



ENERGY CORPORATION

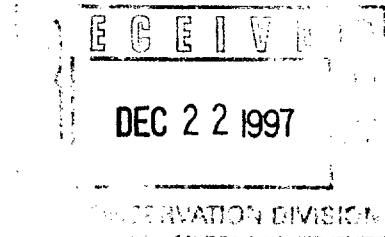
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Thursday, December 18, 1997

Certified Mail No. Z 397 639 512

US Department of the Interior
Bureau of Land Management
Roswell District Office
1717 West Second Street
Roswell, New Mexico 88201-2019



Attention: Tony L. Ferguson, Assistant District Manager, Minerals Support Team

RE: Performance Summary
1995 & 1996 Report of Operations
1997 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

Submitted for your review is a Performance Summary, the 1995 and 1996 Report of Operations and the 1997 Plan of Development for the Mescalero Ridge Unit.

Performance Summary

In the Mescalero Ridge Unit 35, cumulative production from the Queen-Penrose is 1,982,563 BO, 977,838 MCF and 4,381,670 BW as of December 31, 1996. Cumulative production from the Seven Rivers is 74,137 BO, 288,429 MCF and 129,711 BW. Cumulative injection into the Queen-Penrose is 6,254,326 BW.

In the Mescalero Ridge Unit 26, cumulative production from the Queen-Penrose is 398,510 BO, 186,503 MCF and 908,501 BW as of December 31, 1996. Cumulative injection into the Queen-Penrose is 5,699,702 BW.

All remaining wells in the Mescalero Ridge Unit are not in the Pearl Field. As these wells are owned by various operators and located in different fields, we would ask that you refer to Attachment A for individual well production figures for 1995 and 1996

1995 Report of Operations

During 1995 only routine maintenance type operations were performed. The injection line to the 35-4 was replace and injection re-initiated. No wells were drilled, completed, shut-in, or converted to injection.

1996 Report of Operations

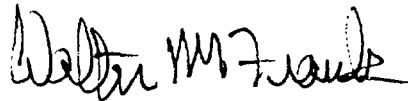
During 1996 only routine maintenance type operations were performed. No wells were drilled, completed, shut-in, or converted to injection.

1997 Plan of Development

In 1997 four Queen-Pennrose development wells have been drilled, the MRU 35-23, 35-24, 35-25, & 35-26. Two of the wells have been completed at the time of this reports writing, the MRU 35-23 & 35-24. Attached is the 1997 production for these two wells. The other two wells, the MRU 35-25 and 35-26, are awaiting completion. No other wells will be drilled during 1997. No other wells were drilled, completed, shut-in, or converted to injection.

If you need further information or have any questions, please advise.

Yours truly,



Walter M. Frank
District Engineer
DEVON ENERGY CORPORATION (NEVADA)

WMF
Attachments

copy: Commission of Public Lands, Santa Fe (Cert. # Z 397 639 511)
NMOCD, Santa Fe (Cert # Z 397 639 510)

Devon Energy Corporation (Nevada)
 Well Status Listing
 Mescalero Ridge Unit 35
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1995 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Shut In
14	Shut In
15	Active
18	Active

Pearl Seven Rivers	
<u>Well No.</u>	<u>December, 1995 Status</u>
9	Active
10	Shut In

Injection Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1995 Status</u>
4	Active
6	Shut In
8	Shut In
12	Shut In
16	Shut In

<u>Pearl Queen</u>		<u>Pearl Seven Rivers</u>	
Active Producers	= 6	Active Producers	= 1
Shut In Producers	= 2	Shut In Producers	= 1
Active Injectors	= 1	Active Injectors	= 0
Shut In Injectors	= 4	Shut In Injectors	= 0

Devon Energy Corporation (Nevada)
 Well Status Listing
 Mescalero Ridge Unit 35
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1996 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Shut In
14	Shut In
15	Active
18	Active

Pearl Seven Rivers	
<u>Well No.</u>	<u>December, 1996 Status</u>
9	Active
10	Shut In

Injection Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1996 Status</u>
4	Active
6	Shut In
8	Shut In
12	Shut In
16	Shut In

<u>Pearl Queen</u>		<u>Pearl Seven Rivers</u>	
Active Producers	= 6	Active Producers	= 1
Shut In Producers	= 2	Shut In Producers	= 1
Active Injectors	= 1	Active Injectors	= 0
Shut In Injectors	= 4	Shut In Injectors	= 0

Devon Energy Corporation (Nevada)
Well Status Listing
Mescalero Ridge Unit 26
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1995 Status</u>
2	T/A
9	Active

Injection Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1995 Status</u>
3	Active
5	Shut In
7	Active

<u>Pearl Queen</u>	
Active Producers	1
Shut In Producers	1
Active Injectors	2
Shut In Injectors	1

Devon Energy Corporation (Nevada)
Well Status Listing
Mescalero Ridge Unit 26
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1996 Status</u>
2	T/A
9	Active

Injection Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1996 Status</u>
3	Active
5	Shut In
7	Active

<u>Pearl Queen</u>	
Active Producers	1
Shut In Producers	1
Active Injectors	2
Shut In Injectors	1

Mescalero Ridge Unit
 Wells not in the Pearl Field
Well Status Listing

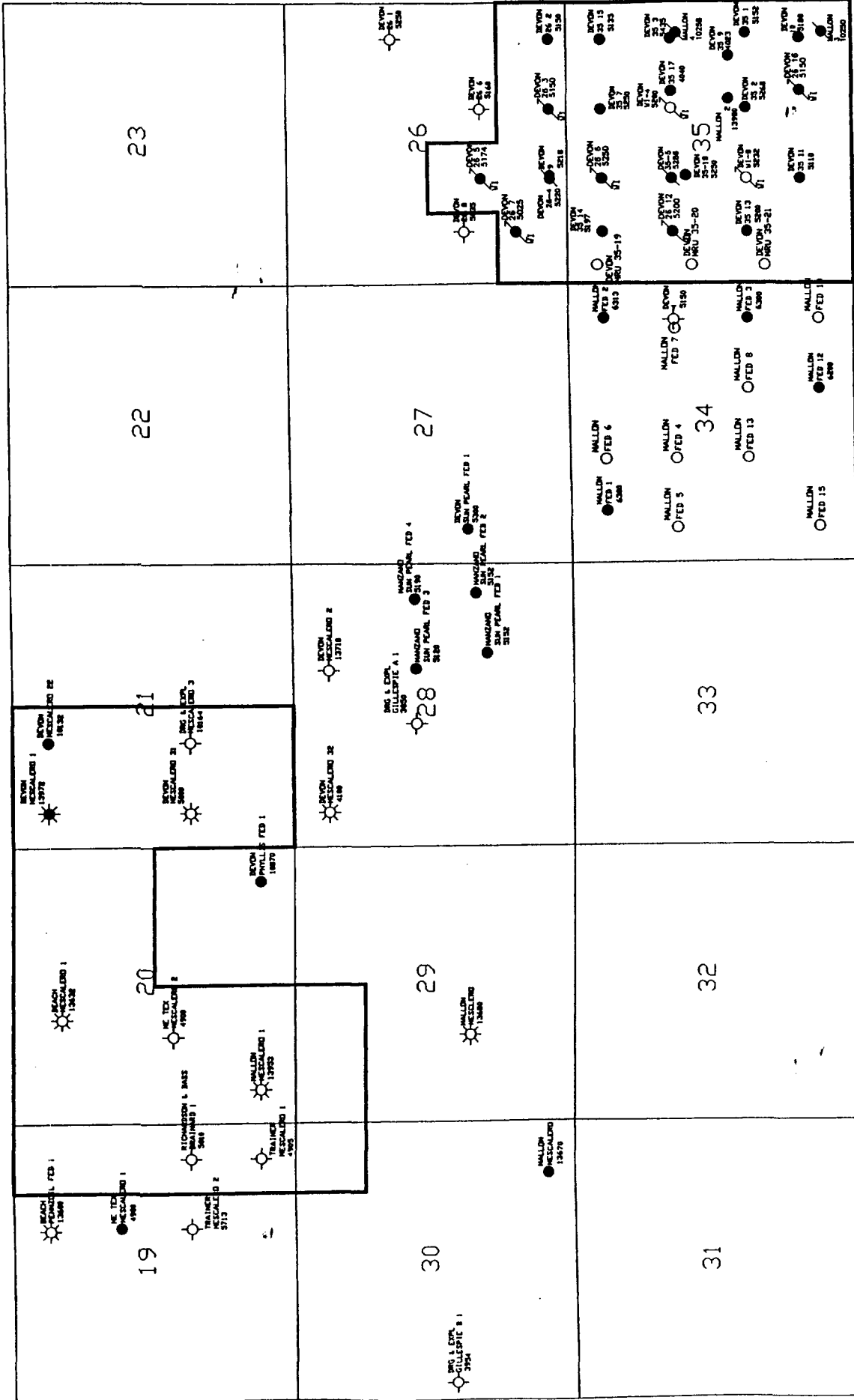
<u>Well Name</u>	<u>Operator</u>	<u>December, 1995 Status</u>
Mescalero Ridge Unit #22	<u>Quail Ridge Bone Springs</u> Devon Energy Corporation	Active Producer
Mescalero Ridge Unit DE #1	Devon Energy Corporation	Active Producer
Mescalero Ridge Unit #1	<u>Quail Ridge Morrow</u> Beach Exploration	Shut In Producer
Mescalero Ridge Unit #1	Mallon	Active Producer
Mescalero Ridge Unit #2	<u>Lea Bone Springs</u> Devon Energy Corporation	Shut In Producer
Mescalero Ridge Unit #4	Mallon	P&A
Mescalero Ridge Unit #3	<u>Lea Delaware, Northeast</u> Mallon	Active Producer

Mescalero Ridge Unit
Wells not in the Pearl Field
Well Status Listing

<u>Well Name</u>	<u>Operator</u>	<u>December, 1996 Status</u>
	<u>Quail Ridge Bone Springs</u>	
Mescalero Ridge Unit #22	Devon Energy Corporation	Active Producer
Mescalero Ridge Unit DE #1	Devon Energy Corporation	Active Producer
	<u>Quail Ridge Morrow</u>	
Mescalero Ridge Unit #1	Beach Exploration	Shut In Producer
Mescalero Ridge Unit #1	Mallon	Active Producer
	<u>Lea Bone Springs</u>	
Mescalero Ridge Unit #2	Devon Energy Corporation	Shut In Producer
Mescalero Ridge Unit #4	Mallon	P&A
	<u>Lea Delaware, Northeast</u>	
Mescalero Ridge Unit #3	Mallon	Active Producer

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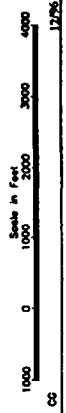
T 19 S



Mescalero Ridge Unit

LA BREA COUNTY, NEW MEXICO

BLM
BUREAU OF LAND MANAGEMENT



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12796

MESCALERO RIDGE UNIT
TABULAR PRODUCTION
FOR
WELLS IN THE PEARL (QUEEN) FIELD

<u>Well No.</u>	Pearl Queen
	<u>December, 1996 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Shut In
14	Shut In
15	Active
18	Active

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	1
Location:	351 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2030200
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	EOTEO
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	6,978	8,888	8,355	1		
1971	5,909	4,682	8,215	1		
1972	11,717	17,832	3,896	1		
1973	12,024	14,438	2,917	1		
1974	13,428	7,280	4,727	1		
1975	13,903	7,200	3,895	1		
1976	12,009	4,688	1,886	1		
1977	11,448	3,386	4,505	1		
1978	17,062	1,826	8,330	1		
1979	19,384	1,497	6,225	1		
1980	16,603	2,454	6,957	1		
1981	27,168	9,703	19,002	1		
1982	19,879	5,369	12,786	1	350	
1983	20,584	4,638	14,182	1	353	
1984	18,271	3,740	18,952	1	363	
1985	15,356	3,521	16,727	1	363	
1986	8,317	2,861	27,215	1	358	
1987	4,249	1,728	11,724	1	292	
1988	4,772	982	663	1	366	
1989	9,109	4,402	45,249	1	334	
1990	8,974	161	17,794	1	365	
1991	7,874	1,072	2,434	1	364	
1992	6,204	364	1,643	1	361	
1993	3,939	2	2,890	1	363	
1994	1,869	1,039	16,583		365	
1995	2,305	532	7,994		365	
1996	1,800	634	3,919		337	
1997	401	195	1,179		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	2
Location:	35J 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2056500
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	2,428	3,065	3,083	1		
1971	2,214	1,747	3,079	1		
1972	1,044	754	9,118	1		
1973	362		23,166	1		
1974	247		25,360	1		
1975	2,035	888	12,015	1		
1976	3,992	1,080	19,272	1		
1977	5,311	781	25,147	1		
1978	8,448	1,310	31,525	1		
1979	4,081	563	27,476	1		
1980	3,733	2,013	30,336	1		
1981	2,900	790	12,205	1		
1982	4,023	1,326	47,189	1	346	
1983	1,358	2,197	75,418	1	355	
1984	3,676	1,226	64,203	1	353	
1985	4,084	1,179	71,621	1	363	
1986	3,976	1,048	31,753	1	344	
1987	5,210	1,244	12,567	1	302	
1988	5,208	1,480	998	1	366	
1989	3,146	5,651	31,897	1	334	
1990	1,420	240	72,440	1	362	
1991	1,195	646	72,484	1	355	
1992	1,872	183	31,785	1	365	
1993	1,276		15,304	1	209	
1994	445	438	2,501		214	
1995	853	544	1,701		365	
1996	696	637	962		337	
1997	401	195	568		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	3
Location:	35H 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2069100
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	2,303	2,971	3,266	1		
1971	2,212	1,747	3,080	1		
1972	747	754	620	1		
1973	362		306	1		
1974	297			1		
1975	1,444	691	2,683	1		
1976	2,745	840	3,668	1		
1977	5,501	608	569	1		
1978	12,311	2,277	3,991	1		
1979	12,223	2,084	4,344	1		
1980	11,121	2,129	2,270	1		
1981	3,984	692	1,663	1		
1982	8,215	686	6,300	1	347	
1983	9,967	859	5,531	1	363	
1984	9,009	728	5,136	1	356	
1985	9,288	755	5,439	1	353	
1986	9,141	2,032	4,996	1	343	
1987	7,511	837	12,988	1	302	
1988	6,599	1,972	1,258	1	366	
1989	6,849	835	16,041	1	328	
1990	7,906	316	13,725	1	361	
1991	5,569	2,144	9,164	1	364	
1992	4,108	731	6,303	1	364	
1993	2,574	3	5,864	1	362	
1994	1,873	1,119	8,959		360	
1995	2,657	734	8,366		359	
1996	2,411	921	7,843		337	
1997	1,202	195	2,466		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	7
Location:	35B 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2069400
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	2,700	3,442	3,229	1		
1971	2,529	1,996	3,522	1		
1972	5,919	8,352	5,179	1		
1973	6,456	6,796	5,112	1		
1974	3,946	3,434	2,698	1		
1975	4,506	2,868	6,066	1		
1976	4,746	1,562	9,010	1		
1977	7,727	1,129	13,940	1		
1978	10,838	2,366	30,887	1		
1979	11,717	1,150	25,434	1		
1980	11,075	1,935	23,148	1		
1981	7,633	2,112	18,222	1		
1982	13,021	2,716	29,437	1	351	
1983	15,003	3,574	29,133	1	365	
1984	16,749	3,341	28,440	1	364	
1985	13,436	3,006	44,773	1	359	
1986	13,754	3,611	33,443	1	363	
1987	12,402	996	25,882	1	302	
1988	12,154	3,208	2,324	1	336	
1989	7,515	5,371	35,187	1	330	
1990	4,877	394	42,487	1	357	
1991	4,204	2,644	36,447	1	359	
1992	3,150	912	33,673	1	364	
1993	2,497	3	31,517	1	360	
1994	2,792	174	31,019		242	
1995	3,495	714	30,395		365	
1996	2,917	648	31,185		336	
1997	2,006	195	9,864		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	13
Location:	35L 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2126700
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	INA

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	2,579	3,323	3,113	1		
1971	2,319	1,840	3,224	1		
1972	2,322	2,340	3,538	1		
1973	2,280	2,274	3,566	1		
1974	5,189	2,116	5,475	1		
1975	26,414	3,931	11,954	1		
1976	18,452	2,913	9,402	1		
1977	9,189	2,349	13,322	1		
1978	9,105	842	16,692	1		
1979	9,119	382	14,239	1		
1980	5,613	369	13,229	1		
1981	2,608	3,401	16,022	1		
1982	2,390	2,106	27,246	1	348	
1983	1,900	1,022	21,190	1	362	
1984	1,669	916	17,006	1	359	
1985	1,706	532	20,186	1	364	
1986	507	172	5,148	1	128	
1987	1,074	558	3,767	1	302	
1988	1,041	409	200	1	366	
1989	1,542	425	4,846	1	331	
1990	827	39	2,269	1	360	
1991	707		1,029	1	365	
1992	514		860	1	356	
1993	191		271	1	120	
1994	478		2,892		244	
1995	160		1,673		117	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	14
Location:	35D 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2161300
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	INA

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	3,374	4,317	4,039	1		
1971	2,954	2,347	4,107	1		
1972	1,921	2,050	4,099	1		
1973	1,699	1,668	2,878	1		
1974	1,103	1,573	2,975	1		
1975	1,099	2,951	4,265	1		
1976	1,159	2,186	4,226	1		
1977	1,828	1,762	10,202	1		
1978	994	951	5,123	1		
1979	865	668	3,401	1		
1980	1,371	810	18,938	1		
1981	810	775	15,186	1		
1982	1,286	1,371	15,944	1	351	
1983	1,299	781	14,849	1	352	
1984	891	821	8,691	1	147	
1985	1,252	516	18,500	1	359	
1986	615	185	4,610	1	147	
1987	1,080	20	3,598	1	302	
1988	1,043	263	199	1	366	
1989	1,894	559	4,003	1	334	
1990	888	39	2,475	1	354	
1991	704	268	6,053	1	364	
1992	525	91	5,346	1	366	
1993	650	2	4,813	1	363	
1994	582	950	6,286		362	
1995	7		88		7	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	15
Location:	35A 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2168300
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	10,111	12,908	12,123	1		
1971	8,861	7,025	12,318	1		
1972	14,989	20,966	9,213	1		
1973	14,959	16,562	11,990	1		
1974	13,346	8,306	14,521	1		
1975	10,189	6,663	15,736	1		
1976	10,360	3,488	17,511	1		
1977	12,331	2,518	20,196	1		
1978	12,671	2,080	19,302	1		
1979	9,937	1,742	17,691	1		
1980	8,238	1,685	31,025	1		
1981	10,751	4,024	46,478	1		
1982	13,590	3,679	61,742	1	349	
1983	11,834	1,845	66,055	1	365	
1984	9,252	1,402	70,333	1	364	
1985	8,786	1,450	75,500	1	361	
1986	9,401	2,730	61,680	1	349	
1987	10,744	2,746	29,017	1	302	
1988	10,419	2,568	1,991	1	366	
1989	7,893	9,590	50,194	1	330	
1990	6,768	458	127,360	1	338	
1991	6,062	3,152	128,949	1	348	
1992	5,330	1,093	114,472	1	358	
1993	6,673	21	95,548	1	359	
1994	6,543	2,481	72,028		361	
1995	3,903	503	80,761		349	
1996	3,469	366	91,366		334	
1997	2,004	195	43,075		212	

Dwight's Energydata Inc.**Rocky Mountain****New Mexico Oil**

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	18
Location:	35F 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2951700
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1986	5,265	3,946	48,511	1	319	
1987	4,766	2,205	14,068	1	271	
1989	1,375	5,606	17,421	1	244	
1990	2,066	59	51,289	1	355	
1991	2,925		70,940	1	350	
1992	2,075		63,718	1	365	
1993	1,593		50,997	1	333	
1994	1,911	130	22,460		365	
1995	2,535	591	13,509		365	
1996	3,294	368	12,249		337	
1997	1,568	195	5,857		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	23
Location:	35A 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-3366000
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	
Liquid Gatherer:	
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1997	10,934	1,998	55,961		181	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	24
Location:	35H 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-3366100
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	
Liquid Gatherer:	
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1997	12,497	6,450	43,032		159	

MESCALERO RIDGE UNIT
TABULAR PRODUCTION
FOR
WELLS IN THE PEARL (SEVEN RIVERS) FIELD

Pearl Seven Rivers	
<u>Well No.</u>	<u>December, 1996 Status</u>
9	Active
10	Shut In

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	9
Location:	35I 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2126400
Field:	PEARL (SEVEN RIVERS) SR
Reservoir:	SEVEN RIVERS
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	5,556	13,500	2,995	1		
1971	4,105	4,940	3,412	1		
1972	2,864	1,618	17,134	1		
1973	989		11,815	1		
1974	98	405	15,082	1		
1975	25		2,170	1		
1987	1	1		1		
1991		8,168	222	1	201	
1992		1,501		1	121	
1994		34,316			245	
1995		29,651			333	
1996		27,448			337	
1997		14,787			90	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	10
Location:	35P 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2126500
Field:	PEARL (SEVEN RIVERS) SR
Reservoir:	SEVEN RIVERS
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	INA

Year	Oil Prod BBLS	Gas Prod MCF	Water BBLS	# of Wells	Days On	Allowables
1984	6,153	6,268	7,347	1	329	
1985	5,159	4,320	5,747	1	363	
1986	2,334	3,818	2,764	1	357	
1987	2,343	4,899	4,299	1	272	
1988	2,229	738	391	1	306	
1989	1,555	1,453	10,321	1	322	
1990	1,130	100	5,103	1	365	
1991	464	667	1,411	1	363	
1992	1,076	228	26,049	1	365	
1993	646	2	3,960	1	363	
1994	308	827	1,750		304	
1995	8		22		8	

MESCALERO RIDGE UNIT
TABULAR PRODUCTION
FOR
WELLS IN THE PEARL (QUEEN) FIELD

<u>Well No.</u>	Pearl Queen
	<u>December, 1995 Status</u>
2	T/A
9	Active

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT 26
Well #:	000002
Location:	26P 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2179800
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	PHIPC
Liquid Gatherer:	UNKWN
Status Date:	
Status:	INA

Year	Oil Prod BBLS	Gas Prod MCF	Water BBLS	# of Wells	Days On	Allowables
1970	1,647	1,340	4,477	1		
1971	1,430	953	8,407	1		
1972	638	232	16,910	1		
1973	388		16,903	1		
1974	372		14,640	1		
1975	407		22,344	1		
1976	365		25,535	1		
1977	360		37,476	1		
1978	57	408	22,373	1		
1981		4	158	1		
1982	471	43	1,260	1		

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	9
Location:	28N 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2720400
Field:	PEARL (QUEEN) QN
Reservoir:	QUEEN
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1982	3,834	2,170	23,468	1	255	
1983	4,408	2,556	27,619	1	350	
1984	4,161	2,505	29,218	1	366	
1985	4,153	2,416	25,194	1	359	
1986	3,727	2,336	13,674	1	363	
1987	3,598	1,929	8,925	1	299	
1988	4,259	237	20,315	1	356	
1989	4,499		22,900	1	320	
1990	3,083		15,753	1	364	
1991	2,542		24,089	1	360	
1992	1,976		14,273	1	366	
1993	1,607		15,449	1	365	
1994	1,301		11,843		360	
1995	1,213		8,117		365	
1996	964		5,391		336	
1997	597		3,724		210	

MESCALERO RIDGE UNIT
TABULAR PRODUCTION
FOR
WELLS NOT IN PEARL FIELD

<u>Well Name</u>	<u>Operator</u>	<u>December, 1996 Status</u>
Mescalero Ridge Unit #22	<u>Quail Ridge Bone Springs</u>	Active Producer
Mescalero Ridge Unit DE #1	Devon Energy Corporation	Active Producer
	<u>Quail Ridge Morrow</u>	
Mescalero Ridge Unit #1	Beach Exploration	Shut In Producer
Mescalero Ridge Unit #1	Mallon	Active Producer
	<u>Lea Bone Springs</u>	
Mescalero Ridge Unit #2	Devon Energy Corporation	Shut In Producer
Mescalero Ridge Unit #4	Mallon	P&A
	<u>Lea Delaware, Northeast</u>	
Mescalero Ridge Unit #3	Mallon	Active Producer

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	22
Location:	21C 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2185600
Field:	QUAIL RIDGE (BONE SPRINGS) BS
Reservoir:	BONE SPRINGS
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	EOTEO
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	14,587	25,815	11,668	1		
1971	10,670	12,354	12,295	1		
1972	7,635	9,032	10,415	1		
1973	4,223	7,062	6,257	1		
1974	10,610	13,809	20,352	1		
1975	9,879	15,242	14,345	1		
1976	7,774	11,764	15,764	1		
1977	6,078	7,282	13,528	1		
1978	4,825	6,807	10,739	1		
1979	5,106	7,177	11,299	1		
1980	4,891	5,865	10,884	1		
1981	8,242	13,089	12,336	1		
1982	5,812	10,389	11,386	1	314	
1983	2,494	4,535	16,236	1	304	
1984	1,164	2,532	4,603	1	141	
1985	5,322	10,527	11,511	1	269	
1986	10,724	24,060	26,418	1	350	
1987	7,584	20,030	22,438	1	289	
1988	8,428	7,113	29,599	1	364	
1989	7,390	4,018	27,982	1	329	
1990	9,692	9,589	33,919	1	353	
1991	10,651	15,867	40,713	1	355	
1992	7,834	9,885	34,056	1	364	
1993	5,669	6,473	29,074	1	356	
1994	4,675	4,446	26,536		361	
1995	4,711	4,527	42,326		365	
1996	4,007	2,365	42,678		321	
1997	1,922	2,445	18,773		212	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	DEVON ENERGY CORP
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	1
Location:	21D 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-0239100
Field:	QUAIL RIDGE (BONE SPRINGS) BS
Reservoir:	BONE SPRINGS
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	KOCSV
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	32,139	26,398	323	1		
1971	26,655	29,247	3,803	1		
1972	17,590	19,092	2,611	1		
1973	10,507	14,533	2,040	1		
1974	9,623	10,230	1,485	1		
1975	11,046	12,962	3,114	1		
1976	9,304	13,797	1,337	1		
1977	5,207	9,269	645	1		
1978	14,813	16,890	1,831	1		
1979	18,659	21,993	2,978	1		
1980	15,634	23,509	4,017	1		
1981	11,917	19,405	2,963	1		
1982	7,749	15,032	4,081	1	308	
1983	6,275	14,762	3,965	1	326	
1984	4,245	8,108	2,010	1	203	
1985	4,856	6,857	3,449	1	185	
1986	6,506	13,189	10,607	1	313	
1987	4,264	8,289	11,925	1	287	
1988	3,447	5,441	18,577	1	352	
1989	3,335	3,593	21,968	1	323	
1990	3,058	8,501	21,280	1	341	
1991	2,614	8,444	99	1	361	
1992	2,356	2,951	156	1	349	
1993	2,039	3,856	139	1	365	
1994	2,049	1,314	1,443		349	
1995	1,932	1,369	2,329		363	
1996	1,509	1,188	1,233		332	
1997	857	103	1,081		209	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Gas

Operator:	BEACH EXPL INC
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	1
Location:	20C 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2666200
Field:	QUAIL RIDGE (MORROW) PM
Reservoir:	MORROW
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	LANPC
Status Date:	
Status:	ACT

Year	Oil Prod BBLS	Gas Prod MCF	Water BBLS	# of Wells	Days On	Allowables
1981	9,522	290,930		1		
1982	7,898	283,133		1	273	
1983	5,502	143,767		1	230	
1984	5,989	204,554		1	212	
1985	4,377	127,118		1	170	
1986	2,008	90,106		1	109	
1987	2,066	72,995		1	119	
1988	1,305	66,894		1	146	
1989	661	22,648		1	38	
1990	26	3,424		1	2	
1992	540	23,546		1	115	
1993	3,355	81,039		1	317	
1994	318	12,484	7,067		31	
1995	4,505	206,053	71,464		334	
1996	3,315	192,353	36,567		364	
1997	1,939	85,940	20,033		181	

Dwight's Energydata Inc.

Rocky Mountain

New Mexico Gas

Operator:	MALLON OIL CO
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	1
Location:	20M 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2318900
Field:	QUAIL RIDGE (MORROW) PM
Reservoir:	MORROW
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	PETSP
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	51,491	571,980		1		
1971	49,396	662,639		1		
1972	46,182	666,443		1		
1973	41,756	661,067		1		
1974	38,830	633,847	23,835	1		
1975	39,718	673,647	26,068	1		
1976	29,018	524,965	20,645	1		
1977	20,899	382,974	15,039	1		
1978	18,039	334,630	13,139	1		
1979	15,835	314,463	12,348	1		
1980	14,240	289,169	11,355	1		
1981	14,693	283,983	11,152	1		
1982	10,414	226,190	8,884	1	307	
1983	8,614	199,295	7,826	1	306	
1984	6,330	136,538	5,362	1	271	
1985	4,819	117,108	4,600	1	183	
1986	3,551	88,759	3,473	1	78	
1987	3,376	77,603	3,048	1	159	
1988	4,373	123,661	4,856	1	158	
1989	7,590	220,623	6,303	1	199	
1990	8,043	233,723	6,151	1	297	
1991	8,863	255,597	6,728	1	365	
1992	5,725	222,333	5,852	1	206	
1993	8,860	333,580	10,349	1	361	
1994	7,480	259,182	9,844		334	
1995	5,763	214,474	8,490		359	
1996	3,981	201,849	7,002		356	
1997	1,601	83,613	2,514		108	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	HONDO OIL & GAS CO
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	000002
Location:	35J 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2331900
Field:	LEA (BONE SPRINGS) BS
Reservoir:	BONE SPRINGS
Basin:	PERMIAN BASIN
Gas Gatherer:	PHIPC
Liquid Gatherer:	SCURP
Status Date:	
Status:	INA

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	96,345	77,836	39	1		
1971	120,201	139,623		1		
1972	34,155	77,454		1		
1973	38,003	82,967		1		
1974	31,148	100,842		1		
1975	11,520	33,064		1		
1976	6,099	16,465		1		
1977	7,677	19,766		1		
1978	5,924	13,629		1		
1979	6,027	11,174		1		
1980	8,581	11,383	2,648	1		
1981	3,756	8,336	540	1		
1982	3,787	8,562	579	1	351	
1983	3,682	5,102	1,472	1	360	
1984	1,994	8,990	3,004	1	343	
1985	1,721	12,789	2,704	1	348	
1986	44	495	64	1	15	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	PENNZOIL EXPL & PROD CO
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	000004
Location:	35H 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2362900
Field:	LEA (BONE SPRINGS) BS
Reservoir:	BONE SPRINGS
Basin:	PERMIAN BASIN
Gas Gatherer:	PHIPC
Liquid Gatherer:	PERMI
Status Date:	08/89
Status:	P&A

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1970	486	190	8	1		
1971	21,197	12,514	407	1		
1972	7,132	10,498	447	1		
1973	4,466	6,779	335	1		
1974	2,947	4,666	222	1		
1975	2,151	3,344	161	1		
1976	1,756	2,674	143	1		
1977	1,466	2,936	133	1		
1978	1,126	3,384	101	1		
1979	867	1,871	79	1		
1980	625	2,023	109	1		
1981	650	1,806	321	1		
1982	589	1,652	289	1	277	
1983	1,398	2,942	695	1	343	
1984	1,186	2,204	772	1	353	
1985	906	2,486	603	1	306	
1986	789	2,793	189	1	83	
1987	550	2,546	112	1	51	
1988	528	2,484	110	1	48	
1989	346	835	70	1	30	

Dwight's Energydata Inc.
Rocky Mountain
New Mexico Oil

Operator:	MALLON OIL CO
Well/Lease Name:	MESCALERO RIDGE UNIT
Well #:	3
Location:	35P 19S 34E
State:	NM
District:	002
County:	LEA
Regulatory #:	
API #:	30-025-2350300
Field:	LEA NE (DELAWARE) DL
Reservoir:	DELAWARE
Basin:	PERMIAN BASIN
Gas Gatherer:	GPMGC
Liquid Gatherer:	PETSP
Status Date:	
Status:	ACT

Year	Oil Prod BBLs	Gas Prod MCF	Water BBLs	# of Wells	Days On	Allowables
1986	4,113	1,656		1	124	
1987	5,874	3,882		1	334	
1988	3,573	2,687	215	1	315	
1989	3,490	4,622	198	1	165	
1990	2,815	4,282		1	113	
1991	2,415	4,324		1	137	
1992	2,090	4,241		1	183	
1993	1,757	4,079	5	1	347	
1994	1,480	2,955	100		359	
1995	1,087	485			355	
1996	1,760	1,691			364	
1997	622	921			151	

MESCALERO RIDGE UNIT
TABULAR INJECTION VOLUMES

MESCALERO RIDGE UNIT
SECTION 26
WATER INJECTION VOLUMES

MONTH	MUR 26-3 Bbls	MUR 26-7 Bbls
Jan-95	4751	11740
Feb-95	3891	10714
Mar-95	4115	11214
Apr-95	0	9135
May-95	0	11363
Jun-95	3894	11580
Jul-95	4008	11046
Aug-95	3845	10462
Sep-95	4185	1859
Oct-95	5959	0
Nov-95	6546	0
Dec-95	7045	0
TOTAL	48239	89113

SECTION TOTAL = 137352

MONTH	MUR 26-3	MUR 26-7
Jan-96	3162	8976
Feb-96	2114	10563
Mar-96	4331	7802
Apr-96	5036	5872
May-96	3903	7561
Jun-96	4001	7561
Jul-96	4075	7882
Aug-96	3936	8073
Sep-96	3870	8290
Oct-96	4010	8480
Nov-96	4140	8380
Dec-96	2816	11010
TOTAL	45394	100450

SECTION TOTAL = 145844

MESCALERO RIDGE UNIT
SECTION 35
WATER INJECTION VOLUMES

MONTH	MUR 35-4 Bbls	MUR 35-6 Bbls
Jan-95	0	0
Feb-95	0	0
Mar-95	0	0
Apr-95	0	1034
May-95	0	350
Jun-95	0	0
Jul-95	0	0
Aug-95	390	0
Sep-95	7875	0
Oct-95	9536	0
Nov-95	9671	0
Dec-95	9391	0
TOTAL	36863	1384

MONTH	MUR 35-4	MUR 35-6
Jan-96	3747	0
Feb-96	1829	0
Mar-96	3274	0
Apr-96	3710	0
May-96	3035	0
Jun-96	2989	0
Jul-96	2976	0
Aug-96	2997	0
Sep-96	3130	0
Oct-96	2950	0
Nov-96	2940	0
Dec-96	2350	0
TOTAL	35927	0



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

Devon Energy Corporation
20 North Broadway
Suite 1500
Oklahoma City, Oklahoma 73102-8260

Attn: Mr. Walter M. Frank

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

Dear Mr. Frank:

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, reading "Jami Bailey".

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

RP/JB/cpm
xc: Reader File

OCD



#2179

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

August 31, 1995

Mallon Oil Company
999 18th Street
Suite 1700
Denver, Colorado 80202

Attention: Mr. Randy Stalcup

Re: Designation of Sub-Operator
Mescalero Ridge Unit
Lea County, New Mexico

Dear Mr. Stalcup:

This office is in receipt of your letter of August 4, 1995, where Mallon Oil Company has been designated as the sub-operator of the Delaware formation in the Mescalero Ridge Unit.

The Commissioner of Public Lands has this date approved the designation of Mallon Oil Company as sub-operator of the Delaware formation in the Mescalero Ridge Unit.

As sub-operator, Mallon Oil Company, will comply with all terms and conditions of the Mescalero Ridge Unit Agreement. It is also understood that this designation of sub-operator does not relieve the unit operator of any responsibilities regarding the terms and conditions of the unit agreement.

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

Mallon Oil Company

Page2

August 31,1995

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

Enclosure

cc: Reader File

Devon Energy Corporation: Attention: Mr. J.M. Lacey

BLM--Mr. Gary Gourley

OCD--Mr. Roy Johnson

Commissioner's File



OIL CONSERVATION DIVISION

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1995 JUL 14 AM 8 52

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

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

July 17, 1995

Devon Energy Corporation
20 North Broadway
Suite 1500
Oklahoma City, Oklahoma 73102-8260

Attention: Mr. E.L. Buttross, Jr.

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

Dear Mr. Buttross:

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

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

BY:
JAMI BAILEY, Deputy Director
Oil/Gas and Minerals Division
(505) 827-5745

RP/JB/cpm
cc: Reader File
OCD-Roy Johnson

June 30, 1995

Certified Mail No. Z 253 345 551

US Department of the Interior
Bureau of Land Management
Roswell District Office
1717 West Second Street
Roswell, New Mexico 88201-2019

Attention: Tony L. Ferguson, Assistant District Manager, Minerals Support Team

RE: Performance Summary
1994 Report of Operations
1995 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

Submitted for your review is a Performance Summary, the 1994 Report of Operations and the 1995 Plan of Development for the Mescalero Ridge Unit.

Performance Summary

In the Mescalero Ridge Unit 35, cumulative production from the Queen-Penrose is 1,952,061 BO, 970,646 MCF and 4,089,659 BW as of December 31, 1994. Cumulative production from the Seven Rivers is 74,129 BO, 231,330 MCF and 129,689 BW. Cumulative injection into the Queen-Penrose is 6,252,942 BW.

In the Mescalero Ridge Unit 26, cumulative production from the Queen-Penrose is 396,333 BO, 186,503 MCF and 894,993 BW as of December 31, 1994. Cumulative injection into the Queen-Penrose is 5,416,506 BW.

All remaining wells in the Mescalero Ridge Unit are not in the Pearl Field. As these wells are owned by various operators and located in different fields, we would ask that you refer to Attachment A for individual well production figures for 1994. Please be advised we were only able to obtain production through the early months of 1994.

Mescalero Ridge Unit
1994 Report of Operations
1995 Plan of Development
June 30, 1995
Page 2

1994 Report of Operations

During 1994 only routine maintenance type operations were performed.

1995 Plan of Development

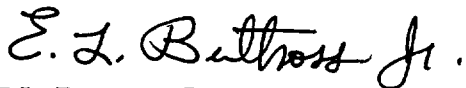
In 1995 plans are to drill a 6200' well located in the NW/4 of Section 35 to test the Delaware Sands. If this well is successful, two additional wells may be drilled.

Plans also include testing the Seven Rivers in two wells and replacing some of the injection lines.

If you need further information or have any questions, please advise.

Yours truly,

DEVON ENERGY CORPORATION (NEVADA)

A handwritten signature in cursive script that reads "E.L. Buttross Jr.".

E.L. Buttross, Jr.
District Engineer

ELB/cg
Attachments

copy: Commission of Public Lands, Santa Fe
NMOCD, Santa Fe

Devon Energy Corporation (Nevada)
 Well Status Listing
 Mescalero Ridge Unit 35
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1994 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Shut In
14	Shut In
15	Active
18	Active

Pearl Seven Rivers	
<u>Well No.</u>	<u>December, 1994 Status</u>
9	Active
10	Shut In

Injection Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1994 Status</u>
4	Shut In
6	Shut In
8	Shut In
12	Shut In
16	Shut In

<u>Pearl Queen</u>		<u>Pearl Seven Rivers</u>	
Active Producers	= 6	Active Producers	= 1
Shut In Producers	= 2	Shut In Producers	= 1
Active Injectors	= 0	Active Injectors	= 0
Shut In Injectors	= 5	Shut In Injectors	= 0

Devon Energy Corporation (Nevada)
Well Status Listing
Mescalero Ridge Unit 26
Lea County, New Mexico

Producing Wells:

Pearl Queen	
<u>Well No.</u>	<u>December, 1994 Status</u>
2	T/A
9	Active

Injection Wells:

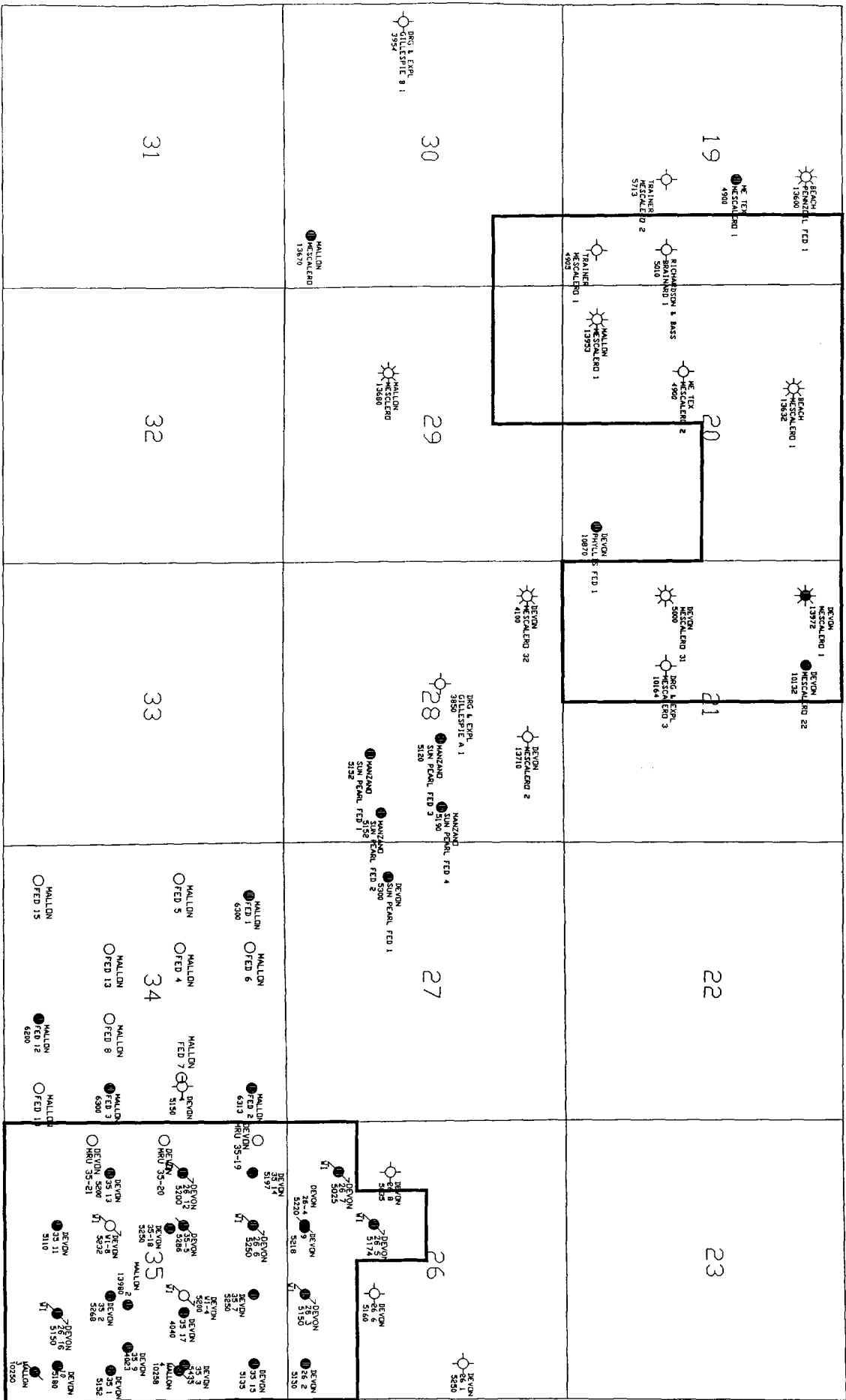
Pearl Queen	
<u>Well No.</u>	<u>December, 1994 Status</u>
3	Active
5	Shut In
7	Active

<u>Pearl Queen</u>	
Active Producers	1
Shut In Producers	1
Active Injectors	2
Shut In Injectors	1

Mescalero Ridge Unit
Wells not in the Pearl Field
Well Status Listing

<u>Well Name</u>	<u>Operator</u>	<u>December, 1994 Status</u>
Mescalero Ridge Unit #22	<u>Quail Ridge Bone Springs</u>	Active Producer
Mescalero Ridge Unit DE #1	Devon Energy Corporation	Active Producer
	Devon Energy Corporation	
	<u>Quail Ridge Morrow</u>	
Mescalero Ridge Unit #1	Beach Exploration	Shut In Producer
Mescalero Ridge Unit #1	Mallon	Active Producer
	<u>Lea Bone Springs</u>	
Mescalero Ridge Unit #2	Devon Energy Corporation	Shut In Producer
Mescalero Ridge Unit #4	Mallon	P&A
	<u>Lea Delaware, Northeast</u>	
Mescalero Ridge Unit #3	Mallon	Active Producer

R 34 E



T 19 S

devon

MESCALERO RIDGE UNIT

LOS ANGELES COUNTY, NEW MEXICO

WELL 1	WELL 2	WELL 3	WELL 4	WELL 5	WELL 6	WELL 7	WELL 8	WELL 9	WELL 10	WELL 11	WELL 12	WELL 13	WELL 14	WELL 15	WELL 16	WELL 17	WELL 18	WELL 19	WELL 20	WELL 21	WELL 22	WELL 23	WELL 24	WELL 25	WELL 26	WELL 27	WELL 28	WELL 29	WELL 30	WELL 31	WELL 32	WELL 33	WELL 34	WELL 35
--------	--------	--------	--------	--------	--------	--------	--------	--------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------

Scale in Feet
0 1000 2000 3000 4000
6/95

State- Prod County Date Lease 43988	Oil BBLs MESCALERO RIDGE UNIT #22	Cumulative Oil BBLs	Gas MCF	Cumulative Gas MCF	NGL Gal	Cumulative NGL Gal	Water Volume BBLs	Water Injected	Lease Use Gas	Days on Line
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NM-025 43988-22-0 MESCALERO RIDGE UNIT #22

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	372	39,108	296	45,058			2,388	0	124	31
02/94	338	39,446	245	45,303			1,996	0	112	28
03/94	395	39,841	328	45,631			2,133	0	124	31
04/94	383	40,224	328	45,959			1,998	0	120	30
05/94	393	40,617	412	46,371			1,946	0	124	31
06/94	290	40,907	274	46,645			1,306	0	120	30
07/94	334	41,241	383	47,028			2,143	0	124	31
08/94	338	41,579	421	47,449			2,241	0	124	31
09/94	329	41,908	460	47,909			2,190	0	120	30
10/94	254	42,162	409	48,318			1,843	0	120	30
11/94	542	42,704	381	48,699			3,101	0	104	26
12/94	707	43,411	359	49,058			3,251	0	124	31
*** Totals ***										
Year	4,675	43,411	4,296	49,058	0	0	26,536	0	1,440	360

Lease 44119 MESCALERO RIDGE UNIT 26 2

NM-025 44119-02-0 MESCALERO RIDGE UNIT 26 2

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	0	0	0	0			0	0	0	0
02/94	0	0	0	0			0	0	0	0
03/94	0	0	0	0			0	0	0	0
04/94	0	0	0	0			0	0	0	0
05/94	0	0	0	0			0	0	0	0
06/94	0	0	0	0			0	0	0	0
07/94	0	0	0	0			0	0	0	0
08/94	0	0	0	0			0	0	0	0
09/94	0	0	0	0			0	0	0	0
10/94	0	0	0	0			0	0	0	0
11/94	0	0	0	0			0	0	0	0
12/94	0	0	0	0			0	0	0	0
*** Totals ***										
Year	0	0	0	0	0	0	0	0	0	0

NM-025 44119-09-0 MESCALERO RIDGE UNIT 26 9

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	143	12,056	0	0			1,251	0	0	31
02/94	107	12,163	0	0			1,018	0	0	28
03/94	122	12,285	0	0			1,248	0	0	31
04/94	131	12,416	0	0			1,219	0	0	30
05/94	119	12,535	0	0			1,105	0	0	30
06/94	124	12,659	0	0			1,006	0	0	30
07/94	114	12,773	0	0			1,227	0	0	31
08/94	120	12,893	0	0			1,019	0	0	31
09/94	95	12,988	0	0			964	0	0	30
10/94	106	13,094	0	0			1,311	0	0	28
11/94	120	13,214	0	0			1,275	0	0	30
12/94	107	13,321	0	0			1,012	0	0	31
*** Totals ***										
Year	1,408	13,321	0	0	0	0	13,655	0	0	361

Lease 44118 MESCALERO RIDGE UNIT #35 1

NM-025 44118-01-0 MESCALERO RIDGE UNIT #35 1

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	200	33,799	0	1,686	2,274	0	0	31
02/94	183	33,982	1	1,687	1,909	0	0	28
03/94	170	34,152	107	1,794	1,917	0	0	31
04/94	206	34,358	431	2,225	1,943	0	0	30
05/94	202	34,560	62	2,287	1,902	0	0	31
06/94	93	34,653	60	2,347	1,327	0	0	30
07/94	122	34,775	67	2,414	1,195	0	0	31
08/94	153	34,928	63	2,477	847	0	0	31
09/94	146	35,074	58	2,535	804	0	0	30
10/94	171	35,245	56	2,591	1,233	0	0	31
11/94	136	35,381	49	2,640	468	0	0	30
12/94	127	35,508	86	2,726	788	0	0	31
*** Totals ***								
Year	1,909	35,508	1,040	2,726	16,607	0	0	365

NM-025 44118-02-0 MESCALERO RIDGE UNIT #35 2

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	0	7,380	0	1,249	0	0	0	0
02/94	0	7,380	0	1,249	0	0	0	0
03/94	0	7,380	0	1,249	0	0	0	0
04/94	0	7,380	0	1,249	0	0	0	0
05/94	0	7,380	0	1,249	0	0	0	0
06/94	70	7,450	60	1,309	1,625	0	0	30
07/94	122	7,572	67	1,376	1,28	0	0	31
08/94	61	7,633	63	1,439	267	0	0	31
09/94	58	7,691	58	1,497	254	0	0	30
10/94	69	7,760	56	1,553	132	0	0	31
11/94	34	7,794	49	1,602	43	0	0	30
12/94	32	7,826	86	1,688	56	0	0	31
*** Totals ***								
Year	446	7,826	439	1,688	2,505	0	0	214

NM-025 44118-03-0 MESCALERO RIDGE UNIT #35 3

Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	173	25,238	0	3,364	1,604	0	0	31
02/94	157	25,395	1	3,365	1,346	0	0	28
03/94	142	25,537	107	3,472	1,278	0	0	31
04/94	139	25,676	432	3,904	1,105	0	0	30
05/94	134	25,810	62	3,966	1,082	0	0	31
06/94	93	25,903	60	4,026	755	0	0	30
07/94	367	26,270	67	4,093	384	0	0	31
08/94	214	26,484	63	4,156	356	0	0	31
09/94	170	26,654	48	4,204	282	0	0	25
10/94	69	26,723	56	4,260	88	0	0	31
11/94	103	26,826	49	4,309	426	0	0	30
12/94	158	26,984	173	4,482	338	0	0	31
*** Totals ***								
Year	1,919	26,984	1,118	4,482	9,044	0	0	360

NM-025 44118-07-0 MESCALERO RIDGE UNIT #35 7 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	258	18,939	0	4,262	4,344	0	0	31
02/94	236	19,175	1	4,263	3,646	0	0	28
03/94	227	19,402	107	4,370	3,859	0	0	31
04/94	278	19,680	0	4,370	3,383	0	0	30
05/94	251	19,931	0	4,370	3,098	0	0	29
06/94	187	20,118	0	4,370	2,511	0	0	30
07/94	163	20,281	0	4,370	3,457	0	0	31
08/94	458	20,739	0	4,370	2,585	0	0	31
09/94	437	21,176	0	4,370	2,455	0	0	30
10/94	342	21,518	0	4,370	2,597	0	0	31
11/94	307	21,825	0	4,370	2,596	0	0	30
12/94	315	22,140	173	4,543	3,208	0	0	31
*** Totals ***								
Year	3,459	22,140	281	4,543	37,539	0	0	363

NM-025 44118-09-0 MESCALERO RIDGE UNIT #35 9 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	0	0	0	10,152	0	0	0	0
02/94	0	0	0	10,152	0	0	0	0
03/94	0	0	0	10,152	0	0	0	0
04/94	0	0	0	10,152	0	0	0	0
05/94	0	0	0	14,826	0	0	0	31
06/94	0	0	0	19,304	0	0	0	30
07/94	0	0	0	24,294	0	0	0	31
08/94	0	0	0	29,031	0	0	0	31
09/94	0	0	0	33,372	0	0	0	30
10/94	0	0	0	37,573	0	0	0	31
11/94	0	0	0	41,282	0	0	0	30
12/94	0	0	0	44,522	0	0	0	31
*** Totals ***								
Year	0	0	34,370	44,522	0	0	0	245

NM-025 44118-10-0 MESCALERO RIDGE UNIT #35 10 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	57	4,213	0	1,051	321	0	0	31
02/94	52	4,265	0	1,051	269	0	0	28
03/94	28	4,293	107	1,158	128	0	0	31
04/94	35	4,328	432	1,590	167	0	0	30
05/94	26	4,354	48	1,638	127	0	0	24
06/94	23	4,377	59	1,697	114	0	0	30
07/94	11	4,388	17	1,714	55	0	0	8
08/94	0	4,388	0	1,714	0	0	0	0
09/94	0	4,388	0	1,714	0	0	0	0
10/94	34	4,422	56	1,770	220	0	0	31
11/94	34	4,456	50	1,820	170	0	0	30
12/94	31	4,467	0	1,820	113	0	0	31
*** Totals ***								
Year	331	4,467	769	1,820	1,684	0	0	274

NM-025 44118-13-0 MESCALERO RIDGE UNIT #35 13 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	0	3,464	0	90	0	0	0
02/94	0	3,464	0	90	0	0	0
03/94	0	3,464	0	90	0	0	0
04/94	0	3,464	0	90	0	0	0
05/94	65	3,529	0	90	63	0	30
06/94	46	3,575	0	90	46	0	30
07/94	82	3,657	0	90	512	0	31
08/94	61	3,718	0	90	535	0	31
09/94	58	3,776	0	90	508	0	30
10/94	69	3,845	0	90	572	0	31
11/94	34	3,879	0	90	383	0	30
12/94	63	3,942	0	90	281	0	31
*** Totals ***	478	3,942	0	90	2,900	0	244
Year							

NM-025 44118-14-0 MESCALERO RIDGE UNIT #35 14 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	57	4,411	0	421	845	0	31
02/94	52	4,463	1	422	710	0	28
03/94	57	4,520	107	529	639	0	31
04/94	69	4,589	432	961	703	0	30
05/94	63	4,652	58	1,019	644	0	29
06/94	47	4,699	60	1,079	480	0	30
07/94	41	4,740	66	1,145	341	0	31
08/94	31	4,771	63	1,208	356	0	31
09/94	29	4,800	58	1,265	339	0	30
10/94	69	4,869	56	1,322	396	0	31
11/94	34	4,903	50	1,372	426	0	30
12/94	30	4,933	0	1,372	490	0	30
*** Totals ***	579	4,933	951	1,372	6,369	0	362
Year							

NM-025 44118-15-0 MESCALERO RIDGE UNIT #35 15 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	630	30,302	1	4,975	5,830	0	31
02/94	576	30,878	20	4,995	4,894	0	28
03/94	652	31,530	1,489	6,484	4,956	0	31
04/94	693	32,223	432	6,916	5,059	0	30
05/94	628	32,851	59	6,975	4,632	0	29
06/94	468	33,319	59	7,034	3,455	0	30
07/94	408	33,727	66	7,100	7,469	0	31
08/94	397	34,124	64	7,164	7,575	0	31
09/94	368	34,492	56	7,220	6,954	0	29
10/94	527	35,019	54	7,274	7,158	0	30
11/94	615	35,634	50	7,324	7,276	0	30
12/94	536	36,170	130	7,454	6,865	0	31
*** Totals ***	6,498	36,170	2,480	7,454	72,123	0	361
Year							

Lease 44118 MESCALERO RIDGE UNIT #35 1 * * Continued * *

State- Prod County Date	Oil BBLs	Cumulative Oil BBLs	Gas MCF	Cumulative Gas MCF	NGL Gal	Cumulative NGL Gal	Water Volume BBLs	Water Injected	Lease Use Gas	Days on Line
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NM-025 44118-18-0 MESCALERO RIDGE UNIT #35 18 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	200	10,033	0	59			2,565	0	0	31
02/94	157	10,190	0	59			2,104	0	0	28
03/94	198	10,388	0	59			2,249	0	0	31
04/94	208	10,596	0	59			2,346	0	0	30
05/94	200	10,796	0	59			2,296	0	0	31
06/94	140	10,936	0	59			1,602	0	0	30
07/94	123	11,059	0	59			1,750	0	0	31
08/94	91	11,150	0	59			1,694	0	0	31
09/94	88	11,238	0	59			1,608	0	0	30
10/94	103	11,341	0	59			1,365	0	0	31
11/94	171	11,512	0	59			1,490	0	0	30
12/94	189	11,701	130	189			1,294	0	0	31
*** Totals ***										
Year	1,868	11,701	130	189	0	0	22,363	0	0	365

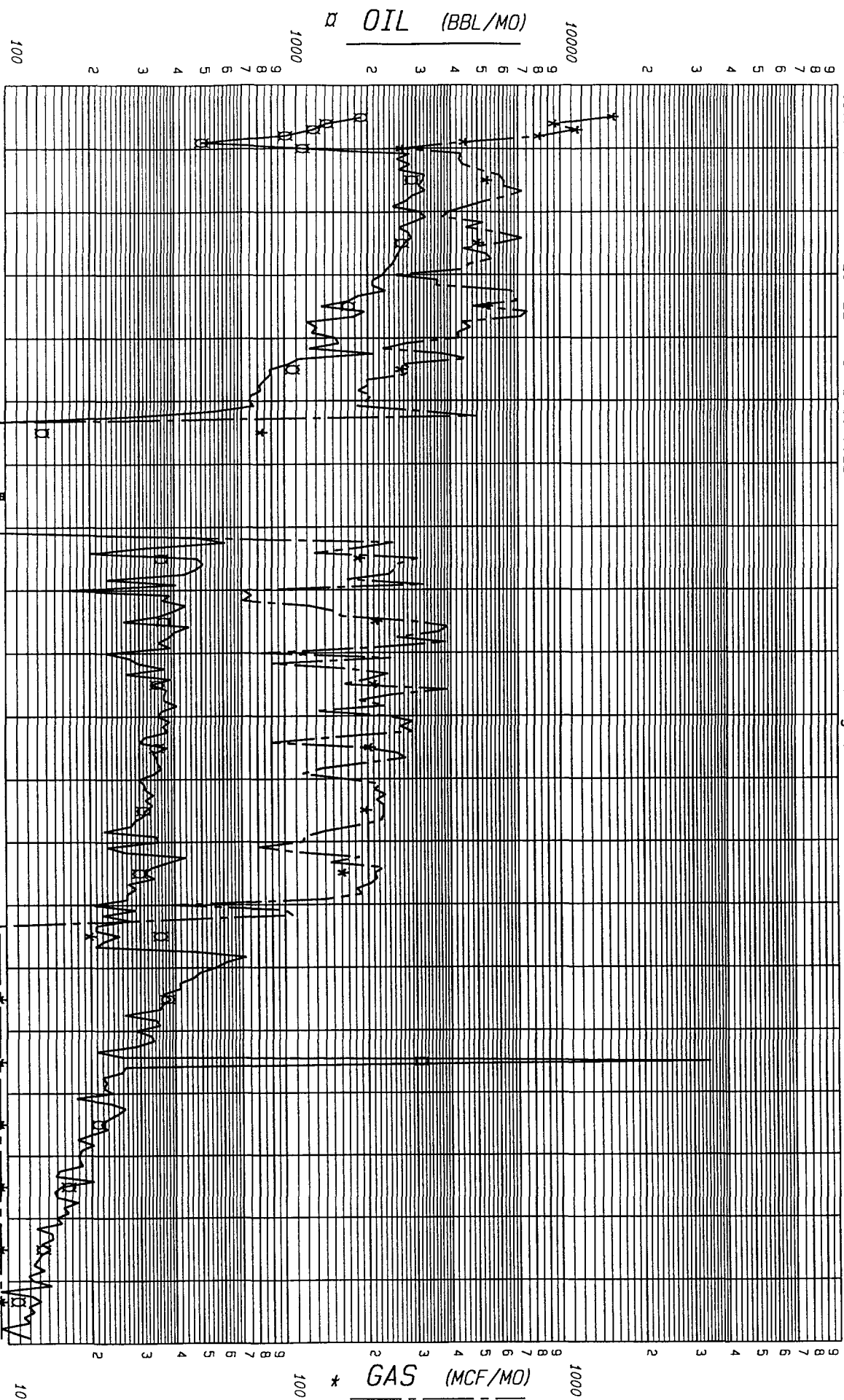
NM-025 43990-01-0 MESCALERO RIDGE UNIT DE #1 Operator: 08100 DEVON ENERGY CORPORATION (NEVADA)

01/94	186	12,435	198	26,646			12	0	93	31
02/94	161	12,596	164	26,810			20	0	82	28
03/94	196	12,792	112	26,922			15	0	93	31
04/94	193	12,985	109	27,031			14	0	90	30
05/94	177	13,162	96	27,127			88	0	75	25
06/94	127	13,289	69	27,196			73	0	60	20
07/94	164	13,453	117	27,313			151	0	93	31
08/94	179	13,632	120	27,433			197	0	93	31
09/94	167	13,799	121	27,554			210	0	90	30
10/94	157	13,956	120	27,674			231	0	93	31
11/94	165	14,121	119	27,793			217	0	90	30
12/94	177	14,298	114	27,907			224	0	93	31
*** Totals ***										
Year	2,049	14,298	1,459	27,907	0	0	1,452	0	1,045	349

10000 Lease: SUMMARY OF MESCALERO RIDGE 26 QUEEN

Dwights

Retrieval Code: 000, 000, SUMMARY



Annual Data

F.P. Date 03-82

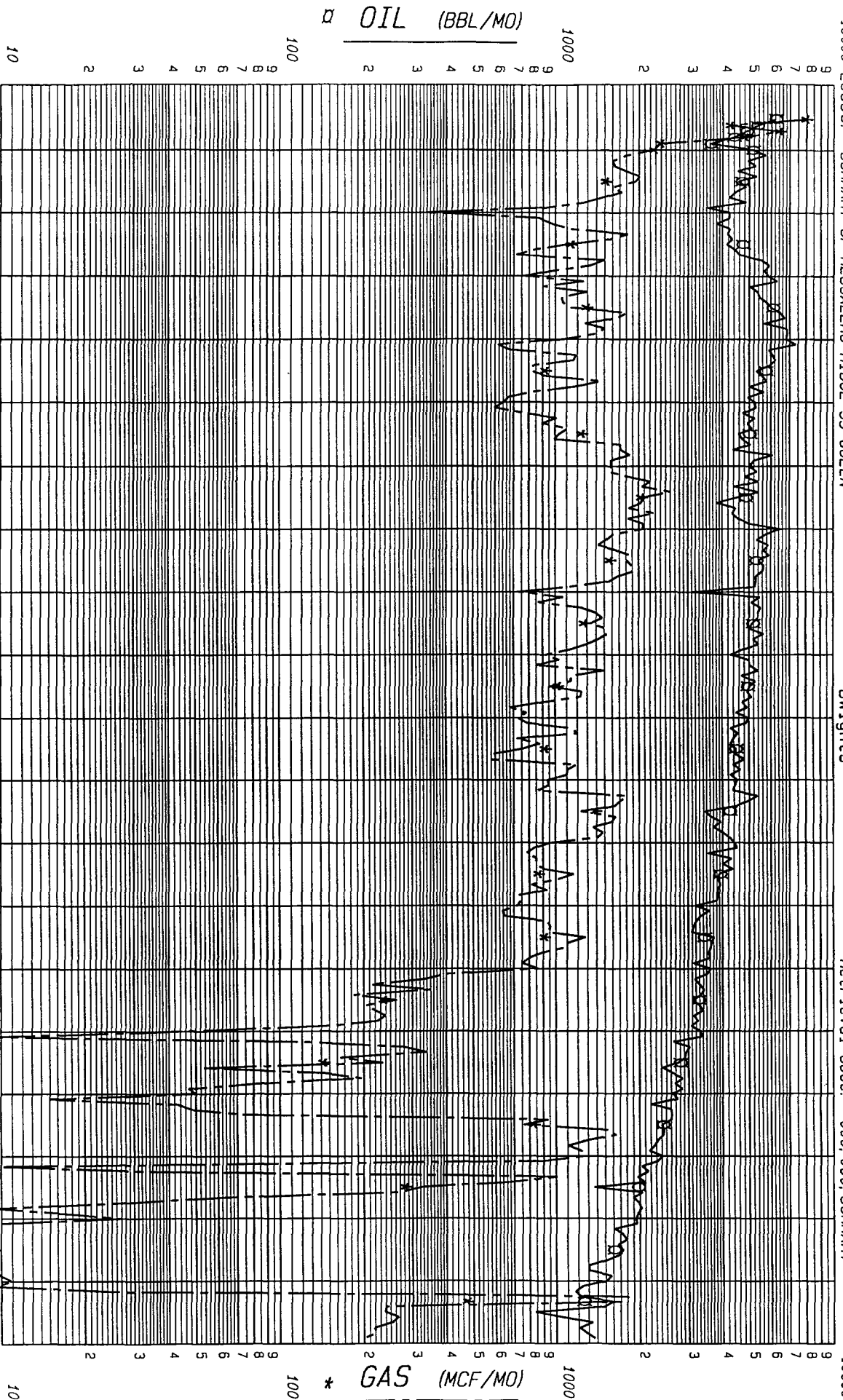
County: LEA
Field: PEARL (QUEEN) ON
Reservoir: QUEEN
Operator: 396333
Oil Cum: 266 195 346
Gas Cum: 186503
State: NM

Date: 06-08-95

10000 Lease: SUMMARY OF MESCALERO RIDGE 35 QUEEN

Dwights

Retrieval Code: 000, 000, SUMMARY



66-
Annual
Date

State: NM

County: LEA
Field: PEARL (QUEEN) ON
Reservoir: QUEEN
Operator: 1953965
Oil Cum: 350 195 345
Gas Cum: 966578

F.P. Date 02-86

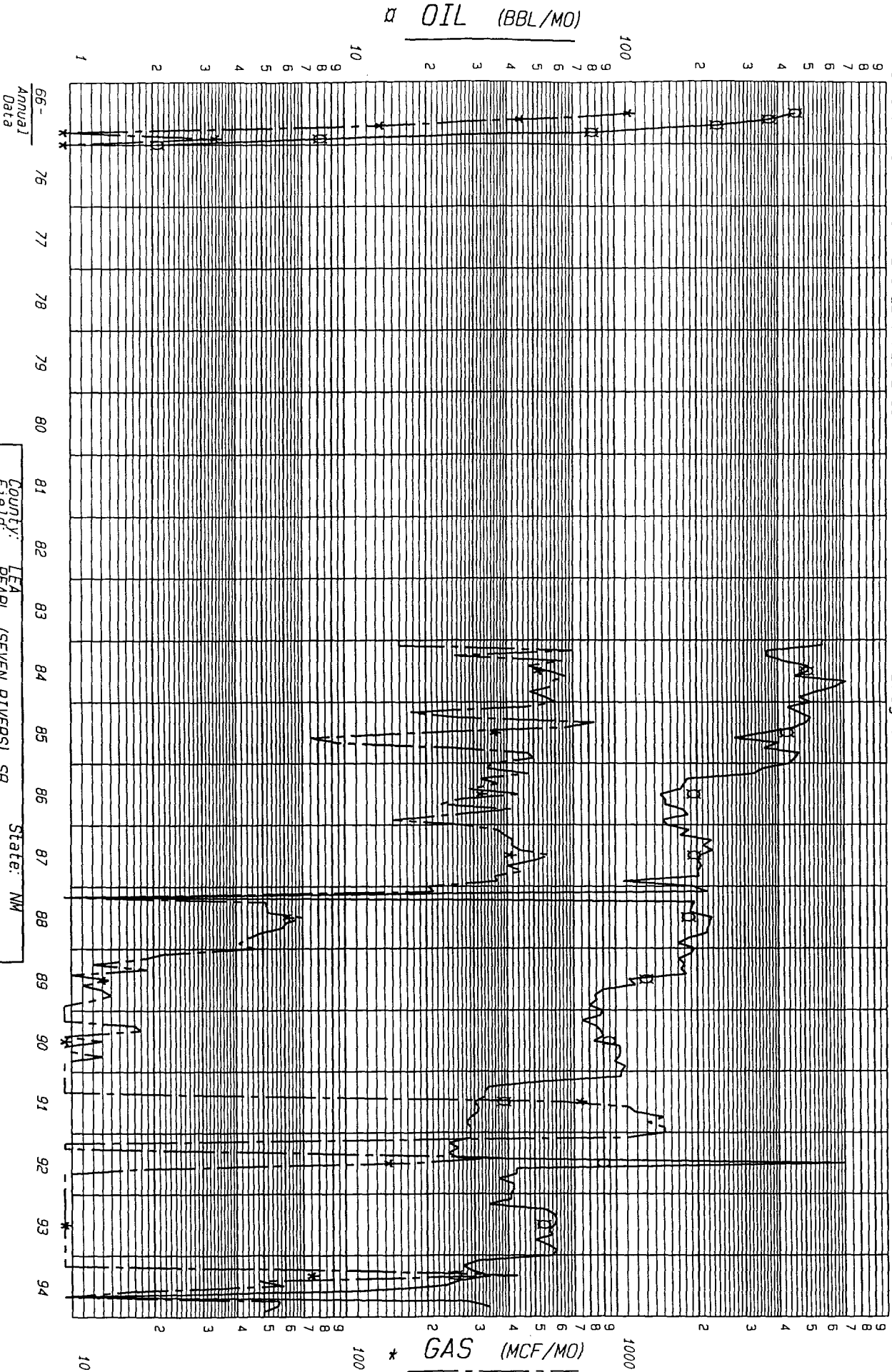
Date: 06-08-95

1000 Lease: SUMMARY OF MESCALERO RIDGE 35 7A

Dwights

Retrieval Code: 000, 000, SUMMARY

10000



F.P. Date 01-84

County: LEA
Field: PEARL (SEVEN RIVERS) SR
Reservoir: SEVEN RIVERS
Operator: 74405
Oil Cum: 350 195 345
Gas Cum: 230860

Date: 06-08-95

PRSR043
11:18:33

Prod Date	Oil BBLs	Gas Mcf
1/94	0	0
2/94	0	0
3/94	0	0
4/94	0	0
5/94	0	0
6/94	0	0
7/94	0	0
8/94	0	0
9/94	0	0
10/94	0	0
11/94	0	0
12/94	0	0
TOTAL:	0	0

DEC 01 Devcon Energy Corp. (Nevada)
Total Gross Production for Selected Wells
1/94 Thru 12/94

Oil gal	Water Produced	Water Injected
0	0	1,716
0	0	1,483
0	0	1,835
0	0	2,676
0	0	2,588
0	0	2,524
0	0	2,517
0	0	2,749
0	0	3,069
0	0	3,247
0	0	4,140
0	0	33,415

mescalero ridge 26 3

1/94 Thru 12/94

Prod Date	Oil BBLs	Gas Mcf	NGL Gal	Water Produced	Water Injected
1/94	0	0	0	0	7,755
2/94	0	0	0	0	7,143
3/94	0	0	0	0	8,634
4/94	0	0	0	0	12,164
5/94	0	0	0	0	1,808
6/94	0	0	0	0	9,270
7/94	0	0	0	0	4,270
8/94	0	0	0	0	3,891
9/94	0	0	0	0	3,156
10/94	0	0	0	0	2,578
TOTAL:	0	0	0	0	68,941

mescalero ridge 26-5

PRSR043
9:57:44

DEC 01 Devon Energy Corp. (Nevada)

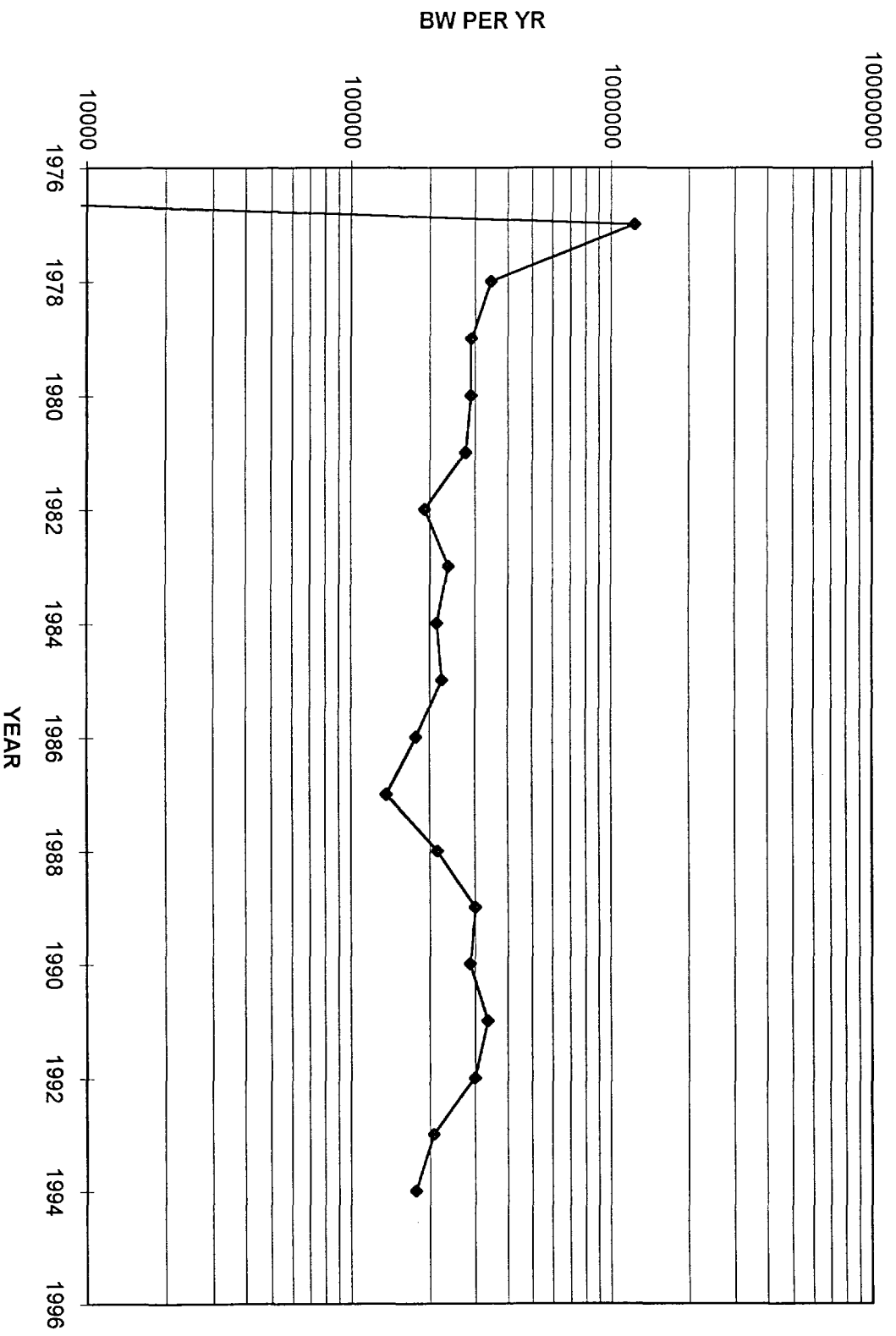
Total Gross Production for Selected Wells

1/94 Thru 12/94

Prod Date	Oil BBLs	Gas Mcf	NGl gal	Water produced	Water injected
1/94	0	0	0	0	8,269
2/94	0	0	0	0	7,390
3/94	0	0	0	0	8,166
4/94	0	0	0	0	7,450
5/94	0	0	0	0	7,808
6/94	0	0	0	0	8,214
7/94	0	0	0	0	10,721
8/94	0	0	0	0	9,643
9/94	0	0	0	0	8,201
10/94	0	0	0	0	11,275
11/94	0	0	0	0	12,912
12/94	0	0	0	0	12,707
TOTAL:	0	0	0	0	113,220

mescalero ridge 26 7

MESCALERO RIDGE UNIT 26 INJECTION



PRSR063
10:00:24

Prod Date	Oil BBLs
9/94	0
10/94	0
TOTAL:	0

Gas Mcf
0
0
0

DEC 01 Devon Energy Corp. (Nevada)
 Production Date Summary
Total Gross Production for Selected Wells
 1/94 Thru 12/94

Oil Gal	Water Produced
0	0
0	0
0	0

Water Injected
0
0
0

mescalero ridge 35 4

Prod Date	Oil Bbls
9/94	0
10/94	0
TOTAL:	0

Gas Mcf
0
0
0

DEC 01 Devon Energy Corp. (Nevada)
Production Date Summary
Total Gross Production for Selected Wells
1/94 Thru 12/94

Oil Bbls	Gas Mcf	NGL gal	Water Produced
0	0	0	0
0	0	0	0
0	0	0	0

Water Injected
0
0
0

PRSR043
9:58:45

Prod Date	Oil Bbls
9/94	0
10/94	0
TOTAL:	0

Gas Mct
0
0
0

DEC 01 Devon Energy Corp. (Nevada)
Production Date Summary
Total Gross Production for Selected Wells

1/94 Thru 12/94

NGL Gal
0
0
0

Water Produced
0
0
0

Water Injected
0
0
0

mescalero ridge 35 8

PRSR043
10:01:03

Prod Date	Oil BBLs
9/94	0
10/94	0
TOTAL:	0

Gas Mcf
0
0
0

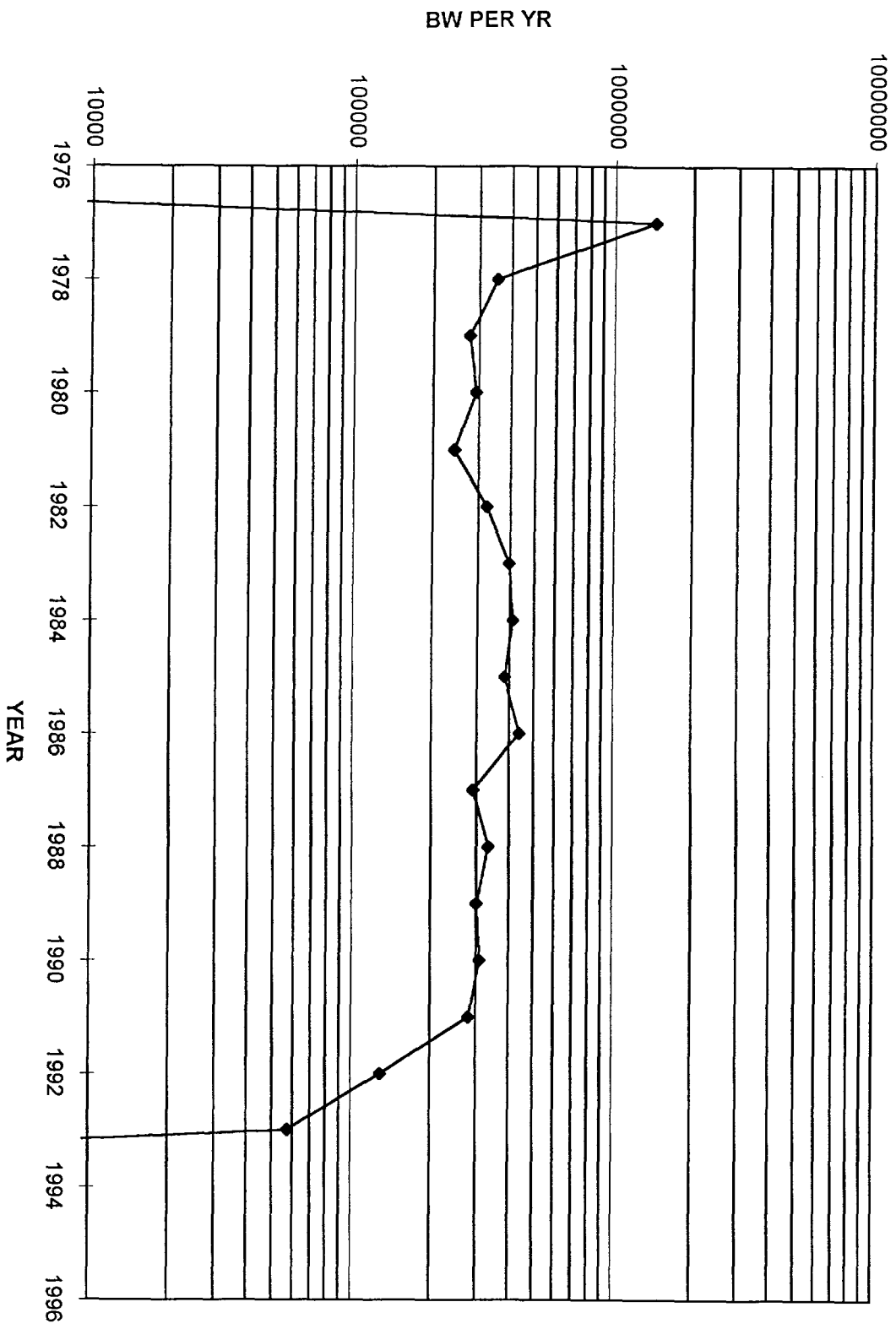
DEC 01 Devon Energy Corp. (Nevada)
Production Date Summary
Total Gross Production for Selected Wells
1/94 Thru 12/94

NGL Gal	Water Produced
0	0
0	0
0	0

Water Injected
0
0
0

mescalero ridge 35 16

MESCALERO RIDGE UNIT 35 INJECTION



DWIGHTS ENERGYDATA, INC.
GAS WELL HISTORY
NEW MEXICO GAS SOUTHEAST

RUN DATE: 06/30/95
Published 4/95
(#250,025,19S34E20M00PM)

OPERATOR (#439890)	WELL NAME	WELL #
MALLON OIL CO	MESCALERO RIDGE UNIT	000001

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
20M 19S 34E	NM	002	LEA	59300

API #	FIELD (#8058974)	RESERVOIR
30-025-2318900	QUAIL RIDGE (MORROW) PM	MORROW

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
			GPMGC	MACKY			0.969	

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
	7002	9405		ACT

BEG GAS CUM	BEG LIQ CUM
	466

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
8278200	FPDAT	462528	FPDAT

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	35258	7936638	972	453234	928	31
FEB	29969	7966607	717	453951	789	28
MAR	28197	7994804	845	454796	742	31
APR	28724	8023528	795	455591	756	30
MAY	27209	8050737	709	456300	791	31
JUN	26772	8077509	622	456922	778	30
JUL	25754	8103263	744	457666	972	31
AUG	26292	8129555	658	458324	1020	31
SEP	30006	8159561	672	458996	1121	30
OCT	27398	8186959	688	459684	726	27
NOV	23672	8210631	689	460373	942	30
DEC	24329	8234960	749	461122	784	31
1993	333580	8234960	8860	461122	10349	
JAN	0	8234960	0	461122	0	0
FEB	20717	8255677	638	461760	719	28
MAR	0	8255677	0	461760	0	0
APR	0	8255677	0	461760	0	0
MAY	22523	8278200	768	462528	909	31
1994	43240	8278200	1406	462528	1628	

DWIGHTS ENERGYDATA, INC.
 GAS WELL HISTORY
 NEW MEXICO GAS SOUTHEAST

RUN DATE: 06/30/95
 Published 4/95
 (#250,025,19S34E20C00PM)

OPERATOR (#54124)	WELL NAME	WELL #
BEACH EXPL INC	MESCALERO RIDGE UNIT	000001

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
20C 19S 34E	NM	002	LEA	95650

API #	FIELD (#8058974)	RESERVOIR
30-025-2666200	QUAIL RIDGE (MORROW) PM	MORROW

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
			GNM	LANPC			0.969	

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
	8101	9401		ACT

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
1422638	FPDAT	43567	FPDAT

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	2439	1331554	132	40026	0	31
FEB	2446	1334000	240	40266	0	12
MAR	1981	1335981	83	40349	0	6
APR	2849	1338830	108	40457	0	30
MAY	5193	1344023	304	40761	0	27
JUN	6479	1350502	331	41092	0	28
JUL	7581	1358083	396	41488	0	-
AUG	9606	1367689	482	41970	0	30
SEP	9625	1377314	294	42264	0	30
OCT	10595	1387909	363	42627	0	31
NOV	10559	1398468	358	42985	0	30
DEC	11686	1410154	264	43249	0	31
1993	81039	1410154	3355	43249	0	
JAN	12484	1422638	318	43567	7067	31
1994	12484	1422638	318	43567	7067	

DWIGHTS ENERGYDATA, INC.
OIL LEASE HISTORY
NEW MEXICO OIL SOUTHEAST

RUN DATE: 06/20/95
Published 4/95
(#150,025,19S34E35J00BS)

-----			-----		-----		
OPERATOR (#334572)			WELL NAME			WELL #	
-----			-----			-----	
HONDO OIL & GAS CO			MESCALERO RIDGE UNIT			000002	
Devon Energy Corporation (Nevada)							
-----			-----			-----	
LOCATION		STATE	DIST	COUNTY (#025)	LEASE #		
-----		-----	-----	-----	-----		
35J 19S 34E		NM	002	LEA	59510		
-----		-----	-----	-----	-----		
API #		FIELD (#8040724)			RESERVOIR		
-----		-----			-----		
30-025-2331900		LEA (BONE SPRINGS) BS			BONE SPRINGS		
-----		-----			-----		
TOTAL	UPPER	LOWER	GAS	LIQ	GAS	LIQ	TEMP
DEPTH	PERF	PERF	GATH	GATH	GRAV	GRAV	GRAD
-----	-----	-----	-----	-----	-----	-----	-----
			PHIPC	SCURP			
-----		-----		-----		-----	
COMP	1ST PROD		LAST PROD		STATUS		
DATE	DATE		DATE		DATE		STATUS
-----	-----		-----		-----		-----
	7003		8602				INA
-----		-----		-----		-----	
CUM THRU LPD		OIL CUM		CUM THRU LPD		CASINGHEAD	
OIL/BBLs		SINCE DATE		CSGHD GAS/MCF		CUM SINCE DATE	
-----		-----		-----		-----	
380664		FPDAT		628477		FPDAT	

DWIGHTS ENERGYDATA, INC.
OIL LEASE HISTORY
NEW MEXICO OIL SOUTHEAST

RUN DATE: 06/30/95
Published 4/95
(#150,025,19S34E35P00DL)

OPERATOR (#439890)	WELL NAME	WELL #
MALLON OIL CO	MESCALERO RIDGE UNIT	000003

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
35P 19S 34E	NM	002	LEA	4391

API #	FIELD (#8040811)	RESERVOIR
30-025-2350300	LEA NE (DELAWARE) DL	DELAWARE

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD
5990	5780	5805	GPMGC	GPMGC			

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
	8608	9405		ACT

CUM THRU LPD OIL/BBLs	OIL CUM SINCE DATE	CUM THRU LPD CSGHD GAS/MCF	CASINGHEAD CUM SINCE DATE
26330	FPDAT	30182	FPDAT

MONTH	OIL BBLs	CUM OIL BBLs	CASINGHEAD GAS/MCF	CUM CASINGHEAD	WATER BBLs	DAYS ON
JAN	170	24540	339	25793	0	15
FEB	145	24685	330	26123	0	28
MAR	157	24842	381	26504	0	31
APR	157	24999	296	26800	0	30
MAY	144	25143	307	27107	0	31
JUN	140	25283	355	27462	0	30
JUL	148	25431	354	27816	2	30
AUG	138	25569	359	28175	0	31
SEP	142	25711	352	28527	3	30
OCT	144	25855	346	28873	0	30
NOV	140	25995	328	29201	0	30
DEC	132	26127	332	29533	0	31
1993	1757	26127	4079	29533	5	
JAN	0	26127	0	29533	0	0
FEB	116	26243	311	29844	0	28
MAR	0	26243	0	29844	0	0
APR	0	26243	0	29844	0	0
MAY	87	26330	338	30182	0	31
1994	203	26330	649	30182	0	



2179

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

June 20, 1994

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

Devon Energy Corporation
20 North Broadway
Suite 1500
Oklahoma City, Oklahoma 73102-8260

Attention: Mr. J.M. Lacey

Re: Designation of Sub-Operator
Mescalero Ridge Unit
Morrow Participating Area
Lea County, New Mexico

Dear Mr. Wolfe:

We are in receipt of your letter of April 6, 1994, wherein you have advised this office that Beach Exploration, Inc. has been designated as your Sub-Operator with respect to drilling, testing and completing, operating and producing in the Mescalero Ridge Unit Morrow Participating Area.

The Commissioner of Public Lands has this date approved the above-mentioned Designation of Sub-Operator for Beach Exploration, Inc. It is understood that this designation of Sub-Operator does not relieve the Unit Operator of responsibility for compliance with the terms of the Unit Agreement and the oil and gas operating regulations.

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: 

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

RP/FOP/pm

Enclos.

cc: Reader File

Beach Exploration, Inc.
OCD
TRD



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

October 23, 1992

Hondo Oil & Gas Company
P.O. Box 2208
Roswell, New Mexico 88202

Attention: Mr. E. L. Buttross, Jr.

Re: Commercial Determination
Mescalero Ridge Unit Well #3

Dear Mr. Buttross:

Reference is made to our letter of June 16, 1992. In this letter we requested a copy of the data submitted to the Bureau of Land Management regarding the Commercial Well Determination of the Mescalero Ridge Unit Well #3. The Bureau of Land Management made reference to Hondo's letter of May 20, 1992, in which "additional information that supports your recommendation that the subject well be determined commercial" was referred to.

Please submit a copy of this supporting data so that we may also make a commercial determination of the Well #3 pursuant to Section 11 of the Mescalero Ridge Unit.

Please also be advised that Devon Energy Corporation's letter of September 29, 1992, has been received requesting approval of the initial Delaware participating area. Please be advised that we cannot approve your Delaware participating area until a commercial determination has been made and a change of unit operator has been approved.

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*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.
cc: Reader File
Devon Energy Corporation

Hondo Oil & Gas Company

Box 2208
Roswell, New Mexico 88202
(505)625-8700

OIL CONSERVATION DIVISION
RECEIVED

April 3, 1992



'92 APR 5 AM 9 34

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

ATTN: Jim Baca, Director

RE: Performance Summary
1991 Report of Operations
1992 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

Submitted for your review is a Performance Summary, the 1991 Report of Operations and the 1992 Plan of Development for the Mescalero Ridge Unit.

Performance Summary

In the Mescalero Ridge Unit 35 cumulative production from the Queen-Penrose is 1,869,088 BO, 940,884 MCF and 3,520,483 BW as of December 31, 1991. Cumulative production from the Seven Rivers is 71,990 BO, 227,497 MCF and 89,991 BW. Cumulative injection into the Queen-Penrose is 6,072,155 BW.

In the Mescalero Ridge Unit 26 cumulative production from the Queen-Penrose is 357,390 BO, 186,503 MCF and 854,620 BW as of December 31, 1991. Cumulative injection is 4,786,734 BW.

All remaining wells in the Mescalero Ridge Unit are not in the Pearl Field. As these wells are owned by various operators and located in different fields, we would ask that you refer to Attachment A for individual well production figures for 1991.

1991 Report of Operations

A casing leak in the Mescalero Ridge Unit 26 #7 was squeezed, the tubing replaced, and the well returned to injection. A workover to squeeze a watered out zone and to additionally perforate and stimulate other zones was performed on the Mescalero Ridge Unit 35 #2. The Mescalero Ridge Unit 35 #9 was recompleted to the Upper Seven Rivers formation and returned to production.

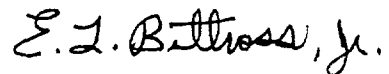
1992 Plan of Development

No development wells are planned for 1992.

The unit's performance will be continually evaluated during 1992, and should there be any indications that changes are needed, a supplemental plan of development will be submitted.

If you need further information or have any questions, please advise.

Sincerely,

A handwritten signature in cursive script that reads "E. L. Buttross, Jr.".

E. L. Buttross, Jr.

ELB/lb

xc: BLM-Roswell District
NMOCD-Santa Fe

[illegible]

MESCALERO RIDGE UNIT
PRODUCTION STATISTICS FOR 1991

WELL NAME	OPERATOR	FIELD & FORMATION													
		JAN 91	FEB 91	MAR 91	APR 91	MAY 91	JUN 91	JUL 91	AUG 91	SEP 91	OCT 91	NOV 91	DEC 91		
MESCALERO RIDGE UNIT 26 #9	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	177	233	264	249	230	216	227	201	178	203	184	180
			-GAS	0	0	0	0	0	0	0	0	0	0	0	
			-WATER	1886	2576	2413	2235	2316	2232	2276	2216	1895	1466	1486	1092
MESCALERO RIDGE UNIT 35 #1	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	709	627	721	702	698	655	664	655	624	608	594	617
			-GAS	2	5	5	8	100	83	165	175	139	118	135	137
			-WATER	58	49	145	146	190	241	316	318	241	236	178	316
MESCALERO RIDGE UNIT 35 #2	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	110	87	98	96	96	88	91	86	87	81	78	197
			-GAS	1	3	3	5	62	52	103	106	90	71	82	68
			-WATER	4694	3518	4338	4360	5684	7245	9472	9254	7460	6884	5140	4435
MESCALERO RIDGE UNIT 35 #3	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	604	507	492	478	475	448	454	446	425	414	406	420
			-GAS	3	11	10	16	200	166	330	350	278	236	271	273
			-WATER	1259	903	436	438	570	728	951	960	723	714	534	948
MESCALERO RIDGE UNIT 35 #7	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	359	314	392	383	381	357	350	358	328	332	313	337
			-GAS	4	13	13	20	250	208	400	437	336	295	327	341
			-WATER	2398	2091	2009	2018	2631	3355	4245	4430	3222	3295	2379	4374
MESCALERO RIDGE UNIT 35 #13	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	58	53	65	64	64	58	61	60	58	56	54	56
			-GAS	0	0	0	0	0	0	0	0	0	0	0	0
			-WATER	57	49	57	58	76	95	124	126	97	94	71	125
MESCALERO RIDGE UNIT 35 #14	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	60	52	65	64	62	58	60	59	60	54	54	56
			-GAS	0	1	1	2	25	20	41	44	36	30	34	34
			-WATER	148	302	348	350	456	563	759	770	598	572	428	759
MESCALERO RIDGE UNIT 35 #15	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	692	397	558	542	541	472	497	506	480	471	428	478
			-GAS	5	10	16	23	299	233	480	525	418	354	379	410
			-WATER	8712	4192	7339	7375	9613	11441	15504	16175	12194	12032	8393	15979
MESCALERO RIDGE UNIT 35 #18	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL	153	176	209	287	285	269	271	267	264	248	244	252
			-GAS	0	0	0	0	0	0	0	0	0	0	0	0
			-WATER	5618	3961	2747	3893	5074	6469	8453	8538	6658	6350	4746	8433

NOTE: OIL IN BARRELS
GAS IN MCF'S
WATER IN BARRELS

WELL NAME	OPERATOR	FIELD 8 FORMATION													
		JAN 91	FEB 91	MAR 91	APR 91	MAY 91	JUN 91	JUL 91	AUG 91	SEP 91	OCT 91	NOV 91	DEC 91		
MESCALERO RIDGE UNIT 35 #9	HONDO OIL & GAS COMPANY	PEARL SEVEN RIVERS	-OIL	0	0	0	0	0	0	0	0	0	0	0	0
		-GAS	0	0	0	0	0	0	577	1012	1072	1412	1240	1421	1434
		-WATER	0	0	0	0	0	0	0	0	0	0	0	0	0
MESCALERO RIDGE UNIT 35 #10	HONDO OIL & GAS COMPANY	PEARL SEVEN RIVERS	-OIL	104	53	34	33	33	30	31	31	29	28	29	29
		-GAS	1	3	3	5	62	50	103	109	87	74	85	85	85
		-WATER	69	286	66	67	88	110	144	143	113	106	81	138	138
MESCALERO RIDGE UNIT #2	HONDO OIL & GAS COMPANY	LEA BONE SPRINGS	-OIL	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST
		-GAS	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.
		-WATER	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86
MESCALERO RIDGE UNIT #3	PENNZOIL EXPL.	LEA DELAWARE NE	-OIL	219	178	239	195	194	178	221	199	201	203	187	201
		-GAS	343	340	385	382	393	359	418	397	269	348	339	363	363
		-WATER	0	0	0	0	0	0	0	0	0	0	0	0	0
MESCALERO RIDGE UNIT #22	HONDO OIL & GAS COMPANY	QUAIL RIDGE	-OIL	698	1215	755	1238	1031	860	968	790	798	784	769	745
		-GAS	842	1216	973	1175	2030	1623	1777	1523	1344	1301	1059	1004	1004
		-WATER	3300	3557	3409	3636	3634	3429	3478	3449	3201	3335	3144	3144	3141
MESCALERO RIDGE UNIT DE #1	HONDO OIL & GAS COMPANY	QUAIL RIDGE	-OIL	256	226	180	202	235	209	224	206	220	215	221	220
		-GAS	840	1040	929	1044	559	699	695	618	558	532	471	459	459
		-WATER	13	10	9	12	6	10	7	8	6	5	6	7	7
MESCALERO RIDGE UNIT #1	BEACH EXPL.	QUAIL RIDGE	-OIL	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST	LAST
		-GAS	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.	PROD.
		-WATER	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90	1/90
MESCALERO RIDGE UNIT #1	PENNZOIL EXPL.	QUAIL RIDGE	-OIL	762	734	866	825	747	675	700	700	704	710	727	713
		-GAS	18706	19917	20778	23636	23366	22500	21042	21468	21984	20880	21351	20757	20757
		-WATER	492	524	547	622	615	594	554	565	567	550	562	536	536

HONDO OIL & GAS COMPANY
WELL STATUS LISTING
MESCALERO RIDGE UNIT 35
LEA COUNTY, NEW MEXICO

Producing Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1991 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Active
14	Active
15	Active
18	Active

Pearl Seven Rivers

<u>Well No.</u>	<u>December, 1991 Status</u>
9	Active
10	Active

Injection Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1991 Status</u>
4	Active
6	Active
8	Active
12	Active
16	Active

<u>Pearl Queen</u>		<u>Pearl Seven Rivers</u>	
Active Producers	= 8	Active Producers	= 2
Shut-In Producers	= 0	Shut-In Producers	= 0
Active Injectors	= 5	Active Injectors	= 0
Shut-In Injectors	= 0	Shut-In Injectors	= 0

HONDO OIL & GAS COMPANY
WELL STATUS LISTING
MESCALERO RIDGE UNIT 26
LEA COUNTY, NEW MEXICO

Producing Wells:

<u>Pearl Queen</u>	
<u>Well No.</u>	<u>December, 1991 Status</u>
2	Shut-In
9	Active

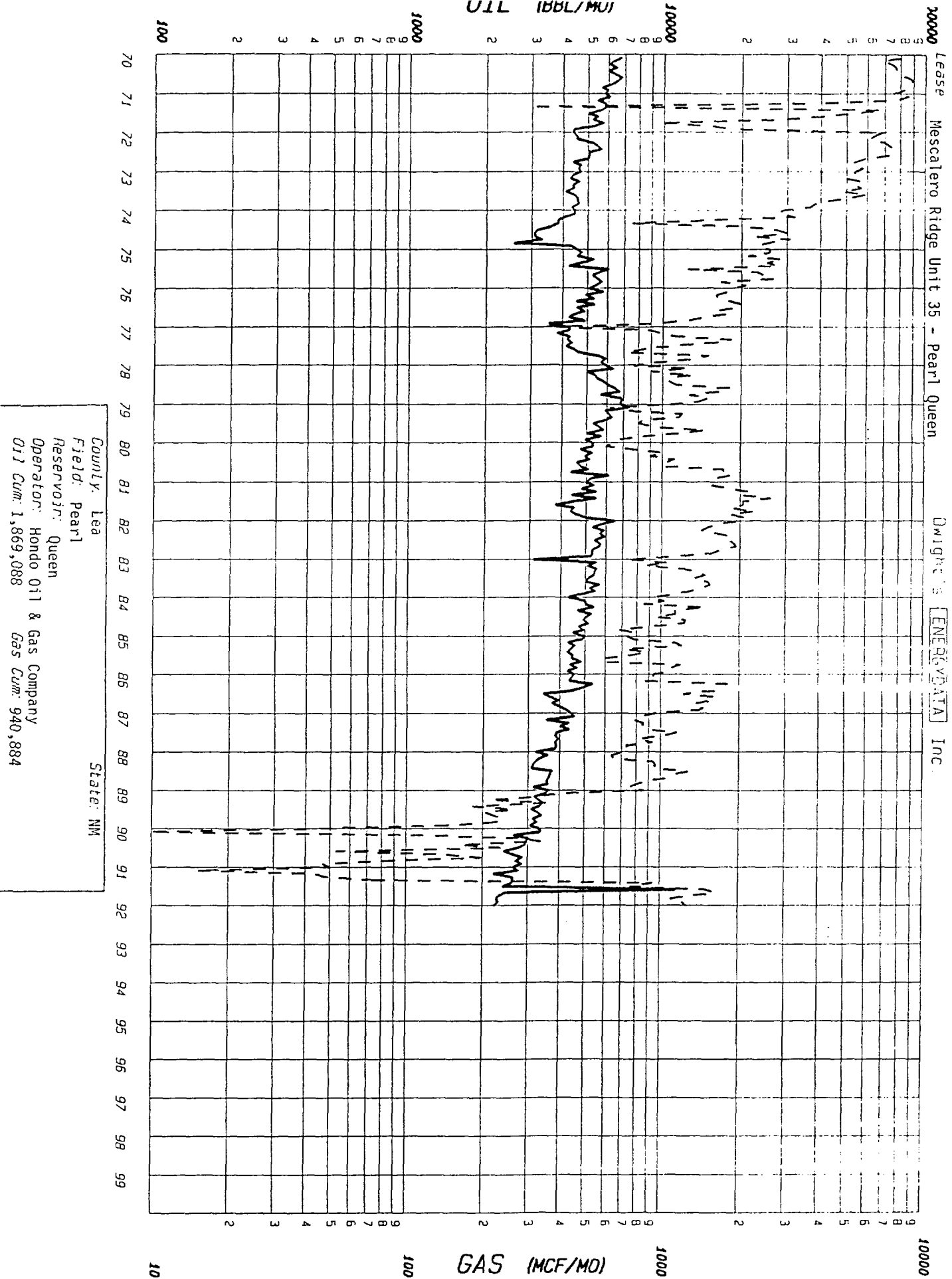
Injection Wells:

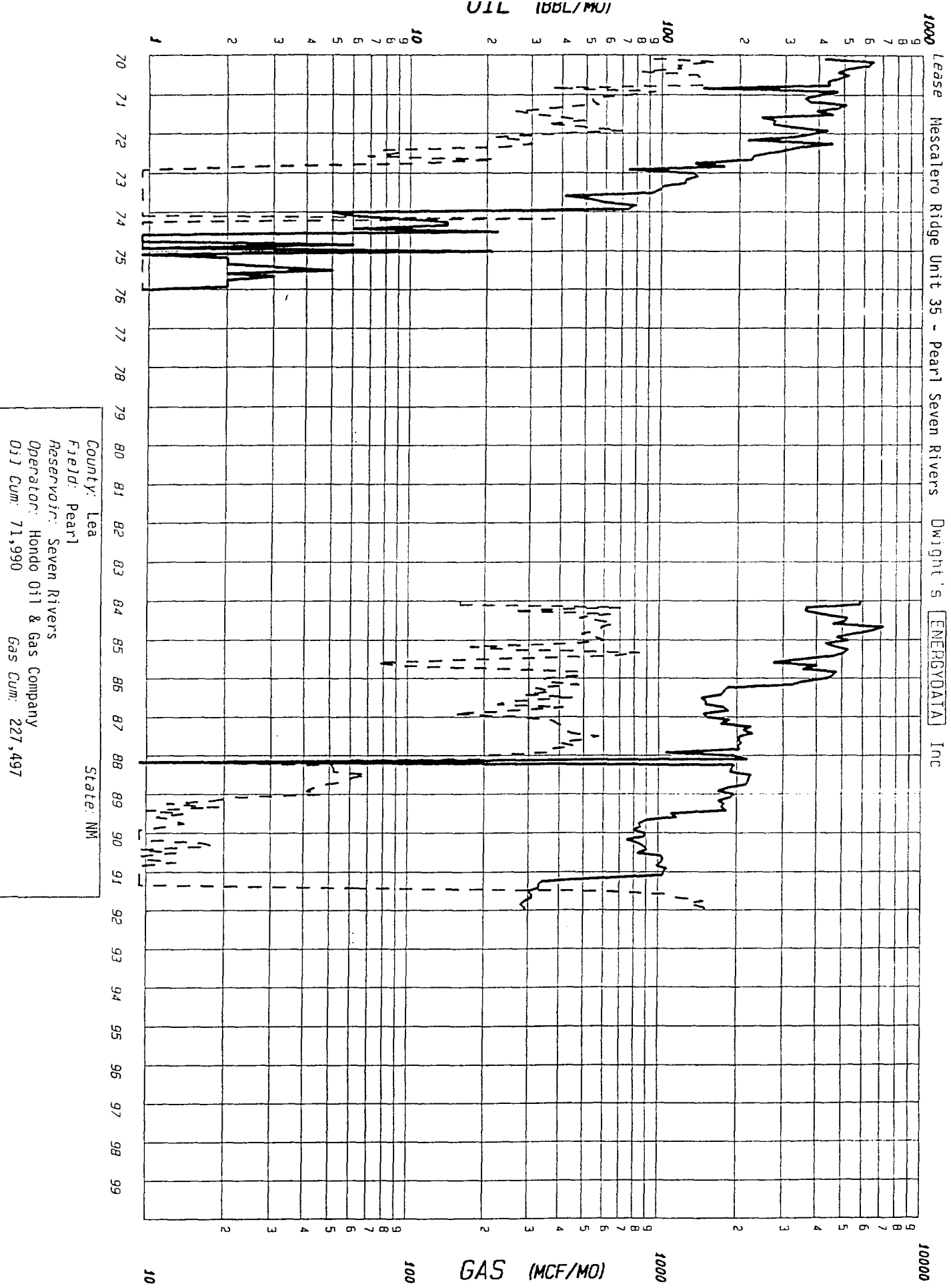
<u>Pearl Queen</u>	
<u>Well No.</u>	<u>December, 1991 Status</u>
3	Active
5	Active
7	Active

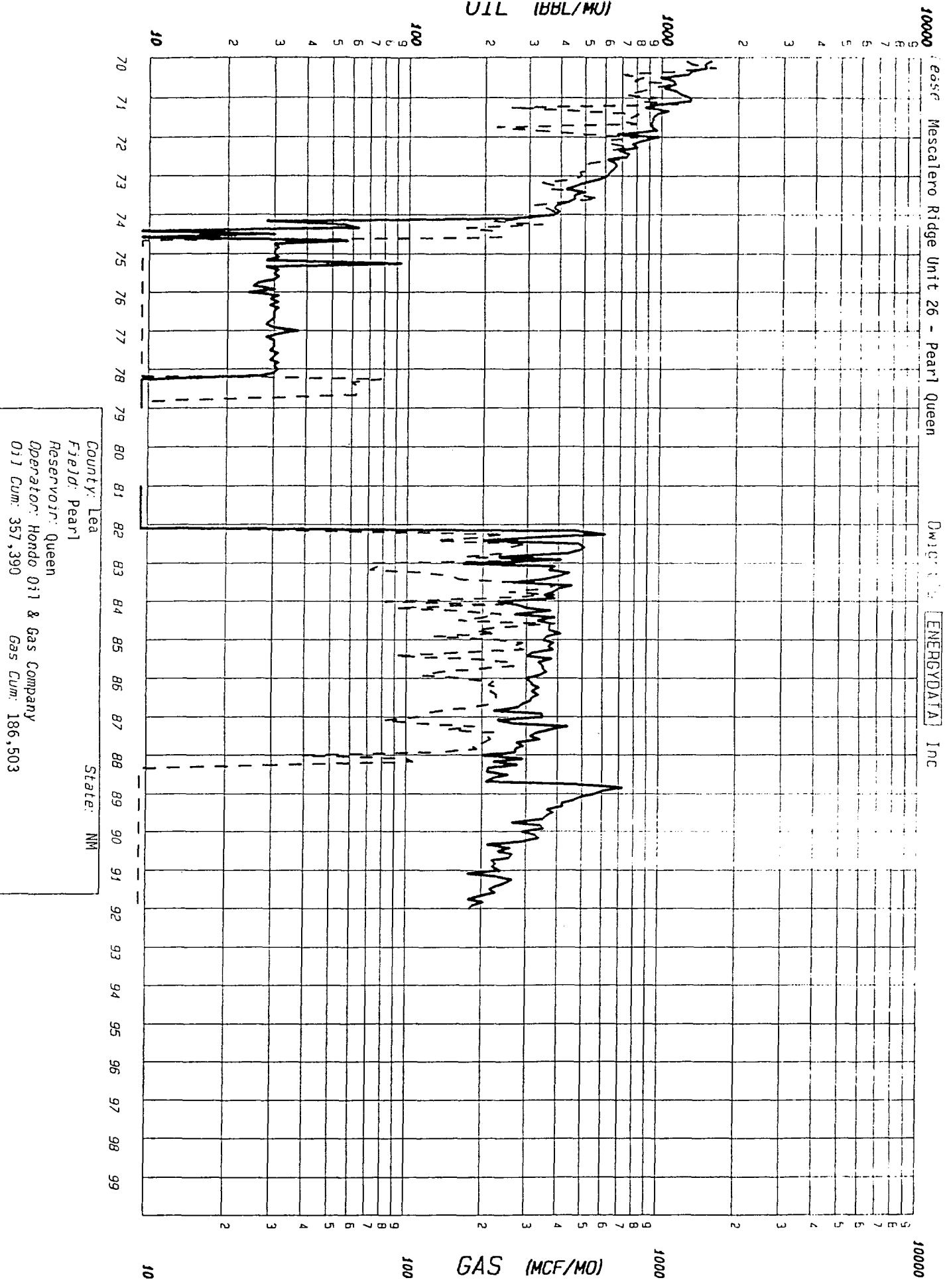
Active Producers = 1
Shut-In Producers = 1
Active Injectors = 3
Shut-In Injectors = 0

MESCALERO RIDGE UNIT
WELLS NOT IN THE PEARL FIELD
WELL STATUS LISTING

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1991 STATUS</u>
<u>Quail Ridge Bone Springs</u>		
Mescalero Ridge Unit #22	Hondo Oil & Gas Co.	Act. Prod.
Mescalero Ridge Unit DE #1	Hondo Oil & Gas Co.	Act. Prod.
<u>Quail Ridge Morrow</u>		
Mescalero Ridge Unit #1	Beach Exploration	Shut-In Prod.
Mescalero Ridge Unit #1	Pennzoil	Act. Prod.
<u>Lea Bone Springs</u>		
Mescalero Ridge Unit #2	Hondo Oil & Gas Co.	Shut-In Prod.
Mescalero Ridge Unit #4	Pennzoil	P&A'd
<u>Lea Delaware, Northeast</u>		
Mescalero Ridge Unit #3	Pennzoil	Act. Prod.







MESCALERO RIDGE UNIT 26
INJECTION FIGURES - 1991

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
#26-3	6595	4666	5700	6921	4177	2475	2958	2597	4036	2389	1003	165
#26-5	14285	11788	13175	14102	9780	2490	6401	4027	10393	8343	4238	4867
#26-7	0	0	0	0	12435	27632	30272	33761	15110	19370	16932	30937
MONTHLY TOTALS	20880	16454	18875	21023	26392	32597	39631	40385	29539	30102	22173	35969

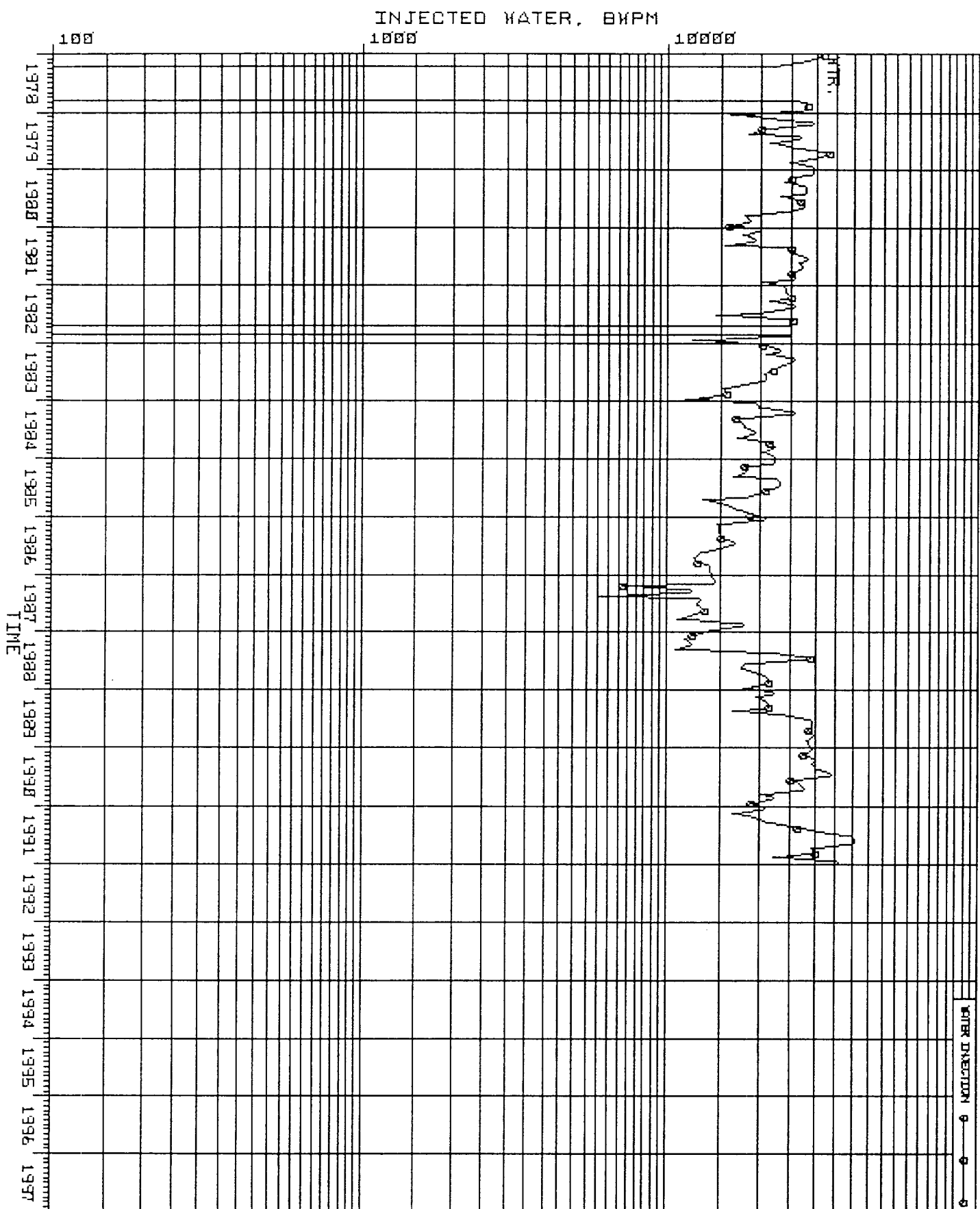
1991 CUM
INJECTION 334020 BARRELS OF WATER

MESCALERO RIDGE UNIT 35
INJECTION FIGURES - 1991

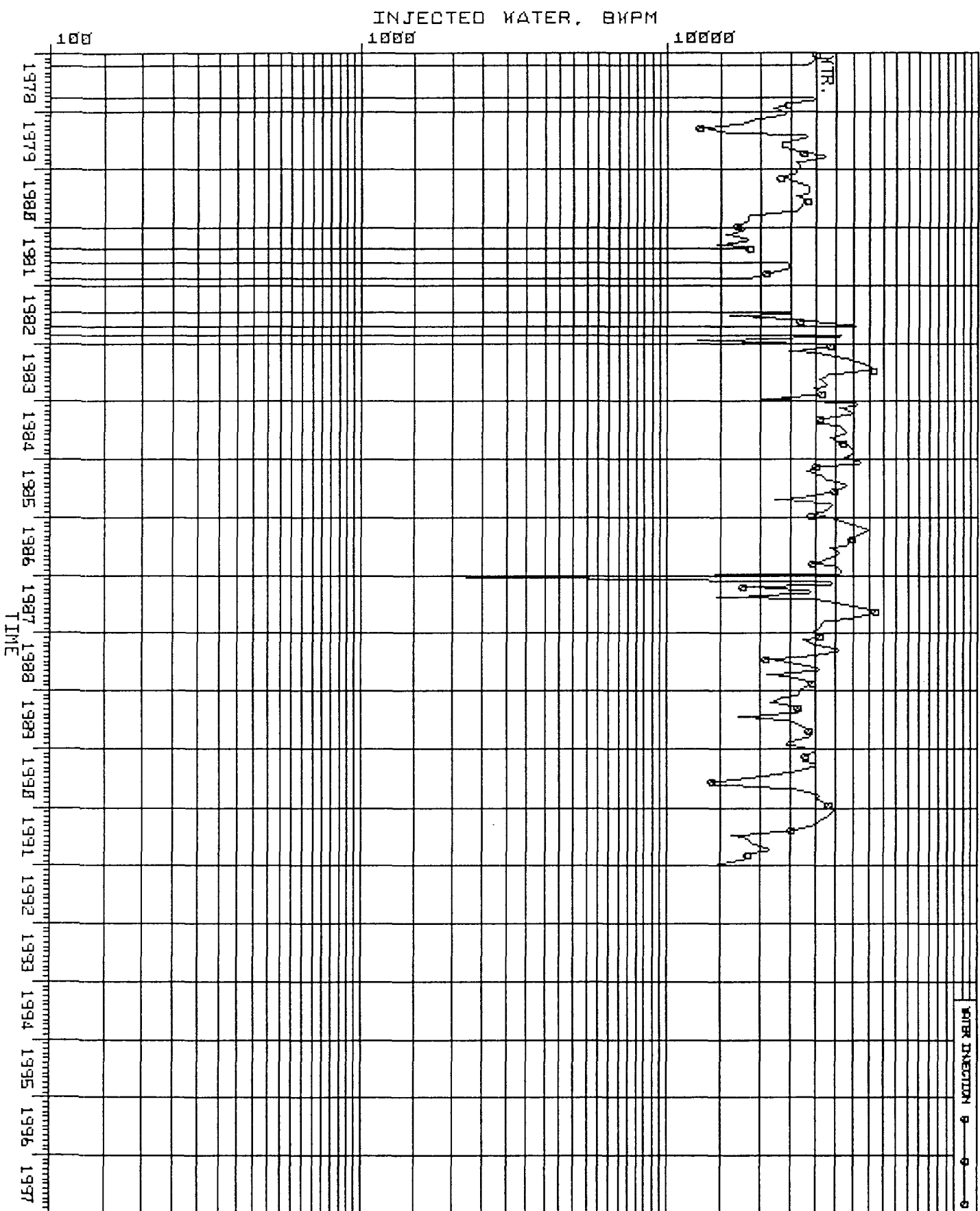
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
#35-4	2718	2404	2374	2248	1951	1339	2130	765	1690	1873	2067	1523
#35-6	7362	6510	5917	6768	3905	1003	2008	2004	3242	1748	1168	1275
#35-8	20904	18651	18396	17030	14398	9427	10948	12128	13103	9435	9510	7780
#35-12	1912	1802	1427	565	399	1175	214	114	213	1262	1827	1168
#35-16	1509	3696	3413	3215	4249	3295	2730	3952	3072	3904	3303	3041
MONTHLY TOTALS	34405	33063	31527	29826	24902	16239	18030	18963	21320	18222	17875	14787

1991 CUM
INJECTION 279159 BARRELS OF WATER

MESCALERO RIDGE UNIT 26 TOTAL INJECTION VOLUMES



MESCALERO RIDGE UNIT 35 TOTAL INJECTION VOLUMES



Hondo Oil & Gas Company

Box 2208
Roswell, New Mexico 88202
(505)625-8700

#2179

OIL & GAS DIVISION
RECEIVED

April 29, 1991



'91 MAY 9 37

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

ATTN: Floyd O. Prando, Director

RE: Performance Summary
1990 Report of Operations
1991 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

Submitted for your review is a Performance Summary, the 1990 Report of Operations and the 1991 Plan of Development for the Mescalero Ridge Unit.

Performance Summary

The Mescalero Ridge Unit 35 has been successful from both a primary and a secondary standpoint. Cumulative production from the Queen-Penrose is 1,839,848 BO, 930,958 MCF and 3,192,983 BW as of December 31, 1990. Cumulative production from the Seven Rivers is 71,526 BO, 218,662 MCF and 88,580 BW. Cumulative injection into the Queen-Penrose is 5,792,996 BW.

The Mescalero Ridge Unit 26 has also been successful from both a primary and a secondary standpoint. Cumulative production from the Queen-Penrose is 354,848 BO, 186,503 MCF and 830,531 BW as of December 31, 1990. Cumulative injection is 4,452,714 BW.

All remaining wells in the Mescalero Ridge Unit are not in the Pearl Field. As these wells are owned by various operators and located in different fields, we would ask that you refer to Attachment A for individual well production figures for 1990.

1990 Report of Operations

Only routine repair and maintenance work was performed in 1990.

1991 Plan of Development

No development wells are planned for 1991. A casing leak in the Mescalero Ridge Unit 26 Well No. 7 will be repaired and the well

put back on injection. Plans are to test an upper Seven Rivers Sand in the Mescalero Ridge Unit #35 Well No. 9 and to squeeze off a watered out Queen interval in the #35-2. If these workovers are successful, similar work will be considered for other wells.

Hondo Oil & Gas Company will continue to evaluate the unit's performance during 1991, and should there be any indications that changes are needed, a supplemental plan of development will be submitted.

If you need further information or have any questions, please advise.

Sincerely,

E. L. Buttross Jr.

E. L. Buttross, Jr.
Petroleum Engineer

ELB/lb

xc: BLM-Roswell District
NMOCD-Santa Fe

[illegible]

ATTACHMENT A

MESCALERO RIDGE UNIT
PRODUCTION STATISTICS FOR 1990

WELL NAME	OPERATOR	FIELD & FORMATION	1990											
			JAN 90	FEB 90	MAR 90	APR 90	MAY 90	JUN 90	JUL 90	AUG 90	SEP 90	OCT 90	NOV 90	DEC 90
MESCALERO RIDGE UNIT 26 #9	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 327	335	290	210	259	233	265	258	220	227	221	237
			-GAS 0	0	0	0	0	0	0	0	0	0	0	0
			-WATER 1725	1608	1604	1550	1740	1595	1694	1419	994	866	502	456
MESCALERO RIDGE UNIT 35 #1	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 832	722	971	699	709	653	726	734	729	698	761	740
			-GAS 0	6	27	29	15	20	7	16	21	9	5	6
			-WATER 3969	4782	1219	727	819	925	1175	1011	957	807	828	575
MESCALERO RIDGE UNIT 35 #2	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 143	124	138	233	214	217	58	59	59	55	62	59
			-GAS 0	8	41	70	32	49	4	10	13	6	3	4
			-WATER 5042	6072	5895	6356	6458	8089	7572	6520	6176	5209	5346	3706
MESCALERO RIDGE UNIT 35 #3	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 631	509	609	641	629	600	639	625	753	720	786	763
			-GAS 0	10	54	59	28	40	13	31	42	18	10	11
			-WATER 356	508	505	486	528	618	521	433	2952	2492	2554	1771
MESCALERO RIDGE UNIT 35 #7	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 545	376	364	408	414	380	394	371	409	390	425	401
			-GAS 0	15	63	73	37	51	16	37	52	23	13	14
			-WATER 4366	4488	3583	3683	4146	4688	3831	3079	3230	2725	2794	1875
MESCALERO RIDGE UNIT 35 #13	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 143	124	138	87	77	81	30	29	28	30	30	30
			-GAS 0	2	10	11	5	8	0	1	1	1	0	0
			-WATER 317	380	335	322	315	409	42	35	35	29	30	20
MESCALERO RIDGE UNIT 35 #14	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 201	102	84	58	52	54	58	45	59	55	62	59
			-GAS 0	3	7	7	3	5	2	3	5	2	1	1
			-WATER 475	196	210	200	196	254	217	143	176	150	151	106
MESCALERO RIDGE UNIT 35 #15	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 631	528	570	641	649	599	350	605	642	575	548	429
			-GAS 0	16	76	88	44	61	11	45	62	26	15	14
			-WATER 8455	10519	12411	12751	14352	16228	7517	11041	11179	8823	9034	5051
MESCALERO RIDGE UNIT 35 #18	HONDO OIL & GAS COMPANY	PEARL QUEEN	-OIL 230	164	165	175	177	163	173	160	174	166	171	149
			-GAS 0	59	0	0	0	0	0	0	0	0	0	0
			-WATER 3572	1228	5307	5099	5741	6488	5484	4263	4471	3773	3612	2250
MESCALERO RIDGE UNIT 35 #10	HONDO OIL & GAS COMPANY	PEARL SEVEN RIVERS	-OIL 88	75	84	88	90	83	103	104	103	99	108	105
			-GAS 0	3	17	18	9	13	4	10	13	6	3	4
			-WATER 1242	1492	1318	176	197	224	98	85	82	67	73	49

MESCALERO RIDGE UNIT
PRODUCTION STATISTICS FOR 1990

WELL NAME

NOTE: OIL IN BARRELS
GAS IN MCF'S
WATER IN BARRELS

NOTE: OIL IN BARRELS
GAS IN MCF'S
WATER IN BARRELS

HONDO OIL & GAS COMPANY
WELL STATUS LISTING
MESCALERO RIDGE UNIT 35
LEA COUNTY, NEW MEXICO

Producing Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1990 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Active
14	Active
15	Active
18	Active

Pearl Seven Rivers

<u>Well No.</u>	<u>December, 1990 Status</u>
9	Shut-In
10	Active

Injection Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1990 Status</u>
4	Active
6	Active
8	Active
12	Active
16	Active

Pearl Queen

Pearl Seven Rivers

Active Producers = 8
Shut-In Producers = 0
Active Injectors = 5
Shut-In Injectors = 0

Active Producers = 1
Shut-In Producers = 1
Active Injectors = 0
Shut-In Injectors = 0

HONDO OIL & GAS COMPANY
WELL STATUS LISTING
MESCALERO RIDGE UNIT 26
LEA COUNTY, NEW MEXICO

Producing Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1990 Status</u>
2	Shut-In
9	Active

Injection Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1990 Status</u>
3	Active
5	Active
7	Shut-In

Active Producers = 1
Shut-In Producers = 1
Active Injectors = 2
Shut-In Injectors = 1

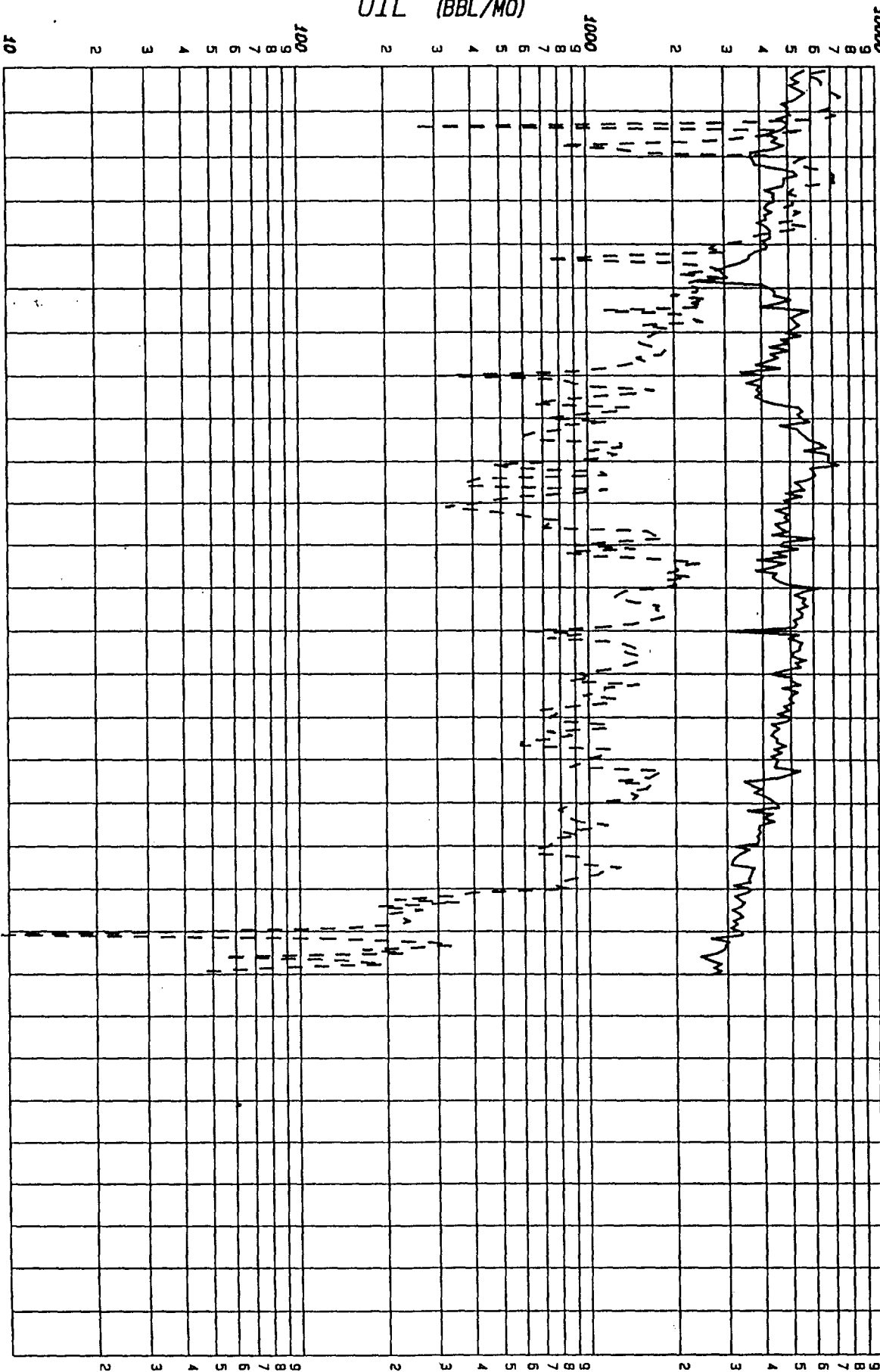
MESCALERO RIDGE UNIT
WELLS NOT IN THE PEARL FIELD
WELL STATUS LISTING

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1990 STATUS</u>
<u>Quail Ridge Bone Springs</u>		
Mescalero Ridge Unit #22	Hondo Oil & Gas Co.	Act. Prod.
Mescalero Ridge Unit DE #1	Hondo Oil & Gas Co.	Act. Prod.
<u>Quail Ridge Morrow</u>		
Mescalero Ridge Unit #1	Beach Exploration	Shut-In Prod.
Mescalero Ridge Unit #1	Pennzoil	Act. Prod.
<u>Lea Bone Springs</u>		
Mescalero Ridge Unit #2	Hondo Oil & Gas Co.	Shut-In Prod.
Mescalero Ridge Unit #4	Pennzoil	Shut-In Prod.
<u>Lea Delaware, Northeast</u>		
Mescalero Ridge Unit #3	Pennzoil	Act. Prod.

10000

Lease: Mescalero Ridge Unit 35 - Pearl Gn. Dwight's [ENERGYDATA] Inc.

10000



OIL (BBL/MO)

GAS (MCF/MO)

County: Lea

State: NM

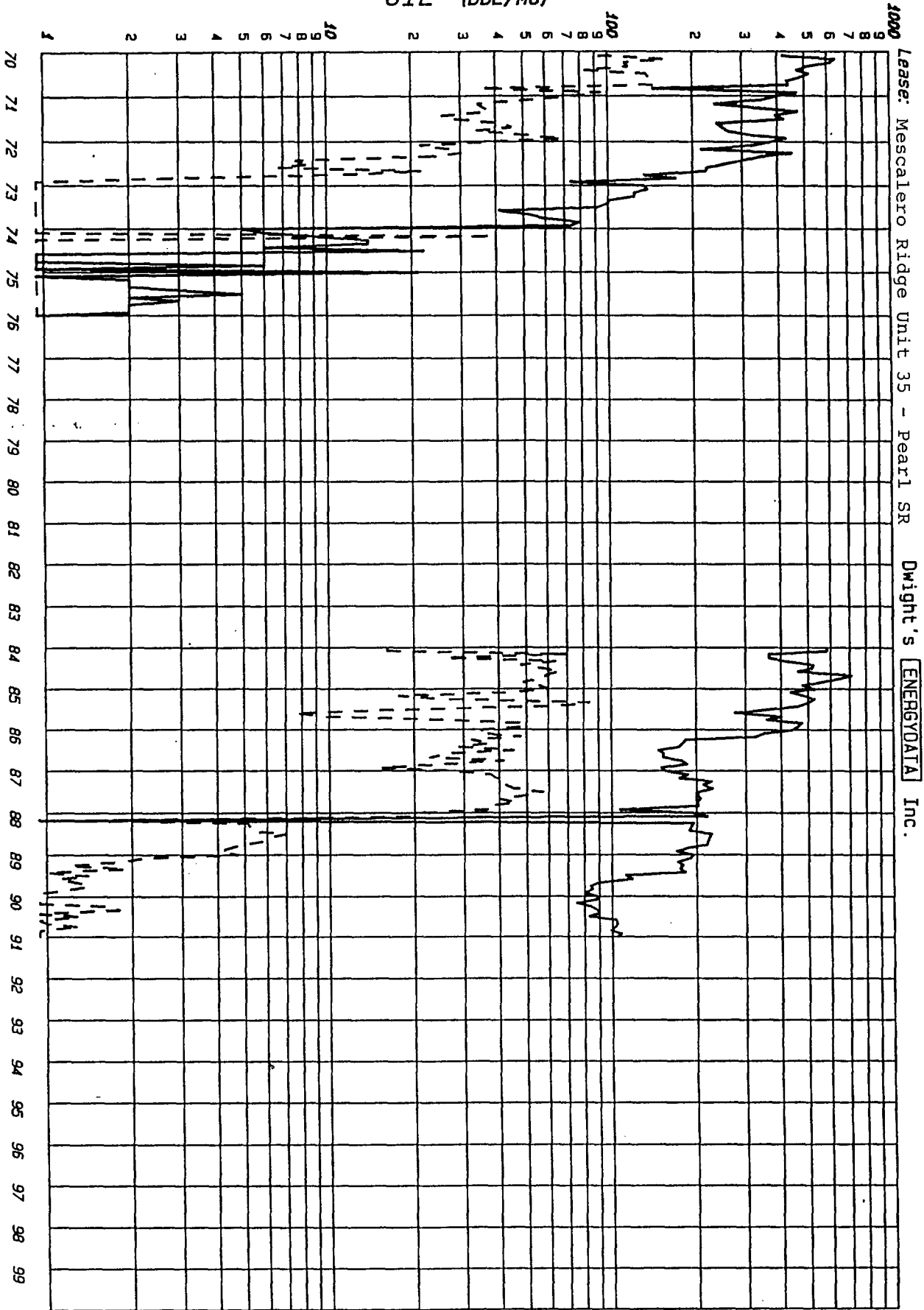
Field: Pearl

Reservoir: Queen

Operator: Hondo Oil & Gas Co.

Oil Cum: 1,839,848 Gas Cum: 930,958

OIL (BBL/MO)



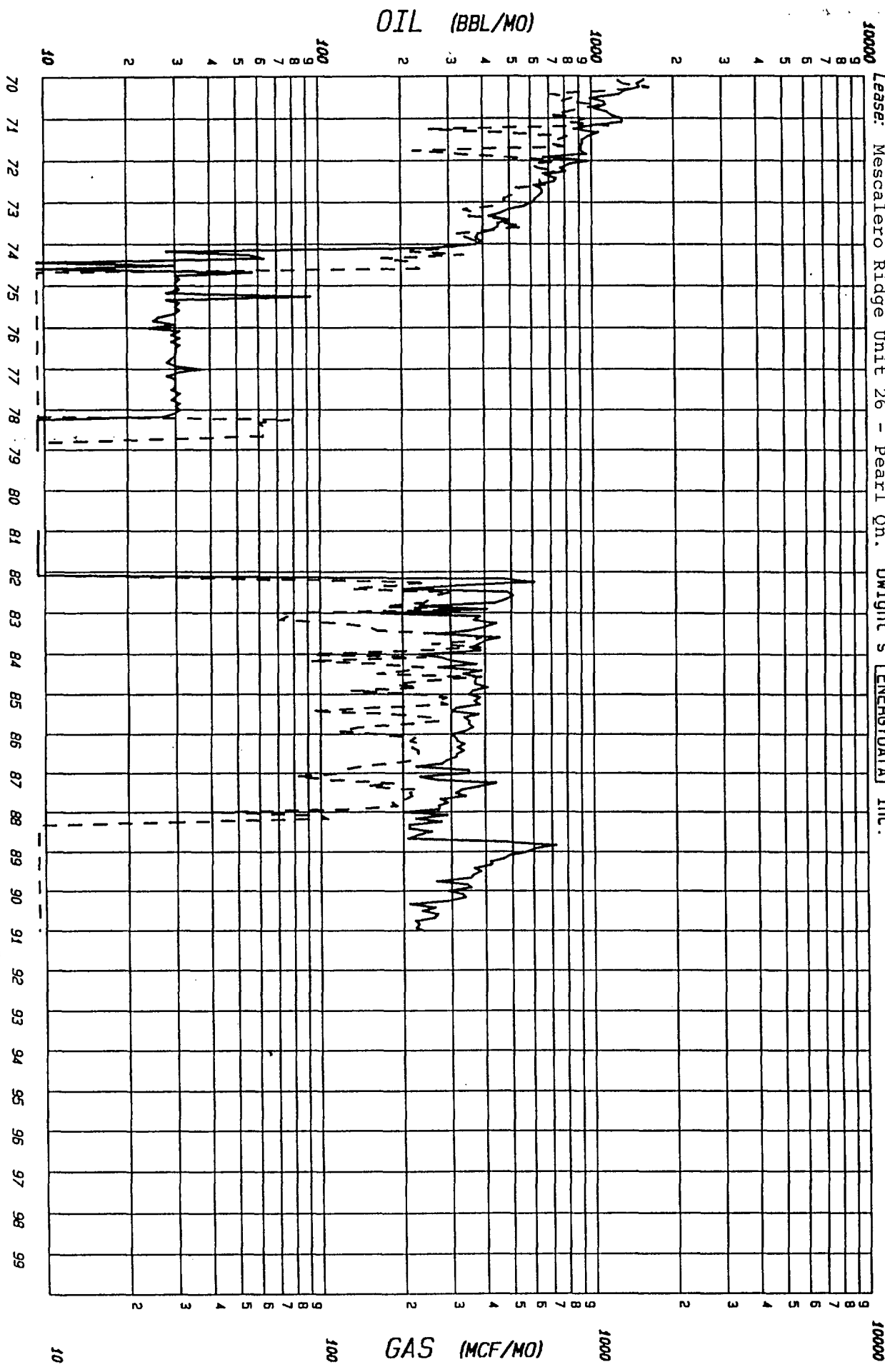
GAS (MCF/MO)



County: Lea
Field: Pearl
Reservoir: Seven Rivers
Operator: Hondo Oil & Gas Co.
Oil Cum: 71,526 Gas Cum: 218,662

State: NM

Lease: Mescalero Ridge Unit 26 - Pearl Gn. Dwight's [ENERGYDATA] Inc.



County: Lea
Field: Pearl
Reservoir: Queen
Operator: Hondo Oil & Gas Co.
Oil Cum: 354,848
Gas Cum: 186,503

State: NM

[illegible]1990 CUM
INJECTION

321491 BARRELS OF WATER

[illegible]1990 CUM
INJECTION

309764 BARRELS OF WATER

MESCALERO RIDGE UNIT 26 TOTAL INJECTION VOLUMES

INJECTED WATER, BWPM

10000

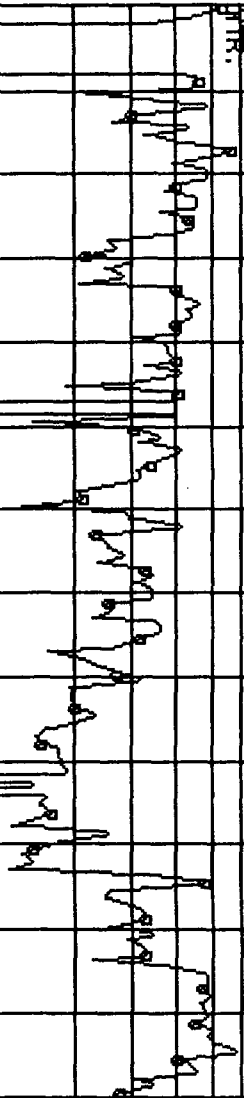
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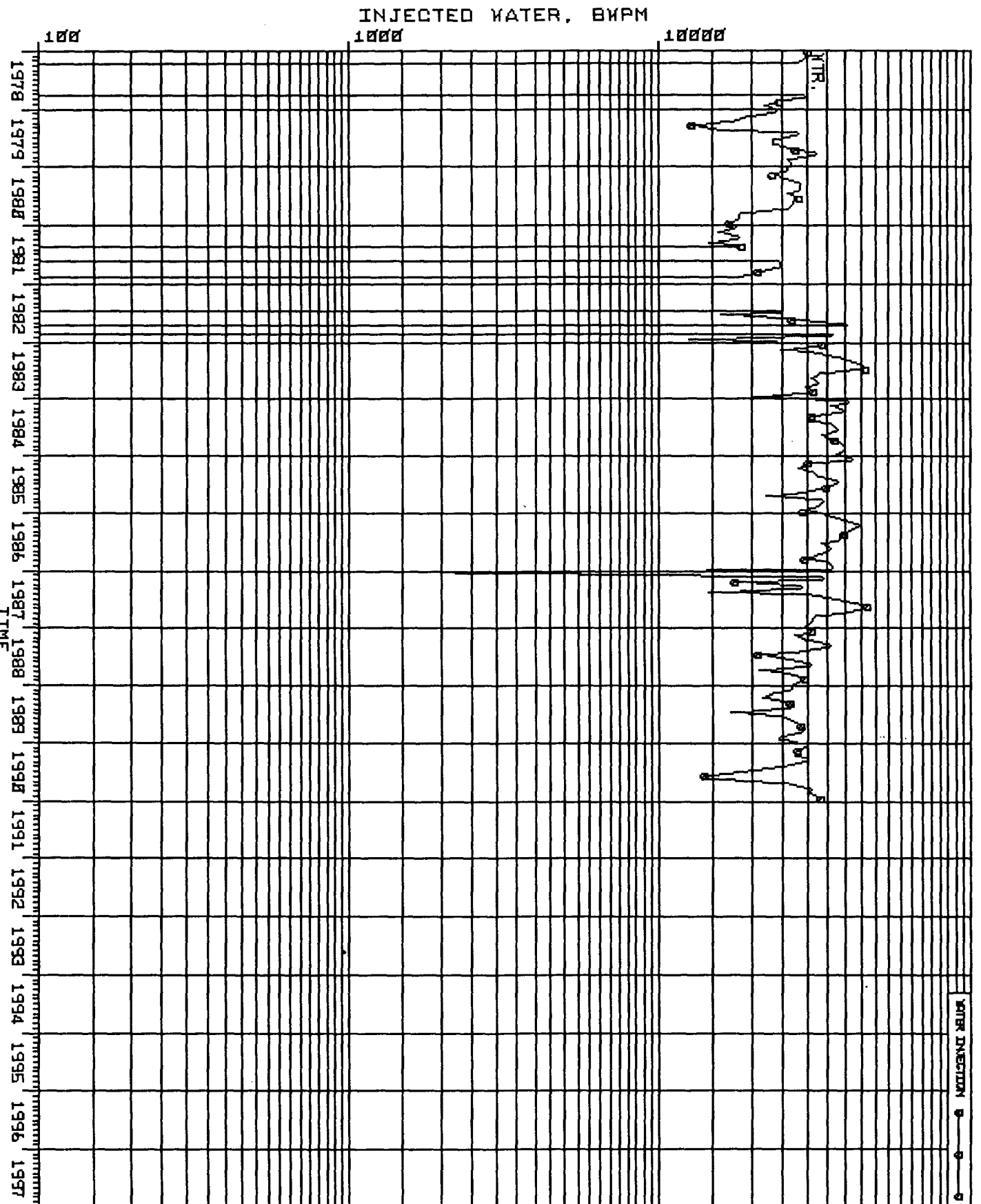
1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997

TIME

WATER INJECTION



MESCALERO RIDGE UNIT 35 TOTAL INJECTION VOLUMES



State of New Mexico

2179



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 5, 1990

Hondo Oil & Gas Company
Box 2208
Roswell, NM 88202

Attn: E. L. Buttross, Jr., Petroleum Engineer

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

Dear Mr. Buttross:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Mescalero Ridge 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, Director
Oil, Gas & Minerals Division

cc: OCD
Unit Corresp.
Unit POD

#2179

Hondo Oil & Gas Company

Box 2248
Roswell, New Mexico 88202
(505) 625-8700

5-15-10
DIVISION

1990 MAR 15 8 58



D -
UNIT LETTER
Th
Ry

March 14, 1990

United States Department of Interior
Bureau of Land Management
Roswell District Office
P. O. Box 1397
Roswell, NM 88202-1397

RE: Performance Summary
1989 Report of Operations
1990 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

Submitted for your approval is a Performance Summary, the 1989 Report of Operations and the 1990 Plan of Development for the Mescalero Ridge Unit.

Performance Summary

The Mescalero Ridge Unit 35 has been a success from both a primary and a secondary standpoint. Cumulative production from the Queen-Penrose is 1,806,121 BO, 929,252 MCF and 2,863,144 BW as of December 31, 1989. Cumulative production from the Seven Rivers is 70,396 BO, 218,562 MCF and 83,477 BW. Cumulative injection into the Queen-Penrose is 5,483,232 BW.

The Mescalero Ridge Unit 26 has also been a success from both a primary and a secondary standpoint. Cumulative production from the Queen-Penrose is 351,766 BO, 186,503 MCF and 814,598 BW as of December 31, 1989. Cumulative injection is 4,131,223 BW.

All remaining wells in the Mescalero Ridge Unit are not in the Pearl Field. As these wells are owned by various operators and located in different fields, we would ask that you refer to Attachment A for individual well production figures for 1989.

1989 Report of Operations

Approximately 7000' of old injection lines going to wells in both the Mescalero Ridge Unit 26 and the Mescalero Ridge Unit 35 were replaced with fiberglass pipe.

An injection well, the Mescalero Ridge Unit 35 Well No. 16, was shut-in.

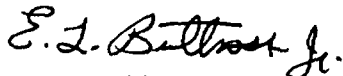
1990 Plan of Development

No development wells are planned for 1990. Routine repairs and maintenance work will be performed as needed in 1990.

Hondo Oil & Gas Company will continue to evaluate the unit's performance during 1990, and should there be any indications that changes are needed, a supplemental plan of development will be submitted for your consideration.

If you need further information or have any questions, please advise.

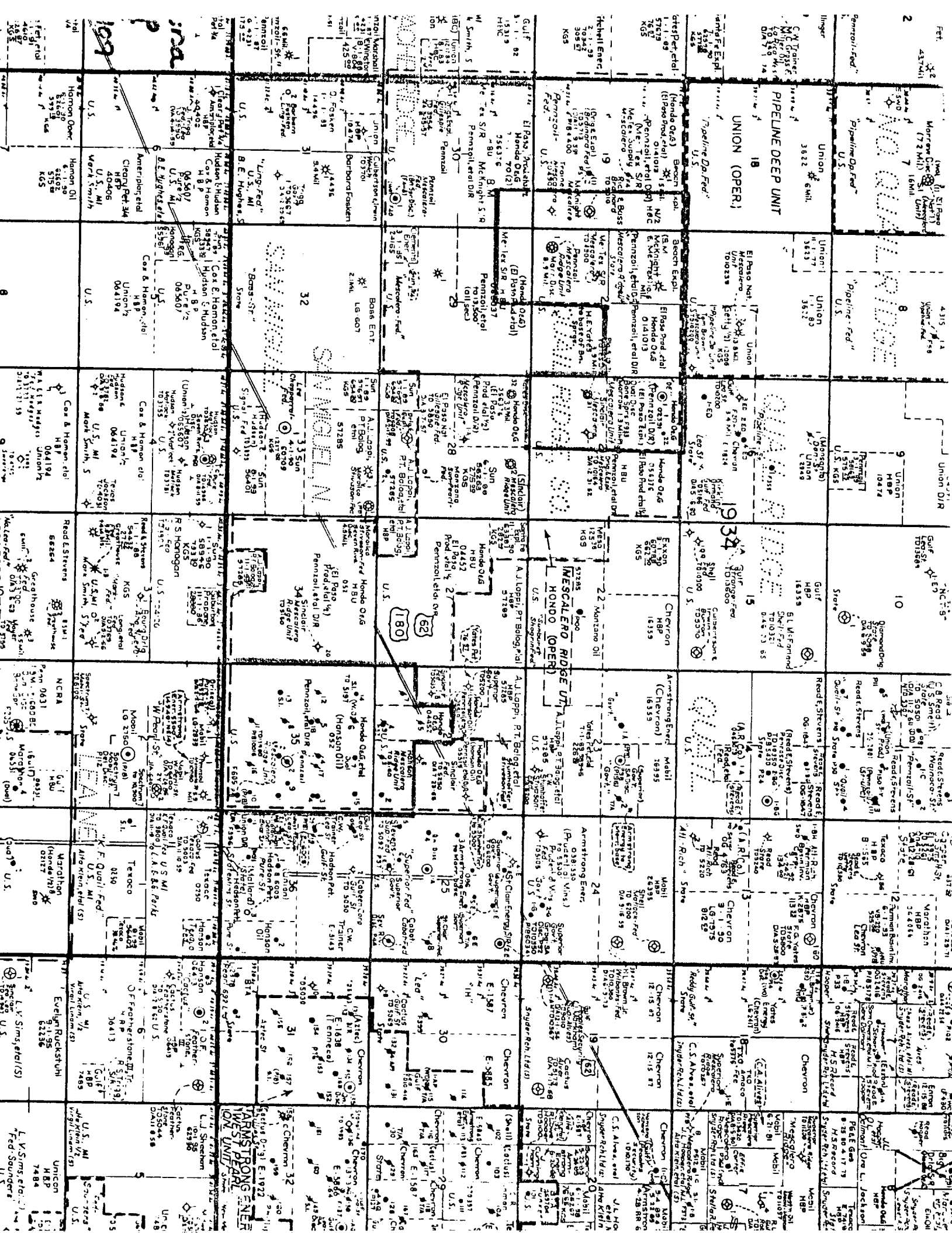
Sincerely,



E. L. Buttross, Jr.
Petroleum Engineer

ELB/lab

xc: NMOCD
P. O. Box 2088
Santa Fe, NM 87504-2088



ATTACHMENT A

MESCALERO RIDGE UNIT
PRODUCTION STATISTICS FOR 1989

WELL NAME	OPERATOR	FIELD & FORMATION	JAN 1989	FEB 1989	MAR 1989	APR 1989	MAY 1989	JUN 1989	JUL 1989	AUG 1989	SEP 1989	OCT 1989	NOV 1989	DEC 1989
Mescalero Ridge Unit 35 #1	Hondo Oil & Gas Company	Pearl Queen	- Oil 676	611	612~	603	642	920	972	870	798	803	761	841
		- Gas	35	30	18	30	16	23	18	20	22	20	13	4
		- Water	0	3520	0	5550	5735	7191	7336	4410	4247	3715	3635	4153
Mescalero Ridge Unit 35 #2	Hondo Oil & Gas Company	Pearl Queen	- Oil 406	366	384	374	385	257	272	150	137	139	131	145
		- Gas	53	45	28	46	24	35	27	30	33	30	19	6
		- Water	0	2113	0	2040	2106	2609	2695	5603	5393	4720	4618	5275
Mescalero Ridge Unit 35 #3	Hondo Oil & Gas Company	Pearl Queen	- Oil 514	465	487	472	487	700	739	616	606	609	578	576
		- Gas	72	57	38	62	33	46	36	38	44	39	26	7
		- Water	0	2675	0	2560	2665	3301	3410	371	381	333	325	337
Mescalero Ridge Unit 35 #7	Hondo Oil & Gas Company	Pearl Queen	- Oil 947	853	895	872	900	218	232	534	487	527	498	552
		- Gas	116	96	60	101	52	75	58	62	66	64	41	12
		- Water	0	4929	0	4800	4560	1726	1784	4539	4382	4088	3939	4568
Mescalero Ridge Unit 35 #13	Hondo Oil & Gas Company	Pearl Queen	- Oil 82	74	77	74	77	222	233	150	139	137	132	145
		- Gas	14	11	7	11	6	9	7	8	8	7	5	1
		- Water	0	422	0	360	372	1190	1228	350	337	296	291	331
Mescalero Ridge Unit 35 #14	Hondo Oil & Gas Company	Pearl Queen	- Oil 81	73	77	75	77	257	272	210	191	195	184	202
		- Gas	8	8	5	8	4	6	4	5	5	5	3	1
		- Water	0	423	0	360	371	459	476	527	507	445	435	497
Mescalero Ridge Unit 35 #15	Hondo Oil & Gas Company	Pearl Queen	- Oil 811	733	767	747	770	514	544	618	565	609	577	638
		- Gas	108	88	56	93	49	69	54	57	61	59	38	11
		- Water	0	4224	0	4050	4185	2380	2459	8791	8447	7915	7743	8847
Mescalero Ridge Unit 35 #18	Hondo Oil & Gas Company	Pearl Queen	- Oil 0	0	0	203	0	24	24	240	220	222	210	232
		- Gas	0	0	0	0	0	0	0	0	0	0	0	0
		- Water	0	0	0	2640	0	0	373	3971	3823	3343	3271	3738
Mescalero Ridge Unit 26 #9	Hondo Oil & Gas Company	Pearl Queen	- Oil 491	465	415	419	364	384	361	352	264	342	352	290
		- Gas	0	0	0	0	0	0	0	0	0	0	0	0
		- Water	1808	2207	2226	2107	1853	1720	1892	1838	1623	1966	1667	1753
Mescalero Ridge Unit 35 #10	Hondo Oil & Gas Company	Pearl Seven Rivers	- Oil 190	171	179	175	182	112	118	90	84	95	80	89
		- Gas	22	18	12	19	10	14	11	13	14	12	8	2
		- Water	0	986	0	930	965	1198	1229	1380	1332	1163	1138	1298
Mescalero Ridge Unit #2	Pennzoil	Lea Bone Springs	- Oil last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86	last prod. 2/86
		- Gas	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86	2/86
		- Water												
Mescalero Ridge Unit #4	Pennzoil	Lea Bone Springs	- Oil 70	69	70	59	78	0	last prod. 6/89	last prod. 6/89	last prod. 6/89	last prod. 6/89	last prod. 6/89	last prod. 6/89
		- Gas	193	147	157	159	169	10	6/89	6/89	6/89	6/89	6/89	6/89
		- Water	14	14	14	12	16	0						
Mescalero Ridge Unit #3	Pennzoil	Lea Delaware, Northeast	- Oil 222	200	445	251	231	446	303	298	276	274	268	276
		- Gas	234	172	232	295	287	416	490	476	450	457	413	412
		- Water	15	13	30	17	16	30	20	20	19	18	0	0

ATTACHMENT A

MESCALERO RIDGE UNIT
PRODUCTION STATISTICS FOR 1989
Page -2-

WELL NAME	OPERATOR	FIELD & FORMATION	JAN 1989	FEB 1989	MAR 1989	APR 1989	MAY 1989	JUN 1989	JUL 1989	AUG 1989	SEP 1989	OCT 1989	NOV 1989	DEC 1989
Mescalero Ridge Unit #22	Hondo Oil & Gas Company	Quail Ridge Bone Springs - Oil	681	711	504	602	last prod.	683	634	659	635	670	460	444
	- Gas		149	388	261	245	4/89	340	377	625	405	417	318	327
	- Water		1902	2252	2729	2466		2405	2418	2416	2191	2454	2049	2145
Mescalero Ridge Unit DE #1	Hondo Oil & Gas Company	Quail Ridge Bone Springs - Oil	299	270	292	293	last prod.	294	221	284	250	285	295	329
	- Gas		129	306	249	260	4/89	272	355	599	378	364	304	312
	- Water		1747	1475	1904	2112		1769	1847	1853	1933	1888	1935	1763
Mescalero Ridge Unit #1	Beach Exploration	Quail Ridge Morrow - Oil	184	133	100	76	31	2	last prod.	last prod.	last prod.	last prod.	104	31
	- Gas		4723	5536	3373	2198	2574	259	6/89	6/89	6/89	6/89	2411	1174
	- Water		0	0	0	0	0	0					0	0
Mescalero Ridge Unit #1	Pennzoil	Quail Ridge Morrow - Oil	1269	895	387	1029	1074	260	0	1	last prod.	last prod.	1864	812
	- Gas		25632	22677	12361	24494	28827	14756	6292	1	8/89	8/89	48546	37180
	- Water		1007	891	485	962	1132	579	247	0			1278	979

NOTE: Oil in bbl's.
Gas in MCF's.
Water in bbl's.

HONDO OIL & GAS COMPANY
WELL STATUS LISING
MESCALERO RIDGE UNIT 35
LEA COUNTY, NEW MEXICO

Producing Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1989 Status</u>
1	Active
2	Active
3	Active
7	Active
13	Active
14	Active
15	Active
18	Active

Pearl Seven Rivers

<u>Well No.</u>	<u>December, 1989 Status</u>
9	Shut-In
10	Active

Injection Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1989 Status</u>
4	Active
6	Active
8	Active
12	Active
16	Shut-In

<u>Pearl Queen</u>		<u>Pearl Seven Rivers</u>	
Active Producers	= 8	Active Producers	= 1
Shut-In Producers	= 0	Shut-In Producers	= 1
Active Injectors	= 4	Active Injectors	= 0
Shut-In Injectors	= 1	Shut-In Injectors	= 0

HONDO OIL & GAS COMPANY
WELL STATUS LISTING
MESCALERO RIDGE UNIT 26
LEA COUNTY, NEW MEXICO

Producing Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1989 Status</u>
2	Shut-In
9	Active

Injection Wells:

Pearl Queen

<u>Well No.</u>	<u>December, 1989 Status</u>
3	Active
5	Active
7	Active

Active Producers = 1
Shut-In Producers = 1
Active Injectors = 3
Shut-In Injectors = 0

MESCALERO RIDGE UNIT
WELLS NOT IN THE PEARL FIELD
WELL STATUS LISTING

Producing Wells:

Quail Ridge Bone Springs

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1989 STATUS</u>
Mescalero Ridge Unit #22	Hondo Oil & Gas Co.	Active
Mescalero Ridge Unit DE #1	Hondo Oil & Gas Co.	Active

Quail Ridge Morrow

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1989 STATUS</u>
Mescalero Ridge Unit #1	Beach Exploration	Active
Mescalero Ridge Unit #1	Pennzoil	Active

Lea Bone Springs

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1989 STATUS</u>
Mescalero Ridge Unit #2	Pennzoil	Shut-In
Mescalero Ridge Unit #4	Pennzoil	Shut-In

Lea Delaware, Northeast

<u>WELL NAME</u>	<u>OPERATOR</u>	<u>DECEMBER, 1989 STATUS</u>
Mescalero Ridge Unit #3	Pennzoil	Active

HONDO OIL & GAS COMPANY
MESCALERO RIDGE UNIT 35
Cumulative Production Statistics

Pearl Queen

Oil Production = 1,806,121 BO
Gas Production = 929,252 MCF
Water Production = 2,863,144 BW*
Water Injection = 5,483,232 BW

Pearl Seven Rivers

Oil Production = 70,396 BO
Gas Production = 218,562 MCF
Water Production = 83,477 BW*
Water Injection = 0 BW

*Cumulative since 1/70.

HONDO OIL & GAS COMPANY

MESCALERO RIDGE UNIT 26

Cumulative Production Statistics

Oil Production	=	351,766 BO
Gas Production	=	186,503 MCF
Water Production	=	814,598 BW*
Water Injection	=	4,131,223 BW

*Cumulative since 1/70.

HONDO OIL & GAS COMPANY
MESCALERO RIDGE UNIT 35
Production Statistics - 1989

Pearl Queen

Oil Production = 39,323 BO
Gas Production = 2,825 MCF
Water Production = 233,882 BW
Water Injection = 301,235 BW

Pearl Seven Rivers

Oil Production = 1,555 BO
Gas Production = 155 MCF
Water Production = 10,321 BW
Water Injection = 0 BW

HONDO OIL & GAS COMPANY
MESCALERO RIDGE UNIT 26
Production Statistics - 1989

Pearl Queen

Oil Production	=	4,499 BO
Gas Production	=	0 MCF
Water Production	=	22,900 BW
Water Injection	=	299,019 BW

HONDO OIL & GAS COMPANY

MESCALERO RIDGE UNIT 35

Production and Injection Data for December, 1989

Pearl Queen

Average Daily Oil Production	=	107 BOPD
Average Daily Gas Production	=	1 MCFPD
Average Daily Water Production	=	937 BWPD
Average Daily Water Injection	=	782 BWPD

Pearl Seven Rivers

Average Daily Oil Production	=	3 BOPD
Average Daily Gas Production	=	0 MCFPD
Average Daily Water Production	=	0 BWPD
Average Daily Water Injection	=	0 BWPD

HONDO OIL & GAS COMPANY

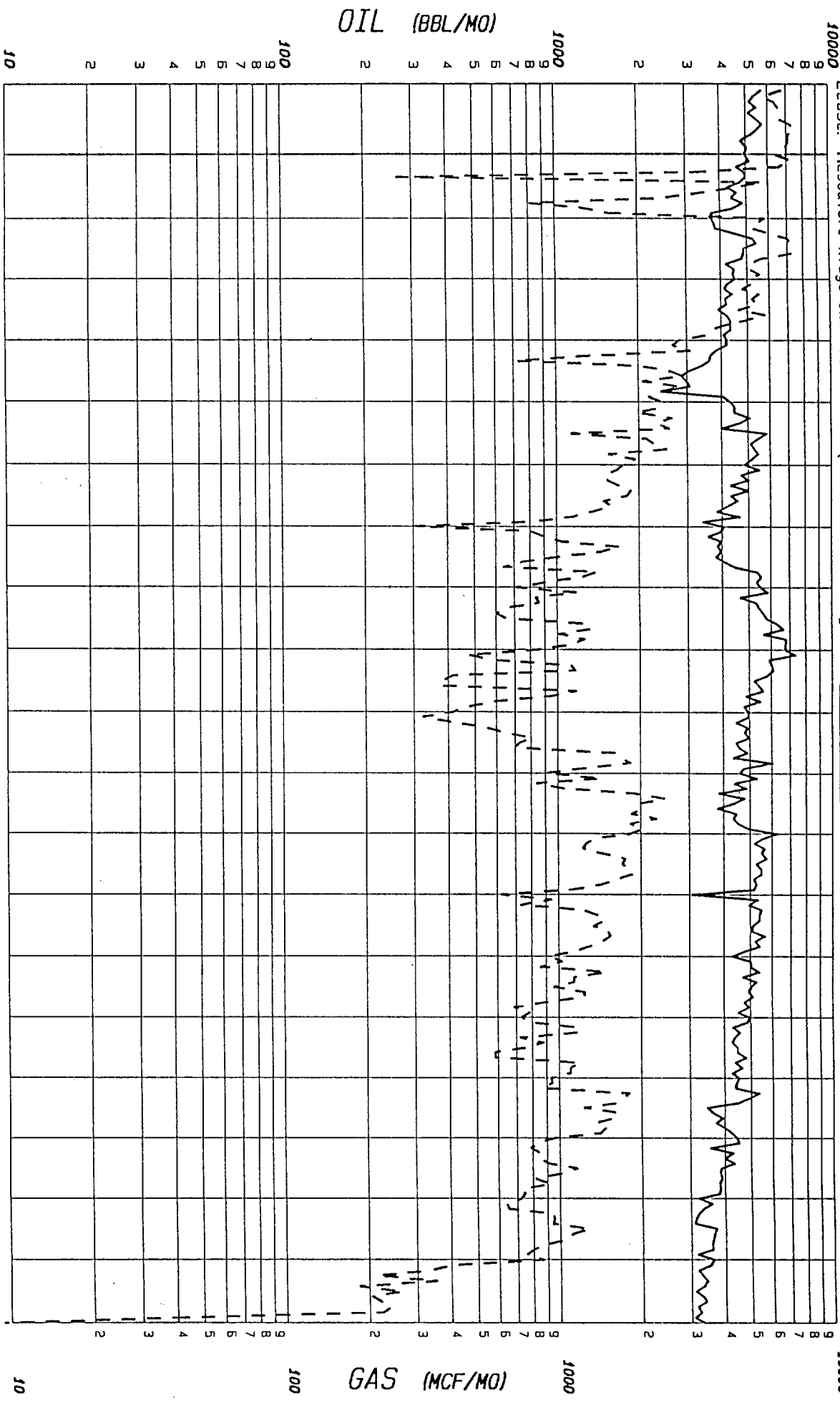
MESCALERO RIDGE UNIT 26

Production and Injection Data for December, 1989

Pearl Queen

Average Daily Oil Production	=	9 BOPD
Average Daily Gas Production	=	0 MCFPD
Average Daily Water Production	=	57 BWPD
Average Daily Water Injection	=	928 BWPD

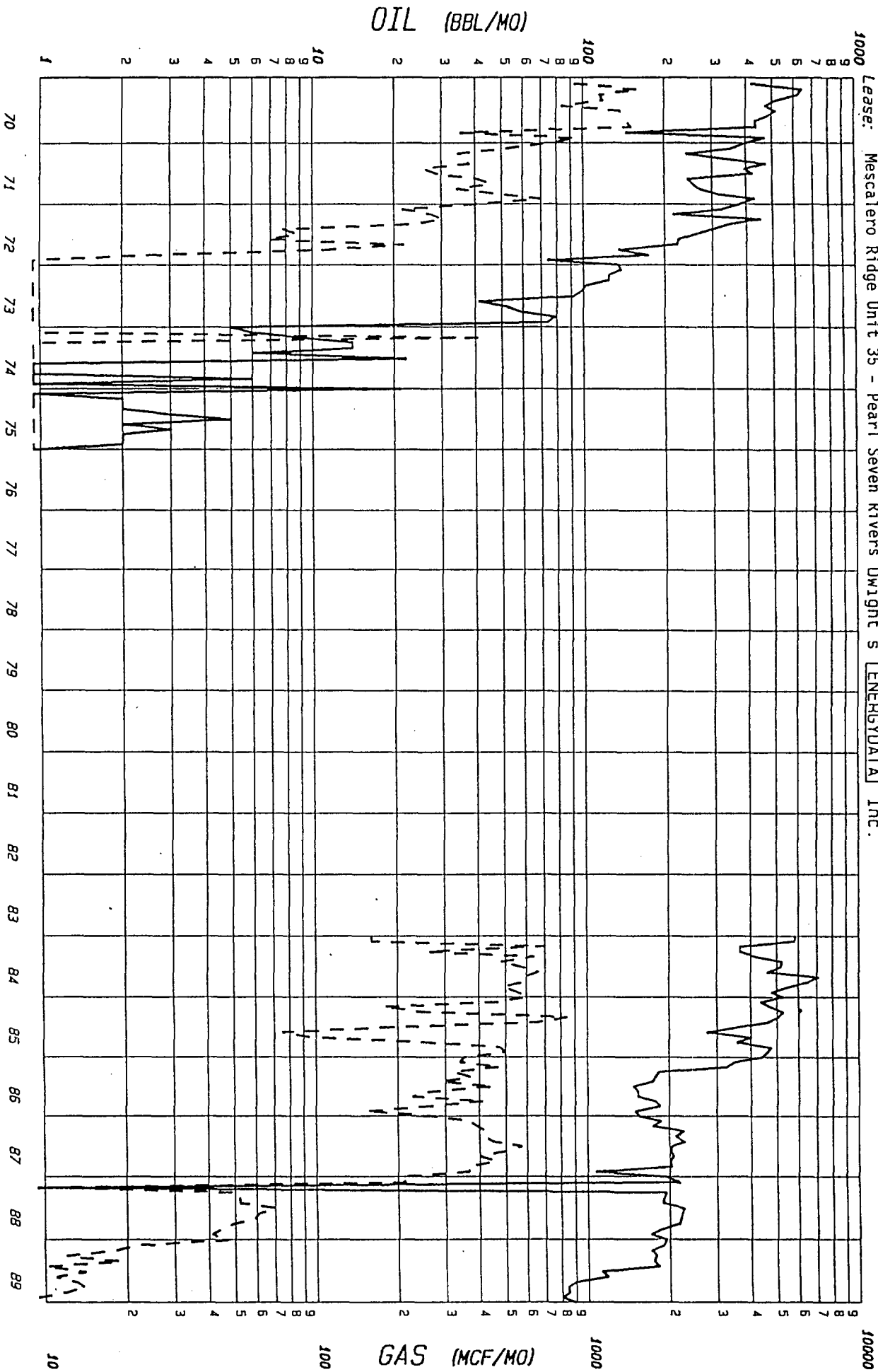
Lease: Mescalero Ridge Unit 35 - Pearl Queen Dwight's ENERGYDATA Inc.



County: Lea
Field: Pearl
Reservoir: Queen
Operator: Hondo Oil & Gas Co.
Oil Cum: 1,806,121
Gas Cum: 929,252
State: NM
Location:

F B Date

Lease: Mesalero Ridge Unit 35 - Pearl Seven Rivers Dwight's [ENERGYDATA] Inc.



County: Lea

State: NM

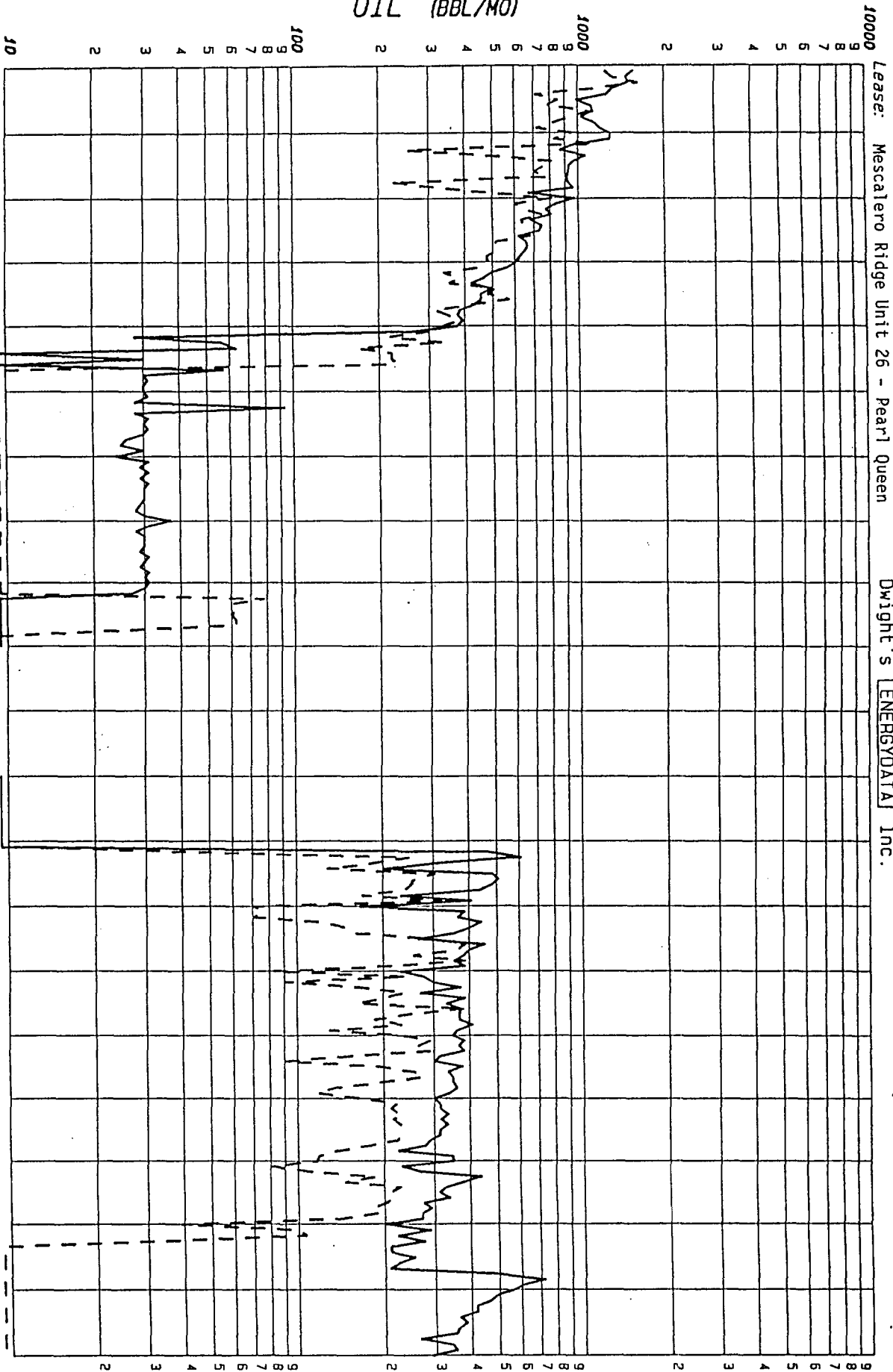
Field: Pearl

Reservoir: Seven Rivers

Operator: Hondo Oil & Gas Co.

Oil Cum: 70,396 Gas Cum: 218,562

OIL (BBL/MO)



GAS (MCF/MO)

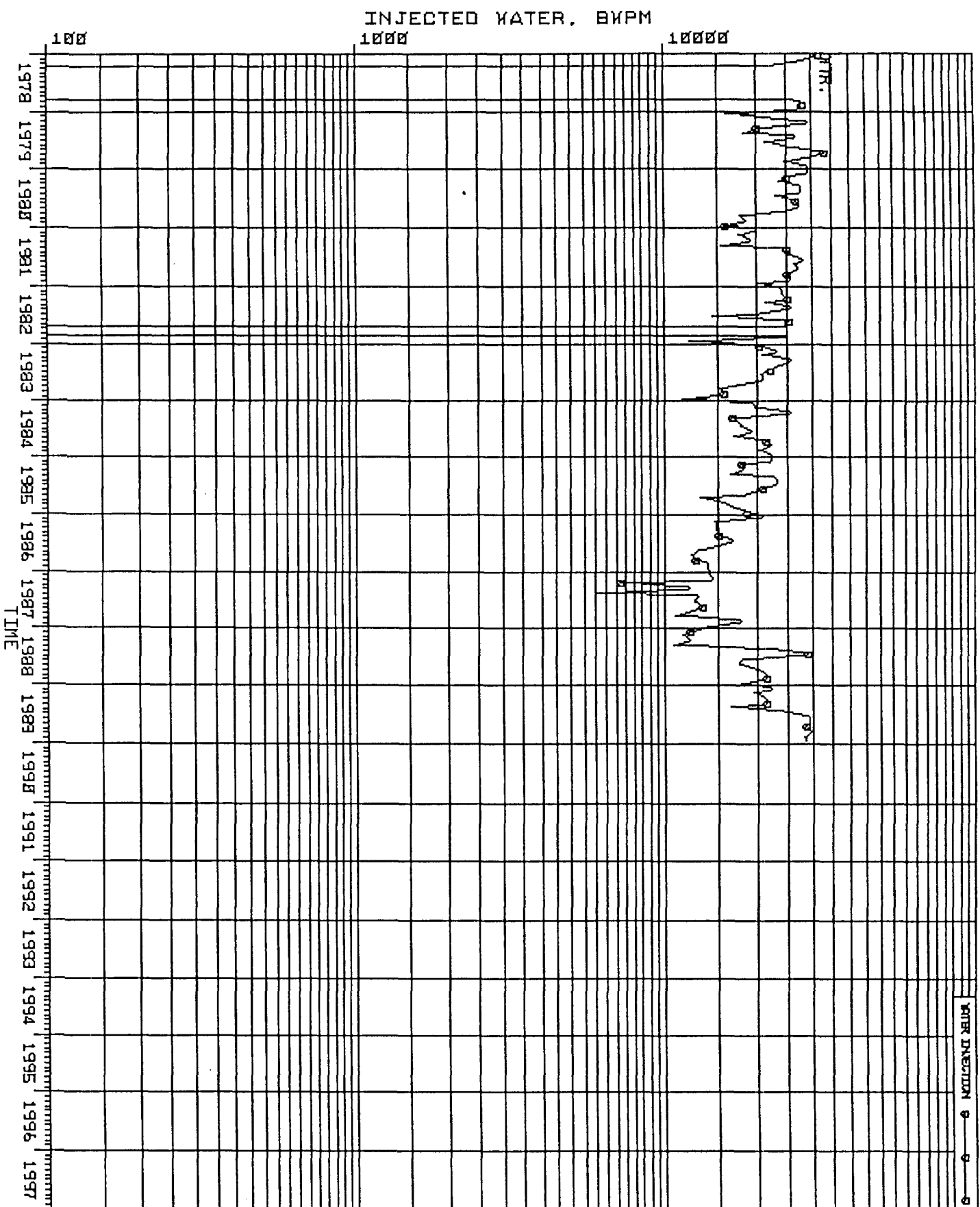


F.P. Date

County: Lea
Field: Pearl
Reservoir: Queen
Operator: Hondo Oil & Gas Co.
Oil Cum: 351,766 Gas Cum: 186,503
Location:

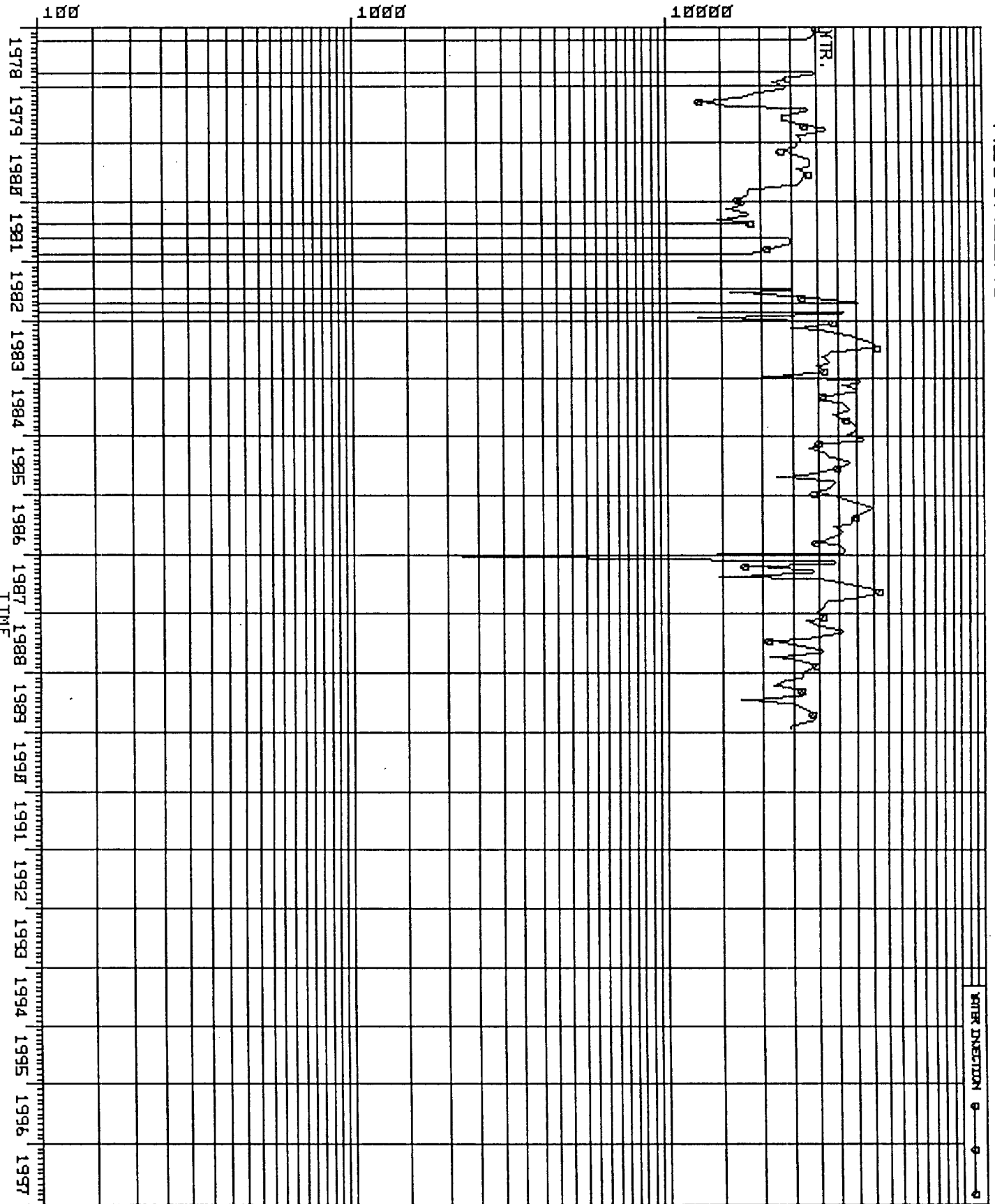
State: NM

MESCALERO RIDGE UNIT 26 TOTAL INJECTION VOLUMES

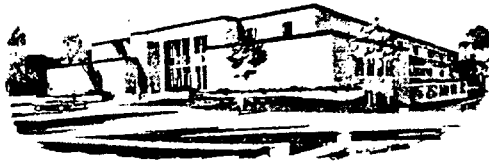


MESCALERO RIDGE UNIT 35 TOTAL INJECTION VOLUMES

INJECTED WATER, BWPM



State of New Mexico



#2179

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

December 20, 1988

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

Arco Oil and Gas Company
Attn: Permian District-West Area
P. O. Box 1710
Hobbs, New Mexico 88240

Re: Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

The Bureau of Land Management has advised this office that the last production from the Morrow Participating Area in the Mescalero Ridge unit was June 1988. The BLM has requested that you furnish information showing that the Penzoil United Inc. Well No. 1 and the Beach Exploration, Inc. Mescalero Ridge unit No. 1 Well are capable of producing hydrocarbons from the unitized interval in paying quantities within 60 days or the Participating area will be terminated.

Please submit a copy of all correspondence and information regarding the above Participating Area to this office. Also, Please submit a copy of a designation of successor unit operator signed by Arco Oil and Gas Company and Hondo Oil and Gas Company.

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

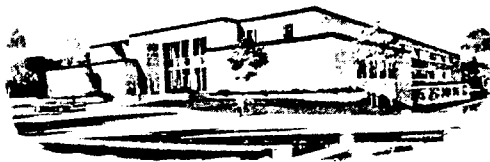
BY: *Floyd O. Prando*

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

WRH/FOP/pm
encls.
cc: OCD
BLM

State of New Mexico

#2179



JIM BACA
COMMISSIONER

Commissioner of Public Lands

August 14, 1985

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

Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Re: Mescalero Ridge Unit
~~Commercial Determination~~
Lea County, New Mexico

ATTENTION: Mr. M. F. Sustaita

Gentlemen:

This office is in receipt of your letter dated August 2, 1985, wherein as unit operator of the Mescalero Ridge Unit you have determined that the MRU No. 35-10 Well located on Section 35-19S-34E is capable of producing unitized substances in paying quantities from the Seven Rivers Formation.

The Commissioner of Public Lands concurs with your determination that such well is capable of producing unitized substances in paying quantities from the Seven Rivers formation as per the terms of the Unit Agreement. Our determination is subject to like concurrence by the Bureau of Land Management.

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

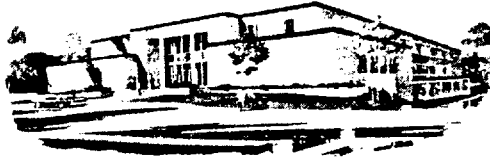
JB/RDG/pm
encls.

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

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

August 14, 1985

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

Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Re: 1985 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

ATTENTION: Mr. M. F. Sustaita

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Mescalero Ridge Unit Area, Lea County, New Mexico. Such plan proposes to drill a replacement well for the MRU 35-5 well to be completed in the Pearl Queen formation and workovers on the two adjacent injection wells MRU 35-6 and 35-12. Our approval is subject to like approval by 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

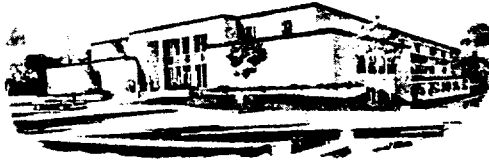
JB/RDG/pm
encls.

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

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

October 17, 1985

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

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Re: Mescalero Ridge Unit
Application for Initial
Participating Area
Seven Rivers Formation
Lea County, New Mexico

ATTENTION: Mr. M. F. Sustaita

Gentlemen:

This office is in receipt of your letter dated August 7, 1985, wherein as Unit Operator of the Mescalero Ridge Unit, you have submitted for approval the Seven Rivers "A" Participating Area embracing 40.00 acres described as the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 35, Township 19 South, Range 34 East., N.M.P.M. and is predicated upon the commercial completion of the Unit Well No. 10.

As per Article 11 of the above captioned unit agreement, the Commissioner of Public Lands has this date approved the Seven Rivers "A" Participating Area for the Mescalero Ridge Unit Area, Lea County, New Mexico. The effective date is December 28, 1983. 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: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez
OGAD-Santa Fe, New Mexico



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Box 1397, Roswell, New Mexico - 8820114-08-0001-7465
3180(065)

July 18, 1985

Arco Oil and Gas Company
Attention: M.F. Sustaita
P.O. Box 1610
Midland, TX 79702

Re: Commercial Determination of
Mescalero Ridge Unit No. 10-35 Well

Dear Ms. Sustaita:

Your letter of April 24, 1985 indicates that as unit operator of the Mescalero Ridge Unit, Lea County, New Mexico, you have determined that unit well No. 10-35, located 990' FSL and 660' FBL, section 35, T. 19 S., R. 34 E., N.M.P.M., is capable of producing unitized substances in paying quantities from the Seven Rivers formation.

This office concurs with your determination that such well is capable of producing unitized substances in paying quantities from the Seven Rivers formation pursuant to section 9 of the unit agreement. Information on making formal application for the Initial Seven Rivers "A" Participating Area will be forthcoming under separate cover.

Sincerely,

Orig. Sgd. David L. Mari
Francis R. Cherry, Jr.
District Manager

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



United States Department of the Interior

IN REPLY REFER TO

BUREAU OF LAND MANAGEMENT

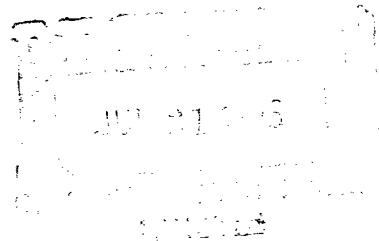
Box 1397, Roswell, New Mexico - 88201

14-08-0001-7465
3180(065)

July 18, 1985

Arco Oil and Gas Company
Attention: M.F. Sustaita
P.O. Box 1610
Midland, TX 79702

Re: 1985 Plan of Development
Mescalero Ridge Unit,
T. 19 S., R. 34 E., N.M.P.M.,
Lea County, New Mexico



Dear Ms. Sustaita:

We are in receipt of your letter dated April 24, 1985 which describes your 1985 Plan of Development for the Mescalero Ridge Unit, Lea County, New Mexico.

Such plan proposes drilling a replacement well for the MRU 35-5 to be completed in the Pearl Queen formation and workovers on the two adjacent injection wells MRU 35-6 and 35-12 and is approved effective January 1, 1985. Such plan is subject to like approval by the appropriate officials of the State of New Mexico. In future Plans of Development please provide a revised Exhibit "A" to show the unit outline together with all producing and injection wells.

Sincerely,

Orig. Sgd. David L. Mari

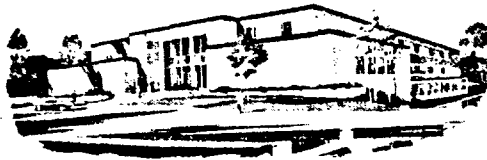
FOR Francis R. Cherry, Jr.
District Manager

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

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands
September 28, 1981

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

Mr. William N. Beach
P. O. Box 3669
Midland, Texas 79702

Re: Mescalero Ridge Unit
FIRST REVISION TO THE MORROW
PARTICIPATING AREA
Lea County, New Mexico

2179

ATTENTION: Mr. Carl C. Beach

Gentlemen:

In order to clarify our letter of May 21, 1981, which was amended July 22, 1981, this is to advise you that the Commissioner of Public Lands has approved the First Revision to the Morrow Participating Area for the Mescalero Ridge Unit, Lea County, New Mexico, effective as of July 1, 1980.

The USGS gave their approval September 1, 1981.

Such revision adds 160 acres described as NE/4 of Section 20, Township 19 South, Range 34 East., N.M.P.M., therefore, enlarging the Participating Area to 760 acres.

Please advise all intrested parties of this action.

Very truly yours,

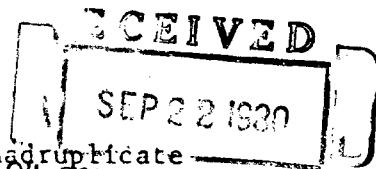
ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

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

AJA/FOP/s
encls.

cc:

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



Submit in quadruplicate

DESIGNATION OF AGENT

SANTA FE

2179

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Geological Survey,
Unit Operator under the Mescalero Ridge unit agreement,
Lea County, New Mexico (state),
No. 14-08-0001-746 approved May 2, 1961 and hereby
designates:

NAME: Pennzoil United, Inc.

ADDRESS: P. O. Drawer 1828 - Midland, Texas

as its agent, with full authority to act in its behalf in complying with
the terms of the Unit Agreement and regulations applicable thereto and on
whom the supervisor or his representative may serve written or oral in-
structions in securing compliance with the Oil and Gas Operating Regula-
tions with respect to drilling, testing and completing unit well No.

1-20, in the SW $\frac{1}{4}$ sec. 20, T. 19-S, R. 34-E.,
N.M.P.M., Lea County, New Mexico.

It is understood that this designation of agent does not relieve
the Unit Operator of responsibility for compliance with the terms of the
unit agreement and the Oil and Gas Operating Regulations. It is also
understood that this designation of agent does not constitute an assign-
ment of any interest under the unit agreement or any lease committed
thereto.

In case of default on the part of the designated agent, the Unit
Operator will make full and prompt compliance with all regulations, lease
terms, or orders of the Secretary of the Interior or his representative.

The Unit Operator agrees promptly to notify the oil and gas
supervisor of any change in the designated agent.

This designation of agent is deemed to be temporary and in no
manner a permanent arrangement.

This designation is given only to enable the agent herein de-
signated to drill the above-specified unit well. Unless sooner termi-
nated, this designation shall terminate when there is filed in the appropriate
district office of the U. S. Geological Survey a completed file of all
required Federal reports pertaining to subject well. It is also under-
stood that this designation of agent is limited to field operations and
does not cover administrative action requiring specific authorization of the
Unit Operator.

ATLANTIC RICHFIELD COMPANY

Unit Operator

June 6, 1969

Date

By:

C. S. Tinkler

Attorney-in-Fact

RECEIVED
SEP 22 1980
OIL CONSERVATION DIVISION
SANTA FE

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of ^{an undivided interest in} lease

DISTRICT LAND OFFICE: New Mexico
SERIAL NO.: 0141013

and hereby designates

NAME: Pennzoil United, Inc.
ADDRESS: P. O. Drawer 1828
Midland, Texas

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

All of Section 19 and SW/4 of Section 20, T-19-S, R-34-E
N.M.P.M., Lea County, New Mexico, insofar as covers
leasehold rights below the depth of 5000 feet.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

ATLANTIC RICHFIELD COMPANY

By: C. S. Temple
(Signature of lessee)

Attorney-in-Fact

June 6, 1969
(Date)

P. O. Box 1470 - Midland, Texas 79701
(Address)

Submit in quadruplicate

DESIGNATION OF AGENT

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Geological Survey,
Unit Operator under the Mescalero Ridge unit agreement,
County, New Mexico (state),
No. 14-08-0001-7465 approved May 2, 1961 and hereby
designates:

NAME: Pennzoil United, Inc.,
P. O. Drawer 1828
ADDRESS: Midland, Texas 79701

as its agent, with full authority to act in its behalf in complying with
the terms of the Unit Agreement and regulations applicable thereto and on
whom the supervisor or his representative may serve written or oral in-
structions in securing compliance with the Oil and Gas Operating Regula-
tions with respect to drilling, testing and completing unit well No.
3, in the SE 1/4 SE 1/4 sec. 35, T. 19S, R. 34E,
N.M.P.M., Lea County, New Mexico.

It is understood that this designation of agent does not relieve
the Unit Operator of responsibility for compliance with the terms of the
unit agreement and the Oil and Gas Operating Regulations. It is also
understood that this designation of agent does not constitute an assign-
ment of any interest under the unit agreement or any lease committed
thereto.

In case of default on the part of the designated agent, the Unit
Operator will make full and prompt compliance with all regulations, lease
terms, or orders of the Secretary of the Interior or his representative.

The Unit Operator agrees promptly to notify the oil and gas
supervisor of any change in the designated agent.

This designation of agent is deemed to be temporary and in no
manner a permanent arrangement.

This designation is given only to enable the agent herein de-
signated to drill the above-specified unit well. Unless sooner termi-
nated, this designation shall terminate when there is filed in the appropriate
district office of the U. S. Geological Survey a completed file of all
required Federal reports pertaining to subject well. It is also under-
stood that this designation of agent is limited to field operations and
does not cover administrative action requiring specific authorization of the
Unit Operator.

ATLANTIC RICHFIELD COMPANY

April 30, 1970

Date

Unit Operator

By: 

Submit in quadruplicate

DESIGNATION OF AGENT

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Geological Survey,
Unit Operator under the Hoscalore Ridge unit agreement,
Lea County, New Mexico (state),
No. 14-04-0001-7468 approved May 1, 1961 and hereby
designates:

NAME: Pennzoil United, Inc.

ADDRESS: P. O. Drawer 1820
Midland, Texas 79701

as its agent, with full authority to act in its behalf in complying with
the terms of the Unit Agreement and regulations applicable thereto and on
whom the supervisor or his representative may serve written or oral in-
structions in securing compliance with the Oil and Gas Operating Regula-
tions with respect to drilling, testing and completing unit well No.
2, in the 1/4 1/4 sec. 35, T. 19N, R. 34E,
N.M.P.M., Lea County, New Mexico.

It is understood that this designation of agent does not relieve
the Unit Operator of responsibility for compliance with the terms of the
unit agreement and the Oil and Gas Operating Regulations. It is also
understood that this designation of agent does not constitute an assign-
ment of any interest under the unit agreement or any lease committed
thereto.

In case of default on the part of the designated agent, the Unit
Operator will make full and prompt compliance with all regulations, lease
terms, or orders of the Secretary of the Interior or his representative.

The Unit Operator agrees promptly to notify the oil and gas
supervisor of any change in the designated agent.

This designation of agent is deemed to be temporary and in no
manner a permanent arrangement.

This designation is given only to enable the agent herein de-
signated to drill the above-specified unit well. Unless sooner termi-
nated, this designation shall terminate when there is filed in the appropriate
district office of the U. S. Geological Survey a completed file of all
required Federal reports pertaining to subject well. It is also under-
stood that this designation of agent is limited to field operations and
does not cover administrative action requiring specific authorization of the
Unit Operator.

ATLANTIC RICHFIELD COMPANY
SUCCESSOR BY MERGER TO
SINCLAIR OIL CORPORATION

September 24, 1969

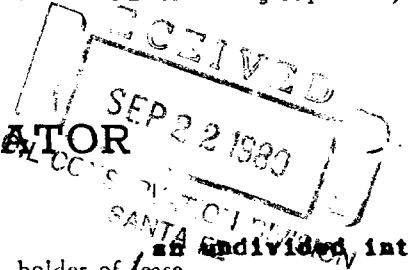
Date

Unit Operator

By: Jack Beard

ILLEGIBLE

DESIGNATION OF OPERATOR



The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: **Santa Fe, New Mexico**
SERIAL NO.: **MM-052**

and hereby designates

NAME: **Pennzoil United, Inc.**
ADDRESS: **P. O. Drawer 1828
Midland, Texas 79701**

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 19 South, Range 34 East, N.M.P.M.

Section 34: N $\frac{1}{2}$, SE $\frac{1}{2}$, W $\frac{1}{2}$ SW $\frac{1}{2}$, NE $\frac{1}{2}$ W $\frac{1}{2}$

Section 35: All

**(Limited to rights lying deeper than 5,500 feet below
the surface)**

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

**ATLANTIC RICHFIELD COMPANY,
Successor by Merger to
SINCLAIR OIL CORPORATION**

By: _____

(Signature of lessee)

September 24, 1969

(Date)

P. O. Box 1978, Roswell, New Mexico 88201

(Address)

ILLEGIBLE



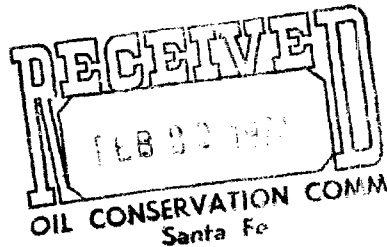
United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

February 19, 1974

Hanson Oil Company
Attention: Mr. Reagan S. Sweet
P.O. Box 1515
Roswell, New Mexico 88201



Gentlemen:

One approved copy of your plan of development, received by this office February 5, 1974, for the Queen participating area within the Mescalero Ridge unit area, Lea County, New Mexico, is enclosed. This plan, proposing the installation of a waterflood project and initiation of waterflood operations for 20 wells completed in the Queen formation, was approved on this date. The New Mexico Oil Conservation Commission approved such project on January 24, 1974, by order R-4714.

Sincerely yours,

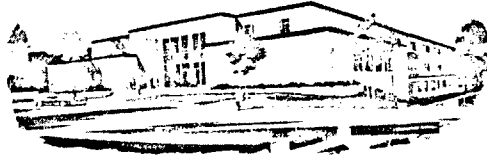
CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc:

✓ NMOCC, Santa Fe (ltr only)
Hobbs (w/cy plan)
ARCO, P.O. Box 1710, Midland, Tx. 79701
Mr. R. M. Richardson
P.O. Box 819
Roswell, N.M. 88201

JAGillham:ds

State of New Mexico



Commissioner of Public Lands

September 1, 1970

P. O. BOX 1148
SANTA FE, NEW MEXICO



ALEX J. ARMIJO
COMMISSIONER

70 SEP 2 AM 8 05

2179

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701

Re: Application for Approval
of the Initial Participating area for the Morrow formation, under the Mescalero Ridge Unit Agreement Lea County, New Mexico

ATTENTION: Mr. Bryan Burk

Gentlemen:

The Commissioner of Public Lands has this date approved the Initial Participating area for the Morrow formation, Mescalero Ridge Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey.

We are retaining two approved copies for our files.

The effective date of the Participating Area to be as of September 26, 1969.

Very truly yours,

Ted Bilberry,
Oil and Gas Department

TB/s

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

70 MAY 8 AM 8 25

May 7, 1970

2179

C
O
P
Y

Atlantic Richfield Company
P. O. Box 1978
Roswell, New Mexico 88201

Re: Mescalero Ridge Unit,
as Amended
Initial Bone Spring "A"
Participating Area
Lea County, New Mexico

ATTENTION: Mr. J. R. Lodle

Gentlemen:

The Commissioner of Public Lands has approved as of this date the Initial Bone Spring "A" Participating Area, effective February 5, 1970, for the Mescalero Ridge Unit, Lea County, New Mexico. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning three approved copies of the application.

Very truly yours,

Ted Bilberry, Director
Oil and Gas Department

TB/ML/s
encls.

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

OCT 8 1969

2179

October 6, 1969

**Pennsoil United, Inc.
P. O. Drawer 1828
Midland, Texas 79701**

**Re: Mescalero Ridge Unit
AMENDMENT
Lea County, New Mexico**

ATTENTION: Mr. James A. Davidson

Gentlemen:

**The Commissioner of Public Lands has this date approved
your proposed amendment to the Mescalero Ridge Unit, Lea
County, New Mexico.**

Enclosed are three approved copies as per your request.

Very truly yours,

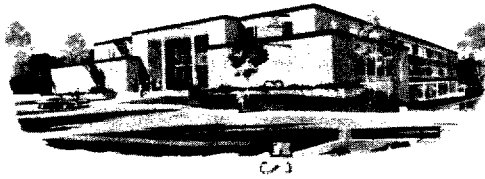
**Ted Bilberry, Director
Oil and Gas Department**

**TR/ML/s
encls.**

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

ILLEGIBLE

State of New Mexico



Commissioner of Public Lands



September 12, 1968

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas 79701

Re: Application for Initial
Participating Area
Yates Formation
Mescalero Ridge Unit
Lea County, New Mexico

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands has approved as of this date the Initial Participating Area for the Yates Formation, effective June 28, 1968, for the Mescalero Ridge Unit, Lea County, New Mexico. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are returning one approved copy of this application.

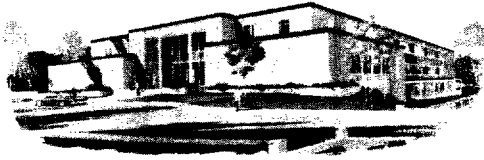
Very truly yours,

Guyton B. Hays
Commissioner of Public Lands

GBH/s
encl.

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

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



March 8, 1968

P. O. BOX 1148
SANTA FE, NEW MEXICO

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas 79701

Re: Application for Ninth
Revision of Participating
Area, Mescalero Ridge Unit,
Lea County, New Mexico

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands has this date approved the Ninth Revision of Participating Area, Queen Formation, for the Mescalero Ridge Unit Area, Lea County, New Mexico, to be effective December 1, 1967.

In the future please submit two copies of any instrument filed with this office as we require one for our original file and one for our duplicate file.

We are retaining the one copy for our files.

Very truly yours,

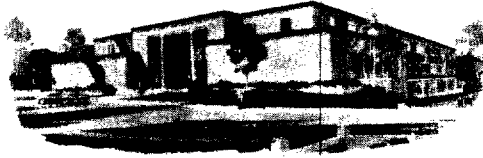
GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Eddie Lopez, Supervisor
Unit Division

GRH/TE/EL/s
cc: USGS-Roswell, New Mexico

68 MAR 11

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



January 11, 1968

P. O. BOX 1148
SANTA FE, NEW MEXICO

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas 79701

Re: Mescalero Ridge Unit
Ninth Revision of
Participating Area
Lea County, New Mexico

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands has this date approved the Ninth Revision Participating Area for the Queen Formation for the captioned unit. This approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Commission.

We are retaining two copies for our files and returning one approved copy to you.

Very truly yours,

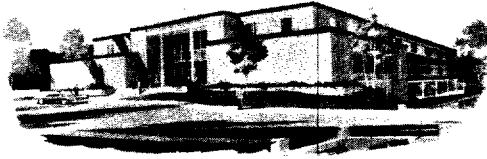
GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS
BY:

Eddie Lopez, Supervisor
Unit Division

GBH/TE/EL/s
encl.

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

State of New Mexico



2179

Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



July 18, 1967

P. O. BOX 1148
SANTA FE, NEW MEXICO

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas 79701

Re: Mescalero Ridge Unit
Lea County, New Mexico

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands has this date approved the Eighth Revision Participating Area for the Queen Formation for the captioned unit. This approval is subject to like approval by the United States Geological Survey and the Oil Conservation Commission. The effective date to be May 1, 1967.

We are retaining two copies for our files and returning one approved copy to you.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Eddie Lopez, Supervisor
Unit Division

GBH/TB/EL/s

Enclosures

cc: USGS-Roswell, New Mexico
CCC- SantaFe, New Mexico ✓

67 JUL 19 AM



OFFICE
JUN 2 AM
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

June 1, 1967

2119

Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas 79701

Attention: Mr. J. W. Hodges

Gentlemen:

Your plan of development covering the period from May 1, 1967, through July 30, 1967, for the Mescalero Ridge unit area, Lea County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) BILLY J. SHOGER

BILLY J. SHOGER
Acting Oil and Gas Supervisor

cc:

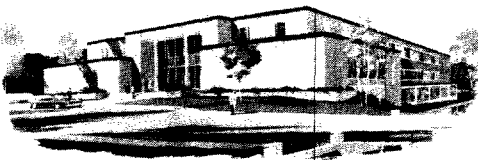
Washington (w/cy of plan)

Hobbs (w/cy of plan)

NMOCC - Santa Fe (ltr. only) ✓

Com. of Pub. Lands - Santa Fe (ltr. only)

State of New Mexico



2179

Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

March 7, 1967

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas, 79701

Re: Application for Revision
of Participating Area
Mescalero Ridge Unit Area
Lea County, New Mexico

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands has this date approved your application for the Seventh Revision of Participating Area, Queen Formation, for the captioned unit.

We are retaining two approved copies for our files and returning one approved copy to you.

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

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/s
encl. 1.

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

December 16, 1966

Sinclair Oil & Gas Company
P. O. Box 1470
Midland, Texas, 79701

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

ATTENTION: Mr. C. R. McClain

Gentlemen:

The Commissioner of Public Lands approves the Plan of Development for the Mescalero Ridge Unit, Lea County, New Mexico, from October 1, 1966 to January 15, 1966, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are retaining two approved copies for our files and returning one copy to you.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

GBH/MMR/s
encl. 1.

cc: United States Geological Survey
Roswell, New Mexico
Oil Conservation Commission
Santa Fe, New Mexico



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

December 14, 1966

Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas 79701

Attention: Mr. C. R. McClain

Gentlemen:

Your plan of development covering the period from October 1, 1966, to January 15, 1967, for the Mescalero Ridge unit area, Lea County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

Two approved copies of the plan are enclosed.

Sincerely yours,

(Orig. Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:

Washington (w/cy of plan)
Hobbs (w/cy of plan)
NMOCC - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

MAIN OFFICE ONLY

'65 JUL 20 PM 2 00

July 13, 1965

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

Attention: Mr. C. R. McClain

Re: Mescalero Ridge Unit
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has approved your Plan of Development and Operation for the period July 1, 1965 through December 31, 1965, for the Mescalero Ridge Unit, subject to like approval by the United States Geological Survey.

This plan provides for the drilling of four Queen wells to be located in the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 35 and the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 26, Township 19 South, Range 34 East.

We are enclosing two approved copies of this application.

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

MAIN OFFICE 000

1964 JUL 9 PM 3:44

2179

July 8, 1964

Sinclair Oil & Gas Company
P. O. Box 1677
Roswell, New Mexico

Re: Mescalero Ridge Unit,
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands approves as of July 8, 1964, your plan of development for the period ending January 1, 1965 for the Mescalero Ridge Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey. We are returning one approved copy of this plan.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

ESJW/mar/mim

Enclosure

cc: Oil Conservation Commission
Santa Fe, New Mexico

United States Geological Survey
Drawer 1857

Roswell, New Mexico Attention: Mr. John A. Anderson

MAIN OFFICE OCC

1963 APR 8 PM 3 20

April 2, 1963

Drilling and Exploration Co., Inc.
Exchange Bank Building
Dallas 35, Texas

Re: 1963 Plan of Development
Mescalero Ridge Unit
Lea County, New Mexico

Attention: Mr. E. A. Roberts, Jr.

Gentlemen:

Your Amended Plan of Development for the calendar year 1962 expired December 31, 1962.

As of this date this office has not received a Plan of Development for 1963.

May we receive a Plan of Development for this period at your earliest convenience.

Very truly yours,

E. S. Johnny Walker
COMMISSIONER OF PUBLIC LANDS

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

ESW/mar/e

cc: United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

2179

Drawer 1857
Roswell, New Mexico

October 31, 1962

Drilling and Exploration Company, Inc.
P. O. Box 35366
Airlawn Station
Dallas 35, Texas

Attention: Mr. C. B. Lovering

Gentlemen:

Your notice of October 17, 1962, advises that Drilling and Exploration Company, Inc., as unit operator has determined that the Mescalero Ridge Unit well #2 in the NW1/4 sec. 28, T. 19 S., R. 34 E., N.M.P.M., on Federal lease New Mexico 02990 is not capable of producing unitized substances in paying quantities from the Morrow formation.

The subject well was completed on January 18, 1962, for an initial potential of 1,185 MCF of gas per day absolute open flow, from the Pennsylvanian (Morrow) 13,132 - 13,148 feet.

This office concurs with your determination that the well is not capable of producing unitized substances in paying quantities from the Morrow formation.

Very truly yours,

(S) [Signature]

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

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

DRILLING AND EXPLORATION COMPANY, INC.

EXCHANGE BANK BUILDING

DALLAS 35, TEXAS

October 17, 1962

2179

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

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

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

Re: Mescalero Ridge Unit #2
Unit Agreement #14-08-0001-7465
NOTICE OF COMPLETION OF A NON-COMMERCIAL WELL

Gentlemen:

Pursuant to Section 11 of the Mescalero Ridge Unit Agreement No. 14-08-0001-7465, approved May 2, 1961, Drilling and Exploration Company, Inc., as Unit Operator, determined that the Mescalero Ridge Unit #2 Well, located in Township 19 South, Range 34 East, Section 28, NW/4 NE/4, Lea County, New Mexico, spudded October 12, 1961, and completed on January 7, 1962, in the Morrow Formation at a total depth of 13,710 feet is not capable of producing unitized substances in paying quantities from the Morrow Formation.

A copy of the Non-Commercial Determination is enclosed. Also enclosed are letters of agreement which were signed and returned to us by the Working Interest Owners.

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

Yours very truly,

DRILLING AND EXPLORATION COMPANY, INC.


C. B. Lovering

CBL/r1

Enclosures

DRILLING AND EXPLORATION COMPANY, INC.
BOX 35366
DALLAS 35, TEXAS

MESCALERO RIDGE UNIT
Working Interest Owners

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

Attention: Mr. Sam Smith
Attorney-In-Fact

Western Natural Gas Company
P. O. Box 1508
Houston 1, Texas

Attention: Mr. W. K. Davis

Mr. Charles C. Bankhead
3107 Southland Center
Dallas, Texas

DRILLING AND EXPLORATION COMPANY, INC.

**P. O. BOX 35366
DALLAS 35, TEXAS**

October 5, 1962

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

**Western Natural Gas Company
P. O. Box 1508
Houston 1, Texas**

**Mr. Charles C. Bankhead
3107 Southland Center
Dallas, Texas**

**Re: Determination of Non-Commercial Well,
Mescalero Ridge Unit #2, Township 19 South,
Range 34 East, Section 28, NW/4 NE/4
Lea County, New Mexico**

Gentlemen:

Attached for your consideration and approval are three copies of our determination in connection with the Morrow Formation in the Mescalero Ridge Unit #2 well.

If you, as a working interest owner, concur with our determination that the Mescalero Ridge Unit #2 well is non-commercial, and approve the submission of this determination to the United States Geological Survey by Drilling and Exploration Company, Inc., as Unit operator; please so indicate by signing in the appropriate space below and returning two copies of this letter to us.

Yours very truly,

DRILLING AND EXPLORATION COMPANY, INC.


C. B. Lovering

GBL/r1

AGREED TO AND ACCEPTED:

EL PASO NATURAL GAS COMPANY

By _____

Date _____

Charles C. Bankhead, Jr.

Date _____

AGREED TO AND ACCEPTED:

WESTERN NATURAL GAS COMPANY

By  _____

Date October 15, 1962

DRILLING AND EXPLORATION COMPANY, INC.
P. O. BOX 35366
DALLAS 35, TEXAS

October 5, 1962

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

Western Natural Gas Company
P. O. Box 1508
Houston 1, Texas

Mr. Charles C. Bankhead
3107 Southland Center
Dallas, Texas

Re: Determination of Non-Commercial Well,
Mescalero Ridge Unit #2, Township 19 South,
Range 34 East, Section 28, NW/4 NE/4
Lee County, New Mexico

Gentlemen:

Attached for your consideration and approval are three copies of our determination in connection with the Morrow Formation in the Mescalero Ridge Unit #2 well.

If you, as a working interest owner, concur with our determination that the Mescalero Ridge Unit #2 well is non-commercial, and approve the submission of this determination to the United States Geological Survey by Drilling and Exploration Company, Inc., as Unit operator; please so indicate by signing in the appropriate space below and returning two copies of this letter to us.

Yours very truly,

DRILLING AND EXPLORATION COMPANY, INC.


C. B. Lovering

OBK/r1

AGREED TO AND ACCEPTED:

EL PASO NATURAL GAS COMPANY

By 

Date OCT 12 1962 ATTORNEY-IN-FACT

Charles C. Bankhead, Jr.

Date _____

AGREED TO AND ACCEPTED:

WESTERN NATURAL GAS COMPANY

By _____

Date _____

ILLEGIBLE

DRILLING AND EXPLORATION COMPANY, INC.

**P. O. BOX 35366
DALLAS 35, TEXAS**

October 5, 1962

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

**Western Natural Gas Company
P. O. Box 1908
Houston 1, Texas**

**Mr. Charles C. Bankhead
3107 Southland Center
Dallas, Texas**

**Re: Determination of Non-Commercial Well,
Mescalero Ridge Unit #2, Township 19 South,
Range 34 East, Section 28, NW/4 NE/4
Los County, New Mexico**

Gentlemen:

Attached for your consideration and approval are three copies of our determination in connection with the Morrow Formation in the Mescalero Ridge Unit #2 well.

If you, as a working interest owner, concur with our determination that the Mescalero Ridge Unit #2 well is non-commercial, and approve the submission of this determination to the United States Geological Survey by Drilling and Exploration Company, Inc., as Unit operator; please so indicate by signing in the appropriate space below and returning two copies of this letter to us.

Yours very truly,

DRILLING AND EXPLORATION COMPANY, INC.


C. S. Lowery

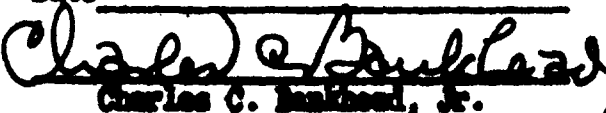
CEL/r1

AGREED TO AND ACCEPTED:

EL PASO NATURAL GAS COMPANY

By _____

Date _____


Charles C. Bankhead, Jr.

Date 10/11/62

AGREED TO AND ACCEPTED:

WESTERN NATURAL GAS COMPANY

By _____

Date _____

ILLEGIBLE

El Paso Natural Gas Company

El Paso, Texas JUL 12 AM 11
July 12, 1962

2179

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

Re: Application for the Initial Participating
Area for the Bone Spring Formation, Mes-
calero Ridge Unit Area, No. 14-08-0001-
7465, Lea County, New Mexico

Gentlemen:

Attached for your files is one copy of the complete application referred
to above which we have this date forwarded to the Commissioner of Public
Lands of the State of New Mexico for approval.

Yours very truly,

David T. Burleson
by D. H.
David T. Burleson
Area Coordinator
Land Department

DTB:BHC:pp
Enclosure

El Paso Natural Gas Company

El Paso, Texas
July 12, 1962

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

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

Through: Mr. J. A. Anderson
Regional Oil and Gas Supervisor
United States Geological Survey
334 Federal Building
Post Office Drawer 1857
Roswell, New Mexico

Re: Mescalero Ridge Unit Area, Lea County, New Mexico,
No. 14-08-0001-7465; APPLICATION FOR APPROVAL OF
THE INITIAL PARTICIPATING AREA FOR THE BONE SPRING
FORMATION EFFECTIVE SEPTEMBER 26, 1961

Gentlemen:

El Paso Natural Gas Company as Unit Operator under that certain Unit Agreement for the Mescalero Ridge Unit Area approved by the acting Director of the United States Geological Survey effective May 2, 1961, pursuant to the provisions of Section 11 thereof, respectfully submits for approval the selection of the following described lands to constitute the initial participating area for the Bone Spring Formation, to be effective September 26, 1961;

Township 19 South, Range 34 East, N.M.P.M.

Section 20: NE/4

Section 21: NW/4

containing 320.00 acres, more or less.

This proposed initial participating area is predicated upon the knowledge and information first obtained on September 26, 1961. The Unit Well #1, located in the NW/4 NW/4 of Section 21, Township 19 South, Range 34 East, was completed as a well capable of producing in paying quantities under the terms of the Unit Agreement, with an initial productive potential of 993 barrels of 39° gravity oil per day from the Bone Spring Formation at a depth of 10,118' to 10,134'. In support of the application for the initial participating area, the following Exhibits are attached hereto and made a part hereof:

Exhibit "A" - Ownership map showing thereon the boundaries of the Unit Area and the proposed initial Bone Spring participating area.

Exhibit "B" - Geological and Engineering report supporting the proposed selection of the initial Bone Spring participating area.

Exhibit "C" - Geologic map, contoured on top of the Bone Spring Formation, for the proposed initial participating area.

Also attached is Schedule I showing the lands entitled to participation in the unitized substances produced from the Bone Spring Formation of the initial participating area, with the percentage of participation of each lease or tract indicated thereon.

If this application meets with your approval, please indicate such approval in the space provided and return one approved copy for our files.

Copies of this letter are being sent to the working interest owners shown below.

Yours very truly,



T. W. Bittick
Assistant Manager
Land Department

TWB:BHC:pp
Enclosures

APPROVED: _____
Director, United States Geological Survey

Date: _____

APPROVED: _____
Commissioner of Public Lands, Subject to
like approval by the United States Geological Survey

Date: _____

Working Interest Owners:

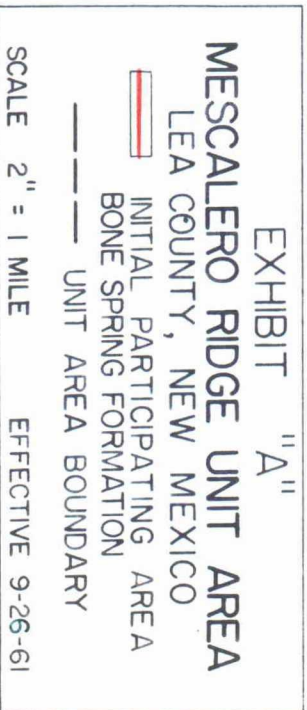
Drilling and Exploration Company, Inc.
Exchange Bank Building
Post Office Box 35366
Airlawn Station
Dallas 35, Texas

Mr. Charles C. Bankhead, Jr.
3107 Southland Center
Dallas 1, Texas

Western Natural Gas Company
Post Office Box 1508
Houston 1, Texas

Mrs. Grace K. Bankhead
Mr. Chester M. Crebbs
Mrs. Eleanor S. Crebbs
c/o Chester M. Crebbs
Southland Center
Dallas 1, Texas

5 6 7



EFFECTIVE 9-26-61

EXHIBIT B
GEOLOGICAL REPORT
CONCERNING THE INITIAL PARTICIPATING AREA
OF THE PERMIAN BONE SPRING FORMATION
IN THE EL PASO NATURAL GAS COMPANY
MESCALERO RIDGE UNIT

EL PASO NATURAL GAS COMPANY

BY A. M. Derrick
A. M. Derrick
Manager, Reservoir
Engineering Department

INTRODUCTION

The Mescalero Ridge Unit is located in Sections 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 32, 33, 34, and 35 in Township 19 South, Range 34 East, in west central Lea County, New Mexico. The Unit includes an area of approximately 7520 acres.

The Mescalero Ridge Unit lies 17 miles southeast of the town of Maljamar, New Mexico. The southern boundary of this unit is one mile north of the Lea (Bone Spring and Devonian) oil field.

This report is the product of a regional study of the dolomitic limestone member of the Bone Spring formation of Leonard age which produces oil in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit. The purpose of this study was to determine the extent of deposition of this particular member and to establish an initial participating area for the Bone Spring formation in the Mescalero Ridge Unit.

This study is based on the geologic information obtained as a result of the drilling of the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit, the discovery well for the Bone Spring oil producing zone, and its relationship to other wells in this area.

GEOLOGIC STRUCTURE

REGIONAL

The Mescalero Ridge Unit is located on the regional geological feature generally referred to as the Carlsbad Shelf, an east-to-west trending positive subsurface structural feature. The Carlsbad Shelf is bounded on the north by the Tatum Basin, on the east by the Central Basin Platform, and on the south by the Delaware Basin.

LOCAL

The present regional geological control indicates the presence of a northwest to southeast trending anticline in the southern portion of the Mescalero Unit and the northern portion of the Mescalero Ridge Unit, as mapped on the top of the Bone Spring dolomite member which produces oil in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit. The structural map indicates that the structural closure on this feature could be as much as 300 feet above the water table.

The El Paso Natural Gas Company No. 1 Mescalero Ridge Unit is located relatively low structurally on the eastern flank of the producing anticline.

RESERVOIR CHARACTERISTICS AND LITHOLOGY

The top of the oil producing dolomite member of the Bone Spring formation in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit is at a depth of 10,108' (-6342') by electrical log, 2047' below the top of the Bone Spring formation. The base of the producing dolomite member is at 10,139' (-6373'), giving a gross thickness of 31 feet for the dolomite member. The Micro Log indicates a net porosity thickness of 20.5 feet.

A diamond core was taken from 10,118' - 10,133.5'. Net pay thickness of the cored interval was 11 feet. Correlation between the core-gamma log and the Micro Log indicates a discrepancy of 9 feet in depth between the cored interval by core analysis and the cored interval by Micro Log. This strongly indicates that the top 9 feet of the Bone Spring pay zone was not cored, and consequently does not appear in the core analysis.

The lithology of the cored interval was described as follows:

11.0' (10,118.0' - 10,129.0')	Tan to light gray medium crystalline dolomite with good intercrystalline to vuggy porosity. Good oil saturation and fluorescence.
1.5' (10,129.0' - 10,130.5')	Tan to light gray medium crystalline dolomite with scattered intercrystalline to vuggy porosity. Fair oil saturation and fluorescence.
1.0' (10,130.5' - 10,131.5')	Tan to light gray medium crystalline dolomite with good porosity. Fair oil saturation and fluorescence.
2.0' (10,131.5' - 10,133.5')	Tan to light gray medium crystalline dolomite with scattered intercrystalline to vuggy porosity. Fair oil saturation and fluorescence.

The Bone Spring pay section is perforated from 10,118' - 10,134' in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit well.

The Bone Spring pay which produces oil in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit is present in the stratigraphic column as a dolomite over a large area. It is not developed as a producing formation in any other wells in the vicinity. It would very probably be present over the total area of the Mescalero Ridge Unit as a dolomite, but further drilling would be necessary to determine the extent of porosity development.

STATUS OF DEVELOPMENT

The El Paso Natural Gas Company No. 1 Mescalero Ridge Unit, located 660 feet FNL and 660 feet FWL of Section 21, Township 19 South, Range 34 East, has been completed as a dual Bone Spring oil and Morrow gas producing well. The well was drilled to a total depth of 13,972' in rocks of Mississippian age. Production casing was cemented at 13,709' and the well was plugged back to 13,642'.

The well was completed as a Bone Spring oil producer on September 27, 1961. Initial flowing potential test on October 16, 1961 was 993 barrels of oil, plus 4.9 barrels of water per day. Gas-oil ratio was 677-1. Gravity of oil was 39° A.P.I. Original formation pressure for the producing zone was 4393 psia. Production is through casing perforations from 10,118' to 10,134'. Completion was accomplished after treatment with 3,000 gallons of acid.

The El Paso Natural Gas Company No. 1 Mescalero Ridge Unit had produced a total of 10,044 barrels of oil with no indications of water production from the Bone Spring pay zone to January 1, 1962. The water produced during the potential testing is believed to be acid water from the completion treatment.

The El Paso Natural Gas Company No. 2 Mescalero Ridge Unit, a wildcat test located 660 feet FNL and 1980 feet FEL of Section 28, Township 19 South, Range 34 East, has been drilled to a total depth of 13,710', with 5 1/2 inch casing cemented at 13,567' below ground level.

During the drilling of this prospect, a drillstem test was taken from 10,122' to 10,145' in the dolomite member of the Bone Spring formation which produces oil in the El Paso No. 1 Mescalero Ridge Unit. Results of this test were as follows:

D.S.T. 10,122' to 10,145'. Tool open two hours.
No fluid to surface. Recovered 60 feet of oil and
660 feet of salt water from drillstem. I.S.I.P.
4447#/1 hr. I.F.P. 134#, F.F.P. 367#, F.S.I.P.
4434#/1 hr.

The information from this drillstem test indicates that the porosity in the Bone Spring dolomite in the No. 2 Mescalero Ridge Unit is below the formation water table which is estimated to be at 10,144' (-6404') by electrical log. This information was used as an aid in determining the configuration of the top of the water table on the map, Exhibit "C". Considering the relatively low structural position of the top of the Bone Spring pay section and the location of the No. 2 Mescalero Ridge Unit relative to the formation water table, the No. 2 Mescalero Ridge Unit is believed to be incapable of producing commercial quantities of oil or gas from the Bone Spring pay section.

SUMMARY AND CONCLUSIONS

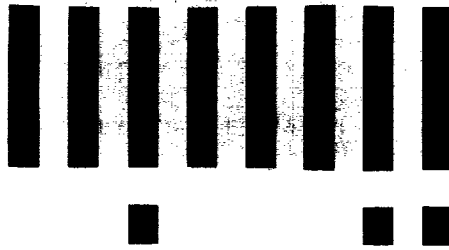
The Bone Spring dolomite member which produces oil in the El Paso Natural Gas Company No. 1 Mescalero Ridge Unit is in the lower one-third of the Bone Spring formation, 2047' below the top of the Bone Spring formation. This particular member can be correlated to other wells in the area and has favorable lithologic and structural conditions for oil production. Two test wells have been drilled to the Bone Spring in the Mescalero Ridge Unit.

The geological information obtained from the drilling of these wells indicates that the Bone Spring dolomite member is present in both wells. This fact, combined with the presence of the Bone Spring dolomite member as a correlative stratigraphic unit in other wells at considerable distances, indicates that this member underlies the total area of the Mescalero Ridge Unit.

Additional drilling, testing, and coring of the Bone Spring dolomite member which produces oil in the El Paso No. 1 Mescalero Ridge Unit will add information necessary to determine the ultimate extent and productive capacity of the Bone Spring reservoir. Presently available subsurface geological data indicates that the participating area as outlined on the attached map can be reasonably assumed to be productive of oil from the Bone Spring dolomite.

It is recommended that the following described acreage be considered as the initial participating area for the Bone Spring formation underlying the Mescalero Ridge Unit:

Township 19 South, Range 34 East
Section 20: NE/4
Section 21: NW/4
Containing approximately 320 acres



LTR



Job separation sheet