

#2671

**2003 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

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

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 2003 Plan of Development for the Red Hills Unit Area for the period ending December 31, 2003.

**SUMMARY OF 2002 OPERATIONS**

No wells were drilled or recompleted in 2002. Production for 2002 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp	28,733	124
Red Hills #2	Wolfcamp	299,276	3,153
Red Hills #3	Wolfcamp	11,975	57
Red Hills #4	Siluro-Devonian	251,616	0
Red Hills #5	Wolfcamp	178,136	979

**PLAN OF DEVELOPMENT FOR 2003**

We are evaluating sidetracking and directionally drilling the Red Hills Unit No. 3 well through the Wolfcamp Formation to the SE/4 of Section 5. Success of the Red Hills Unit No. 3 recompletion might initiate additional sidetracks or new well drilling

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1<sup>st</sup> day of April, 2003.

Sincerely,

MATADOR OPERATING COMPANY

  
R.F. Burke, Vice President

**2003 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

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

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 2003 Plan of Development for the Red Hills Unit Area for the period ending December 31, 2003.

**SUMMARY OF 2002 OPERATIONS**

No wells were drilled or recompleted in 2002. Production for 2002 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp	28,733	124
Red Hills #2	Wolfcamp	299,276	3,153
Red Hills #3	Wolfcamp	11,975	57
Red Hills #4	Siluro-Devonian	251,616	0
Red Hills #5	Wolfcamp	178,136	979

**PLAN OF DEVELOPMENT FOR 2003**

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This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1<sup>st</sup> day of April, 2003.

Sincerely,

MATADOR OPERATING COMPANY

  
R.F. Burke, Vice President

**2002 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: New Mexico Oil Conservation Division  
Energy, Minerals & Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 2002 Plan of Development for the Red Hills Unit Area for the period ending December 31, 2002.

**SUMMARY OF 2001 OPERATIONS**

The Red Hills Unit #5 well was recompleted in the Wolfcamp formation. The Red Hills SWD #1 well was drilled to address additional water disposal needs in the field.

Production for 2001 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp	34,781	163
Red Hills #2	Wolfcamp	174,937	2,234
Red Hills #3	Wolfcamp	12,227	50
Red Hills #4	Siluro-Devonian	340,784	0
Red Hills #5	Wolfcamp	298,846	2,416

**PLAN OF DEVELOPMENT FOR 2002**

We are evaluating further Wolfcamp drilling in Sections 33 and 29.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1<sup>st</sup> day of April, 2002.

Sincerely,

MATADOR OPERATING COMPANY



R.F. Burke, Vice President

**COMMISSIONER'S OFFICE**

**Phone (505) 827-5760**

**Fax (505) 827-5766**

**ADMINISTRATION**

**Phone (505) 827-5700**

**Fax (505) 827-5853**

**GENERAL COUNSEL**

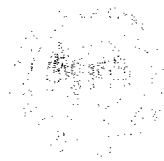
**Phone (505) 827-5713**

**Fax (505) 827-4262**

**PUBLIC AFFAIRS**

**Phone (505) 827-1245**

**Fax (505) 827-5766**



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

**COMMERCIAL RESOURCES**

**Phone (505) 827-5724**

**Fax (505) 827-6157**

**MINERAL RESOURCES**

**Phone (505) 827-5744**

**Fax (505) 827-4739**

**ROYALTY MANAGEMENT**

**Phone (505) 827-5772**

**Fax (505) 827-4739**

**SURFACE RESOURCES**

**Phone (505) 827-5793**

**Fax (505) 827-5711**

June 3, 2002

Matador Petroleum Corporation  
8340 Meadow Road  
Suite 158, Pecan Creek  
Dallas, Texas 75231-3751

Attn: Mr. R. F. Burke

2002 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Dear Mr. Burke:

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

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

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

Very truly yours,

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

BY:

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

RP/JB/cpm  
xc: Reader File

OCD

BLM



**2001 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

#2671

TO: New Mexico Oil Conservation Division  
Energy, Minerals & Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 2001 Plan of Development for the Red Hills Unit Area for the period ending December 31, 2001.

**SUMMARY OF 2000 OPERATIONS**

The Red Hills Unit #4 was completed and began sales in the Siluro-Devonian formation, on May 25, 2000 as a gas producer. The Red Hills Unit #5 well, located in Section 33, T-25-S, R-33-E, commenced drilling on August 14, 2000 and reached TD of 15,000' on October 15, 2000. The well tested in the Atoka with first sales on 1-27-01, and is currently being recompleted in the Wolfcamp. Production for 2000 is summarized below:

We recompleted the Red Hills Unit #3 well to the Lower Wolfcamp Formation.

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp	81,026	504
Red Hills #2	Wolfcamp	265,164	1,765
Red Hills #3	Wolfcamp	10,637	116
Red Hills #4	Siluro-Devonian	279,395	59

**PLAN OF DEVELOPMENT FOR 2001**

We are evaluating further Wolfcamp drilling in Sections 33 and 29.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1<sup>st</sup> day of April, 2001.

Sincerely,

MATADOR OPERATING COMPANY

  
R.F. Burke, Vice President

**2000 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: New Mexico Oil Conservation Division  
Energy, Minerals & Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 2000 Plan of Development for the Red Hills Unit Area for the period ending December 31, 2000.

**SUMMARY OF 1999 OPERATIONS**

The Red Hills Unit #4 well, located in Section 32-T25S-R33E, commenced drilling on October 31, 1999. We anticipate reaching the proposed 17,750' total depth on or before March 15, 2000. Production for 1999 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp	95,331	513
Red Hills #2	Wolfcamp	272,858	1,837
Red Hills #3	Upper Wolfcamp	1,082	270

**PLAN OF DEVELOPMENT FOR 2000**

We will attempt to complete the Red Hills #4 well in the Siluro-Devonian formation. We plan to present pressures and rates for the Lower Wolfcamp formation from the Red Hills #4 well to support revising the existing 640 acre Wolfcamp spacing, down to 320 acre spacing. If successful in revising the existing pool rules, we will attempt to recomplete the Red Hills Unit #3 well to the Lower Wolfcamp formation.

We are evaluating drilling a Wolfcamp well in Section 33 and in Section 29.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1st day of April, 2000.

Sincerely,

MATADOR OPERATING COMPANY



R. F. Burke, Vice President

MA

**2000 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: New Mexico Oil Conservation Division  
Energy, Minerals & Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

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We will attempt to complete the Red Hills #4 well in the Siluro-Devonian formation. We plan to present pressures and rates for the Lower Wolfcamp formation from the Red Hills #4 well to support revising the existing 640 acre Wolfcamp spacing, down to 320 acre spacing. If successful in revising the existing pool rules, we will attempt to recomplete the Red Hills Unit #3 well to the Lower Wolfcamp formation.

We are evaluating drilling a Wolfcamp well in Section 33 and in Section 29.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1st day of April, 2000.

Sincerely,

MATADOR OPERATING COMPANY



R. F. Burke, Vice President

MA

**1999 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: New Mexico Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 1999 Plan of Development for the Red Hills Unit Area for the period ending December 31, 1999.

SUMMARY OF 1998 OPERATIONS

No wells were drilled or recompleted during 1998. Production for 1998 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MCF	CONDENSATE BBL
Red Hills #1	Wolfcamp / U. Atoka	98394 / 0	130 / 0
Red Hills #2	Wolfcamp	280352	634
Red Hills #3	Upper Wolfcamp	2910	18

PLAN OF DEVELOPMENT FOR 1999

We plan to evaluate the potential of the Lower Wolfcamp formation in the Red Hills #3 well by testing for pressures and rates. This interval would not be produced concurrently with the Red Hills #2 well pending amendments to the existing field rules. We have proposed to drill the Red Hills #4 well in Section 32 which will be drilled to a depth of 17,500' to test the Siluro Devonian formation.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1st day of April, 1999.

Sincerely,

MATADOR OPERATING COMPANY

  
R. F. Burke, Vice President

MA

**1999 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: New Mexico Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Lori Wrotenbery, Director

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This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1st day of April, 1999.

Sincerely,

MATADOR OPERATING COMPANY

  
R. F. Burke, Vice President

11A



#2671

COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5793

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

State of New Mexico  
Commissioner of Public Lands

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

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5713

PLANNING  
(505)-827-5752

June 8, 1998

Matador Petroleum Corporation  
8340 Meadow Road  
Suite 158, Pecan Creek  
Dallas, Texas 75231-3751

Attn: Ms. Mona D. Ables

Re: Resignation/Designation of Successor Unit Operator  
Red Hills Unit  
Lea County, New Mexico

Dear Ms. Ables:

We are in receipt of your resignation/designation of successor unit operator, wherein Union Oil Company of California has resigned as unit operator of the Red Hills Unit and designated Matador Petroleum Corporation as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Union Oil Company of California and the designation of Matador Petroleum Corporation as the successor unit operator of this unit.

This change in operators is effective January 21, 1998. In accordance with this approval, Matador Petroleum Corporation is now responsible for all operations and the reporting of all production from the unit. This approval is subject to like approval by the Bureau of Land Management.

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

Very truly yours,

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

BY: *For Anthony A. Neal*  
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
pc: Reader File

OCD-Roy Johnson

TRD

BLM

UNOCAL

"WE WORK FOR EDUCATION"



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

2671

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

April 28, 1998

Mona D. Ables  
Matador Petroleum Corporation  
Suite 158, Pecan Creek  
8340 Meadow Road  
Dallas, TX 75231-3751

RE: 1998 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect

Gentlemen:

The New Mexico Oil Conservation Division is in receipt of your above referenced application which has been approved on this date. Our approval is subject to like approval by the New Mexico State Land Office and the Bureau of Land Management where applicable.

Should you have any questions pertaining to this matter, please contact me at (505) 827-8198.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy E. Johnson", written over a circular stamp.

Roy E. Johnson  
Senior Petroleum Geologist

REJ:kv

cc: NMSLO  
Bureau of Land Management - Roswell  
Unit File

**MATADOR PETROLEUM CORPORATION**

SUITE 158, PECAN CREEK  
8340 MEADOW ROAD  
DALLAS, TEXAS 75231-3751  
(214) 987-3650  
FAX: (214) 691-1415

April 13, 1998

1998 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect

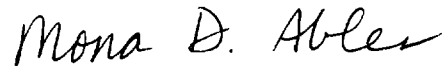
Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco  
Santa Fe, NM 87505  
Attention: Lori Wrotenbury

Gentlemen:

Enclosed for your approval, please find two (2) copies of Matador Operating Company's 1998 Plan of Development for the Red Hills Unit Area.

If you need any additional information, please feel free to call.

Sincerely,

A handwritten signature in cursive script that reads "Mona D. Ables".

Mona D. Ables  
(214) 987-7129



**1998 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attention: Mrs. Lori Wrotenbury, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 1998 Plan of Development for the Red Hills Unit Area for the period ending December 31, 1998.

SUMMARY OF 1997 OPERATIONS

Production for 1997 is summarized below:

WELL NAME	PRODUCING INTERVAL	GAS MMCF	CONDENSATE BBL
Red Hills #1	Wolfcamp/U. Atoka	90.374	498
Red Hills #2	Wolfcamp	272.769	1396
Red Hills #3	Upper Wolfcamp	1.555	281

PLAN OF DEVELOPMENT FOR 1998

We are evaluating the potential to drill one (1) development well. Plans include drilling to the base of the Wolfcamp formation, but may include drilling to the Silurian formation.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 9<sup>th</sup> day of April, 1998.

Sincerely,

MATADOR OPERATING COMPANY

  
Austin Murr  
Land Manager

**1998 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attention: Mrs. Lori Wrotenbury, Director

Pursuant to the provisions of Section 10 of the Red Hills Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), Matador Operating Company, as Unit Operator for the Red Hills Unit Area, respectfully submits for approval this 1998 Plan of Development for the Red Hills Unit Area for the period ending December 31, 1998.

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Red Hills #2	Wolfcamp	272.769	1396
Red Hills #3	Upper Wolfcamp	1.555	281

**PLAN OF DEVELOPMENT FOR 1998**

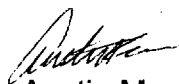
We are evaluating the potential to drill one (1) development well. Plans include drilling to the base of the Wolfcamp formation, but may include drilling to the Silurian formation.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 9<sup>th</sup> day of April, 1998.

Sincerely,

MATADOR OPERATING COMPANY

  
Austin Murr  
Land Manager

March 28, 1997

Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attn: Mr. William J. LeMay, Director

1997 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect (1873)

Gentlemen:

Please find enclosed for your approval two (2) copies of Union's 1997 Plan of Development for the Red Hills Unit Area.

Should you have any questions, please let me know.

Sincerely yours,

UNION OIL COMPANY OF CALIFORNIA  
dba Spirit Energy 76

*Linda H. Hicks*

Linda H. Hicks  
Land Advisor/Contracts

LHH/s  
Enclosures

1997 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy & Minerals Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attn: Mr. William J. LeMay, Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1997 Plan of Development for the Red Hills Unit Area for the period ending December 31, 1997.

SUMMARY OF 1996 OPERATIONS

No wells were drilled or recompleted in 1996. Production for 1996 is summarized below:

<u>WELL NO.</u>	<u>1996 PRODUCTION COMPLETED INTERVAL</u>	<u>MMCF + BC</u>
Red Hills #1	Wolfcamp/Upper Atoka	44.491 + 326
Red Hills #2	Wolfcamp	286.205 + 1944
Red Hills #3	Upper Wolfcamp	1.296 + 573

PLAN OF DEVELOPMENT FOR 1997

To add additional perforations in the Wolfcamp formation in the Red Hills #2 well.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 28th day of March, 1997.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA

*Linda H. Hicks*


Linda H. Hicks  
Land Advisor/Contracts

LHH/s

T 25 S	UNION AMOCO K1459	UNION 024368-A (31)	(TEXACO) UNION 05792
	32 (44)	U.S. --- 33	
	UNION 05792-A (28) U.S.		(27)
	STATE	U.S.	
	UNION AMOCO 0106040-A (35) U.S. --- 5	UNION 0127-A (22) 4	
T 26 S	UNION AMOCO 0160973 (40)	UNION 0127-A (22) U.S.	UNION 0127-H (24) U.S.
	U.S.	U.S.	U.S.

1000 Feet

1 1110

	FEE	280 Ae.	10.9375 %
		<u>2560 Ae.</u>	<u>100.0000 %</u>

**RED HILLS UNIT**  
**2 YEAR PRODUCTION HISTORY**  
**UNION OIL COMPANY OF CALIFORNIA**

WELL:	RED HILLS UNIT #1				RED HILLS UNIT #2				RED HILLS UNIT #3			
	Wolfcamp and Upper Atoka				Wolfcamp				Upper Wolfcamp			
PROD FORM:	Producing Gas Well				Producing Gas Well				Producing Gas Well			
STATUS:												
DATE	OIL VOL PROD bbls	GAS VOL PROD Mscf	WAT VOL PROD bbls		OIL VOL PROD bbls	GAS VOL PROD Mscf	WAT VOL PROD bbls		OIL VOL PROD bbls	GAS VOL PROD Mscf	WAT VOL PROD bbls	
Jan-95	59	7755	11		156	25433	58		0	0	0	
Feb-95	56	7092	7		159	22765	48		0	0	0	
Mar-95	11	6661	6		65	23960	2		0	0	0	
Apr-95	0	5518	0		69	20618	5		345	1482	92	
May-95	0	0	0		206	22056	7		223	565	30	
Jun-95	0	4950	0		138	24222	27		267	92	4	
Jul-95	6	5039	5		195	24993	48		0	487	41	
Aug-95	0	0	0		171	22548	22		132	124	70	
Sep-95	0	0	0		112	23847	2		95	75	62	
Oct-95	0	0	0		25	24761	50		98	286	80	
Nov-95	0	0	0		179	23783	14		68	192	9	
Dec-95	64	5443	1		215	24387	0		79	385	59	
<b>ANNUAL</b>	<b>196</b>	<b>42458</b>	<b>30</b>		<b>1690</b>	<b>283373</b>	<b>283</b>		<b>1307</b>	<b>3688</b>	<b>447</b>	
Jan-96	77	6726	14		190	24238	9		37	314	0	
Feb-96	77	6661	15		202	23306	21		7	14	0	
Mar-96	0	0	0		188	24899	0		0	14	0	
Apr-96	0	0	0		169	23855	0		39	91	0	
May-96	14	6289	0		135	24654	0		85	106	0	
Jun-96	0	0	0		127	23816	0		103	128	0	
Jul-96	22	6243	6		142	24070	0		26	104	0	
Aug-96	30	5900	14		151	24512	0		70	140	0	
Sep-96	0	0	0		143	23192	30		42	124	116	
Oct-96	0	0	0		132	22140	30		41	103	0	
Nov-96	59	6399	12		163	23326	47		80	71	0	
Dec-96	47	6273	20		202	24197	39		43	87	82	
<b>ANNUAL</b>	<b>326</b>	<b>44491</b>	<b>81</b>		<b>1944</b>	<b>286205</b>	<b>176</b>		<b>573</b>	<b>1296</b>	<b>198</b>	

**Unocal Corporation**  
Oil and Gas Operations  
1004 North Big Spring, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 685-7600

#2671



March 28, 1996

Central U.S. Business Unit:

*D-  
Unit letter*

Oil Conservation Division  
Energy & Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. William J. LeMay, Director

1996 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect (1873)

Gentlemen:

Please find enclosed for your approval two (2) copies of Union's 1996 Plan of Development for the Red Hills Unit Area.

Should you have any questions, please let me know.

Sincerely yours,

UNION OIL COMPANY OF CALIFORNIA

*Linda H. Hicks*

Linda H. Hicks  
Land Advisor/Contracts

LHH/s  
Enclosures

1996 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy & Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. William J. LeMay, Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1996 Plan of Development for the Pipeline Deep Unit Area for the period ending December 31, 1996.

SUMMARY OF 1995 OPERATIONS

Red Hills #3 well was recompleted to the upper Wolfcamp formation in 1995. Production for 1995 is summarized below:

<u>WELL NO.</u>	<u>1995 PRODUCTION COMPLETED INTERVAL</u>	<u>MMCF + BC</u>
Red Hills #1	Wolfcamp	37.015 + 132
Red Hills #2	Wolfcamp	283.373 + 1,690
Red Hills #3	Wolfcamp	3.688 + 1,307

PLAN OF DEVELOPMENT FOR 1996


There are no plans for any development drilling or recompletions in 1996.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 28th day of March, 1996.

Sincerely,

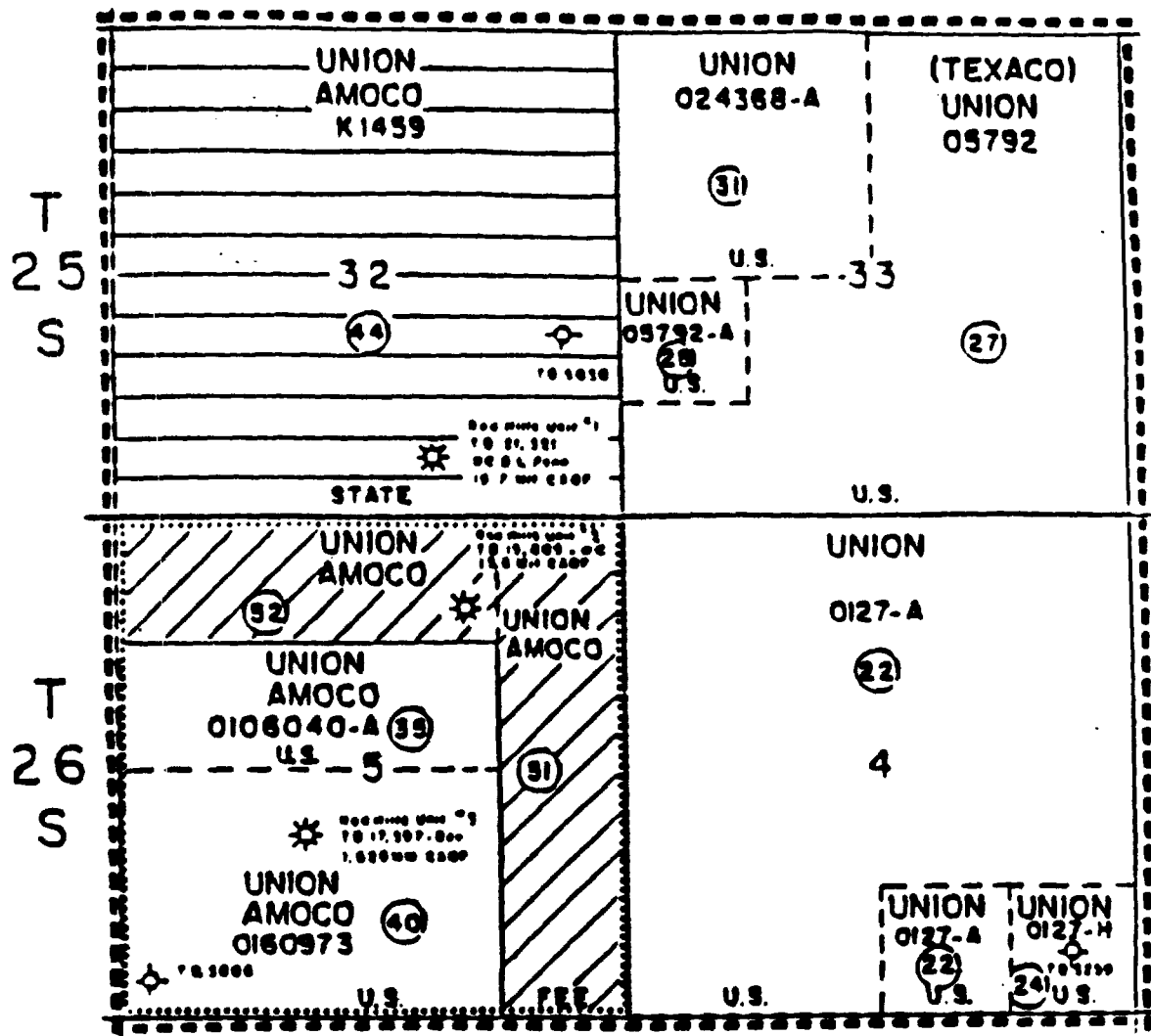
UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Land Advisor/Contracts

LHH/s





# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER-EXHIBIT "B"

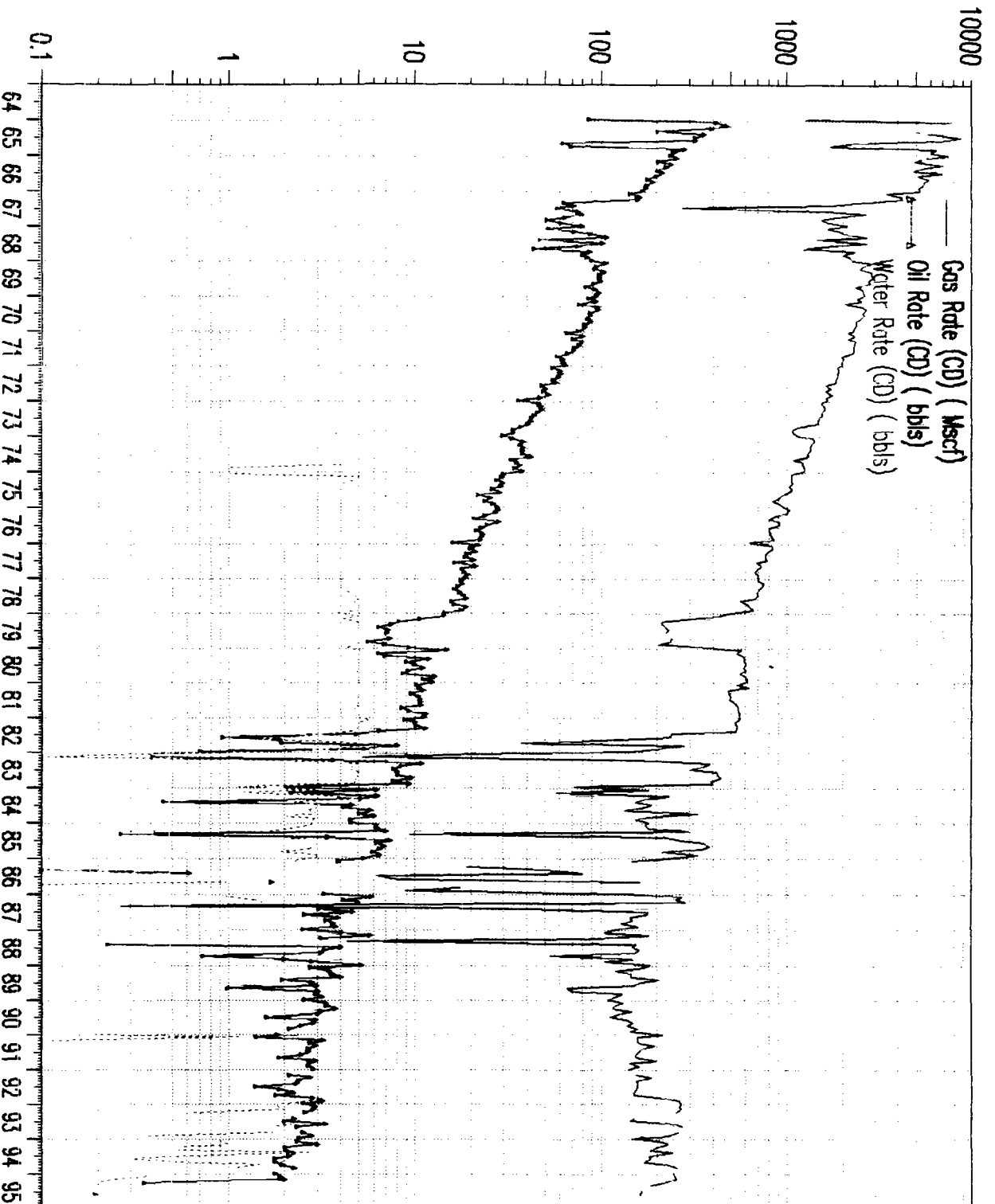
PROPOSED PARTICIPATING AREA FOR THE PENNSYLVANIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL 1640 Ac. 64.0625 %

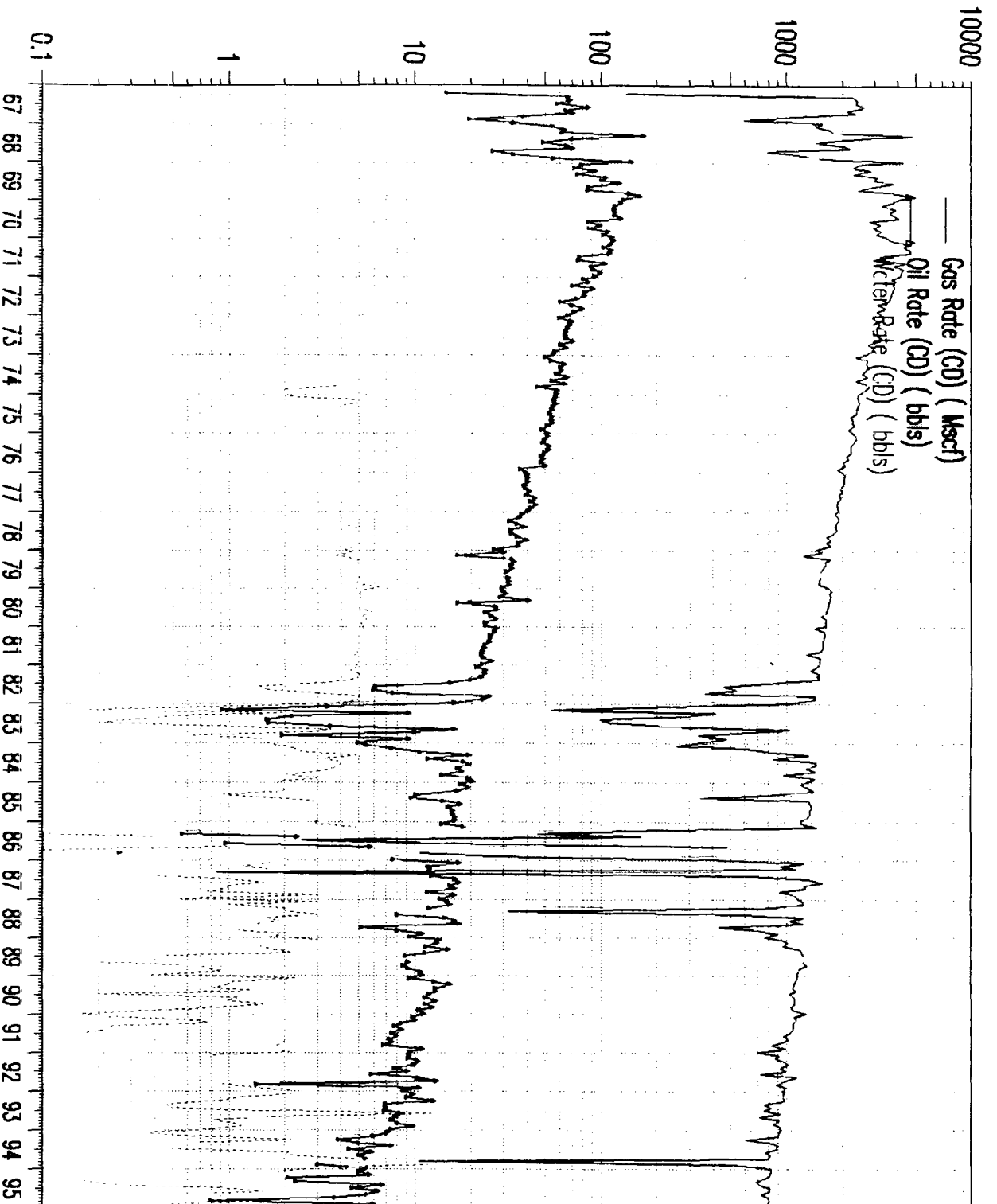
STATE 640 Ac. 25.0000 %

FEE 280 Ac. 10.9375 %  
2560 Ac. 100.0000 %

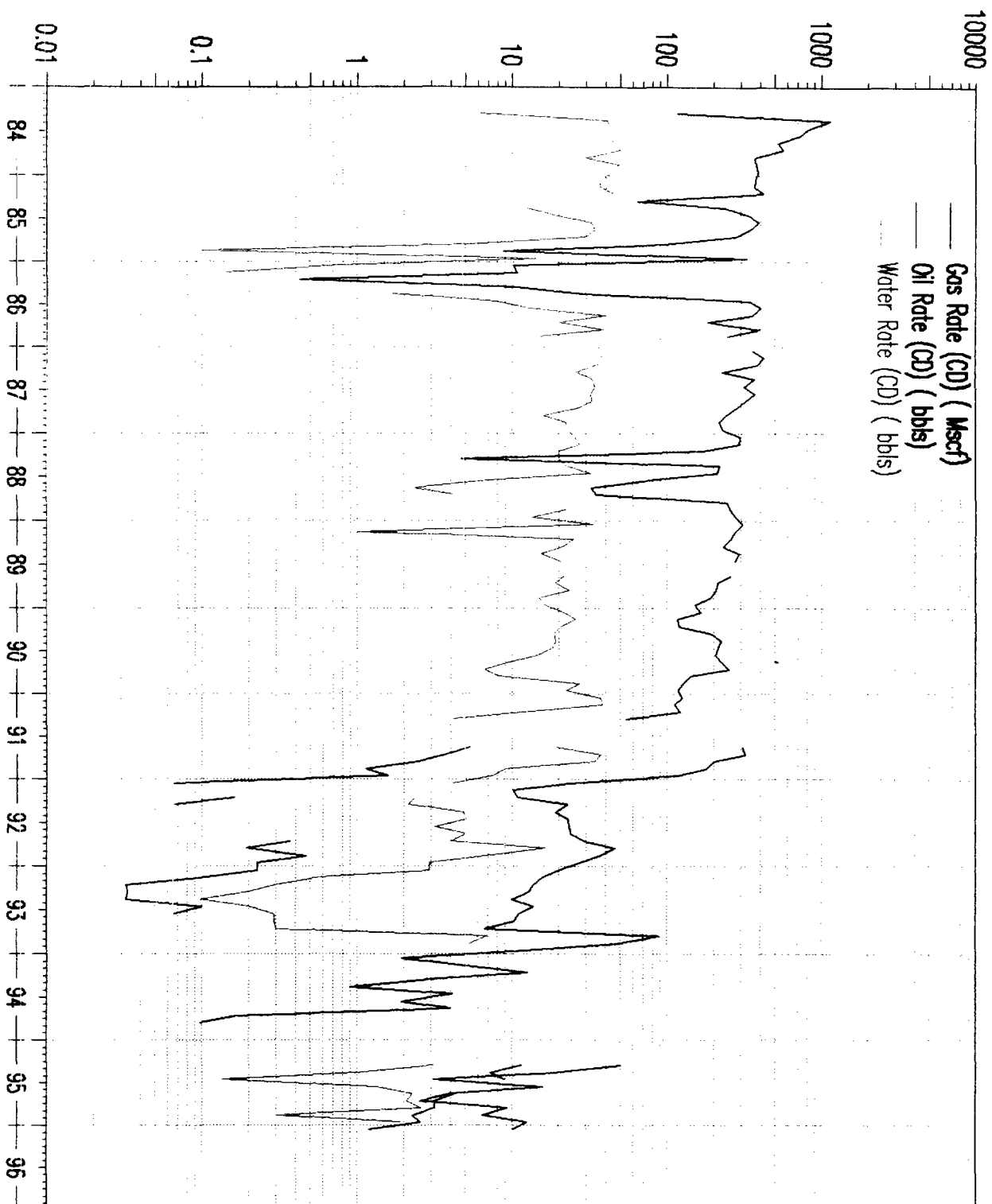
FIELD : RED HILLS WC  
LEASE : RED HILLS UNIT #1



FIELD : RED HILLS WC  
LEASE : RED HILLS UNIT #2



FIELD : RED HILLS WOLFCAMP  
LEASE : RED HILLS UNIT #3





State of New Mexico  
Commissioner of Public Lands

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

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

April 3, 1996

UNOCAL  
Post Office Box 3100  
Midland, Texas 79702

Attn: Ms. Linda H. Hicks

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

Dear Ms. Hicks:


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

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

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

Very truly yours,

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

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

RP/LK/cpm

cc: Reader File

Commissioner's File

OCD

TRD

BLM

OK  
4-3-95

**1994 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 88201-2088

Attn: Mr. William J. LeMay, Director  
Oil & Gas Division

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1995 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1995.

**SUMMARY OF 1994 OPERATIONS**

Completed reservoir stimulation on Red Hills #2 well in Wolfcamp formation. 1994 production is summarized below.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>MMCF + BC</u>
Red Hills #1	Wolfcamp	78.314 + 771
Red Hills #2	Wolfcamp	265.525 + 1786
Red Hills #3	Penn Atoka	1.239 + 0

**PLAN OF DEVELOPMENT FOR 1995**

In January, Union began recompleting the Red Hills #3 well to the Upper Wolfcamp formation. Operations continue to date.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 24th day of March, 1995.

Sincerely,

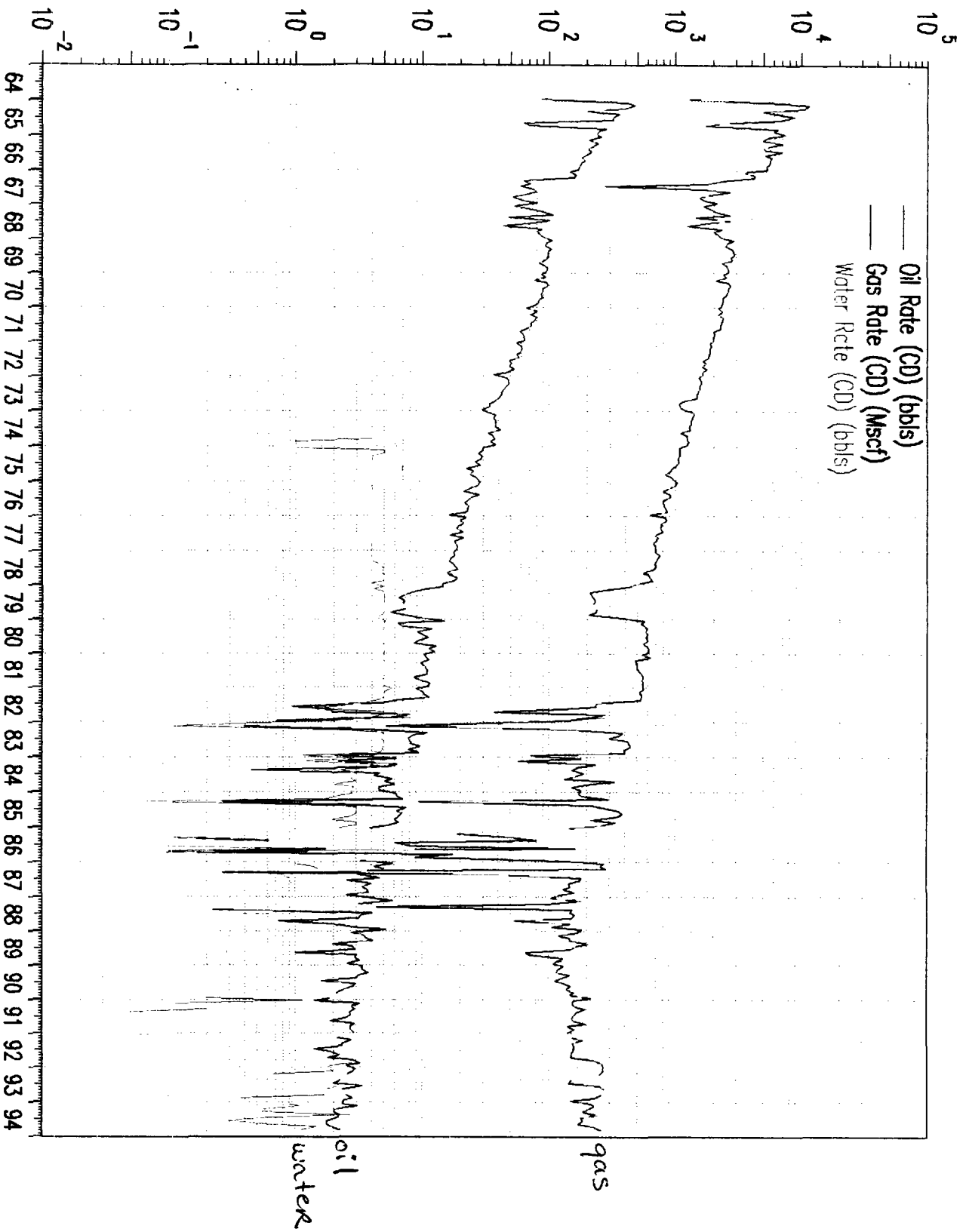
UNION OIL COMPANY OF CALIFORNIA



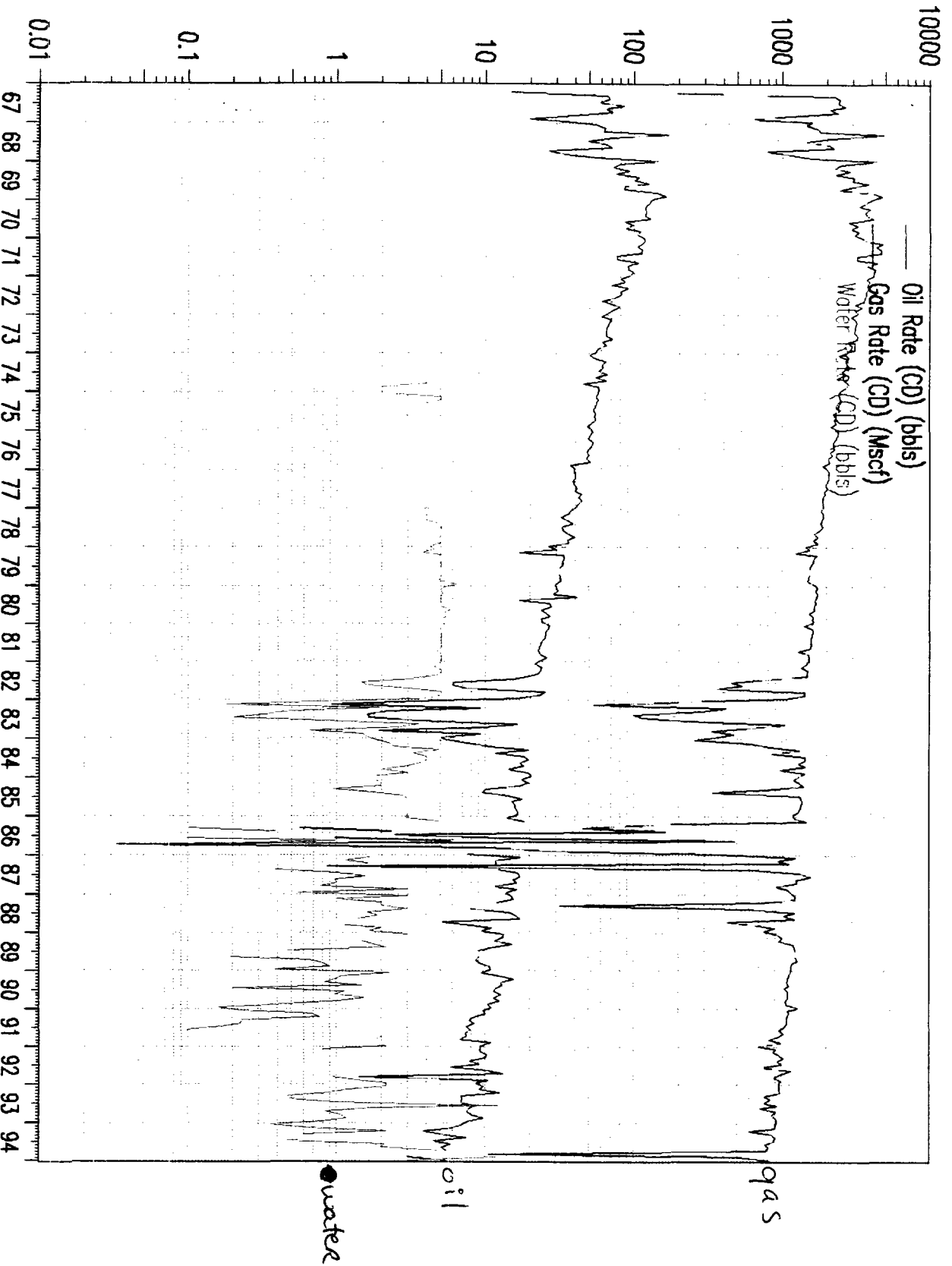
Linda H. Hicks  
Land Advisor/Contracts

LHH/jb  
HICKS/PDREDHIL

FIELD : RED HILLS WC  
LEASE : RED HILLS UNIT #1

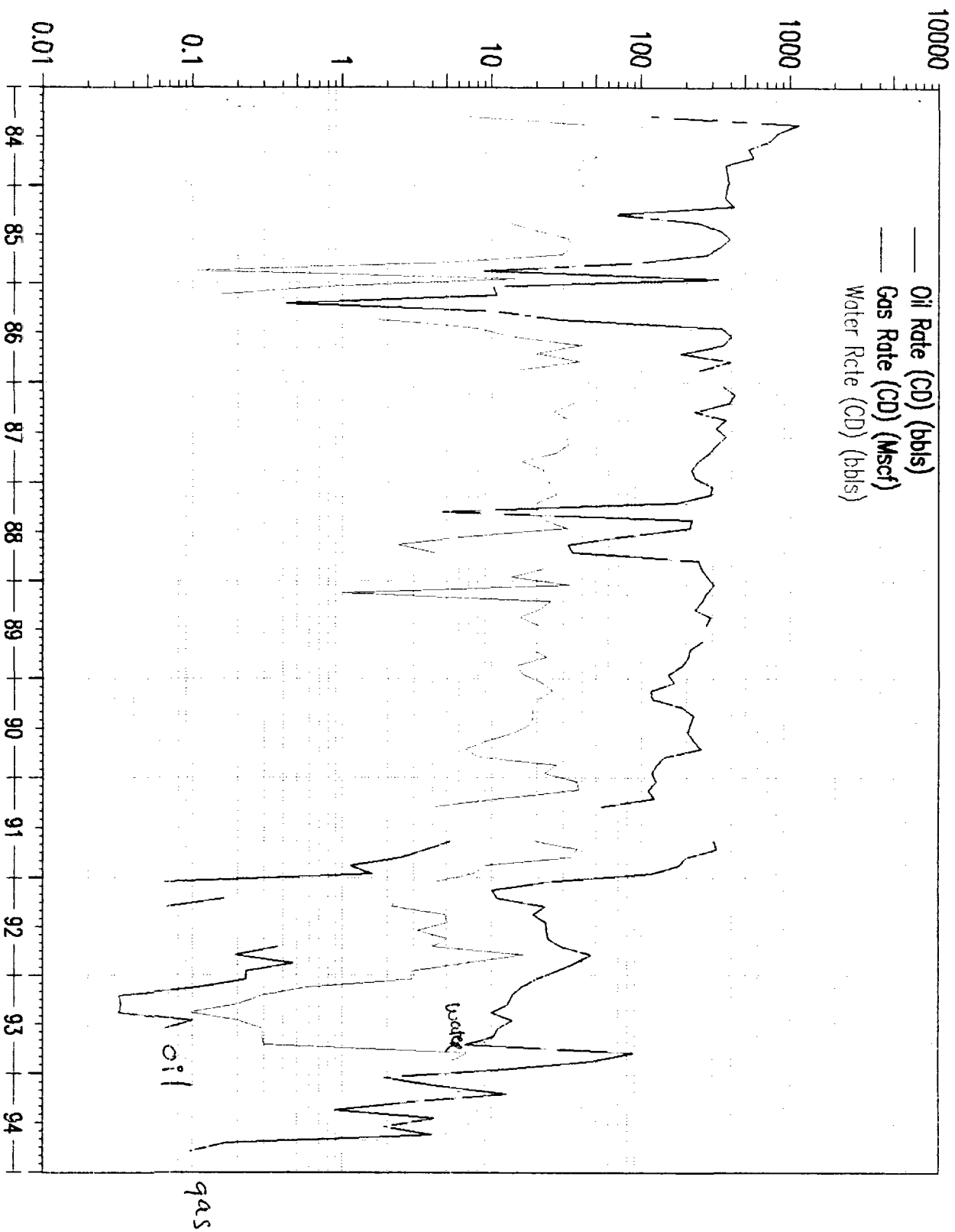


FIELD : RED HILLS WC  
LEASE : RED HILLS UNIT #2

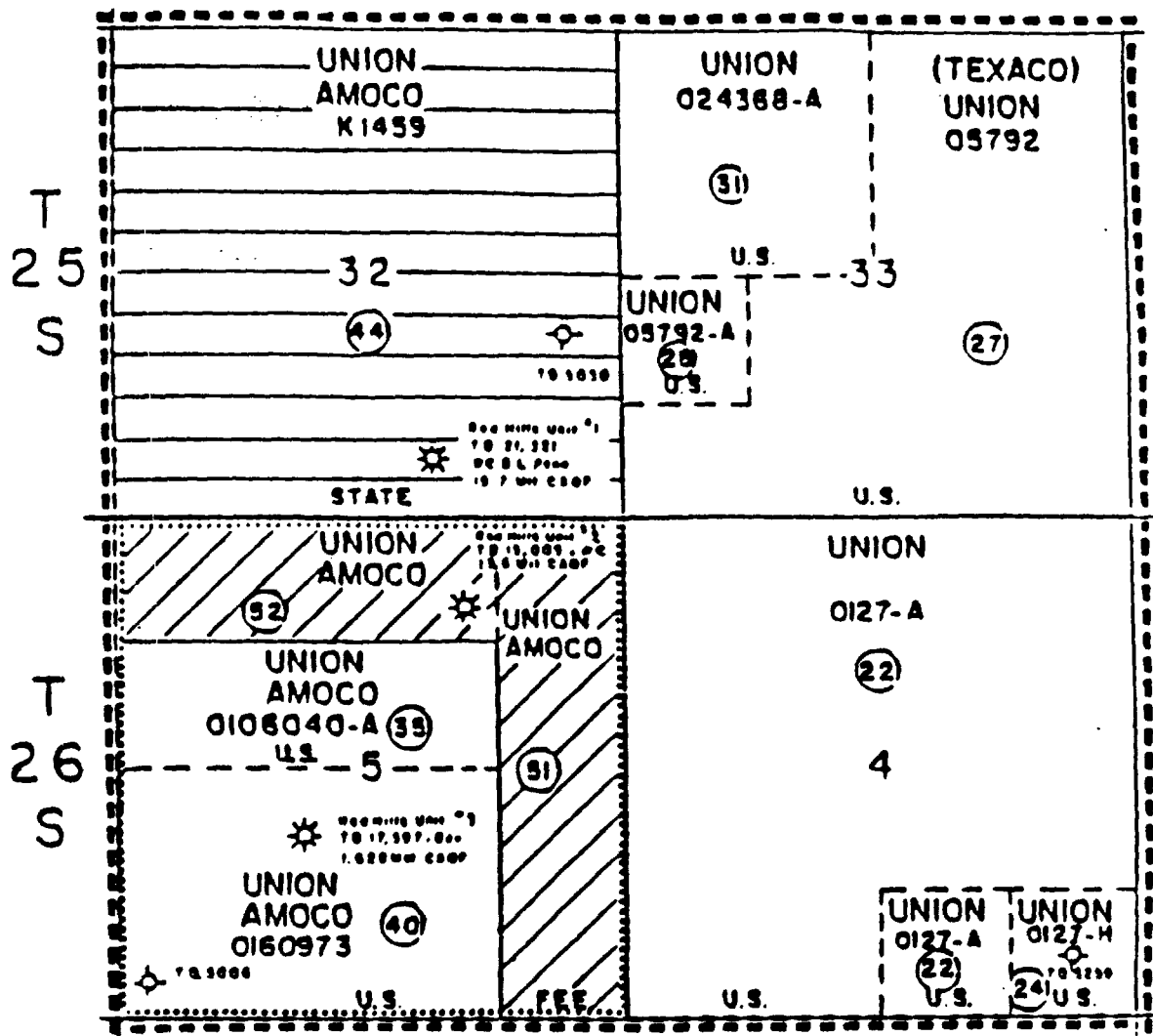




FIELD : RED HILLS ATOKA  
LEASE : RED HILLS UNIT #3



R 33 E



# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER-EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE PENNSYLVANIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL 1640 Ac. 64.0625 %

STATE 640 Ac. 25.0000 %

FEE 280 Ac. 10.9375 %  
2560 Ac. 100.0000 %

Unocal North American  
Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 684-8231

2671



Southwestern Region

March 23, 1993

Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay, Director

1993 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two (2) copies of Union's 1993 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA  
dba UNOCAL

A handwritten signature in cursive script, appearing to read "Linda H. Hicks".

Linda H. Hicks  
Supervisor of Contracts

LHH/jb  
Enclosures

**1993 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 88201-2088

Attn: Mr. William J. LeMay, Director  
Oil & Gas Division

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1993 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1993.

SUMMARY OF 1992 OPERATIONS

The recompletion in the Atoka in the Red Hills #3 well carried over into 1992.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>1992 PRODUCTION MCFPD + BC</u>	<u>CURRENT RATE MCFPD + BCPD</u>
Red Hills #1	Wolfcamp	65.275 + 864	266 + 3
Red Hills #2	Wolfcamp	342.336 + 3142	963 + 9
Red Hills #3	Penn Atoka	8.999 + 47	19 + 0

PLAN OF DEVELOPMENT FOR 1993

We will propose a stimulation treatment in the Atoka formation in the #3 well. If unsuccessful, we will propose a recompletion in the Wolfcamp formation.

We will also propose a deepening of the Red Hills #1 well to the Devonian.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 23rd day of March, 1993.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Supervisor of Contracts

LHH/jb

HICKS/PDREDHIL

**1993 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO**

TO: Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 88201-2088

Attn: Mr. William J. LeMay, Director  
Oil & Gas Division

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1993 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1993.

SUMMARY OF 1992 OPERATIONS

The recompletion in the Atoka in the Red Hills #3 well carried over into 1992.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>1992 PRODUCTION MCFPD + BC</u>	<u>CURRENT RATE MCFPD + BCPD</u>
Red Hills #1	Wolfcamp	65.275 + 864	266 + 3
Red Hills #2	Wolfcamp	342.336 + 3142	963 + 9
Red Hills #3	Penn Atoka	8.999 + 47	19 + 0

PLAN OF DEVELOPMENT FOR 1993

We will propose a stimulation treatment in the Atoka formation in the #3 well. If unsuccessful, we will propose a recompletion in the Wolfcamp formation.

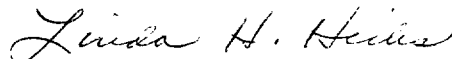
We will also propose a deepening of the Red Hills #1 well to the Devonian.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 23rd day of March, 1993.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Supervisor of Contracts

LHH/jb  
HICKS/PDREDHIL

State	Dist	County	Location
NM(30)	2	025 LEA	320 25S 33E

API #	Field (#8060166 )				Reservoir	
30-025-08244	RED HILLS (WOLFCAMP)				WOLFCAMP	
Month	Oil bbls	Cum Oil bbls	Gas mcf	Cum Gas mcf	Water bbls	No.of Wells
January	89	431439	4832	12365073	0	1
February	62	431501	4508	12369581	0	1
March	85	431586	4763	12374344	0	1
April	71	431657	4636	12378980	0	1
May	72	431729	4846	12383826	0	1
June	42	431771	4715	12388541	11	1
July	58	431829	4792	12393333	0	1
August	69	431898	4665	12397998	0	1
September	54	431952	4521	12402519	0	1
October	88	432040	6822	12409341	0	1
November	96	432136	7850	12417191	0	1
December	78	432214	8325 N/A	12417191	0	1
Total 1992	864	432214	56950	12417191	11	1
			65275			

UNION OIL CO OF CAL

RED HILLS UNIT

WELL#2

State	Dist	County	Location
NM(30)	2	025 LEA	5B 26S 33E

API #	Field (#8060166 )	Reservoir
30-025-21802	RED HILLS (WOLFCAMP)	WOLFCAMP

Month	Oil bbls	Cum Oil bbls	Gas mcf	Cum Gas mcf	Water bbls	No.of Wells
January	288	366118	28354	16698208	25	1
February	268	366386	25322	16723530	0	1
March	321	366707	29713	16753243	0	1
April	295	367002	30538	16783781	33	1
May	243	367245	28835	16812616	0	1
June	273	367518	29706	16842322	0	1
July	181	367699	22611	16864933	0	1
August	252	367951	30672	16895605	0	1
September	394	368345	29742	16925347	0	1
October	44	368389	27465	16952812	0	1
November	314	368703	29473	16982285	0	1
December	269	368972	29905 N/A	16982285	0	1
Total 1992	3142	368972	312431 342336	16982285	58	1

UNION OIL CO OF CAL

RED HILLS UNIT

WELL#3

State	Dist	County	Location
NM(30)	2	025 LEA	5K 26S 33E

API #	Field (#8060079 )	Reservoir
30-025-28144	RED HILLS (DEVONIAN)	DEVONIAN

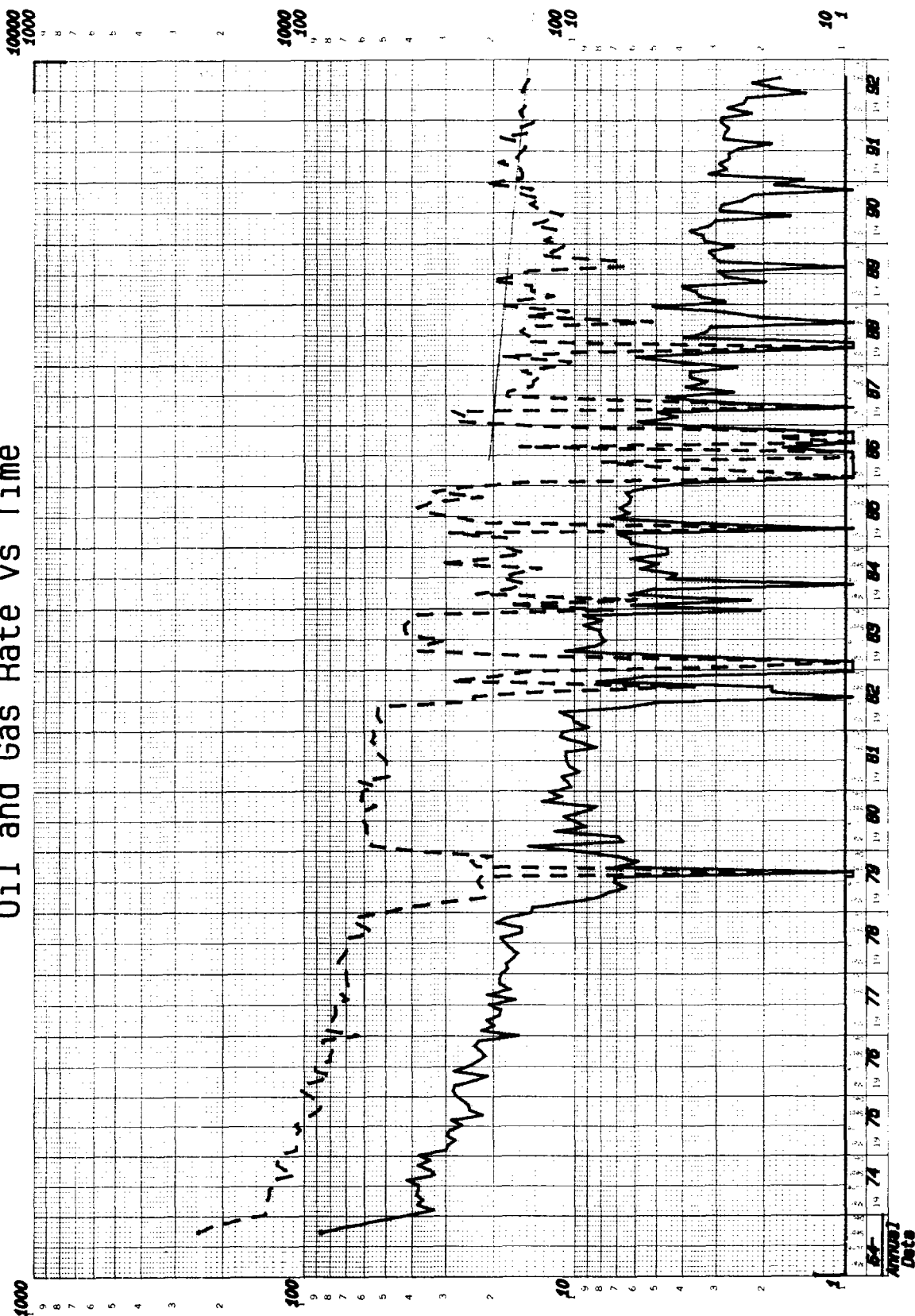
Month	Oil bbls	Cum Oil bbls	Gas mcf	Cum Gas mcf	Water bbls	No.of Wells
January	2	435	724	680936	128	1
February	0	435	294	681230	0	1
March	5	440	338	681568	73	1
April	2	442	679	682247	64	1
May	0	442	587	682834	151	1
June	0	442	685	683519	151	1
July	0	442	723	684242	98	1
August	0	442	744	684986	155	1
September	11	453	872	685858	120	1
October	6	459	1424	687282	508	1
November	14	473	1088	688370	203	1
December	7	480	841 N/A	688370	91	1
Total 1992	47	480	8158 8999	688370	1742	1

(BBL/DAY)

(MCF/DAY)

(COUNT)

5/0



WC

**Date:** 02-03-93

**Cumulative Bo : 431952**

**Cumulative Mcf: 12402519**

UNOCAL 76 MIDLAND DISTRICT

Lease: RED HILLS UNIT #1

**Field:** RED HILLS (WOLFCAMP)

County: LEA NW

**Operator:** UNION OIL CO OF CAL

Retrieval Code: 250.025.2553E32000NC

## LEGEND

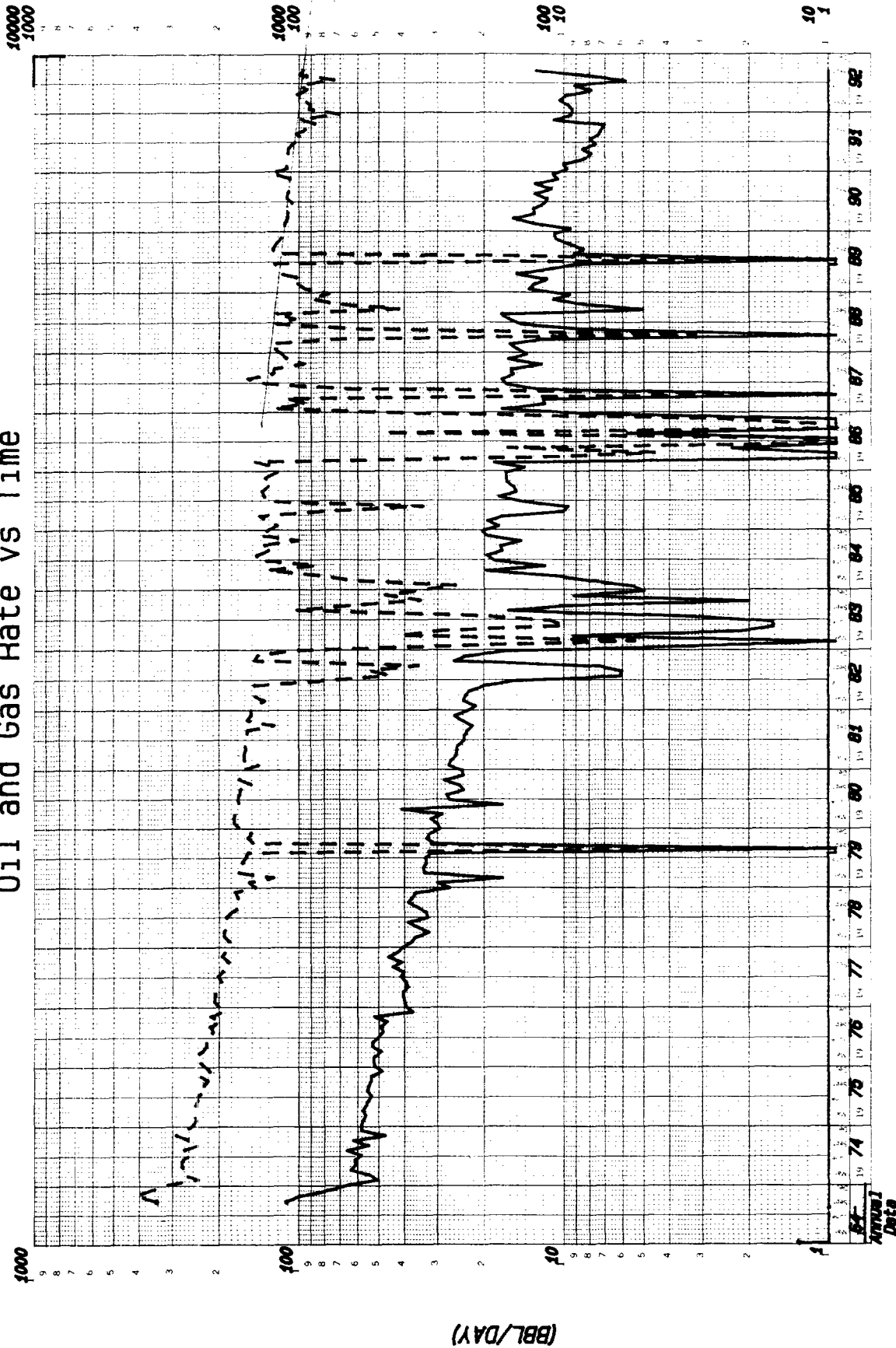
**WELLS**

**Oil**

**SYS**



# Oil and Gas Rate vs Time

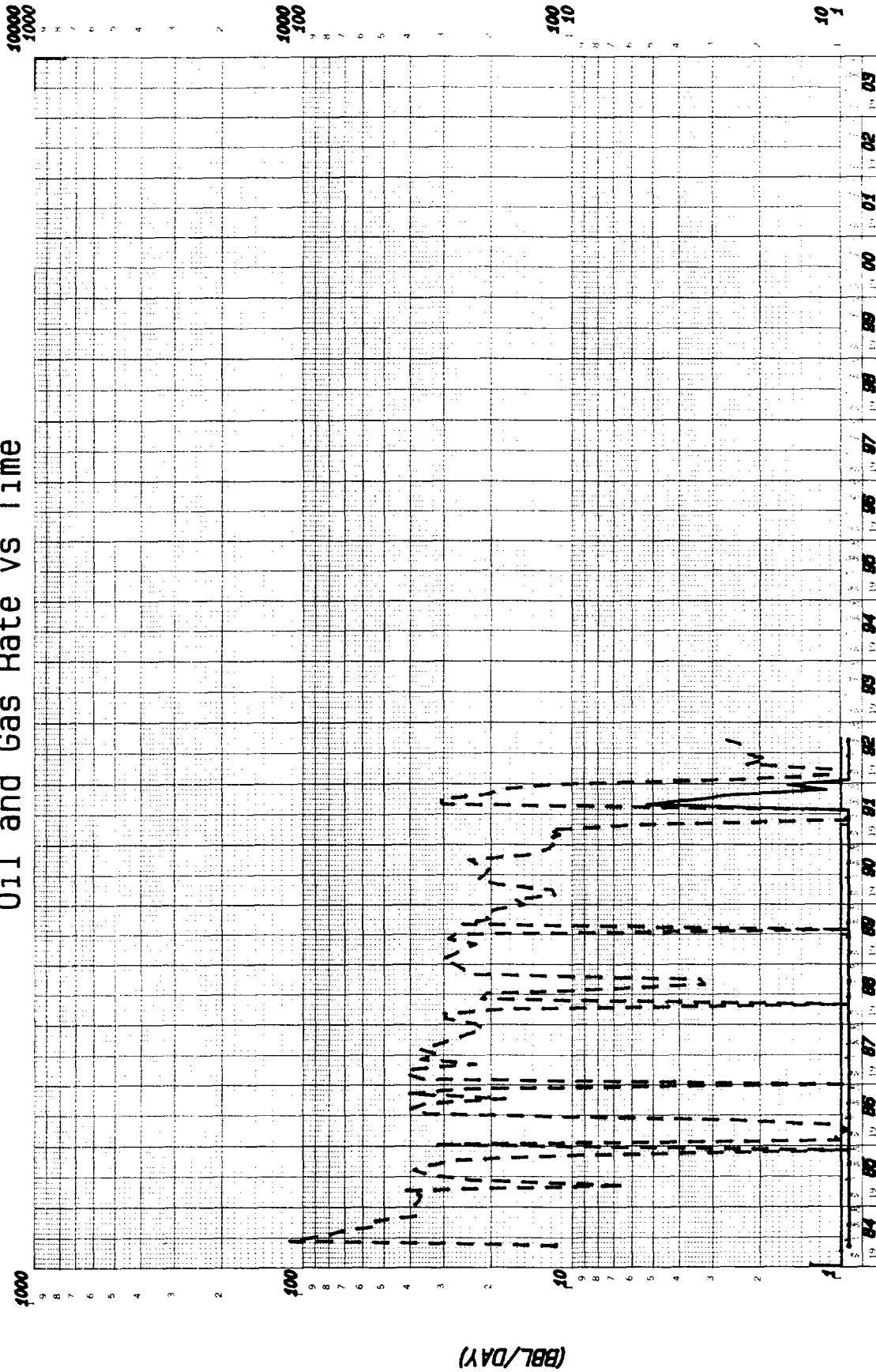


LEGEND	
WELLS	—
OIL	—
GAS	- - -

UNOCAL (75)		MIDLAND DISTRICT	
Lease:	RED HILLS UNIT #2		
Field:	RED HILLS (MOLFCAW)		
County:	LEA	NM	
Operator:	UNION OIL CO OF CAL		
Retrieval Code:	250, 025, 26S33E05B00MC		

HC  
Date: 02-03-93  
Cumulative Bo : 368345  
Cumulative Mcf: 16325347

# Oil and Gas Rate vs Time



S.I.

UNOCAL		MIDLAND DISTRICT	
Lease:	RED HILLS UNIT #3		
Field:	RED HILLS (DEVONIAN)		
County:	LEA NM		
Operator:	UNION OIL CO OF CAL		
Retrieval Code:	250, 025, 26S33E05K00DV		

LEGEND	
WELLS:	—
OIL	—
GAS	- - -

DV  
Date: 02-03-93  
Cumulative Bo : 453  
Cumulative Mcf: 686858

T 25 S	UNION AMOCO K1459	UNION 024368-A (31)	(TEXACO) UNION 05792
	32	U.S.	33
	(44)	UNION 05792-A (28) U.S.	(27)
	Red Wing Unit #1 T 0 21, 301 W 0 0 L, 300 10 7 000 CAGP		
	STATE	U.S.	
T 26 S	UNION AMOCO (52)	UNION 0127-A (22)	
	UNION AMOCO 0106040-A (39) U.S.	4	
	UNION AMOCO 0160973 (40) U.S.	U.S.	
	U.S.	U.S.	
	U.S.	U.S.	


5000 Feet

1 Mile

**PROPOSED PARTICIPATING AREA FOR THE PENNSYLVANIAN  
FORMATION RED HILLS UNIT NO. 3**

☐ FEDERAL 1840 Ac 64.0625 %

	STATE	640 Ac.	29.0000 %
---	-------	---------	-----------

 FEE	280 Ac.	10.9379 %
	<u>2560 Ac.</u>	<u>100.0000 %</u>



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

SLO REF NO. OG-1284

April 2, 1993

UNOCAL  
P.O. Box 3100  
Midland, Texas 79702

Attn: Ms. Linda H. Hicks

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

Gentlemen:

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

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

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

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

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

JB/FOP/pm  
cc: OCD ✓  
BLM

GOVERNOR  
EDWIN L. MECHEM  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission

LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER



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

P. O. BOX 871  
SANTA FE

October 31, 1962

Mr. Richard Morris  
Seth, Montgomery, Federici & Andrews  
Box 828  
Santa Fe, New Mexico

Re: CASE NO. 2671  
ORDER NO. R-2350  
APPLICANT:  
Pure Oil Company

Dear Sir:

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

Very truly yours,

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

ir/

Carbon copy of order also sent to:

Hobbs OCC x  
Artesia OCC         
Aztec OCC       

OTHER

MAIN OFFICE CCC  
1963 JAN 11 AM 9:57

January 8, 1963

The Pure Oil Company  
First City National Bank Bldg.,  
Houston 2, Texas

Re: Red Hills Unit, Lea  
County, New Mexico

Gentlemen:

The Commissioner of Public Lands has approved  
as of this date the Red Hills Unit, Lea County, New  
Mexico.

We are handing to Mr. C. B. Sabin eleven Certi-  
ficates of Approval together with Official Receipt  
No. G 4685 in the amount of Two-hundred twenty-five  
(\$225.00) dollars which covers the filing fee for  
this Unit.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

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

ESW/mmz/v

Union Oil and Gas Division: Central Region

Union Oil Company of California  
500 North Mariefeld, Midland, Texas 79701  
P.O. Box 671, Midland, Texas 79702  
Telephone (915) 682-9731



#2671

Wayne W. Strong  
District Land Manager  
Midland District

February 28, 1986

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

ATTN: Dick Stamets, Director

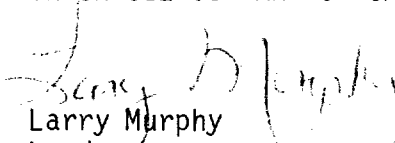
1986 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Dear Mr. Stamets:

Please find enclosed two (2) copies of Union's 1986 Plan of Development and Operation for the Red Hills Unit. We respectfully request your approval of same.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

  
Larry Murphy  
Landman

LM  
Encls.

1986 PLAN OF DEVELOPMENT AND OPERATION

for

Red Hills Unit Area

Lea County, New Mexico

TO: Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
ATTN: Dick Stamets, Director

UNION OIL COMPANY OF CALIFORNIA, as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1986 Plan of Development and Operation for the Red Hills Unit Area. This Plan is for the period ending December 31, 1986.

SUMMARY OF 1985 OPERATIONS:

No new Wells were drilled in the Unit during 1985. Yearly production for 1985 for each Unit Well is shown below:

<u>Unit Well No.</u>	<u>1985 PRODUCTION</u>	
	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
#1	92,712	2,070
#2	434,003	5,633
#3	98,302	---

PLAN OF DEVELOPMENT AND OPERATION FOR 1986:

No new Wells are planned for the Unit during 1986.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

SUBMITTED this 28th day of February, 1986.

UNION OIL COMPANY OF CALIFORNIA



Wayne W. Strong  
District Land Manager



1986 PLAN OF DEVELOPMENT AND OPERATION

for

Red Hills Unit Area

Lea County, New Mexico

TO: Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
ATTN: Dick Stamets, Director

UNION OIL COMPANY OF CALIFORNIA, as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1986 Plan of Development and Operation for the Red Hills Unit Area. This Plan is for the period ending December 31, 1986.

SUMMARY OF 1985 OPERATIONS:

No new Wells were drilled in the Unit during 1985. Yearly production for 1985 for each Unit Well is shown below:

<u>Unit Well No.</u>	<u>1985 PRODUCTION</u>	
	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
#1	92,712	2,070
#2	434,003	5,633
#3	98,302	---

PLAN OF DEVELOPMENT AND OPERATION FOR 1986:

No new Wells are planned for the Unit during 1986.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

SUBMITTED this 28th day of February, 1986.

UNION OIL COMPANY OF CALIFORNIA

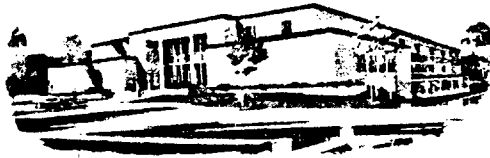


Wayne W. Strong  
District Land Manager

# State of New Mexico



JIM BACA  
COMMISSIONER



## Commissioner of Public Lands

March 10, 1986

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

Union Oil Company of Ca.  
P. O. Box 671  
Midland, Texas 79702

Re: 1986 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Attention: Mr. Larry Murphy

Gentlemen:

The Commissioner of Public Lands has this date approved your 1986 Plan of Development for the Red Hills Unit area, Lea County, New Mexico. Such plan calls for no new wells to be drilled during 1986. Our Approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

In future Plans of Development please submit an up-to-date map of the unit area showing all wells and their zone(s) of completion. In addition, please also furnish a summary for each well by month for the last twelve month period.

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

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *F. O. Prado*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
AC 505/827-5744

J3/FOP/PM  
encls.

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

50 YEARS



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

March 18, 1986

Union Oil and Gas  
P. O. Box 671  
Midland, Texas 79701

Attention: Larry Murphy

Re: 1986 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque  
OCD District Office - Hobbs



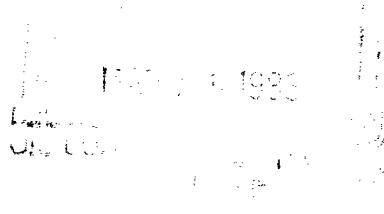
IN REPLY REFER TO

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

14-68-0001-5496  
3180 (055)



Union Oil Company of California  
Attention: Mr. Wayne W. Strong  
500 North Marienfeld  
Midland, Texas 79701

MAR 25 1986

Re: 1986 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

We are in receipt of your letter dated February 28, 1986 which describes your 1986 Plan of Development for the Red Hills Unit, Lea County, New Mexico.

Such plan proposes no further drilling operations.

This plan is approved effective for the period January 1, 1986 through January 1, 1987 and is subject to like approval by the Commissioner of Public Lands and the New Mexico Oil Conservation Division.

Sincerely,

**Orig. Sgd. David L. Mari**

FOR Francis R. Cherry, Jr.  
District Manager

cc:  
✓ Commissioner of Public Lands, Santa Fe

# 2671

4/11/87

**Unocal Energy Resources Division**  
Unocal Corporation  
1004 North Big Spring, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 685-7600

**UNOCAL** 

*D-7  
Unit Letters  
Tha 127*

MAR 24 1994

Permian Basin Business Unit

March 24, 1994

Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay, Director

1994 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two (2) copies of Union's 1994 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA  
dba UNOCAL

*Linda H. Hicks*

Linda H. Hicks  
Land Advisor/Contracts

LHH/jb  
Enclosures

1994 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 88201-2088

MAR 31 1994

Attn: Mr. William J. LeMay, Director  
Oil & Gas Division

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1994 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1994.

SUMMARY OF 1993 OPERATIONS

1993 production is shown below.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>MMCF + BC</u>
Red Hills #1	Wolfcamp	68.259 + 793
Red Hills #2	Wolfcamp	318.800 + 3077
Red Hills #3	Penn Atoka	7.939 + 18

PLAN OF DEVELOPMENT FOR 1994

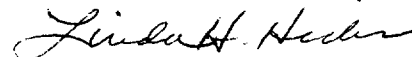
The only work proposed to be done includes bottomhole pressure measurements.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 31st day of March, 1994.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Land Advisor/Contracts

LHH/jb

HICKS/PDREDHIL

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

RUN DATE: 02/04/94  
Published 1/94  
(#250,025,25S33E32O00WC )

OPERATOR (#748982)	WELL NAME	WELL #
UNION OIL CO OF CAL	RED HILLS UNIT	000001

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
320 25S 33E	NM	002	LEA	56700

API #	FIELD (#8060166)	RESERVOIR
30-025-0824400	RED HILLS (WOLFCAMP) WC	WOLFCAMP

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
	13440	13667	ELNAT	SCURP	0.64		0.940	

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
		9308		ACT

BEG GAS CUM	BEG LIQ CUM
6687706	270752

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
12480262		432855	

DWIGHTS ENERGYDATA, INC.  
 UNION OIL CO OF CAL  
 RED HILLS UNIT

RUN DATE: 02/04/94  
 Published 1/94  
 (#250,025,25S33E32O00WC )

\*\*\* MONTHLY PRODUCTION HISTORY \*\*\*

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	4037	12254032	103	429577	0	31
FEB	3334	12257366	94	429671	0	24
MAR	3581	12260947	117	429788	0	31
APR	4380	12265327	95	429883	0	24
MAY	3918	12269245	94	429977	0	31
JUN	3350	12272595	48	430025	0	18
JUL	4204	12276799	91	430116	0	24
AUG	4582	12281381	89	430205	0	31
SEP	4147	12285528	74	430279	0	30
OCT	4848	12290376	66	430345	0	26
NOV	4298	12294674	0	430345	0	30
DEC	6692	12301366	57	430402	6	27
1990	51371	12301366	928	430402	6	
JAN	4878	12306244	44	430446	35	31
FEB	4370	12310614	90	430536	3	28
MAR	4955	12315569	85	430621	0	31
APR	5770	12321339	88	430709	6	30
MAY	5111	12326450	83	430792	1	31
JUN	4791	12331241	81	430873	0	30
JUL	4733	12335974	77	430950	0	31
AUG	4800	12340774	58	431008	0	31
SEP	5896	12346670	88	431096	0	28
OCT	4402	12351072	84	431180	0	28
NOV	4782	12355854	81	431261	0	29
DEC	4387	12360241	89	431350	0	31
1991	58875	12360241	948	431350	45	
JAN	4832	12365073	89	431439	0	31
FEB	4508	12369581	62	431501	0	29
MAR	4763	12374344	85	431586	0	31
APR	4636	12378980	71	431657	0	30
MAY	4846	12383826	72	431729	0	31
JUN	4715	12388541	42	431771	11	30
JUL	4792	12393333	58	431829	0	28
AUG	4565	12397998	69	431898	0	31
SEP	4521	12402519	54	431952	0	30
OCT	6822	12409341	88	432040	94	30
NOV	7850	12417191	96	432136	83	30
DEC	8325	12425516	78	432214	57	31
1992	65275	12425516	864	432214	245	
JAN	8255	12433771	91	432305	57	31
FEB	7484	12441255	80	432385	56	28
MAR	7856	12449111	80	432465	20	31
APR	5929	12455040	84	432549	0	29
MAY	4674	12459714	70	432619	0	31
JUN	4315	12464029	60	432679	0	23
JUL	7777	12471806	103	432782	67	31
AUG	8456	12480262	73	432855	54	31
1993	54746	12480262	641	432855	254	



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

RUN DATE: 02/04/94  
Published 1/94  
(#250,025,26S33E05B00WC )

OPERATOR (#748982)	WELL NAME	WELL #
UNION OIL CO OF CAL	RED HILLS UNIT	000002

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
5B 26S 33E	NM	002	LEA	56700

API #	FIELD (#8060166)	RESERVOIR
30-025-2180200	RED HILLS (WOLFCAMP) WC	WOLFCAMP

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
15005	13424	13652	ELNAT	SCURP	0.63	58.5	0.940	0.663

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
		9308		ACT

BEG GAS CUM	BEG LIQ CUM
2531549	80953

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLs	COND CUM SINCE DATE
17221133		371049	

DWIGHTS ENERGYDATA, INC.  
 UNION OIL CO OF CAL  
 RED HILLS UNIT

RUN DATE: 02/04/94  
 Published 1/94  
 (#250,025,26S33E05B00WC )

\*\*\* MONTHLY PRODUCTION HISTORY \*\*\*

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	35414	15935273	292	358608	70	31
FEB	31444	15966717	359	358967	30	28
MAR	34092	16000809	482	359449	30	31
APR	32841	16033650	387	359836	25	30
MAY	34745	16068395	403	360239	46	31
JUN	31484	16099879	356	360595	6	30
JUL	34246	16134125	355	360950	35	24
AUG	33971	16168096	399	361349	30	31
SEP	33031	16201127	343	361692	46	30
OCT	32715	16233842	386	362078	32	30
NOV	32253	16266095	315	362393	14	30
DEC	39581	16305676	341	362734	5	31
1990	405817	16305676	4418	362734	369	
JAN	34175	16339851	301	363035	7	31
FEB	31319	16371170	281	363316	19	28
MAR	33621	16404791	262	363578	24	31
APR	32763	16437554	235	363813	7	30
MAY	33675	16471229	263	364076	7	31
JUN	31484	16502713	226	364302	5	30
JUL	29740	16532453	247	364549	3	31
AUG	31622	16564075	228	364777	0	31
SEP	28862	16592937	224	365001	60	28
OCT	25647	16618584	210	365211	56	28
NOV	29619	16648203	328	365539	0	29
DEC	21651	16669854	291	365830	66	28
1991	364178	16669854	3096	365830	254	
JAN	28354	16698208	288	366118	25	31
FEB	25322	16723530	268	366386	0	26
MAR	29713	16753243	321	366707	0	29
APR	30538	16783781	295	367002	33	30
MAY	28835	16812616	243	367245	0	28
JUN	29706	16842322	273	367518	0	30
JUL	22611	16864933	181	367699	0	28
AUG	30672	16895605	252	367951	0	31
SEP	29742	16925347	394	368345	0	30
OCT	27465	16952812	44	368389	29	31
NOV	29473	16982285	314	368703	41	30
DEC	29905	17012190	269	368972	67	31
1992	342336	17012190	3142	368972	195	
JAN	29873	17042063	302	369274	67	31
FEB	26995	17069058	254	369528	33	28
MAR	29931	17098989	387	369915	28	31
APR	22947	17121936	208	370123	14	29
MAY	25715	17147651	216	370339	15	31
JUN	22701	17170352	207	370546	29	30
JUL	28661	17199013	261	370807	378	31
AUG	22120	17221133	242	371049	38	31
1993	208943	17221133	2077	371049	602	

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

RUN DATE: 02/04/94  
Published 1/94  
(#250,025,26S33E05K00DV )

OPERATOR (#748982)	WELL NAME	WELL #
UNION OIL CO OF CAL	RED HILLS UNIT	000003

LOCATION	STATE	DIST	COUNTY (#025)	LEASE #
5K 26S 33E	NM	002	LEA	1376

API #	FIELD (#8060079)	RESERVOIR
30-025-2814400	RED HILLS (DEVONIAN) DV	DEVONIAN

TOTAL DEPTH	UPPER PERF	LOWER PERF	GAS GATH	LIQ GATH	GAS GRAV	LIQ GRAV	TEMP GRAD	N-FACTOR
17597	17464	17512	ELNAT		0.59		0.940	0.690

COMP DATE	1ST PROD DATE	LAST PROD DATE	STATUS DATE	STATUS
8308	8404	9308		ACT

CUM THRU LPD GAS/MCF	GAS CUM SINCE DATE	CUM THRU LPD COND/BBLS	COND CUM SINCE DATE
692458	FPDAT	498	FPDAT

DWIGHTS ENERGYDATA, INC.  
 UNION OIL CO OF CAL  
 RED HILLS UNIT

RUN DATE: 02/04/94  
 Published 1/94  
 (#250,025,26S33E05K00DV )

\*\*\* MONTHLY PRODUCTION HISTORY \*\*\*

MONTH	GAS MCF	CUM GAS MCF	COND BBLs	CUM COND BBLs	WATER BBLs	DAYS ON
JAN	5097	574921	0	0	666	26
FEB	3242	578163	0	0	711	24
MAR	3700	581863	0	0	639	31
APR	5636	587549	0	0	553	28
MAY	6931	594530	0	0	590	31
JUN	6374	600904	0	0	550	30
JUL	6335	607239	0	0	448	31
AUG	6939	614178	0	0	299	31
SEP	7569	621747	0	0	200	30
OCT	4415	626162	0	0	253	12
NOV	3782	629944	0	0	812	16
DEC	3639	633583	0	0	697	25
1990	63759	633583	0	0	6418	
JAN	3871	637454	0	0	1158	31
FEB	3112	640566	0	0	1064	28
MAR	3796	644362	0	0	358	5
APR	1630	645992	0	0	125	1
MAY	0	645992	0	0	0	0
JUN	0	645992	0	0	0	0
JUL	0	645992	0	0	0	0
AUG	9469	655461	164	164	597	14
SEP	9599	665060	110	274	1114	27
OCT	6183	671243	76	350	1051	25
NOV	5360	676603	34	384	271	28
DEC	3609	680212	49	433	234	29
1991	46629	680212	433	433	5972	
JAN	724	680936	2	435	128	22
FEB	294	681230	0	435	0	1
MAR	338	681568	5	440	73	8
APR	679	682247	2	442	64	30
MAY	587	682834	0	442	151	31
JUN	685	683519	0	442	151	30
JUL	723	684242	0	442	98	31
AUG	744	684986	0	442	155	28
SEP	872	685858	11	453	120	30
OCT	1424	687282	6	459	508	29
NOV	1088	688370	14	473	203	30
DEC	841	689211	7	480	91	31
1992	8999	689211	47	480	1742	
JAN	614	689825	7	487	91	31
FEB	442	690267	3	490	16	28
MAR	426	690693	1	491	9	31
APR	384	691077	1	492	6	29
MAY	307	691384	1	493	3	31
JUN	412	691796	3	496	6	30
JUL	342	692138	2	498	9	31
AUG	320	692458	0	498	9	31
1993	3247	692458	18	498	149	

R 33 E

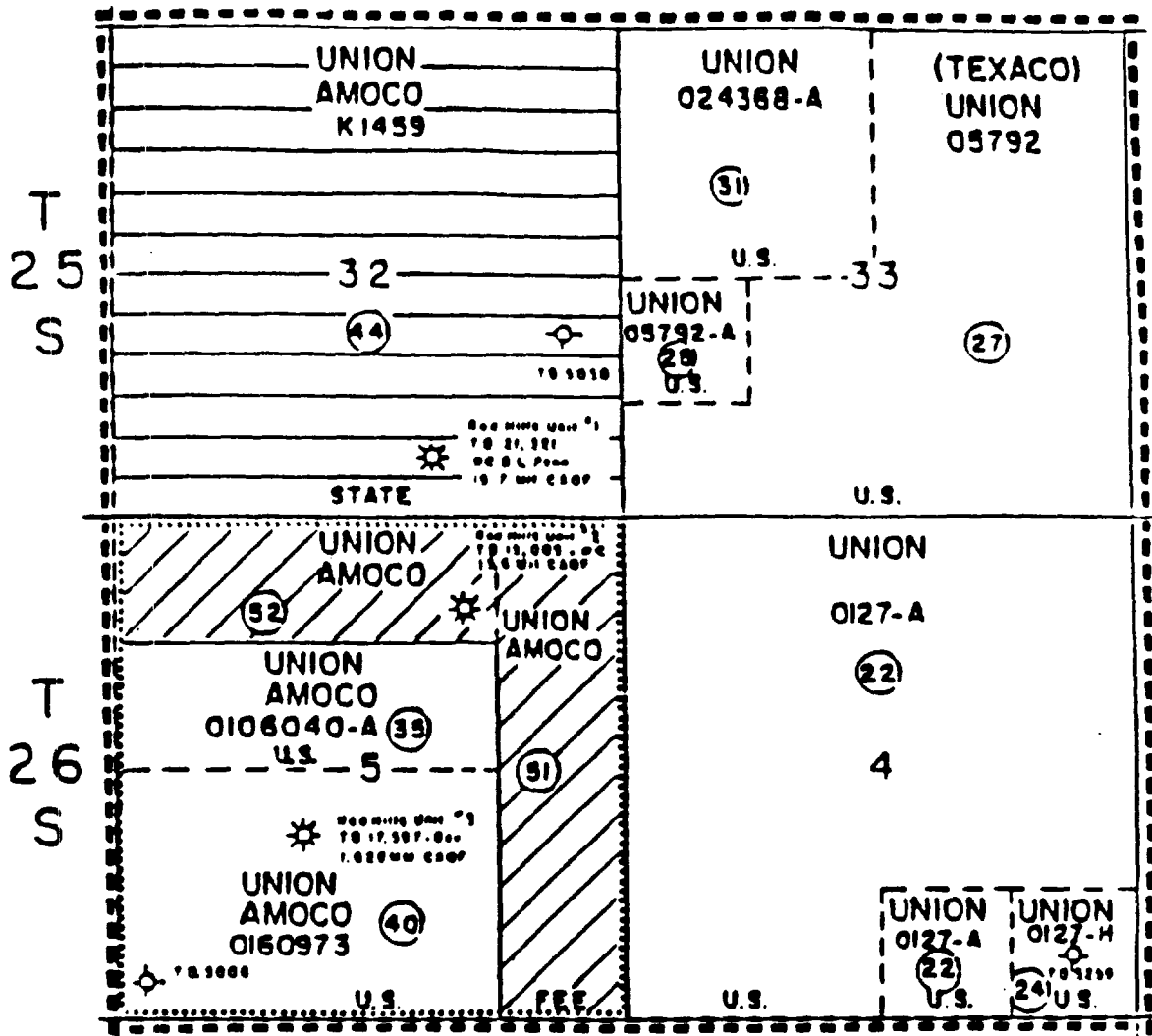


EXHIBIT "A"  
RED HILLS UNIT  
LEA COUNTY, NEW MEXICO




(22) TRACT NUMBER-EXHIBIT "B"

 PROPOSED PARTICIPATING AREA FOR THE PENNSYLVANIAN FORMATION RED HILLS UNIT NO. 3

 FEDERAL 1640 Ac. 64.0625 %

 STATE 640 Ac. 25.0000 %

 FEE 280 Ac. 10.9375 %  
2560 Ac. 100.0000 %

REVISED EXHIBIT "B"  
SCHEDULE SHOWING THE PRESENTAGE AND KIND OF ORIGINSHIP OF ALL LABORS IN THE  
RED HILLS UNIT AREA, LEA COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSOR OF RECORD	OVERRIDING ROYALTY OR PRODUCTION PAYMENT AND PERCENTAGE	POSSIBLE INTEREST AND PERCENTAGE
<u>FEDERAL LANDS</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
22	Sec. 4: N/2, N/2 S/2, S/2 SW/4, SW/4 SE/4	600.00	NM-0127-A HBP	U.S.A. 12.5%	Continental Oil	George W. Miller 1.5% Ernest A. Hanson 1.5%	Continental 10% (Subject to Texas co operating rights to 5300 under SW/4 SE/4 of Sec. 4)
4	Sec. 4: SE/4 SE/4 <u>T-25-S, R-33-E, N.M.P.M.</u>	40.00	NM-0127-H HBP	U.S.A. 12.5%	Texaco, Inc.	George W. Miller 3.0%	Union 100%
7	Sec. 33: E/2, SW/4 SW/4, E/2 SW/4	440.00	NM-05792 HBP	U.S.A. 12.5%	Texaco, Inc.	D. Miller \$750.00 per acre out of 3.0%	Union 100%
8	Sec. 33: NW/4 SW/4	40.00	NM-05792-A HBP	U.S.A. 12.5%	Union	Donald Combs 5% less following: D. Miller \$750.00 per acre out of 3%	Union 100%
11	Sec. 33: NW/4	160.00	NM-024368-A HBP	U.S.A. 12.5%	Richardson Oils, Inc. 3/4	Vincent Cuccia & wife, Louise Cuccia, & George E. Conley 3%	Union 100%
						Perry R. Bass 1/4	Howard W. Jennings & wife, Peggy P. Jennings 0.5%

REVERSED EXHIBIT "B" (CONT'D)

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSOR OF RECORD	OVERRIDING ROYALTY OR PRODUCTION PAY-MENT & PERCENTAGE	WORKING INTEREST and PERCENTAGE
Federal Lands (continued)							
<u>9-26-S, R-33-E, N.M.P.M.</u>							
35	Sec. 5: S/2 NW/4, SW/4 NE/4	120.00	NM-0106040-A HBP	U.S.A. 12.5%	Pan American Pet. Corp.	Southwestern Pet. 1 %	Pan American 100 %
<u>9-26-S, R-33-E, N.M.P.M.</u>							
40	Sec. 5: SW/4, W/2 SE/4	240.00	NM-0160973 1-31-73	U.S.A. 12.5%	Pan American Pet. Corp.	None	Pan American 100 %
<u>9-26-S, R-33-E, N.M.P.M.</u>							
7	FEDERAL TRACTS OF 1,640.00 acres or 64.06% of Unit Area						
<u>STATE LANDS</u>							
<u>9-25-S, R-33-E, N.M.P.M.</u>							
4	Sec. 32: All	640.00	K-1459 5-16-71	State 12.5%	Pan American Pet. Corp.	None	Pan American 100 %
<u>9-25-S, R-33-E, N.M.P.M.</u>							
1	STATE TRACT OF 640.00 ACRES OR 25.000008% of Unit Area						
<u>FREE LANDS</u>							
<u>9-26-S, R-33-E, N.M.P.M.</u>							
51	Sec. 5: E/2 E/2	160.00	11-21-07	Frank Koopmanberger 0.78125%	Pan American Pet. Corp.	6.25% None	Union 6.25% (Operating Rights)

REVISED EXHIBIT "B" (Cont'd)

ACCT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL, NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSEE OF RECORD	OVERRIDE ROYALTY OR PRODUCTION PAYMENT & PERCENTAGE	WORKING INTEREST AND PERCENTAGE
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FREE LANDS (continued)

Tracts 26-S, R-33-E, N.M.P.M.

Sec. 5:	N/2 NW/4, NW/4 NE/4	120.00	10-29-67	Schuman - Yeager, et al 1.56250%	Estate of Elizabeth R. Sharp, Dec. 93.75%	None	Est. of Elizabeth R. Sharp, Dec. 93.75%
				Frank Knappenberger 0.78125%	Pan American Pet. 6.25%	None	Union 6.25% (Operating Rights)

THE TRACTS OF 280.00 ACRES OR 10.94% OF UNIT AREA



**Unocal North American  
Oil & Gas Division**

Unocal Corporation  
1004 North Big Spring Street, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 684-8231

*H 2671*  
OIL CONSERVATION DIVISION  
RECEIVED

'92 MAR 30 AM 9 54

**UNOCAL** 

Southwestern Region

March 23, 1992

Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay, Director

1992 Plan of Development  
Red Hills Unit Area  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two (2) copies of Union's 1992 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA  
dba UNOCAL

*Linda H. Hicks*

Linda H. Hicks  
Supervisor of Contracts

LHH/jb  
Enclosures

1992 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 88201-2088

Attn: Mr. William J. LeMay, Director  
Oil & Gas Division

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496), respectfully submits for approval this 1992 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1992.

SUMMARY OF 1991 OPERATIONS

No new wells were drilled. Red Hills No. 3 was recompleted in the Atoka. Production for 1991 is summarized below.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>1991 PRODUCTION</u> <u>MCFPD + BC</u>	<u>CURRENT RATE</u> <u>MCFPD + BCPD</u>
Red Hills #1	Wolfcamp	58.875 + 948	142 + 3
Red Hills #2	Wolfcamp	373.178 + 3096	698 + 9
Red Hills #3	Penn Atoka	34.220 + 433	116 + 2
Red Hills #3	Devonian	12.409 + 0	0 + 0

PLAN OF DEVELOPMENT FOR 1992

No development drilling or recompletions are planned for 1992.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 23 day of March, 1992.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA

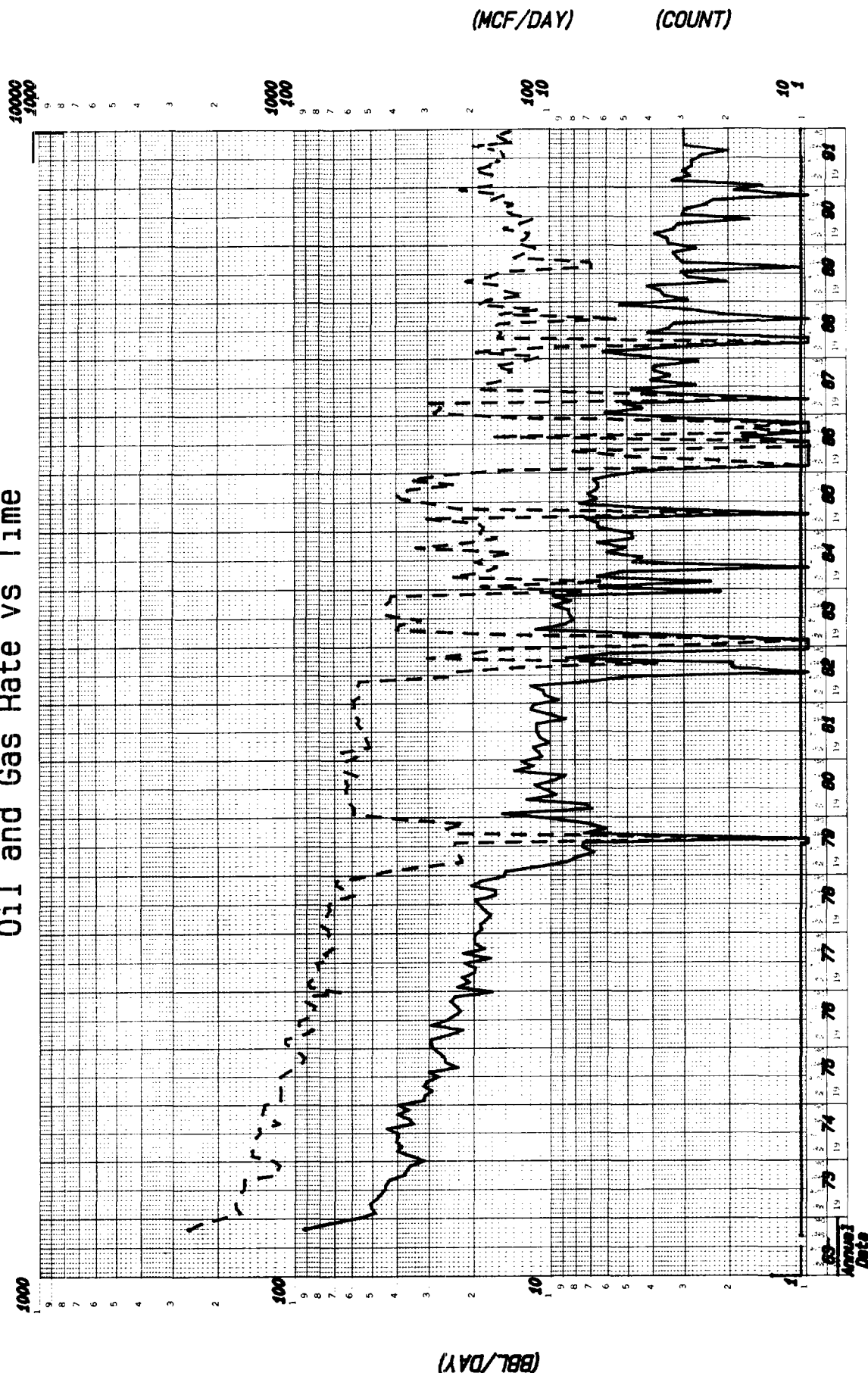
*Linda H. Hicks*

Linda H. Hicks  
Supervisor of Contracts

LHH/jb

HICKS/PDREDHIL

# Oil and Gas Rate vs Time



UNOCAL		ANDREWS DISTRICT	
Lease:	RED HILLS UNIT # 1		
Field:	RED HILLS (WOLF CAMP)		
County:	LEA NM		
Operator:	UNION OIL CO OF CAL		
Retrieval Code:	250, 025, 25533832000MC		

LEGEND	
WELLS	—
OIL	—
GAS	- - -

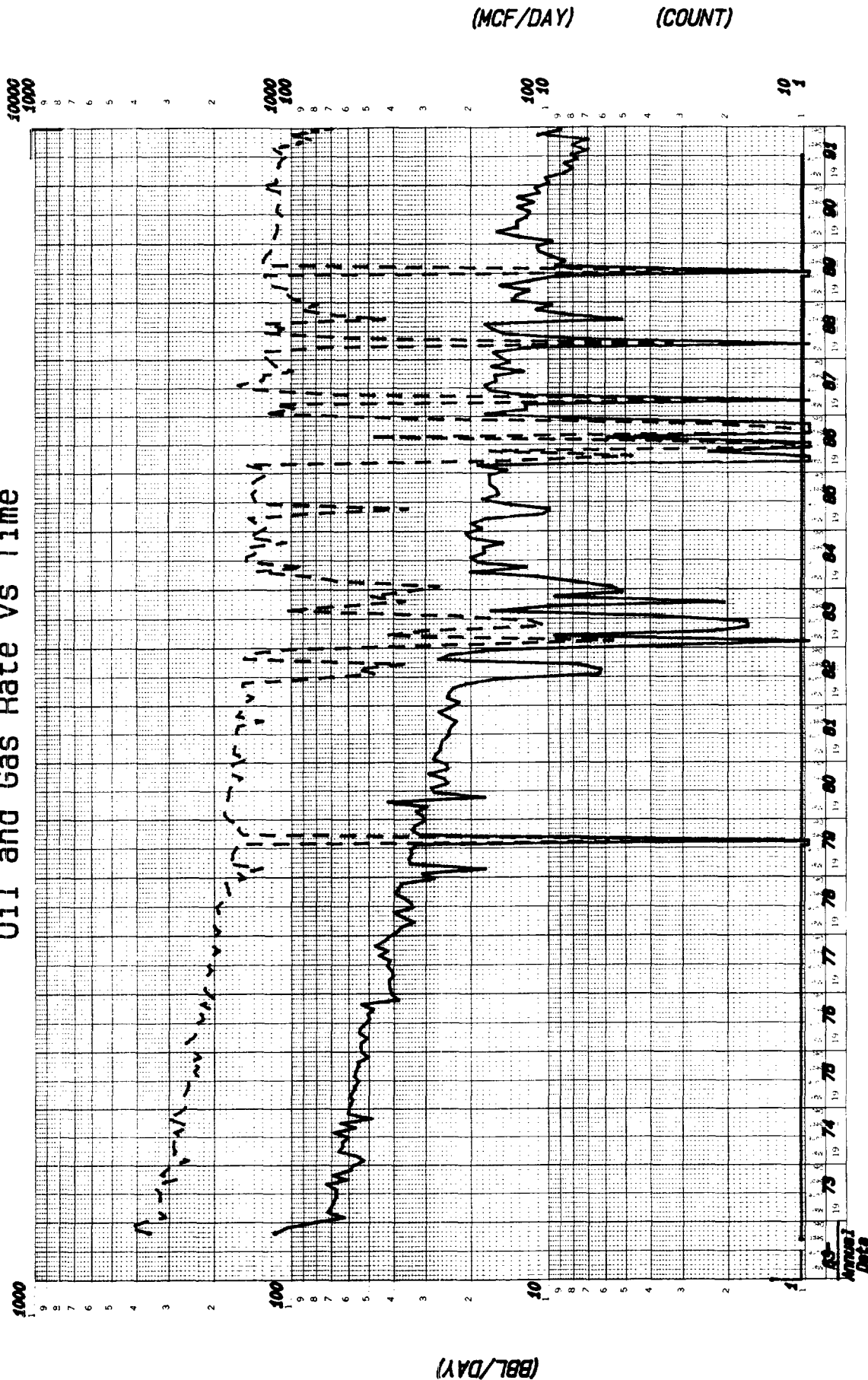
MC

Date: 03-12-92

Cumulative Bo : 430950

Cumulative Mcf: 12335974

# Oil and Gas Rate vs Time



UNOCAL		ANDREWS DISTRICT	
Lease:	RED HILLS UNIT # 2		
Field:	RED HILLS (WOLF CAMP)		
County:	LEA NW		
Operator:	UNION OIL CO OF CAL		
Retrieval Code:	250, 025, 26S33E05B00NC		

LEGEND	
WELLS	—
OIL	- - -
GAS	- . - .

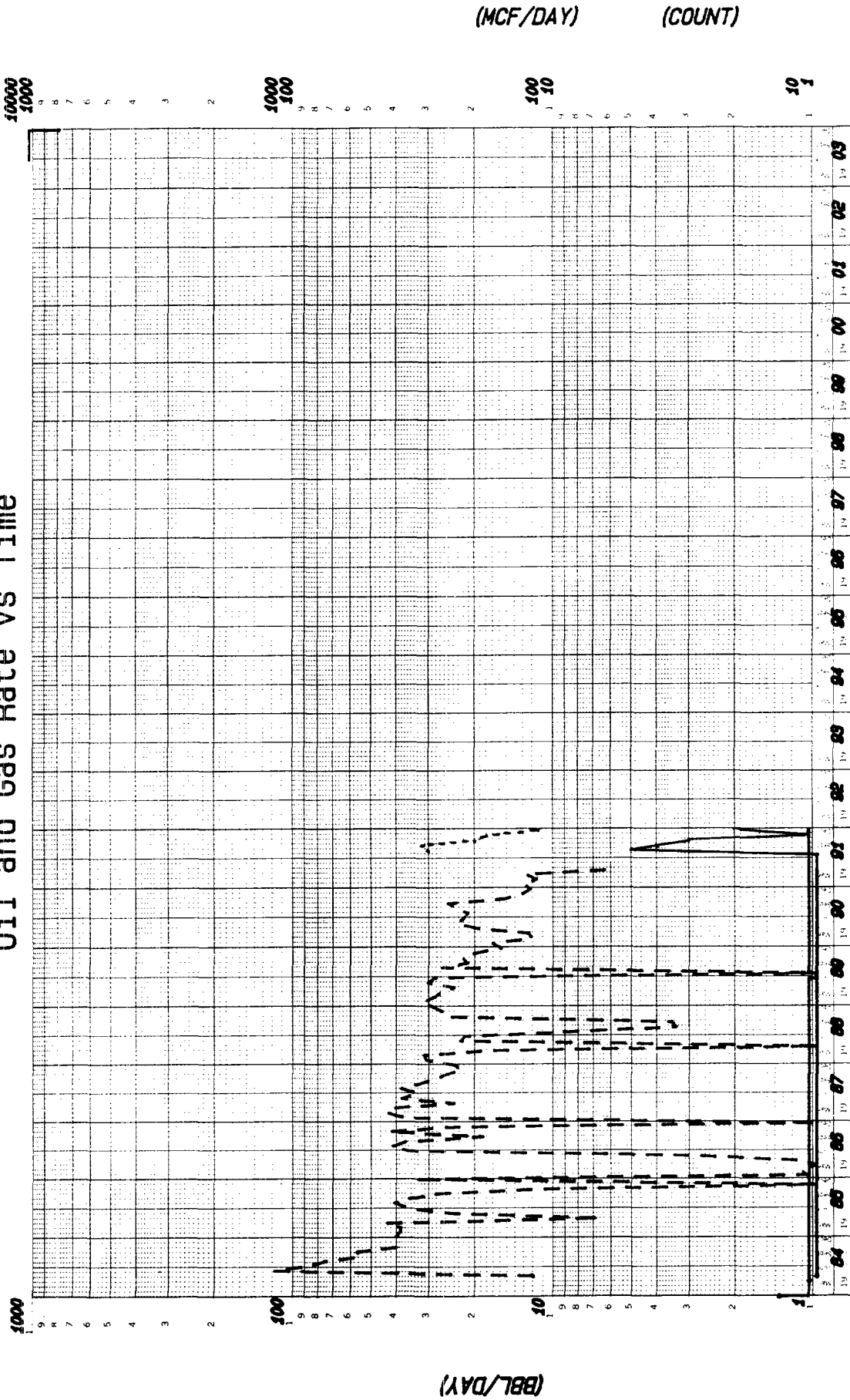
NC


Date: 03-12-92

Cumulative Bo : 364549

Cumulative Mcf: 16532453

# Oil and Gas Rate vs Time



UNOCAL 		ANDREWS DISTRICT	
Lease:	RED HILLS UNIT # 3		
Field:	RED HILLS (DEVONIAN)		
County:	LEA NM		
Operator:	UNITON OIL CO OF CAL		
Retrieval Code:	250, 025, 26S33E05K00DV		

LEGEND	
WELLS	—
OIL	—
GAS	- - -

DV Date: 03-12-92  
 Cumulative Bo : 0  
 Cumulative Mcf: 645992

T  
25  
S

T  
26  
S

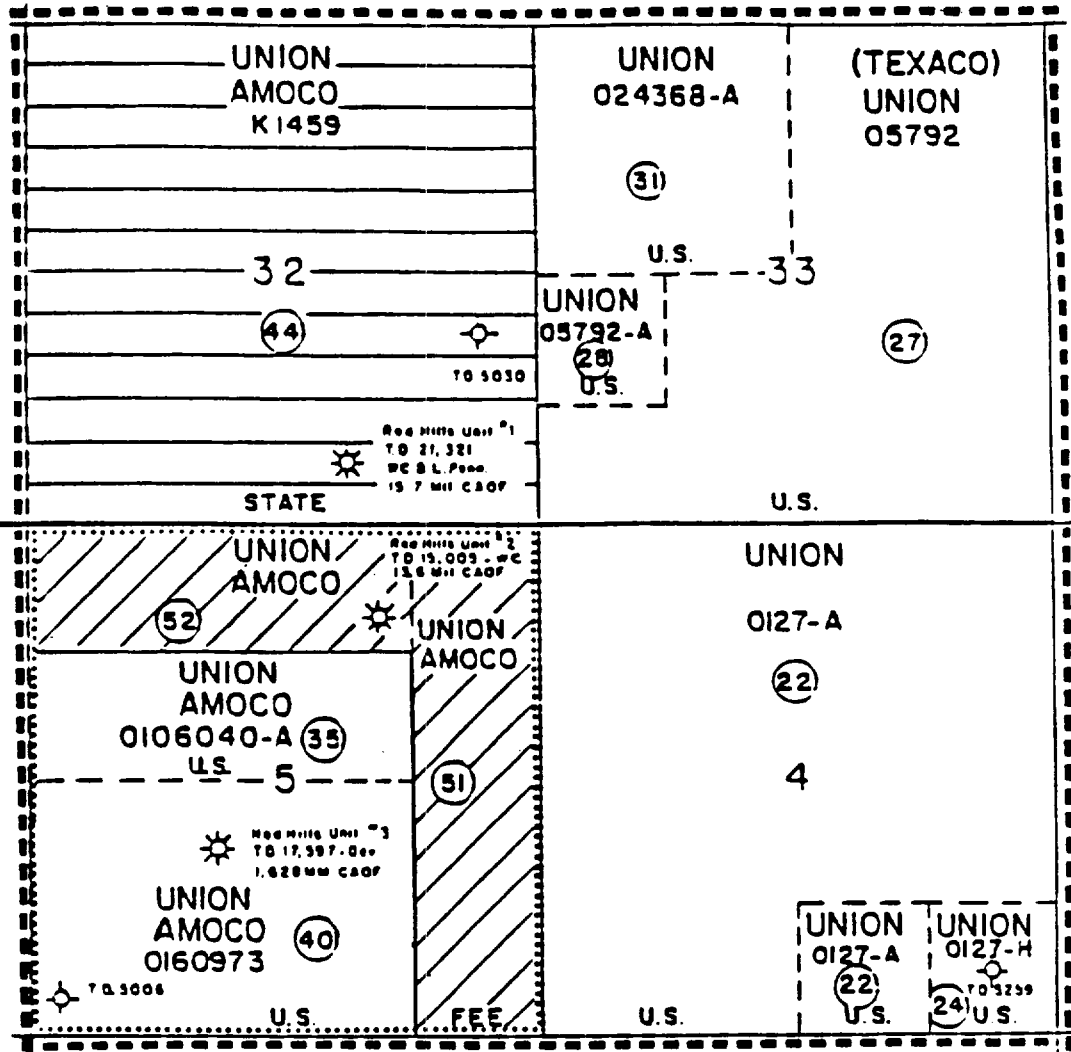


EXHIBIT "A"  
RED HILLS UNIT  
LEA COUNTY, NEW MEXICO




(2.2) TRACT NUMBER-EXHIBIT "B"

 PROPOSED PARTICIPATING AREA FOR THE PENNSYLVANIAN  
FORMATION RED HILLS UNIT NO. 3

☐ FEDERAL 1640 Ac 64.0625 %

	STATE	640 Ac:	25.0000 %
---	-------	---------	-----------

 FEE	<u>280 Ac.</u>	<u>10.9375 %</u>
	2560 Ac.	100.0000 %

Unocal North American  
Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 684-8231

#2671

3-7-91

**UNOCAL** 76

D-Unit letter

Southwestern Region

March 1, 1991

Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

RECEIVED

MAR 1 1991

OIL CONSERVATION DIVISION

RE: 1991 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two copies of Union's 1991 Plan of Development for the Red Hills Unit. Union plans to commence recompletion of the Red Hills #3 well on March 11, so an expedited approval would be appreciated.

Should you have any questions, please let me know.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA  
dba UNOCAL

*Linda H. Hicks*

Linda H. Hicks  
Supervisor of Contracts

LHH/jb  
Enclosures

1991 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay, Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1991 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1991.

SUMMARY OF 1990 OPERATIONS

A recompletion to add additional pay in the Red Hills Unit Well No. 3 was done in October, 1990. However, this recompletion was unsuccessful in that no increase in gas rate was observed. Also, 3-D seismic survey was done in the spring and is currently being analyzed. Production for 1990 is summarized in the table below.

<u>WELL NO.</u>	<u>COMPLETED INTERVAL</u>	<u>1990 PROD. MMCF + BC</u>	<u>CURRENT TEST MCFPD + BC</u>
Red Hills No. 1	Wolfcamp	51.3 + 927	143 + 2
Red Hills No. 2	Wolfcamp	405.8 + 4418	1075 + 11
Red Hills No. 3	Devonian	63.8 + 0	126 + 0

PLAN OF DEVELOPMENT FOR 1991

Union has no plans to drill any new wells in 1991. A recompletion of the Red Hills No. 3 to come uphole to the Pennsylvanian Atoka is scheduled for this year. Union also plans to clean out the Red Hills #1 well and recomplete in the Pennsylvanian and Devonian formations as a dual producer.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1st day of March, 1991.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA

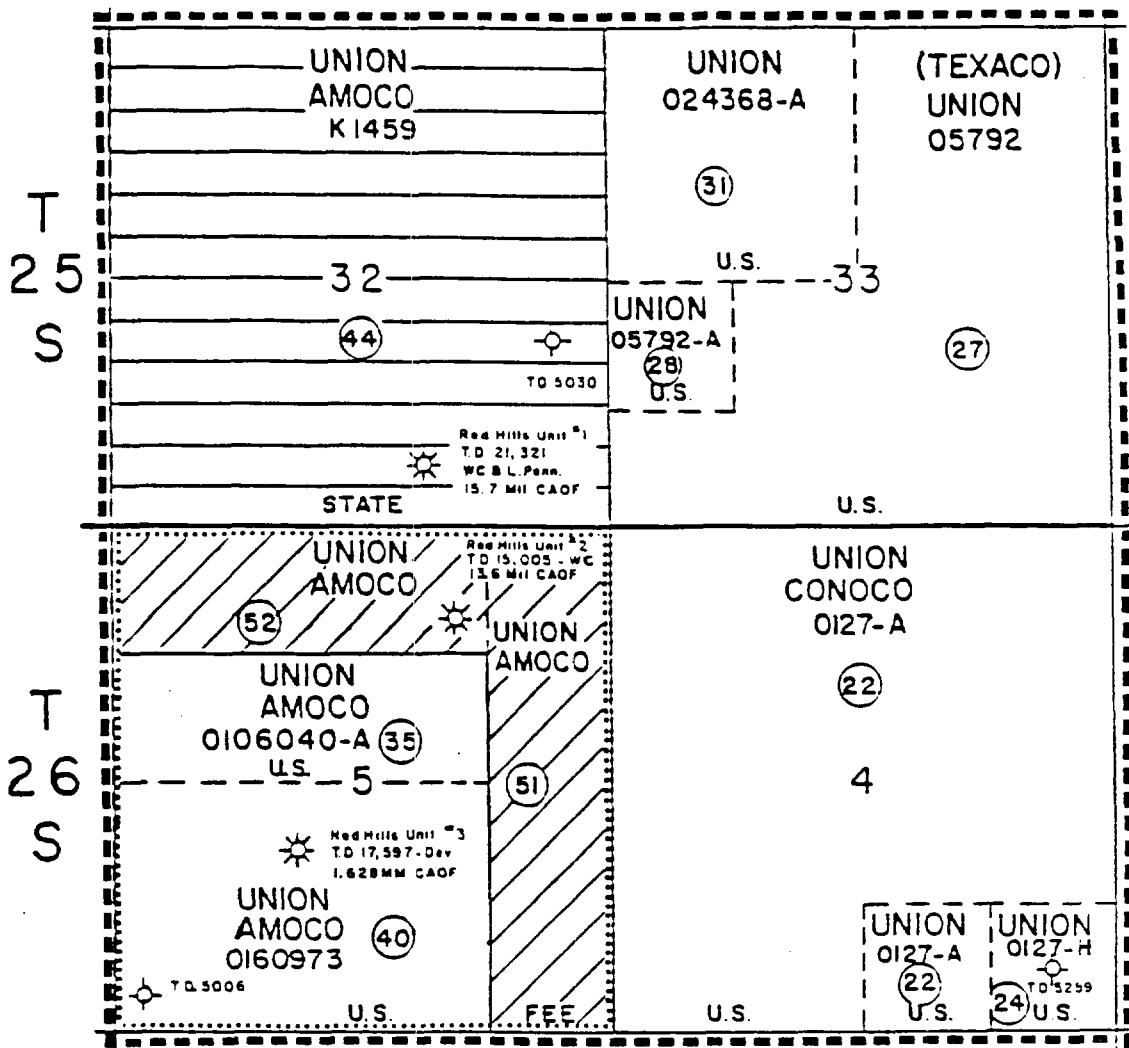
*Linda H. Hicks*

Linda H. Hicks  
Supervisor of Contracts

LHH/jb



R 33 E



# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO

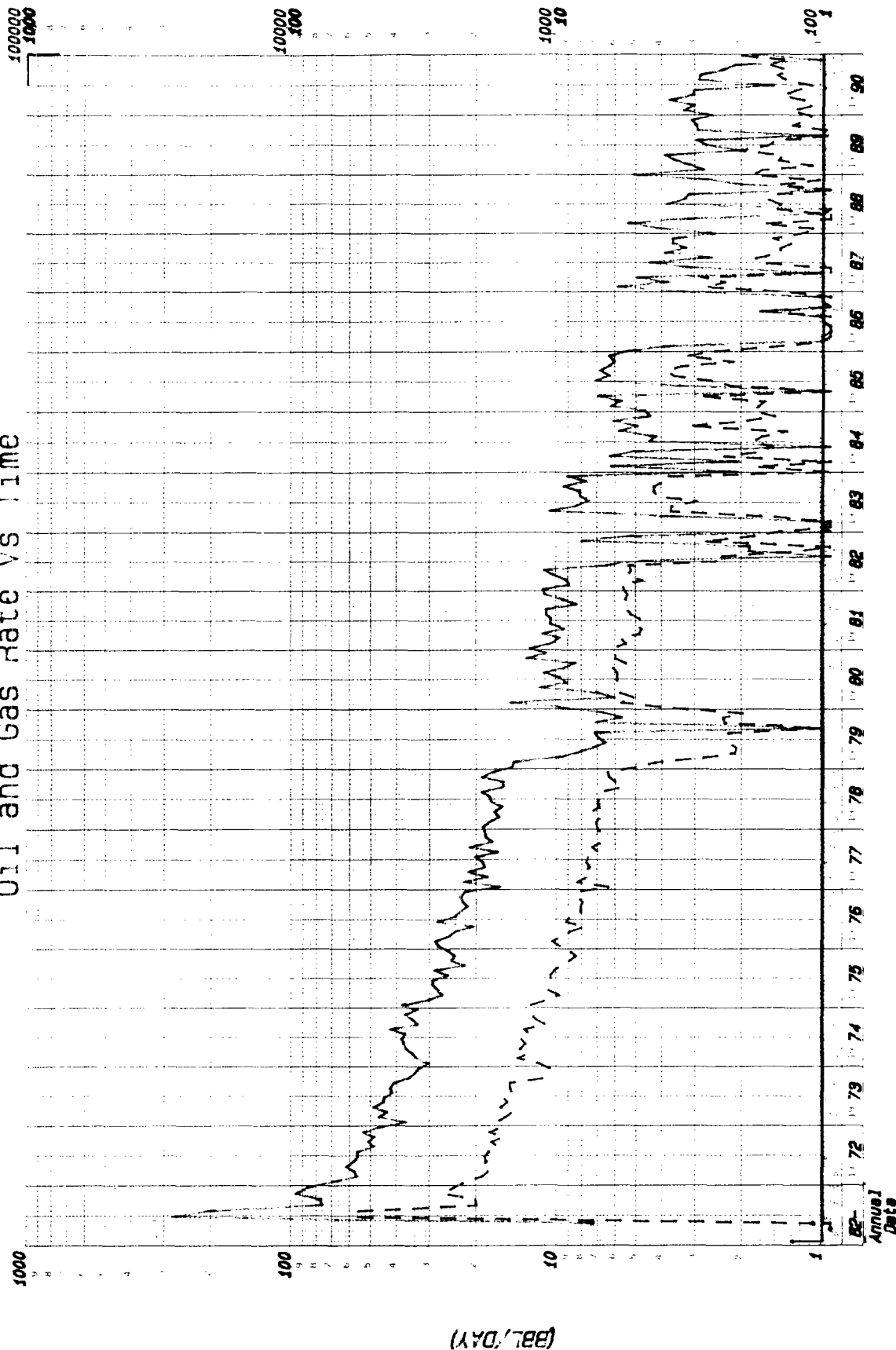


(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL	1640 Ac.	64.0625 %
STATE	640 Ac.	25.0000 %
FEE	280 Ac.	10.9375 %
	2560 Ac.	100.0000 %

# Oil and Gas Rate vs Time



UNOCAL  MIDLAND DISTRICT

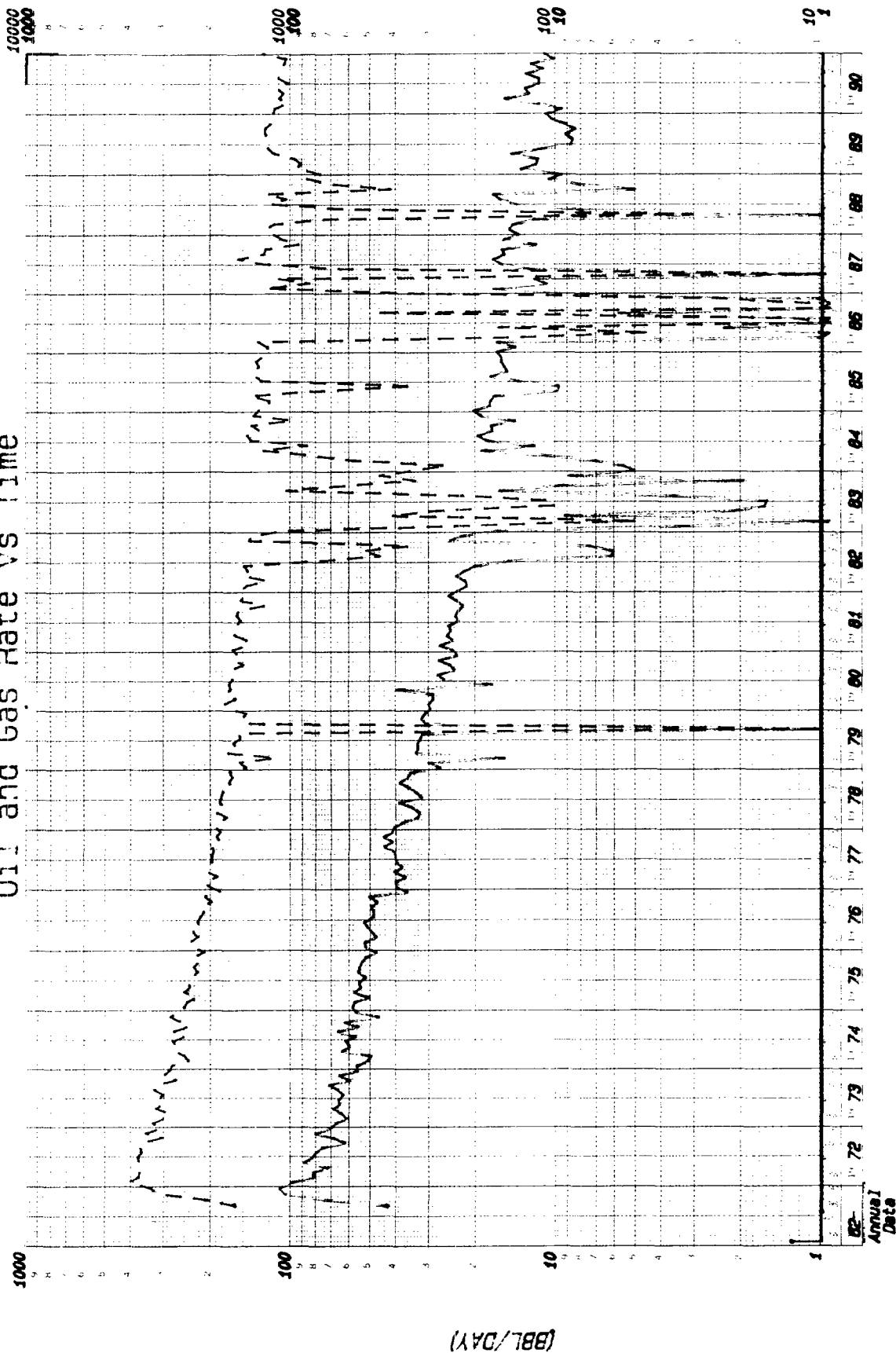
Lease: RED HILLS UNIT MC  
 Field: RED HILLS WOLF CAMP (GAS)  
 County: LEA NM  
 Operator: UNION OIL CO OF CAL  
 Retrieval Code: 250, 025, 25S33E32000MC

## LEGEND

WELLS —  
 OIL —  
 GAS —

Date: 01-28-91  
 Cumulative Bo: 701153  
 Cumulative Mcf: 18989072

# Oil and Gas Rate vs Time



UNOCAL (75) MIDLAND DISTRICT

Lease: RED HILLS UNIT  
 Field: RED HILLS WOLF CAMP (GAS)  
 County: LEA NM  
 Operator: UNION OIL CO OF CAL  
 Retrieval Code: 250, 025, 26S33E05B00NC

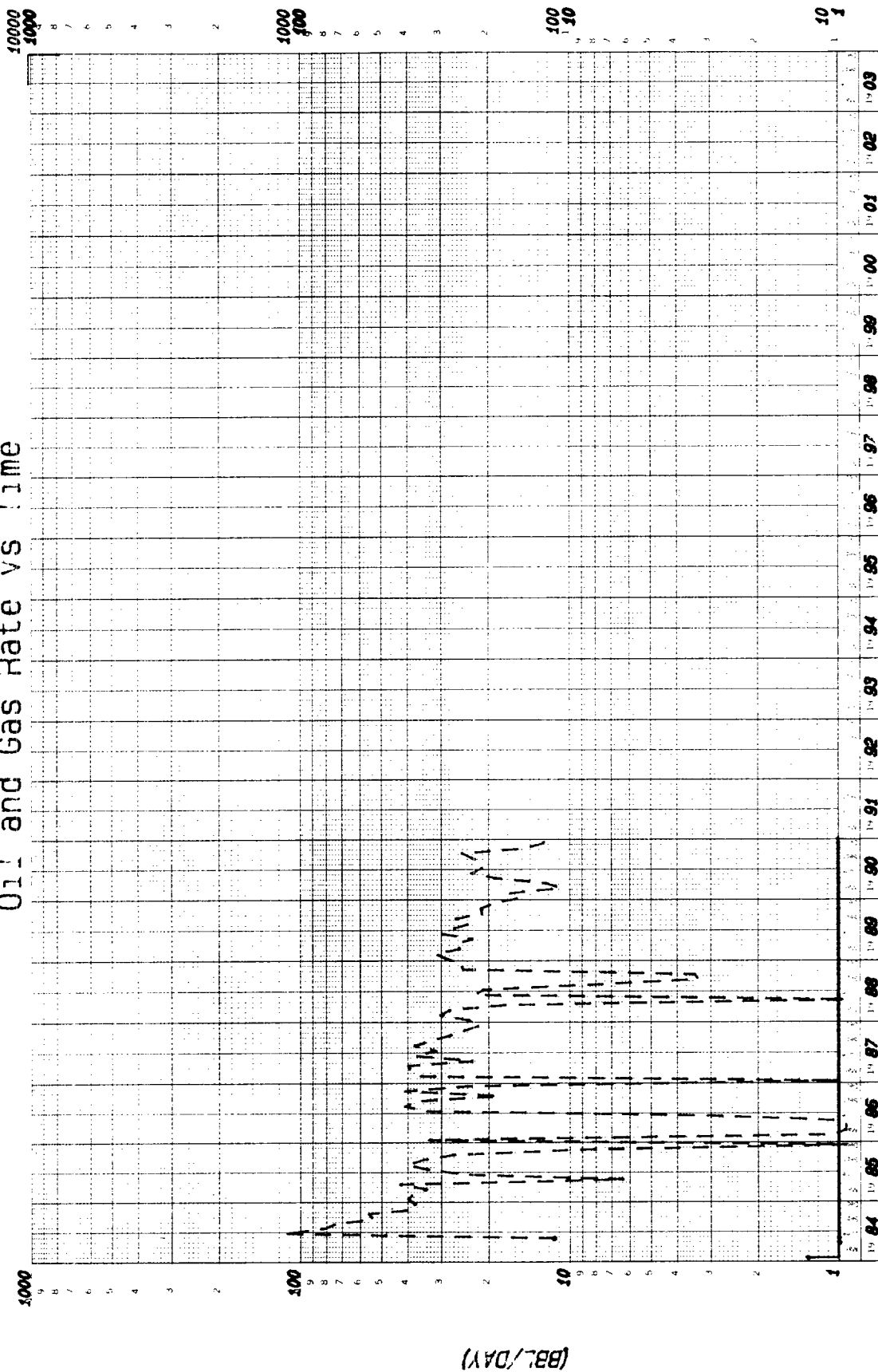
## LEGEND

WELLS  
 OIL  
 GAS

NC

Date: 01-28-91  
 Cumulative Bo: 443953  
 Cumulative Mcf: 18875305

# Oil and Gas Rate vs Time



UNOCAL MIDLAND DISTRICT

Lease: RED HILLS UNIT #3  
 Field: RED HILLS DEVONIAN (GAS)  
 County: LEA NM  
 Operator: UNION OIL CO OF CAL  
 Retrieval Code: 250, 025, 26533E05K000V

DV

Date: 01-28-91  
 Cumulative Bo: 0  
 Cumulative Mcf: 640702

## LEGEND

WELLS  
 OIL  
 GAS



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

March 7, 1991  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Unocal North American Oil  
& Gas Division  
P. O. Box 3100  
Midland, Texas 79702

Attention: Linda H. Hicks

Re: 1991 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Dear Ms. Hicks:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

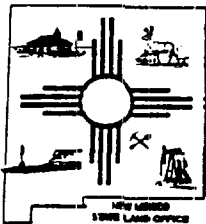
Sincerely,

A handwritten signature in dark ink, appearing to read "Roy E. Johnson".

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands  
Bureau of Land Management



State of New Mexico  
Commissioner of Public Lands

#2671

W. R. Humphries  
COMMISSIONER April 27, 1990

Advisory Board

George Clark  
Chairman

Kristin Conniff  
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

UNOCAL

P.O. Box 3100

Midland, Texas 79702

ATTN: Ms. Linda Hicks

RE: Red Hills Unit  
1990 Plan of Development

Gentlemen:

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

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

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

Very truly yours,

W.R. HUMPHRIES,  
COMMISSIONER OF PUBLIC LANDS

BY:

*Floyd O. Prando*

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

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

WRH/FOP/SMH

State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

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

October 4, 1990

Mr. Jim Rose, District Land Manager  
UNOCAL North American Oil & Gas Division  
1004 North Big Spring Street, Suite 300  
P.O. Box 3100  
Midland, TX 79702

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

Dear Mr. Rose:

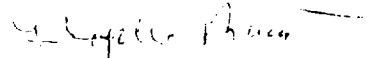
The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Red Hills Unit. Our approval is subject to like approval by all other appropriate agencies.

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

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

Sincerely,

W. R. HUMPHRIES

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

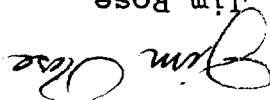
cc: OCD  
Unit Corresp.  
Unit POD

OK'd  
10-2-90

Enclosures

JR:pn

Jim Rose  
District Land Manager



Union Oil Company of California  
dba Unocal

Sincerely yours,

Please find enclosed for your approval two copies of Union's  
Amended 1990 Plan of Development for the Red Hills Unit.  
Should you have any questions, please let me know.

Gentlemen:

Re: Amended 1990 Plan  
of Development  
Red Hills Unit  
Lea County, New Mexico  
Union's Red Hills Prospect  
(1783)

Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088  
Attn: Mr. William J. Lemay,  
Director

September 25, 1990

Southwestern Region

**UNOCAL**

Unocal North American  
Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, Suite 300  
P. O. Box 3100  
Midland, Texas 79702  
Telephone (915) 684-8231

SEP 28 PM 9 21  
DIVISION

D-UNIT LETTER  
742

#2671



AMENDED  
1990 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

RECEIVED  
OIL CONSERVATION DIVISION  
SEP 28 1990  
'90 SEP 28 AM 9 21

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1990 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1990.

SUMMARY OF 1989 OPERATIONS:

No new wells were drilled in 1989. An attempt to clean out plugged tubing in the Atoka side of the Red Hills No. 1 revealed that the tubing string is parted. The Atoka is still shut-in in this well. Production for the year is summarized in the table below.

<u>Well No.</u>	<u>Completed Interval</u>	<u>1989 Prod. MMCF + BC</u>	<u>Current Test MCF/D + BC</u>
Red Hills No. 1	Wolfcamp	48.5 + 1042	110 + 3
Red Hills No. 2	Wolfcamp	419.8 + 3974	1154 + 11
Red Hills No. 3	Devonian	87.4 + 0	151 + 0

Plan of Development for 1990

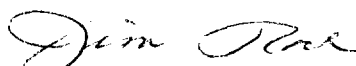
Union has no plans to drill any new wells in 1990. We plan to abandon the Wolfcamp formation in the Red Hills No. 1 well and complete same in the Pennsylvanian and Devonian formation. A recompletion of the Red Hills No. 3 to add additional Devonian pay is scheduled for this year. A 3-D seismic survey is scheduled for the spring of 1990 to determine optimum well locations, reservoir facies geometry and areal extent. Also, a reservoir study of the Wolfcamp formation will be performed using pressure transient analyses.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 25th day of September, 1990.

Sincerely yours,

Union Oil Company of California  
dba Unocal



Jim Rose  
District Land Manager

#2671  
Unocal North American  
Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, Suite 300  
P.O. Box 3100  
Midland, Texas 79702  
Telephone (915) 684-8231  
MAR 29 AM 9 14

**UNOCAL** 

Southwestern Region

March 28, 1990

Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Re: 1990 Plan of Development  
~~Red Hills Unit~~  
Lea County, New Mexico  
Union's Red Hills Prospect  
(1783)

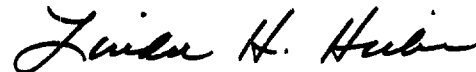
Gentlemen:

Please find enclosed for your approval two copies of Union's  
1990 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely yours,

Union Oil Company of California



Linda H. Hicks  
Supervisor of Contracts

LHH:jpp

Enclosures

1990 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1990 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1990.

SUMMARY OF 1989 OPERATIONS:

No new wells were drilled in 1989. An attempt to clean out plugged tubing in the Atoka side of the Red Hills No. 1 revealed that the tubing string is parted. The Atoka is still shut-in in this well. Production for the year is summarized in the table below.

<u>Well No.</u>	<u>Completed Interval</u>	<u>1989 Prod. MMCF + BC</u>	<u>Current Test MCF/D + BC</u>
Red Hills No. 1	Wolfcamp	48.5 + 1042	110 + 3
Red Hills No. 2	Wolfcamp	419.8 + 3974	1154 + 11
Red Hills No. 3	Devonian	87.4 + 0	151 + 0

Plan of Development for 1990

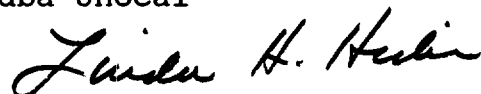
Union has no plans to drill any new wells in 1990. A recompletion of the Red Hills No. 3 to add additional Devonian pay is scheduled for this year. A 3-D seismic survey is scheduled for the spring of 1990 to determine optimum well locations, reservoir facies geometry and areal extent. Also, a reservoir study of the Wolfcamp formation will be performed using pressure transient analyses.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 26 day of March, 1990.

Sincerely yours,

Union Oil Company of California  
dba Unocal



Linda H. Hicks  
Supervisor of Contracts

Red Hills Unit #1

	Condensate <u>(Bbls)</u>	Gas <u>(MCF)</u>
<u>1988</u>		
Jan.	126	3221
Feb.	167	5190
Mar.	98	3003
Apr.	0	131
May	7	4760
June	120	4428
July	102	4965
Aug.	98	4692
Sept.	22	1605
Oct.	62	4536
Nov.	84	3161
Dec.	160	5691
<u>1989</u>		
Jan.	86	5227
Feb.	97	3360
Mar.	111	4522
Apr.	121	4357
May	61	6376
June	84	4948
July	92	4587
Aug.	31	2041
Sept.	91	2082
Oct.	92	4002
Nov.	96	3569
Dec.	80	3395

Red Hills Wolfcamp

Red Hills Unit #2

	<u>Condensate</u> <u>(Bbls)</u>	<u>Gas</u> <u>(MCF)</u>
<u>1988</u>		
Jan.	464	38116
Feb.	448	35668
Mar.	372	22351
Apr.	0	953
May	249	18598
June	434	36528
July	500	31926
Aug.	534	37973
Sept.	155	12907
Oct.	250	21827
Nov.	329	26761
Dec.	293	23759
<u>1989</u>		
Jan.	420	29200
Feb.	365	28198
Mar.	358	22910
Apr.	454	35636
May	355	37699
June	269	36916
July	266	38060
Aug.	284	38513
Sept.	260	38603
Oct.	285	36335
Nov.	321	34901
Dec.	337	35782

Red Hills - WOLF CAMP

# Red Hills Unit #3

	<p>Condensate (Bbls)</p>	<p>Gas (MCF)</p>
<u>1988</u>		
Jan.	0	1930
Feb.	0	8438
Mar.	0	5268
Apr.	0	140
May	0	6776
June	0	6312
July	0	2337
Aug.	0	1002
Sept.	0	1043
Oct.	0	7518
Nov.	0	7631
Dec.	0	8592
<u>1989</u>		
Jan.	0	9472
Feb.	0	7688
Mar.	0	7985
Apr.	0	6855
May	0	9003
June	0	8181
July	0	7119
Aug.	0	7942
Sept.	0	6361
Oct.	0	6413
Nov.	0	5729
Dec.	0	4684

Red Hills - Devonian

R 33 E

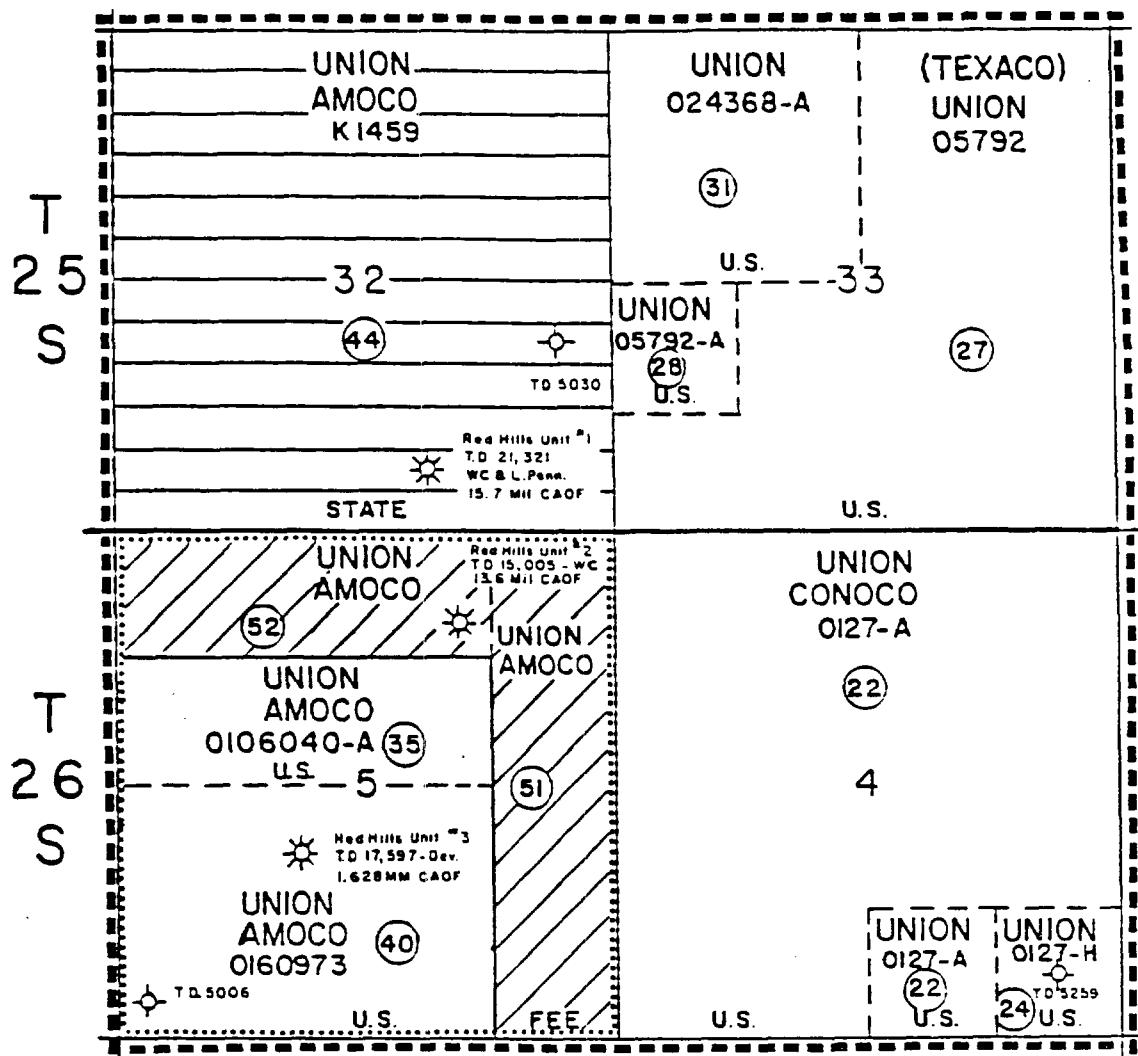


EXHIBIT "A"  
RED HILLS UNIT  
LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL 1640 Ac. 64.0625 %

STATE 640 Ac. 25.0000 %

FEE 280 Ac. 10.9375 %

2560 Ac. 100.0000 %

1990 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1990 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1990.

SUMMARY OF 1989 OPERATIONS:

No new wells were drilled in 1989. An attempt to clean out plugged tubing in the Atoka side of the Red Hills No. 1 revealed that the tubing string is parted. The Atoka is still shut-in in this well. Production for the year is summarized in the table below.

<u>Well No.</u>	<u>Completed Interval</u>	<u>1989 Prod. MMCF + BC</u>	<u>Current Test MCF/D + BC</u>
Red Hills No. 1	Wolfcamp	48.5 + 1042	110 + 3
Red Hills No. 2	Wolfcamp	419.8 + 3974	1154 + 11
Red Hills No. 3	Devonian	87.4 + 0	151 + 0

Plan of Development for 1990

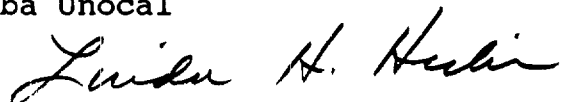
Union has no plans to drill any new wells in 1990. A recompletion of the Red Hills No. 3 to add additional Devonian pay is scheduled for this year. A 3-D seismic survey is scheduled for the spring of 1990 to determine optimum well locations, reservoir facies geometry and areal extent. Also, a reservoir study of the Wolfcamp formation will be performed using pressure transient analyses.

This plan may be modified or supplemented from time to time with the approval needed, when necessary, to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 26 day of March, 1990.

Sincerely yours,

Union Oil Company of California  
dba Unocal



Linda H. Hicks  
Supervisor of Contracts



# Red Hills Unit #1

	Condensate (Bbls)	Gas (MCF)
<u>1988</u>		
Jan.	126	3221
Feb.	167	5190
Mar.	98	3003
Apr.	0	131
May	7	4760
June	120	4428
July	102	4965
Aug.	98	4692
Sept.	22	1605
Oct.	62	4536
Nov.	84	3161
Dec.	160	5691
<u>1989</u>		
Jan.	86	5227
Feb.	97	3360
Mar.	111	4522
Apr.	121	4357
May	61	6376
June	84	4948
July	92	4587
Aug.	31	2041
Sept.	91	2082
Oct.	92	4002
Nov.	96	3569
Dec.	80	3395

*Red Hills Wolfcamp*

Red Hills Unit #2

	<u>Condensate</u> <u>(Bbls)</u>	<u>Gas</u> <u>(MCF)</u>
<u>1988</u>		
Jan.	464	38116
Feb.	448	35668
Mar.	372	22351
Apr.	0	953
May	249	18598
June	434	36528
July	500	31926
Aug.	534	37973
Sept.	155	12907
Oct.	250	21827
Nov.	329	26761
Dec.	293	23759
<u>1989</u>		
Jan.	420	29200
Feb.	365	28198
Mar.	358	22910
Apr.	454	35636
May	355	37699
June	269	36916
July	266	38060
Aug.	284	38513
Sept.	260	38603
Oct.	285	36335
Nov.	321	34901
Dec.	337	35782

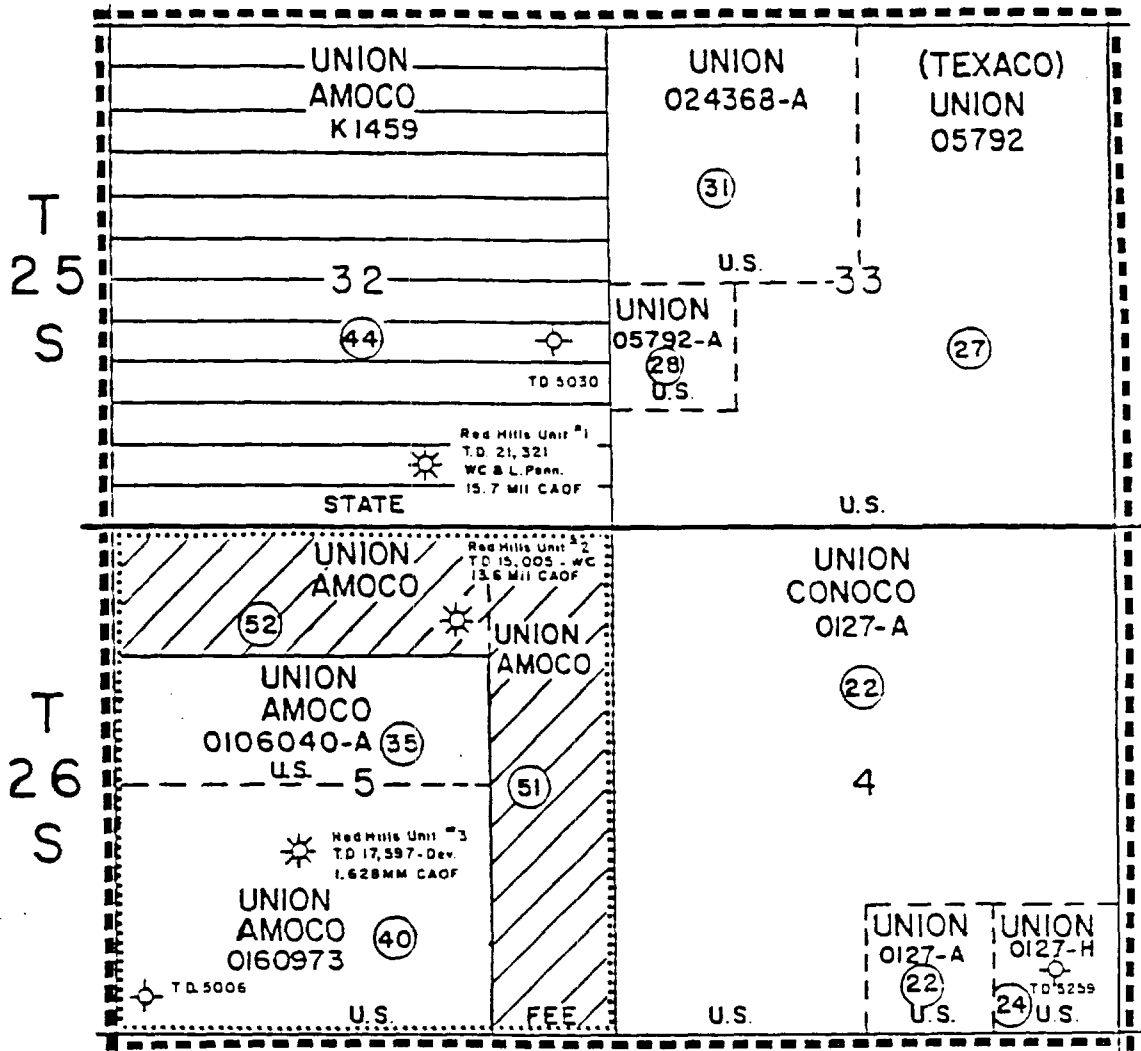
Red Hills - Wolfcamp

# Red Hills Unit #3

	<p>Condensate (Bbls)</p>	<p>Gas (MCF)</p>
<u>1988</u>		
Jan.	0	1930
Feb.	0	8438
Mar.	0	5268
Apr.	0	140
May	0	6776
June	0	6312
July	0	2337
Aug.	0	1002
Sept.	0	1043
Oct.	0	7518
Nov.	0	7631
Dec.	0	8592
<u>1989</u>		
Jan.	0	9472
Feb.	0	7688
Mar.	0	7985
Apr.	0	6855
May	0	9003
June	0	8181
July	0	7119
Aug.	0	7942
Sept.	0	6361
Oct.	0	6413
Nov.	0	5729
Dec.	0	4684

Red Hills - Devonian

R 33 E



# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

	FEDERAL	1640 Ac.	64.0625 %
	STATE	640 Ac.	25.0000 %
	FEE	280 Ac.	10.9375 %
		2560 Ac.	100.0000 %

Unocal Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, P.O. Box 671  
Midland, Texas 79702  
Telephone (915) 682-9731

2671

**UNOCAL** 

**RECEIVED**

JUL 24 1989

July 21, 1989

OIL CONSERVATION DIV.  
SANTA FE

Midland District  
Central Region

Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Re: Amended 1989 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Union's Red Hills Prospect (1783)


Gentlemen:

Please find enclosed for your approval two copies of Union's  
Amended 1989 Plan of Development for the Red Hills Unit.

Should you have any questions, please contact the undersigned.

Yours truly,

Union Oil Company of California  
dba UNOCAL

  
Larry Murphy  
District Landman

JLM:jpp

Enclosures

AMENDED  
1989 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1989 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1989.

SUMMARY OF 1988 OPERATIONS:

No new wells were drilled in 1988. Production for the past year is summarized in the table below.

<u>Unit Well No.</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
1	45,400	1081
2	307,400	4285
3	64,200	--

PLAN OF DEVELOPMENT FOR 1989

The Red Hills Unit Well No. 1 was drilled in 1964 to the Weathered Basement formation to a depth of 21,321 ft. During initial completion procedures, various zones of interest were tested including the Siluro-Devonian which had a CAOF of 25 MMCFPD. This interval was squeezed after a gas analysis obtained, via a drill stem test, showed the gas to be sour and no market was available at the time. After working up the hole, the Wolfcamp and Pennsylvanian Atoka were completed and two strings of 2-7/8" tubing were run for dual production. The Wolfcamp potentialized with a CAOF of 15.75 MMCFPD plus 40 BC/MMCF on January 29, 1965 and has a cumulative production of 12.64 BCF plus 433.3 MBC to date. The Wolfcamp currently produces 320 MCFPD through a 20/64" choke and 300 psia FTP. The Pennsylvanian Atoka is perforated at 14,607-788' and 14,840-864' and had a CAOF of 26.5 MMCFPD on December 26, 1964. The Atoka was tested for many days with varying choke sizes and rates from 10 to 18 MMCFPD while attaining a cumulative production of 235 MMCF. When the choke size was increased, the tubing would then plug off due to the release of shale, sand, and cement because of the high production

1989 Plan of Development  
Red Hills Unit Area  
June 22, 1989  
Page 2

rate. It was unplugged by pumping heated oil and brine down the tubing until pressure was encountered and then bull headed at a slow rate. The Atoka was opened and produced at a rate of 5.75 to 8.5 MMCFPD until it subsequently plugged off. These steps were repeated twice until it plugged off for the third time and was shut-in on January 12, 1965 and has remained shut-in since.

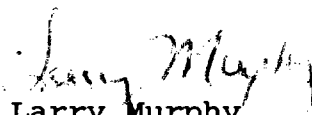
Union is currently planning to clean out plugged tubing and liner of the Pennsylvanian Atoka formation and restore the Atoka formation to a producing status. Our plan is subject to final Management approval as well as approval of the Working Interest Owners. The well is planned for a dual producer from the Atoka and Wolfcamp formations.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties in the Unit Agreement.

Submitted this 21<sup>st</sup> day of July, 1989.

Sincerely yours,

Union Oil Company of California

  
Larry Murphy  
Landman

JLM:jpp

AMENDED  
1989 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1989 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1989.

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1989 Plan of Development  
Red Hills Unit Area  
June 22, 1989  
Page 2

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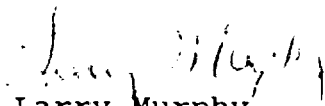
Union is currently planning to clean out plugged tubing and liner of the Pennsylvanian Atoka formation and restore the Atoka formation to a producing status. Our plan is subject to final Management approval as well as approval of the Working Interest Owners. The well is planned for a dual producer from the Atoka and Wolfcamp formations.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties in the Unit Agreement.

Submitted this 20th day of July, 1989.

Sincerely yours,

Union Oil Company of California

  
Larry Murphy  
Landman

JLM:jpp

State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

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

July 26, 1989

#2671

UNOCAL Oil and Gas Division  
P.O. Box 671  
Midland, Texas 79702

ATTN: Larry Murphy

RE: 1989 Plan of Development - First Amendment  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

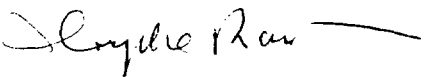
The Commissioner of Public Lands has this date approved the First Amendment to the above captioned 1989 Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files. If we may be of further help, please do not hesitate to contact us.

Very truly yours,

W.R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

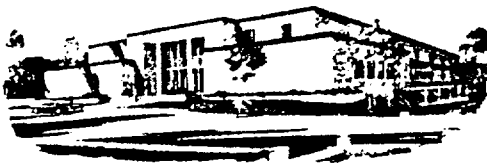
BY:

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

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

WRH/FOP/SMH

State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER

Commissioner of Public Lands

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

SLO REF NO. OG-1061

March 27, 1989

#2671

UNOCAL Oil & Gas Division  
Attn: Linda H. Hicks  
P.O. Box 671  
Midland, Texas 79702

Re: 1989 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

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

Enclosed is an approved copy for your files.

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

Very truly yours,

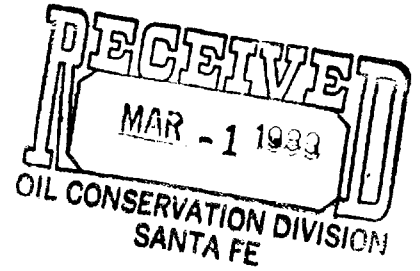
W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

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

cc: OCD  
BLM

Unocal Oil & Gas Division  
Unocal Corporation  
1004 North Big Spring Street, P.O. Box 671  
Midland, Texas 79702  
Telephone (915) 682-9731

**UNOCAL** 76



Midland District  
Central Region

February 27, 1989

Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

1989 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Union's Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two copies of Union's 1989 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely yours,

Union Oil Company of California

A handwritten signature in cursive script that reads "Linda H. Hicks".

Linda H. Hicks  
Landman

LHH:jpp

Enclosures

1989 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1989 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1989.

SUMMARY OF 1988 OPERATIONS:

No new wells were drilled in 1988. Production for the past year is summarized in the table below.

<u>Unit Well No.</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
1	45,400	1081
2	307,400	4285
3	64,200	--

PLAN OF DEVELOPMENT FOR 1989


No wells are planned for 1989.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties in the Unit Agreement.

Submitted this 27 day of February, 1989.

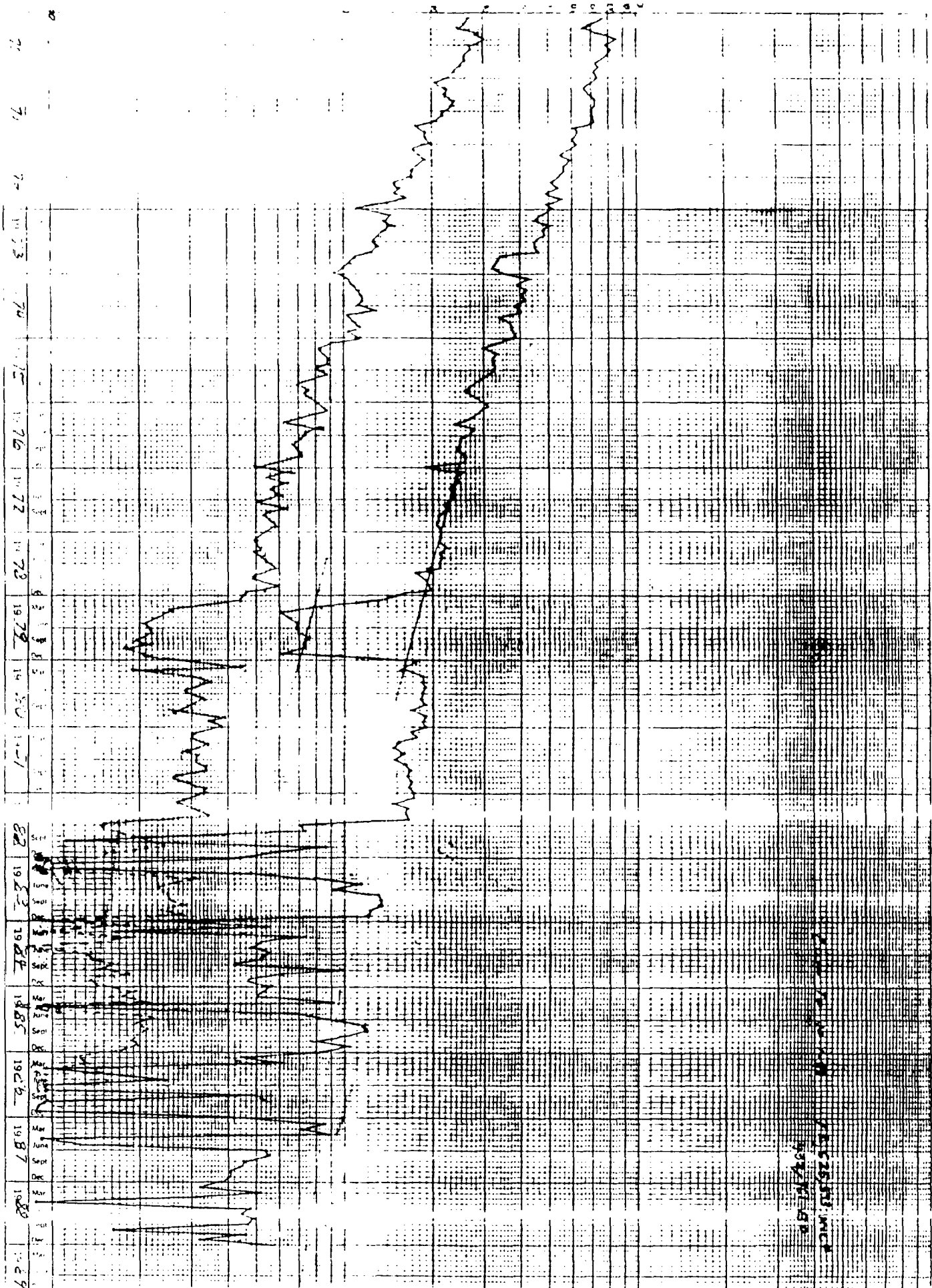
Sincerely yours,

Union Oil Company of California

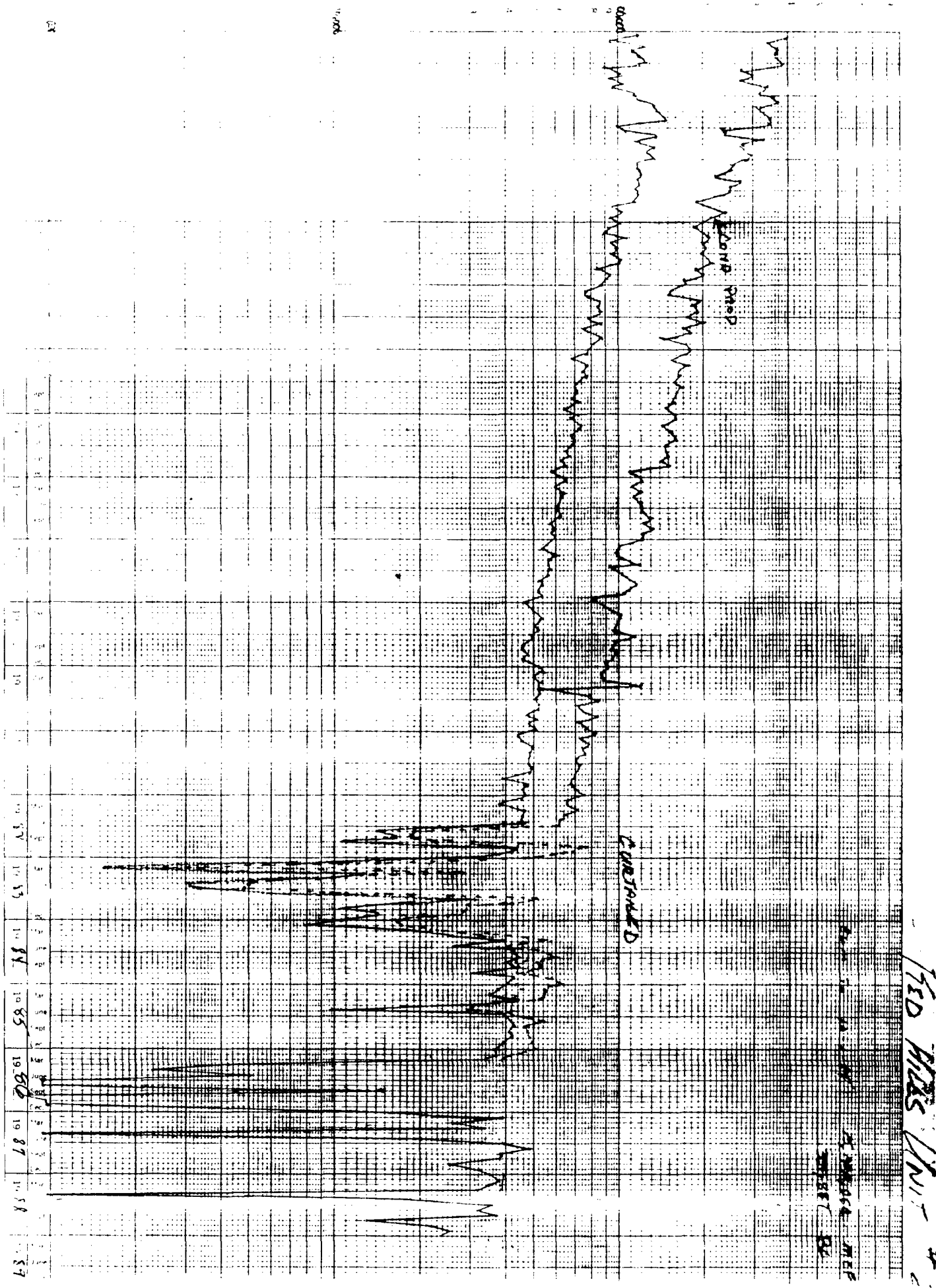
  
Hugh H. Herndon  
District Land Manager

HHH:LHH:jpp

Field Memo Red Hills Unit - R.H. 6061 Camp No. 1



CONDENSATE BPM



CONDENSATE PRODUCTION BPM

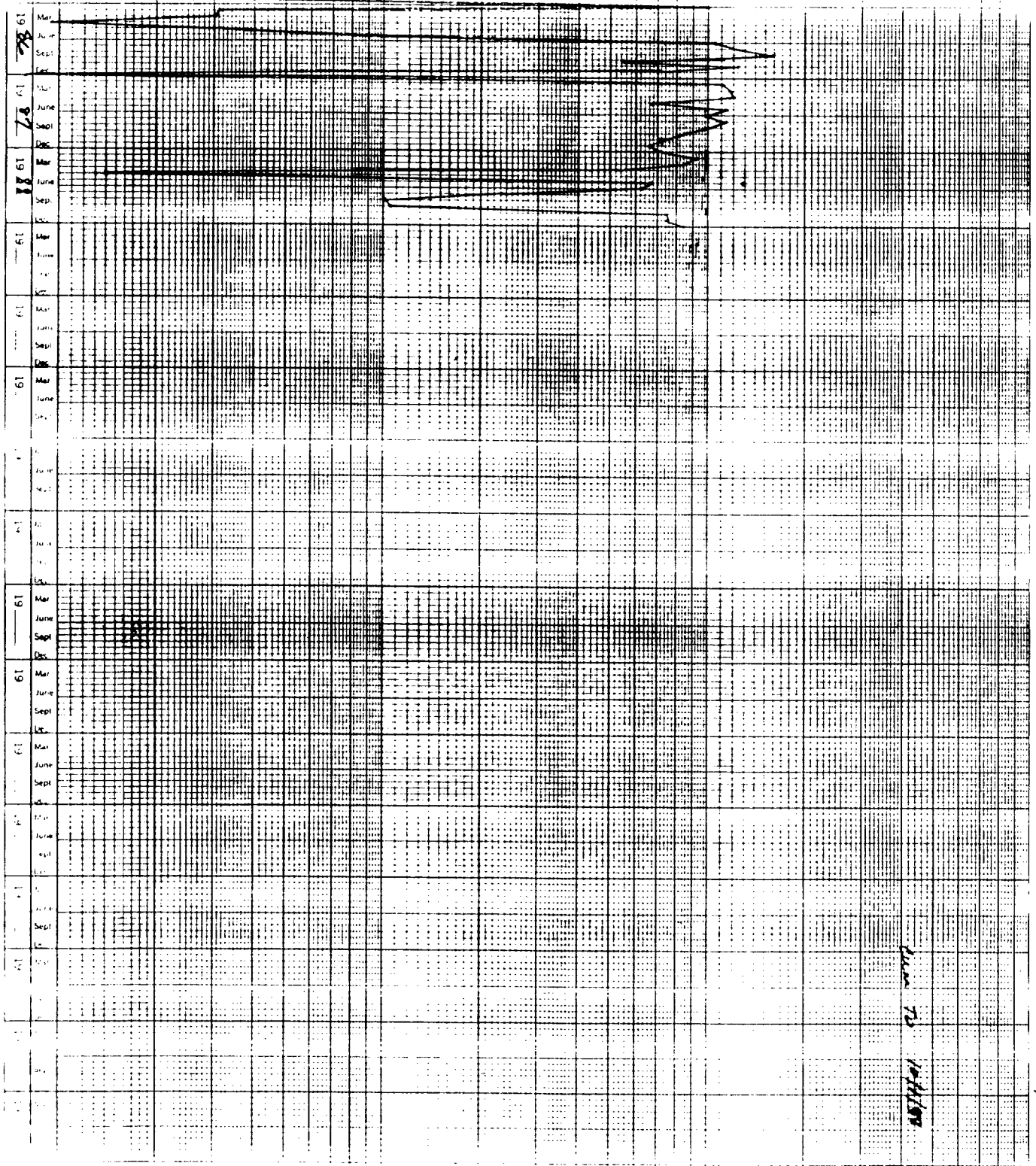
20,000

20,000

20,000

RED HILLS DAVENIAN  
RED HILLS UNIT #3

From 70 to 104,100  
465, 765 mcf



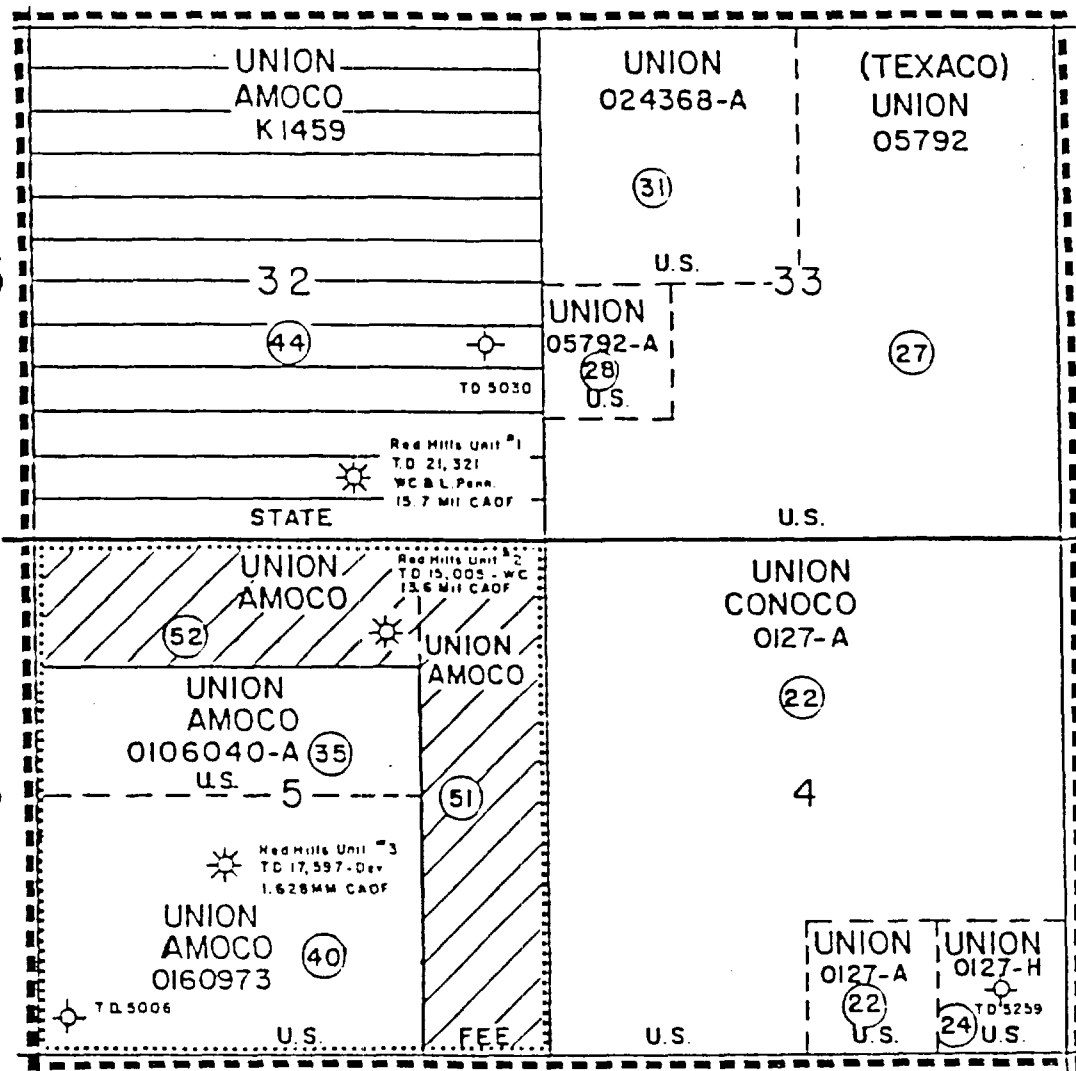
64  
53



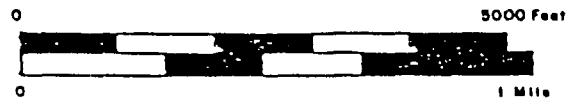
R 33 E

T  
25  
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S



# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

	FEDERAL	1640 Ac.	64.0625 %
	STATE	640 Ac.	25.0000 %
	FEE	280 Ac.	10.9375 %
		2560 Ac.	100.0000 %

1989 PLAN OF DEVELOPMENT  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. William J. LeMay,  
Director

Union Oil Company of California as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1989 Plan of Development for the Red Hills Unit Area. This Plan is for the period ending December 31, 1989.

SUMMARY OF 1988 OPERATIONS:

No new wells were drilled in 1988. Production for the past year is summarized in the table below.

<u>Unit Well No.</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
1	45,400	1081
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3	64,200	--

PLAN OF DEVELOPMENT FOR 1989

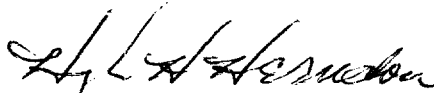
No wells are planned for 1989.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties in the Unit Agreement.

Submitted this 27 day of February, 1989.

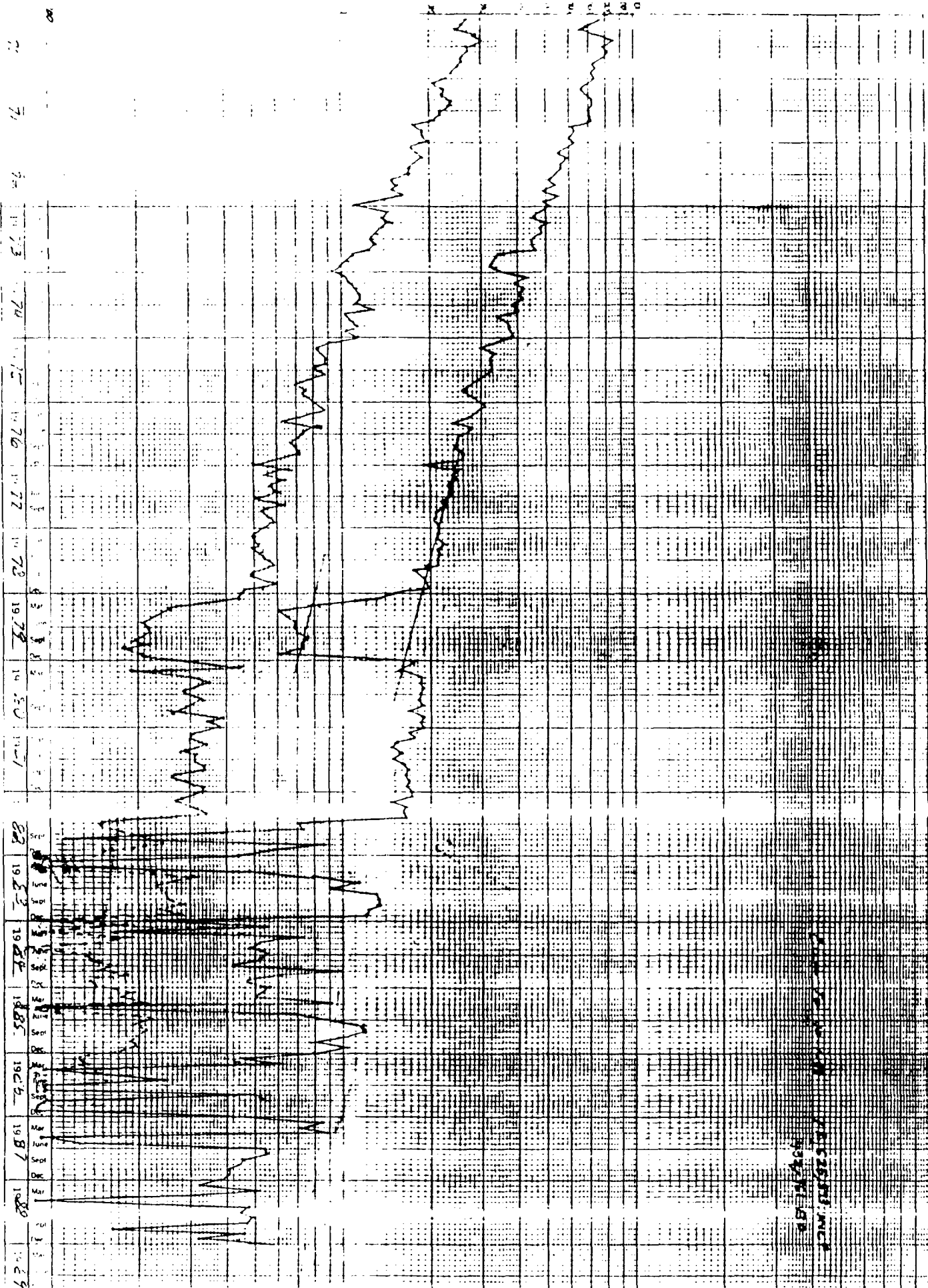
Sincerely yours,

Union Oil Company of California

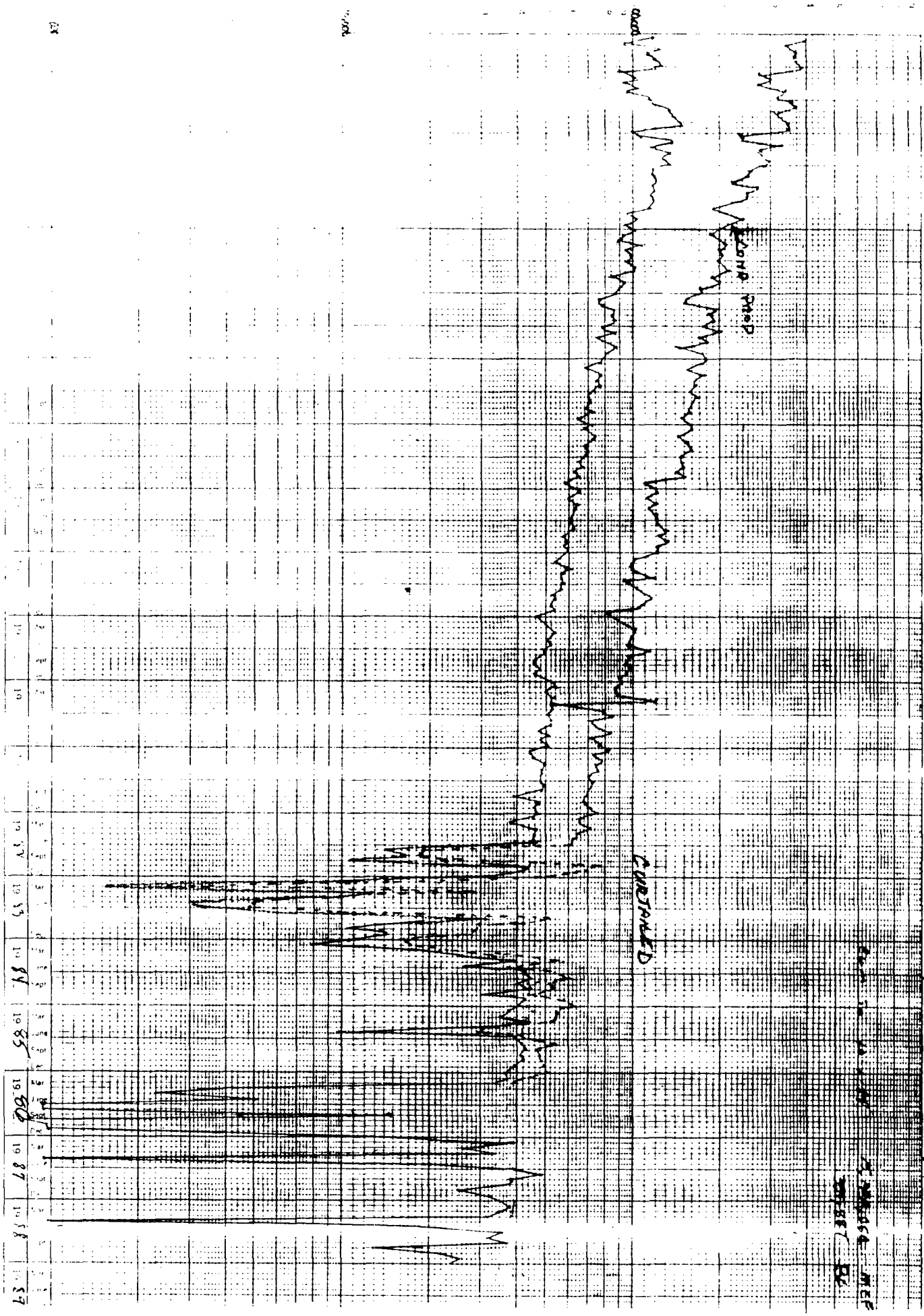
  
Hugh H. Herndon  
District Land Manager

HHH:LHH:jpp

Red Hill Unit - K.H. Wolfcamp No. 1



CONDUCTIVITY 13PM



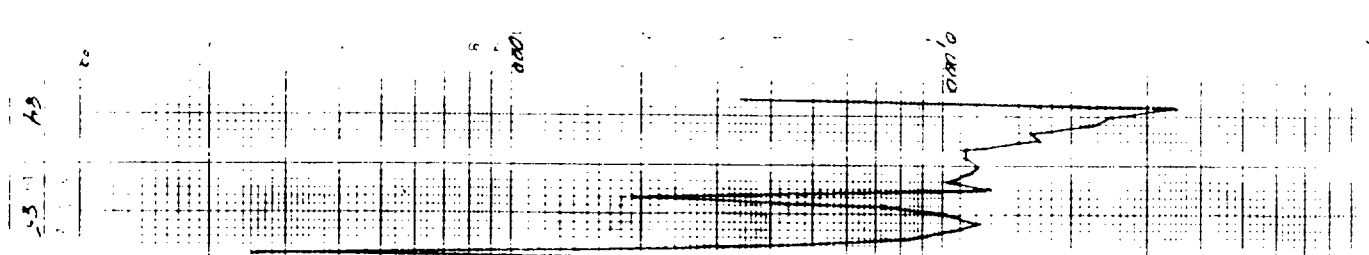
1300 HRS UNIT 4

CONDENSATE PRODUCTION

CONDENSATE PRODUCTION BPM

$i\omega, i\omega$

465, 785 mcs



3

1000

R 33 E

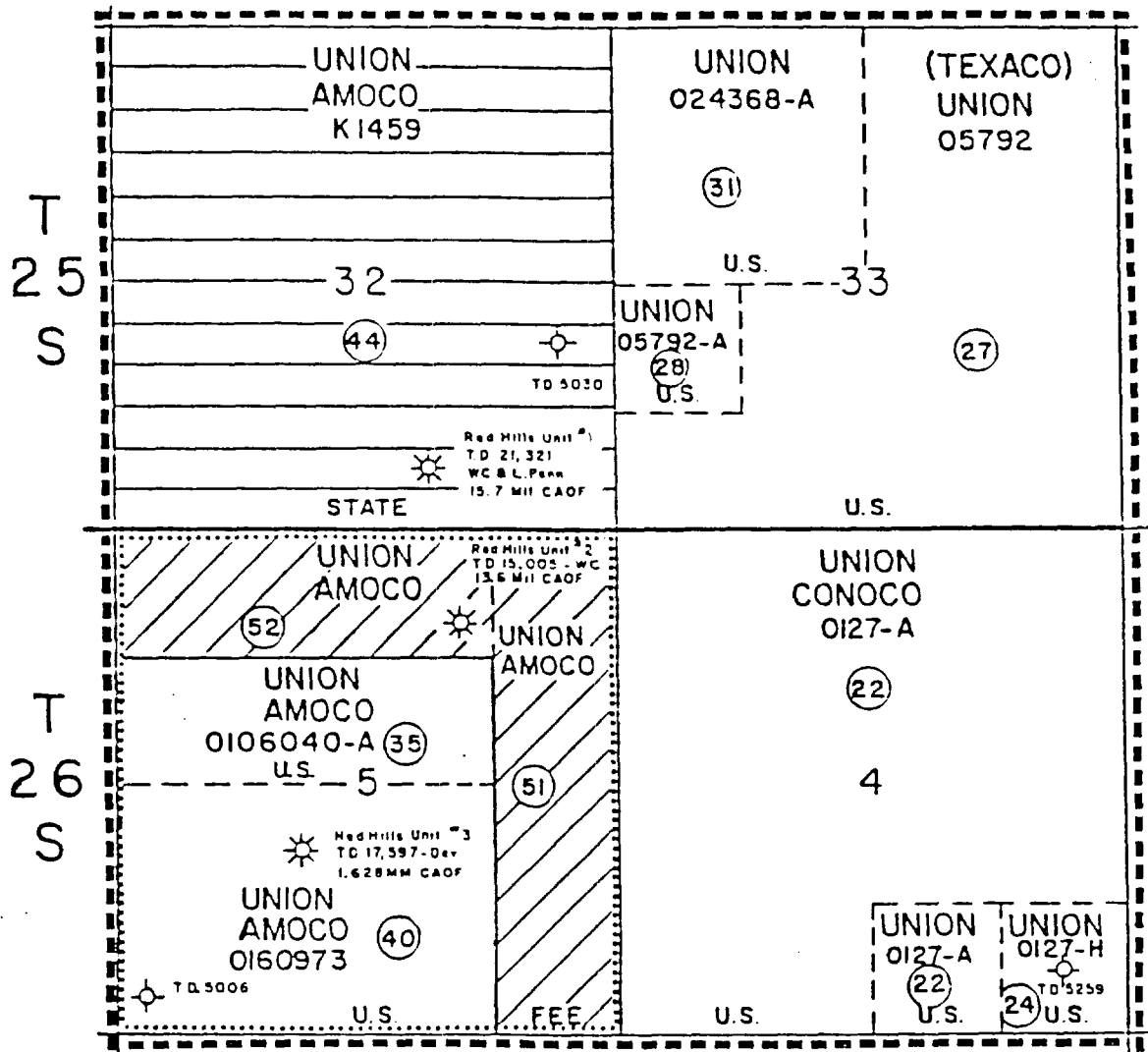


EXHIBIT "A"  
RED HILLS UNIT  
LEA COUNTY, NEW MEXICO



(22) TRACT NUMBER-EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL 1640 Ac. 64.0625 %

STATE 640 Ac. 25.0000 %

FEE 280 Ac. 10.9375 %

2560 Ac. 100.0000 %

State of New Mexico

2671



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-714

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

March 24, 1988

Unocal Oil & Gas Division  
Attn: Ms. Linda H. Hicks  
P. O. Box 671  
Midland, Texas 79702

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

Gentlemen:

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

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

Enclosed is an approved copy for your files.

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

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:

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

WRH/FOP/pm  
encs.  
cc: OCD  
BLM



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

March 7, 1988

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Unocal  
P. O. Box 671  
Midland, Texas 79702

Attention: Linda H. Hicks

Re: 1988 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque



**Unocal Oil & Gas Division**  
Unocal Corporation  
500 North Marienfeld, P.O. Box 671  
Midland, Texas 79702  
Telephone (915) 682-9731



March 1, 1988

Midland District

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

Attn: Mr. William J. LeMay  
Director

1988 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed for your approval two copies of Union's 1988 Plan of Development for the Red Hills Unit.

Should you have any questions, please let me know.

Sincerely yours,

UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Landman

LHH/s  
Enclosures



1988 PLAN OF DEVELOPMENT AND OPERATION

FOR

RED HILLS UNIT AREA

LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: Mr. William J. LeMay  
Director

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SUMMARY OF 1987 OPERATIONS:

No new Unit wells were drilled in 1987. Yearly production for 1987 for each Unit Well is shown below:

<u>Unit Well No.</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
#1	58,050	1294
#2	382,033	4891
#3	113,149	---

PLAN OF DEVELOPMENT AND OPERATION FOR 1988:

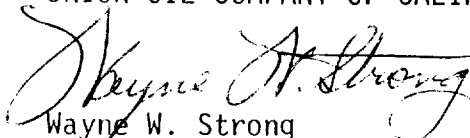
No wells are planned for 1988.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 1 day of March, 1988.

Sincerely yours,

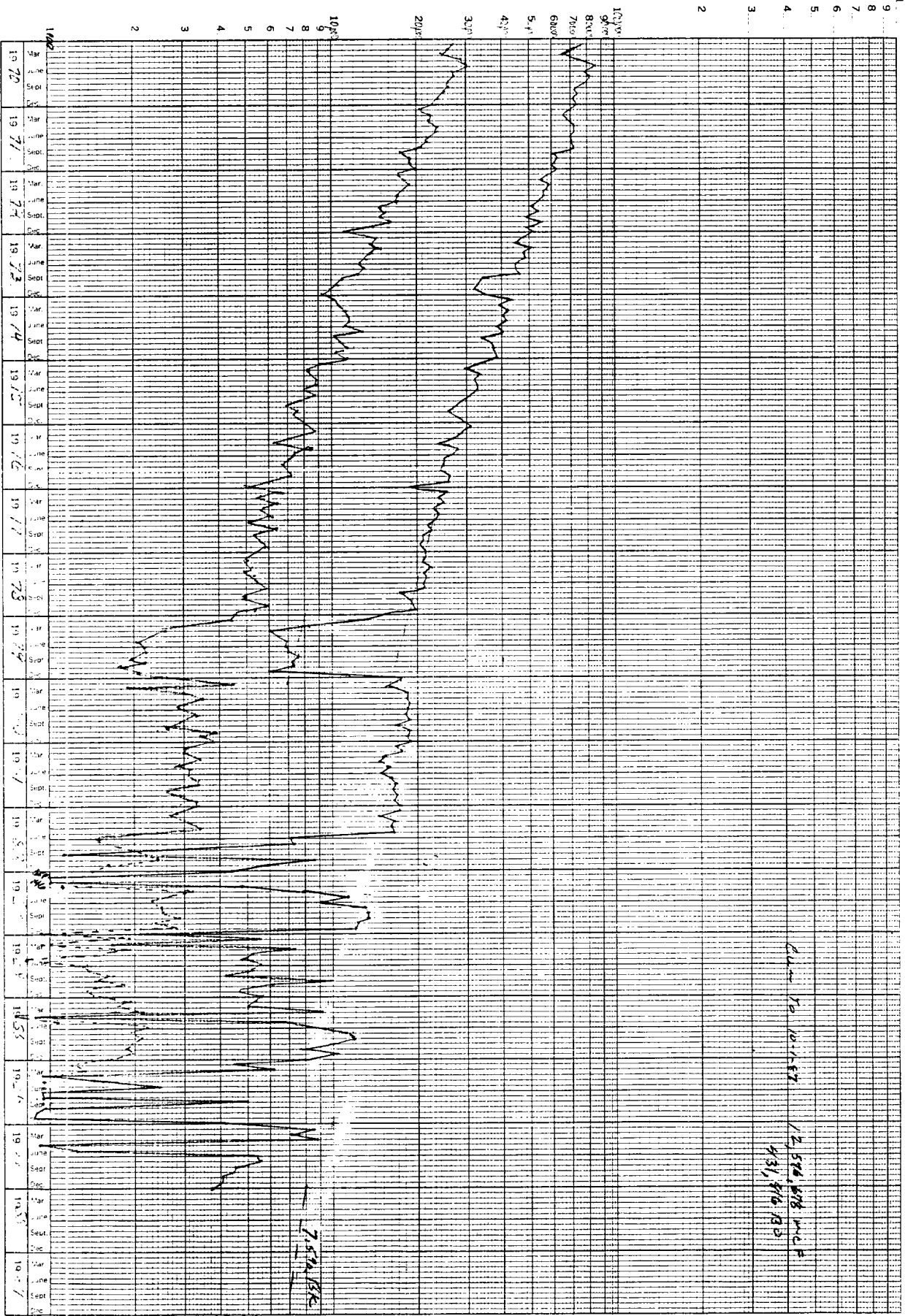
UNION OIL COMPANY OF CALIFORNIA

  
Wayne W. Strong  
District Land Manager

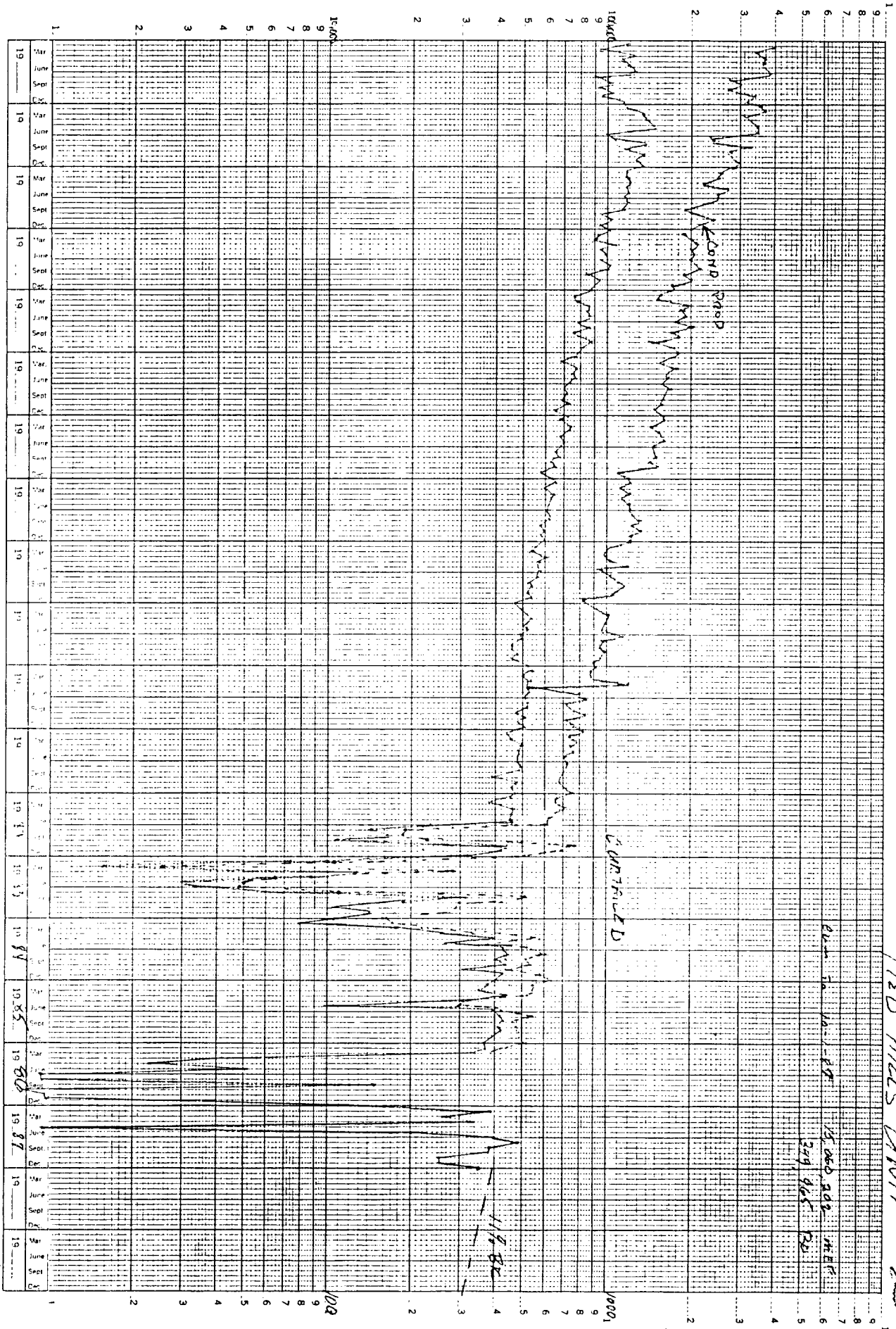
WWS/1hh

Gas Prod MCF/100

New Mexico Hill Hills Unit - K.H. Osborn No. 1



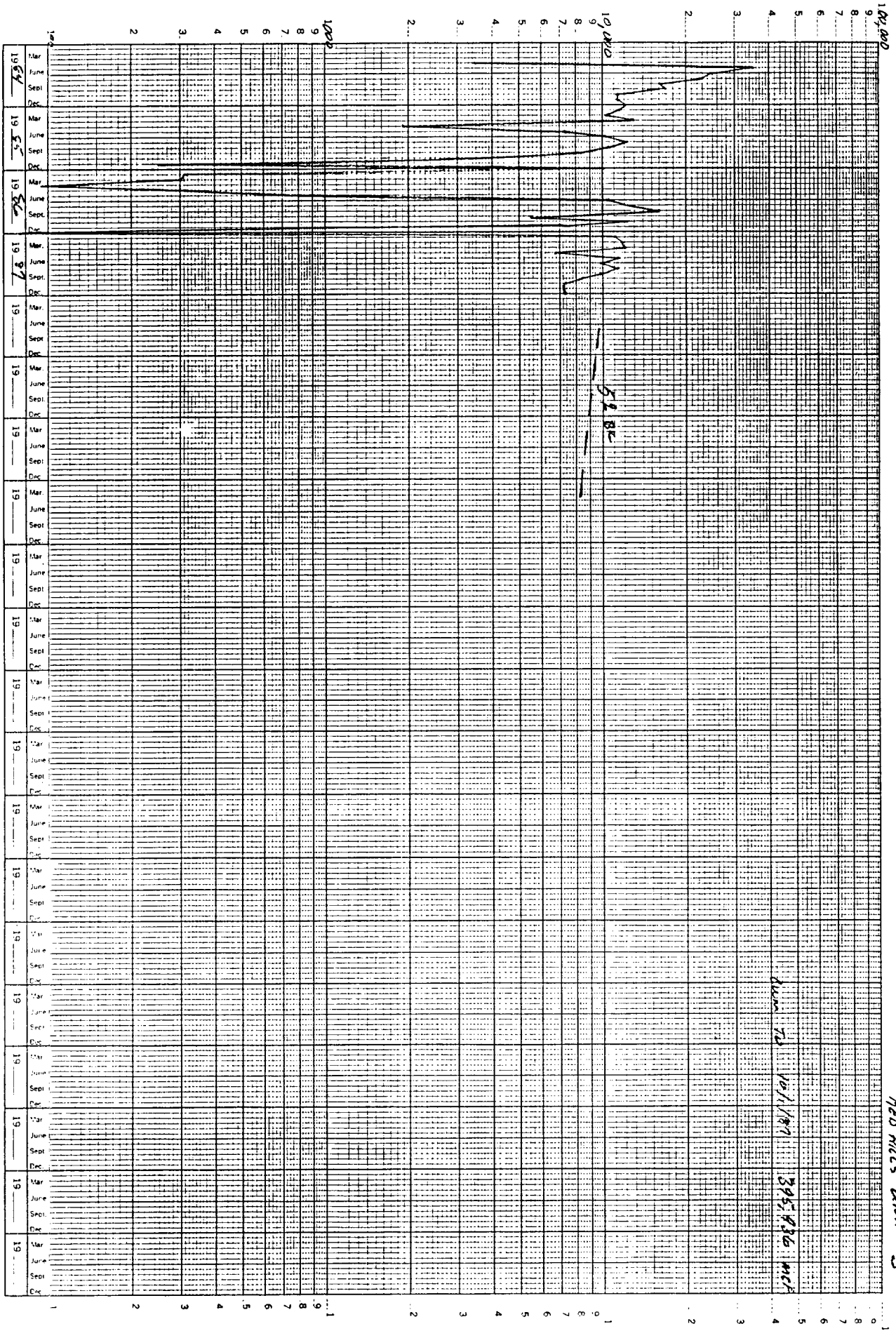
CONDENSATE 13PM



RED HILLS UNIT # 22

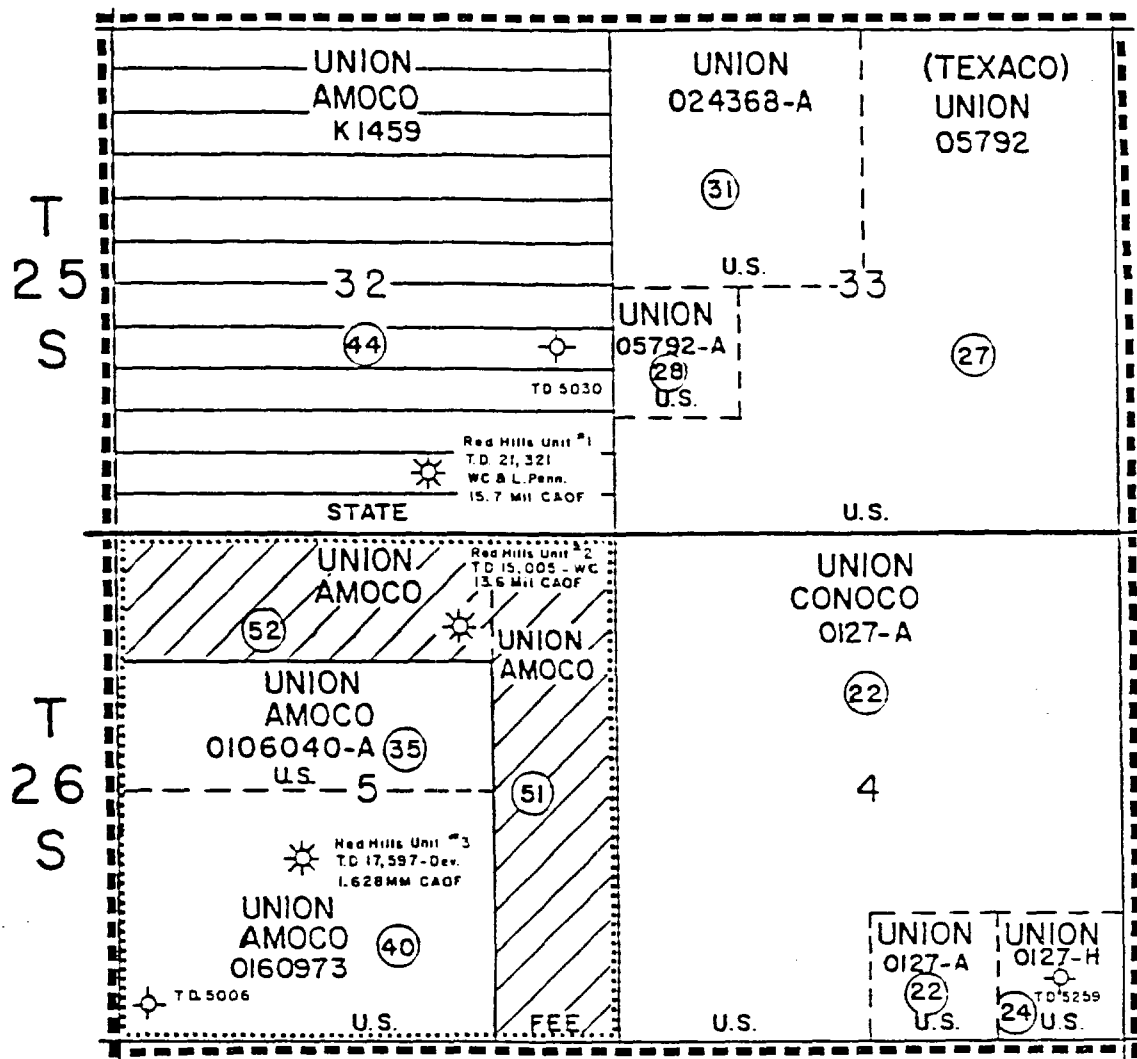
15,000,000 MBH  
249,000 BOP

Continued (Previous) 225



RED HILLS DEQUEWAN  
RED HILLS LUMP # 3

R 33 E






# EXHIBIT "A" RED HILLS UNIT LEA COUNTY, NEW MEXICO

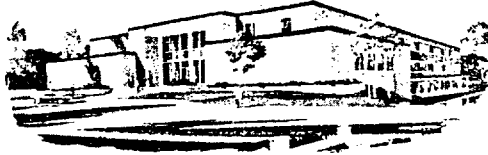


(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

	FEDERAL	1640 Ac.	64.0625 %
	STATE	640 Ac.	25.0000 %
	FEE	280 Ac.	10.9375 %
		2560 Ac.	100.0000 %

# State of New Mexico



SLO REF NO. OG-330

W.R. HUMPHRIES  
COMMISSIONER

## Commissioner of Public Lands

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

August 13, 1987

Unocal Corporation  
ATTENTION: Ms. Linda H. Hicks  
P. O. Box 671  
Midland, Texas 79702

Re: 1987 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved your 1987 Plan of Development for the Red Hills Unit Area, Lea County, New Mexico. Such plan calls for the drilling of no new wells.

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

Enclosed is an approved copy for your files.

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

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: 

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

WRH/FOP/pm  
encls.

cc: OCD-Santa Fe, New Mexico

BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

March 4, 1987

#2671

~~#7435~~

POST OFFICE BOX 2086  
STATE LAND OFFICE BUILDING  
SANTA FE NEW MEXICO 87501  
(505) 827-5900

Unocal  
P. O. Box 671  
Midland, Texas 79702

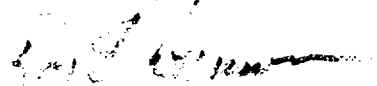
Attention: Linda H. Hicks

Re: 1987 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Rospect (1783)

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

  
ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque



**Unocal Oil & Gas Division**  
Unocal Corporation  
500 North Marienfeld, P.O. Box 671  
Midland, Texas 79702  
Telephone (915) 682-9731



February 25, 1987

Midland District

Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: William J. LeMay

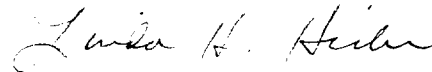
1987 Plan of Development  
Pipeline Deep Unit  
Lea County, New Mexico  
Pipeline Prospect (7435)

Gentlemen:

Please find enclosed two (2) copies of Union's Plan of Development for the Pipeline Deep Unit. We respectfully request your approval of same.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA



Linda H. Hicks  
Landman

LHH:gb

Enc's.

1987 PLAN OF DEVELOPMENT AND OPERATION

FOR

PIPELINE DEEP UNIT AREA

LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: William J. LeMay  
Director

Union Oil Company of California, as Unit Operator for the Pipeline Deep Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for Development and Operation of the Pipeline Deep Unit Area, dated April 12, 1973, (No. 14-08-0001-12402), respectfully submits for approval this 1987 Plan of Development and Operation for the Pipeline Deep Unit Area. This plan is for the period ending December 31, 1987.

Summary of 1986 Operations:

No new Unit wells were drilled in 1986. Yearly production for 1986 for each Unit well is shown below:

<u>Well</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
1	142,121	2121
2	97,912	4781
4	5,889	118

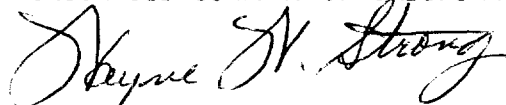
Plan of Development and Operations for 1987:

No development drilling is planned for 1987.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Sincerely yours,

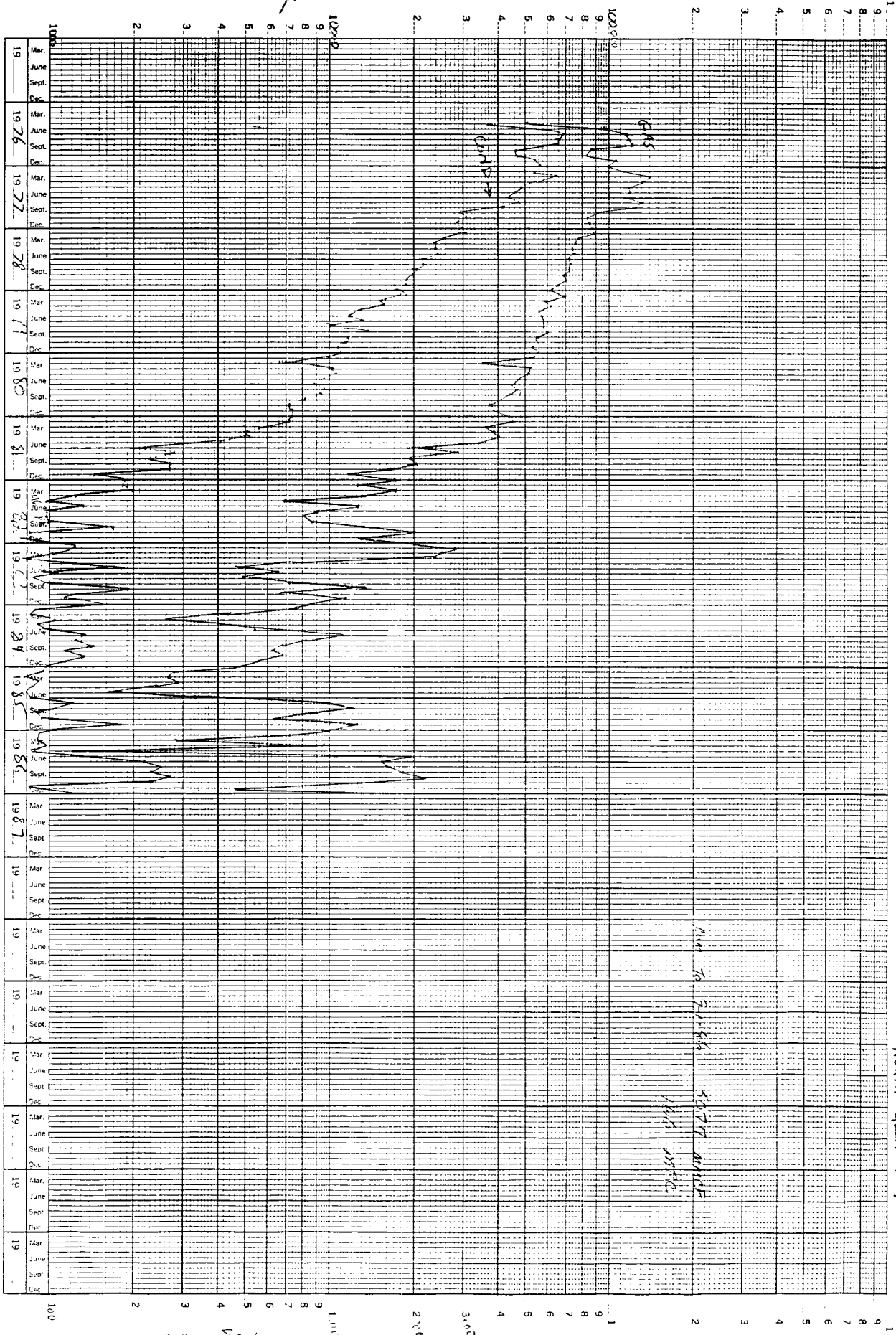
UNION OIL COMPANY OF CALIFORNIA



Wayne W. Strong  
District Landman

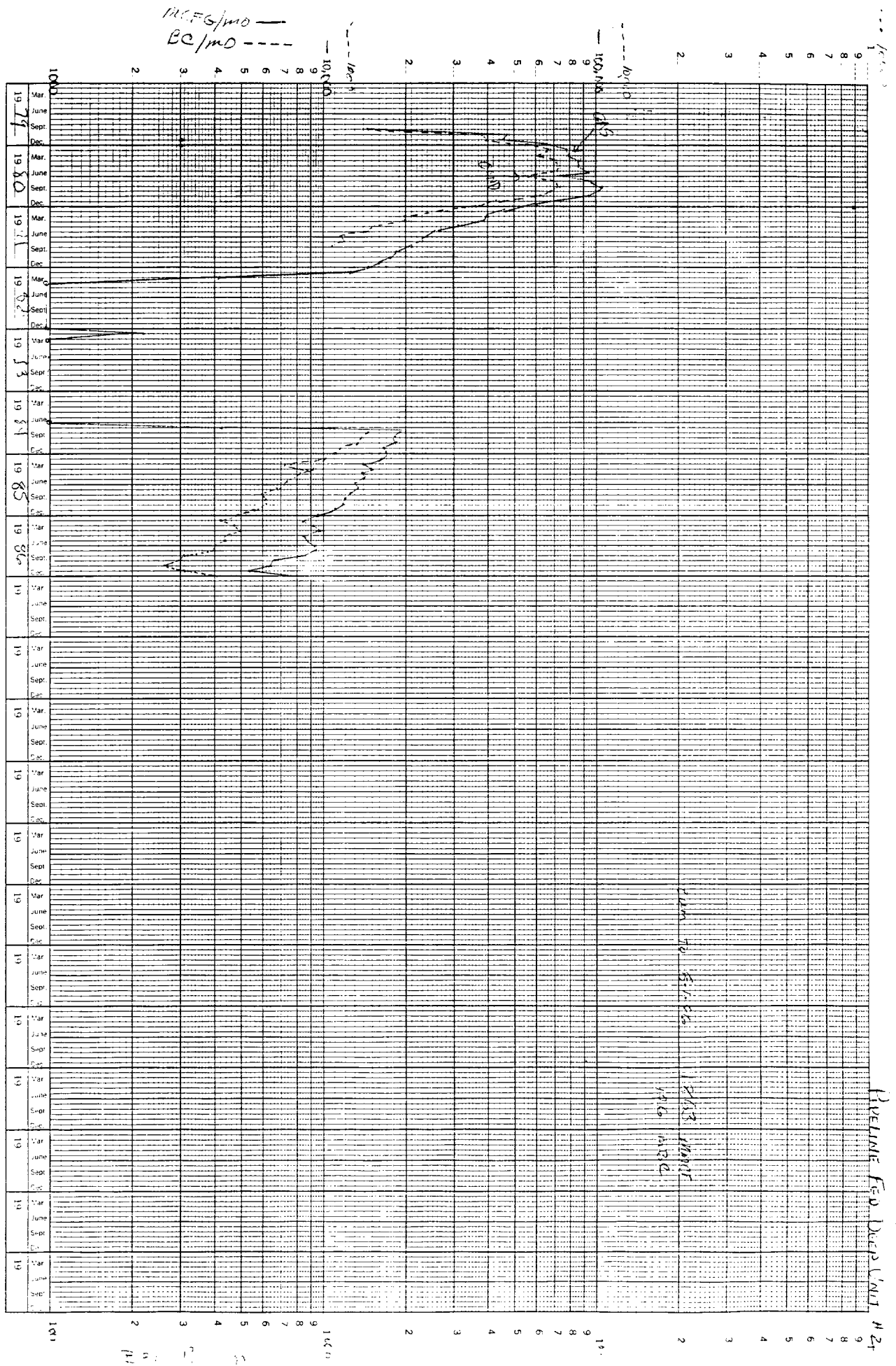
Submitted this 25 day of February, 1987.

MCFG/in

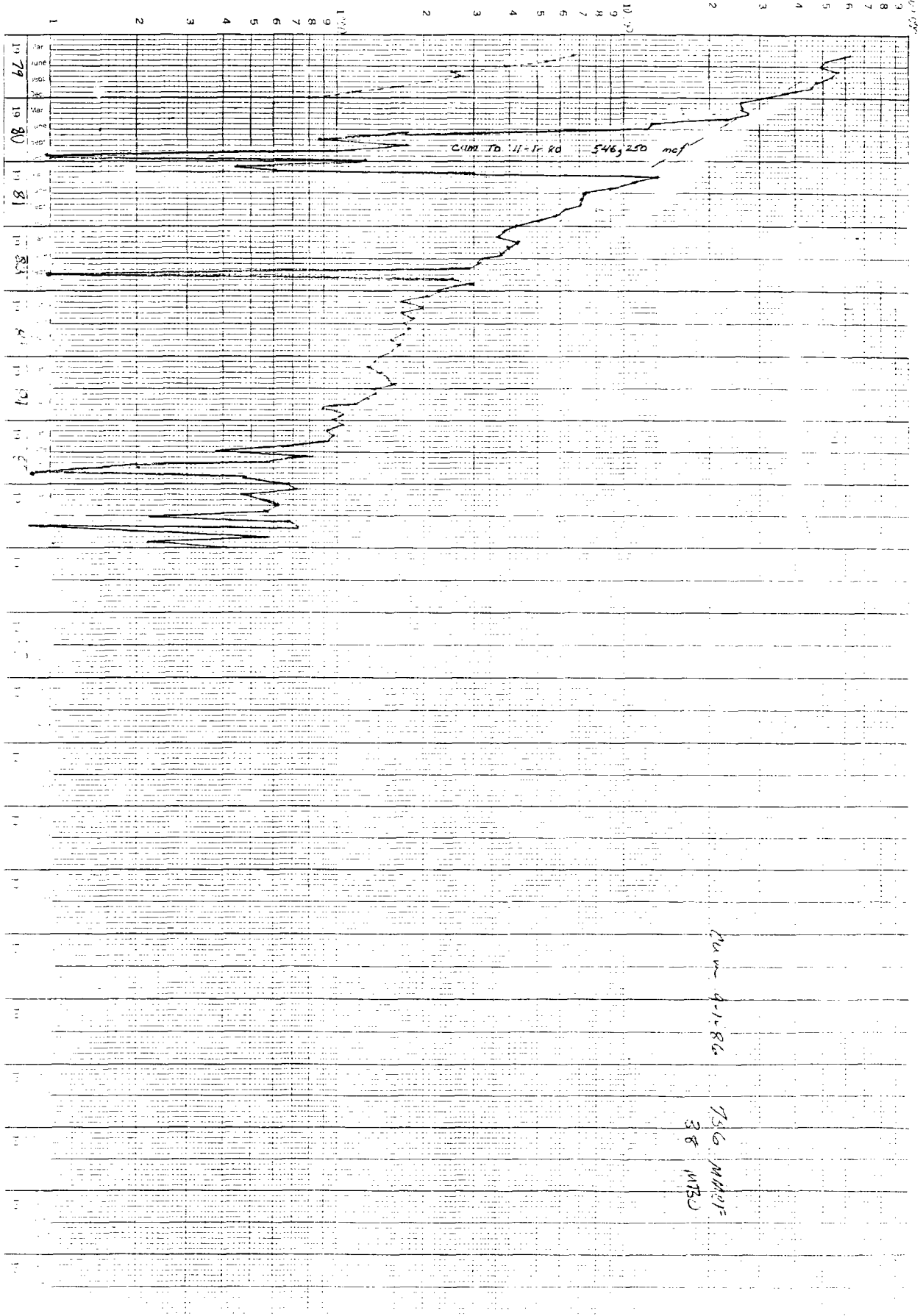


Pyelone #1

1000

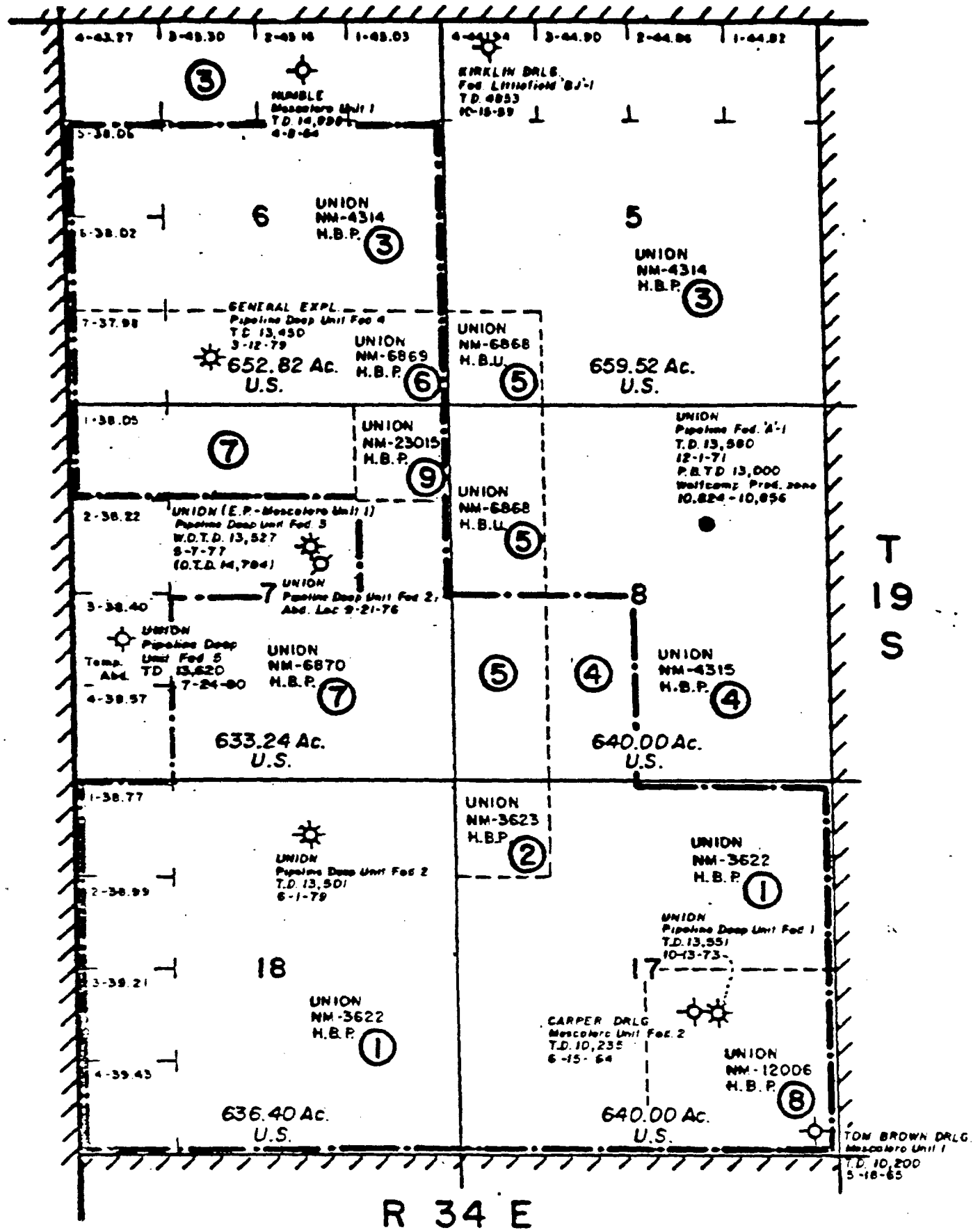


— GNC PROD. mcf/d  
--- COND. PROD. bbl/mo

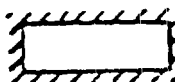
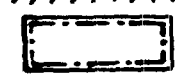



Pipeline Deep Unit Well #4

Run 4-1-80  
756 MMcf  
38 M30



**EXHIBIT "A" - (REVISED)**  
**LAND OWNERSHIP MAP - PIPELINE DEEP UNIT**  
 (AS CONTRACTED EFFECTIVE SEPTEMBER 1, 1979)  
 LEA COUNTY, NEW MEXICO

-  ORIGINAL UNIT BOUNDARY
-  REVISED UNIT BOUNDARY & PARTICIPATING AREA
-  TRACT-NUMBER-INDEX TO EXHIBIT "B"

SCALE: 1" = 2000'

**Unocal Oil & Gas Division**  
Unocal Corporation  
500 North Marienfeld, P.O. Box 671  
Midland, Texas 79702  
Telephone (915) 682-9731

# ~~1783~~



February 25, 1987

Midland District

1057

Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: William J. LeMay  
Director

1987 Plan of Development  
Red Hills Unit  
Lea County, New Mexico  
Red Hills Prospect (1783)

Gentlemen:

Please find enclosed two (2) copies of Union's 1987 Plan of Development and Operations for the Red Hills Unit. We respectfully request your approval of same.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

Linda H. Hicks  
Landman

LHH:gb

Encls.

1987 PLAN OF DEVELOPMENT AND OPERATION

for

RED HILLS UNIT AREA

LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: William J. LeMay  
Director

UNION OIL COMPANY OF CALIFORNIA, as Unit Operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, dated November 20, 1962 (No. 14-08-0001-8496) respectfully submits for approval this 1987 Plan of Development and Operation for the Red Hills Unit Area. This Plan is for the period ending December 31, 1987.

SUMMARY OF 1986 OPERATIONS:

No new Unit wells were drilled in 1986. Yearly production for 1986 for each Unit Well is shown below:

<u>Unit Well No.</u>	<u>Gas (MCF)</u>	<u>Condensate (BBL)</u>
#1	25,687	431
#2	110,537	1360
#3	65,606	0

PLAN OF DEVELOPMENT AND OPERATION FOR 1987:

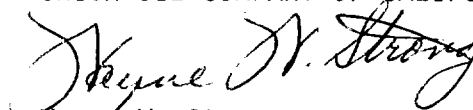
No development drilling is planned for 1987.

This plan may be modified or supplemented from time to time with the approval needed, when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

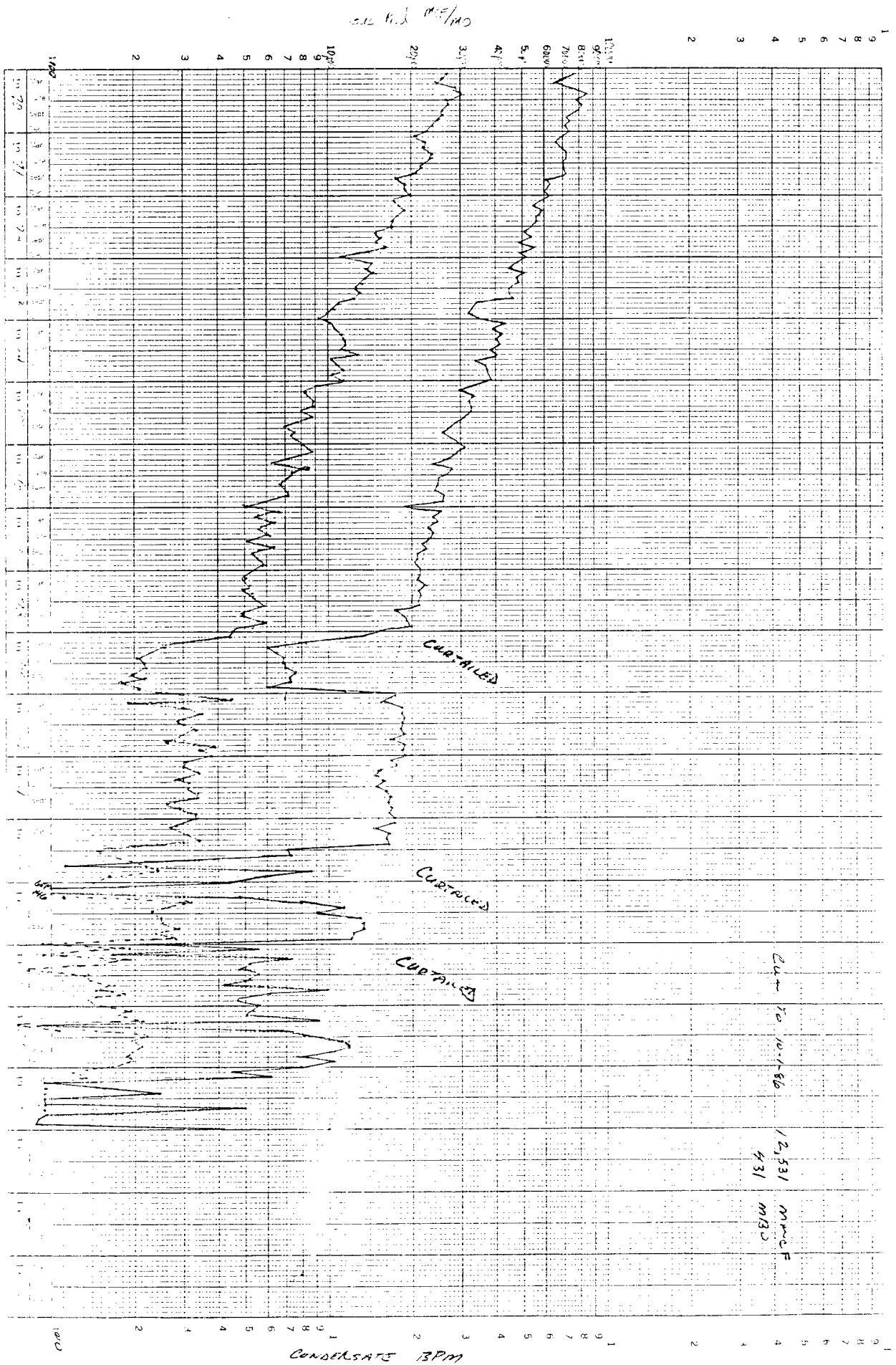
Submitted this 25 day of February, 1987.

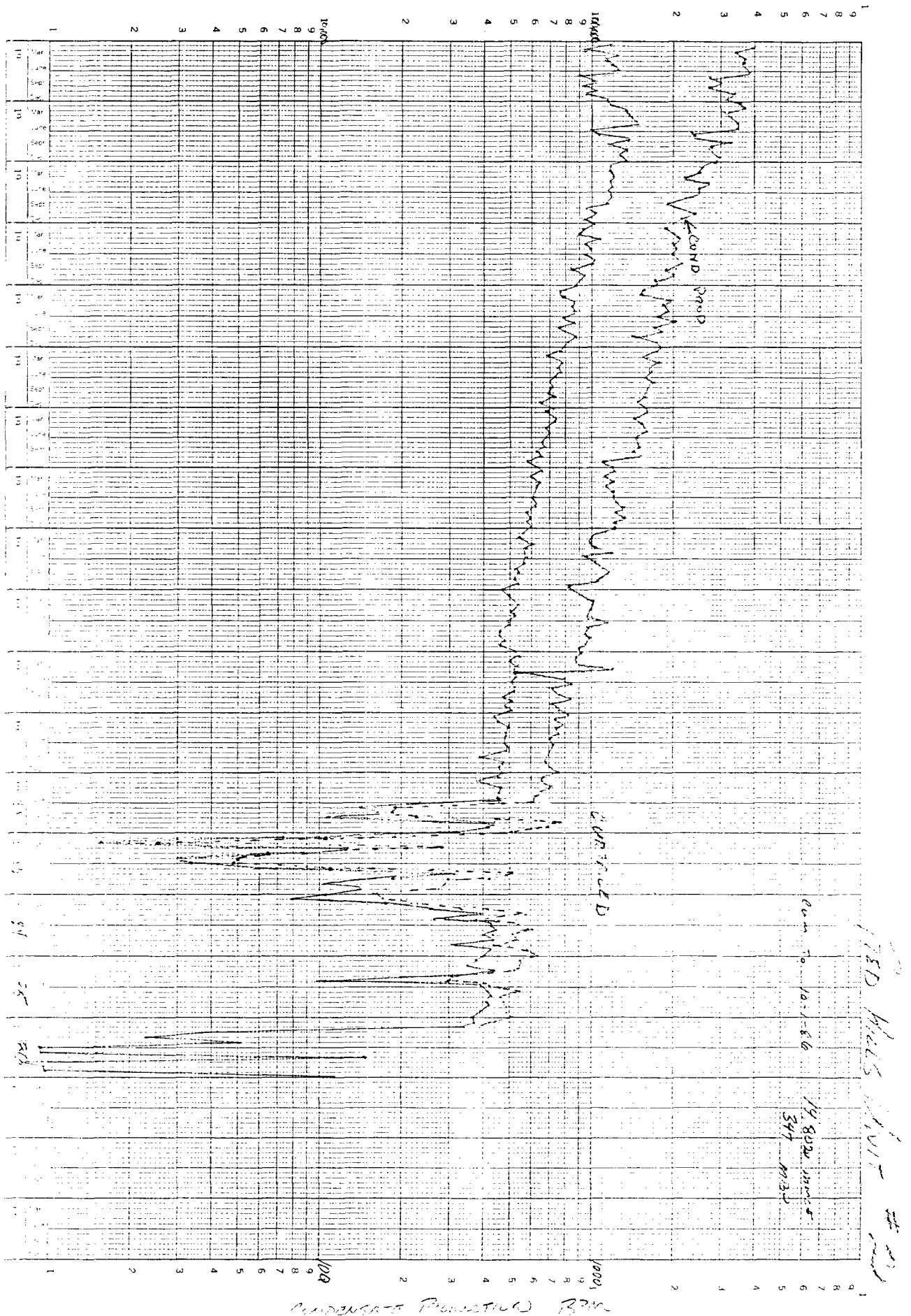
Sincerely yours,

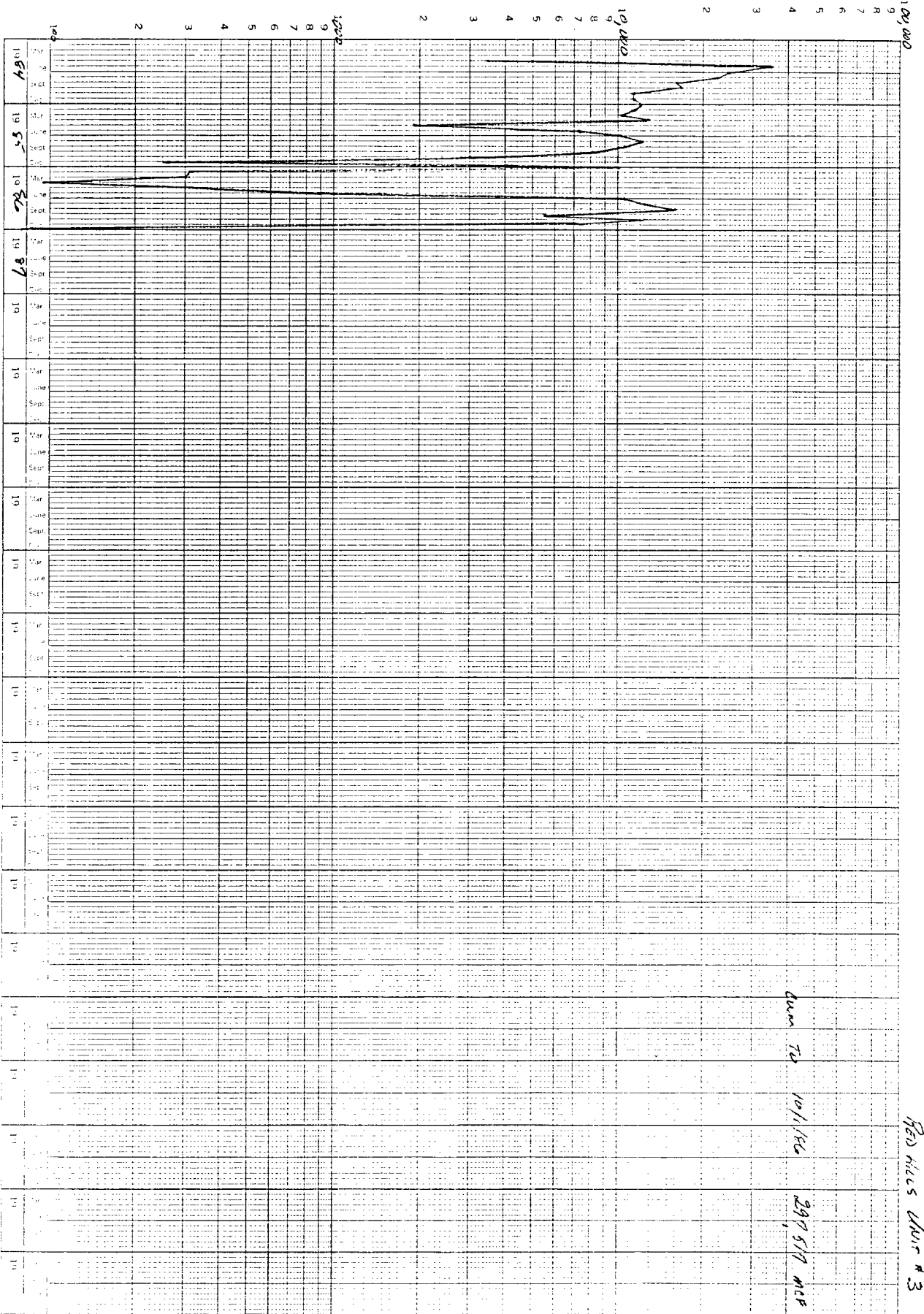
UNION OIL COMPANY OF CALIFORNIA

  
Wayne W. Strong  
District Land Manager









RED HILLS DEPARTMENT  
RED HILLS UNIT # 3

cum. to 10/1/84 297,517 mcf

R 33 E

T  
25  
S

T  
26  
S

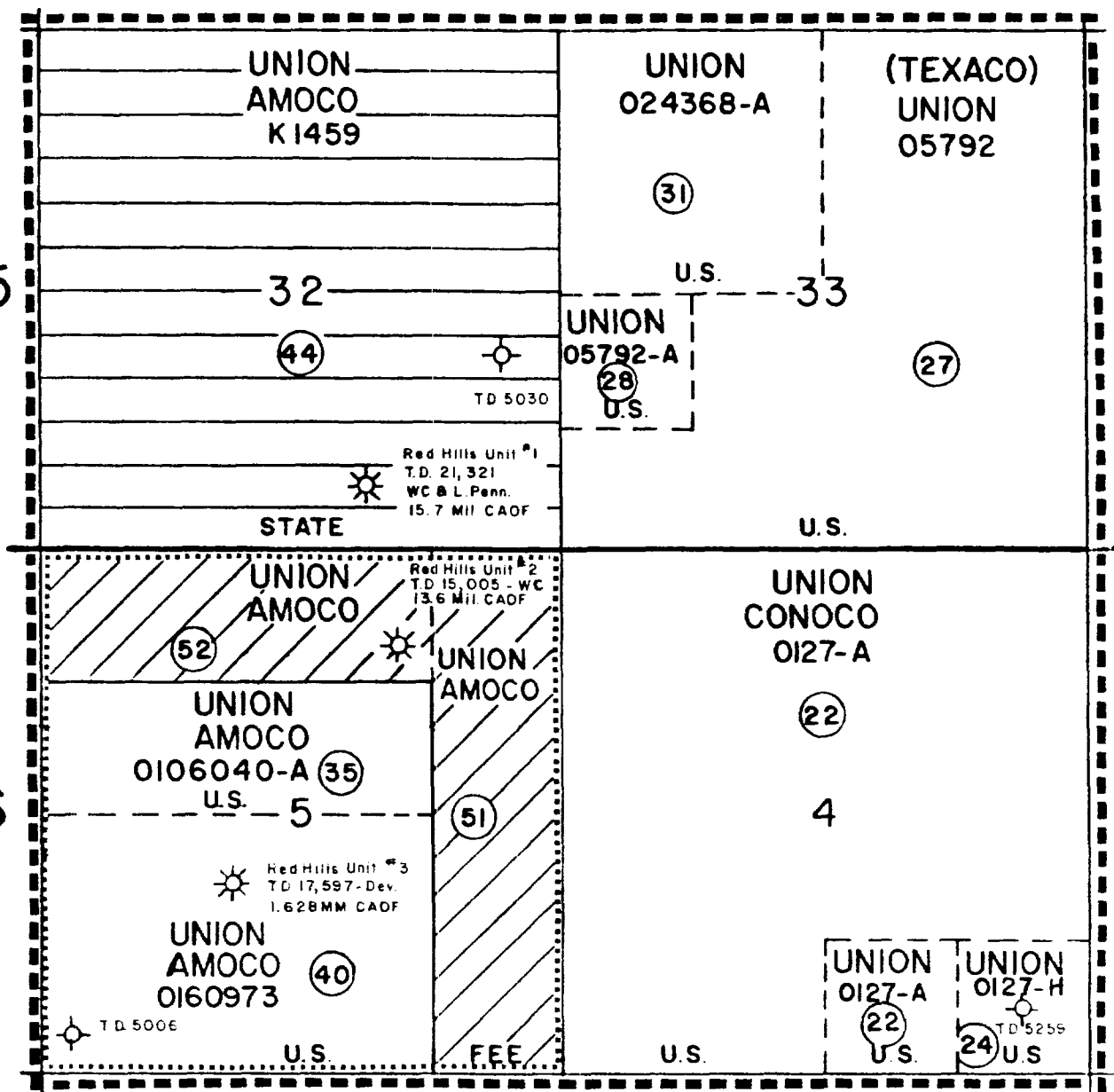


EXHIBIT "A"  
RED HILLS UNIT  
LEA COUNTY, NEW MEXICO



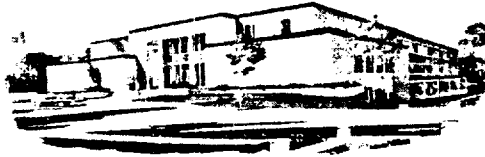
(22) TRACT NUMBER- EXHIBIT "B"

PROPOSED PARTICIPATING AREA FOR THE DEVONIAN FORMATION RED HILLS UNIT NO. 3

FEDERAL	1640 Ac.	64.0625 %
STATE	640 Ac.	25.0000 %
FEE	280 Ac.	10.9375 %
	2560 Ac.	100.0000 %

State of New Mexico

#2671



JIM BACA  
COMMISSIONER

## Commissioner of Public Lands

February 20, 1985

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

Union Oil Company of California  
P. O. Box 671  
Midland, Texas 79702

Re: Red Hills Unit  
Amendment to 1984 Plan of Development  
Lea County, New Mexico

ATTENTION: Mr. Larry Murphy

Gentlemen:

The Commissioner of Public Lands has this date approved your Amendment to the 1984 Plan of Development for the Red Hills Unit area. Such Amended plan proposes to defer the drilling of the Red Hills Unit Well No. 4 until economics become more favorable. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

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

J3/RDG/pm  
encls.

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



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
P. O. Box 1397  
Roswell, New Mexico 88201

IN REPLY  
REFER TO:

14-08-0001-8496 (060)

March 15, 1985

Union Oil Company of California  
Attention: Robert V. Lockhart  
500 North Marienfeld  
P.O. Box 671  
Midland, Texas 79702

RE: 1985 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

We are in receipt of your letter dated February 28, 1985 which described your 1985 Plan of Development for the Red Hills Unit, Lea County, New Mexico. Such plan proposes no new wells for 1985 and is hereby approved effective as of January 1, 1985. Please be advised that Section 28, T. 25 S., R. 33 E., was automatically eliminated from the Red Hills Unit, effective October 2, 1969 and therefore any Devonian well in this section would not be a unit well, i.e. would be produced on a lease basis.

Sincerely yours,

s/T. Kreager

ing District Manager

cc:

Commissioner of Public Lands, Santa Fe

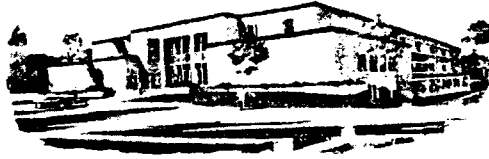
✓ NMOCD, Santa Fe

NMSO, Micrographics (943B)

# State of New Mexico



JIM BACA  
COMMISSIONER



## Commissioner of Public Lands

April 9, 1985

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

Union Oil Company of California  
P. O. Box 671  
Midland, Texas 79702

Re: 1985 Plan of Development  
Red Hills Unit  
Lea County, New Mexico

ATTENTION: Mr. Robert C. Gnagy

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Red Hills Unit Area, Lea County, New Mexico. Such plan calls for no new wells to be drilled for 1985. Our records reflect that Section 28-25S-33E is out of the unit area, and any exploration or development out of the unit area is not considered as unit development. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

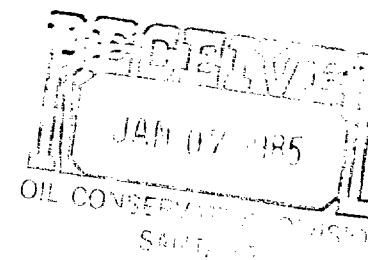
BY: *Ray D. Graham*  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

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

14-08-0001-8496

January 3, 1985



Union Oil Company of California  
Attn: Robert V. Lockhart  
500 North Marienfield  
P.O. Box 671  
Midland, TX 79702

RE: First Revision to 1984 Plan of  
Development, Red Hills Unit,  
Lea County, New Mexico

Gentlemen:

We are in receipt of your letter dated December 20, 1984 which proposes an amendment to your 1984 Plan of Development.

Such proposal to defer drilling the Red Hills Unit Well No. 4, located 1980' FNL and 1980' FWL, Section 33, T. 25 S., R. 33 E., N.M.P.M., until such time as the economics become more favorable, is approved effective as of December 20, 1984.

In subsequent Plans of Development please provide decline curves on production for individual unit wells.

Sincerely yours,

s/T. Kreager

Acting District Manager

cc: Commissioner of Public Lands, Santa Fe  
NMOCD, Santa Fe  
NMSO, Micrographics (943B)  
CRA  
POD File  
BABYAK/dlf/1-3-85/1096M





STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

TONY ANAYA  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

December 27, 1984

Union Oil Company of  
California  
P.O. Box 671  
Midland, Texas 79702

Attention: Larry Murphy

Re: Red Hills Unit  
Amendment to 1984 Plan  
of Development  
Lea County, NM

Dear Mr. Murphy:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roy E. Johnson".

ROY E. JOHNSON  
Senior Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque  
OCD District Office - Hobbs

Union Oil and Gas Division: Central Region

Union Oil Company of California  
500 North Marienfeld, Midland, Texas 79701  
P.O. Box 671, Midland, Texas 79702  
Telephone (915) 682-9731



Robert V. Lockhart

District Land Manager  
Midland District

December 20, 1984

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

Attn: Mr. Dick Stamets, Director

Dear Mr. Stamets:

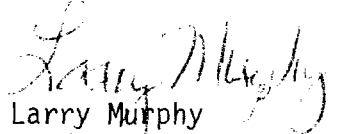
Red Hills Unit  
Amendment to 1984 Plan of Development  
Lea County, New Mexico

Please find enclosed two (2) copies of Union's Amendment to the 1984 Plan of Development for the Red Hills Unit. We respectfully request your approval of same.

Should you have any questions, please do not hesitate to contact me.

Yours truly,

UNION OIL COMPANY OF CALIFORNIA

  
Larry Murphy  
Landman

JLM:njd

Enclosures

CERTIFIED MAIL  
No. P 397 479 537

AMENDMENT TO  
1984 PLAN OF DEVELOPMENT AND OPERATIONS  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attn: Mr. Dick Stamets,  
Director

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, dated November 20, 1982, (No. 14-C8-0001-8496), submitted on May 30, 1984 for your approval the 1984 Plan of Development and Operations for the Red Hills Unit Area.

Plan of Development and Operations for 1984

At this time, Union wishes to defer the drilling of the Red Hills Unit Well No. 4, located 1980' FNL and 1980' FWL Section 33-25S-33E. We feel that the economics for the drilling of the No. 4 Well are not in the best interest of all parties.

Submitted this 20th day of December, 1984.

UNION OIL COMPANY OF CALIFORNIA

BY: Robert V. Lockhart  
Robert V. Lockhart

AMENDMENT TO  
1984 PLAN OF DEVELOPMENT AND OPERATIONS  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: Oil Conservation Division  
Energy and Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attn: Mr. Dick Stamets,  
Director

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, dated November 20, 1982, (No. 14-03-0001-8496), submitted on May 30, 1984 for your approval the 1984 Plan of Development and Operations for the Red Hills Unit Area.

Plan of Development and Operations for 1984

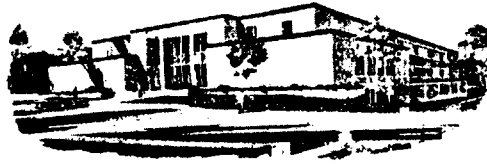
At this time, Union wishes to defer the drilling of the Red Hills Unit Well No. 4, located 1980' FNL and 1980' FWL Section 33-25S-33E. We feel that the economics for the drilling of the No. 4 Well are not in the best interest of all parties.

Submitted this 20th day of December, 1984.

UNION OIL COMPANY OF CALIFORNIA

BY: Robert V. Lockhart  
Robert V. Lockhart

# State of New Mexico



#2671

JIM BACA  
COMMISSIONER

## Commissioner of Public Lands

June 11, 1984

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

Union Oil Company of California  
P. O. Box 671  
Midland, Texas 79702

Re: Red Hills Unit  
1984 Plan of Development  
Lea County, New Mexico

ATTENTION: Mr. Robert V. Lockhart

Gentlemen:

The Commissioner of Public Lands has this date approved your 1984 Plan of Development for the Red Hills Unit Area, Lea County, New Mexico. Such plan proposes to monitor the production from the Well No. 3, and drill the Red Hills Unit Well No. 4 in the SE/4NW/4 of Section 33, Township 25 South, Range 33 East to test the Devonian formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy of your plan for your files.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY:  
FLOYD O. PRANDO, Assistant Director  
Oil and Gas Division  
AC 505/827-5744

JB/FOP/pm  
encls.  
cc:

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

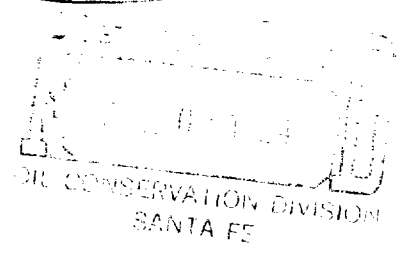
Union Oil and Gas Division: Central Region

Union Oil Company of California  
500 North Mariefeld, Midland, Texas 79701  
P.O. Box 671, Midland, Texas 79702  
Telephone (915) 682-9731

# 2671



May 29, 1984



Robert V. Lockhart  
District Land Manager  
Midland District

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

Attn: Mr. Joe Ramey, Director

Gentlemen:

Red Hills Unit  
1984 Plan of Development  
Lea County, New Mexico

Please find enclosed two copies of Union's 1984 Plan of Development for the Red Hills Unit. We respectfully request your approval of same.

Should you have any questions, please advise.

Sincerely,

UNION OIL COMPANY OF CALIFORNIA

A handwritten signature of Robert V. Lockhart in dark ink.  
Robert V. Lockhart  
District Land Manager

RVL:db  
Enclosure

1984 PLAN OF DEVELOPMENT AND OPERATIONS

FOR

RED HILLS UNIT AREA

LEA COUNTY, NEW MEXICO

Oil Conservation Division  
TO: Energy & Minerals Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attn: Mr. Joe Ramey, Director

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operations of the Red Hills Unit Area, dated November 20, 1962, (No. 14-08-0001-8496), respectfully submits for approval this 1984 Plan of Development and Operations for the Red Hills Unit Area. This plan is for the period ending December 31, 1984.

Summary of Operations (1970 through 1983)

The production from the # 1 and # 2 wells for this period is shown on the attached sheet. The production is from the Wolfcamp formation.

The Red Hills Unit Well # 3 located 1980' FSL and 2180' FWL Sec. 5, T-26-S, R-33-E, was spudded April 5, 1983 and completed on August 28, 1983, at a total depth of 17,597'. The well was shut-in pending connection to a sales line.

Plan of Development and Operations for 1984

On April 24, 1984, gas sales were commenced to El Paso Natural Gas Company from the # 3 Well. The Well is producing from the Devonian at 17,464' - 17,512'. It tested at 1800 MCFGPD and 1400 PSI flowing tubing pressure. We will monitor production for two months before submitting a volumetric determination to establish that the well is capable of producing in unit quantities. We will then also submit a request for a participating area.

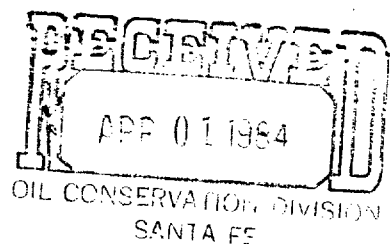
Union is currently planning to drill the Red Hills Unit Well # 4 <sup>bc</sup> located 1980' FNL and 1980' FWL Sec. 33-26S-33E. Our plan is subject to final Management approval as well as approval of the Working Interest Owners. The well is planned as a Devonian producer.

This plan may be modified or supplemented from time to time when necessary to meet changed conditions or to protect the interest of all parties to the Unit Agreement.

Submitted this 30th day of May, 1984.

UNION OIL COMPANY OF CALIFORNIA

BY: Robert V. Lockhart  
Robert V. Lockhart



PRODUCTION DATA 1970-1983

Red Hills Unit Well # 1

<u>YEAR</u>	<u>MCF/YR</u>	<u>COND/YR</u>
1970	909015	31622
1971	788669	25288
1972	618674	19305
1973	509294	14932
1974	469997	13441
1975	363859	9902
1976	313347	8597
1977	272591	7107
1978	241198	6286
1979	95263	2943
1980	214639	3799
1981	194493	3800
1982	119378	2137
1983	99772	2330

Cum. thru 12/83 = 12.4 BCFG  
427 MBC

Red Hills Unit Well # 2

<u>MCF/YR</u>	<u>COND/YR</u>
1254684	40648
1495059	36241
1305195	27937
1104496	23448
958449	21152
854410	19752
791730	17604
718072	15000
642955	12770
571671	11458
609537	9948
556971	8982
403437	6418
129701	1984

Cum. thru 12/83 = 13.9 BCFG  
334 MBC





STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

TONEY ANAYA  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

June 1, 1984

Union Oil Company of California  
P.O. Box 671  
Midland, Texas 79702

Attention: Robert V. Lockhart

Re: Red Hills Unit  
1984 Plan of Development  
Lea County, New Mexico

Dear Mr. Lockhart:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in dark ink, appearing to read "Roy E. Johnson", with a long horizontal flourish extending to the right.

ROY E. JOHNSON  
Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque  
OCD District Office - Hobbs



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

70 FEB 3 3 38 PM '70

January 30, 1970

Union Oil Company of California  
Suite 300, Security National Bank Bldg.  
Roswell, New Mexico 88201

Attention: Mr. W. M. Stanley

Gentlemen:

Your application of October 31, 1969, accompanied by revised Exhibits A and B, describes for our concurrence the lands to be automatically eliminated from the Red Hills unit agreement, Lea County, New Mexico, pursuant to Section 2(e) thereof.

The Red Hills unit agreement covering 28,796.48 acres, more or less, was approved and effective on January 22, 1963. The 2,560-acre initial Siluro-Devonian participating area, which became effective September 3, 1964, was the first initial participating area established under the terms of the unit agreement. Pursuant to Section 2(e) of the unit agreement, automatic elimination was to become effective as of October 2, 1969, absent diligent drilling operations being conducted on lands not entitled to participation. No such drilling operations to defer automatic elimination were timely commenced.

The lands to be eliminated are described by the application as containing 26,236.48 acres which constitutes all legal subdivisions not entitled to be included in either the Wolfcamp or Siluro-Devonian participating areas. The resultant unit area contains 2,560 acres embracing all of secs. 32 and 33, T. 25 S., R. 33 E., N.M.P.M., and all of secs. 4 and 5, T. 26 S., R. 33 E., N.M.P.M.

ILLEGIBLE

to hereby concur in your description of the lands automatically eliminated from the Red Hills unit agreement effective as of October 2, 1969. The Commissioner of Public Lands of the State of New Mexico and the New Mexico Oil Conservation Commission approved the application on December 22, 1969, and January 8, 1970, respectively. You are requested to promptly notify all parties in interest as to the lands eliminated. One approved copy of the application is returned herewith.

Sincerely yours,

(SML:JLL) C. L. J. J.

CARL C. TRAMER  
Acting Oil and Gas Supervisor

cc:

Washington (w/cy appln.)

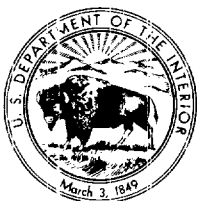
BLM, Santa Fe (w/cy appln.)

Hobbs (w/cy appln.)

Comm. of Pub. Lands, Santa Fe (ltr. only)

MOCC, Santa Fe (ltr. only)✓

ILLEGIBLE



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1057  
Roswell New Mexico 88201

January 14 1970

Union Oil Company of California  
Suite 300, Security National Bank Building  
Roswell New Mexico 88201

Attention: Mr. W. H. Stanley

Gentlemen:

Your letter of December 15 transmits five copies each of revised Exhibits C and E, the allocation schedules for the Wolfcamp and Giliro-Devonian participating areas, respectively, Red Hills unit agreement, No. 14-08-0001-3496, Lea County, New Mexico. The revisions are necessary because the ownership status of participating unit tracts 51 and 52 has been reduced, from 12.5 to 6.25 percent as a result of a civil suit which determined that title to a fee lease covering an undivided one-sixteenth interest in each of said tracts had failed. The proposed effective date of the revised participation schedules is July 1, 1969, the first of the month following the final court decision in the suit.

This office has checked the revised tract participations shown by the two allocation schedules and found them to be correct. Accordingly the revised allocation schedules are hereby accepted for the record effective July 1, 1969. The Commissioner of Public Lands of the State of New Mexico and the New Mexico Oil Conservation Commission approved the revised participation schedules on December 22, 1969 and January 6, 1970 respectively. Copies of such schedules are being furnished to the appropriate Federal offices and two copies of each are returned herewith.

Your letter also transmits six copies each of revised gas and gas product division orders for the two unit wells which reflect the changes of interest brought about by the loss of title. Such division orders are effective July 1, 1969, the effective date of the revised participation schedules. Five approved copies of each division order are attached.

Sincerely yours

(Signature)

CARL C. TRAYWICE  
Acting Oil and Gas Supervisor

cc:  
Washington (w/attachs.)  
Hobbs (w/attachs.)  
Com. of Pub. Lands, Santa Fe (ltr. only)  
NMOCC, Santa Fe (ltr. only) ✓  
Accounts

ILLEGIBLE

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 6, 1970

Union Oil Company of California  
300 North Carrizo Street  
Midland, Texas 79701

Attention: Mr. John Hansen

Re: Contraction of Unit Area,  
Red Hills Unit, Lea County,  
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the contraction of the Unit Area to be effective October 2, 1969, for the Red Hills Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One copy of the signature page is returned herewith.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/JEK/og

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

DEC 18 1969

October 31, 1969

Re: Red Hills Unit Agreement  
Lea County, New Mexico

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

Director  
United States Geological Survey  
Washington 25, D. C.

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

By notice dated July 31, 1969, we were notified that the automatic elimination provision, Section 2 (e) of the Red Hills Unit Agreement, would be effective October 2, 1969, unless drilling operations on unitized land not entitled to participation were being conducted on October 1, 1969. A copy of this notice was forwarded to all working interest owners in the Unit on August 5, 1969. As of October 1, 1969, no drilling operations were being conducted on such lands.

Union Oil Company of California, as operator of the Red Hills Unit and pursuant to Section 2 (e) of the Unit Agreement, hereby submits a revised Exhibit "B", showing the percentage and kind of ownership of all lands proposed to remain in the Red Hills Unit. We also submit herewith a revised Exhibit "A" plat of the Unit area and schedule showing the lands being eliminated from the Red Hills Unit.

We hereby request that this Unit be contracted to the 4 Section Participating Area as shown in the revised Exhibit "B" attached.

UNION OIL COMPANY OF CALIFORNIA

By

  
John Hansen

Attorney in Fact

BP

APPLICATION FOR APPROVAL OF AUTOMATIC ELIMINATION  
OF RED HILLS UNIT AREA (NO. 14-08-0001-8496)

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

Regional Oil and Gas Supervisor  
P. O. Drawer 1857  
Roswell, New Mexico 88201

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

The Red Hills Unit Agreement entered into as of the 20th day of November, 1962, by and between the parties subscribing, ratifying or consenting thereto,

W I T N E S S E T H:

Whereas, the Red Hills Unit Agreement was approved by the Acting Director, United States Geological Survey and by the Commissioner of Public Lands, State of New Mexico effective January 22, 1963; and

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

- (1) Union Oil Company of California No. 1 Red Hills Unit Well, located in SW/4 SE/4 Section 32, T-25-S, R-33-E was completed on December 26, 1964.
- (2) Union Oil Company of California No. 2 Red Hills Unit Well, located in NW/4 NE/4 Section 5, T-26-S, R-33-E was completed on April 12, 1967.

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

- (1) The initial participating area for the Devonian Formation, as established by the No. 1 well was approved effective September 3, 1964.
- (2) The initial participating area for the Wolfcamp Formation, as established by the No. 1 well, also was approved effective December 26, 1964.
- (3) The above participating area for the Devonian and for the Wolfcamp formations cover the same described lands as follows:

T-25-S, R-33-E, Sec. 32 and 33  
T-26-S, R-33-E, Sec. 4 and 5

Whereas, one Delaware well has been drilled within the boundaries of the Unit Area without establishing production of unitized substances in quantities sufficient to establish additional participating areas or to revise the initial participating areas; and

Whereas, Section 2(e) of the Red Hills Unit Agreement provides that all legal subdivisions of unitized lands, no parts of which are entitled to be in a participating area within 5 years after the first day of the month following the effective date of the first initial participating area established under this Unit Agreement, shall be eliminated automatically from this Agreement, effective as of the first day thereafter, and such lands shall no longer be a part of the Unit Area and shall no longer be subject to this Agreement, unless at the expiration of said 5 year period diligent drilling operations are in progress on unitized lands not entitled to participation, in which event all such lands shall remain subject to the Unit Agreement for so long as such drilling operations are continued diligently, with not more than 90 days elapsing between the completion of one such well and the commencement of the next such well; and

Whereas, the first participating area established under the terms of the Red Hills Unit Agreement became effective September 3, 1964, the effective date of automatic elimination as established by Section 2(e) of the Unit Agreement was October 2, 1969.

Now, therefore, Union Oil Company of California, as Operator of the Red Hills Unit, and pursuant to Section 2(e) of the Unit Agreement, respectfully requests your approval to contract the Unit Area to the outline of the present participating areas as shown on the Revised Exhibit "A" to the Unit Agreement. Also attached to this application is a Revised Exhibit "B" to the Unit Agreement.

The effective date of the contraction will be October 2, 1969.

Dated this 31st day of October, 1969.



APPROVED:

Date

Commissioner of Public Lands  
State of New Mexico

Date

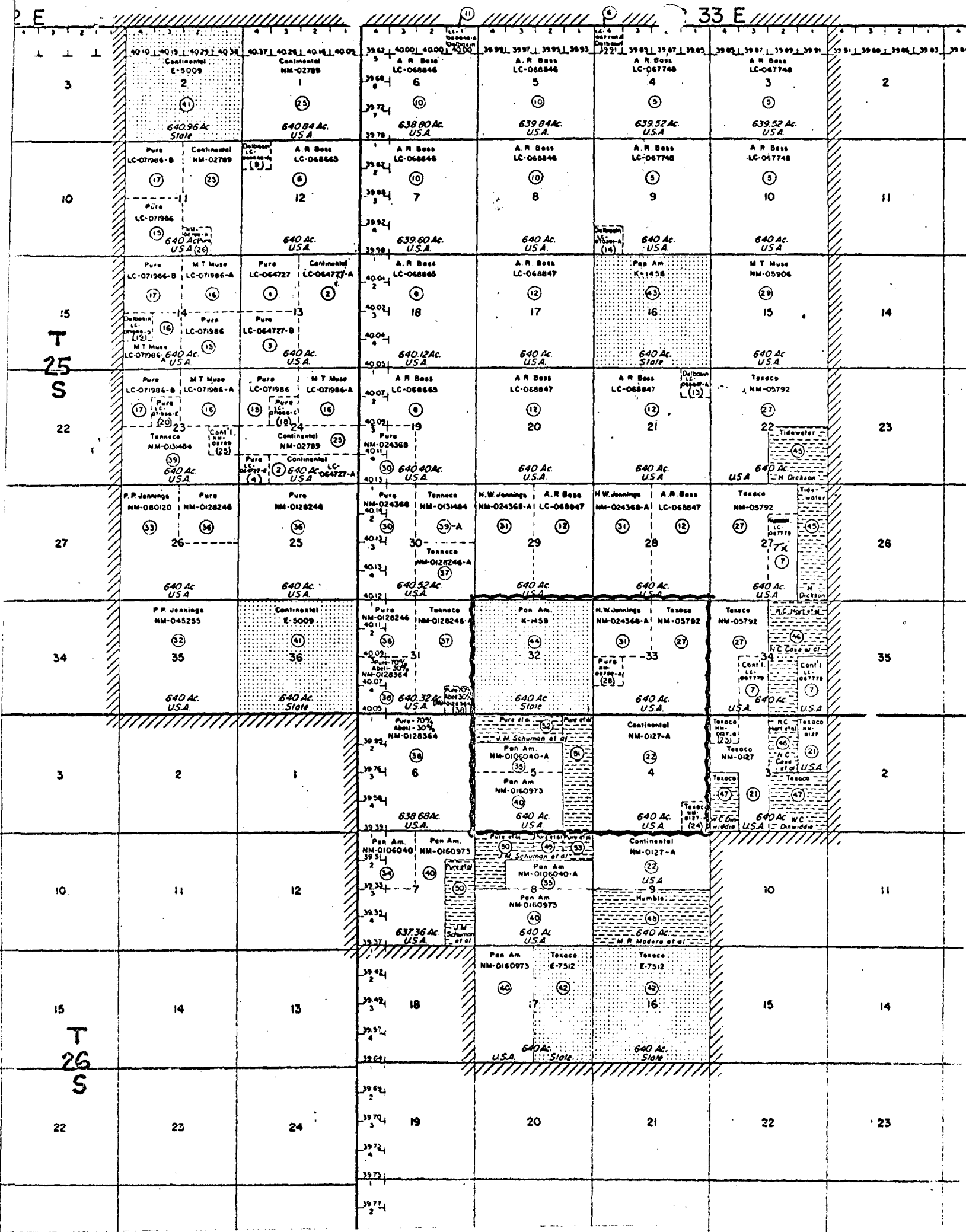
Director - U. S. Geological Survey

Date

January 6, 1970

New Mexico Oil Conservation  
Commission

A handwritten signature in cursive script, appearing to read "A. L. Carter", is written over a horizontal line.



# EXHIBIT "A" (REVISED)

Land Ownership Map - Red Hills Unit  
Lea County, New Mexico

## Legend

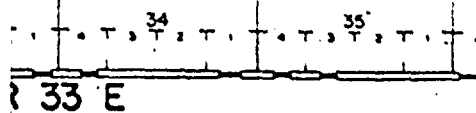
	Federal Land	- - - - -	1640 Ac. 64.06%
	State Land	- - - - -	640 Ac. 25.00%
	Fee Land	- - - - -	280 Ac. 10.94%
			2560 Ac. 100.00%

Original Unit Outline

Revised Unit Outline

Scale 1" = 1 mile

10-2-69



REVISED EXHIBIT "B"

1969

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF ALL LANDS IN THE  
RED HILLS UNIT AREA, LEA COUNTY, NEW MEXICO

Tract No.	Description of Land	Number of Acres	Serial No. & Exp. Date of Lease	Basic Royalty and Ownership Percentage	Lessees of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage
<u>FEDERAL LANDS</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
22	Sec. 4: N/2, N/2 S/2, S/2 SW/4, SW/4 SE/4	600.00	NM-0127-A	U.S.A. 12.5%	Continental Oil	George W. Miller 1.5%	Continental 100% (Subject to Texaco operating rights to 5300' under SW/4 SE/4 of Sec. 4)
24	Sec. 4: SE/4 SE/4 <u>T-25-S, R-33-E, N.M.P.M.</u>	40.00	NM-0127-H 5-29-64	U.S.A. 12.5%	Texaco Inc.	George W. Miller 3%	Texaco 100%
27	Sec. 33: E/2, SW/4 SW/4, E/2 SW/4	440.00	NM-05792 5-31-63	U.S.A. 12.5%	Texaco Inc.	D. Miller \$750.00 per acre out of 3%	Texaco 100%
28	Sec. 33: NW/4 SW/4	40.00	NM-05792-A 5-31-63	U.S.A. 12.5%	Pure Oil	Donald Combs 5% less following: D. Miller \$750.00 per acre out of 3%	Pure 100%
31	Sec. 33: NW/4	160.00	NM-024368-A	U.S.A. 12.5%	Howard W. Jennings, Inc.	Vincent Cuccia & wife, Louis Cuccia, & George E. Conley 3%	Richardson Oils, Inc. 75% Perry R. Bass 25%
						Howard W. Jennings & wife, Peggy P. Jennings 0.5%	

REVISED EXHIBIT "B" (Cont'd.)

Tract No.	Description of Land	Number of Acres	Serial No. & Exp. Date of Lease	Basic Royalty and Ownership Percentage	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage
<u>FEDERAL LANDS (Cont'd)</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
35	Sec. 5: S/2 NW/4, SW/4 NE/4	120.00	NM-0106040-A 8-31-65	U.S.A. 12.5%	Pan American Pet. Corporation	Southwestern Pet. Corp. 1%	Pan American 100%
<u>T-26-S, R-33-E, N.M.P.M.</u>							
40	Sec. 5: SW/4, W/2 SE/4	240.00	NM-0160973 Application	U.S.A. 12.5%	Pan American Pet.	None	Pan American 100%
<u>41 Federal Tracts of 1,640.00 acres or 64.06% of unit area</u>							
<u>STATE LANDS</u>							
<u>T-25-S, R-33-E, N.M.P.M.</u>							
44	Sec. 32: All	640.00	K-1459 5-16-71	State 12.5%	Pan American Pet.	None	Pan American 100%
<u>1 State Tract of 640.00 acres or 25.00000% of unit area</u>							
<u>FEE LANDS</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
51	Sec. 5: E/2 E/2	160.00	11-21-67	Frank Knappenberger 0.78125%	Pan American Pet.	None	Union 6.25% (Operating Rights)

## REVISED EXHIBIT "B" (Cont'd.)

Tract No.	Description of Land	Number of Acres	Serial No. & Exp. Date of Lease	Basic Royalty and Ownership Percentage	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage
<u>FEE LANDS (Cont'd)</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
				Schuman - Yeager, et al 1.56250%	Estate of Elizabeth R. Sharp, Deceased	None	Est. of Elizabeth R. Sharp, Dec. 93.75%
52	Sec. 5: N/2 NW/4, NW/4 NE/4	120.00	10-29-67	Frank Knappenberger	Pan American Pet.	None	Union 6.25% (Operating Rights)
				0.78125%	6.25%		

2 Fee Tracts of 280.00 acres or 10.94% of unit area

DEC 18 1969

SCHEDULE SHOWING LANDS ELIMINATED FROM THE RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO  
Effective October 2, 1969

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>FEDERAL LANDS</u>			
1	<u>T-25-S, R-32-E, N.M.P.M.</u> Sec. 13: NW/4	160.00 LC-064727 2-28-63 USA-All	
2	Sec. 13: E/2 Sec. 24: SE/4 SW/4, S/2 SE/4	440.00 LC-064727-A 2-28-63 USA-All	
3	Sec. 13: SW/4	160.00 LC-064727-B 2-28-63 USA-All	
4	Sec. 24: SW/4 SW/4	40.00 LC-064727-E 2-28-63 USA-All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
5	Sec. 3: All Sec. 4: Lots 1, 2, 3, S/2 N/2, S/2 Sec. 9: E/2, E/2 W/2, W/2 NW/4, NW/4 SW/4 Sec. 10: All	2,479.13 LC-067748 3-31-63 USA-All	
6	Sec. 4: Lot 4	39.91 LC-067748-A 3-31-63 USA-All	
7	Sec. 27: SW/4 NE/4, W/2 SE/4  Sec. 34: E/2 SW/4, E/2 SE/4	280.00 LC-067779 11-30-62 USA-All	
<u>T-25-S, R-32-E, N.M.P.M.</u>			
8	Sec. 12: E/2, SW/4, S/2 NW/4, NE/4 NW/4	1,720.88 LC-068665 2-28-63 USA-All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
	Sec. 18: All Sec. 19: Lots 1, 2, E/2 NW/4, E/2		
<u>T-25-S, R-32-E, N.M.P.M.</u>			
9	Sec. 12: NW/4 NW/4	40.00 LC-068665-A 2-28-63 USA-All	

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>FEDERAL LANDS (Cont'd)</u>			
<u>T-25-S, R-33-E, N.M.P.M.</u>			
10	Sec. 5: All	2,518.24	
	Sec. 6: Lots 2, 3, 4, 5, 6, 7, S/2 NE/4, SE/4 NW/4, E/2 SW/4, SE/4	LC-068846 2-28-63 USA-All	
	Sec. 7: All		
	Sec. 8: All		
11	Sec. 6: Lot 1	40.00 LC-068846-A 2-28-63 USA-All	
12	Sec. 17: All	2,520.00	
	Sec. 20: All	LC-068847	
	Sec. 21: W/2 E/2, W/2, E/2 SE/4, SE/4 NE/4	2-28-63 USA-All	
	Sec. 28: E/2		
	Sec. 29: E/2		
13	Sec. 21: NE/4 NE/4	40.00 LC-068847-A 2-28-63 USA-All	
14	Sec. 9: SW/4 SW/4	40.00 LC-070381-A 7-31-63 USA-All	
<u>T-25-S, R-32-E, N.M.P.M.</u>			
15	Sec. 11: SW/4	440.00	
	Sec. 14: SE/4	LC-071986	
	Sec. 24: N/2 NW/4, SW/4 NW/4	7-31-63 USA-All	
16	Sec. 14: NE/4, E/2 SW/4, SW/4 SW/4	600.00 LC-071986-A	
	Sec. 23: NE/4	7-31-63	
	Sec. 24: NE/4	USA-All	
17	Sec. 11: NW/4	440.00	
	Sec. 14: NW/4	LC-071986-B	
	Sec. 23: N/2 NW/4, SW/4 NW/4	7-31-63 USA-All	
18	Sec. 24: SE/4 NW/4	40.00 LC-071986-C 7-31-63 USA-All	
19	Sec. 14: NW/4 SW/4	40.00 LC-071986-D 7-31-63 USA-All	
20	Sec. 23: SE/4 NW/4	40.00 LC-071986-E 7-31-63 USA-All	

Tract No.	Description of Land	No. of Acres		Remarks
		Serial Number	Lease Date	
		Basic Royalty		
<u>FEDERAL LANDS (Cont'd)</u>				
<u>T-26-S, R-33-E, N.M.P.M.</u>				
21	Sec. 3: E/2 NE/4, E/2 W/2, SW/4 NW/4	280.00 NM-0127 5-29-64 USA-All		
22	Sec. 9: N/2	320.00 NM-0127-A HBP USA-All		Partially Eliminated
23	Sec. 3: NW/4 NW/4	40.00 NM-0127-G 5-29-64 USA-All		
<u>T-25-S, R-32-E, N.M.P.M.</u>				
25	Sec. 1: All Sec. 11: NE/4, N/2 SE/4, SE/4 SE/4 Sec. 23: NE/4 SE/4 Sec. 24: N/2 S/2	1,120.84 NM-02789 2-29-64 USA-All		
26	Sec. 11: SW/4 SE/4	40.00 NM-02789-A 2-29-64 USA-All		
<u>T-25-S, R-33-E, N.M.P.M.</u>				
27	Sec. 22: NE/4, W/2 Sec. 27: NW/4 NE/4, W/2	1,520.00 NM-05792 5-31-63 USA-All		
	Sec. 34: E/2 NW/4, W/2 W/2	1,080.00		Partially Eliminated
29	Sec. 15: All	640.00 NM-05906 8-31-63 USA-All		
30	Sec. 19: Lots 3, 4, E/2 SW/4 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2	480.76 NM-024368 1-31-67 USA-All		
31	Sec. 28: W/2	640.00 NM-024368-A 1-31-67 USA-All		
	Sec. 29: W/2			Partially Eliminated



Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>FEDERAL LANDS (Cont'd)</u>			
<u>T-25-S, R-32-E, N.M.P.M.</u>			
32	Sec. 35: All	640.00 NM-045255 8-31-64 USA-All	
33	Sec. 26: S/2, NW/4	480.00 NM-080120 1-31-65 USA-All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
34	Sec. 7: Lots 1, 2, E/2 NW/4	158.64 NM-0106040 8-31-65 USA-All	
35	Sec. 8: S/2 NE/4, SE/4 NW/4	120.00 NM-0106040-A 8-31-65 USA-All	Partially Eliminated
<u>T-25-S, R-32-E, N.M.P.M.</u>			
36	Sec. 25: All Sec. 26: NE/4	960.20 NM-0128246 2-28-71 USA-All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
36	Sec. 31: Lots 1, 2, E/2 NW/4	440.00	
37	Sec. 30: SE/4 Sec. 31: NE/4, N/2 SE/4 SW/4 SE/4	NM-0128246-A 2-28-71 USA-All	
38	Sec. 31: Lots 3, 4, E/2 SW/4, SE/4 SE/4	838.80 NM-0128364 3-31-71 USA-All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
	Sec. 6: All		
<u>T-25-S, R-32-E, N.M.P.M.</u>			
39	Sec. 23: SW/4, W/2 SE/4, SE/4 SE/4	280.00 NM-0131484 HBP USA-All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
39-A	Sec. 30: NE/4	160.00 Ditto	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
40	Sec. 7: Lots 3, 4, NE/4 NE/4, W/2 E/2, E/2 SW/4 Sec. 8: S/2 Sec. 17: W/2	998.72 HBP NM-0160973	Partially Eliminated

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>STATE LANDS</u>			
<u>T-25-S, R-32-E, N.M.P.M.</u>			
41	Sec. 2: All Sec. 36: All	1,280.96 E-5009-1 HBP State-All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
42	Sec. 16: All Sec. 17: E/2	960.00 E-7512 10-20-63 State-All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
43	Sec. 16: All	640.00 K-1458 5-16-71 State-All	
<u>FEE LANDS</u>			
<u>T-25-S, R-33-E, N.M.P.M.</u>			
45	Sec. 22: SE/4 Sec. 27: E/2 E/2	320.00 6-20-68 Harry Dickson, Jr.-All	
46	Sec. 34: NE/4, W/2 SE/4	320.00 5-24-65 Sybilla R. S. Markham 1.0576%	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
	Sec. 3: W/2 NE/4	5-24-65 Mildred J. S. Rudy-1.0576% 5-24-65 M. H. James- 0.0682% 5-24-65 Helen D. Susman- 0.0682% 9-24-67 Norman C. Case- 3.6133% 7-6-65 First City Natl. Bank of Houston, Texas-1.3644%	
47	Sec. 3: SE/4, W/2 SW/4	240.00 10-23-66 G. C. Dinwiddie- All	

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
<u>FEE LANDS (Cont'd)</u>			
<u>T-26-S, R-33-E, N.M.P.M.</u>			
48	Sec. 9: S/2	320.00 4-16-71 Malcolm R. Madera- 3.125% 4-16-71 Tommie K. Calley- 3.125% 4-16-66 Earl Goedeke- 1.5625% 4-16-71 Ralph H. Cummins- 1.5625% 4-16-71 Ance Oates- 1.5625% 4-16-71 Rebel Oil Co.- 0.78125% 4-16-71 Winnie Sims- 0.78125%	
49	Sec. 8: NW/4 NE/4	40.00 8-7-67 Jerald M. Schuman- 5.3125% 8-7-67 Avrome Schuman- 0.3125% 8-7-67 J. Harold Schuman- 0.3125% 8-7-67 Earl Schuman- 0.3125%	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
50	Sec. 7: SE/4 NE/4, E/2 SE/4	240.00 3-15-67 Jerald M. Schuman- 5.3125%	
	Sec. 8: W/2 NW/4, NE/4 NW/4	3-15-67 Avrome Schuman- 0.3125% 3-15-67 J. Harold Schuman- 0.3125% 3-15-67 Earl Schuman- 0.3125%	
51	Sec. 5: E/2 E/2	160.00 1-4-68 Mary Etta Killings- worth, et al-1.5625% 11-21-67	

Tract No.	Description of Land	No. of Acres Serial Number Lease Date Basic Royalty	Remarks
	<u>FEE LANDS (Cont'd)</u>		
	<u>T-26-S, R-33-E, N.M.P.M.</u>		
52	Sec. 5: N/2 NW/4, NW/4 NE/4	120.00 1-4-68 Mary Etta Killings- worth, et al- 1.56250%	
53	Sec. 8: NE/4 NE/4	40.00 1-4-68 Mary Etta Killings- worth, et al- 1.56250%	

**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 6, 1970

Union Oil Company of California  
300 North Carrizo Street  
Midland, Texas 79701

Attention: Mr. John Hansen

Re: Revision Exhibits "C"  
and "E", Red Hills Unit,  
Lea County, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the revisions of Exhibit "C" and "E" of Red Hills Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

A copy of the signature page is returned herewith.

Very truly yours,

A. A. PORTER, Jr.  
Secretary-Director

ALP/JEK/og

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

DEC 18 1969

December 15, 1969

Re: Red Hills Unit Agreement  
Lea County, New Mexico

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

Director  
United States Geological Survey  
Washington 25, D. C.

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

By virtue of the decision of the New Mexico Supreme Court in the suit entitled Coulter, et al vs. Grisso, et al, it has been determined that title to the one-sixteenth (1/16) interest committed to the Red Hills Unit Agreement by The Pure Oil Company (succeeded by merger by Union Oil Company of California) in each of Tracts 51 and 52, has failed, and said interests are no longer effectively committed to said Unit. As a result of this loss of title, the interest of each party not claiming through this one-sixteenth (1/16) interest has been increased in the Red Hills Unit Well No. 1, while the Unit's overall interest in Well No. 2 has been decreased thereby, with a resultant decrease in the interest of each Unit participant in that particular well.

Exhibits "C" and "E" to the Composite Application for Approval of Participating Areas for the Wolfcamp and Siluro-Devonian Formations have been prepared to reflect the above changes. These are attached for your approval. Upon such approval, these revisions will be effective as of July 1, 1969, the first day of the month following the final decision in the abovementioned suit.

Also attached are two counterparts of Union's gas and gas products division orders, reflecting the revised interests in sales from the two Red Hills Unit wells. Upon execution, these division orders will also be effective retroactively to July 1, 1969. This date is established pursuant to Section 28 of the Unit Agreement, which provides for "readjustment of future costs and benefits," upon determination of a failure of title.

Your approval of the revisions of Exhibits "C" and "E", attached hereto and execution of division orders reflecting the changes brought about by such revisions is hereby respectfully requested.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

BY John Hansen  
John Hansen  
Attorney in Fact

BP

Approved January 6 19 70  
U. P. Foster  
Secretary-Director

NEW MEXICO OIL CONSERVATION COMMISSION

Union Oil Company of California

Suite 300 Security Nat'l Bank Bldg., Roswell, N. M. 88201

Telephone (505) 622-8742

UNION

70 JAN 27 AM 8 35

December 18, 1969

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

Oil and Gas Supervisor  
United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

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

Re: Red Hills Unit  
Lea County, New Mexico

Gentlemen:

We enclose herewith the following corrective material:

1. Application for Approval of Automatic Elimination of Red Hills Unit Area (No. 14-08-0001-8496)
2. Revised Exhibit "B" Schedule Showing Percentage and Ownership.
3. Schedule Showing Lands Eliminated from the Red Hills Unit Area.

This material replaces the previously forwarded material concerning the Contraction of the Red Hills Unit.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

mm  
encl.

  
W. M. Stanley  
District Land Manager



APPLICATION FOR APPROVAL OF AUTOMATIC ELIMINATION  
OF RED HILLS UNIT AREA (No. 14-08-0001-8496)

10 JAN 27 AM 8 35

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

Regional Oil and Gas Supervisor  
Post Office Drawer 1857  
Roswell, New Mexico 88201

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

The Red Hills Unit Agreement entered into as of the 20th day of November, 1962, by and between the parties subscribing, ratifying or consenting thereto,

W I T N E S S E T H:

Whereas, the Red Hills Unit Agreement was approved by the Acting Director, United States Geological Survey, The New Mexico Oil Conservation Commission and by the Commissioner of Public Lands, State of New Mexico effective January 22, 1963; and

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

- (1) Union Oil Company of California No. 1 Red Hills Unit Well, located in SW/4 SE/4 Sec. 32, T-25-S, R-33-E, was completed on December 26, 1964.
- (2) Union Oil Company of California No. 2 Red Hills Unit Well, located in NW/4 NE/4 Sec. 5, T-26-S, R-33-E, was completed on April 12, 1967.

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

- (1) The initial Siluro-Devonian participating area, as established by the No. 1 Unit Well, was approved effective September 3, 1964.
- (2) The initial Wolfcamp participating area, as established by the No. 1 Unit Well, was approved effective December 26, 1964.
- (3) The initial Siluro-Devonian and Wolfcamp participating areas cover the same 2,560 acres described as follows:

T-25-S, R-33-E, Sec. 32 and 33  
T-26-S, R-33-E, Sec. 4 and 5

Whereas, three Delaware wells have been drilled within the boundaries of the Unit Area without establishing production of unitized substances in quantities sufficient to establish an initial Delaware participating area;

Whereas, Section 2 (e) of the Red Hills Unit Agreement provides that all legal subdivisions of unitized lands, no parts of which are entitled to be in a participating area within 5 years after the first day of the month following the effective date of the first initial participating area established under this Unit Agreement, shall be eliminated automatically from this Agreement, effective as of the first day thereafter, and such lands shall no longer be a part of the Unit Area and shall no longer be subject to this Agreement, unless at the expiration of said 5 year period diligent drilling operations are in progress on unitized lands not entitled to participation in which event all such lands shall remain subject to the Unit Agreement for so long as such drilling operations are continued diligently, with not more than 90 days elapsing between the completion of one such well and the commencement of the next such well; and

Whereas, the first participating area established under the terms of the Red Hills Unit Agreement became effective September 3, 1964, the effective date of automatic elimination as established by Section 2 (e) of the Unit Agreement is October 2, 1969.

NOW, THEREFORE, Union Oil Company of California, as Operator of the Red Hills Unit, and pursuant to Section 2 (e) of the Unit Agreement, respectfully requests your approval to contract the Unit Area to the outline of the present participating areas as shown on the Revised Exhibit "A" to the Unit Agreement. Also attached to this application is a Revised Exhibit "B" to the Unit Agreement.

The effective date of the contraction will be October 2, 1969.

DATED THIS 31st day of October, 1969.

  
W. M. Stanley  
District Land Manager

APPROVED:

\_\_\_\_\_  
DATE

\_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS  
STATE OF NEW MEXICO

\_\_\_\_\_  
DATE

\_\_\_\_\_  
Oil & Gas Supervisor -  
UNITED STATES GEOLOGICAL SURVEY

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NEW MEXICO OIL CONSERVATION COMMISSION

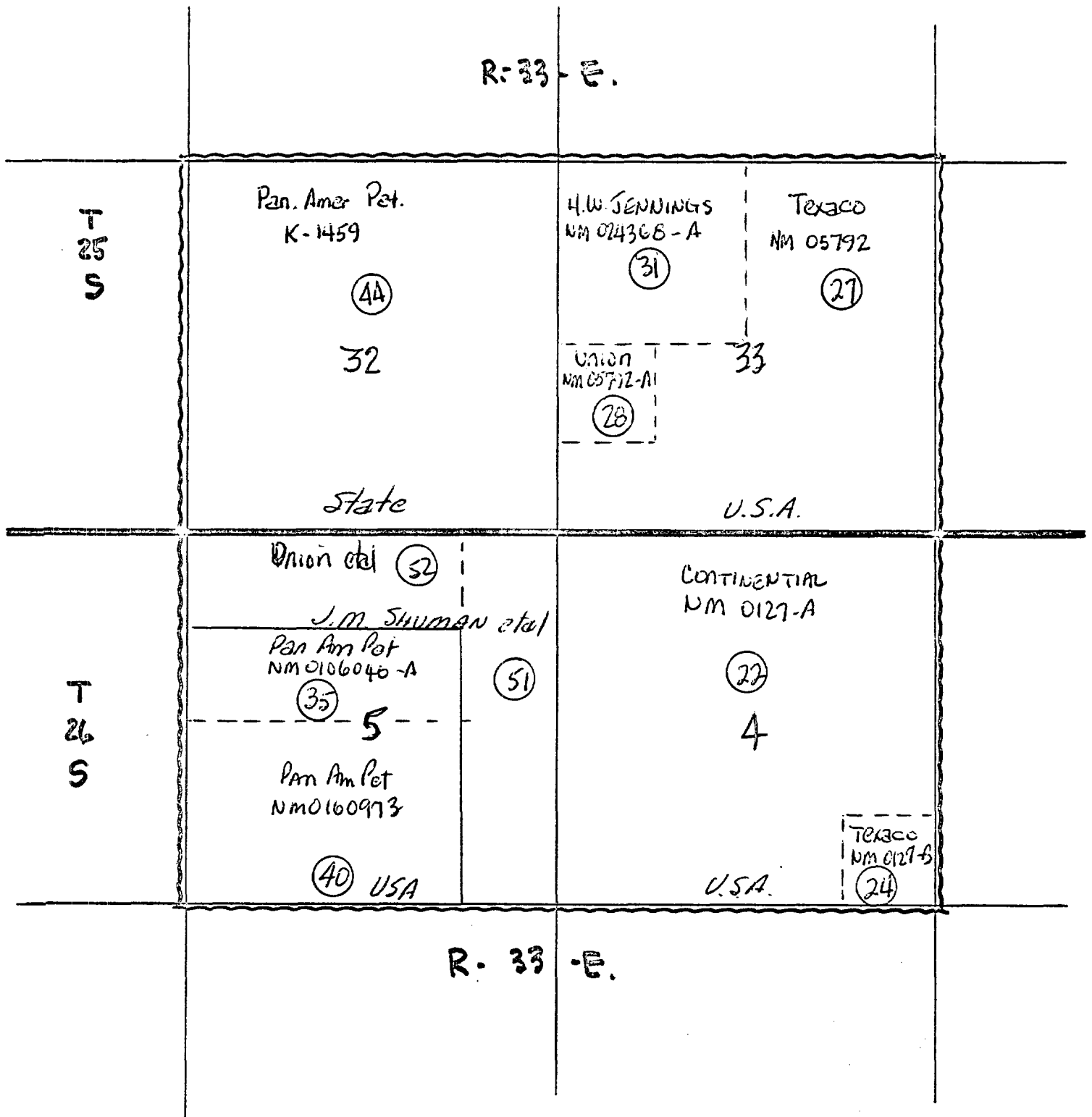


EXHIBIT "A" (REVISED)

Land Ownership Map - Red Hills Unit  
Lea County, New Mexico

LEGEND

Federal Land-----1640 Ac. 64.06%  
State Land----- 640 Ac. 25.00%  
Fee Land----- 280 Ac. 10.94%

Revised Unit Outline -   
SCALE 1" = 2000' 10-31-69

REVISED EXHIBIT "B"  
SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF ALL LANDS IN THE  
RED HILLS UNIT AREA, LEA COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OR PRODUCTION PAYMENT AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
<u>FEDERAL LANDS</u>							
<u>T-26-S, R-33-E, N.M.P.M.</u>							
22	Sec. 4: N/2, N/2 S/2, S/2 SW/4, SW/4 SE/4	600.00	NM-0127-A HBP	U.S.A. 12.5%	Continental Oil	George W. Miller 1.5% Ernest A. Hanson 1.5%	Continental 100% (Subject to Texaco operating rights to 5300' under SW/4 SE/4 of Sec. 4)
24	Sec. 4: SE/4 SE/4 <u>T-25-S, R-33-E, N.M.P.M.</u>	40.00	NM-0127-H HBP	U.S.A. 12.5%	Texaco, Inc.	George W. Miller 3.0%	Union 100%
27	Sec. 33: E/2, SW/4 SW/4, E/2 SW/4	440.00	NM-05792 HBP	U.S.A. 12.5%	Texaco, Inc.	D. Miller \$750.00 per acre out of 3.0%	Union 100%
28	Sec. 33: NW/4 SW/4	40.00	NM-05792-A HBP	U.S.A. 12.5%	Union	Donald Combs 5% less following: D. Miller \$750.00 per acre out of 3%	Union 100%
31	Sec. 33: NW/4	160.00	NM-024368-A HBP	U.S.A. 12.5%	Richardson Oils, Inc. 3/4	Vincent Cuccia & wife, Louise Cuccia, & George E. Conley 3%	Union 100%
						Perry R. Bass 1/4	Howard W. Jennings & wife, Peggy P. Jennings 0.5%

REVISED EXHIBIT "B" (CONT'D)

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OR PRODUCTION PAYMENT & PERCENTAGE	WORKING INTEREST and PERCENTAGE
Federal Lands (continued)							
T-26-S, R-33-E, N.M.P.M.							
35	Sec. 5: S/2 NW/4, SW/4 NE/4	120.00	NM-0106040-A HBP	U.S.A. 12.5%	Pan American Pet. Corp.	Southwestern Pet. Corp. 1 %	Pan American 100%
T-26-S, R-33-E, N.M.P.M.							
40	Sec. 5: SW/4, W/2 SE/4	240.00	NM-0160973 1-31-73	U.S.A. 12.5%	Pan American Pet. Corp.	None	Pan American 100%
T-26-S, R-33-E, N.M.P.M.							
7	FEDERAL TRACTS OF 1,640.00 acres or 64.06% of Unit Area						
STATE LANDS							
T-25-S, R-33-E, N.M.P.M.							
44	Sec. 32: A11	640.00	K-1459 5-16-71	State 12.5%	Pan American Pet. Corp.	None	Pan American 100%
T-25-S, R-33-E, N.M.P.M.							
1	STATE TRACT OF 640.00 ACRES OR 25.00000% of Unit Area						
FEE LANDS							
T-26-S, R-33-E, N.M.P.M.							
51	Sec. 5: E/2 E/2	160.00	11-21-67	Frank Knappenberger 0.78125%	Pan American Pet. Corp.	6.25% None	Union 6.25% (Operating Rights)

REVISED EXHIBIT "B" (Cont'd)

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NO. & EXP. DATE OF LEASE	BASIC ROYALTY AND OWNERSHIP PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY OR PRODUCTION PAYMENT & PERCENTAGE	WORKING INTEREST AND PERCENTAGE
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FEE LANDS (continued)

T-26-S, R-33-E, N.M.P.M.

				Schuman - Yeager, et al 1.56250%	Estate of Elizabeth R. Sharp, Dec. 93.75%	None	Est. of Elizabeth R. Sharp, Dec. 93.75%
52	Sec. 5: N/2 NW/4, NW/4 NE/4	120.00	10-29-67	Frank Knappenberger 0.78125%	Pan American Pet. 6.25%	None	Union 6.25% (Operating Rights)

2 FEE TRACTS OF 280.00 ACRES OR 10.94% OF UNIT AREA

SCHEDULE SHOWING LANDS ELIMINATED FROM THE RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO  
EFFECTIVE OCTOBER 2, 1969

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARKS
<u>FEDERAL LANDS</u>			
1	<u>T-25-S, R-32-E, N.M.P.M.</u> Sec. 13: NW/4	160.00 LC-064727 4-1-51 USA - All	
2	Sec. 13: E/2 Sec. 24: SE/4 SW/4, S/2 SE/4	440.00 LC-064727-A 4-1-51 USA - All	
3	Sec. 13: SW/4	160.00 NM-0349780 4-1-51 USA - All	
4	Sec. 24: SW/4 SW/4	40.00 LC-064727-E 4-1-51 USA - All	
	<u>T-25-S, R-33-E, N.M.P.M.</u>		
5	Sec. 3: All Sec. 4: Lots 1,2,3, S/2 N/2, S/2 Sec. 9: E/2, E/2 W/2, W/2 NW/4, NW/4 SW/4 Sec. 10: All	2479.13 LC-067748 5-1-51 USA - All	
6	Sec. 4: Lot 4	39.91 LC-067748-A 5-1-51 USA - All	
7	Sec. 27: SW/4 NE/4, W/2 SE/4 Sec. 34: E/2 SW/4, E/2 SE/4	280.00 NM-0340232 4-1-63 USA - All	
	<u>T-25-S, R-32-E, N.M.P.M.</u>		
8	Sec. 12: E/2, SW/4, S/2 NW/4, NE/4 NW/4	1720.28 LC-068665 4-1-51 USA - All	
	<u>T-25-S, R-33-E, N.M.P.M.</u>		
	Sec. 18: All Sec. 19: Lots 1,2, E/2 NW/4, E/2		
	<u>T-25-S, R-32-E, N.M.P.M.</u>		
9	Sec. 12: NW/4 NW/4	40.00 LC-068665-A USA - All 4-1-51	



TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARKS
<u>Federal Lands (continued)</u>			
<u>T-25-S, R-33-E, N.M.P.M.</u>			
10	Sec. 5: All	2518.24	
	Sec. 6: Lots 2,3,4,5,6, 7, S/2 NE/4, SE/4 NW/4, E/2 SW/4, SE/4	LC-068846 4-1-51 USA - All	
	Sec. 7: All		
	Sec. 8: All		
11	Sec. 6: Lot 1	40.00 LC-068846-A 4-1-51 USA - All	
12	Sec.17: All	2520.00	
	Sec.20: All	LC-068847	
	Sec.21: W/2 E/2, W/2, E/2 SE/4, SE/4 NE/4	4-1-51 USA - All	
	Sec.28: E/2		
	Sec.29: E/2		
13	Sec.21: NE/4 NE/4	40.00 LC-068847-A 4-1-51 USA - All	
14	Sec. 9: SW/4 SW/4	40.00 LC-070381-A 9-1-51 USA - All	
<u>T-25-S, R-32-E, N.M.P.M.</u>			
15	Sec.11: SW/4	440.00	
	Sec.14: SE/4	LC-071986	
	Sec.24: N/2 NW/4, SW/4 NW/4	9-1-51 USA - All	
16	Sec.14: NE/4, E/2 SW/4, SW/4 SW/4	600.00 LC-071986-A 9-1-51 USA - All	
	Sec.23: NE/4		
	Sec.24: NE/4		
17	Sec.11: NW/4	440.00	
	Sec.14: NW/4	LC-071986-B	
	Sec.23: N/2 NW/4, SW/4 NW/4	9-1-51 USA - All	
18	Sec.24: SE/4 NW/4	40.00 LC-071986-C 9-1-51 USA - All	
19	Sec.14: NW/4 SW/4	40.00 LC-071986-D 9-1-51 USA - All	
20	Sec.23: SE/4 NW/4	40.00 LC-071986-E 9-1-51 USA - All	

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARKS
<u>Federal Lands (continued)</u>			
<u>T-26-S, R-33-E, N.M.P.M.</u>			
21	Sec. 3: E/2 NE/4, E/2 W/2, SW/4 NW/4	280.00 NM-0127 10-1-51 USA - All	
22	Sec. 9: N/2	320.00 NM-0127-A 10-1-51 USA - All	Partially Eliminated
23	Sec. 3: NW/4 NW/4	40.00 NM-0127-G 10-1-51 USA - All	
<u>T-25-S, R-32-E, N.M.P.M.</u>			
25	Sec. 1: All Sec. 11: NE/4, N/2 SE/4, SE/4 SE/4 Sec. 23: NE/4 SE/4 Sec. 24: N/2 S/2	1120.84 NM-02789 4-1-52 USA - All	
26	Sec. 11: SW/4 SE/4	40.00 NM-02789-A 4-1-52 USA - All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
27	Sec. 22: NE/4, W/2 Sec. 27: NW/4 NE/4, W/2 Sec. 34: E/2 NW/4, W/2 W/2	1080.00 NM-05792 7-1-51 USA - All	Partially Eliminated
29	Sec. 15: All	640.00 NM-05906 9-1-51 USA - All	
30	Sec. 19: Lots 3,4, E/2 SW/4 Sec. 30: Lots 1,2,3,4, E/2 W/2	480.76 NM-024368 2-1-57 USA - All	
31	Sec. 28: W/2 Sec. 29: W/2	640.00 NM-024368-A 2-1-57 USA - All	Partially Eliminated
<u>T-25-S, R-32-E, N.M.P.M.</u>			
32	Sec. 35: All	640.00 NM-045255 9-1-59 USA - All	
33	Sec. 26: S/2, NW/4	480.00 NM-080120 2-1-60 USA - All	

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARKS
<u>Federal Lands (continued)</u>			
<u>T-26-S, R-33-E, N.M.P.M.</u>			
34	Sec. 7: Lots 1,2, E/2 NW/4	158.64 NM-0106040 9-1-60 USA - All	
35	Sec. 8: S/2 NE/4, SE/4 NW/4	120.00 NM-0106040-A 9-1-60 USA - All	Partially Eliminated
<u>T-25-S, R-32-E, N.M.P.M.</u>			
36	Sec. 25: All Sec. 26: NE/4	960.20 NM-0128246 3-1-61 USA - All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
	Sec. 31: Lots 1,2, E/2 NW/4		
37	Sec. 30: SE/4 Sec. 31: NE/4, N/2 SE/4, SW/4 SE/4	440.00 NM-0128246-A 3-1-61 USA - All	
38	Sec. 31: Lots 3,4, E/2 SW/4, SE/4 SE/4	838.80 NM-0128364 4-1-61 USA - All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
	Sec. 6: All		
<u>T-25-S, R-32-E, N.M.P.M.</u>			
39	Sec. 23: SW/4, W/2 SE/4, SE/4 SE/4	280.00 NM-0131484 3-1-61 USA - All	Not Committed
<u>T-25-S, R-33-E, N.M.P.M.</u>			
39-A	Sec. 30: NE/4	160.00 NM-0131484 3-1-61 USA - All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
40	Sec. 7: Lots 3,4, NE/4 NE/4, W/2 E/2, E/2 SW/4 Sec. 8: S/2 Sec. 17: W/2	998.72 2-1-63 NM-0160973 USA - All	Partially Eliminated

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARK
<u>State Lands</u>			
<u>T-25-S, R-32-E, N.M.P.M.</u>			
41	Sec. 2: All Sec. 36: All	1280.96 E-5009-1 HBP State - All	
<u>T-26-S, R-33-E, N.M.P.M.</u>			
42	Sec. 16: All Sec. 17: E/2	960.00 E-7512 10-20-63 State - All	
<u>T-25-S, R-33-E, N.M.P.M.</u>			
43	Sec. 16: All	640.00 K-1458 5-16-71 State - All	
<u>Fee Lands</u>			
<u>T-25-S, R-33-E, N.M.P.M.</u>			
45	Sec. 22: SE/4 Sec. 27: E/2 E/2	320.00 6-20-68 Harry Dickson, Jr. - All	
46	Sec. 34: NE/4, W/2 SE/4	320.00 5-24-65 Sybilla R. S. Markham 1.0576%	Non-Committed
<u>T-26-S, R-33-E, N.M.P.M.</u>			
	Sec. 3: W/2 NE/4	5-24-65 Mildred J.S. Rudy - 1.0576% 5-24-65 M. H. James- 0.0682% 5-24-65 Helen D. Susman- 0-0682% 9-24-67 Norman C. Case- 3.6133% 7-6-65 First City Nat'l. Bank of Houston, Texas - 1.3644%	
47	Sec. 3: SE/4, W/2 SW/4	240.00 10-23-66 G. C. Dinwiddie- All	Partially Committed

TRACT NO.	DESCRIPTION OF LAND	NO. OF ACRES SERIAL NUMBER LEASE DATE BASIC ROYALTY	REMARKS
<u>Fee Lands (continued)</u>			
<u>T-26-S, R-33-E, N.M.P.M.</u>			
48	Sec. 9: S/2	320.00 4-16-71 Malcolm R. Madera- 3.125% 4-16-71 Tommie K. Calley- 3.125% 4-16-66 Earl Goedeke- 1.5625% 4-16-71 Ralph H. Cummins- 1.5625% 4-16-71 Ance Oates- 1.5625% 4-16-71 Rebel Oil Co.- 0.78125% 4-16-71 Winnie Sims- 0.78125%	Non-Committed
49	Sec. 8: NW/4 NE/4	40.00 8-7-67 Jerald M. Schu- man - 5.3125% 8-7-67 Avrome Schuman- 0.3125% 8-7-67 J. Harold Schuman- 0.3125% 8-7-67 Earl Schuman- 0.3125%	Partially Committed
50	Sec. 7: SE/4 NE/4, E/2 SE/4	240.00 3-15-67 Jerald M. Schu- man - 5.3125%	Partially Committed
	Sec. 8: W/2 NW/4, NE/4 NW/4	3-15-67 Avrome Schuman- 0.3125% 3-15-67 J. Harold Schuman- 0.3125% 3-15-67 Earl Schuman- 0-3125%	
53	Sec. 8: NE/4 NE/4	40.00 1-4-68 Mary Etta Killings- worth, et al - 1.56250%	

60 FEB 18 AM 01

February 17, 1969

Union Oil Company of California  
Suite 300 Security National Bank Building  
Roswell, New Mexico

Re: Red Hills Unit  
Lea County, New Mexico  
Seventh Plan of Development

ATTENTION: Mr. John Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your Seventh Plan of Development for the Red Hills Unit, Lea County, New Mexico, from January 1, 1969 to December 31, 1969, subject to like approval by the United States Geological Survey.

One approved copy of the plan is enclosed herewith.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
Ted Bilderry, Director  
Oil and Gas Department

ILLEGIBLE

AJA/TB/ML/s

encl. 1.

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



69 FEB 12 PM 11

2671

February 10, 1969

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attn: Mr. Ted Bilberry

United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

Attn: Mr. John Anderson

Gentlemen:

Re: Seventh Plan of Development  
and Operations  
Red Hills Unit  
Lea County, New Mexico

Enclosed to the State of New Mexico are three (3) copies of the captioned together with our Draft No. 11475 in the amount of \$3.00 for filing fee. Enclosed for the U.S.G.S., are four copies of the captioned. We request that the Commissioner and the U.S.G.S., return one approved copy to this office.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

*W. M. Stanley*  
*W. M. Stanley*

WMS/mm  
encls.

W. M. Stanley  
District Land Manager

cc: New Mexico Oil and Gas Conservation Commission  
Attn: Mr. A. L. Porter, Jr.  
P. O. Box 2088  
Santa Fe, New Mexico

SEVENTH PLAN OF DEVELOPMENT AND OPERATIONS  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

69 FEB 12 PM 1 10

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

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and the Supervisor, this Seventh Plan of Development and Operation for the unitized land for the period from January 1, 1969 to December 31, 1969.

On June 3, 1966, Unit Operator filed with the Commissioner and Supervisor, Amendment to Second Plan of Development and Operation for the Red Hills Unit Area. This Amendment provided for the commencement of a second test well no later than June 30, 1966, at a location 990 feet from the north line and 1650 feet from the east line of Section 5, Township 26 South, Range 33 East, N.M.P.M. Such Amendment was approved by the Commissioner and Supervisor on June 7, 1966 and June 23, 1966, respectively. On June 15, 1966, Unit Operator filed with the Commissioner and Supervisor, a Third Plan of Development and Operation for the Red Hills Unit Area which provided for the drilling, testing and completion of our Red Hills Unit Well No. 2, and covered the period of time from July 1, 1966 to December 31, 1966. Such Third Plan of Development was approved by the Commissioner and Supervisor on July 25, 1966 and July 20, 1966, respectively. On December 16, 1966, Union Oil Company of California, as Operator of the Red Hills Unit, filed an Application for Extension of Time to file the Fourth Plan of Development and Operations of the Red Hills Unit to March 31, 1967. Such Fourth Plan of Development was filed on March 27, 1967, and was approved by the Commissioner of Public Lands on April 3, 1967, and by the United States Geological Survey on April 6, 1967. This Fourth Plan provided for the drilling of a Delaware test in



the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E, on or before June 1, 1967. On December 27, 1967, Unit Operator filed with the Commissioner and Supervisor, our Fifth Plan of Development and Operation providing for the drilling of a Delaware test on or before February 15, 1968, to be located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E. Such Fifth Plan of Development was approved by the Commissioner of Public Lands and the United States Geological Survey on January 11 and January 15, 1968, respectively.

The above described second test well, No. 2 Red Hills Unit, was spudded by Unit Operator on June 23, 1966, and reached a total depth of 15,055 feet on October 19, 1966. A liner was run and cemented at total depth. The hole was perforated in the Pennsylvanian between 14,370 feet and 14,826 feet and treated with acid. On production tests, the well flowed initially at the rate of 1,569 MCFGPD plus 84 BWPD, declining after one month to 1,187 MCFGPD plus 63 BWPD. The Pennsylvanian zone has been plugged and abandoned and completion was accomplished in the Wolfcamp. This well was completed on April 12, 1967, with a CAOF of 13,600 MCFGPD.

On May 24, 1967, Joseph L. O'Neill, Jr., spudded his No. 1 Federal "O" well in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E. This well was drilled to a total depth of 4904 feet and completed on June 12, 1967, with a pumping potential of 85 BO and 55 BW per day. This well is currently producing approximately 20 BO and 20 BW per day. No participating area has been established for production from the No. 1 Federal "O" well, as such well has been determined to be incapable of producing unitized substances in paying quantities.

The Sixth Plan of Development and Operations as amended was approved by the Commissioner of Public Lands on September 9, 1968, and by the United States Geological Survey on September 12, 1968. The Amendment provided for the drilling of a 5200' Delaware test on a fee lease to be located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 27, T-25-S, R-33-E, Lea County, New Mexico. This well was spudded on October 15, 1968, and was drilled to a total depth of 5150 feet. It was plugged and abandoned on October

28, 1968, as a dry hole.

We have no plans for further drilling in the Red Hills Unit Area at this time. Pursuant to the terms of Unit Agreement, automatic elemination will be effective October 2, 1969 absent diligent drilling operations being conducted on such date.

This Seventh Plan of Development and Operation shall cover the period from January 1, 1969 to December 31, 1969, and may be modified or supplemented from time to time with the approval of the Commissioner of Public Lands and the Supervisor when needed to meet changing conditions or to protect all parties to the Unit Agreement.

RESPECTFULLY SUBMITTED this 7th day of February  
1969.

UNION OIL COMPANY OF CALIFORNIA

BY: John Hansen  
John Hansen - Attorney-in-Fact

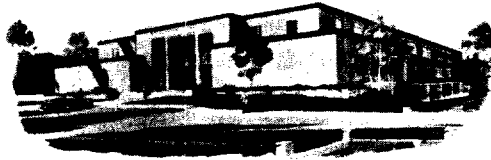
APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 1969.

\_\_\_\_\_  
Commissioner of Public Lands  
State of New Mexico

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 1969.

\_\_\_\_\_  
Supervisor, Oil and Gas Operation  
United States Geological Survey

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS  
COMMISSIONER



P. O. BOX 1148  
SANTA FE, NEW MEXICO

September 9, 1968

Union Oil Company of California  
Suite 300, Security National Bank Building  
Roswell, New Mexico 88201

Re: Red Hills Unit- Amendment  
to Sixth Plan of Development  
Lea County, New Mexico

ATTENTION: Mr. W. M. Stanley

Gentlemen:

The Commissioner of Public Lands has this date approved the Amendment to the Sixth Plan of Development for the Red Hills Unit, Lea County, New Mexico. This approval is subject to like approval by the United States Geological Survey.

This amendment calls for the drilling of a Delaware Test Well to be located on Fee land covering the SE/4SE/4 of Section 27, Township 25 South, Range 33 East. Such test to be commenced on or before November 15, 1968.

We are returning one copy of the amendment executed by the Commissioner, also Official Receipt No. I 34686 for the filing fee of the Sixth Plan of Development. Your other receipt for the amendment will be mailed to you as soon as it is processed.

Very truly yours,

Guyton B. Hays  
Commissioner of Public Lands

GBH/s  
encls.

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

ILLEGIBLE

Union Oil Company of California

Suite 300 Security Nat. Bank Bldg., Roswell, N. M. 88201  
Telephone (505) 622-8742



*26/11*

September 4, 1968

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attn: Mr. Ted Bilberry

United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

Attn: Mr. John A. Anderson

Gentlemen:

Re: Amendment to Sixth Plan of  
Development and Operation  
Red Hills Unit  
Lea County, New Mexico

Enclosed to the State of New Mexico are three (3) copies of the captioned together with our Draft No. 11074 in the amount of \$3.00 for filing fee. Enclosed for the U.S.G.S., are four (4) copies of the captioned. We request that the Commissioner and the U.S.G.S., return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

A handwritten signature in dark ink, appearing to read "W. M. Stanley", written over a horizontal line.  
W. M. Stanley  
District Landman

mm  
encls.

cc: New Mexico Oil & Gas Conservation Commission  
Post Office Box 2088 Attn: Mr. A. L. Porter, Jr.  
Santa Fe, New Mexico

10 SEP 5 1968

AMENDMENT TO  
SIXTH PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: COMMISSIONER OF PUBLIC LANDS  
State of New Mexico  
Santa Fe, New Mexico

SUPERVISOR, OIL AND GAS OPERATIONS  
UNITED STATES GEOLOGICAL SURVEY  
Roswell, New Mexico

In order to meet changed conditions, Union Oil Company of California, as Operator of the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and the Supervisor, this Amendment to the Sixth Plan of Development and Operation for the unitized land for the period July 1, 1968 to December 31, 1968.

Said Sixth Plan of Development provides for no drilling activity during the last half of 1968.

In lieu of no drilling activity we propose to cause to be drilled a 5200' Delaware test on a fee lease to be located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 27, T-25-S, R-33-E, Lea County, New Mexico. Such test to be commenced on or before November 15, 1968.

The Sixth Plan of Development and Operation, as amended hereby, shall constitute the further drilling and operation obligations of the Unit Operator of the Red Hills Unit for the period July 1, 1968 to December 31, 1968, and may be modified or supplemented from time to time with the approval of the Commissioner and the Supervisor when necessary to meet changed conditions or to protect all parties to the Unit Agreement.

RESPECTFULLY submitted this 3rd day of September 1968.

UNION OIL COMPANY OF CALIFORNIA

BY:

*John L. Smith*

Union Oil Company of California

Suite 300 Security Nat'l Bank Bldg., Roswell, N. M. 88201  
Telephone (505) 622-8742

2671



June 28, 1968

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attn: Mr. Ted Bilberry

United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

Attn: Mr. John A. Anderson

Gentlemen:

Re: Sixth Plan of Development and  
Operations for the Red Hills  
Unit Area, Lea County, N. M.

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 11081 in the amount of \$3.00 for filing fee for the captioned, and the return of one approved copy thereof. Enclosed for the U.S.G.S., are four (4) copies of the captioned. We request that the U.S.G.S., return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

WMS/mm  
encls.

  
W. M. Stanley  
District Landman

68 JUL 1 AM 10 10

cc: New Mexico Oil & Gas Conservation Commission  
Post Office Box 2088 Attn: Mr. A. L. Porter, Jr.  
Santa Fe, New Mexico

SIXTH PLAN OF DEVELOPMENT AND OPERATION

FOR

RED HILLS UNIT AREA

LEA COUNTY, NEW MEXICO

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

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and the Supervisor, this Sixth Plan of Development and Operation for the unitized land for the period from July 1, 1966 to December 31, 1968.

On June 3, 1966, Unit Operator filed with the Commissioner and Supervisor, Amendment to Second Plan of Development and Operation for the Red Hills Unit Area. This Amendment provided for the commencement of a second test well no later than June 30, 1966, at a location 990 feet from the north line and 1650 feet from the east line of Section 5, Township 26 South, Range 33 East, N.M.P.M. Such Amendment was approved by the Commissioner and Supervisor on June 7, 1966 and June 23, 1966, respectively. On June 15, 1966, Unit Operator filed with the Commissioner and Supervisor, a Third Plan of Development and Operation for the Red Hills Unit Area which provided for the drilling, testing and completion of our Red Hills Unit Well No. 2, and covered the period of time from July 1, 1966, to December 31, 1966. Such Third Plan of Development was approved by the Commissioner and Supervisor on July 25, 1966 and July 20, 1966, respectively. On December 16, 1966, Union Oil Company of California, as Operator of the Red Hills Unit, filed an Application for Extension of Time to file the Fourth Plan of Development of the Red Hills Unit to March 31, 1967. Such

1966 JUL 1 AM 6 10

Fourth Plan of Development was filed on March 27, 1967, and was approved by the Commissioner of Public Lands on April 3, 1967, and by the United States Geological Survey on April 6, 1967. This Fourth Plan provided for the drilling of a Delaware test in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E, on or before June 1, 1967. On December 27, 1967, Unit Operator filed with the Commissioner and Supervisor, our Fifth Plan of Development and Operation providing for the drilling of a Delaware test on or before February 15, 1968, to be located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E. Such Fifth Plan of Development was approved by the Commissioner of Public Lands and the United States Geological Survey on January 11th and 15th, 1968 respectively.

The above described second test well, No. 2 Red Hills Unit, was spudded by Unit Operator on June 23, 1966, and reached a total depth of 15,055 feet on October 19, 1966. A liner was run and cemented at total depth. The hole was perforated in the Pennsylvanian between 14,826 feet and treated with acid. On production tests, the well flowed initially at the rate of 1,569 MCFGPD plus 84 BWPD, declining after one month to 1,187 MCFGPD plus 63 BWPD. The Pennsylvanian zone has been plugged and abandoned and completion was accomplished in the Wolfcamp. This well was completed on April 12, 1967, with a CAOF of 13,600 MCFGPD.

On May 24, 1967, Joseph I. O'Neill, Jr., spudded his Federal "O" Well in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E. This well was drilled to a total depth of 4904 feet and completed on June 12, 1967, with a pumping potential of 85 BO and 55 BW per day. This well is currently producing approximately 20 BO and 29 BW per day.

On August 9, 1967, Joseph I. O'Neill, Jr., spudded his Federal "P" Well in NW $\frac{1}{4}$ NE $\frac{1}{4}$  Sec. 23, T-25-S, R-32-E. This well was drilled to a total depth of 4884 feet and was plugged and abandoned as a dry hole on August 17, 1967. No participating area has been established for production from the Federal "O" Well above mentioned.



On February 13, 1968, Joseph I. O'Neill, Jr., spudded his Federal "O" No. 2 Well in the NE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 14, T-25-S, R-32-E. This well was drilled to a total depth of 4896' and was plugged and abandoned as a dry hole on February 21, 1968. No participating area has been established for the Delaware production in this area.

It is our plan to further observe the production from the two Wolfcamp producing wells located in Sec. 32, T-25-S, R-33-E, and in Sec. 5, T-26-S, R-33-E. Various engineering tests will be conducted which will enable us to reliably calculate our reservoir.

We have no plans for further development until we are in a position to reliably predict the extent of the Wolfcamp reservoir in the present participating area.

This Sixth Plan of Development and Operation shall cover the period from July 1, 1968 to December 31, 1968, and may be modified or supplemented from time to time with approval of the Commissioner and Supervisor when needed to meet changing conditions or to protect all parties to the Unit Agreement.

RESPECTFULLY SUBMITTED this 27<sup>th</sup> day of June 1968.

UNION OIL COMPANY OF CALIFORNIA

BY John Hansen

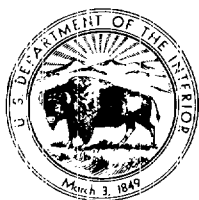
John Hansen - Attorney-in-Fact

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1968

\_\_\_\_\_  
Commissioner of Public Lands  
State of New Mexico

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1968

\_\_\_\_\_  
Supervisor Oil and Gas Operation  
United States Geological Survey



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1057  
Roswell, New Mexico 88201

June 24, 1968

Union Oil Company of California  
Suite 300, Security National Bank Building  
Roswell, New Mexico 88201

Attention: Mr. W. M. Stanley;

Gentlemen:

Your letters of September 13, 1967, and April 30, 1968, furnish production information for well #1 Federal "O" SE $\frac{1}{4}$ SE $\frac{1}{4}$  sec. 14, T. 25 S., R. 32 E., N.M.P.M. You also advise that Union, as unit operator of the Red Hills unit agreement, does not consider well No. 1 Federal "O" as capable of producing unitized substances in paying quantities from the Delaware sand.

Unit well No. 1 Federal "O" was completed on June 12, 1967, for an initial potential of 85 barrels of oil and 55 barrels of water per day from the Delaware 4,851 to 4,855 feet. The well has produced a total of 7,790 barrels of oil through April, and is currently producing at a rate of 16 barrels of oil per day.

This office concurs with your determination that well No. 1 Federal "O" is not capable of producing unitized substances in paying quantities from the Delaware sand under existing conditions.

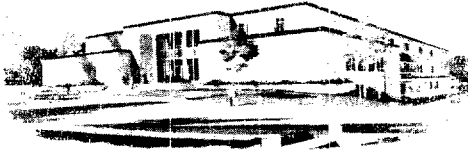
Sincerely yours

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

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

ILLEGIBLE

State of New Mexico



Commissioner of Public Lands



February 6, 1968

GUYTON B. HAYS  
COMMISSIONER

P. O. BOX 1145  
SANTA FE, NEW MEXICO

68 FEB 7 AM 11 41

Joseph I. O'Neill, Jr.  
410 West Ohio  
Midland, Texas 79701

Re: Red Hills Unit  
Lea County, New Mexico

ATTENTION: Mr. Byrne O'Neill

Gentlemen:

This will acknowledge your letter of February 5, 1968, enclosing an executed copy of the Designation of Agent for the drilling of well no. 5, in the Red Hills Unit, to be located in the NE/4SE/4 of Section 14, Township 25 South, Range 32 East, Lea County, New Mexico.

By this Designation of Agent, Union Oil Company of California, is in no way relieved of its responsibility as Unit Operator for the Red Hills Unit.

Very truly yours,

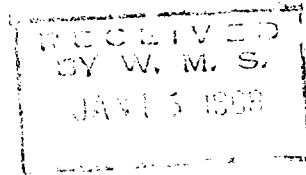
GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

ILLEGIBLE

BY:  
Eddie Lopez, Supervisor  
Unit Division

GBH/TB/EL/s  
encl. 1  
cc: USGS-Roswell, New Mexico  
OCC-Santa Fe, New Mexico

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



Drawer 1857  
Roswell, New Mexico 88201

January 15, 1968

Union Oil Company of California  
Suite 300, Security National Bank Bldg.  
Roswell, New Mexico 88201


Attention: Mr. W. M. Stanley

Gentlemen:

Your fifth plan of development covering the period from January 1 through June 30, 1968, for the Red Hills unit area, Lea County, New Mexico, proposing the drilling of a 5,100-foot well to test the Delaware formation has been approved on this date. Such approval is subject to like approval by the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the plan is enclosed.

Sincerely yours,



JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

State of New Mexico

Rec 1-12-68 475



Commissioner of Public Lands



January 11, 1968

GUYTON B. HAYS  
COMMISSIONER

P. O. BOX 1148  
SANTA FE, NEW MEXICO

Union Oil Company of California  
Suite 300 Security National Bank Building  
Roswell, New Mexico

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

ATTENTION: Mr. W. M. Stanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Fifth Plan of Development for the Red Hills Unit, Lea County, New Mexico, from January 1, 1968 to June 30, 1968, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

This plan calls for the drilling of a Delaware test well to be drilled to the approximate depth of 5,100 feet, in the SE/4SE/4 of Section 14, Township 25 South, Range 32 East, such test to be commenced on or before February 15, 1968.

One approved copy of the plan is enclosed, also your Official Receipt No. I 25759, in the amount of Three (\$3.00) Dollars which covers the filing fee.

Very truly yours,  
GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY: *Eddie Lopez*  
Eddie Lopez, Supervisor  
Unit Division

GBH/TB/EL/s  
Encls

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

ADDRESSEE - LIST  
WORKING INTEREST OWNERS  
RED HILLS UNIT

Continental Oil Company  
Post Office Box 460  
Hobbs, New Mexico  
Attn: Mr. L. P. Thompson

Tidewater Oil Company  
Post Office Box 1404  
Houston 1, Texas  
Attn: Mr. W. S. Shipman

Texaco, Inc.  
Post Office Box 3109  
Midland, Texas  
Attn: Mr. R. T. Maxwell

Tenneco Oil Company  
Post Office Box 1031  
Midland, Texas  
Attn: Mr. R. E. Winckler

Pan American Petroleum Corporation  
Post Office Box 1410  
Fort Worth, Texas  
Attn: Mr. D. B. Mason, Jr.

George T. Abell  
Post Office Box 430  
Midland, Texas  
Attn: Mr. J. I. Trott

Richardson Oils, Inc.  
Perry R. Bass  
Delbasin Corporation  
1211 Fort Worth National Bank Bldg.  
Fort Worth, Texas  
Attn: Mr. W. P. Duncan, Jr.

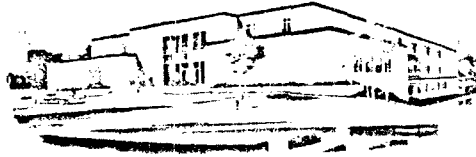
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cc: (with enclosures for file purposes only)

Perry R. Bass  
Post Office Box 171  
Midland, Texas  
Attn: Mr. Wm. Seltzer

Tidewater Oil Company  
Post Office Box 1231  
Midland, Texas  
Attn: Mr. James Davis

# State of New Mexico



## Commissioner of Public Lands



January 11, 1968

GUYTON B. HAYS  
COMMISSIONER

P. O. BOX 1148  
SANTA FE, NEW MEXICO

Union Oil Company of California  
Suite 300 Security National Bank Building  
Roswell, New Mexico

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

ATTENTION: Mr. W. M. Stanley

Gentlemen:

The Commissioner of Public Lands has this date approved your Fifth Plan of Development for the Red Hills Unit, Lea County, New Mexico, from January 1, 1968 to June 30, 1968, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

This plan calls for the drilling of a Delaware test well to be drilled to the approximate depth of 5,100 feet, in the SE/4SE/4 of Section 14, Township 25 South, Range 32 East, such test to be commenced on or before February 15, 1968.

One approved copy of the plan is enclosed, also your Official Receipt No. I 25759, in the amount of Three (\$3.00) Dollars which covers the filing fee.

MAIN OFFICE COPY

'68 JAN 12 AM 8 39

Very truly yours,  
GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:  
Eddie Lopez, Supervisor  
Unit Division

GBH/TB/EL/s  
Encls

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

Union Oil Company of California

Suite 300 Security Nat'l Bank Bldg., Roswell, N. M. 88201  
Telephone (505) 622-8742



MAIL OFFICE

December 28, 1967

'67 DEC 29 AM 8 26

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attention: Mr. Ted Bilberry

United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

Attention: Mr. John A. Anderson

Gentlemen:

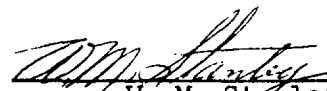
Re: Fifth Plan of Development and  
Operation for the Red Hills  
Unit Area, Lea County, N. M.

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 10436 in the amount of \$3.00 for filing fee for the captioned, and the return of one approved copy thereof. Enclosed for the U.S.G.S., are four (4) copies of the captioned. We request that the U.S.G.S., return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

BY:

  
W. M. Stanley  
District Landman

WMS/rb  
Encls

cc: New Mexico Oil & Gas Conservation Commission  
Encls Post Office Box 2088 Attn: Mr. A.L.Porter, Jr.  
Santa Fe, New Mexico

cc: Working Interest Owners  
Encls Red Hills Unit



FIFTH PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

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

Supervisor Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

MAILED  
'67 DEC 29 AM 8 26

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and of the Supervisor this Fifth Plan of Development and Operation for the unitized land for the period January 1, 1968 to June 30, 1968.

On June 3, 1966, Unit Operator filed with the Commissioner and Supervisor, Amendment to Second Plan of Development and Operation for the Red Hills Unit Area. This Amendment provided for the commencement of a second test well no later than June 30, 1966, at a location 990 feet from the north line and 1650 feet from the east line of Section 5, T-26-S, R-33-E, N.M.P.M. Such Amendment was approved by the Commissioner and Supervisor on June 7, 1966, and June 23, 1966, respectively. On June 15, 1966, Unit Operator filed with the Commissioner and Supervisor a Third Plan of Development and Operation for the Red Hills Unit Area which provided for the drilling, testing and completion of our Red Hills Unit Well No. 2, and covered the period of time from July 1, 1966, to December 31, 1966. Such Third Plan of Development was approved by the Commissioner and Supervisor on July 25, 1966, and July 20, 1966, respectively. On December 16, 1966,

Union Oil Company of California, as Operator of the Red Hills Unit, filed an Application for Extension of Time to file the Fourth Plan of Development of the Red Hills Unit to March 31, 1967. Such Fourth Plan of Development was filed on March 27, 1967, and was approved by the Commissioner of Public Lands on April 3, 1967, and by the United States Geological Survey on April 6, 1967. This Fourth Plan provided for the drilling of a Delaware test in the SE/4 SE/4 Section 14, T-25-S, R-32-E, on or before June 1, 1967.

The above described second test well, No. 2 Red Hills Unit, was spudded by Unit Operator on June 23, 1966, and reached a total depth of 15,055 feet on October 19, 1966. A liner was run and cemented at total depth. The hole was perforated in the Pennsylvanian between 14,370 and 14,826 feet and treated with acid. On production tests, the well flowed initially at the rate of 1,569 MCFGPD plus 84 BWPD, declining after one month to 1,187 MCFGPD plus 63 BWPD. The Pennsylvanian zone has been plugged and abandoned and completion was accomplished in the Wolfcamp. This well was completed on April 12, 1967, with a CAOF of 13,600 MCFGPD.

On May 24, 1967, Joseph I. O'Neill, Jr., spudded his Federal "O" well in SE/4 SE/4 Section 14, T-25-S, R-32-E. This well was drilled to a total depth of 4904 feet and completed on June 12, 1967, with a pumping potential of 85 BO and 55 BW per day. This well is currently producing approximately 20 BO and 20 BW per day.

On August 9, 1967, Joseph I. O'Neill, Jr., spudded his Federal "P" well in NW/4 NE/4 Section 23, T-25-S, R-32-E. This well was drilled to a total depth of 4884 feet and was plugged and abandoned as a dry hole on August 17, 1967. No participating area has been established for production from the Federal "O" well above mentioned.

On or before February 15, 1968, we will drill or cause to be drilled a 5100-foot Delaware test in the immediate area of the marginal producer located in the SE/4 SE/4 Section 14, T-25-S, R-32-E, and if this attempted confirmation test is successful we would contemplate further development.

This Fifth Plan of Development and Operation shall cover the period from January 1, 1968, to June 30, 1968, and may be modified or supplemented from time to time with approval of the Commissioner and Supervisor when needed to meet changing conditions or to protect all parties to the Unit Agreement.

RESPECTFULLY SUBMITTED This 22<sup>nd</sup> day of December, 1967.

UNION OIL COMPANY OF CALIFORNIA

By: John Hansen  
Attorney-in-Fact

APPROVED This \_\_\_\_\_ day of January, 1968

\_\_\_\_\_  
Commissioner of Public Lands  
State of New Mexico

APPROVED This \_\_\_\_\_ day of January, 1968.

\_\_\_\_\_  
Supervisor Oil and Gas Operations  
United States Geological Survey



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

August 1, 1967

Union Oil Company of California  
610 West Texas Street  
Midland, Texas 79704

Gentlemen:

Office records show that on June 12, 1967, Joseph I. O'Neill, Jr., completed the No. 1 Federal "O" well in the SE~~1~~SE~~4~~ sec. 14, T. 25 S., R. 32 E., Lea County, New Mexico, for an initial potential of 65 barrels of oil plus 55 barrels of water per day from the Olds member of the Bell Canyon formation (Delaware Mountain Group), 4,851 to 4,855 feet. Such well is located on lease Las Cruces 071986 which is within the Red Hills unit area and committed to the unit agreement. The well was drilled under a Designation of Agent from Union.

Please advise this office as to whether the above-described well is considered to be capable of producing unitized substances in paying quantities. If the well is determined commercial for unit purposes, operation of the well should be assumed by Union and an application for approval of the initial Delaware participating area filed with this office and the Commissioner of Public Lands of the State of New Mexico.

Sincerely yours,

(ORIG SGD) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
Hobbs  
Com. Pub. Lands, Santa Fe  
Accounts

67 AUG 3 1967

RECEIVED

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April 4, 1967

Union Oil Company of California  
Suite 200 Security National Bank Building  
Albuquerque, New Mexico

Red Hills Unit  
Lea County, New Mexico  
Fourth Plan of Development

ATTENTION: Mr. John Hansen

Gentlemen:

The Commissioner of Public Lands has this date approved your Fourth Plan of Development for the Red Hills Unit, Lea County, New Mexico, from March 31, 1967 to December 31, 1967, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

This plan calls for the drilling of a cased-hole test well to be drilled to the approximate depth of 5,100 feet, in the SE/4SE/4 of Section 14, Township 45 South, Range 32 East, such test to be commenced on or before June 1, 1967.

One approved copy of the plan is enclosed, also your Official Receipt No. I 9407, which covers the filing fee.

Very truly yours,

GUYTON B. GAYS  
COMMISSIONER OF PUBLIC LANDS

BY:  
Ted Bilberry, Director  
Oil and Gas Department

GBH/s  
encl. 1.

Union Oil Company of California  
Suite 300 Security National Bank Building  
Roswell, New Mexico  
April 4, 1967  
Page 2.

cc: United States Geological Survey  
Roswell, New Mexico

New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

# Union Oil Company of California

IN REPLY GIVE NO.

March 29, 1967

RECEIVED  
MAR 30 AM 10 16

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attention: Mr. Ted Bilberry

United States Geological Survey  
Post Office Box 1857  
Roswell, New Mexico

Attention: Mr. John A. Anderson

Re: Fourth Plan of Development and  
Operation for the Red Hills  
Unit Area, Lea County, N. M.

Gentlemen:

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 8662 in the amount of \$3.00 for filing fee for the captioned and the return of one approved copy thereof. Enclosed for the U.S.G.S., are four (4) copies of the captioned. We request that the U.S.G.S., return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

BY: W. M. Stanley  
W. M. Stanley  
District Landman

WMS/mm  
encls.

cc: New Mexico Oil & Gas Conservation Commission, w/enclosures  
Post Office Box 2088  
Santa Fe, New Mexico

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

FOURTH PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

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

Supervisor Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and of the Supervisor this Fourth Plan of Development and Operation for the unitized land for the period March 31, 1967, to December 31, 1967.

On June 3, 1966, Unit Operator filed with the Commissioner and Supervisor Amendment to Second Plan of Development and Operation for the Red Hills Unit Area. This Amendment provided for the commencement of a second test well no later than June 30, 1966, at a location 990 feet from the north line and 1650 feet from the east line of Section 5, T-26-S, R-33-E, N.M.P.M. Such Amendment was approved by the Commissioner and Supervisor on June 7, 1966, and June 23, 1966, respectively. On July 15, 1966, Unit Operator filed with the Commissioner and Supervisor a Third Plan of Development and Operation for the Red Hills Unit Area which provided for the drilling, testing and completion of our Red Hills Unit Well No. 2, and covered the period of time from July 1, 1966, to December 31, 1966. Such Third Plan of Development was approved by the Commissioner and Supervisor on July 25, 1966, and July 20, 1966, respectively. On December 16, 1966, Union Oil Company of California, as Operator of the Red Hills Unit, filed an Application for Extension of Time to file this Fourth Plan of Development of the Red Hills Unit to March 31, 1967.

The above described second test well, No. 2 Red Hills Unit, was spudded by Unit Operator on June 23, 1966, and reached a total depth of 15,055 feet on October 19, 1966. A liner was run and cemented at total



depth. The hole was perforated in the Pennsylvanian between 14,370 and 14,826 feet and treated with acid. On production tests, the well flowed initially at the rate of 1,569 MCFGPD plus 84 BWPD, declining after one month to 1,187 MCFGPD plus 63 BWPD. Testing of the Pennsylvanian has been suspended, the zone temporarily abandoned, and the well plugged back to test the Wolfcamp pay.

Unit Operator now plans to drill or cause to be drilled a Delaware test to the approximate depth of 5,100 feet to be located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  Section 14, T-25-S, R-32-E, such test to be commenced on or before June 1, 1967.

This Fourth Plan of Development and Operation shall constitute the further drilling and operation obligation of the Unit Operator for the period from March 31, 1967, to December 31, 1967, and may be modified or supplemented from time to time with approval of the Commissioner and Supervisor when needed to meet changing conditions or to protect all parties to the Unit Agreement.

RESPECTFULLY SUBMITTED this 27<sup>th</sup> day of March, 1967.

UNION OIL COMPANY OF CALIFORNIA

BY: John Hansen  
Attorney-in-Fact

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1967.

\_\_\_\_\_  
Commissioner of Public Lands  
State of New Mexico

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1967.

\_\_\_\_\_  
Supervisor, Oil and Gas Operations  
United States Geological Survey

# Union Oil Company of California

IN REPLY GIVE NO.

December 19, 1966

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
Post Office Box 1148  
Santa Fe, New Mexico

Attention: Mrs. Marian M. Rhea  
Unit Supervisor

United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

Attention: Mr. John A. Anderson  
Regional Oil & Gas Supervisor

Re: Request for Extension of Third Plan  
of Development and Operation for the  
Red Hills Unit Area, Lea County, N.M.

Gentlemen:

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 8729 in the amount of \$6.00 for filing fee for the captioned and the return of one approved copy thereof. Enclosed for the U.S.G.S., are four (4) copies of the captioned. We request that the U.S.G.S., return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

BY: 

W. M. Stanley  
District Landman

WMS/mm  
encls.

cc: New Mexico Oil & Gas Conservation Commission, w/ enclosures  
Post Office Box 2088  
Santa Fe, New Mexico

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

APPLICATION FOR EXTENSION OF TIME TO FILE  
FOURTH PLAN OF DEVELOPMENT, RED HILLS UNIT  
AREA, LEA COUNTY, NEW MEXICO

TO: COMMISSIONER OF PUBLIC LANDS      SUPERVISOR, OIL & GAS OPERATIONS  
STATE OF NEW MEXICO      UNITED STATES GEOLOGICAL SURVEY  
SANTA FE, NEW MEXICO      ROSWELL, NEW MEXICO

Union Oil Company of California, as Operator of the Red Hills Unit, is presently operating under the Third Plan of Development and Operation for the Red Hills Unit pursuant to Section 10 of the Unit Agreement. This Plan, approved by the Commissioner of Public Lands on July 20, 1966, and by the Supervisor, United States Geological Survey on July 25, 1966, expires on December 31, 1966.

This Third Plan of Development provided for the drilling of a 15,000' Pennsylvanian Test 990' from the North line and 1650' from the East line of Section 5, T-26-S, R-33-E, Lea County, New Mexico. This Test, being the Red Hills Unit No. 2 was spudded on June 23, 1966, and reached a total depth of 15,005' on October 19, 1966. We are presently engaged in exhaustive testing of this well.

It is our plans to continue to test various intervals to determine the most successful completion to this well No. 2. Until such time as we complete this well, we are unable to formulate plans for further development and operations on this Unit. Therefore, we respectfully request an extension of time to March 31, 1967, in which to file our Fourth Plan of Development and Operations on the Red Hills Unit Area.

SUBMITTED this 16<sup>th</sup> day of December, 1966.

UNION OIL COMPANY OF CALIFORNIA

BY John Hansen  
John Hansen - Attorney-in-Fact

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 196\_\_\_\_.

\_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS- STATE OF NEW MEXICO

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 196\_\_\_\_.

\_\_\_\_\_  
SUPERVISOR, OIL & GAS OPERATIONS-UNITED STATES  
GEOLOGICAL SURVEY



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Dravos Hill  
Roswell, New Mexico 88201

July 25, 1966

Union Oil Company of California  
P. O. Box 471  
Houston, Texas 77001

Attention: Mr. E. B. White

Dear Sir:

Your plan of development, covering the six-month period from July 1 to December 31, 1966, for the Red Hills unit area, Lea County, New Mexico, proposing to conduct the drilling, casing and completion of the second unit well as a 15,000-gal. Pennsylvania test, has been approved on this date. The Commission of Public Lands of the State of New Mexico approved the plan on July 27, 1966.

One approved copy of the plan is enclosed.

Sincerely yours,

(ORIG. SENT BY AIR MAIL TO WASHINGTON)

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
Washington (w/cy of plan)  
Hobbs (w/cy of plan)  
Com. of Pub. Lands - Santa Fe (lrr. only) ✓

ILLEGIBLE

# Union Oil Company of California

P. O. Box 671, Midland, Texas

IN REPLY GIVE NO.

XBOX 2-9731

July 15, 1966

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attention: Mrs. Marian M. Rhea  
Unit Supervisor

66 JUL 13 AM 7 45

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

RE: Third Plan of Development  
and Operation for the Red  
Hills Unit Area,  
Lea County, New Mexico

Gentlemen:

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 6213 in the amount of \$3.00 for filing fee for the captioned and the return of one approved copy thereof. Enclosed for the U.S.G.S. are four (4) copies of the captioned. We request that the U.S.G.S. return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

ORIGINAL SIGNED BY

E. B. WHITE

E. B. White  
District Landman

EBW:nd  
Encls.

cc: New Mexico Oil & Gas Conservation Commission, w/attach.  
✓ P. O. Box 2088  
Santa Fe, New Mexico  
Attention: Mr. A. L. Porter, Jr.

THIRD PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

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

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

MAILED 10/11/66

1966 JUL 18 AM 7 45

Union Oil Company of California, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and of the Supervisor this Third Plan of Development and Operation for the unitized land for the period July 1, 1966, to December 31, 1966.

On June 3, 1966, Unit Operator filed with the Commissioner and Supervisor Amendment to Second Plan of Development and Operation for the Red Hills Unit Area. This Amendment provided for the commencement of a second test well no later than June 30, 1966, at a location 990 feet from the North line and 1650 feet from the East line of Section 5, T-26-S, R-33-E, N.M.P.M. Such Amendment was approved by the Commissioner and Supervisor on June 7, 1966, and June 23, 1966, respectively.

The above described second test well was spudded by Unit Operator on June 23, 1966, and is currently drilling below a depth of 4973 feet. This well will be drilled to a depth of 15,000 feet or to a depth adequate to test the Pennsylvanian formation and shall, during the drilling thereof, test any other prospective zones situated above the Pennsylvanian formation.

The drilling, testing and completion of the above described second test well shall be Unit Operator's Third Plan of Development and Operation for the Red Hills Unit. Said Third Plan of Development and Operation shall constitute the further drilling and operation obligations of the Unit

Operator for the period July 1, 1966, to December 31, 1966, and may be modified or supplemented from time to time with the approval of the Commissioner and the Supervisor when necessary to meet changed conditions or to protect all parties to the Unit Agreement.

Respectfully submitted this 15th day of July, 1966.

UNION OIL COMPANY OF CALIFORNIA

By *John Hammer* *WH*  
Attorney-in-Fact

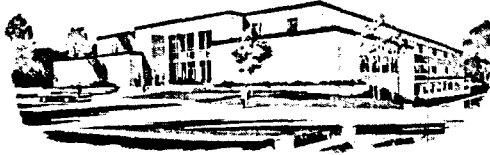
Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1966.

\_\_\_\_\_  
Commissioner of Public Lands,  
State of New Mexico

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1966.

\_\_\_\_\_  
Supervisor, Oil and Gas Operations  
United States Geological Survey

State of New Mexico



Commissioner of Public Lands



June 7, 1966

GUYTON B. HAYS  
COMMISSIONER

MAIL OFFICE 1000

JUN 10 AM 7 37

2671

P. O. BOX 1148  
SANTA FE, NEW MEXICO

Union Oil Company of California  
P. O. Box 671  
Midland, Texas 79701

Re: Red Hills Unit  
Lea County, New Mexico

ATTENTION: Mr. E. B. White

Gentlemen:

The Commissioner of Public Lands has approved the Amendment to the Second Plan of Development and Operation for the Red Hills Unit, Lea County, New Mexico, subject to like approval by the United States Geological Survey.

This amendment proposes in lieu of the 18,500' Siluro-Devonian test which was proposed in the Second Plan, to commence a second test well no later than June 30, 1966, in a designated location in Section 5, Township 26 South, Range 33 East. This test to be drilled to a depth sufficient to test the Pennsylvanian Formation. If this test well is not commenced by June 30, 1966, the Unit Operator will take steps to contract the Unit Area to the present Participating Areas.

We are returning one approved copy of this amendment together with Official Receipt No. H 41955.

Very truly yours,

GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:  
Ted Bilberry, Director  
Oil and Gas Department

GBH/MMR/s



Union Oil Company of California  
June 7, 1966  
Page 2.

cc: New Mexico Oil and Gas Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico

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

P. O. Box 671, Midland, Texas

xxxx 2-9731

June 3, 1966

RECEIVED  
JUN 6 AM 7 1966

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attention: Mrs. Marian M. Rhea  
Unit Supervisor

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

RE: Amendment to Second Plan  
of Development and Operation  
for the Red Hills Unit Area,  
Lea County, New Mexico

Gentlemen:

Enclosed to the State of New Mexico are three copies of the captioned together with our Draft No. 6139 in the amount of \$3.00 for filing fee for the captioned and the return of one approved copy thereof.

Enclosed for the U.S.G.S. are four copies of the captioned. We request that the U.S.G.S. return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

ORIGINAL SIGNED BY  
E. B. WHITE

E. B. White  
District Landman

EBW:md  
Encls.

cc: ✓ New Mexico Oil and Gas Conservation Commission, w/encl.  
P. O. Box 2088  
Santa Fe, New Mexico  
Attention: Mr. A. L. Porter, Jr.

AMENDMENT TO  
SECOND PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

STATE OFFICE

JUN 6 AM 7 54  
1966

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

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

In order to meet changed conditions, Union Oil Company of California, as operator for the Red Hills Unit Area, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and the Supervisor, this Amendment to the Second Plan of Development and Operation for the unitized land for the period January 1, 1966 to June 30, 1966.

Said Second Plan of Development provides for the commencement of an 18,500' Siluro-Devonian test no later than June 30, 1966, at a legal location within one of the following four (4) governmental quarter sections:

Twp. 25 South, Rge. 33 East, N.M.P.M.

Section 21: SE/4  
Section 22: SW/4  
Section 27: NW/4  
Section 28: NE/4

Said plan further provides that in the event such a test well is not commenced by June 30, 1966, then Unit Operator shall, in accordance with the terms of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, file notice proposing the contraction of the Unit Area to the present participating areas for the Wolfcamp and Siluro-Devonian formations.

In lieu of the proposed 18,500' Siluro-Devonian test above specified, Unit Operator now plans the commencement of a second test well no later than June 30, 1966, at a location 990' from the north line and 1650' from the east line of Section 5, Twp. 26 South, Rge. 33 East, N.M.P.M. This test well will be drilled to a depth of 15,000', or to a depth adequate to test the Pennsylvanian formation. In the event such test well is not commenced by June 30, 1966, Unit Operator shall, in accordance with the terms of the Unit Agreement for the

Development and Operation of the Red Hills Unit Area, file notice proposing the contraction of the Unit Area to the present participating areas for the Wolfcamp and Siluro-Devonian formations.

The Second Plan of Development and Operation, as amended hereby, shall constitute the further drilling and operation obligations of the Unit Operator of the Red Hills Unit for the period January 1, 1966, to June 30, 1966, and may be modified or supplemented from time to time with the approval of the Commissioner and the Supervisor when necessary to meet changed conditions or to protect all parties to the Unit Agreement.

Respectfully submitted this 3rd day of June, 1966.

UNION OIL COMPANY OF CALIFORNIA

By: John Hansen *CH*

Approved this \_\_\_\_\_ day of June, 1966.

\_\_\_\_\_  
Commissioner of Public Lands,  
State of New Mexico

Approved this \_\_\_\_\_ day of June, 1966.

\_\_\_\_\_  
Supervisor, Oil and Gas Operations  
United States Geological Survey

# Union Oil Company of California

IN REPLY GIVE NO.

P. O. Box 671

MAIN OFFICE OCC  
500 N. Marienfeld

JAN 20 PM 1:06

January 18, 1966

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attention: Mrs. Marian M. Rhea  
Unit Supervisor

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

RE: Second Plan of Development  
and Operation for the Red  
Hills Unit Area,  
Lea County, New Mexico

Gentlemen:

Enclosed to the State of New Mexico are three (3) copies of the captioned, together with our Draft No. 6138 in the amount of \$3.00 for filing fee for the captioned and the return of one approved copy thereof. Enclosed for the U.S.G.S. are four (4) copies of the captioned. We request that the U.S.G.S. return one approved copy to us.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

ORIGINAL SIGNED BY  
E. B. WHITE  
E. B. White  
District Landman

EBW:md  
Encls.

cc: New Mexico Oil & Gas Conservation Commission, w/attach.  
P. O. Box 2088  
Santa Fe, New Mexico  
Attention: Mr. A. L. Porter, Jr.

75 000

MAIN OFFICE OCC  
SECOND PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA JAN 20 PM 1:06  
LEA COUNTY, NEW MEXICO

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

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

Union Oil Company of California (successor by merger to The Pure Oil Company), as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the Commissioner and of the Supervisor, this Second Plan of Development and Operation for the unitized land for the period January 1, 1966, to June 30, 1966.

On June 24, 1965, Unit Operator filed with the Commissioner and Supervisor, its Initial Plan of Development and Operation covering the period of January 1, 1965, to December 31, 1965. This plan provided for the commencement of an 18,500' Siluro-Devonian test no later than the last quarter of 1965, at a location in the NW/4 SW/4 of Section 22, Twp. 25 South, Rge. 33 East. Such plan was approved by the Commissioner and Supervisor on July 6, 1965, and July 22, 1965, respectively.

Effective July 16, 1965, The Pure Oil Company merged into Union Oil Company of California. Union, as the surviving corporation, became bound by all of Pure's former contracts and agreements, including the Unit Agreement for the Development and Operation of the Red Hills Unit Area. The merger of these two corporations necessarily resulted in numerous management changes and re-alignment of geographical areas of responsibilities of the combined companies. The integration of operations and personnel of the two combined companies was completed December 1, 1965. Inasmuch as the present management and personnel of Unit Operator now charged with the responsibility of the subject area have had to acquaint themselves in detail, in a relatively short period of time, with the many ramifications and problems

involved in this particular Unit, Unit Operator could not proceed with the commencement of such an expensive test well within the time specified in the Initial Plan.

Unit Operator now plans the commencement of a second test well no later than June 30, 1966. Such test well will be drilled at a legal location within one of the following four (4) governmental quarter sections:

Twp. 25 South, Rge. 33 East, N.M.P.M.

Section 21: SE/4  
Section 22: SW/4  
Section 27: NW/4  
Section 28: NE/4

In the event such a test well is not commenced within the period above specified, Unit Operator shall, in accordance with the terms of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, file notice proposing the contraction of the Unit Area to the present participating areas for the Wolfcamp and Siluro-Devonian Formations.

This Second Plan of Development and Operation shall constitute the further drilling and operation obligations of the Unit Operator of the Red Hills Unit for the period January 1, 1966, to June 30, 1966, and may be modified or supplemented from time to time with the approval of the Commissioner and the Supervisor when necessary to meet changed conditions or to protect all parties to the Unit Agreement.

Respectfully submitted this 14<sup>th</sup> day of January, 1966.

UNION OIL COMPANY OF CALIFORNIA

By John Hancock *asw*

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1966.

\_\_\_\_\_  
Commissioner of Public Lands,  
State of New Mexico

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1966.

\_\_\_\_\_  
Supervisor, Oil and Gas Operations  
United States Geological Survey



## THE PURE OIL COMPANY

SOUTHERN PRODUCING DIVISION

MIDLAND DISTRICT

P.O. BOX 671 • MIDLAND, TEXAS 79701 • AREA CODE 915 - MU 2-3725  
A DIVISION OF UNION OIL COMPANY OF CALIFORNIA

October 1, 1965

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

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attn: Mrs. Marian M. Rhea,  
Unit Supervisor

New Mexico Oil Conservation Commission  
P. O. Box 2038  
Santa Fe, New Mexico  
Attn: Mr. A. L. Porter, Jr.

Re: Red Hills Unit,  
No. 14-08-0001-3400,  
Lea County, New Mexico

Gentlemen:

Enclosed, in final form, are four (4) copies to the U.S.G.S., and  
(2) copies to the Commissioner, and one (1) copy to the N.M.O.C.C.  
of Revised Exhibits "C" and "E" (allocation schedules) for the ini-  
tial Polkcamp and Siluro-Reverian participating areas, respectively.  
These revisions are effective as of September 1, 1965.

We have previously furnished you copies of pages 14 through 17 of  
Exhibit "E" as revised. Inasmuch as these copies did not reproduce  
in a neat and legible manner, we enclose additional legible copies,  
in the same numbers as above indicated, for your files.

Sincerely yours,

UNION OIL COMPANY OF CALIFORNIA

E. B. White

EBB: w/  
Encls.





October 13, 1965

The Pure Oil Company  
A Division of Union Oil Company  
of California  
Post Office Box 671  
Midland, Texas

Re: Red Hills Unit  
Lea County, New Mexico

Attention: Mr. E. B. Hays

Gentlemen:

We acknowledge your letter of October 6, 1965, enclosing two copies of the final form of revised Exhibits "C" and "E" for the Initial Wolfcamp Participating Area and for the Siluro Devonian Participating Area respectively.

These revisions are effective as of September 1, 1965 and are satisfactory and are accepted for record.

Very truly yours,

GUSTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:

Ed Bilberry, Director  
Oil and Gas Department

MMR/e

cc: United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

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



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

WAS 1057  
Roswell, New Mexico 88201

October 1, 1965

The Pure Oil Company  
A Division of Union Oil Corporation of California  
P. O. Box 571  
Midland, Texas

Attention: Mr. E. B. White

Gentlemen:

Your letters of September 7, 1965, enclosing the following documents, papers relating to the Red Hills unit agreement, Red Hills, Garfield County, New Mexico:

1. Identification and joint ratification of unit agreement executed by Harry Etta Killingsworth, her personal and as independent executrix of the Estate of G. F. Killingsworth and by the other heirs and devisees of G. F. Killingsworth, basic royalty interest owners in the land unit tracts 51, 52 and 53.
2. Pages 14 through 17 of Exhibit B revised to show the Killingsworths' undivided 12.5 percent basic royalty interest in unit tracts 51, 52, and 53 and the surrender of Pure's interest in September 1, 1965, covering the Joseph H. Schuman, et al., and T. B. Coulter interests in these three unit tracts.
3. An information copy of the proposed revisions of Exhibit A and B, the allocation schedule for the initial wellbore and future Devonian participating areas, respectively. Such revisions, to be effective September 1, 1965, are necessary because the amendment status of participating unit tracts 51 and 52 are each in final pool, 51.125 to 12.5 percent by the surrender of the Schuman, et al., and Coulter leases.

Subject to like approval by the appropriate officials of the State of New Mexico, the above revised documents, executed prior to approval of the unit agreement, accepted for the record effective October 1, 1965, pursuant to Section 23 of the unit agreement. The revised pages to Exhibit B shall be filed with the appropriate officials of the State of New Mexico in accordance with Section 2 of the unit agreement. Copies of the ratification and joint ratification revised pages to Exhibit B are being furnished to the appropriate Federal offices.

LEGIBLE

The proposed revisions of Variables II and V are satisfactory except for an error in the way access entitled to participation under tract 52. Such revisions, effective as of September 1, 1965, will be accepted for the record when filed with this office in final form, subject to like acceptance by the appropriate officials of the State of New Mexico.

Very truly yours,

(RIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
Washington (w/attachments)  
BLM, Santa Fe (w/attachments)  
Hobbs (w/attachments)  
Com. of Pub. Lands, Santa Fe (ltr. only)  
NIOCC, Santa Fe (ltr. only) ✓

12  
ILLEGIBLE

70 SEP 31 1965

September 29, 1965

Union Oil Company of California  
Successor to The Pure Oil Company  
Post Office Box 671  
Midland, Texas

Re: Red Hills Unit  
Lea County, New Mexico

Attention: Mr. F. L. White

Gentlemen:

Reference is made to our letter of September 24, 1965, in regard to subsequent joinder. Mr. White called to our attention that the ratification of Mary Etta Hollingsworth et al, should become effective as of October 1, 1965 and not September 1, 1965 as stated in our letter.

Also on page two (2) we refer to revisions to Exhibits "C" and "D" of the Red Hills Unit Agreement when we should have stated "revisions to Exhibits "C" and "D" to the approved composite application for the Initial Participating Areas for the Red Hills Unit Agreement".

We regret any inconvenience this may have caused you.

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Union Oil Company of California  
Successor to The Pure Oil Company  
Attention: Mr. E. B. White  
September 29, 1965

Very truly yours,

GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

Ted Bilberry, Director  
Oil and Gas Department

MMR/e  
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

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MAIN

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September 24, 1965

Union Oil Company of California  
Successor to The Pure Oil Company  
Post Office Box 671  
Midland, Texas

Re: Red Hills Unit  
Lea County, New Mexico

Attention: Mr. E. B. White

Gentlemen:

Relative to your letter to the United States Geological Survey dated September 7, 1965, a copy of which was received by this office together with a draft of the proposed revisions to Exhibit "C" and "E" for the Initial Participating Areas for the Wolfcamp and Siluro-Devonian Formations, Red Hills Unit Agreement, Lea County, New Mexico.

This office has discussed these proposed revisions with the United States Geological Survey and with your Mr. White and we will approve these revisions as proposed by your draft, to become effective as of September 1, 1965, at 7:00 o'clock a.m..

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Union Oil Company of California  
Successor to The Pure Oil Company  
September 24, 1965  
- page 2 -

Very truly yours,

GURTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:

Ted Bilberry, Director  
Oil and Gas Department

MHE/e  
cc:

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

New Mexico Oil Conservation Commission  
P. O. Box 2683  
Santa Fe, New Mexico

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MAIN OFFICE

'65 SEP 28 PM 1 40

September 24, 1965

Union Oil Company of California  
Successor to The Pure Oil Company  
Post Office Box 671  
Midland, Texas

Re: Red Hills Unit  
Lea County, New Mexico  
Subsequent Joinder

Attention: Mr. E. B. White

Gentlemen:

Without objection the Commissioner of Public Lands accepts for filing the Ratification and Joinder to the Red Hills Unit Agreement, Lea County, New Mexico, certain interests in tracts 51, 52 and 53, this ratification is executed by Mary Etta Killingsworth et al, and consented to by the owner of the corresponding working interest. Although this ratification was executed by this party prior to the effective date of the Unit Agreement it was not filed with the designated agencies as required for effective commitment. We will consider this ratification effective as of 7:00 O'Clock a.m. September 1, 1965.

We acknowledge receipt of revised pages 14, 15, 16 and 17 to Exhibit "B" of this Unit, this revision to become effective September 1, 1965, subject to

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Union Oil Company of California  
Successor to The Pure Oil Company  
September 24, 1965  
- page 2 -

our having received your proposed revisions to  
the Exhibits "C" and "E" of the Red Hills Unit  
Agreement.

Very truly yours,

GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:

Ted Bilberry, Director  
Oil and Gas Department

WHR/e

cc:

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

Oil Conservation Commission  
P. O. Box 2038  
Santa Fe, New Mexico

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# THE PURE OIL COMPANY

SOUTHERN PRODUCING DIVISION

MIDLAND DISTRICT

P. O. BOX 671 • MIDLAND, TEXAS 79701

AREA CODE 915 - MU 2-3725

A DIVISION OF UNION OIL COMPANY OF CALIFORNIA

September 20, 1965

United States Geological Survey  
Oil and Gas Operations  
P. O. Drawer 1857  
Roosevelt, New Mexico  
Attn: Mr. Carl C. Traywick

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attn: Mrs. Marian H. Rhea

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico  
Attn: Mr. A. L. Porter, Jr.

Re: Tracts 51, 52, 53  
Red Hills Unit  
Lea County, New Mexico

Gentlemen:

Enclosed are four (4) counterpart copies to the U.S.C.S.; two (2) counterpart copies to the Commission; and one (1) counterpart copy to the N.M.O.C.C., of CONSENT, RATIFICATION AND JOINDER, RED HILLS UNIT AGREEMENT, LEA COUNTY, NEW MEXICO, executed by Mary Etta Billingsworth et al, and with all counterpart copies bearing the consent of this Company to their joinder. Also enclosed, in the same number of copies, are revised pages 14 and 15, and additional pages 16, 17 and 18 of Exhibit "B" of the Unit Agreement, reflecting the correct ownerships of the Tracts listed thereon.

This Consent, Ratification and Joinder will be treated as a subsequent joinder under the provisions of Section 20 of the Unit Agreement. Such Consent, Ratification and Joinder covers and affects an undivided 3/8 of the working interest in the captioned Tracts.

SEP 22 PM 1 09

May the record show that the parties signatory to the enclosed instrument executed same prior to the effective date (January 22, 1963) of the Unit Agreement. However, the Unit Operator inadvertently failed to timely file same with the agencies and also failed to correct Exhibit "B" of the Unit Agreement accordingly. The subject interest owned and claimed by Mary Etta Killingsworth et al necessarily reduced the ownership claimed by all other mineral owners (except Frank Knappenberger) under the captioned Tracts. We attempted to explain this situation with our letter of September 7, 1965, and the enclosure therewith of the draft of revised Exhibits "C" and "E" to the Approved Application for Initial Participating Areas. Inasmuch as we did not furnish the N.M.O.C.C. a copy of said letter and draft, we enclose copies of same for their file.

In the event you find the enclosures and our additional explanations satisfactory, we respectfully request your approval of the Subsequent Joinder of Mary Etta Killingsworth et al, same to be effective October 1, 1965; and your approval of the revised Exhibits "C" and "E" of the Approved Application for Initial Participating Areas, with such revisions to be effective September 1, 1965, at 7:00 A.M.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA  
(Successor by Merger to  
The Pure Oil Company)

E. B. White

EBW:ad  
Encls.

MAIN OFFICE 0000  
SEP 22 PM 1 09

A DIVISION OF UNION OIL COMPANY OF CALIFORNIA

September 7, 1965

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

Attention: Mr. Carl C. Traywick

RE: Red Hills Unit Area  
(Initial Participating Areas  
for Wolfcamp and Siluro-  
Devonian Formations)  
Lea County, New Mexico

Gentlemen:

Relative to our recent telephone conversation with Mr. Traywick, we enclose a draft of the proposed revisions to Exhibits "C" and "E" of approved application for initial participating areas for the captioned.

These revisions are necessary as this Company has released two (2) fee oil and gas leases (Jerald M. Schuman et al Lease and T. E. Coulter Lease) covering partial interests in Tracts 51 and 52. The working interests in said leases were considered committed to the unit; however, the royalty interests under said leases were not committed to the unit. Your records should also reflect that certain unleased mineral interests owned by Sol A. Yeager and Barbara Ann Whitten in Tracts 51 and 52 were never committed to the unit.

There now remains in Tracts 51 and 52 two (2) oil and gas leases (M. E. Killingsworth et al Lease covering an undivided 6 1/2% interest, and Frank Knappenberger Lease covering an undivided 6 1/2% interest) which collectively cover 12 1/2% of the working interests in each said Tract. The royalty owners under the M. E. Killingsworth Lease have previously ratified the Unit Agreement. \* The royalty owner under the Knappenberger Lease refused to ratify the Unit Agreement.

9-10-65 NOTE: U.S.G.S. says we did not file the Killingsworth  
Ratification with them. We will do this and  
correct applicable pages of Exhibit "B" of Unit  
Agreement  
EAM

Our calculations of the revised Tract Participation percentages on the enclosure are based on the assumption that Tracts 51 and 52 will remain qualified and committed to the extent of 12½% of the working interest therein and thereby entitle such Tracts to the participations shown in said enclosure.

We recognize that there may now be some question as to the qualifications of these Tracts since this Company is now unable to control a majority of the working interest therein. We cannot find or interpret any applicable provisions, including Section 31, in the Unit Agreement to cover this situation. We do feel that the total disqualification of these Tracts would tend to be discriminatory toward the royalty owners under the M. E. Killingsworth Lease, since they originally ratified the Unit Agreement in good faith.

The commitment status of such Tracts could also change in the future because, upon release of the Schuman and Coulter Leases, we proposed to them that they commit to the Unit Agreement and Operating Agreement as "owners of unleased minerals", with such commitment to be on a negotiated but fair and non-discriminatory basis, subject to the approval of all parties and agencies concerned.

With copy of this letter, we are furnishing the State Land Office a copy of our proposed revisions. We would appreciate the comments and suggestions of both interested agencies. In this connection, please feel free to call the undersigned collect at MUTUAL 2-3725, Midland, Texas.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

E. B. White

EDW:md  
Encl.

cc: Commissioner of Public Lands (w/encl.)  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico  
Attn: Mrs. Marian M. Rhea

CONSENT, RATIFICATION AND JOINDER  
RED HILLS UNIT AGREEMENT  
LEA COUNTY, NEW MEXICO

SEP 22 PM 1 00

The undersigned, whether one or more, hereby acknowledges receipt of a copy of the Unit Agreement for the Development and Operation of the Red Hills Unit Area embracing lands situated in Lea County, New Mexico, which said Agreement is dated as of November 20, 1962, and acknowledges that the undersigned has read the same and is familiar with the terms and conditions thereof. The undersigned also being the owner of the leasehold, royalty or other interest in the lands or minerals embraces in said unit area, as indicated on the schedule attached to said Unit Agreement as Exhibit "B", does hereby commit all of said interest to the Red Hills Unit Agreement and does hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in the respective acknowledgments.

DATE: JANUARY 4, 1963

<u>Mary Etta Killingsworth</u> MARY ETTA KILLINGSWORTH, INDIVIDUALLY AND AS INDEPENDENT EXECUTRIX OF THE ESTATE OF G. F. KILLINGSWORTH, DECEASED.	<u>E. Lewis Killingsworth</u> E. LEWIS KILLINGSWORTH
<u>Frank L. Killingsworth</u> FRANK L. KILLINGSWORTH	<u>Alma B. Killingsworth</u> ALMA B. KILLINGSWORTH
<u>Cecile J. Killingsworth</u> CECILE J. KILLINGSWORTH	<u>John H. Killingsworth</u> JOHN H. KILLINGSWORTH
<u>Charlotte Frances Weldon, Jr.</u> CHARLOTTE FRANCES WELDON, JR.	<u>Norma Jean Killingsworth</u> NORMA JEAN KILLINGSWORTH
<u>V. H. Weldon, Jr.</u> V. H. WELDON, JR.	<u>George Etta Emerson</u> GEORGE ETTA EMERSON
<u>Margaret Elizabeth Burns</u> MARGARET ELIZABETH BURNS	<u>Marvin C. Emerson</u> MARVIN C. EMERSON
<u>Robert B. Burns</u> ROBERT B. BURNS	

HEIRS AND DEVISEES OF G. F. KILLINGSWORTH, DECEASED.

ADDRESS: 135 NORTH MAIN

SEMINOLE, OKLAHOMA

STATE OF OKLAHOMA )  
COUNTY OF SEMINOLE ) SS

The foregoing instrument was acknowledged before me this 4th day of January, 1963, by MARY ETTA KILLINGSWORTH, INDIVIDUALLY  
AND AS INDEPENDENT EXECUTRIX OF THE ESTATE OF G. F. KILLINGSWORTH, DECEASED.

Leslie E. Webster  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

1-20-63

The undersigned, the owner of the corresponding working interest in the lands affected and covered hereby, does hereby consent to the foregoing CONSENT, RATIFICATION AND JOINDER.

UNION OIL COMPANY OF CALIFORNIA  
(Successor by merger to The Pure Oil Company)  
By [Signature]  
Agent and Attorney-in-Fact

Date: 9-17-65

[Signature]

STATE OF OKLAHOMA )  
 ) SS  
COUNTY OF SEMINOLE )

The foregoing instrument was acknowledged before me this 4th day of  
JANUARY, 1963, by FRANK L. KILLINGSWORTH AND WIFE,  
CECILE J. KILLINGSWORTH

Jessie E. Hester  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

1-20-63

STATE OF OKLAHOMA )  
 ) SS  
COUNTY OF OKLAHOMA )

The foregoing instrument was acknowledged before me this 6th day of  
JANUARY, 1963, by E. LEWIS KILLINGSWORTH AND  
WIFE, ALMA B. KILLINGSWORTH

Donald C. Savage  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

June 17, 1966

STATE OF TEXAS )  
 ) SS  
COUNTY OF HARRIS )

The foregoing instrument was acknowledged before me this 11th day of  
JANUARY, 1963, by CHARLOTTE FRANCES WELDON, JR. AND  
HUSBAND, W. H. WELDON, JR.

William H. Stubblefield  
NOTARY PUBLIC

MY COMMISSION EXPIRES:  
William H. Stubblefield  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 1963

STATE OF OKLAHOMA )  
 ) SS  
COUNTY OF POTTAWATOMIE )

The foregoing instrument was acknowledged before me this 5th day of  
JANUARY, 1963, by JOHN H. KILLINGSWORTH AND WIFE,  
NORMA JEAN KILLINGSWORTH

John H. Killingsworth  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

7-16-64



STATE OF OKLAHOMA )  
 ) SS  
COUNTY OF OKLAHOMA )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of  
JANUARY, 1963, by MARGARET ELIZABETH BURNS AND  
HUSBAND, ROBERT E. BURNS

Laurie C. Dwyer  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

June 27, 1966

STATE OF OKLAHOMA )  
 ) SS  
COUNTY OF OKLAHOMA )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of  
JANUARY, 1963, by GEORGE ETTA EMERSON AND HUSBAND  
MARVIN C. EMERSON

Laurie C. Dwyer  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

June 17, 1966

50th YEAR



## THE PURE OIL COMPANY

SOUTHERN PRODUCING DIVISION • MIDLAND DISTRICT EXPLORATION  
P. O. BOX 671 • MIDLAND, TEXAS 79701 • AREA CODE 915-MU 2-3725

June 25, 1965

Mr. Guyton B. Hayes  
Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico

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

RE: RED HILLS UNIT  
LEA COUNTY, NEW MEXICO

Gentlemen:

To you, Mr. Hayes, we are attaching two executed copies, and to you, Mr. Anderson, we are attaching four executed copies, of our INITIAL PLAN OF DEVELOPMENT AND OPERATION for the captioned unit area.

Will each of you please examine the plan and, if it meets with your approval, will each of you please denote your approval by dating, signing and returning to us one copy.

Very truly yours,

THE PURE OIL COMPANY

M. T. Peyton  
Land Department

MTP/1

cc: Oil Conservation Commission ✓  
State of New Mexico  
Santa Fe, New Mexico  
Encl. - One executed copy of plan

INITIAL PLAN OF DEVELOPMENT AND OPERATION  
FOR  
RED HILLS UNIT AREA  
LEA COUNTY, NEW MEXICO

TO: The Commissioner of Public Lands  
State of New Mexico  
Santa Fe, New Mexico

Supervisor, Oil and Gas Operations  
United States Geological Survey  
Roswell, New Mexico

The Pure Oil Company, as Unit Operator for the Red Hills Unit, pursuant to the provisions of Section 10 of the Unit Agreement for the Development and Operation of the Red Hills Unit Area, respectfully submits for the approval of the State Land Commissioner and of the Supervisor, this Plan of Development and Operation for the unitized land for the period January 1, 1965 to December 31, 1965.

On February 24, 1963, the Red Hills Unit #1 was spudded at a location 330 feet from the south line and 2310 feet from the east line of Section 32, Township 25 South, Range 33 East, Lea County, New Mexico. After reaching total depth in basement rocks, the Red Hills Unit #1 was plugged back to test shows of gas encountered in the Siluro-Devonian Formation as no significant shows of hydrocarbons were encountered below such formation. The Siluro-Devonian Formation was perforated in the interval of 17,476 feet to 17,544 feet and after stimulation, produced, on September 3, 1964, at a calculated open flow potential of 25,000 MCF of gas per day. Inasmuch as the Siluro-Devonian produced "sour gas" and no market is readily available for such "sour gas", this formation is presently plugged off. However, an Initial Participating Area, encompassing Sections 32 and 33, Township 25 South, Range 33 East, and Sections 4 and 5, Township 26 South, Range 33 East, was approved for this formation, effective as of September 3, 1964.

Subsequent to the above testing, the Pennsylvanian Formation was perforated in the intervals from 14,607 feet to 14,788 feet and 14,840 feet to 14,864 feet. After stimulation, this formation flowed on a four point test, a COAF of 26,500 MCF gas per day. Subsequently, this formation plugged itself off,

presumably with formation debris. Due to mechanical restrictions and possible hazards, attempts to put this formation back on production were curtailed. Consequently, this formation is not presently producing and an Initial Participating Area has not been established therefor.

Subsequent to production testing the Pennsylvanian Formation, the Wolfcamp Formation was perforated in the interval between 13,440 feet and 13,667 feet and was completed for a CAOF of 15,750 MCF gas per day, plus 40 barrels of condensate per million. An Initial Participating Area, encompassing Sections 32 and 33, Township 25 South, Range 33 East, and Sections 4 and 5, Township 26 South, Range 33 East, was approved for this formation, effective as of December 26, 1964.

Presently, and since the completion from the Wolfcamp Formation, the working interest participants in the Red Hills Unit Well No. 1 have been delivering gas from said formation to a market provided by El Paso Natural Gas Company. From December 26, 1964 to date, gas deliveries have averaged approximately 8 MMCFG per day from said formation. Some gas from the Pennsylvanian Formation was also delivered to this market, but production ceased due to the plugging off of the formation as above mentioned.

We shall continue producing gas to this market and at the same time gather additional reservoir data therefrom. Additionally, at such time in the future as it may become economically feasible, we would contemplate the re-working of the Pennsylvanian Zone in order to restore production therefrom.

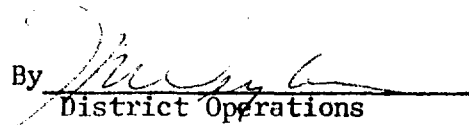
We plan the commencement of a second test well no later than the last quarter of the current year. Such test well will be located 990 feet from West line and 1980 feet from South line of Section 22, Township 25 South, Range 33 East. This second test well will be drilled to a depth of 18,500 feet to test the Siluro-Devonian Formation and all other prospective formations thereabove. Based on geological data obtained from the drilling of the No. 1 Red Hills Unit well and upon additional geophysical data obtained

subsequent to the drilling of said No. 1 unit well, the specified location will afford structural advantage over the No. 1 unit well. The successful completion of the proposed No. 2 unit well as a producer of unitized substances should reasonably prove and confirm the presence of a large producing structure in the Red Hills Unit Area.

This Plan of Development and Operation shall constitute the further drilling and operation obligations of the Unit Operator of the Red Hills Unit for the period ending December 31, 1965, and may be modified or supplemented from time to time with the approval of the Commissioner and the Supervisor when necessary to meet changed conditions or to protect all parties to the Unit Agreement.

Respectfully submitted this 24th day of June, 1965.

THE PURE OIL COMPANY

By   
District Operations  
Superintendent

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1965.

\_\_\_\_\_  
Commissioner of Public Lands  
State of New Mexico

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 1965.

\_\_\_\_\_  
Supervisor, Oil and Gas Operations  
United States Geological Survey

50th YEAR



## THE PURE OIL COMPANY

SOUTHERN PRODUCING DIVISION • MIDLAND DISTRICT EXPLORATION  
P. O. BCX 671 • MIDLAND, TEXAS 79701 • AREA CODE 915—MU 2-3725

May 7, 1965

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

Attention: Mrs. Marian M. Rhea

RE: Red Hills Unit  
Lea County, New Mexico  
Initial Participating  
Areas for the Wolfcamp  
and Siluro-Devonian  
Formations

Gentlemen:

Enclosed for your file is copy of fully approved application for the captioned which you will note was approved by the Acting Director of the U.S.G.S. on April 26, 1965. With copy of this letter, we are furnishing the Oil Conservation Commission a fully approved copy for their file.

Very truly yours,

THE PURE OIL COMPANY

ORIGINAL SIGNED BY  
E. B. WHITE

E. B. White

EBW:md  
Encl.

cc: New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico  
Attn: Mr. A. L. Porter, Jr.

cc: United States Geological Survey  
Oil Conservation Commission

March 10, 1965

The Pure Oil Company  
P. O. Box 671  
Midland, Texas

Attention: Mr. E. B. White

Re: Red Hills Unit  
Lea County, New Mexico  
Application for Initial  
Participating Areas for the  
Wolfcamp and Siluro-Devonian  
Formations

Gentlemen:

We are returning nine approved copies of the Composite Application of the initial participating area for the Wolfcamp formation and the initial participating area for the Siluro-Devonian formation. This application was approved by the Commissioner of Public Lands as of March 10, 1965, subject to like approval by the United States Geological Survey, and provides for all of Section 32 and all of Section 33, Township 25 South, Range 33 East, and all of Section 4 and Section 5, Township 26 South, Range 33 East, as the area for both the Wolfcamp and the Siluro-Devonian initial participating area. The Wolfcamp participating area is to be effective December 26, 1964, and the effective date of the Siluro-Devonian participating area is September 3, 1964.

This office requires only one additional copy of this application when approved by the United States Geological Survey.

Very truly yours,

GUYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

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

GBH/mmr/d  
Enclosures

March 3, 1965

The Pure Oil Company  
P. O. Box 671  
Midland, Texas

Attention: Mr. E. B. White

Re: Red Hills Unit Area  
Lea County, New Mexico

Gentlemen:

In our letter of March 3, 1965, which approved your request for extension of time within which to file an initial Plan of Development for the Red Hills Unit Area, Lea County, New Mexico, we stated that the extension of time was to January 26, 1966. This date was in error.

Please be advised that the date should have been June 26, 1965, instead of January, within which to file the initial Plan of Development for this unit area.

Very truly yours,

CLYTON B. HAYS  
COMMISSIONER OF PUBLIC LANDS

BY:

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

GBH/mmz/d

cc: United States Geological Survey  
Oil Conservation Commission



50th YEAR



**THE PURE OIL COMPANY**

SOUTHERN PRODUCING DIVISION • MIDLAND DISTRICT EXPLORATION  
P. O. BOX 671 • MIDLAND, TEXAS 79701 • AREA CODE 915—MU 2-3725

March 5, 1965

Mr. Guyton B. Hays  
Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, New Mexico

Attention: Mrs. Marian M. Rhea,  
Supervisor Unit Division

RE: Application for Initial  
Participating Areas for the  
Wolfcamp Formation and  
Siluro-Devonian Formation,  
Red Hills Unit  
No. 14-08-0001-8496  
Lea County, New Mexico

Gentlemen:

Enclosed are the following:

1. Ten (10) copies of Composite Application for Approval of the captioned participating areas.
2. Two (2) copies each of Geological and Engineering Reports covering the Wolfcamp Formation and the Siluro-Devonian Formation.

If you find our application in order, would you please indicate your approval by executing nine (9) copies thereof, returning such nine (9) copies to the attention of the undersigned. Upon return thereof, we will submit them to the U.S.G.S. for their approval, and upon complete execution, we will furnish you with two fully executed copies.

Page 2  
Mr. Guyton B. Hays  
Commissioner of Public Lands  
March 5, 1965

The enclosed Geological and Engineering Reports are to be retained in your file.

Very truly yours,

THE PURE OIL COMPANY

ORIGINAL SIGNED BY

E. B. WHITE

E. B. White

EBW:md  
Encls.

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

New Mexico Oil Conservation Commission (2 encls.)  
P. O. Box 2088  
Santa Fe, New Mexico  
Attn: Mr. A. L. Porter, Jr.

IN RE: Red Hills Unit Area,  
No. 14-08-0001-8496  
Lea County, New Mexico

Composite Application for  
Approval of:

- (1) Initial Participating Area  
for the Wolfcamp Formation
- (2) Initial Participating Area  
for the Siluro-Devonian Formation

TO THE DIRECTOR OF THE UNITED STATES GEOLOGICAL SURVEY

TO THE COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

The Pure Oil Company, as Unit Operator, under that certain Unit Agreement for the Red Hills Unit Area, approved by the Acting Director, United States Geological Survey, effective January 22, 1963, and pursuant to the provisions of Section 11 of said Unit Agreement requiring the establishment of initial participating areas, respectfully submits for the approval of the Director of the United States Geological Survey and the Commissioner of Public Lands, State of New Mexico the selections of the following described lands to constitute the following:

1. INITIAL PARTICIPATING AREA FOR THE WOLFCAMP FORMATION, to wit:

<u>Township 25 South, Range 33 East, N.M.P.M.</u>	<u>Acres</u>
Section 32: All	640
Section 33: All	640
<u>Township 26 South, Range 33 East, N.M.P.M.</u>	
Section 4: All	640
Section 5: All	640

containing 2560 acres, more or less.

2. INITIAL PARTICIPATING AREA FOR THE SILURO-DEVONIAN FORMATION, to wit:

<u>Township 25 South, Range 33 East, N.M.P.M.</u>	<u>Acres</u>
Section 32: All	640
Section 33: All	640
<u>Township 26 South, Range 33 East, N.M.P.M.</u>	
Section 4: All	640
Section 5: All	640

containing 2560 acres, more or less,

and in support of this composite application, Applicant attaches hereto and makes a part hereof the following:

- (a) A map, marked Exhibit "A", showing thereon the boundary of the entire Unit Area;

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MAR 8 9 18 AM '63  
STATE LAND OFFICE  
SANTA FE, N.M.

- (b) A map, marked Exhibit "B", showing the pertinent portion of the Unit Area and boundary lines thereof and showing thereon the boundary lines of the proposed INITIAL PARTICIPATING AREA OF THE WOLFCAMP FORMATION;
- (c) A Schedule, marked Exhibit "C", showing the various lands entitled to participate in the unitized substances produced from the WOLFCAMP FORMATION, with the percentage of each lease or tract indicated thereon;
- (d) A map, marked Exhibit "D", showing the pertinent portion of the Unit Area and boundary lines thereof and showing thereon the boundary lines of the proposed INITIAL PARTICIPATING AREA OF THE SILURO-DEVONIAN FORMATION;
- (e) A Schedule, marked Exhibit "E", showing the various lands entitled to participate in the unitized substances produced from the SILURO-DEVONIAN FORMATION, with the percentage of each lease or tract indicated thereon;

Applicant has submitted separately, in triplicate to the Director and in duplicate to the Commissioner, its geological and engineering reports with attached exhibits supporting each of the proposed participating areas. Additionally, data in exhibit form accompanied our letter of December 1, 1964, addressed to the Commissioner with copies to the Director, setting forth the production and engineering information which resulted in the determination that the unit well #1 is a well capable of producing unitized substances in paying quantities under the terms of the Unit Agreement.

The proposed INITIAL PARTICIPATING AREA FOR THE WOLFCAMP FORMATION is predicated upon the knowledge and information first obtained upon the completion in paying quantities under the terms of the Unit Agreement on December 26, 1964, of Unit Well No. 1 in the SW/4 SE/4 of Section 32, Township 25 South, Range 33 East, N.M.P.M., with an initial production of 9 MMCFGPD, plus 38 barrels of condensate per MM, on 17/64" and 18/64" chokes, FTP 5100 lbs., from the Wolfcamp Formation at 13,440 to 13,512 feet, and 13,622 to 13,667 feet. On subsequent four (4) point test the Wolfcamp zone potentialled for a CAOF of 15.75 MMCFGPD, plus 40 barrels of condensate per MM. The effective

date of this initial participating area shall be 7:00 A.M., December 26, 1964, pursuant to Section 11 of the Unit Agreement.


The proposed INITIAL PARTICIPATING AREA FOR THE SILURO-DEVONIAN FORMATION is predicated upon the knowledge and information first obtained from the two (2) point test conducted from perforations at 17,476 to 17,492 feet, and 17,523 to 17,544 feet in the Unit Well No. 1, in SW/4 SE/4 Section 32, Township 25 South, Range 33 East, N.M.P.M., on September 3, 1964. On this production test the Unit Well No. 1 flowed at the rate of 7.8 MMCFGPD on 20/64" choke, FTP 4850 lbs. for 5½ hours, and flowed at rate of 10.4 MMCFGPD on 24/64" choke, FTP 4370 lbs. for 3 hours. SITP 5900 lbs. in 2½ hrs. Based on this data, calculated open flow was 25 MMCFGPD. The effective date of this initial participating area shall be 7:00 A.M., September 3, 1964, pursuant to Section 11 of the Unit Agreement.

Consequently, Applicant respectfully requests that the Director and the Commissioner approve:

- (1) The lands described in 1 above to constitute the INITIAL PARTICIPATING AREA FOR THE WOLFCAMP FORMATION, to be effective as of 7:00 A.M., December 26, 1964;
- (2) The lands described in 2 above to constitute the INITIAL PARTICIPATING AREA FOR THE SILURO-DEVONIAN FORMATION, to be effective as of 7:00 A.M., September 3, 1964.

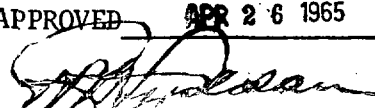
Dated this 5th day of March, 1965.

THE PURE OIL COMPANY

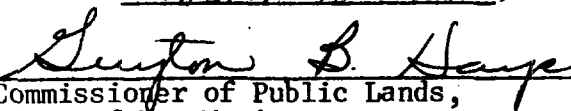
By   
J. R. Weyler,  
District Operations Superintendent

Address: P. O. Box 671  
Midland, Texas

APPROVED APR 26 1965, 1965

  
ACTING Director, United States Geological Survey

APPROVED March 10, 1965

  
Commissioner of Public Lands,  
State of New Mexico

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