



RAY B. POWELL
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

2802

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

October 6, 1993

SDX Resources, Inc.
P.O. Box 5061
Midland, Texas 79704

Attention: Ms. Barbara E. Wickham

Re: Resignation/Designation of Successor Unit Operator
Cone Jalmat Yates Pool Unit
Lea County, New Mexico

Dear Ms. Wickham:

This office is in receipt of a designation of successor unit operator, wherein Smith & Marrs, Inc. has resigned as unit operator of the Cone Jalmat Yates Pool Unit and designated SDX Resources, Inc. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of Smith & Marrs, Inc. and the designation of SDX Resources, Inc. as the successor unit operator of this unit. This change in operators is effective September 1, 1993, in accordance with this approval. SDX Resources, Inc. is now responsible for all operations and the reporting of all production from the unit.

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

Very truly yours,

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

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

cc: Reader File
Smith & Marrs, Inc.
OCD-Ben Stone
TRD



RAY B. POWELL
COMMISSIONER

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

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

July 30, 1993

Smith & Marrs, Inc.
P.O. Box 863
Kermit, Texas 79745

Attention: Mr. Rickey Smith

Re: Resignation/Designation of Successor Unit Operator
Cone Jalmat Yates Pool Unit
Lea County, New Mexico

Dear Mr. Smith:

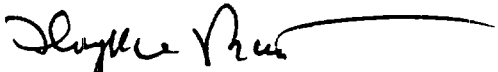
This office is in receipt of a designation of successor unit operator, wherein J. R. Cone has resigned as unit operator of the Cone Jalmat Yates Pool Unit and designated Smith & Marrs, Inc. as the successor unit operator.

The Commissioner of Public Lands has this date approved the resignation of J. R. Cone and the designation of Smith & Marrs, Inc. as the successor unit operator of this unit. This change in operators is effective April 28, 1993. In accordance with this approval, Smith & Marrs, Inc. is now responsible for all operations and the reporting of all production from the unit.

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

Very truly yours,

RAY B. POWELL
COMMISSIONER OF PUBLIC LANDS

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

cc: Reader File
BLM - Roswell
J. R. Cone
OCD-Ben Stone
TRD

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

August 11, 1967

C
O
P
Y
Mr. John C. Byers
Fourth Floor
Great Plains Life Building
Lubbock, Texas

Re: Subsequent Joinder of Tract No. 9,
Cone Jalmat Yates Pool Unit, Lea
County, New Mexico.

Dear Mr. Byers:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Subsequent Joinder which commits Tract No. 9 (SE/4 of Section 25, Township 22 South, Range 35 East, NMPM) to the Cone Jalmat Yates Pool Unit, Lea County, New Mexico, subject to like approval by the Commissioner of Public Lands of the State of New Mexico. Approval of the subsequent joinder is not to be construed as like approval of expansion of the waterflood project.

One copy of the joinder agreement and attachments is returned with the letter of approval.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEX/og

cc: Commissioner of Public Lands
Santa Fe, New Mexico

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

2832

August 11, 1967

C
Mr. John C. Byers
Fourth Floor
Great Plains Life Building
Lubbock, Texas

O
Re: Subsequent Joinder of Tract No. 9,
Cone Jalmat Yates Pool Unit, Lea
County, New Mexico.

Dear Mr. Byers:

P
Y
This is to advise that the New Mexico Oil Conservation Commission has this date approved the Subsequent Joinder which commits Tract No. 9 (SE/4 of Section 25, Township 22 South, Range 35 East, NMPN) to the Cone Jalmat Yates Pool Unit, Lea County, New Mexico, subject to like approval by the Commissioner of Public Lands of the State of New Mexico. Approval of the subsequent joinder is not to be construed as like approval of expansion of the waterflood project.

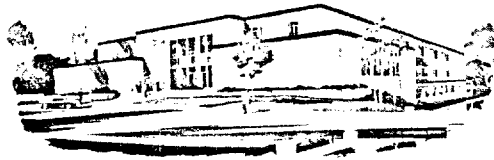
One copy of the joinder agreement and attachments is returned with the letter of approval.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

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

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

August 8, 1967

John C. Byers
Fourth Floor
Great Plains Life Building
Lubbock, Texas

Re: Cone Jalmat Yates Pool
Unit Expansion
Inclusion of Tract No. 9,
Lea County, New Mexico

1967 AUG 9 AM 11:00

Dear Mr. Byers:

The Commissioner of Public Lands has this date approved the Subsequent Joinder to the Cone Jalmat Yates Pool Unit Agreement and Operating Agreement, which commits Tract 9, effective as of the Commissioner's approval.

Exhibits "A" and "B" have also been accepted for filing.

We are returning one set of the agreement with ratifications attached, also two Certificates of Approval fully executed by the Commissioner.

Your Official Receipt will be mailed to you as soon as it is processed.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS
BY:

Eddie Lopez, Supervisor
Unit Division

GBH/TB/EL/s
Enclosures

cc: OCC-Santa Fe, New Mexico

CERTIFICATE OF APPROVAL

BY COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

GOVERNMENT OF NEW MEXICO
LAND COMMISSION, LAND OFFICE

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated January 17, 1954, which has been executed or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the state, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, 7-11-48, New Mexico Statutes Annotated 1953 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 20th day of June 19 54.



Edmund G. ...
Commissioner of Public Lands
of the State of New Mexico

July 17, 1963

Mr. John C. Byers
403 Great Plains Life Building
Lubbock, Texas

Re: Cone Jalmat Yates Pool
Unit, Lea County, New
Mexico

Dear Mr. Byers:

The Commissioner of Public Lands approved as of June 18, 1963
the Cone Jalmat Yates Pool Unit, Lea County, New Mexico.

We are enclosing four Certificates of Approval; also
enclosed is Official Receipt No. G-4075 in the amount of
Twenty-five (\$25.00) Dollars which covers the filing fee.

Pursuant to our conversation of this date I am returning
two copies of the signature page for J. R. Cone which you
have agreed to revise by designating Mr. Cone as Operator.
Trusting you will return these signature pages to us at
your earliest convenience.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

E3JW/mmrm

Petroleum Geologist
Reservoir Engineering

John C. Byers

Fourth Floor
Great Plains Life Bldg.
Lubbock, Texas

Telephone
POrter 2-1004

August 7, 1967

MAIN OFFICE

The Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

'67 AUG 9 AM 7 05

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

Re: Cone Jalmat Yates Pool Unit
Lea County, New Mexico

Gentlemen:

The Cone Jalmat Yates Pool Unit was authorized for water flood operation through Commission Order No. R-2494 dated June 11, 1963. An expansion of the water flood program was authorized through the Commission's Administrative Orders No. WFX-180 and WFX-206 dated August 27, 1964 and May 3, 1965 respectively.

Water flood operations within that portion of the Unit, as authorized by the above set out orders, has resulted in the increase of crude oil production from an average 4,000 barrels per month prior to water flood to a current 21,000 barrels per month. That developed portion of the Unit now under such operation has contributed some 400,000 barrels of oil, over and above that which may have been recovered by primary depletion, and its producing character is improving.

The Unit and Unit Operating Agreements governing the conduct of this Unit provide for expansion of the Unit to include productive acreage contiguous to the Unit where deemed advisable.

The Working Interest Owners to the Unit have voted in accord with the Unit Operating Agreement, to expand the Unit to include as Tract No. 9 of the Unit that oil and gas lease occupying the SE/4 of Section 25, T22S, R35E, Lea County, New Mexico and known as New Mexico State Lease E-396-6 dated June 11, 1945.

Working Interest Owners in that proposed Tract No. 9, described above, have executed a Joinder Agreement providing for the inclusion of their leasehold into the Unit, through ratification of the Unit and Unit Operating Agreements.

Copies of the executed Joinder Agreement, pertaining to this Tract No. 9, have been transmitted to the Commissioner of Public Lands of the State of New Mexico for approval on the part of the State, as mineral owner under this tract and the Unit.

OCC
State of New Mexico

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

Re: CJYPU
Lea County, N.M.

The Working Interest Owners of the Subject Unit are joined by Working Interest Owners in the proposed Tract No. 9 to the Unit, in requesting that the Commission grant administrative approval of the expansion of the Unit to include, as Tract No. 9 of the Unit, that oil and gas lease described as the SE/4 of Section 25, T22S, R35E, Lea County, New Mexico. This lease is now operated as the Tenneco-Amerada State "B" Lease in the Jalmat Yates-Seven Rivers Field.

The Working Interest Owners further request that the Commission grant administrative approval for the expansion of the Unit water injection program to provide water injection into Unit wells No. 7-1, 8-3, 9-2, 9-3, and 10-2. Attached hereto are Commission Forms C-103, relative to each of the wells for which approval of conversion to water injection is requested.

Water required to inject into the expanded Unit will be derived from existing Santa Rosa sources now being employed in the Unit, and through return of produced water to the Yates reservoir. All water will be handled through closed systems, with appropriate chemical treatment to prohibit precipitation of solids and corrosion of material. All produced water to be returned to the reservoir will be maintained in a separate and isolated system from that through which Santa Rosa water is delivered to the reservoir. It is estimated that a maximum of 400 barrels of water per day, per injection well, will be required and the maximum wellhead injection pressure will be limited to 1300 psig.

Expansion of the Unit as herein requested will increase the area of the Unit from 1600 acres to 1760 acres. It will also place under water flood influence a Yates Sand reservoir area, which has contributed some 360,000 barrels of oil through primary energy depletion. This area is expected to contribute some 600,000 barrels of additional oil through application of water flood as requested herein.

For your convenience, we enclose herewith a map of the Unit area representing its disposition after expansion as requested herein.

Duplicate copies of this application, along with attachments, have been transmitted to the State Engineer's Office, Santa Fe, New Mexico. Also, Copies of this application are transmitted to Cities Service Oil Company and Continental Oil Company, whose properties offset the Unit to the East.

Page -3-

August 7, 1967

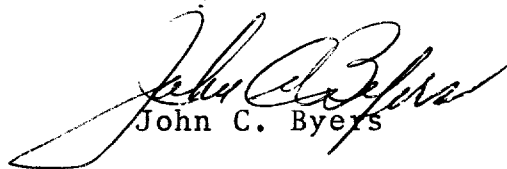
OCC

State of New Mexico

Att: Mr. A. L. Porter, Jr. Re: CJYPU

Your consideration of this request is appreciated, and if additional information is required, we will be pleased to furnish what we can.

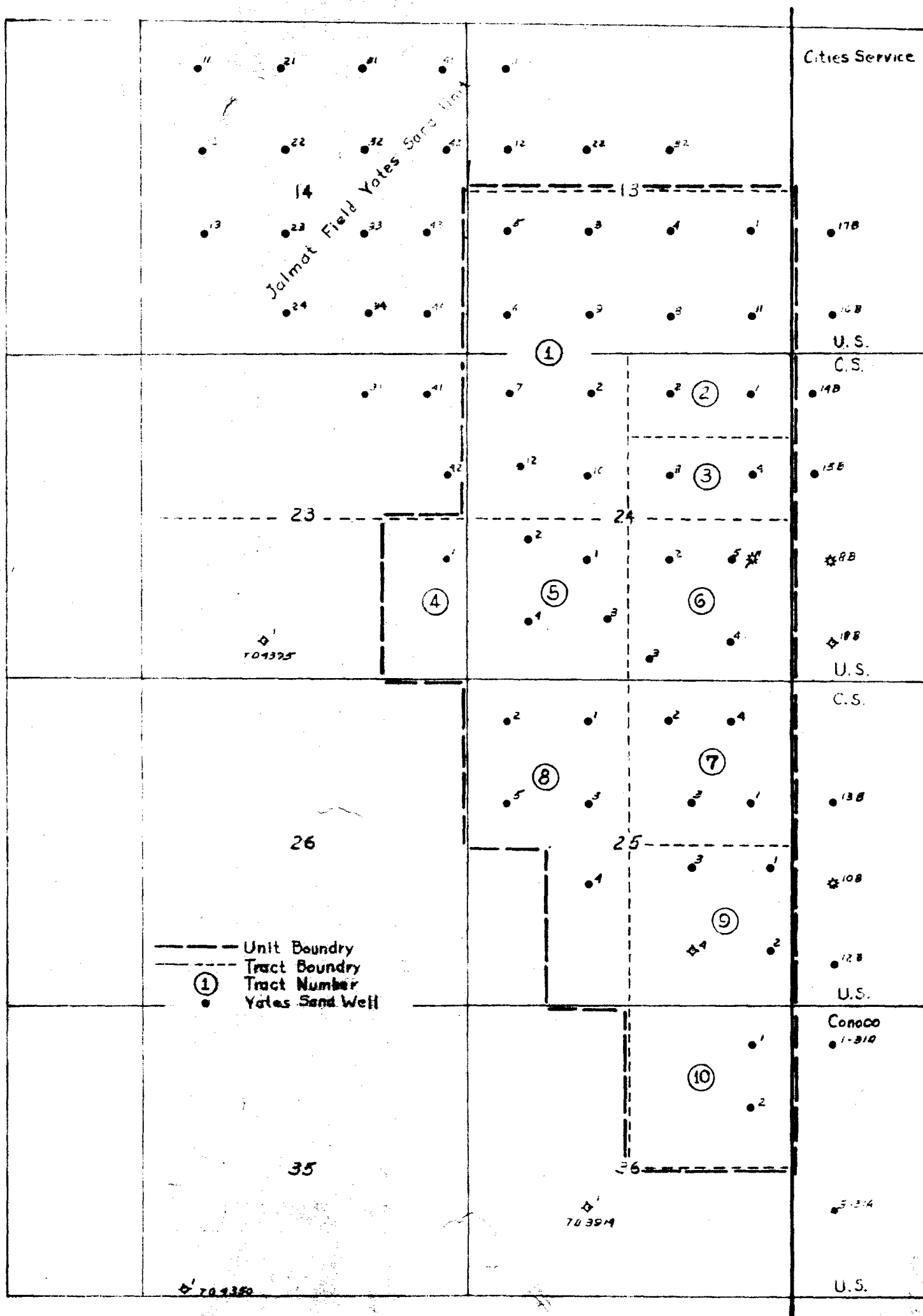
Yours very truly,



John C. Byers

JCB:mc

Enclosures



T 22S

R 35 E

Scale: 1" = 2,000'

EXHIBIT "A"
TO
UNIT AGREEMENT
CONE JALMAT YATES POOL UNIT
Lea County, New Mexico
THIRD REVISION and FIRST ENLARGEMENT
Revised December 16, 1966

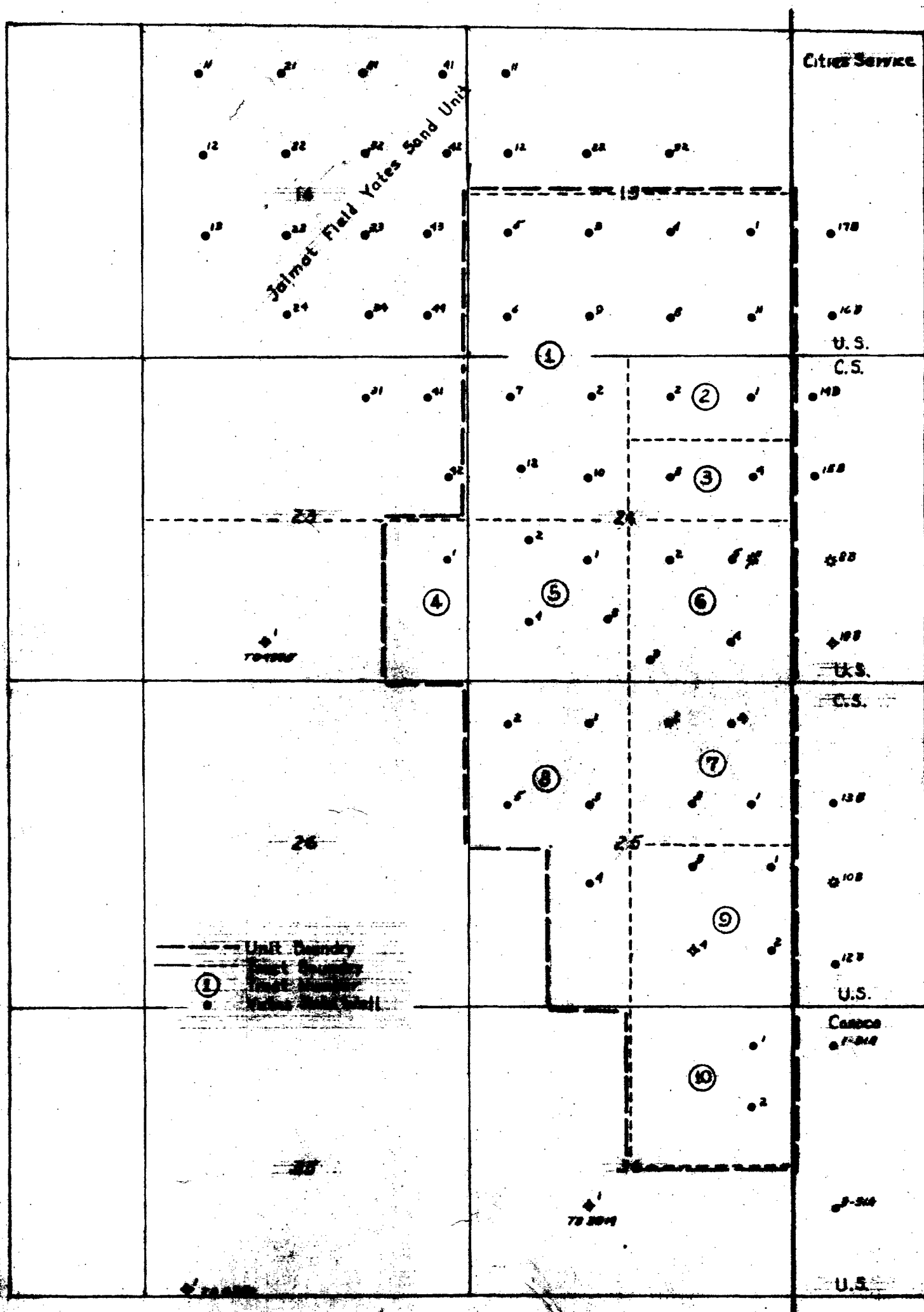


EXHIBIT "A"
TO
UNIT AGREEMENT
CONE JALMAT YATES POOL UNIT
Lea County, New Mexico
THIRD REVISION and FIRST ENLARGEMENT
Revised December 16, 1966

JASON W. KELLAHIN
ROBERT E. FOX

Unit
Case 2802

KELLAHIN AND FOX
ATTORNEYS AT LAW
54½ EAST SAN FRANCISCO STREET
POST OFFICE BOX 1713
SANTA FE, NEW MEXICO

TELEPHONES
983-9396
982-2991

April 30, 1963

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

Re: Application of J. R. Cone
for approval of a water-
flood project in the Cone
Jalmat Yates Pool Unit,
Lea County, New Mexico.

Gentlemen:

We are enclosing exhibits in regard to the above application which were not available at the time the application was filed. The exhibits are as follows:

1. Copy of Unit Operating Agreement for the Cone Jalmat Yates Pool Unit;
2. Schematic diagram of injection and producing wells in the unit;
3. Plat showing producing wells in the unit and location of all other wells with a radius of two miles from proposed injection wells;
4. List of wells showing completion and production data;
5. Cross section of wells in the pool unit.

Very truly yours,

Jason W. Kellahin
JASON W. KELLAHIN

jwk:mas
enclosures

CONE JALMAT YATES POOL UNIT
Lea County, N.M.

STATISTICAL SUMMARY FOR April 1967

2802

MAIN OFFICE
AM 9 00

	Current Month April	Previous Month March	Cumulative Since Uniti- zation
<u>OIL PRODUCTION - Stock tank bbl</u>			
Monthly Allowable	25620	26474	
Monthly Production	19238	19798	571977
Pipeline Runs	19410	20510	
Average Daily	641	639	
Cumulative	1911957	1892719	
<u>GAS PRODUCTION - Mcf</u>			
Monthly Production	22788	20301	1534291
Average GOR	1184	1025	
<u>WATER PRODUCTION - Estimated bbl</u>			
Monthly Production	9560	9700	
Average Daily Production	316	319	
Avg. Water cut % gross Liquid	33.2	33.3	
<u>WATER INJECTION bbl</u>			
Monthly Injection	112054	117933	3814511
Average Daily Injection	3735	3804	
Avg. Wellhead Injection Pressure	1016	984	
Bbls water injected/ bbls Liq. produced	3.9	3.9	
No. Producing well days of operation	554	577	
Average Production/producing well day	34.7	34.3	
<u>WELL STATUS</u>			
Flowing	0	0	
Pumping	19	19	
Shut In	2	2	
Injection	14	14	
Water Supply	2	2	
	37	37	