was spudded August 4, 1965 and on September 27, 1965 casing was set and perforated in the Mannitz pay of the Wolfcamp formation.

Commissioner of Public Lands
Mr. A. L. Porter
October 27, 1965
Page 2

Said well has been drilled to a total depth of 10,900 feet. While this well is currently still swabbing, it has been completed as a commercial producer.

On behalf of Monsanto, the law firm of Hinkle, Bondurant & Christy has requested a hearing before the New Mexico Oil Conservation Commission for an unorthodoxed location for the drilling of the Monsanto Northeast Maljamar Well No. 2. Proposed location for this well is 1200' FSL & 660' FWL of Section 32, Township 16 South, Range 33 East. The hearing has been set for November 23, 1965. This well is to be located in the subject unit and if approved, will exceed the tolerance provided in the field rules by 340 feet. In the event said location is approved by the Oil Conservation Commission, the next well to be drilled by Monsanto as Sub-Operator will probably be drilled soon thereafter.

It is respectfully requested that this plan of operations be accepted as a supplement to the plan filed by Aztec on October 14, 1965, for the same period requested therein, being October 1, 1965 to October 1, 1966.

Very truly yours,

MONSANTO COMPANY

By *M. J. Dasil*

SUB-OPERATOR, NORTHEAST MALJAMAR UNIT

VMB/vc

cc: Aztec Oil & Gas Company
2000 First National Bank Bldg.
Dallas, Texas
Attn: Mr. Kenneth Swanson

Ralph Lowe
Box 832
Midland, Texas
Attn: Mr. Fred Goodman

Sinclair Oil & Gas Company
Box 1472
Midland, Texas
Attn: Mr. Jim Walker

Union Oil Company of California
Pure Oil Division
Box 671, Midland, Texas
Attn: Mr. Ed White

Great Western Drilling Company
Box 1659
Midland, Texas
Attn: Mr. Sam Snoddy

MAIN
65 OCT 18 PM

October 14, 1965

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

Attn: Mrs. Marian B. Rhea, Unit Supervisor

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

Re: Report of Status of Development
And Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the following twelve-month period. Prior reports of the status of development of the subject area have covered the Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, the Northeast Maljamar Unit Well No. 2, located in SE/4 NW/4 Section 5, Township 17 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and the Northeast Maljamar Unit Well No. 3, located in SW/4 SE/4 Section 31, Township 16 South, Range 33 East, N.M.P.M., Lea County, New Mexico. At the present time the Northeast Maljamar Unit Well No. 1 is producing from the Bursum formation and the other leases are not in a producing status.

Arrangements were made with Monsanto Company for the drilling of a Kennitz test to a depth of 10,900' on the subject unit. This well was spudded August 4, 1965, in the NE/4 SE/4 Section 31, Township 16 South, Range 33 East. Casing was set in the well and perforated in late September, 1965. In early October, 1965, it was acidized and has made significant quantities of oil from the Kennitz pay. It is anticipated that the well will be completed and placed on production within the immediate future. If, as seems probable, this well is completed as a commercial producer, further development will probably be undertaken.

Commissioner of Public Lands
Mr. A. L. Porter, Jr.

- 2 -

October 14, 1965

It is respectfully requested that this plan of operations be accepted for the period October 1, 1965, to October 1, 1966.

Yours very truly,

AZTEC OIL & GAS COMPANY

By E. M. Anderson
E. M. Anderson
Vice President

UNIT OPERATOR, NORTHEAST MALJAMAR UNIT

KAS:lbb

cc: Mr. Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

Union Oil Company of California
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

Monsanto Company
101 North Marienfeld
Midland, Texas 79704

E. M. ANDERSON
VICE PRESIDENT
EXPLORATION

AZTEC OIL & GAS COMPANY
2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

MAILED
SEP 4 PM 12 3

September 2, 1966

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

Attn: Mrs. Marian B. Rhea, Unit Supervisor

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

Re: Report of Status of Development
And Plan of Operations for the
Northeast Maljamar Unit Area

MAILED
SEP 6 AM 8 21

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the following twelve month period. Prior reports of the status of development of the subject area have covered the Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, Township 17 South, Range 33 East, Lea County, New Mexico, the Northeast Maljamar Unit Well No. 2, located in $SE\frac{1}{4}NW\frac{1}{4}$, Section 5, Township 17 South, Range 33 East, the Northeast Maljamar Unit Well #3, located in $SW\frac{1}{2}SE\frac{1}{4}$, Section 31, Township 16 South, Range 33 East and the Northeast Maljamar Unit Well #4, located in the $NE\frac{1}{4}SE\frac{1}{4}$, Section 31, Township 16 South, Range 33 East.

The last plan of development provided for the re-entry of the Northeast Maljamar Unit Well #2 in order to test the possibility of developing production from the San Andres formation. This work was carried out during the spring of 1966. The well was perforated from 5102' to 5120' and was swabbed for several days recovering only formation water with no show of oil or gas.

The working interest owners of the Northeast Maljamar Unit have entered into an agreement with J. M. Huber Corporation under which Huber will drill a Kemnitz test to an approximate depth of 10,900' at a location 660' from the west line and 860' from the south line of Section 32, Township 16 South, Range 33 East. This well will probably be commenced prior to October 28, 1966.

Commissioner of Public Lands and
New Mexico Oil Conservation Commission
September 2, 1966
Page 2

It is respectfully requested that the drilling of the Northeast Maljamar Unit Well #5 by J. M. Huber Corporation be accepted in satisfaction of the reasonable development obligation applicable to the Northeast Maljamar Unit and that this Plan of Operations be accepted for the period January 1, 1967 to January 1, 1968.

Yours very truly,

AZTEC OIL & GAS COMPANY

By 
E. M. Anderson
Vice President Exploration

UNIT OPERATOR, NORTHEAST MALJAMAR UNIT

KAS:sbb

cc: Estate of Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

Union Oil Company of California
P. O. Box 239
Houston, Texas 77001

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

Monsanto Company
101 North Marienfeld
Midland, Texas 79704

J. M. Huber Oil Corporation
922 Vaughn Building
Midland, Texas

Mr. Prentice Watts

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

March 29, 1966

Aztec Oil & Gas Company
2000 First National Bank Building
Dallas, Texas 75202

Re: Northeast Maljamar Unit
Lea County, New Mexico

ATTENTION: Mr. E. M. Anderson

Gentlemen:

The Commissioner of Public Lands has approved your revised Plan of Development and Operations for the year ending January 1, 1967.

Aztec Oil & Gas, Operator, plans to re-enter the Northeast Maljamar Unit Well No. 2 and try to complete it in the San Andres formation, if successful they will consider similar operations on the Unit Well No. 3.

This development work will be done in lieu of the drilling of Well No. 5 by Monsanto Company.

We are returning one approved copy.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/s
cc: Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING

DALLAS, TEXAS 75202

MAR 15 AM 7 55

March 23, 1966

2061

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

Attn: Mrs. Marian B. Rhea, Unit Supervisor

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

Re: Report of Status of Development
And Plan of Operations For The
Northeast Maljamar Unit Area

Gentlemen:

On January 20, 1966, Aztec Oil & Gas Company, as Operator of the Northeast Maljamar Unit, filed a Report of Status of Development And Plan of Operations For The Northeast Maljamar Unit Area covering the period January 1, 1966, to January 1, 1967. This Plan of Operations was approved by the Commissioner of Public Lands on January 28, 1966. The Plan of Operations covered the drilling of the Northeast Maljamar Unit Well No. 5 by Monsanto Company.

Representatives of Monsanto Company have now advised Aztec that, in all probability, they will not drill the Northeast Maljamar Unit Well No. 5. Accordingly, Aztec wishes to report its plans to carry out other development work on the unit in the near future, and respectfully request that such development work be substituted for the activity previously reported planned by Monsanto Company.

The working interest owners in the Northeast Maljamar Unit have been polled in connection with Aztec's plans, as Unit Operator, to re-enter the Northeast Maljamar Unit Well No. 2 and attempt completion in the San Andres formation. Although some working interest owners declined to participate, Aztec is prepared, under

Commissioner of Public Lands
Mr. A. L. Porter, Jr.
March 23, 1966
Page 2

the terms of the Northeast Maljamar Unit Operating Agreement, to undertake the work. It is planned to re-enter the Northeast Maljamar Unit Well No. 2, located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 5, Township 17 South, Range 33 East, perforate and treat the San Andres interval between the depths of 5,100' and 5,120'. A re-evaluation of geological data is the basis of this proposed work. If the well is successfully completed in the San Andres, similar operations will be considered for the Northeast Maljamar Unit Well No. 3.

Yours very truly,

AZTEC OIL & GAS COMPANY

By



E. M. Anderson

Vice President Exploration

KAS:lbh

cc: Mr. Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

Union Oil Company of California
P. O. Box 239
Houston, Texas 77001

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

Monsanto Company
101 North Marienfeld
Midland, Texas 79704

February 3, 1965

Aztec Oil & Gas Company
920 Mercantile Securities Building
Dallas 1, Texas

Attention: Mr. Kenneth A. Swanson

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

Gentlemen:

The Commissioner of Public Lands approves your Plan of Development for the period of October 1, 1964 to October 1, 1965. This plan covers the Maljamar Unit Well No. 3 located in the Southwest Quarter of the Southeast Quarter of Section 31, Township 16 South, Range 33 East, which was commenced August 21, 1964, and which apparently is going to be plugged and abandoned.

We trust that the approval of this Plan of Development will enable Aztec Oil and Gas Company to instigate plans for the further development of the Northeast Maljamar Unit area.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

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

GBH/tb/mmr/d

Enclosure

cc: Oil Conservation Commission
Santa Fe, New Mexico

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.
DALLAS 1, TEXAS

REC.
JAN 28 8 40 AM '65
ST
LAND OFFICE
N.M.

January 26, 1965

Commissioner of Public Lands X
State Land Office
Santa Fe, New Mexico

Attention: Mrs. Marian B. Rhea
Unit Supervisor

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

RE: Report of Status of Development
and Plan of Operations for the
Northeast Maljamar Unit Area
Lea County, New Mexico

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the 12-month period October 1, 1964 to October 1, 1965.

Preceding reports have covered in detail the Maljamar Unit Well No. 1, located in Lot 4, Section 5, T-17-S, R-33-E, N.M.P.M. and the Maljamar Unit Well No. 2, located in SE 1/4 NW 1/4 of Section 5, T-17-S, R-33-E, NM.P.M. Unit Well No. 1 is presently producing having accumulated 113,335 barrels of oil as of October 1, 1964. Unit Well No. 2 is presently shut-in. Its accumulative production as of March 31, 1964 is 26,022 barrels of oil.

By letter dated April 3, 1964 the Commissioner of Public Lands advised that in lieu of termination of the unit the drilling of

C O P Y

Commissioner of Public Lands, and
Mr. A. L. Porter, Jr.
January 26, 1965
Page Two

another well would be required by October 1, 1964. The Maljamar Unit Well No. 3, located in SW¹SE¹ of Section 31, T-16-S, R-33-E, N.M.P.M. was commenced August 21, 1964. It was drilled to a total depth of 10,930' and was tested extensively. Its final disposition has not been determined by the working interest owners. At the present time it appears that the well will probably be plugged and abandoned.

It is respectfully requested that this report be accepted and the Maljamar Unit Well No. 3 be held to comply with the requirement to drill during the period October 1, 1964 to October 1, 1965.

Very truly yours,

AZTEC OIL & GAS COMPANY

ORIGINAL SIGNED BY
KENNETH A. SWANSON
By Kenneth A. Swanson

UNIT OPERATOR - NORTHEAST MALJAMAR UNIT

KAS/sc

cc: Mr. Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

RECEIVED
JAN 28 8 40 AM '65
STATE LAND OFFICE
SANTA FE, N.M.

MAIN OFFICE OCC

1963 APR 6 PM 3:20

April 5, 1963

Aztec Oil and Gas Company
920 Mercantile Securities Building
Dallas 1, Texas

Re: Plan of Operation
Northeast Maljamar Unit
Lea County, New Mexico

Attention: Mr. E. M. Anderson

Gentlemen:

The Commissioner of Public Lands acknowledges the receipt of your report of March 20, 1963, on the Development of the Northeast Maljamar Unit Area and the further development contemplated for the following twelve month period, or to April 20, 1964.

Mr. Swanson, of your Legal Department, was in my office today and after our discussion in regard to this Plan of Operation, we are withdrawing requests made in our letter of March 25, 1963, and herewith approve your Plan of Development as outlined.

Very truly yours,

E. S. Johnny Walker
COMMISSIONER OF PUBLIC LANDS

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

ESW/nmr/e

cc:

Oil Conservation Commission
Santa Fe, New Mexico

2003 APR 15 PM 2 22

Antec Oil and Gas Company
920 Mercantile Securities Building
Dallas 1, Texas

Attention: Mr. E. M. Anderson

This office has received your report on the Development and Plan of Operation for the Northeast Maljamar Unit, Lea County, New Mexico.

We believe this Plan of Operation should cover further development of the Maljanar Wolfcamp formation. And furthermore, we do not find your statement acceptable that additional development will be undertaken on or in the area of the subject unit during this twelve month period if you should get production in the Kennits.

Therefore, we request a complete review as to your reasons for not further developing the Wolfcamp formation and also a statement concerning development in and on the unit area in the event you obtain production in the Kennits.

Antec Oil and Gas Company
March 28, 1963
- Page 2 -

May we hear from you at your earliest convenience.

Very truly yours,

E. S. Johnny Walker
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmz/e

cc:

Oil Conservation Commission
Santa Fe, New Mexico

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.
DALLAS 1, TEXAS

March 20, 1963

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

Attention: Mrs. Marian B. Rhea
Unit Supervisor

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

Re: Report of Status of Development
and a Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the unit area and the development contemplated for the following 12-month period.

At the present time, the initial well, designated Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, T-17-S, R-33-E, N.M.P.M., Lea County, New Mexico, completed as an oil producer in the Pennsylvanian formation, represents the only development on the unit area.

The operators owning interest in the subject unit have agreed to further develop the unit area by the drilling of a Kennitz test to an approximate depth of 11,000 feet immediately. You are, therefore, advised that the well, to be located on the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 5, T-17-S, R-33-E, will be commenced no later than 30 days from date and, thereafter, diligently drilled to completion in the Kennitz or deeper formation. Should this well be completed as a commercial producer, it is anticipated that additional development will be undertaken on or in the area

Commissioner of Public Lands
Mr. A. L. Porter, Jr.

-2-

March 20, 1963

of the subject unit during the period covered by this report.

Yours very truly,

AZTEC OIL & GAS COMPANY

By



E. M. Anderson
Vice President

UNIT OPERATOR, NORTHEAST MALJAMAR UNIT

EMA/et

cc: Mr. Ralph Love
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1472
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

MAIL ROOM

February 27, 1963

1963 MAR 1 PM 1:31

Commissioner of Public Lands
State Land Office
P. O. Box 791
Santa Fe, New Mexico
Attention: Mrs. Marian Rhea
Unit Supervisor

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico
Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Re: Plan of Development for the
Northeast Maljamar Unit
Lea County, New Mexico

Gentlemen:

Aztec Oil & Gas Company, as Unit Operator of the subject unit, had previously been advised by the office of the Commissioner of Public Lands that an acceptable plan of development should be filed by March 1, 1963 or the unit will be subject to termination as to its undeveloped portions.

In a telephone conversation with Mrs. Marian Rhea, Unit Supervisor, Aztec Oil & Gas Company requested permission to file such a plan of development by April 1, 1963, explaining the facts giving rise to the need of an additional thirty-day period. In accordance with that conversation, please be advised that Aztec Oil & Gas Company, as Operator of the subject unit, will file by April 1, 1963 a plan of development calling for the drilling of a second well on the unit at a location tentatively selected as the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 5, T-16-S, R-33-E.

Thank you for your cooperation in this regard.

Yours very truly,

ORIGINAL SIGNED BY
KENNETH A. SWANSON

KAS/et

2041

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

August 9, 1962

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

Attention: Mrs. Marian N. Rhea

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

Attention: Mr. A. L. Porter, Jr.,
Secretary-Director

Re: Report for the Northeast
Maljamar Unit,
Lea County, New Mexico

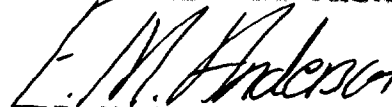
Gentlemen:

Pursuant to our advice to you on May 31, 1962, a meeting of all participating companies in the Northeast Maljamar Unit was held on July 31 to again review and consider possible development plans for the unit. It was the unanimous opinion that we still do not have sufficient information and data to justify, on an economic basis, the commencement of additional development of the unit at this time.

In view of these circumstances, we request that we be permitted to delay the filing of a plan of development for the Northeast Maljamar Unit until March 1, 1963 in order to further evaluate production from the unit's discovery well and also to obtain additional geological control from other wells expected to be drilled in this general area.

Yours very truly,

AZTEC OIL & GAS COMPANY



E. M. Anderson, Vice President

cc: All Operators -
See attached list

ILLEGIBLE

Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

June 7, 1962

Astec Oil and Gas Company
920 Mercantile Securities Bldg.,
Dallas 1, Texas

Re: Report of Development
for the Northeast Maljamar
Unit Area, Lea County,
New Mexico

Attention: Mr. E. M. Anderson

Gentlemen:

We have received your Report of Status of Development and Plan of Operations for the Northeast Maljamar Unit Area, Lea County, New Mexico.

Your Report does not state what period it covers, however, Sec. 9 of the Unit Agreement calls for the development contemplated for the following twelve month period.

You state the operators have agreed to hold another meeting in approximately three months time, therefore, we will consider this your contemplated Plan of Development for the period from June 24, 1962 to September 24, 1962.

Please furnish this office a complete report on the production on this Northeast Maljamar Well No. 1. We request that a copy of the C-115 be filed monthly with this department.

We wish to call your attention to the second paragraph of Sec. 9 of the Unit Agreement and we trust by September Astec as Operator of this Unit will propose to further develop this Unit.

Astec Oil and Gas Company
920 Mercantile Securities Bldg.,
Dallas 1, Texas
June 7, 1962
Page (2)

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmr/v
cc: Oil Conservation Commission
Santa Fe, New Mexico

Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
Midland, Texas (P. O. Box 1669)

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O
P
Y

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BUILDING

DALLAS 1, TEXAS

E. M. ANDERSON
VICE PRESIDENT
EXPLORATION

May 31, 1962

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

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

Attention: Mr. Ted Bilberry,
Oil and Gas Supervisor

Re: Report of Status of Development
and Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the Unit Area and the development contemplated for the following twelve-month period.

The initial well, designated Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, T-17-S, R-33-E, N.M.P.M., Lea County, New Mexico, was completed as an oil producer in the Pennsylvanian formation. Since this discovery, no additional development has taken place.

At a meeting of the operators owning interests in the subject Unit held in Midland on May 23, 1962, the matter of additional development was discussed. The consensus was that production to date from the initial well had not yet provided sufficient information to justify, on an economic basis, additional development. The operators agreed to hold another meeting in approximately three months' time with the expectation that information might then be available from wells drilled in the area of the Northeast Maljamar Unit and the additional production history from the initial well which would justify additional development.

Yours very truly,

AZTEC OIL & GAS COMPANY



E. M. Anderson, Vice President

cc: All Operators -
see attached list

Mr. A. L. Porter, Jr.
and Commissioner of Public Lands

-2-

May 31, 1962

Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

706

AZTEC OIL & GAS COMPANY
920 MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

May 31, 1962

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

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

Attention: Mr. Ted Hilberry,
Oil and Gas Supervisor

Re: Report of Status of Development
and Plan of Operations for the
Northeast Maljamar Unit Area

Gentlemen:

The following information is respectfully furnished as a report of the status of the development of the Unit Area and the development contemplated for the following twelve-month period.

The initial well, designated Northeast Maljamar Unit Well No. 1, located in Lot 4, Section 5, T-17-S, R-33-E, N.M.P.M., Lea County, New Mexico, was completed as an oil producer in the Pennsylvanian formation. Since this discovery, no additional development has taken place.

At a meeting of the operators owning interests in the subject Unit held in Midland on May 23, 1962, the matter of additional development was discussed. The consensus was that production to date from the initial well had not yet provided sufficient information to justify, on an economic basis, additional development. The operators agreed to hold another meeting in approximately three months' time with the expectation that information might then be available from wells drilled in the area of the Northeast Maljamar Unit and the additional production history from the initial well which would justify additional development.

Yours very truly,

AZTEC OIL & GAS COMPANY



E. M. Anderson, Vice President

cc: All Operators -
see attached list

Mr. A. L. Porter, Jr.
and Commissioner of Public Lands

-2-

May 31, 1962

Ralph Lowe
P. O. Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

AZTEC OIL & GAS COMPANY
920 MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

December 27, 1960

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

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

Re: Northeast Maljamar Unit #1
Lea County, New Mexico

Gentlemen:

On Saturday, December 24, 1960, Ralph Lowe, the Unit Operator of the captioned well, elected not to participate in the attempt to complete such well in the Pennsylvania formation. Aztec, Pure, Sinclair and Great Western have elected to participate, with Aztec acting as temporary Operator in the completion operations. If the well is successfully completed as a producer, operations of same will revert to Ralph Lowe, as Unit Operator, unless Aztec is designated as Operator of the Unit.

Should you need any additional information, please advise.

Yours very truly,

YLS

YLS:mjb

cc: Mr. Ralph Lowe
Box 832
Midland, Texas

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas

The Pure Oil Company
P. O. Box 239
Houston 1, Texas

Great Western Drilling Company
P. O. Box 1659
Midland, Texas

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 871
SANTA FE

August 30, 1960

Mr. Howard Bratton
Hervey, Dow & Hinkle
Box 547
Roswell, New Mexico

Re: Case No. 2061
Order No. R-1760
Applicant:
Ralph Lowe

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

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

ir/

Carbon copy of order also sent to:

Hobbs OCC X
Artesia OCC
Aztec OCC

Other

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
EXHIBIT NO. <u>2</u>	
CASE NO. <u>2151</u>	

In reply refer to:
Unit Division

August 22, 1960

C
O
P
Y

Mr. Howard C. Bratton
Hervey, Dow & Hinkle
P.O. Box 547
Roswell, New Mexico

Re: Northeast Maljamar Unit,
Lea County, New Mexico

Dear Mr. Bratton:

I discussed the proposed Northeast Maljamar Unit with Mr. Morgan this morning. He finds no objections to this area being unitized.

Therefore, at such times as you bring it in after the Oil Conservation Commission hearing with adequate ratifications we will approve this unit.

There is a fee of \$20.00 for the filing of this unit agreement.

Very truly yours,

Marian M. Rhea, Supervisor
Unit Division

MMR/1

Ralph Lowe

Phone MU 4-7441

Box 832 Midland, Texas

September 14, 1960

Aut 1960

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

Re: Order No. R-1760
Northeast Maljamar Unit
Lea County, New Mexico

Gentlemen:

Enclosed for your file is fully executed copy
of the above captioned Unit Agreement with Certificate
of Approval by Commissioner of Public Lands, State
of New Mexico.

Very truly yours,

RALPH LOWE

By:

Fred G. Goodman
Fred G. Goodman

FGG:br
Encls.