

EXHIBIT C FOR LANDS ADDED BY THE FOURTEENTH REVISION OF THE NIORARA-GREENHORN PARTICIPATING AREA
CANADA QUINOS UNIT
RIO ARriba COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
<u>FEDERAL LAND</u>							
1	T-25N, R-1W Sec. 29: NW/4NW/4, S/2NW/4 Sec. 30: Lot 4	160.29 1.086150	SF-079450 (HBP)	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	John Crag Cartmill .17391% of 7/8 plus 3/20 of .17391% of 7/8 (.174997% of 8/8) W. Bertram Waychoff 10/80 of .17391% of 7/8 (.019021% of 8/8) Kenneth P. Milliken 10/80 of .17391% of 7/8 (.019021% of 8/8) Tomas A. Klein 3/40 of .17391% of 7/8 (.011413% of 8/8) Barney Martin 70% of 1/20 of .17391% of 7/8 (.005327% of 8/8) Prudence Walker Martin 30% of 1/20 of .17391% of 7/8 (.002282% of 8/8) Florence C. Randall Estate .13043% of 7/8 (.11412% of 8/8) L.L. Hen Y .17391% of 7/8 (.152171% of 8/8) Stella Connor .41305% of 7/8 (.361419% of 8/8) Mary Helen Houston 3/40 of .17391% of 7/8 (.011413% of 8/8)	B-M-G Group A (Subject to 1983 Pooling Agreement)

ORR's for Tract #1 continued on Page 2.

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICI- PATING AREA	SERIAL NO. & EXPIRA- TION DATE	BASIC ROYALTY & PERCENTAGE	LESSSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
1 (Cont'd)							
					Annie Mary White Rev. Tr.		
					.14493% of 7/8 plus		
					.17391% of 7/8 plus		
					.199997% of 7/8		
					(.453982% of 8/8)		
					Martin Gardner		
					.13526% of 7/8		
					(.118358% of 8/8)		
					Reading & Bates Oil & Gas		
					.34785% of 7/8		
					(.304370% of 8/8)		
					James H. Gardner, Jr.		
					.13526% of 7/8		
					(.118358% of 8/8)		
					Judith Gardner Weaver		
					.13526% of 7/8		
					(.118358% of 8/8)		
					June Frost Gilmore,		
					Executrix of James		
					David Gilmore Estate		
					1/3 of .08696% of 7/8		
					(.025364% of 8/8)		
					Elizabeth Eidson		
					1/3 of .08696% of 7/8		
					(.0253 4% of 8/8)		
					R.B. Gilmore		
					1/3 of .08696% of 7/8		
					(.025364% of 8/8)		
					Milton Oil Company		
					.42752% of 7/8		
					(.374080% of 8/8)		
					State Bank & Trust		
					.17391% of 7/8		
					(.152171% of 8/8)		
					Dr. William K. Newill		
					3/20 of .17391% of 7/8		
					plus 1/2 of 1/5 of		
					.17391% of 7/8		
					(.038042% of 8/8)		

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
2	T-25N, R-1W Sec. 29: NE/4NW/4 Sec. 30: Lot 3	80.31 0.544194	SF-079450-A (HBP)	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	John Craig Cartmill .17391% of 7/8 plus 3/20 of .17391% of 7/8 (.174997% of 8/8) W. Bertram Waychoff 10/80 of .17391% of 7/8 (.019021% of 8/8) Kenneth P. Milliken 10/80 of .17391% of 7/8 (.019021% of 8/8) Thomas A. Klein 3/40 of .17391% of 7/8 (.011413% of 8/8) Barney Martin 70% of 1/20 of .17391% of 7/8 (.005327% of 8/8) Prudence Walker Martin 30% of 1/20 of .17391% of 7/8 (.002282% of 8/8) Florence C. Randall Estate .13043% of 7/8 (.114126% of 8/8) L.L. Henry .17391% of 7/8 (.152171% of 8/8) Stella Connor .41305% of 7/8 (.361419% of 8/8) Mary Helen Houston 3/40 of .17391% of 7/8 (.011413% of 8/8) Annie Mary White Rev. Tr. .14493% of 7/8 plus .17391% of 7/8 plus .199997% of 7/8 (.453982% of 8/8) Martin Gardner .13526% of 7/8 (.118358% of 8/8)	B-M-G Group A (Subject to 1983 Pooling Agreement)

ORR's for Tract #2 continued on Page 4.

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICI- PATING AREA	SERIAL NO. & EXPIRA- TION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
						Reading & Bates Oil & Gas	
						.34785% of 7/8	
						(.304370% of 8/8)	
						James H. Gardner, Jr.	
						.13526% of 7/8	
						(.118358% of 8/8)	
						Judith Gardner Weaver	
						.13526% of 7/8	
						(.118358% of 8/8)	
						June Frost Gilmore,	
						Executrix of James	
						David Gilmore Estate	
						1/3 c: .08696% of 7/8	
						(.025364% of 8/8)	
						Elizabeth Eldson	
						1/3 of .08696% of 7/8	
						(.025364% of 8/8)	
						R.B. Gilmore	
						1/3 of .08696% of 7/8	
						(.025364% of 8/8)	
						Milton Oil Company	
						.42752% of 7/8	
						(.374080% of 8/8)	
						State Bank & Trust	
						.17391% of 7/8	
						(.152171% of 8/8)	
						Dr. William K. Newill	
						3/20 of .17391% of 7/8	
						plus 1/2 of 1/5 of	
						.17391% of 7/8	
						(.038042% of 8/8)	

2 (Cont'd)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
3	T-24N, R-1W Sec. 6: Lot 5, SE/4NW/4 Sec. 7: Lots 1, 2, NE/4, N/2SE/4	391.61 2.653611	SF-079454-A (HBP)	USA - All of 12.5%	A. G. Hill	John Craig Cartmill .17391% of 7/8 plus 3/20 of .17391% of 7/8 (.174997% of 8/8) W. Bertran Waychoff 10/80 of .17391% of 7/8 (.019021% of 8/8) Kenneth P. Milliken 10/80 of .17391% of 7/8 (.019021% of 8/8) Tomas A. Klein 3/40 of .17391% of 7/8 (.011413% of 8/8) Barney Martin 70% of 1/20 of .17391% of 7/8 (.005327% of 8/8) Prudence Walker Martin 30% of 1/20 of .17391% of 7/8 (.002282% of 8/8) Florence C. Randall Estate .13043% of 7/8 .114126% of 8/8) L. L. Henry .17391% of 7/8 (.152171% of 8/8) Stella Connor .41305% of 7/8 (.361419% of 8/8) Mary Helen Houston 3/40 of .17391% of 7/8 (.011413% of 8/8) Annie Mary White Rev. Tr. .14493% of 7/8 plus .17391% of 7/8 plus .199997% of 7/8 (.453982% of 8/8) Martin Gardner .13526% of 7/8 (.118358% of 8/8)	A.G. Hill (Subject to 1983 Pooling Agreement)

ORR's for Tract #3 continued on Page 6.

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
					Reading & Bates Oil & Gas		
					.34785% of 7/8		
					(.304370% of 8/8)		
					James H. Gardner, Jr.		
					.13526% of 7/8		
					(.118358% of 8/8)		
					Judith Gardner Weaver		
					.13526% of 7/8		
					(.118358% of 8/8)		
					June Frost Gilmore,		
					Executrix of James		
					David Gilmore Estate		
					1/3 of .08696% of 7/8		
					(.025364% of 8/8)		
					Elizabeth Eidson		
					1/3 of .08696% of 7/8		
					(.025364% of 8/8)		
					R.B. Gilmore		
					1/3 of .08696% of 7/8		
					(.025364% of 8/8)		
					Milton Oil Company		
					.42752% of 7/8		
					(.374080% of 8/8)		
					State Bank & Trust		
					.17391% of 7/8		
					(.152171% of 8/8)		
					Dr. William K. Newill		
					3/20 of .17391% of 7/8		
					plus 1/2 of 1/5 of		
					.17391% of 7/8		
					(.038042% of 8/8)		

3 (Cont'd)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
4	T-25N, R-1W Sec. 20: N/2NE/4, SE/4NE/4 Sec. 29: NW/4SE/4, S/2SE/4 Sec. 30: Lots 1, 2, E/2NW/4, E/2SE/4	480.68 3.257164	SF-081335 (HBP)	USA - All of 12.5%	Reading & Bates Petroleum Corp. 33.333% Hooper, Kimball & Williams, Inc. 33.333% PC Ltd 15.60873% Ibex Partnership 15.60873% The Warren Clark Trust, Mabel Reed, Trustee 0.81380% Carolyn Clark Oatman 0.87483% Testamentary Trust under Will of Warren Clark; Mabel Reed & H.M. Reed, Trustees 0.42724%	None	Lessees have all rights. (Subject to 1983 Pooling Agreement)
5	T-25N, R-1W Sec. 31: NE/4	160.00 1.084185	NW-015016 (HBP)	USA - All of 12.5%	J. Gregory Merrion 50% Robert L. Bayless 50% (Assignment to B-M-G filed with BUM; not approved as of 2/19/85)	Hoover Wright 3%	B-M-G Group A (Subject to 1983 Pooling Agreement)
6	T-25N, R-1W Sec. 30: NE/4SW/4	40.00 0.271046	NW-01447 (HBP)	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	Stella Connor 9/13 of 2% (1.384615%) Petro Minerals, Inc. 3% L.L. Henry 4/13 of 2% (0.615385%)	B-M-G Group A (Subject to 1983 Pooling Agreement)
7	T-25N, R-1W Sec. 30: SE/4SW/4	40.00 0.271046	NW-01447-A (HBP)	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	Stella Connor 9/13 of 2% (1.384615%) Petro Minerals, Inc. 3% L.L. Henry 4/13 of 2% (0.615385%)	B-M-G Group A (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
8	T-24N, R-1W Sec. 6: Lots 1, 2, S/2NE/4, SE/4	324.20 0.000000	NM-01471 (HBP)	USA - All of 12.5%	Northwest Pipeline 3/4 Dugan Production Corp. 1/4	L.W. Wickers Corp. 1/8 Cypus Mines Corp. 1/2 of 1/8 (above overrides on Northwest Pipeline interest only)	Northwest Pipeline 3/4 Dugan Production Corp. 1/4
9	T-25N, R-1W Sec. 7: N/2SE/4, SE/4SE/4 Sec. 18: SE/4 Sec. 19: Lots 1, 2, E/2SE/4, SW/4SE/4	480.87 3.258451	NM-01477 (HBP)	USA - All of 12.5%	Reading & Bates Petroleum Corp. 1/3 Hooper, Kimball & Williams, Inc. 1/3 PC, Ltd 15.60873% Ibex Partnership 15.60873% Testamentary Trust under Will of Warren Clark, Mabel Reed Trustee 0.42724% Carolyn Clark Oatman 0.87483% Warren Clark Trust Mabel Reed, Trustee 0.81380%	None	Lessees have all rights. (Subject to 1983 Pooling Agreement)
10	T-25N, R-1W Sec. 20: SW/4NE/4 Sec. 29: NE/4SE/4 Sec. 30: W/2SE/4	160.00 1.084185	NM-03747 (HBP)	USA - All of 12.5%	Mountain States Natural Gas Corp. 50% Duer Wagner, Jr. 23.25% Ralph Gilliland 25% Duer Wagner III 1.75%	None	Lessees have all rights. (Interests of Duer Wagner, Jr., Ralph Gilliland and Duer Wagner III subject to 1983 Pooling Agreement)
11	T-25N, R-1W Sec. 7: SW/4SE/4 Sec. 19: E/2NW/4, NW/4SE/4	160.00 0.000000	NM-03808 (HBP)	USA - All of 12.5%	Mountain States Natural Gas Corp. 50% Duer Wagner, Jr. 25% Ralph Gilliland 25%	None	Lessees have all rights. (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
12	T-24N, R-1W Sec. 6: Lots 3, 4	81.82 0.554426	NW-03995 (HBP)	USA - All of 12.5%	A. G. Hill	John Craig Cartmell .17391% of 7/8 plus 3/20 of .17391% of 7/8 (.174997% of 8/8) W. Bertram Waychoff 10/80 of .17391% of 7/8 (.019041% of 8/8) Kenneth P. Milliken 10/80 of .17391% of 7/8 (.019021% of 8/8) Tomas A. Klein 3/40 of .17391% of 7/8 (.011413% of 8/8) Barney Martin 70% of 1/20 of .17391% of 7/8 (.005327% of 8/8) Prudence Walker Martin 30% of 1/20 of .17391% of 7/8 (.002282% of 8/8) Florence C. Randall Estate .13043% of 7/8 (.114126% of 8/8) L.L. Henry .17391% of 7/8 (.152171% of 8/8) Stella Connor .41305% of 7/8 (.361419% of 8/8) Mary Helen Houston 3/40 of .17391% of 7/8 (.011413% of 8/8) Annie Mary White Rev. Tr. .14493% of 7/8 plus .17391% of 7/8 plus .19997% of 7/8 (.453982% of 8/8)	A.G. Hill (Subject to 1983 Pooling Agreement)

ORR's for Tract #12 continued on Page 10.

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
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12 (Cont'd)

Martin Gardner
 .13526% of 7/8
 (.118358% of 8/8)
 Reading & Bates Oil & Gas
 .34785% of 7/8
 (.304370% of 8/8)
 James H. Gardner, Jr.
 .13526% of 7/8
 (.118358% of 8/8)
 Judith Gardner Weaver
 .13526% of 7/8
 (.118358% of 8/8)
 June Frost Gilmore,
 Executrix of James
 David Gilmore Estate
 1/3 of .08696% of 7/8
 (.025364% of 8/8)
 Elizabeth Eidson
 1/3 of .08696% of 7/8
 (.025364% of 8/8)
 R.B. Gilmore
 1/3 of .08696% of 7/8
 (.025364% of 8/8)
 Milton Oil Company
 .42752% of 7/8
 (.374080% of 8/8)
 State Bank & Trust
 .17391% of 7/8
 (.152171% of 8/8)
 Dr. William K. Newill
 3/20 of .17391% of 7/8
 plus 1/2 of 1/5 of
 .17391% of 7/8
 (.038042% of 8/8)

13
 T-26N, R-1W
 Sec. 29: S/2SE/4
 Sec. 31: E/2SE/4
 160.00
 0.000000
 OPEN

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
14	T-26N, R-1W Sec. 6: Lots 6, 7, E/2SW/4, SE/4 Sec. 7: Lots 1, 2, 3, 4, E/2W/2 Sec. 8: W/2 Sec. 17: SW/4 Sec. 18: Lots 1, 2, E/2W/2, E/2 Sec. 19: E/2NE/4, SE/4 Sec. 20: NW/4	2,080.80 14.099830	NW-13807 7-31-81	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	None	Record interest From surface to 50' below the base of the Greenhorn: B-M-G Group A except Carpenter Corp. is shown as F.H. Carpenter and B-M-G & Stoabs Oil Corp. are combined under B-M-G
15	T-26N, R-1W Sec. 29: SW/4 Sec. 30: N/2, SE/4 Sec. 31: W/2 Sec. 32: N/2	1,280.00 8.673482	NW-13947 11-30-81	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	Mary F. Antweil & Alan J. Antweil 5%	Actual interest B-M-G Group A except the "Main Mancos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B)
16	T-25N, R-1W Sec. 18: NE/4 Sec. 19: Lots 3, 4, E/2SW/4	320.77 2.173583	NW-16447 (HBP)	USA - All of Schedule B Sliding Scale	Jerome P. McHugh	Thomas A. Dugan 3%	(Subject to 1983 Pooling Agreement)
17	T-26N, R-1W Sec. 17: SE/4NW/4	40.00 0.271046	NW-18456 6-30-83	USA - All of 12.5%	Benson-Montin-Greer Drilling Corp.	Joan A. Ashback & John Ashback 1%	Same as Tract 14.
18	T-24N, R-1W Sec. 6: Lots 6, 7, E/2SW/4	154.24 1.045155	NW-23024 HBP	USA - All of Schedule B Sliding Scale	Dugan Production Corp.	Jim Jacobs 1.149425% of prod. after federal royalty Dorothy J. Winer 1.149425% of prod. after federal royalty	Dugan Production Corp. 100% (Subject to 1983 Pooling Agreement)
19	T-26N, R-1W Sec. 5: SW/4SW/4	40.00 0.271046	NW-23220 11-30-84	USA - All of 12.5%	M. J. Harvey, Jr.	None	M. J. Harvey, Jr. 100%

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
20	T-26N, R-1W Sec. 5: Lots 3, 4, S/NW/4, N/2SW/4, SE/4SW/4 Sec. 6: Lots 1, 2, S/2NE/4	441.60 2.992351 S/NW/4, N/2SW/4, SE/4SW/4	NW-27754 4-30-86	USA - All of 12.5%	Union Texas Exploration Corp. 37.222% Benson-Montin-Greer Drilling Corp. 31.389% Stoabs Oil Corp. 31.389%	Paul T. Walton & Helen Walton 0.75% Lyle A. Hale 0.45% K & J Investment Co. 0.60% Ida Lee Anderson 0.30% Shamrock Investment Co. 0.30% Beverley Lasrich 0.60%	Same as record* The "Main Mancos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)
21	T-26N, R-1W Sec. 32: SW/4 (unsurveyed)	160.00 1.084.85	NW-27755 4-30-86	USA - All of 12.5%	Southland Royalty Company	Diane K. Andrikopoulos & Charles E. Johnson 1/4 of 1% John G. Andrikopoulos & William B. Collister 1% A.G. Andrikopoulos 25/32 of 3.75% Gale O. Kelly 1/32 of 3.75% Patsy R. Kelly 1/32 of 3.75% Estelle C. Haefle 1/32 of 3.75% James W. Haefle 1/32 of 3.75% Dorothy J. Scribner 1/16 of 3.75% John G. Andrikopoulos 1/64 of 3.75% Judy K. Andrikopoulos 1/64 of 3.75%	Record interest Southland Royalty Company Actual interest Same as record except the "Main Mancos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)
22	T-26N, R-1W Sec. 30: E/2SW/4	80.00 0.542093	NW-28274 10-31-86	USA - All of 12.5%	Blackbird Company (Merle Chambers)	None	Blackbird Company (Merle Chambers)
23	T-24N, R-1W Sec. 5: Lots 1, 2, S/2NE/4, SE/4	322.93 2.188225	NW-28695 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Celsius Energy 15% of production after federal royalty	B-M-G Group C (Subject to 1983 Pooling Agreement)

* The interest which B-M-G and Stoabs Oil Corp. acquired from Southern Union Exploration is burdened with an overriding royalty equal to 75% of the beneficial interest accruing to this interest through the 1981 Pooling Agreement and the 1983 Pooling Agreement.

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24	T-24N, R-1W Sec. 5: Lots 3, 4, S/2NW/4, SW/4	323.51 2.192155	NW-28696 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Thomas M. Jordan, Jr. 1.625%* Thomas G. Falls 3.875%* Earl J. Ostling 1.000%*	B-M-G Group A (Subject to 1983 Pooling Agreement)
25	T-24N, R-1W Sec. 8: All	640.00 4.336741	NW-28697 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Celsius Energy 15% of production after federal royalty	B-M-G Group C (Subject to 1983 Pooling Agreement)
26	T-25N, R-1W Sec. 5: Lots 1, 2, 3, S/2NW/2, S/2 except that land included in HES 500	499.91 3.387469	NW-28700 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Celsius Energy 15% of production after federal royalty	B-M-G Group C (Subject to 1983 Pooling Agreement)
27	T-25N, R-1W Sec. 7: Lots 1, 2, 3, 4, E/2W/2, NE/4 except that land included in HES 500	481.74 3.264346	NW-28701 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Celsius Energy 15% of production after federal royalty	B-M-G Group C (Subject to 1983 Pooling Agreement)
28	T-25N, R-1W Sec. 8: N/2, exclusive of 7.86 acres in HES 500	312.14 2.115110	NW-28702 10-31-81	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	Celsius Energy 15% of production after federal royalty	B-M-G Group C (Subject to 1983 Pooling Agreement)
29	T-25N, R-1W Sec. 30: NE/4	160.00 1.084185	NW-28703 10-31-81	USA - All of Schedule B Sliding Scale	Mountain Fuel Supply Company	Celsius Energy 7-1/2% of 8/8ths (8.720930% of production for 14% sliding scale roy.)	Dugan Production Corp. 100% (Subject to 1983 Pooling Agreement)

* The overriding royalties shown on Tract 24 are not a burden on the pooled interests of the "Main Mancoos formation": by agreement between the overriding royalty owners and owners of operating rights, the overriding royalty interests are to be satisfied by receiving their proportionate shares of the income allocated to the interest after federal royalty which this tract receives in the 1983 Pooling Agreement. This burden is absorbed by the working interest the same as a "subsequently created burden".

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
30	T-26N, R-1W Sec. 7: S/2NE/4 Sec. 19: W/2NE/4	160.00 1.084185	NW-29163 1-31-87	USA - All of 12.5%	Southland Royalty Company	Ervin Joe Levers Estate 5%	Record interest Southland Royalty Company Actual interest Same as record except "Main Mancoos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)
31	T-26N, R-1W Sec. 6: Lots 3, 4 Sec. 7: N/2NE/4 Sec. 17: N/2NE/4 Sec. 19: Lot 1, E, 2NW/4 Sec. 20: N/2SW/4, SE/4SW/4	480.50 3.255944	NW-29756 3/1/92	USA - All of 12.5%	Southland Royalty Company	Marion Z. Simmons 1.666666% Frank Critelli 3.333334%	Southland Royalty Company (Subject to 1983 Pooling Agreement)
32	T-26N, R-1W Sec. 6: SE/4NW/4 Sec. 17: SW/4NW/4	80.00 0.542093	NW-30583 7-31-87	USA - All of 12.5%	Southland Royalty Company	Joan W. Walstrom 4%	Record interest Southland Royalty Company Actual interest Same as record except "Main Mancoos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)
33	T-25N, R-1W Sec. 8: S/2	320.00 2.168371	NW-33008 5-31-83	USA - All of Schedule B Sliding Scale	Koch Industries, Inc.	None	Koch Industries, Inc. 100% (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
34	T-25N, R-1W Sec. 17: All	640.00 4.336741	NW-33009 5-31-83	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp.	DenOo Energy Corp. 47% of 4.571430% = 2.148572% of prod. after fed. royalty Leonard Hedberg 47% of 4.571430% = 2.148572% of prod. after fed. royalty Michael Schranz 6% of 4.571430% = .274286% of prod. after fed. royalty	B-M-G Group A (Subject to 1983 Pooling Agreement)
35	T-25N, R-1W Sec. 20: W/2, SE/4	480.00 3.252556	NW-33011 5-31-83	USA - All of Schedule B Sliding Scale	Koch Industries, Inc.	None	Koch Industries, Inc. 100% (Subject to 1983 Pooling Agreement)
36	T-25N, R-1W Sec. 29: NE/4, SW/4	320.00 2.168371	NW-33012 5-31-83	USA - All of Schedule B Sliding Scale	Koch Industries, Inc.	None	Koch Industries, Inc. 100% (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
37	T-25N, R-1W Sec. 32: All	640.00 4.336741	NW-33013 5-31-83	USA - All of Schedule B Sliding Scale	Benson-Montin-Greer Drilling Corp. 60% Excel Energy Corp. 40%	Burdening all interest: DerDoo Energy Corp. 47% of 4.571430% = 2.148572% of prod. after fed. royalty Leonard Hedberg 47% of 4.571430% = 2.148572% of prod. after fed. royalty Michael Schranz 6% of 4.571430% = .274286% of prod. after fed. royalty	B-M-G Group A 60% (40% from Patrick, 20% from Lexicon) Excel Energy Corp. 40% (Subject to 1983 Pooling Agreement)
<p><u>Selective ORRs on B-M-G Group A:</u></p> <p><u>In terms of percent of prod. after fed. royalty on 20% of leasehold originally held by Lexicon:</u></p> <p>Lexicon 9.285713% of prod. after fed. roy. (1.857143%) Max W. Prescott 4/6 of .142857% of prod. after fed. roy. (0.152381%) Alan R. Hansen 1/6 of 1.142857% of prod. after fed roy. (0.038095%) Walter Moody 1/2 of 1.142857% of prod. after fed. roy. (0.038095%)</p>							
38	T-25N, R-1W Sec. 6: Lot 1, E/2E/2 of Lot 4, W/2 of Lot 6, Lots 7,8, 9,12,13,16,17, SE/4NW/4NE/4, NE/4NE/4SW/4NE/4, N/2SE/4NE/4, NE/4SW/4SE/4NE/4, N/2SE/4SE/4NE/4, SE/4SE/4NE/4, SW/4NE/4NW/4, W/2SE/4NE/4NW/4, SE/4SE/4NE/4NW/4, SE/4NE/4SW/4, SE/4SW/4, S/2N/2SW/4SE/4, S/2SW/4SE/4, S/2NW/4SE/4SE/4, SW/4SE/4SE/4	306.455 2.076588	NW-42414 12-31-85	USA - All of Schedule B Sliding Scale	Koch Industries, Inc.	None	Koch Industries, Inc. 100% (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
39	T-25N, R-1W Sec. 19: NE/4	160.00 1.084185	NM-42415 12-31-85	USA - All of Schedule B Sliding Scale	Koch Industries, Inc.	None	Koch Industries, Inc. 100% (Subject to 1983 Pooling Agreement)
40	T-26N, R-1W Sec. 32: SE/4	160.00 1.084185	NM-42416 12-31-85	USA - All of Schedule B Sliding Scale	Benson-Martin-Greer Drilling Corp.	None	B-M-G Group A (Subject to 1983 Pooling Agreement)
41	T-25N, R-1W Sec. 31: Lots 1, 2, 3, 4, E/2W/2, SE/4	480.56 3.256351	NM-42417 12-31-85	USA - All of Schedule B Sliding Scale	Southland Royalty Company	None	Record interest Southland Royalty Company Actual interest Same as record except "Main Mancos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)
42	T-24N, R-1W Sec. 7: Lots 3, 4, E/2W/2, S/2SE/4	315.01 2.134558	NM-46281 9-30-86	USA - All of Schedule B Sliding Scale	Cotton Petroleum Corp. (Assignment to B-M-G filed with BLM; not approved as of 2/19/85)	None	B-M-G Group A (Subject to 1983 Pooling Agreement)
43	T-25N, R-1W Sec. 18: Lots 1, 2, 3, 4, E/2W/2	321.72 2.180026	NM-46283 9-30-86	USA - All of Schedule B Sliding Scale	Southland Royalty Company	None	Record interest Southland Royalty Company Actual interest Same as record except "Main Mancos formation" is subject to 6181 OOU Third Expansion Pooling Agreement (B-M-G Group B) (Subject to 1983 Pooling Agreement)

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
44	T-26N, R-1W	1,242.85	Unleased federal				
	Sec. 6: Lot 5	0.000000	(OPEN)				
	Sec. 7: SE/4						
	Sec. 18: Lots 3, 4						
	Sec. 19: Lots 2, 3, 4, E/2SE/4						
	Sec. 20: SW/4SW/4						
	Sec. 29: N/2, N/2SE/4						
	Sec. 30: W/2SW/4						
	Sec. 31: NE/4, W/2SE/4						

TRACT NO.	DESCRIPTION	NO. ACRES & % OF PARTICIPATING AREA	SERIAL NO. & EXPIRATION DATE	BASIC ROYALTY & PERCENTAGE	LESSEE OF RECORD	OVERRIDING ROYALTY & PERCENTAGE	WORKING INTEREST & PERCENTAGE
<u>PATENTED ACREAGE</u>							
45	Tract 1: T-25N, R-1W Sec. 6: SW/4SE/4SE/4NE/4, S/2SW/4SE/4NE/4, NW/4SW/4SE/4NE/4, W/2NE/4SE/4, Lots 10, 11, 14, 15, N/2NW/4SE/4SE/4, N/2NE/SW/4SE/4, NW/SE/4, S/2SW/4NE/4, NW/4SW/4SE/4, W/2NE/4SW/4NE/4, SE/4NE/4SW/4NE/4, SW/4NW/4NE/4, NE/4SE/4NE/4NW/4	158.87	3-26-85	Nora Coan 7/48 of 12.5% (1.822916%)	Benson-Montin-Greer Drilling Corp.	None	B-M-G Group A 7/48
			3-26-85	Thomas & Mildred King 1/16 of 12.5% (0.781250%)	Benson-Montin-Greer Drilling Corp.	None	B-M-G Group A 1/16
			3-24-85	R. C. and Mildred Montgomery 3/4 of 16-2/3% (12.500000%)	Koch Industries, Inc.		Koch Industries, Inc. 3/4
			6-02-85	Hazel I. Stearns 1/48 of 12.5% (0.260417%)	Jerome P. McHugh	Jeff Wiepking 1% (of 1/48) = 0.020833% Tom Fullerton 1% (of 1/48) = 0.020833%	Jerome P. McHugh 1/48
			6-03-85	D.L. & Alice Scott 1/48 of 12.5% (0.260417%)	Jerome P. McHugh	Jeff Wiepking 1% (of 1/48) = 0.020833% Tom Fullerton 1% (of 1/48) = 0.020833%	Jerome P. McHugh 1/48 (All working interests in Tract 45 subject to 1983 Pooling Agreement)
	Tract 2: HBS 500, embracing a portion of Sections 5, 6, 7, 8	159.63					
	Tract 3: Sec. 6: SE/4NW/4, N/2NE/4SW/4, SW/4NE/4SW/4, E/2 of Lot 6, Lot 5, W/2 of Lot 4, W/2E/2 Lot 4	161.66					
	TOTAL ACREAGE TRACT 45	480.16					
		3.253640					

SUMMARY OF LANDS IN PARTICIPATING AREA (EXCLUDING TRACTS 8, 11, 13 & 44 WHICH ARE NOT PARTICIPATING):

	<u>ACRES</u>	<u>PERCENT</u>
FEDERAL 12-1/2% ROYALTY ACREAGE	6,918.48	46.880714
FEDERAL SLIDING SCALE ROYALTY ACREAGE	<u>7,358.985</u>	<u>49.865646</u>
SUB-TOTAL ALL FEDERAL ACREAGE	14,277.465	96.746360
PATENTED ACREAGE	<u>480.16</u>	<u>3.253640</u>
TOTAL ALL LANDS	14,757.625	100.000000

OWNERS AND PERCENTAGES OF B-M-G GROUPS:

	B-M-G Group A (1)	B-M-G Group B (2)	B-M-G Group C (3)	B-M-G Group D (4)
B-M-G Anderson Estate Amco, Inc.	6.608700 1.294738 7.496125	7.202908 0.872829 5.053407	7.445503 0.902226 5.223607	
Tom Bolack Carpenter Corp. Albert R. Greer	5.000000 2.500000 3.554375	3.370680 1.685340 2.396132	3.484205 1.742103 2.476834	
Greer Enterprises Bill L. Harbert Jack London, Jr.	10.297333 0.000000 0.000000	6.941802 0.000000 0.000000	7.175604 0.000000 0.000000	
Montin-Harbert-Bolack Wm. V. Montin Jessie Stanley	20.052000 0.000000 0.379313	13.517774 0.000000 0.255709	13.973056 0.000000 0.264321	
Virgil L. Stoabs Rocky Mountain, Ltd. Sun Exploration and Production	9.737367 8.804261 19.990551	6.564309 5.935269 13.476347	6.785396 6.135170 13.930234	
Stoabs Oil Corp. (SOC) Scanlon Trust Southland Royalty Company	2.785237 1.500000 0.000000	4.625374 1.011204 23.832632	4.781158 1.045262 24.635321	
Union Texas Petroleum	0.000000	3.258284	0.000000	
	100.000000	100.000000	100.000000	

Notes:

- (1) Group A: Derivation of interests of B-M-G Group A is shown on page 22.
- (2) Group B: This is ownership of the Canada Ojitos Unit 1981 Pooling Agreement (participating interests).
- (3) Group C: This ownership is the same as Group B except that Union Texas elected not to participate in the Mountain Fuel farmout lands and the remaining interests were adjusted accordingly (participating interest).
- (4) Group D: These are rights below the base of the Dakota; not of interest in this subject agreement.

DERIVATION OF B-M-G GROUP A:

	Participating Area Interest (Before 1981 or 1983 Pooling)	B-M-G Group A Third Expansion Area Interest*
B-M-G Drilling Corp.	6.608700	6.608700
John R. Anderson Estate	1.294738	1.294738
AMCO, Inc.	7.496125	7.496125
Tom Bolack	5.000000	5.000000
Carpenter Corp.	2.500000	2.500000
Albert R. Greer	3.554375	3.554375
Greer Enterprises, Ltd.	10.297333	10.297333
Bill L. Harbert	0.889000	0.000000
Jack London, Jr.	2.500000	0.000000
Montin-Harbert-Bolack	11.663000	20.052000
William V. Montin	5.000000	0.000000
Jessie Stanley	0.379313	0.379313
Virgil L. Stoabs	9.737367	9.737367
Rocky Mountain, Ltd.	8.804261	8.804261
Sun Exploration & Production Co.	19.990551	19.990551
Stoabs Oil Corp.	2.785237	2.785237
Scanlon Trust	1.500000	1.500000
General American RM MAJ	0.000000	0.000000
General American RM IND	0.000000	0.000000
General American (IND)	0.000000	0.000000
General American (SUN)	0.000000	0.000000
	100.000000	100.000000

* After combining basic interests of Jack London, Jr., William V. Montin and Bill Harbert with Montin-Harbert Pipeline, and succeeded by Montin-Harbert-Bolack Limited Partnership.

REVISED: February 15, 1982

Unit Name Canada Ojitos Unit (Exploratory)
Operator Benson-Montin-Greer Drilling Corporation
County Rio Arriba County, New Mexico

NOTICE: This is the Area after Contraction 11/11/72 and 3rd Expansion Effective June 1, 1981.

DATE	OCC CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED	4374 OCC ORDER NO. R-2544-A							
Commissioner								
August 21, 1970	OCD: 7-15-70	8-1-70	69,637.15	559.39	63,477.81	5,530.07	yes	5 year
This is the date the State joined this Unit.								
This was originally approved as a Federal Unit on 6-19-63								

UNIT AREA

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM

Sections 1 through 15: All
Section 23: N/2
Section 24: N/2

TOWNSHIP 25 NORTH, RANGE 1 EAST, NMPM

Sections 5 through 8: All
Sections 17 through 20: All
Section 29: W/2
Sections 30 and 31: All

TOWNSHIP 24 NORTH, RANGE 1 EAST, NMPM

Sections 6 and 7: All
Section 8: W/2
Section 17: W/2
Section 18: All
Section 19: N/2
Section 20: NW/4

TOWNSHIP 26 NORTH, RANGE 1 EAST, NMPM

Section 19: All
Section 20: W/2
Sections 29 Through 32: All
TOWNSHIP 26 NORTH, RANGE 1 WEST, NMPM
Sections 1 through 36: All

TOWNSHIP 25 NORTH, Range 1 West, NMPM

Sections 1 through 36: All

Unit Name Canada Ojitos Unit (Exploratory)
Operator Benson-Montin-Greer Drilling Corporation
County Rio Arriba

STATE TRACT NO.	LEASE NO.	INSTI- TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED		ACREAGE NOT RATIFIED	LESSEE
							DATE	ACRES		
108	L-1594-0	C.S.	2	24N	1W	Lots 1, 2, S/2NE/4, SE/4	7-31-70	319.39		Benson-Montin -Gr
			36	25N	1W	S/2SE/4, NE/4SE/4		120.00		Benson-Montin-Gre
109	L-2385-3	C.S.	2	24N	1W	NE/4SW/4, S/2SW/4	7-31-70	120.00		Benson-Montin-Gre



2871/8952

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

March 12, 1997

Benson-Montin-Greer Drilling Corporation
4900 College Boulevard
Farmington, New Mexico 87402

Attn: Mr. Albert R. Greer

Re: 1997 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Dear Mr. Greer:

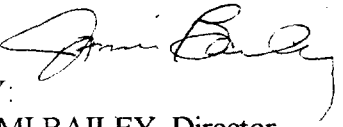
The Commissioner of Public Lands has, of this date, approved the above-captioned Plan of Development. Our approval is subject to like approval by all other appropriate agencies.

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

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

Very truly yours,

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


BY:

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

RP/JB/cpm
cc: Reader File

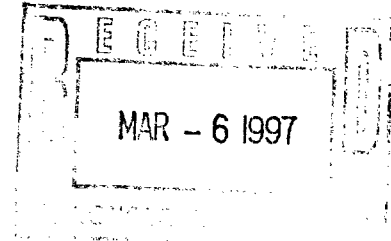
OCD

BLM

BMG

5-1-81
by letter - OTC
2011/01/24
BENSON-MONTIN-GREER DRILLING CORP.

March 4, 1997



U.S. Department of the Interior
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107-4935
Attention: Mr. Joe Incardine, Chief
Lands and Minerals

5
New Mexico Energy and Minerals Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1997 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1996 and Plan of Development for 1997 for the Canada Ojitos Unit.

Report of Operations for 1996

Well #44 (B-22) was drilled in 1996. At end of 1996, waiting on completion.

There have been no changes to the participating area or Exhibits A and B.

Well status as of December 31, 1996

A list of wells and their status is shown on Schedule I attached.

Production Summary for 1996

Graph showing unit oil production is attached.

Plan of Development for 1997

A new well is under consideration for the year 1997. Should the working interest owners elect to drill another well, we will file an amended Plan of Development.

We expect to expand the unit to the south to take in an offset well.

Status and Accounting of Acquisition of Extraneous Gas,
Sales of Produced Gas, CNG Gas Usage and Royalty Issues

Commencing in 1993 volumes of extraneous gas acquired were balanced against unit sales on a BTU basis as opposed to a volume basis (see schedule of acquired gas injected and gas sales) to determine when royalty is due from gas sales. This practice is continuing (per BLM letter of January 31, 1992). Once the outside acquired gas volume (in MMBTU) is offset by sales and royalty is due, the schedule shows for that month the sales volume and that royalty is due on that volume. These volumes are not cumulated. When gas is again acquired from outside sources a new schedule of balancing commences.

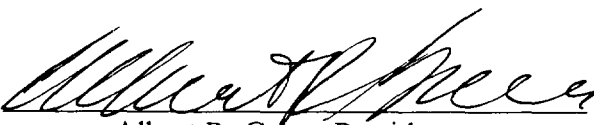
Details of accounting for liquid products from the gas processing plant are being handled as described in our 1992 Plan of Development.

In 1992 CNG capability was added to one vehicle and operated on an experimental basis. In 1993 we added two additional vehicles. For operations on the unit this fuel is considered by the BLM to be a lease "use" and can be used royalty-free. When a CNG vehicle leaves the unit and goes to town - even though it may be for unit purposes, royalty is due on that fuel consumption. The BLM's approval of this method of treating CNG is evidenced by letter dated November 19, 1992, copy included in our 1993 Plan of Development.

We hereby request your approval of this 1997 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY: 
Albert R. Greer, President

ARG/tlp

Enclosures

cc: Working Interest Owners

SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-25N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW -27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
COU #15 (M-27)	1190' FSL, 375' FWL	SWSW-27-26N-1W	7456 GR	P&A
COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL	NENW- 5-25N-1E	7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL	NENE-14-24N-1W	7096 GR	Gas Injection
COU #20 (H-9)	1450' FNL, 1190' FEL	SENE- 9-25N-1W	7369 KB	P&A
COU #21 (G-32)	1800' FNL, 1675' FEL	SWNE-32-26N-1W	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
COU #32 (J-6)	1650' FSL, 1650' FEL	NWSE- 6-25N-1W	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
COU #35 (D-17)	1200' FNL, 300' FWL	NWNW-17-25N-1W	7465 GR	Observation
COU #36 (A-20)	1200' FNL, 415' FEL	NENE-20-25N-1W	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing
COU #39 (N-30)	820' FSL, 2310' FWL (To be changed)	NESE-30-26N-1W	7697 GR	To be drilled.
COU #40 (O-19)	1130' FSL, 2290' FEL	NWSE-19-26N-1W	7785 GR	Surveyed location
COU #41 (O-18)	1080' FSL, 2020' FEL	NWSE-18-26N-1W	7870 GR	Surveyed location
COU #42 (C-7)	Two locations picked	NENW- 7-26N-1W	-	Locations picked
COU #43 (H-8)	1632' FNL, 1189' FEL	SENE- 8-26N-1W	7785 GR	Recovering load oil.
Arroyo Blanco 23-1	1650' FSL, 1650' FWL	NESW-23-24N-1W	7172 GR	Shut in pending disposition

COU #44 (B-22)

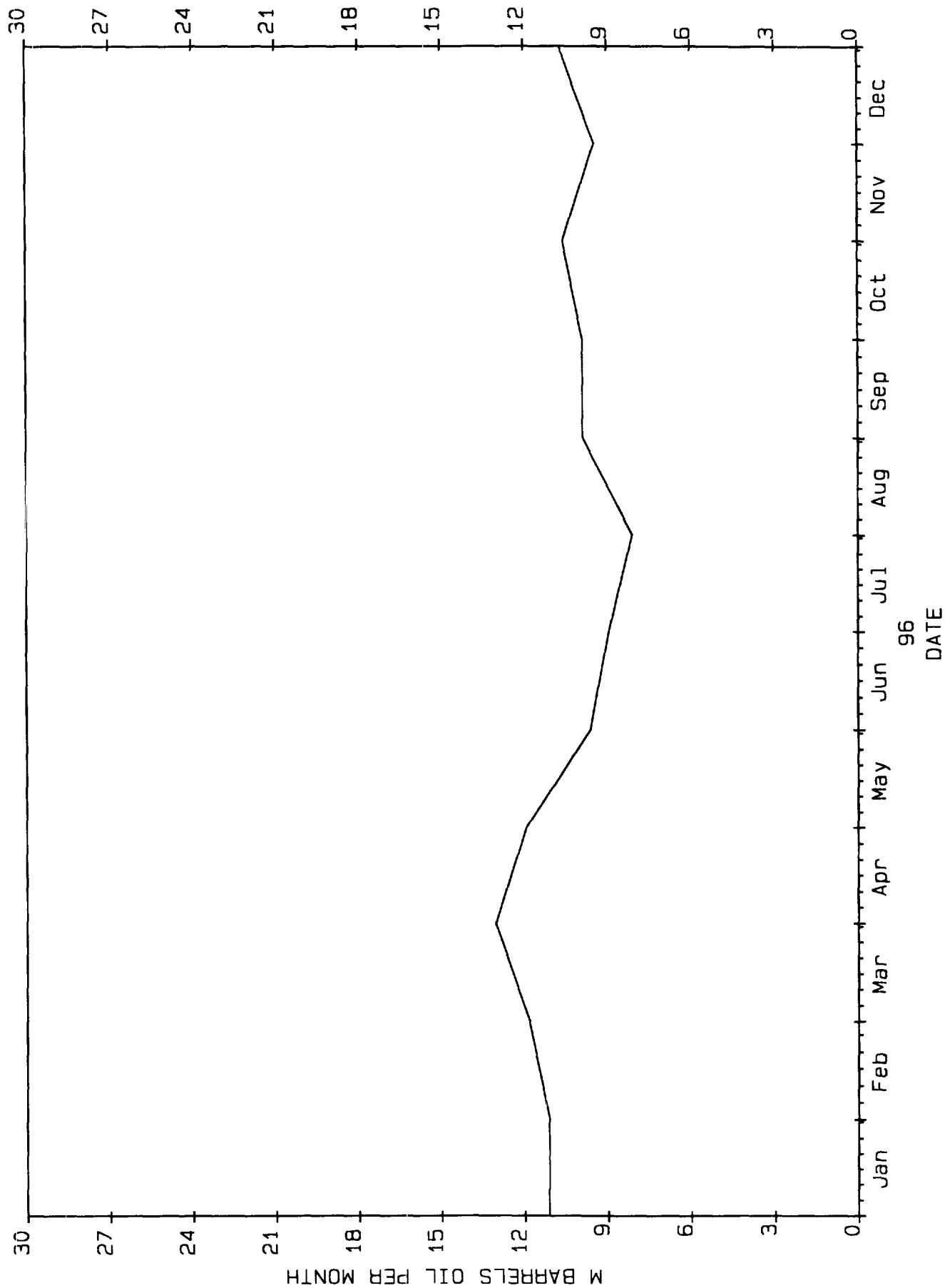
NWNE-22,26N,1W

waiting on completion

227' FNL, 2800' FWL.

7575' GK

CANADA OJITOS UNIT PRODUCTION



	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
Date	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/92	30666	0	30666	30666	31280	0	31280	31280	35726	0	35726	35726
05/92	28489	0	28489	59155	29060	0	29060	60340	33646	0	33646	69371
06/92	26528	0	26528	85683	27059	0	27059	87399	31144	0	31144	100515
07/92	33331	0	33331	119014	33999	0	33999	121398	38931	0	38931	139446
08/92	41209	0	41209	160223	42034	0	42034	163432	48421	0	48421	187866
09/92	42081	0	42081	202304	42924	0	42924	206356	49529	0	49529	237396
10/92	22528	0	22528	224832	22979	0	22979	229335	26313	0	26313	263708
11/92	0	0	0	224832	0	0	0	229335	0	0	0	263708
12/92	0	243758	-243758	-18926	0	248640	-248640	-19305	0	325469	-325469	-61761
01/93	0	0	0	0	0	0	0	0	0	0	0	0
02/93	0	110741	-110741	-110741	0	112959	-112959	-112959	0	147863	-147863	-147863
03/93	0	0	0	0	0	0	0	0	0	0	0	0
04/93	49196	0	49196	49196	50181	0	50181	50181	57953	0	57953	57953
05/93	49599	0	49599	98795	50592	0	50592	100773	58428	0	58428	116381
06/93	47084	0	47084	145879	48027	0	48027	148800	55653	0	55653	172034
07/93	44603	0	44603	190482	45496	0	45496	194296	52542	0	52542	224576
08/93	41334	0	41334	231816	42162	0	42162	236458	48605	0	48605	273181
09/93	38646	0	38646	270462	39420	0	39420	275878	45316	0	45316	318497
10/93	6226	0	6226	276688	6351	0	6351	282229	7315	0	7315	325812
11/93	0	0	0	276688	0	0	0	282229	0	0	0	325812
12/93	0	96788	-96788	179900	0	98726	-98726	183503	0	129233	-129233	196579
01/94	0	99268	-99268	80632	0	101256	-101256	82247	0	121203	-121203	75376
02/94	0	83332	-83332	-2700	0	85001	-85001	-2754	0	101746	-101746	-26370
03/94	0	39110	-39110	-39110	0	39893	-39893	-39893	0	47752	-47752	-47752
04/94	0	0	0	0	0	0	0	0	0	0	0	0
05/94	0	0	0	0	0	0	0	0	0	0	0	0
06/94	0	0	0	0	0	0	0	0	0	0	0	0
07/94	0	0	0	0	0	0	0	0	0	0	0	0
08/94	0	0	0	0	0	0	0	0	0	0	0	0
09/94	0	0	0	0	0	0	0	0	0	0	0	0
10/94	0	0	0	0	0	0	0	0	0	0	0	0
11/94	0	0	0	0	0	0	0	0	0	0	0	0
12/94	0	92859	-92859	-92859	0	94719	-94719	-94719	0	113378	-113378	-113378
01/95	0	95012	-95012	-95012	0	96915	-96915	-96915	0	116007	-116007	-116007
02/95	0	64384	-64384	-64384	0	65673	-65673	-65673	0	77363	-77363	-77363
03/95	0	0	0	0	0	0	0	0	0	0	0	0
04/95	0	0	0	0	0	0	0	0	0	0	0	0
05/95	0	0	0	0	0	0	0	0	0	0	0	0
06/95	0	0	0	0	0	0	0	0	0	0	0	0
07/95	0	0	0	0	0	0	0	0	0	0	0	0
08/95	0	0	0	0	0	0	0	0	0	0	0	0
09/95	0	0	0	0	0	0	0	0	0	0	0	0
10/95	0	0	0	0	0	0	0	0	0	0	0	0
11/95	0	0	0	0	0	0	0	0	0	0	0	0
12/95	6080	13909	-7829	-7829	6202	14188	-7986	-7986	7024	16067	-9044	-9044
01/96	8622	96596	-87974	-87974	8795	98531	-89736	-89736	9967	111665	-101698	-101698
02/96	7303	74947	-67644	-67644	7449	76448	-68999	-68999	8463	86860	-78397	-78397
03/96	8854	0	8854	8854	9031	0	9031	9031	10220	0	10220	10220

Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73 -----				-----MMBTU Equivalents -----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/96	29022	0	29022	37876	29603	0	29603	38634	34002	0	34002	44222
05/96	31466	0	31466	69342	32096	0	32096	70730	36969	0	36969	81192
06/96	29893	0	29893	99235	30492	0	30492	101222	35029	0	35029	116220
07/96	31657	0	31657	130892	32291	0	32291	133513	37099	0	37099	153319
08/96	31505	0	31505	162397	32136	0	32136	165649	0	0	0	153319
09/96	28562	0	28562	190959	29134	0	29134	194783	33580	0	33580	186900
10/96	26100	22890	3210	194169	26623	23348	3275	198058	30673	26902	3771	190670
11/96	25083	56796	-31713	162456	25585	57933	-32348	165710	29207	66131	-36924	153746
12/96	22466	78618	-56152	106304	22916	80192	-57276	108434	26025	91075	-65050	88696



#8952
2871

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

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

March 4, 1996

Benson-Montin-Greer Drilling Corporation
501 Airport Drive, Suite 221
Farmington, New Mexico 87401

Attn: Mr. Albert R. Greer

Re: 1996 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Dear Mr. Greer:


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

2/20/96
D-Unit letter
Thx, Izg

BENSON-MONTIN-GREER DRILLING CORP.

501 AIRPORT DRIVE, SUITE 221, FARMINGTON, NM 87401 505-325-8874 FAX: 505-327-9207

February 21, 1996

U.S. Department of the Interior
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107-4935
Attention: Mr. Joe Incardine, Chief
Lands and Minerals

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1996 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1995 and Plan of Development for 1996 for the Canada Ojitos Unit.

Report of Operations for 1995

No new wells were drilled in 1995. Seismic operations were conducted in the summer of 1995, looking to the possibility of drilling a new well in 1996.

There have been no changes to the participating area or Exhibits A and B.

Well status as of December 31, 1995

A list of wells and their status is shown on Schedule I

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division

February 21, 1996
Page No. 2

attached.

Production Summary for 1995

Graph showing unit oil production is attached.

Plan of Development for 1996

One new well is planned for 1996. Depending on the outcome of this well a second one may be drilled.

We expect to expand the unit to the south to take in an offset well.

Status and Accounting of Acquisition of Extraneous Gas,
Sales of Produced Gas, CNG Gas Usage and Royalty Issues

Commencing in 1993 volumes of extraneous gas acquired were balanced against unit sales on a BTU basis as opposed to a volume basis (see schedule of acquired gas injected and gas sales) to determine when royalty is due from gas sales. This practice is continuing (per BLM letter of January 31, 1992). Once the outside acquired gas volume (in MMBTU) is offset by sales and royalty is due, the schedule shows for that month the sales volume and that royalty is due on that volume. These volumes are not cumulated. When gas is again acquired from outside sources a new schedule of balancing commences.

Details of accounting for liquid products from the gas processing plant are being handled as described in our 1992 Plan of Development.

In 1992 CNG capability was added to one vehicle and operated on an experimental basis. In 1993 we added two additional vehicles. For operations on the unit this fuel is considered by the BLM to be a lease "use" and can be used royalty-free. When a CNG vehicle leaves the unit and goes to town - even though it may be for unit purposes, royalty is due on that fuel consumption. The

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
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BLM's approval of this method of treating CNG is evidenced by letter dated November 19, 1992, copy included in our 1993 Plan of Development.

We hereby request your approval of this 1996 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

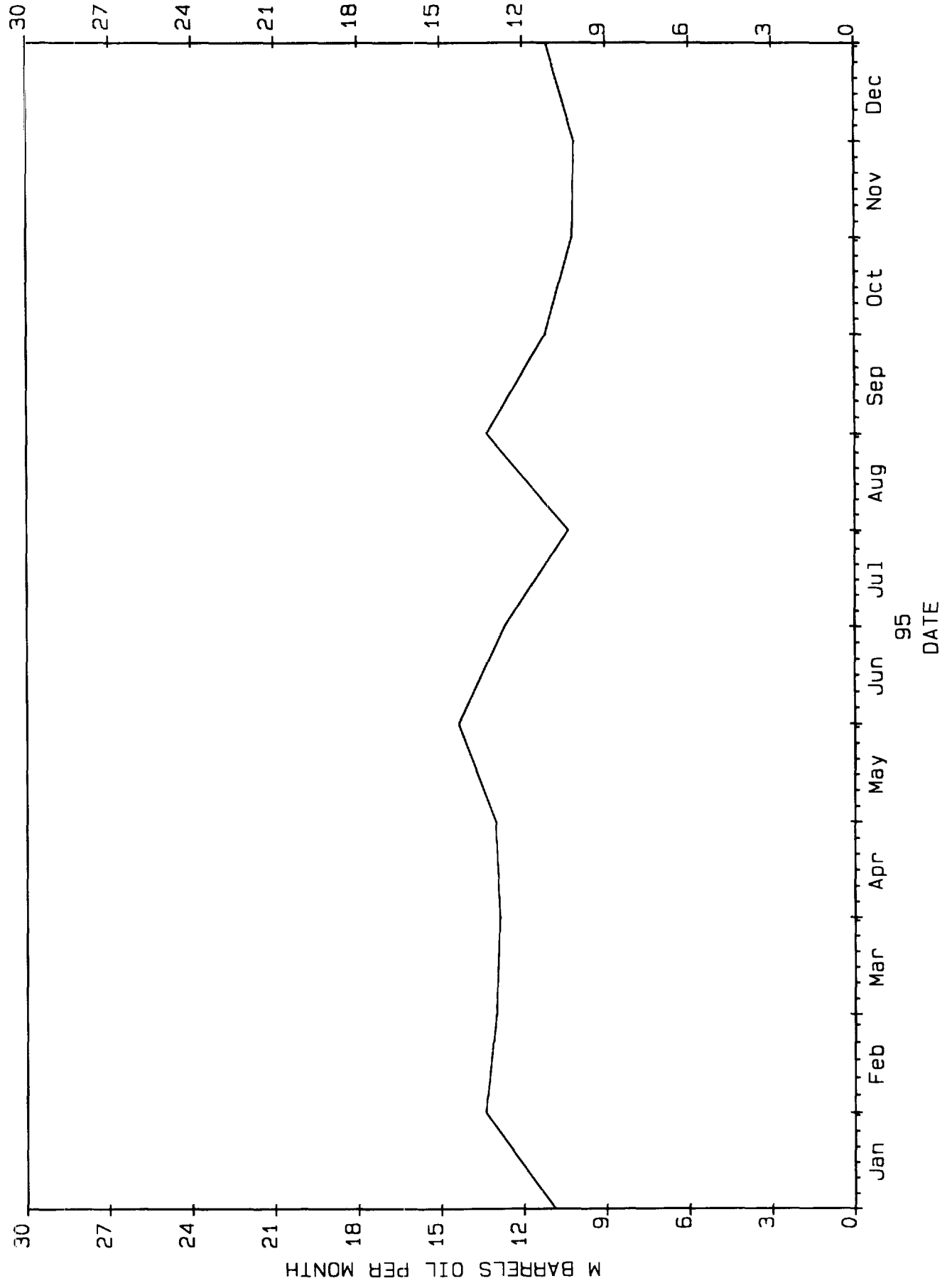
SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-25N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW -27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
COU #15 (M-27)	1190' FSL, 375' FWL	SWSW-27-26N-1W	7456 GR	P&A
COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL	NENW- 5-25N-1E	7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL	NENE-14-24N-1W	7096 GR	Gas Injection
COU #20 (H-9)	1450' FNL, 1190' FEL	SENE- 9-25N-1W	7369 KB	P&A
COU #21 (G-32)	1800' FNL, 1675' FEL	SWNE-32-26N-1W	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
COU #32 (J-6)	1650' FSL, 1650' FEL	NWSE- 6-25N-1W	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
COU #35 (D-17)	1200' FNL, 300' FWL	NNNW-17-25N-1W	7465 GR	Observation
COU #36 (A-20)	1200' FNL, 415' FEL	NENE-20-25N-1W	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing
COU #39 (N-30)	820' FSL, 2310' FWL (To be changed)	NESE-30-26N-1W	7697 GR	To be drilled.
COU #40 (O-19)	1130' FSL, 2290' FEL	NWSE-19-26N-1W	7785 GR	Surveyed location
COU #41 (O-18)	1080' FSL, 2020' FEL	NWSE-18-26N-1W	7870 GR	Surveyed location
COU #42 (C-7)	Two locations picked	NENW- 7-26N-1W	-	Locations picked
COU #43 (H-8)	1632' FNL, 1189' FEL	SENE- 8-26N-1W	7785 GR	Recovering load oil.
Arroyo Blanco 23-1	1650' FSL, 1650' FWL	NESW-23-24N-1W	7172 GR	Shut in pending disposition

CANADA OJITOS UNIT PRODUCTION



GP160

Balance of Outside Acquired Gas Report

COMP ID : BMGI

Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/92	30666	0	30666	30666	31280	0	31280	31280	35726	0	35726	35726
05/92	28489	0	28489	59155	29060	0	29060	60340	33646	0	33646	69371
06/92	26528	0	26528	85683	27059	0	27059	87399	31144	0	31144	100515
07/92	33331	0	33331	119014	33999	0	33999	121398	38931	0	38931	139446
08/92	41209	0	41209	160223	42034	0	42034	163432	48421	0	48421	187866
09/92	42081	0	42081	202304	42924	0	42924	206356	49529	0	49529	237396
10/92	22528	0	22528	224832	22979	0	22979	229335	26313	0	26313	263708
11/92	0	0	0	224832	0	0	0	229335	0	0	0	263708
12/92	0	243758	-243758	-18926	0	248640	-248640	-19305	0	325469	-325469	-61761
01/93	0	0	0	0	0	0	0	0	0	0	0	0
02/93	0	110741	-110741	-110741	0	112959	-112959	-112959	0	147863	-147863	-147863
03/93	0	0	0	0	0	0	0	0	0	0	0	0
04/93	49196	0	49196	49196	50181	0	50181	50181	57953	0	57953	57953
05/93	49599	0	49599	98795	50592	0	50592	100773	58428	0	58428	116381
06/93	47084	0	47084	145879	48027	0	48027	148800	55653	0	55653	172034
07/93	44603	0	44603	190482	45496	0	45496	194296	52542	0	52542	224576
08/93	41334	0	41334	231816	42162	0	42162	236458	48605	0	48605	273181
09/93	38646	0	38646	270462	39420	0	39420	275878	45316	0	45316	318497
10/93	6226	0	6226	276688	6351	0	6351	282229	7315	0	7315	325812
11/93	0	0	0	276688	0	0	0	282229	0	0	0	325812
12/93	0	96788	-96788	179900	0	98726	-98726	183503	0	129233	-129233	196579
01/94	0	99268	-99268	80632	0	101256	-101256	82247	0	121203	-121203	75376
02/94	0	83332	-83332	-2700	0	85001	-85001	-2754	0	101746	-101746	-26370
03/94	0	39110	-39110	-39110	0	39893	-39893	-39893	0	47752	-47752	-47752
04/94	0	0	0	0	0	0	0	0	0	0	0	0
05/94	0	0	0	0	0	0	0	0	0	0	0	0
06/94	0	0	0	0	0	0	0	0	0	0	0	0
07/94	0	0	0	0	0	0	0	0	0	0	0	0
08/94	0	0	0	0	0	0	0	0	0	0	0	0
09/94	0	0	0	0	0	0	0	0	0	0	0	0
10/94	0	0	0	0	0	0	0	0	0	0	0	0
11/94	0	0	0	0	0	0	0	0	0	0	0	0
12/94	0	92859	-92859	-92859	0	94719	-94719	-94719	0	113378	-113378	-113378
01/95	0	95012	-95012	-95012	0	96915	-96915	-96915	0	116007	-116007	-116007
02/95	0	64384	-64384	-64384	0	65673	-65673	-65673	0	77363	-77363	-77363
03/95	0	0	0	0	0	0	0	0	0	0	0	0
04/95	0	0	0	0	0	0	0	0	0	0	0	0
05/95	0	0	0	0	0	0	0	0	0	0	0	0
06/95	0	0	0	0	0	0	0	0	0	0	0	0
07/95	0	0	0	0	0	0	0	0	0	0	0	0
08/95	0	0	0	0	0	0	0	0	0	0	0	0
09/95	0	0	0	0	0	0	0	0	0	0	0	0
10/95	0	0	0	0	0	0	0	0	0	0	0	0
11/95	0	0	0	0	0	0	0	0	0	0	0	0
12/95	6080	13909	-7829	-7829	6202	14188	-7986	-7986	7024	16067	-9044	-9044

BENSON-MONTIN-GREER DRILLING CORP.

501 AIRPORT DRIVE, SUITE 221, FARMINGTON, NM 87401 505-325-8874 FAX: 505-327-9207

May 26, 1995

U.S. Department of the Interior
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107-4935
Attention: Mr. Hector A. Villalobos
Area Manager

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
1995 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1994 and
Plan of Development for 1995 for the Canada Ojitos Unit.

Report of Operations for 1994

No new wells were drilled in 1994.

There have been no changes to the participating area
or Exhibits A and B.

Well status as of December 31, 1994

A list of wells and their status is shown on Schedule
I attached.

Production Summary for 1994

Graph showing unit oil production is attached.

Plan of Development for 1995

Seismic operations are scheduled to start in June,

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division

May 26, 1995
Page No. 2

1995. Depending on results of the seismic surveys, additional drilling may be proposed for this fall. Should this occur, we will submit an amended Plan of Development. We expect to expand the unit to the south to take in an offset well.

Status and Accounting of Acquisition of Extraneous Gas,
Sales of Produced Gas, CNG Gas Usage and Royalty Issues

Commencing in 1993 volumes of extraneous gas acquired were balanced against unit sales on a BTU basis as opposed to a volume basis (see schedule of acquired gas injected and gas sales) to determine when royalty is due from gas sales. In the future, this gas balancing will continue to be maintained on a BTU basis (per BLM letter of January 31, 1992). Once the outside acquired gas volume (in MMBTU) is offset by sales and royalty is due, the schedule shows for that month the sales volume and that royalty is due on that volume. These volumes are not cumulated. When gas is again acquired from outside sources a new schedule of balancing commences.

Details of accounting for liquid products from the gas processing plant are being handled as described in our 1992 Plan of Development.

In 1992 CNG capability was added to one vehicle and operated on an experimental basis. In 1993 we added two additional vehicles. For operations on the unit this fuel is considered by the BLM to be a lease "use" and can be used royalty-free. When a CNG vehicle leaves the unit and goes to town - even though it may be for unit purposes, royalty is due on that fuel consumption. The BLM's approval of this method of treating CNG is evidenced by letter dated November 19, 1992, copy included in our 1993 Plan of Development.

We hereby request your approval of this 1995 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

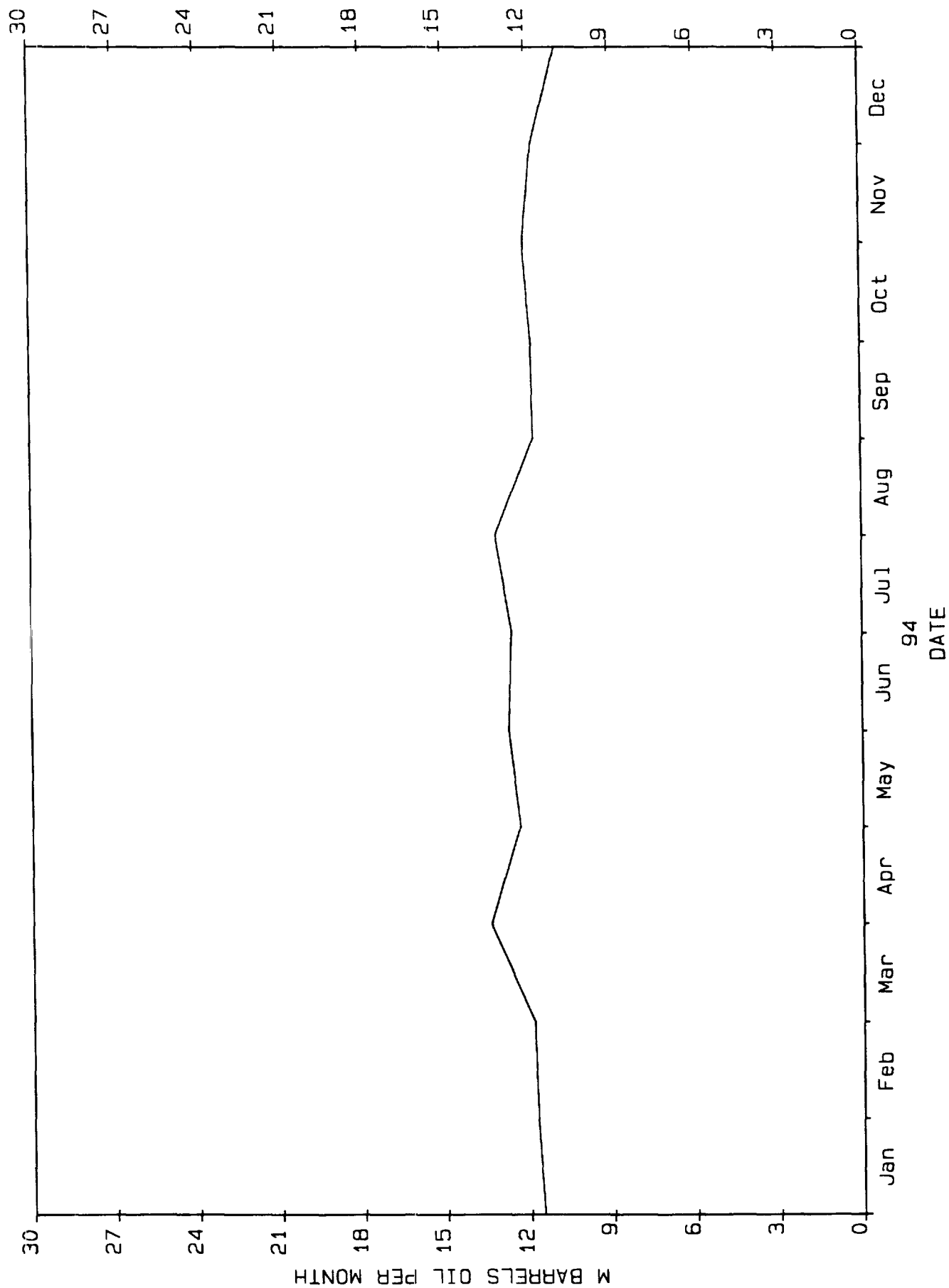
SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-25N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW-27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
COU #15 (M-27)	1190' FSL, 375' FWL	SWSW-27-26N-1W	7456 GR	P&A
COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL	NENW- 5-25N-1E	7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL	NENE-14-24N-1W	7096 GR	Gas Injection
COU #20 (H-9)	1450' FNL, 1190' FEL	SENE- 9-25N-1W	7369 KB	P&A
COU #21 (G-32)	1800' FNL, 1675' FEL	SWNE-32-26N-1W	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
COU #32 (J-6)	1650' FSL, 1650' FEL	NWSE- 6-25N-1W	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
COU #35 (D-17)	1200' FNL, 300' FWL	NNW -17-25N-1W	7465 GR	Observation
COU #36 (A-20)	1200' FNL, 415' FEL	NENE-20-25N-1W	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing
COU #39 (N-30)	820' FSL, 2310' FWL (To be changed)	NESE-30-26N-1W	7697 GR	To be drilled.
COU #40 (O-19)	1130' FSL, 2290' FEL	NWSE-19-26N-1W	7785 GR	Surveyed location
COU #41 (O-18)	1080' FSL, 2020' FEL	NWSE-18-26N-1W	7870 GR	Surveyed location
COU #42 (C-7)	Two locations picked	NENW- 7-26N-1W	-	Locations picked
COU #43 (H-8)	1632' FNL, 1189' FEL	SENE- 8-26N-1W	7785 GR	Recovering load oil.
Arroyo Blanco 23-1	1650' FSL, 1650' FWL	NESW-23-24N-1W	7172 GR	Shut in pending disposition

CANADA OJITOS UNIT PRODUCTION



Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance	Acquired	Sales	Net	Balance
04/92	30666	0	30666	30666	31280	0	31280	31280	35726	0	35726	35726
05/92	28489	0	28489	59155	29060	0	29060	60340	33646	0	33646	69371
06/92	26528	0	26528	85683	27059	0	27059	87399	31144	0	31144	100515
07/92	33331	0	33331	119014	33999	0	33999	121398	38931	0	38931	139446
08/92	41209	0	41209	160223	42034	0	42034	163432	48421	0	48421	187866
09/92	42081	0	42081	202304	42924	0	42924	206356	49529	0	49529	237396
10/92	22528	0	22528	224832	22979	0	22979	229335	26313	0	26313	263708
11/92	0	0	0	224832	0	0	0	229335	0	0	0	263708
12/92	0	243758	-243758	-18926	0	248640	-248640	-19305	0	325469	-325469	-61761
01/93	0	0	0	0	0	0	0	0	0	0	0	0
02/93	0	110741	-110741	-110741	0	112959	-112959	-112959	0	147863	-147863	-147863
03/93	0	0	0	0	0	0	0	0	0	0	0	0
04/93	49196	0	49196	49196	50181	0	50181	50181	57953	0	57953	57953
05/93	49599	0	49599	98795	50592	0	50592	100773	58428	0	58428	116381
06/93	47084	0	47084	145879	48027	0	48027	148800	55653	0	55653	172034
07/93	44603	0	44603	190482	45496	0	45496	194296	52542	0	52542	224576
08/93	41334	0	41334	231816	42162	0	42162	236458	48605	0	48605	273181
09/93	38646	0	38646	270462	39420	0	39420	275878	45316	0	45316	318497
10/93	6226	0	6226	276688	6351	0	6351	282229	7315	0	7315	325812
11/93	0	0	0	276688	0	0	0	282229	0	0	0	325812
12/93	0	96788	-96788	179900	0	98726	-98726	183503	0	129233	-129233	196579
01/94	0	99268	-99268	80632	0	101256	-101256	82247	0	121203	-121203	75376
02/94	0	83332	-83332	-2700	0	85001	-85001	-2754	0	101746	-101746	-26370
03/94	0	39110	-39110	-39110	0	39893	-39893	-39893	0	47752	-47752	-47752
04/94	0	0	0	0	0	0	0	0	0	0	0	0
05/94	0	0	0	0	0	0	0	0	0	0	0	0
06/94	0	0	0	0	0	0	0	0	0	0	0	0
07/94	0	0	0	0	0	0	0	0	0	0	0	0
08/94	0	0	0	0	0	0	0	0	0	0	0	0
09/94	0	0	0	0	0	0	0	0	0	0	0	0
10/94	0	0	0	0	0	0	0	0	0	0	0	0
11/94	0	0	0	0	0	0	0	0	0	0	0	0
12/94	0	92859	-92859	-92859	0	94719	-94719	-94719	0	113378	-113378	-113378



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

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

June 5, 1995

Benson-Montin-Greer Drilling Corporation
501 Airport Drive
Suite 221
Farmington, New Mexico 87401

Attention: Mr. Albert R. Greer

Re: 1995 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Dear Mr. Greer:

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.

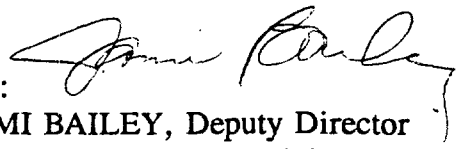
The possibility of drainage by wells outside of the Unit Area and the need for further development of the unit may exist. You may be contacted at a later date regarding these possibilities.

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:


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

Enclosure

RP/JB/cpm

cc: Reader File

BLM

OCD-Roy Johnson



RAY B. POWELL
COMMISSIONER

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

2871
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. OG-1327

September 27, 1993

Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Building
Farmington, New Mexico 87401

Attn: Mr. Albert R. Greer

Re: 1992 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Gentlemen:

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

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

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

Very truly yours,

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

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

RBP/FOP/pm
cc: OCD -Roy Johnson
BLM

BENSON-MONTIN-GREER DRILLING CORP. 3-18-93
3-18-93 10 8 48

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM 87401 505-325-8874 FAX: 505-327-9207

March 12, 1993

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401
Attention: Mr. John Keller
Chief, Branch of Minerals

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Mr. Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
1993 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1992 and
Plan of Development for 1993 for the Canada Ojitos Unit.

Report of Operations for 1992

No new wells were drilled in 1992.

Construction of gas processing plant was completed in
1992.

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

March 12, 1993
Page No. 2

There have been no changes to the participating area or Exhibits A and B.

Well status as of December 31, 1992

A list of wells and their status is shown on Schedule I attached.

Production Summary for 1992

Graph showing unit oil production is attached.

Plan of Development for 1993

No new wells or major changes in operation are anticipated for 1993. Should this change we will submit an amended Plan of Development. We expect to expand the unit to the south to take in an offset well.

Status and Accounting of Acquisition of Extraneous Gas, Sales of Produced Gas, CNG Gas Usage and Royalty Issues

Commencing in 1992 volumes of extraneous gas acquired were balanced against unit sales on a BTU basis as opposed to a volume basis (see schedule of acquired gas injected and gas sales) to determine when royalty is due from gas sales. In the future, this gas balancing will continue to be maintained on a BTU basis (per BLM letter of January 31, 1992).

Details of accounting for liquid products from the gas processing plant are being handled as described in our 1992 Plan of Development.

In 1992 CNG capability was added to one vehicle and operated on an experimental basis. We propose to add this capability to additional vehicles. For operations on the unit this fuel is considered by the BLM to be a lease "use" and can be used royalty-free. When a CNG vehicle leaves the unit and goes to town - even though it may be for unit purposes, royalty is due on that fuel consumption. The BLM's approval of this method of treating CNG is evidenced by letter dated November 19, 1992, copy enclosed for reference. By approving this 1993 Plan of Development we are asking the Commissioner of Public Lands to approve this treatment of CNG gas as it affects state land and the New Mexico Energy and Minerals Department to approve it as it affects patented lands.

We hereby request your approval of this 1993 Plan of

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

March 12, 1993
Page No. 3

Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

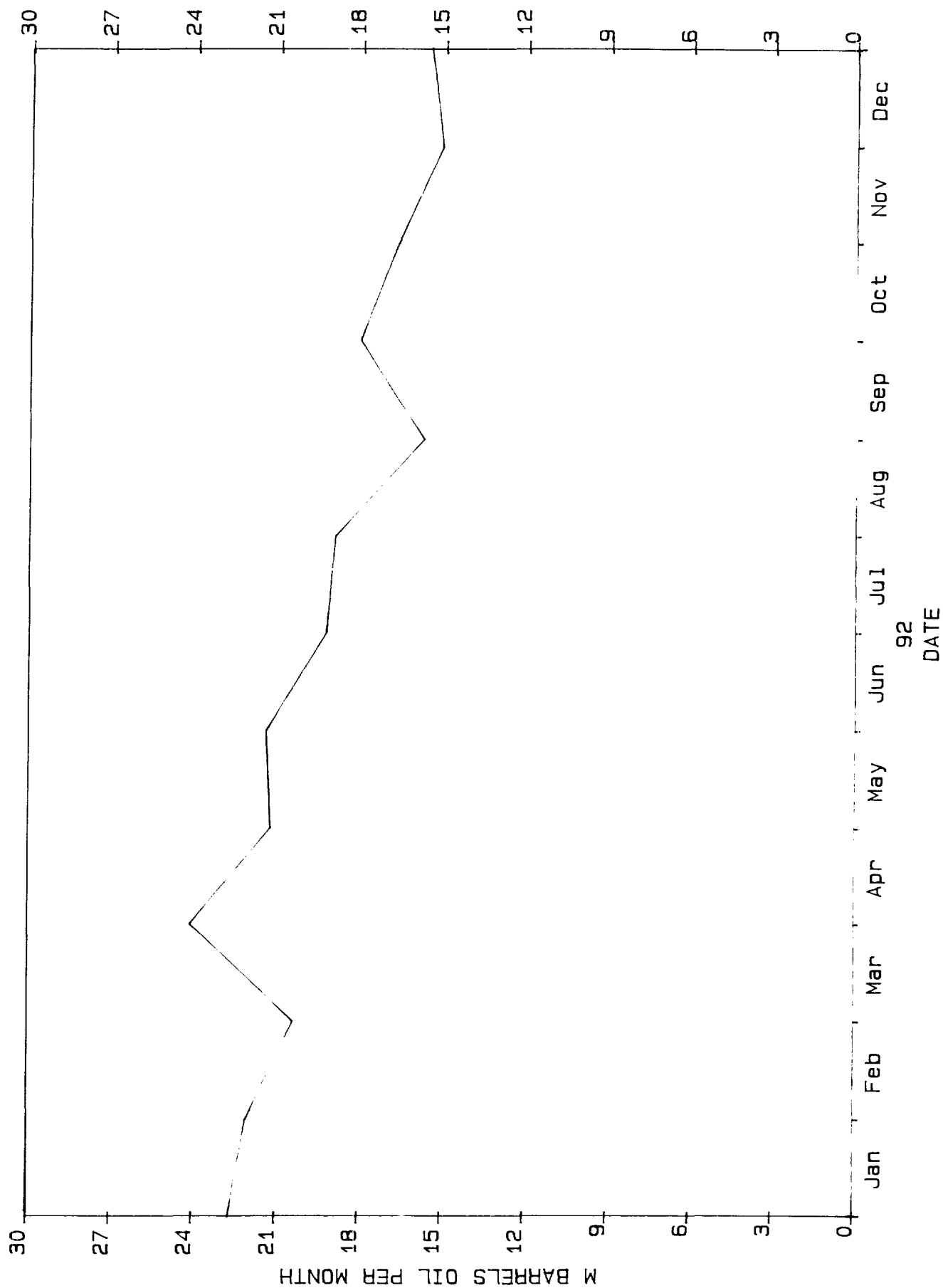
SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
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CANADA OJITOS UNIT PRODUCTION



Date	-----Pressure Base @ 15.025-----				-----Pressure Base @ 14.73-----				-----MMBTU Equivalents-----			
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11/92	0	0	0	224832	0	0	0	229335	0	0	0	263708
12/92	0	243758	-243758	-18926	0	248640	-248640	-19305	0	325469	-325469	-61761

Volumes of gas sold in January and February were in excess of outside acquired gas and royalty was paid on all gas sales. No gas was sold in March and no outside gas was acquired. Accordingly the balancing of the status of outside acquired gas commenced with April as shown above.

As of December 1, 263,708 MMBTU derived from outside acquired gas had been injected. 325,469 MMBTU was sold in December for an excess of 61,761 MMBTU above injected volumes. Royalty was paid on this excess.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

TAKE
PRIDE IN
AMERICA

IN REPLY REFER TO

Canada Ojitos Unit (GC)
3162.7-3 (019)

NOV. 19 1992

NOV 23 1992

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, NM 87401

Dear Mr. Greer:

Your letter of Oct. 29, 1992, detailed your plans to use compressed natural gas (CNG) from the Canada Ojitos Unit gas plant to run pickups used in operation of the unit. You requested our approval of this gas use as lease use gas, which is royalty free.

Your request for qualification of the use of CNG in pickups as lease use gas is granted approval as long as the fuel is used exclusively for operation of the Canada Ojitos Unit. Royalty will be owed on any of this gas being used for the operation of other leases or units.

If you have any questions concerning this matter, please call Duane Spencer at (505) 599-8950 or 327-5344.

Sincerely,


John L. Keller

Chief, Branch of Mineral Resources



RAY B. POWELL
COMMISSIONER

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

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

SLO REF NO. OG-1325

September 23, 1993

Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Building
Farmington, New Mexico 87401

Attn: Mr. Albert R. Greer

Re: 1993 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Gentlemen:

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

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

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

Very truly yours,

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

BY:

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

RBP/FOP/pm
cc: OCD-Roy Johnson
BLM

2871 / 8952

5-16-12
D-Vait letter
Thur
Ry

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

March 6, 1992

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401
Attention: Mr. John Keller
Chief, Branch of Minerals

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Mr. Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1992 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1991 and
Plan of Development for 1992 for the Canada Ojitos Unit.

Report of Operations for 1991

No new wells were drilled in 1991. One well, the A-16,
Section 16, Township 25 North, Range 1 West, was sidetracked
horizontally and was stimulated with a small acid treatment.
Testing is continuing.

Construction of gas processing plant was commenced in
1991.

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

March 6, 1992
Page No. 2

Well status as of December 31, 1991

A list of wells and their status is shown on Schedule I attached.

Production Summary for 1991

Graph showing unit oil production is attached.

Plan of Development for 1992

1. Additional stimulation of the A-16.
2. Completion of installation of gas processing plant.

There have been no changes to the participating area or Exhibits A and B.

Status and Accounting of Acquisition of Extraneous Gas, Sales of Produced Gas and Royalty Issues

In December 1991 gas sold from the unit equaled, and then exceeded, volumes of extraneous gas acquired and injected. Commencement of payment for royalty on produced gas occurred at this time.

In the past, volumes of extraneous gas were balanced against unit sales on an MCF basis (see schedule of acquired gas injected and gas sales). In the future, this gas balancing will be maintained on an MMBTU basis (see BLM letter of January 31 enclosed).

Details of accounting for liquid products from the gas processing plant have been agreed to with the Department of the Interior as to federal lands and it is hereby requested that the other authorities approve the same for the remaining lands in the unit. Guidelines for valuation for royalty purposes of gas plant liquid products are as follows:

1. Royalty will be due on liquids removed from the gas stream for such gas as is considered "native" (unitized substances produced from unit wells).
2. No royalty will be due for liquids attributable to extraneous gas processed prior to injection (extraneous gas is gas produced from wells off of unit lands).

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

March 6, 1992
Page No. 3

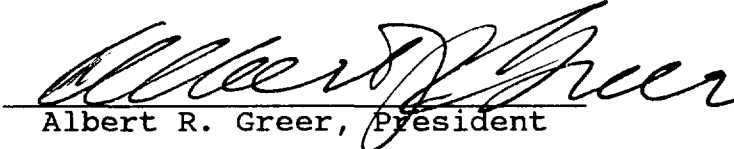
3. If extraneous wet gas is injected prior to processing, a BTU credit will be allowed as per BLM letter of January 31. Any liquids recovered from this gas when it is ultimately produced will be considered "native" and royalty will be due for any liquids processed from such gas.
4. Allowances against gas value in determining value for royalty purposes will be in accordance with the Department of the Interior standard regulations.

We hereby request your approval of this 1992 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

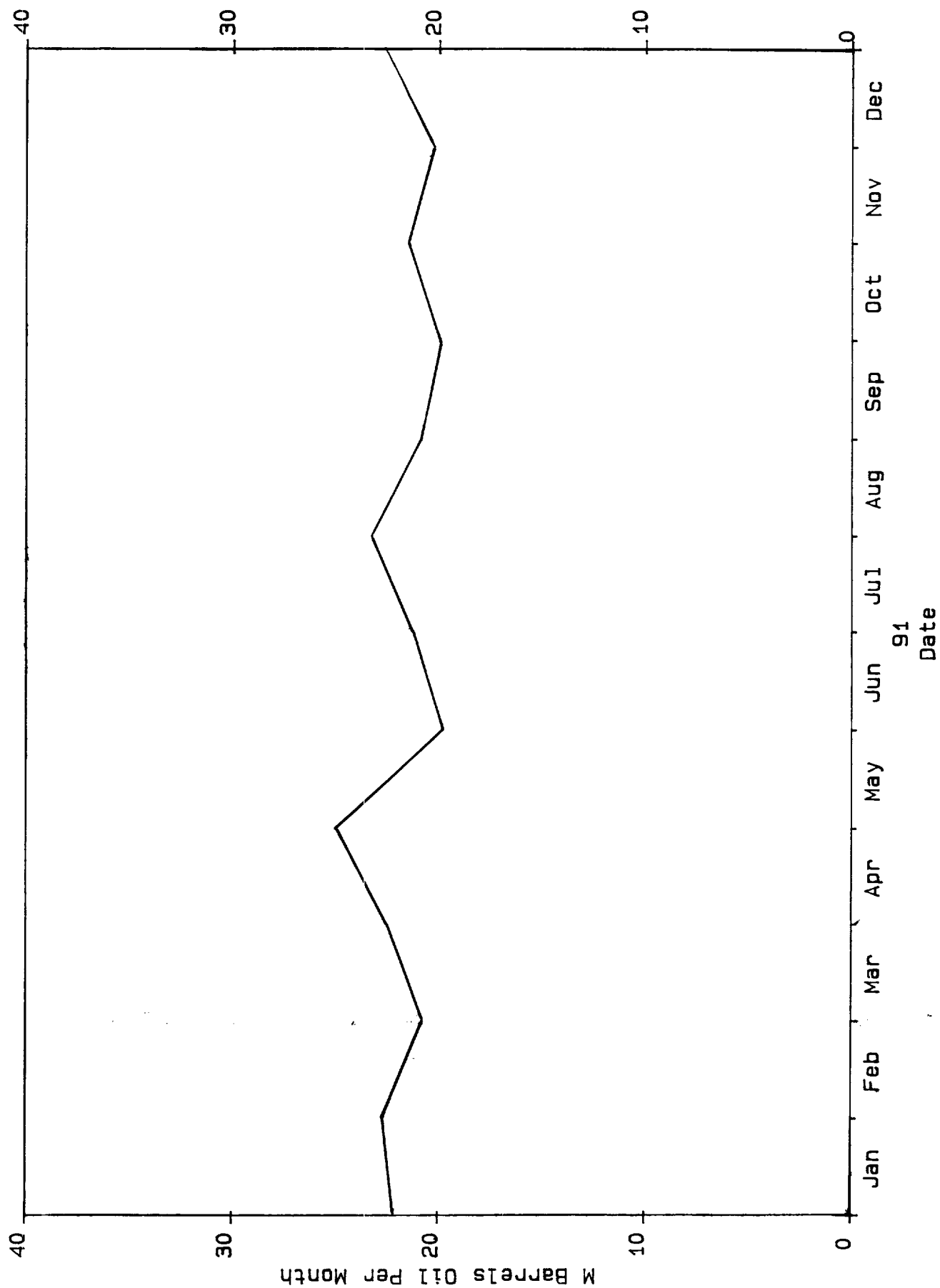
SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-24N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW-27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
COU #15 (M-27)	1190' FSL, 375' FWL	SWSW-27-26N-1W	7456 GR	P&A
COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL	NENW- 5-25N-1E	7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL	NENE-14-24N-1W	7096 GR	Gas Injection
COU #20 (H-9)	1450' FNL, 1190' FEL	SENE- 9-25N-1W	7369 KB	P&A
COU #21 (G-32)	1800' FNL, 1675' FEL	SWNE-32-26N-1W	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Producing
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
COU #32 (J-6)	1650' FSL, 1650' FEL	NWSE- 6-25N-1W	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
COU #35 (D-17)	1200' FNL, 300' FWL	NNW -17-25N-1W	7465 GR	Observation
COU #36 (A-20)	1200' FNL, 415' FEL	NENE-20-25N-1W	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing
COU #39 (N-30)	820' FSL, 2310' FWL (To be changed)	NESE-30-26N-1W	7697 GR	To be drilled.
COU #40 (O-19)	1130' FSL, 2290' FEL	NWSE-19-26N-1W	7785 GR	Surveyed location
COU #41 (O-18)	1080' FSL, 2020' FEL	NWSE-18-26N-1W	7870 GR	Surveyed location
COU #42 (C-7)	Two locations picked	NENW- 7-26N-1W	-	Locations picked
COU #43 (H-8)	1632' FNL, 1189' FEL	SENE- 8-26N-1W	7785 GR	Recovering load oil.
Arroyo Blanco 23-1	1650' FSL, 1650' FWL	NESW-23-24N-1W	7172 GR	Shut in pending disposition

CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO
OIL PRODUCTION - 1991



CANADA OJITOS UNIT
SCHEDULE OF ACQUIRED GAS INJECTED AND GAS SALES

	<u>MCF AT 15.025 PRESSURE BASE</u>				<u>MCF AT 14.73 PRESSURE BASE</u>			
	<u>First of Month</u>	<u>Cumulative</u>	<u>Volume</u>	<u>Volume</u>	<u>First of Month</u>	<u>Cumulative</u>	<u>Volume</u>	<u>Volume</u>
	<u>Balance of</u>	<u>Balance of</u>	<u>Acquired</u>	<u>Sold</u>	<u>Balance of</u>	<u>Balance of</u>	<u>Acquired</u>	<u>Sold</u>
	<u>Acquired Gas</u>	<u>Acquired Gas</u>	<u>During</u>	<u>During</u>	<u>Acquired Gas</u>	<u>Acquired Gas</u>	<u>During</u>	<u>During</u>
	<u>Less Gas Sold</u>	<u>Less Gas Sold</u>	<u>Month</u>	<u>Month</u>	<u>Less Gas Sold</u>	<u>Less Gas Sold</u>	<u>Month</u>	<u>Month</u>
January, 1991	481,589		-0-	258,747	491,213		-0-	263,929
February, 1991	222,842		-0-	209,149	227,284		-0-	213,330
March, 1991	13,693		-0-	605	13,954		-0-	617
April, 1991	13,088		-0-	-0-	13,337		-0-	-0-
May, 1991	13,088		-0-	-0-	13,337		-0-	-0-
June, 1991	13,088		-0-	-0-	13,337		-0-	-0-
July, 1991	13,088		-0-	-0-	13,337		-0-	-0-
August, 1991	13,088		28,113	-0-	13,337		28,676	-0-
September, 1991	41,201		54,597	-0-	42,013		55,690	-0-
October, 1991	95,798		53,425	4,712	97,703		54,495	4,806
November, 1991	144,511		38,896	14,852	147,392		39,675	15,149
December, 1991	168,555		-0-	244,007	171,918		-0-	248,885



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington Resource Area
1235 Laplata Highway
Farmington, New Mexico 87401

TAKE
PRIDE IN
AMERICA

IN REPLY REFER TO:
Canada Ojitos Unit (GC)
3180 (019)
3162.7

JAN. 31 1992

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Al Greer
221 Petroleum Center Building
Farmington, NM 87401

Dear Mr. Greer:

Your letter dated November 26, 1991, requested guidance from this office on whether to account for gas that is being injected into the Canada Ojitos Unit and then later sold, on a MCF or MMBTU basis.

You indicated that the new gas processing plant is located on the unit. Gas will be purchased, run through the new gas processing plant and subsequently injected into the unit. When gas is produced from the unit, it will also be run through the gas processing plant and liquids stripped out.

We are in agreement with your recommendation that all accounting should take place on a MMBTU basis. In order to properly account for the quantity and quality of the various gas streams, measurement points must be maintained at least on these three points: 1) gas being injected into the unit, 2) gas being produced from the unit, and 3) gas being sold.

Royalties will be owed on any liquids stripped from the produced gas stream that can be attributed to native production. To clarify this, if only dry gas is injected into the unit, royalties will be owed on all liquids stripped out of gas produced from the unit. However, if due to some plant malfunction or other shut-down, wet gas is injected into the unit, you will be allowed to recover the additional BTU's injected in the form of the liquids being stripped from the gas. However, we will only allow 50 percent of the stripped liquids to be attributable to the extra BTU's injected in any one month. The balance of BTU's remaining can then be recovered in the following month with 50 percent of it's stripped liquids BTU's, etc., until all extra BTU's you injected are recovered.

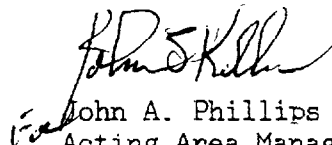
Royalties will also be owed on any native gas sold, when and if this occurs.

In summary, all gas injection will be accounted for on a MMBTU basis. The quality and quantity must be measured at the three points discussed above. You will only be allowed to recover any additional BTU's you inject with 50% of the BTU's from any liquids stripped out in any one month. Also, any native gas sold must have royalties paid.

2

Please call Duane Spencer at 599-8950 if you have any questions.

Sincerely,


John A. Phillips
Acting Area Manager

cc:
Minerals Management Service, Ref. Date BR MS-652, RMP, P.O. Box 5760,
Denver, CO 80217



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

November 16, 1992

Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Ms. Theresa Pacheco

Re: Canada Ojitos Unit
Niobrara-Greenhorn Participating Area
Revisions 13a thru 13d
Rio Arriba County, New Mexico

Dear Ms. Pacheco:

This office is in receipt of your letter of October 26, 1992, wherein you have requested approval of Revisions 13a, 13b 13c and 13d to the Niobrara-Greenhorn Participating Area in the Canada Ojitos Unit, Rio Arriba County, New Mexico. It is our understanding that these revisions were originally submitted as Revisions 14 thru 17 but were changed by the Bureau of Land Management. The Bureau of Land Management approved these revisions on July 18, 1988.

The Commissioner of Public Lands concurs with the Bureau of Land Management and has this date approved the above-captioned revisions to the Niobrara-Greenhorn Participating Area in the Canada Ojitos Unit. Please submit a map of the unit outlining the participating areas.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

2871
8952

BENSON-MONTIN-GREER DRILLING CORP.

3-10-1991 OIL & GAS DIVISION
RECEIVED

APR 24 1991 10 23

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

April 22, 1991

4-29-91
D- Unit letter
Thx RY

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401
Attention: Mr. John Keller
Chief, Branch of Minerals

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Mr. Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
1991 PLAN OF DEVELOPMENT

Gentlemen:

Set out below are Report of Operations for 1990 and
Plan of Development for 1991 for the Canada Ojitos Unit.

Report of Operations for 1990

No new wells were drilled in 1990.

Well status as of December 31, 1990

A list of wells and their status is shown on Schedule
I attached.

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

April 22, 1991
Page No. 2

Production Summary for 1990

Graph showing unit oil production is attached.

Plan of Development for 1991

We propose to install a gas processing plant for the removal of propanes and heavier hydrocarbon liquids.

We also propose to re-enter the A-16 well (NE/4 Section 16, Township 25 North, Range 1 West) for horizontal completion. Depending upon results of this well, we may propose additional drilling. If so, we will file an amended Plan of Development.

There have been no changes to the participating area or Exhibits A and B.

Status of Recovery of Injected Gas

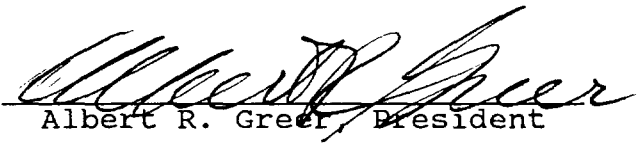
Taxes and royalty are payable on excess of gas sold over extraneous gas acquired and injected. Schedules showing make-up gas acquired and balancing of gas sold against gas acquired are enclosed. As of December 31, 1990 there was still an excess of gas acquired as compared to gas sold. At such times, and from time to time, that gas sold exceeds gas acquired, royalty and taxes will be accounted for and paid on a monthly basis on the excess of these sales.

We hereby request your approval of this 1991 Plan of Development for the Canada Ojitos Unit.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

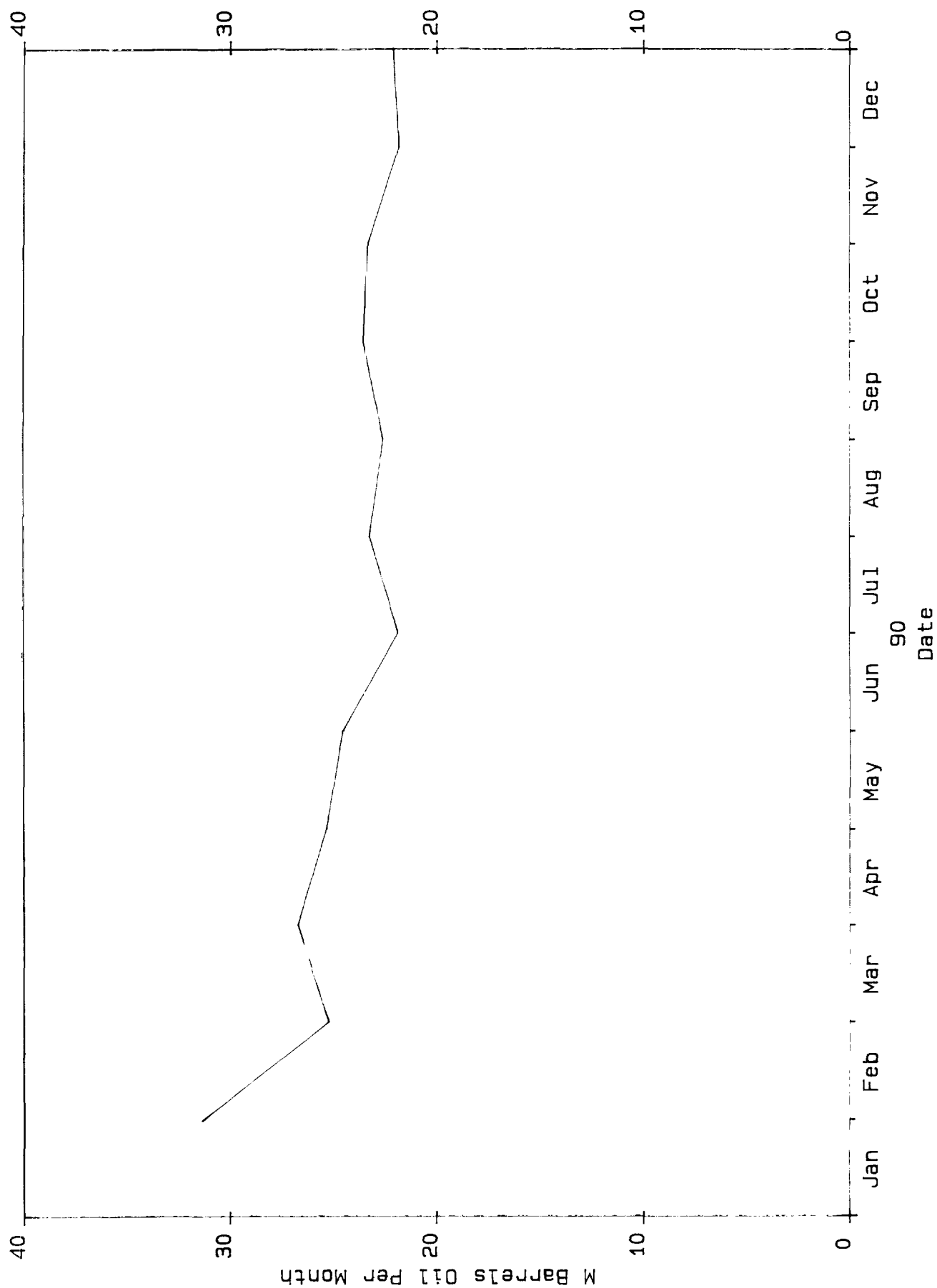
SCHEDULE I

STATUS OF
CANADA OJITOS UNIT WELLS

<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-24N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW-27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
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COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
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COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Recovering load oil.
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
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COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
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COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing
COU #39 (N-30)	820' FSL, 2310' FWL (To be changed)	NESE-30-26N-1W	7697 GR	To be drilled.
COU #40 (O-19)	1130' FSL, 2290' FEL	NWSE-19-26N-1W	7785 GR	Surveyed location
COU #41 (O-18)	1080' FSL, 2020' FEL	NWSE-18-26N-1W	7870 GR	Surveyed location
COU #42 (C-7)	Two locations picked	NENW- 7-26N-1W	-	Locations picked
COU #43 (H-8)	1632' FNL, 1189' FEL	SENE- 8-26N-1W	7785 GR	Recovering load oil.
Arroyo Blanco 23-1	1650' FSL, 1650' FWL	NESW-23-24N-1W	7172 GR	Shut in pending disposition

CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO
OIL PRODUCTION - 1990



CANADA OJITOS UNIT
MAKEUP GAS ACQUIRED FOR PRESSURE MAINTENANCE PROJECT
VOLUMES ACQUIRED AND INJECTED* AT 15,025 PRESSURE BASE

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Total for Year</u>	<u>Cumulative</u>
1968								13,872	18,899	15,529	16,429	21,747	86,476	86,476
1969	25,433	16,915	17,441	14,142	10,380	6,048	8,837	18,268	12,125	15,645	19,799	18,257	183,290	269,766
1970	18,888	17,443	15,485	12,337	12,851	8,778	18,686	17,249	20,713	19,048	17,319	39,655	218,452	488,218
1971	34,625	26,633	30,587	26,887	24,812	26,333	19,275	21,284	21,251	25,793	32,243	32,276	321,999	810,217
1972	25,404	14,588	12,568	5,402	16,500	32,426	28,818	29,089	26,036	25,020	23,438	24,978	264,267	1,074,484
1973	23,722	16,492	17,804	23,360	20,260	20,503	19,175	27,059	33,353	36,371	34,561	33,537	306,197	1,380,681
1974	38,553	33,933	39,295	34,907	33,734	29,295	28,183	22,079	31,280	27,683	32,485	34,188	385,615	1,766,296
1975	39,977	33,572	36,963	33,606	33,383	22,798	24,907	22,132	23,586	24,550	24,654	26,321	346,449	2,112,745
1976	30,270	26,201	27,455	14,979	10,596	7,163	7,840	8,860	11,793	16,147	14,818	18,615	194,737	2,307,482
1977	16,906	15,099	15,695	13,024	14,766	14,081	15,121	13,579	18,369	15,957	13,736	11,517	177,850	2,485,332
1978	12,940	10,257	13,524	14,157	14,035	8,660	6,677	6,732	5,895	3,352	7,673	9,863	113,765	2,599,097
1979	9,555	11,971	10,185	10,236	10,085	7,686	8,234	8,852	5,393	4,920	4,737	6,499	98,353	2,697,450
1980	5,755	5,596	5,753	5,704	5,200	4,193	3,722	2,851	3,717	2,196	2,252	3,766	50,705	2,748,155
1981	4,399	2,711	5,720	697	2,273	9,135	8,638	5,332	12,930	11,843	8,750	8,872	81,300	2,829,455
1982	10,865	6,202	10,265	6,555	7,272	6,683	6,847	7,333	8,231	8,559	7,832	8,126	94,770	2,924,225
1983	7,825	6,535	9,387	8,984	7,358	8,203	5,089	6,570	6,344	4,840	4,232	6,935	82,302	3,006,527
1984	6,999	3,746	3,014	1,904	4,958	3,879	2,996	4,136	5,092	5,696	10,346	12,020	64,786	3,071,313
1985	10,040	4,387	4,027	3,189	2,676	0	0	5,203	8,158	7,929	8,125	13,893	67,627	3,138,940
1986	8,964	3,773	2,594	94	1,260	68	0	0	0	0	0	0	16,753	3,155,693
1987	0	0	0	0	0	0	0	0	0	0	0	0	0	3,155,693

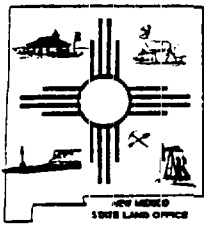
* Gas acquired by the unit is measured by chart periods of the transporter and volumes are not adjusted for the exact days of the month in which gas is injected when the transporter accounts for the gas moved. The figures on this schedule have been adjusted to reflect the actual amount of acquired gas which is injected in each month. The statistical tables showing the reconciliation of gas acquired in a month with the amount actually injected in a month are maintained in our office and we can provide copies of this information should any of the authorities require this detail.

CANADA OJITOS UNIT
SCHEDULE OF ACQUIRED GAS INJECTED AND GAS SALES

	<u>MCF AT 15.025 PRESSURE BASE</u>		<u>MCF AT 14.73 PRESSURE BASE</u>	
	<u>First of Month</u>	<u>Volume</u>	<u>First of Month</u>	<u>Volume</u>
	<u>Cumulative</u>	<u>Sold</u>	<u>Cumulative</u>	<u>Sold</u>
	<u>Balance of</u>	<u>During</u>	<u>Balance of</u>	<u>During</u>
	<u>Acquired Gas</u>	<u>Month</u>	<u>Acquired Gas</u>	<u>Month</u>
	<u>Less Gas Sold</u>		<u>Less Gas Sold</u>	
August, 1987	3,155,693	109,762	3,218,893	111,957
September, 1987	3,045,931	151,073	3,106,936	154,099
October, 1987	2,894,858	33,659	2,952,837	34,346
November, 1987	2,861,199	110,303	2,918,491	112,512
December, 1987	2,750,896	88,069	2,805,979	89,830
January, 1988	2,662,827	-0-	2,716,149	-0-
February, 1988	2,662,827	36,187	2,716,149	36,926
March, 1988	2,626,640	-0-	2,679,223	-0-
April, 1988	2,626,640	82,147	2,679,223	83,792
May, 1988	2,544,493	-0-	2,595,431	-0-
June, 1988	2,544,493	-0-	2,595,431	-0-
July, 1988	2,544,493	-0-	2,595,431	-0-
August, 1988	2,544,493	95,710	2,595,431	97,627
September, 1988	2,448,783	170,648	2,497,804	174,066
October, 1988	2,278,135	141,751	2,323,738	144,590
November, 1988	2,136,384	-0-	2,179,148	-0-
December, 1988	2,136,384	65,326	2,179,148	66,634
January, 1989	2,071,058	254,608	2,112,514	259,707
February, 1989	1,816,450	288,418	1,852,807	294,194
March, 1989	1,528,032	255,021	1,588,613	260,128
April, 1989	1,273,011	-0-	1,298,485	-0-
May, 1989	1,273,011	-0-	1,298,485	-0-
June, 1989	1,273,011	-0-	1,298,485	-0-
July, 1989	1,273,011	-0-	1,298,485	-0-
August, 1989	1,273,011	-0-	1,298,485	-0-
September, 1989	1,273,011	-0-	1,298,485	-0-
October, 1989	1,273,011	-0-	1,298,485	-0-
November, 1989	1,273,011	-0-	1,298,485	-0-
December, 1989	1,273,011	134,470	1,298,485	137,163
January, 1990	1,138,541	172,049	1,161,322	175,495
February, 1990	966,492	229,987	985,827	234,593

CANADA OJITOS UNIT
SCHEDULE OF ACQUIRED GAS INJECTED AND GAS SALES
PAGE 2

	<u>MCF AT 15.025 PRESSURE BASE</u>		<u>MCF AT 14.73 PRESSURE BASE</u>	
	<u>First of Month</u>	<u>Volume</u>	<u>First of Month</u>	<u>Volume</u>
	<u>Cumulative</u>	<u>Sold</u>	<u>Cumulative</u>	<u>Sold</u>
	<u>Balance of</u>	<u>During</u>	<u>Balance of</u>	<u>During</u>
	<u>Acquired Gas</u>	<u>Month</u>	<u>Acquired Gas</u>	<u>Month</u>
	<u>Less Gas Sold</u>		<u>Less Gas Sold</u>	
March, 1990	736,505	-0-	751,234	-0-
April, 1990	736,505	-0-	751,234	-0-
May, 1990	736,505	-0-	751,234	-0-
June, 1990	736,505	-0-	751,234	-0-
July, 1990	736,505	-0-	751,234	-0-
August, 1990	736,505	-0-	751,234	-0-
September, 1990	736,505	-0-	751,234	-0-
October, 1990	736,505	-0-	751,234	-0-
November, 1990	736,505	-0-	751,234	-0-
December, 1990	736,505	254,925	751,234	260,021



State of New Mexico
Commissioner of Public Lands

#2871

W. R. Humphries
COMMISSIONER

April 30, 1990

Advisory Board

George Clark
Chairman

Kristin Conniff
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

Benson-Montin-Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

ATTN: Mr. Albert Greer

RE: Canada Ojitos Unit
1990 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved the 1990 Plan of Development for the Canada Ojitos 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

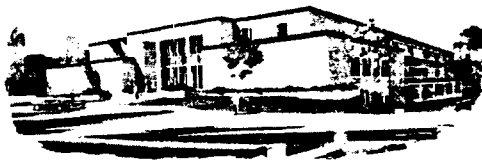
BY: *Floyd O. Prando*

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 5, 1990

Mr. Albert Greer, President
Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Building
Farmington, NM 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1990 Plan of Development Amendment

Dear Mr. Greer:

The Commissioner of Public Lands this date approved the 1990 Plan of Development for the Canada Ojitos 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

Floyd O. Prando
BY:

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

cc: OCD
Unit Corresp.
Unit POD

RECEIVED
N DIVISION

'90 AUG 22 AM 8 49

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

August 20, 1990

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401
Attention: Mr. John Keller
Chief, Branch of Minerals

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Mr. Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Mr. Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1990 PLAN OF DEVELOPMENT:
AMENDMENT

Gentlemen:

Some of the equipment we were planning on using in the drilling of the A-16H horizontal sidetrack (NE/4 Section 16, Township 25 North, Range 1 West) has not been adequately tested; so we are delaying this work until the spring of 1991.

We request your approval of this amendment to our 1990

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

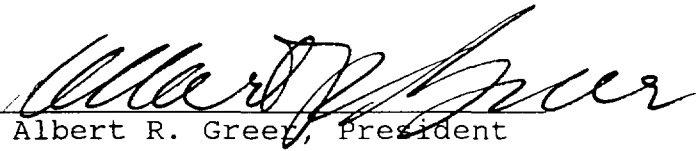
August 20, 1990
Page No. 2

Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp



DIVISION

United States Department of the Interior

AM 9 46

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LAPLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401



IN REPLY REFER TO:

Canada Ojitos Unit (POD)
3183.6 (019)

NOV. 28 1990

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Bldg.
Farmington, NM 87401

Re: **Canada Ojitos Unit**
1st Supplement, 1990 POD

Gentlemen:

Enclosed is an approved copy of your First Supplement to the 1990 Plan of Development for the Canada Ojitos Unit. Your drilling of the A-16H horizontal sidetrack should be on your 1991 POD. Your 1991 POD is due March 1, 1991.

Please call Duane Spencer at (505) 327-5344 if you have any questions concerning this matter.

Sincerely,

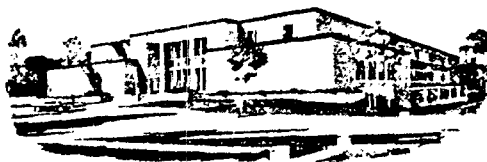
/s/ John L. Keller

John L. Keller
Chief, Branch of Mineral Resources

cc:

New Mexico Oil Conservation Division, 310 Old Santa Fe Trail, Room 206,
Santa Fe, NM 87503 w/o encl.
State of New Mexico, Commissioner of Public Lands, P. O. Box 1148,
Santa Fe, NM 87504 w/o encl.

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

April 6, 1989

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

#2871

ATTN: Albert R. Greer

RE: 1989 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Gentlemen:

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

Enclosed 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

Floyd O. Prando

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



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

April 6, 1989

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

Benson-Montin-Greer
Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1989 Plan of Development

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,

A handwritten signature in dark ink, appearing to read "Roy E. Johnson", written over the typed name.

ROY E. JOHNSON,
Senior Petroleum Geologist

REJ/dr

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

D - Unit letter
127

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

April 1, 1989

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
1989 PLAN OF DEVELOPMENT

Gentlemen:

Plan of Development for the Canada Ojitos Unit for 1989 is
as follows:

1. F-20, NW/4 Section 20, T-26N, R-1W

Complete in the Mancos formation and commingle
Mancos production with presently producing Dakota
production.

2. L-3, SW/4 Section 3, T-24N, R-1W

Recomplete in Zones A and B (held over from 1988
Plan of Development).

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
April 1, 1989

3. A-22, NE/4 Section 22, T-25N, R-1W

Recomplete in Zones A and B (held over from 1988
Plan of Development).

4. N-30, SW/4 Section 30, T-26N, R-1W

New well, drill and complete.

5. H-8, NE/4 Section 8, T-26N, R-1W

New well, drill and complete.

6. Drill new well in Section 23, T-24N, R-1W


(Half interest participation with Mobil).

We hereby request approval of this Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit
Working Interest Owners

CANADA OJITOS UNIT
1989 PLAN OF DEVELOPMENT:
SUPPLEMENTARY INFORMATION SUBMITTED WITH PLAN OF DEVELOPMENT

Supplementary information in support of our request for approval of our 1989 Plan of Development follows:

1. Summary of operations:

In 1988 the New Mexico Oil Conservation Commission established a high allowable for the West Puerto Chiquito - Gavilan area effective August 1; and during November 1988 and January 1989 the Commission provided for unlimited production of Gavilan and West Puerto Chiquito. At that time only one well was capable of producing in excess of the new high allowable: hence the fields are producing under the "law of capture" (and have been since August 1, 1988) with no protection of correlative rights provided by proration.

This high allowable made it impossible to produce the wells at their allowables and inject all of the gas: it was necessary to market gas. Existing facilities would not permit sale of gas in the volumes necessary; so a gas marketing pipeline was constructed.

Substantial volumes of gas were sold in the winter of '88-'89 when a reasonable price could be received for the gas.

Gas cap pressure has been reduced so that it may be possible to produce most of the wells in the summer months when gas prices are low without marketing large volumes of gas.

Enclosed is structural contour map showing latest geologic interpretations, including all wells.

The participating area covers the entire unit area.

2. List showing status of all wells:

This is enclosed.

3. Production Statistics and performance curves:

For the Niobrara-Greenhorn Participating Area current and cumulative gas injection rates, cumulative oil and gas production rates and current GOR's are set out on the Schedule of Statistics attached.

Also enclosed are production curves showing oil production and gas injection by years.

4. Plans for development:

Development plans are set out in the cover letter.

5. Pertinent data as to the effectiveness of enhanced recovery project:

The pressure maintenance project is continuing to provide additional recovery from the reservoir over and above that which might have been obtained by primary means alone. Tests run in the spring of 1988 show approximately 1500 BOPD is being moved into the west boundary area by the pressure maintenance project.

Production under the "law of capture" makes difficult continuation of the pressure maintenance project without loss of unitized substances through migration. Even so, the unit appears to be preventing most of its oil from migrating away (see graph of boundary area production rates).

Further with respect to effectiveness of the pressure maintenance project, graphs 1 and 2 show the typical rates of decline for wells in the west Canada Ojitos Unit boundary area during the period of high production in 1987. Graph 2 (B-32 well) shows a much lower rate of decline than the E-6 for the reason that it is closer to - and receiving more direct benefit from - the pressure maintenance project.

The decline was arrested by the pressure maintenance project, as shown by graphs 3 and 4 which show approximate pressure maintenance support of wells in the boundary area.

STATUS OF
CANADA OJITOS UNIT WELLS

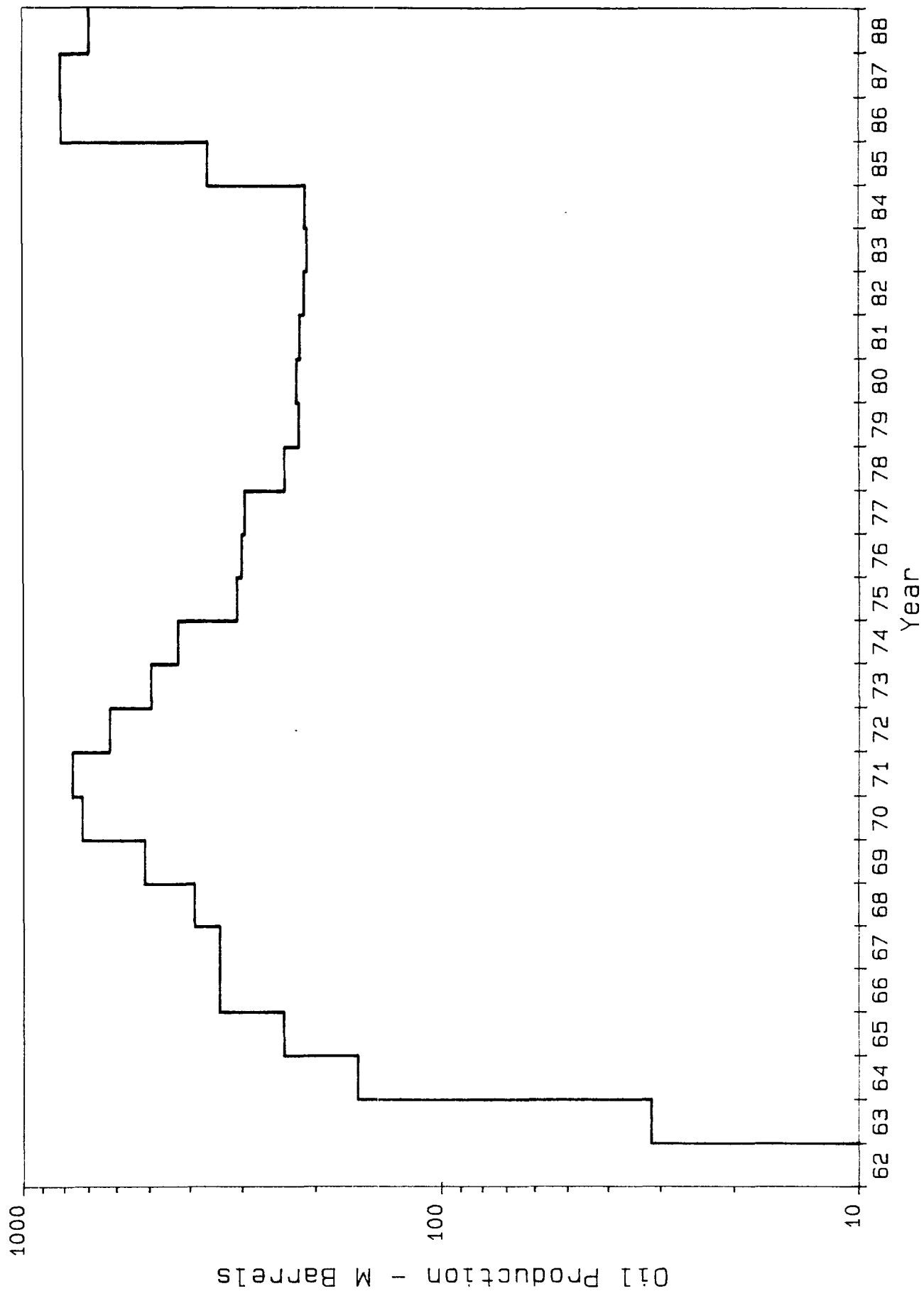
<u>Well Name</u>	<u>Footage</u>	<u>Location</u>	<u>Elev.</u>	<u>Status</u>
COU # 1 (O-9)	1080' FSL, 1920' FEL	SWSE- 9-26N-1W	7750 GR	Producing
COU # 2 (K-13)	1785' FSL, 2120' FWL	NESW-13-25N-1W	7088 GR	Observation
COU # 3 (A-14)	1125' FNL, 450' FWL	NENE-14-25N-1W	7130 DF	Observation
COU # 4 (P-11)	1020' FSL, 800' FEL	SESE-11-25N-1W	7214 GR	Seasonal Producer
COU # 5 (B-18)	835' FNL, 1495' FEL	NWNE-18-25N-1E	7203 DF	Gas Injection
COU # 6 (L-11)	1908' FSL, 523' FWL	NWSW-11-25N-1W	7220 GR	Seasonal Producer
COU # 7 (A-23)	680' FNL, 620' FEL	NENE-23-25N-1W	7141 GR	Observation
COU # 8 (A-16)	850' FNL, 1030' FEL	NENE-16-25N-1W	7532 KB	Producing
COU # 9 (C-2)	1280' FNL, 1610' FWL	NENW- 2-24N-1W	7278 GR	Producing
COU #10 (O-33)	175' FSL, 2090' FEL	SWSE-33-26N-1W	7533 GR	Producing
COU #11 (E-10)	2145' FNL, 825' FWL	SWNW-10-25N-1W	7329 GR	Producing
COU #12 (A-22)	525' FNL, 825' FEL	NENE-22-25N-1W	7343 GR	Seasonal Producer
COU #13 (L-27)	1415' FSL, 740' FWL	NWSW-27-26N-1W	7463 KB	Producing
COU #14 (C-34)	595' FNL, 2145' FWL	NENW-34-25N-1W	7427 KB	Seasonal Producer
COU #15 (M-27)	1190' FSL, 375' FWL	SWSW-27-26N-1W	7456 GR	P&A
COU #16 (L-3)	1791' FSL, 523' FWL	NWSW- 3-24N-1W	7549 KB	Producing
COU #17 (G-1)	1980' FNL, 1880' FEL	SWNE- 1-24N-1E	7140 GR	Gas Injection
COU #18 (C-5)	900' FNL, 1700' FWL	NENW- 5-25N-1E	7482 KB	Gas Injection
COU #19 (A-14)	495' FNL, 495' FEL	NENE-14-24N-1W	7096 GR	Gas Injection
COU #20 (H-9)	1450' FNL, 1190' FEL	SENE- 9-25N-1W	7369 KB	P&A
COU #21 (G-32)	1800' FNL, 1675' FEL	SWNE-32-26N-1W	7560 GR	Producing
COU #22 (F-20)	1700' FNL, 1790' FWL	SENW-20-26N-1W	7724 GR	Completed in Dakota - Waiting on completion in Mancos
COU #23 (N-22)	1302' FSL, 1413' FWL	SESW-22-26N-1W	7494 KB	Producing
COU #24 (J-8)	1650' FSL, 1650' FEL	NWSE- 8-25N-1W	7437 GR	Observation
COU #25 (B-32)	231' FNL, 2218' FEL	NWNE-32-25N-1W	7599 GR	Producing
COU #26 (K-31)	1650' FSL, 1650' FWL	NESW-31-25N-1W	7437 GR	Observation
COU #27 (K-8)	1680' FSL, 2166' FEL	NWSE- 8-24N-1W	7517 GR	Producing
COU #28 (B-29)	393' FNL, 2367' FEL	NWNE-29-25N-1W	7496 GR	Producing
COU #29 (E-6)	1850' FSL, 870' FWL	SWNW- 6-25N-1W	7493 GR	Producing
COU #30 (F-30)	1755' FNL, 2418' FWL	SENW-30-25N-1W	7671 GR	Producing
COU #31 (N-31)	900' FSL, 1650' FWL	SESW-31-26N-1W	7569 GR	Producing
COU #32 (J-6)	1650' FSL, 1650' FEL	NWSE- 6-25N-1W	7444 GR	Producing
COU #33 (F-18)	2310' FWL, 2265' FNL	SWNW-18-25N-1W	7617 GR	Producing
COU #34 (F-19)	1340' FNL, 1903' FWL	SWNW-19-25N-1W	7652 GR	Producing

Well Name	Footage	Location	Elev.	Status
COU #35 (D-17)	1200' FNL, 300' FWL	NWNW-17-25N-1W	7465 GR	Observation
COU #36 (A-20)	1200' FNL, 415' FEL	NENE-20-25N-1W	7432 GR	Producing
COU #37 (G-5)	1700' FNL, 2310' FEL	SWNE- 5-24N-1W	7551 GR	Producing
COU #38 (F-7)	1650' FNL, 2310' FEL	SENW- 7-25N-1W	7444 GR	Producing

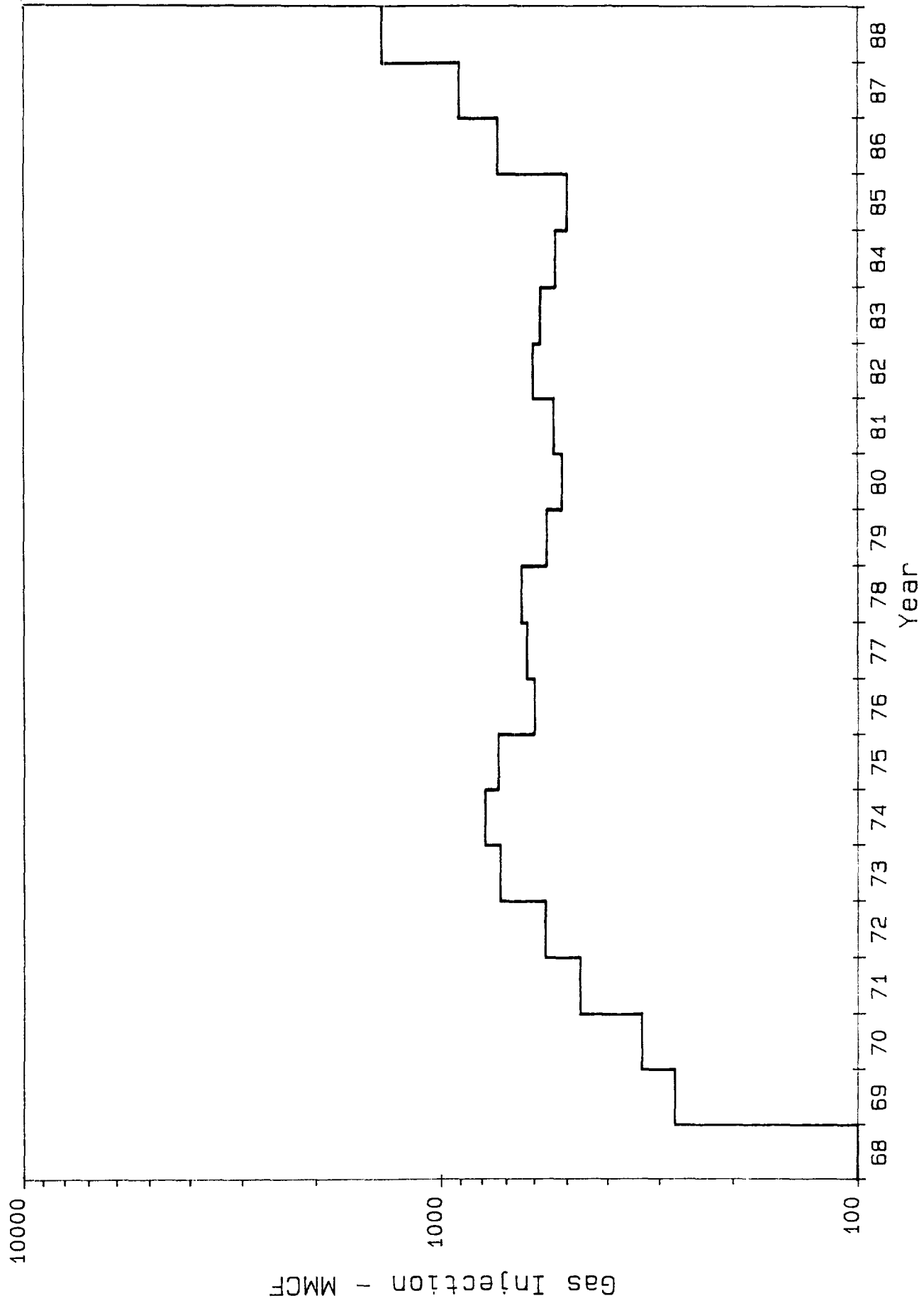
CANADA OJITOS UNIT
SCHEDULE OF STATISTICS

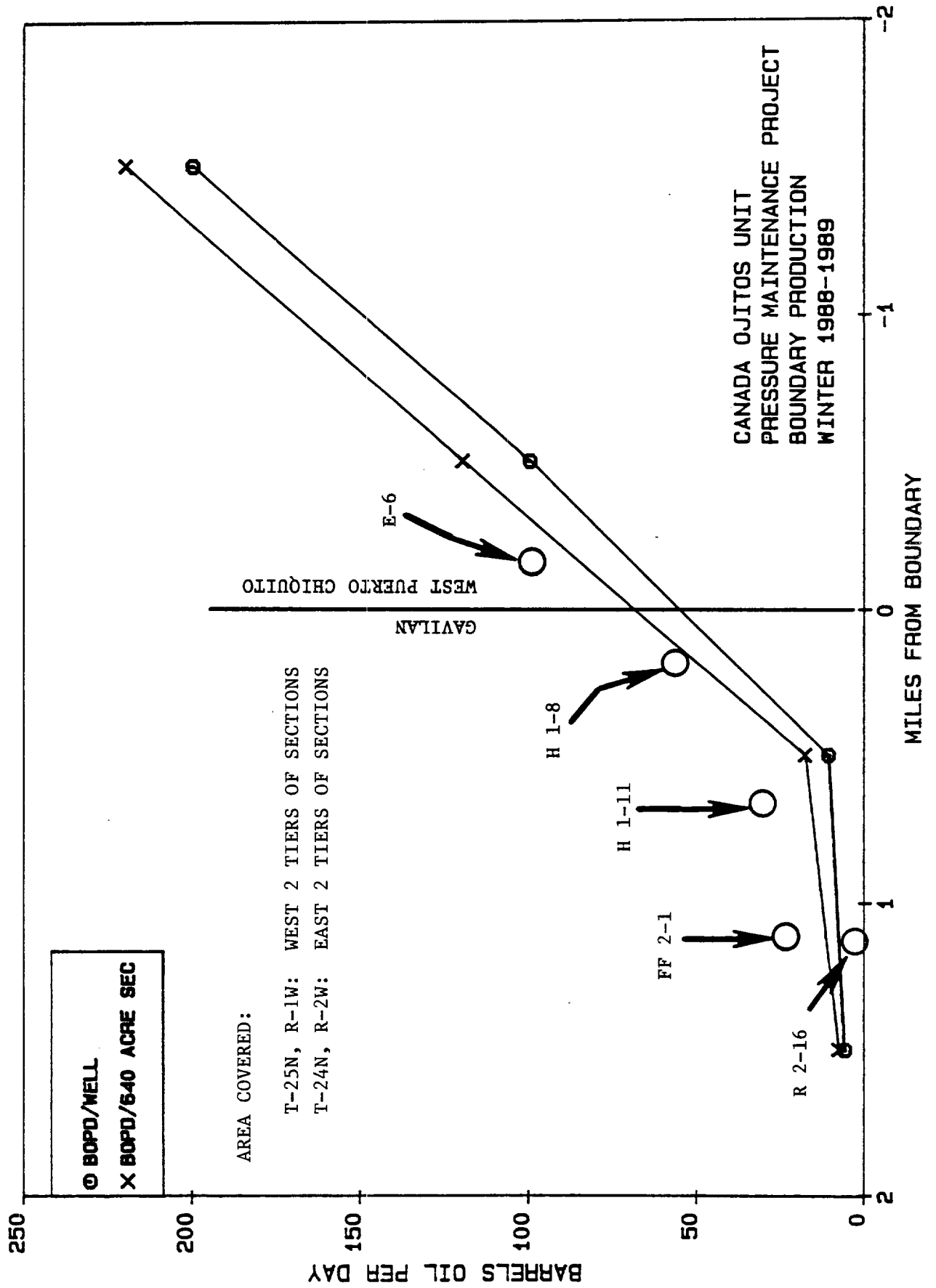
	<u>Oil Production</u> (Bbls)	<u>Gas Production</u> (MCF)	<u>GOR</u> (SCF/Bbl)	<u>Gas Injection</u> (MCF)
1962	1,426			
1963	31,601	7,268	234	
1964	159,135	52,146	328	
1965	238,942	80,158	335	
1966	340,141	127,269	374	
1967	339,814	128,076	377	
1968	389,941	151,350	388	100,474
1969	511,998	198,161	387	276,209
1970	722,819	273,134	378	331,766
1971	763,948	274,059	359	466,666
1972	620,871	281,424	453	564,853
1973	494,461	457,585	925	724,067
1974	426,984	530,596	1243	785,322
1975	308,202	497,798	1615	730,595
1976	300,136	482,949	1609	598,429
1977	295,069	482,640	1636	623,526
1978	236,912	576,595	2434	642,405
1979	218,853	525,440	2401	557,949
1980	221,738	443,183	1999	512,940
1981	217,446	503,435	2315	537,726
1982	212,304	502,205	2365	603,702
1983	208,986	473,205	2264	578,549
1984	211,537	467,336	2209	531,155
1985	362,622	435,923	1202	498,037
1986	810,748	685,285	845	731,539
1987	814,252	1,486,221	1825	906,206
1988	<u>693,813</u>	<u>2,174,085</u>	3134	<u>1,386,720</u>
	10,154,699	12,297,526		12,688,835

CANADA OJITOS UNIT
NIOBRARA-GREENHORN PARTICIPATING AREA
OIL PRODUCTION

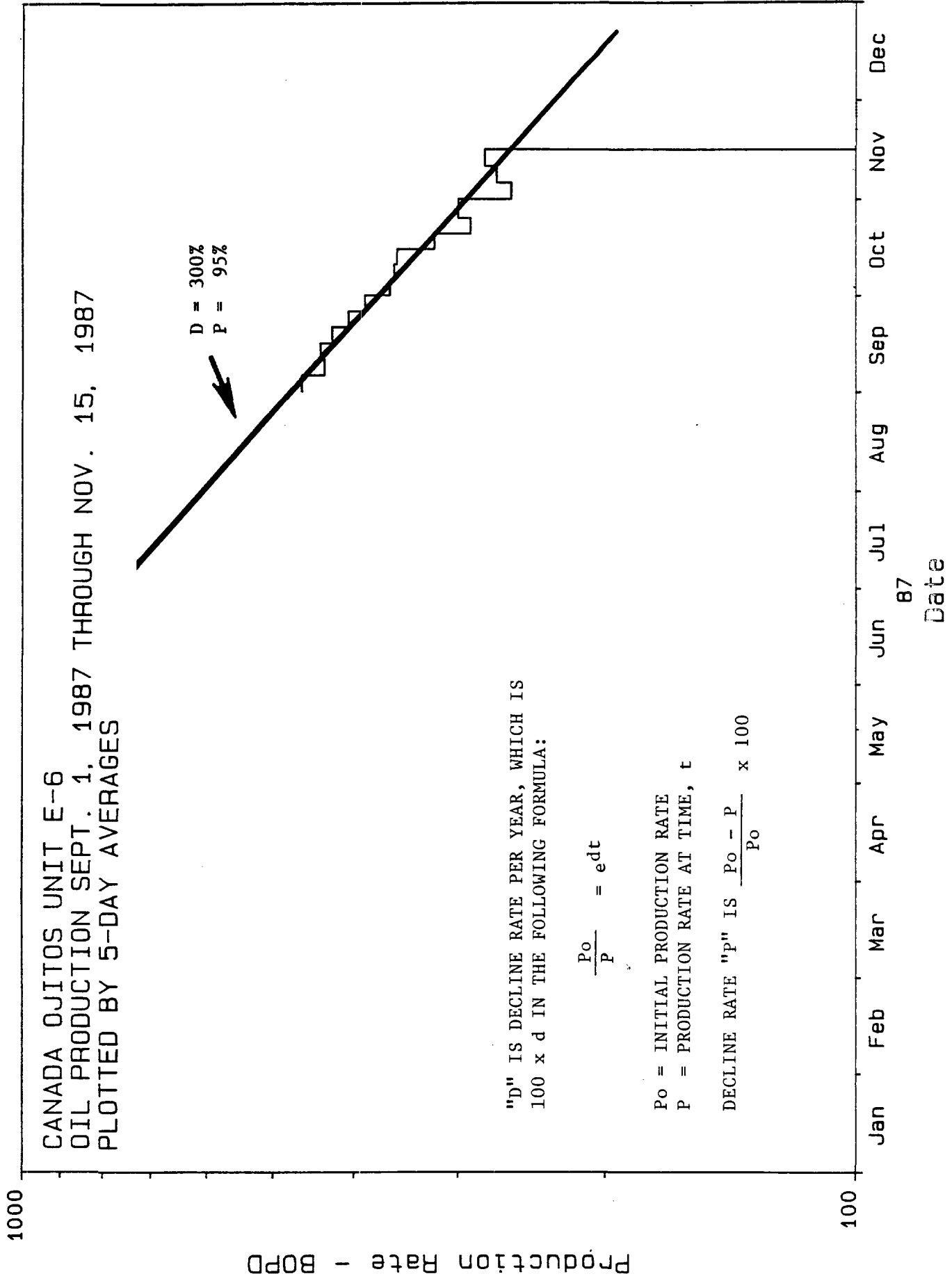


CANADA OJITOS UNIT
NIOBRARA-GREENHORN PARTICIPATING AREA
GAS INJECTION

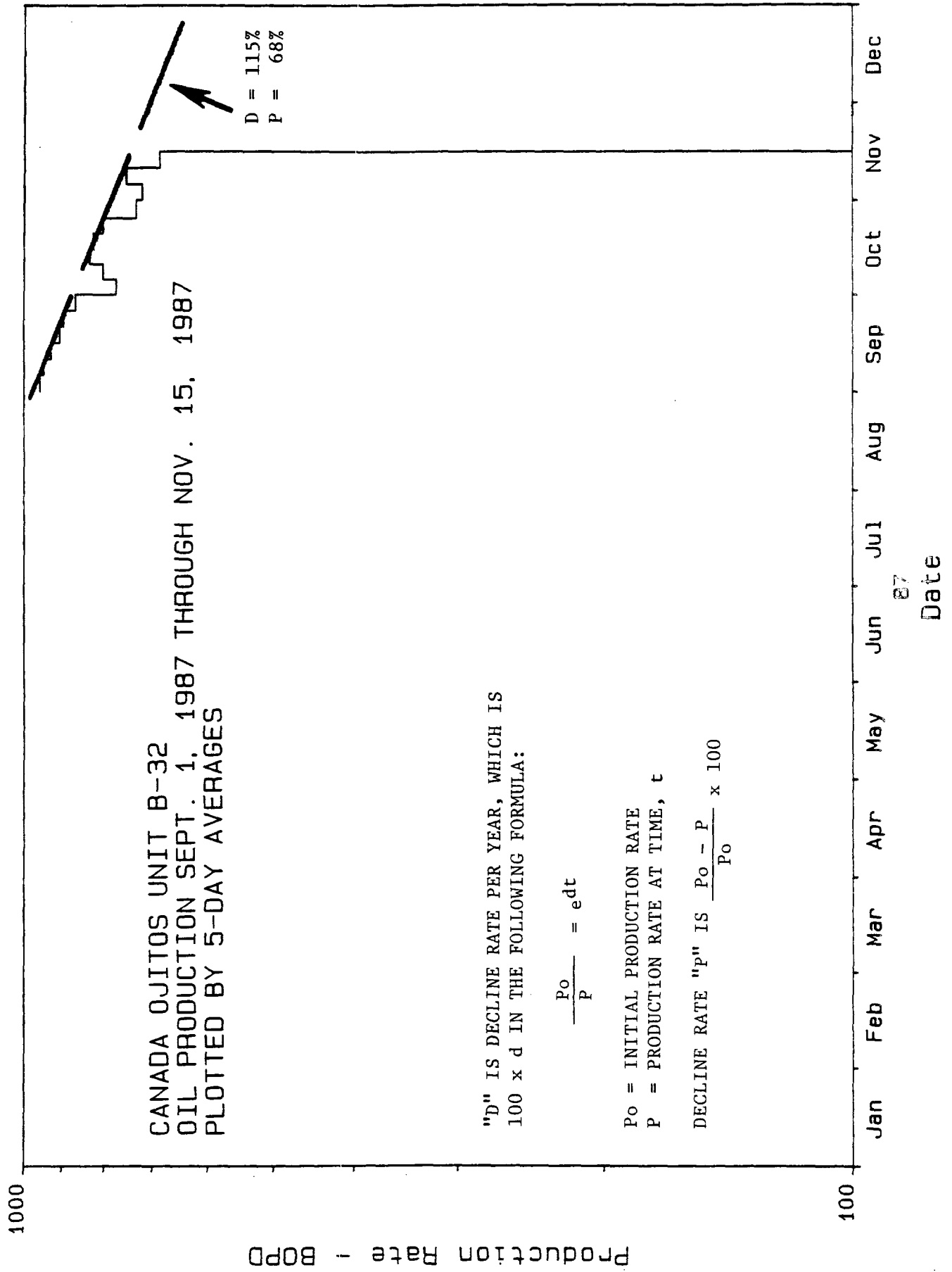




GRAPH 1

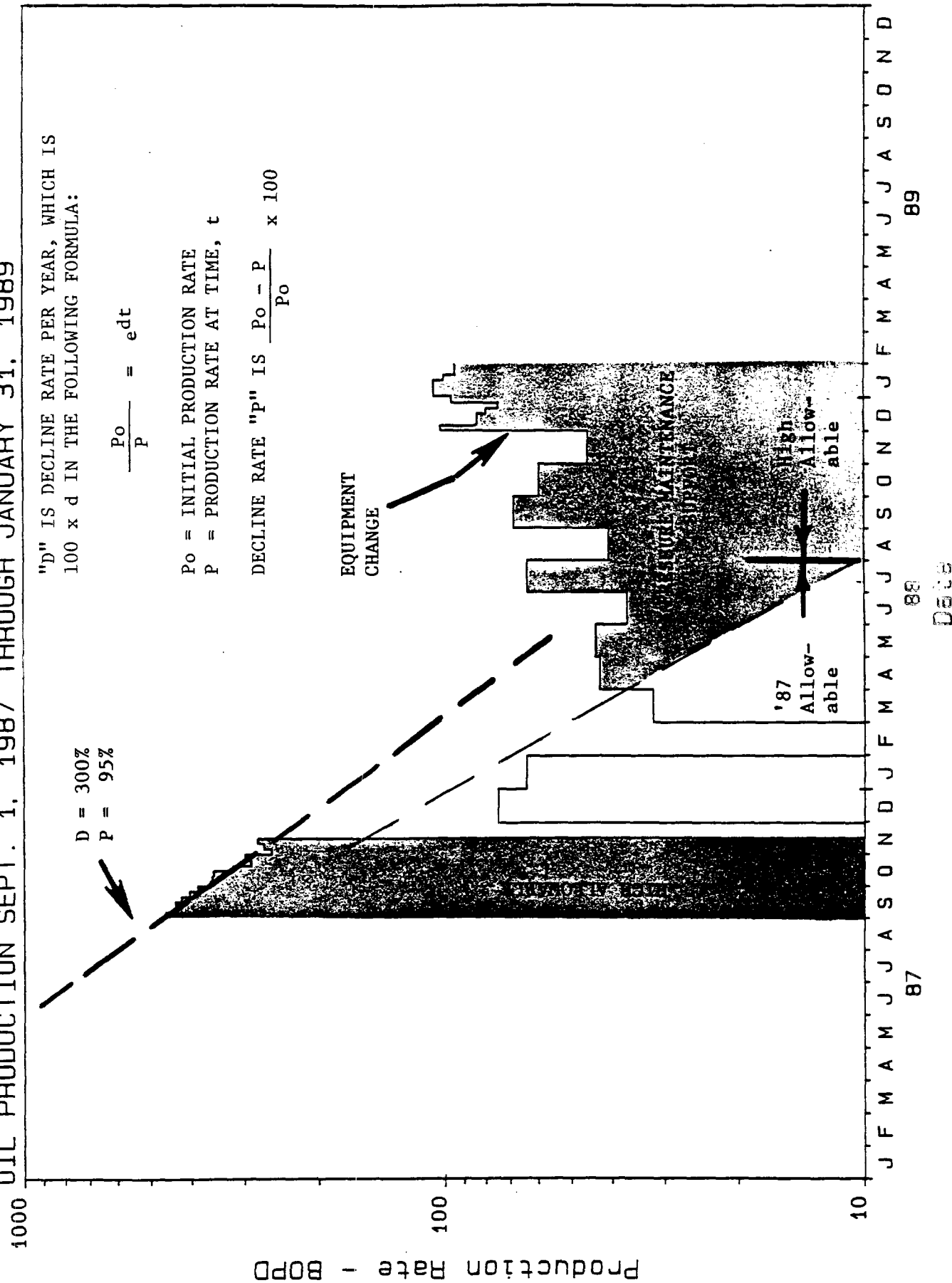


GRAPH 2



CANADA OJITOS UNIT E-6

OIL PRODUCTION SEPT. 1, 1987 THROUGH JANUARY 31, 1989



"D" IS DECLINE RATE PER YEAR, WHICH IS
100 x d IN THE FOLLOWING FORMULA:

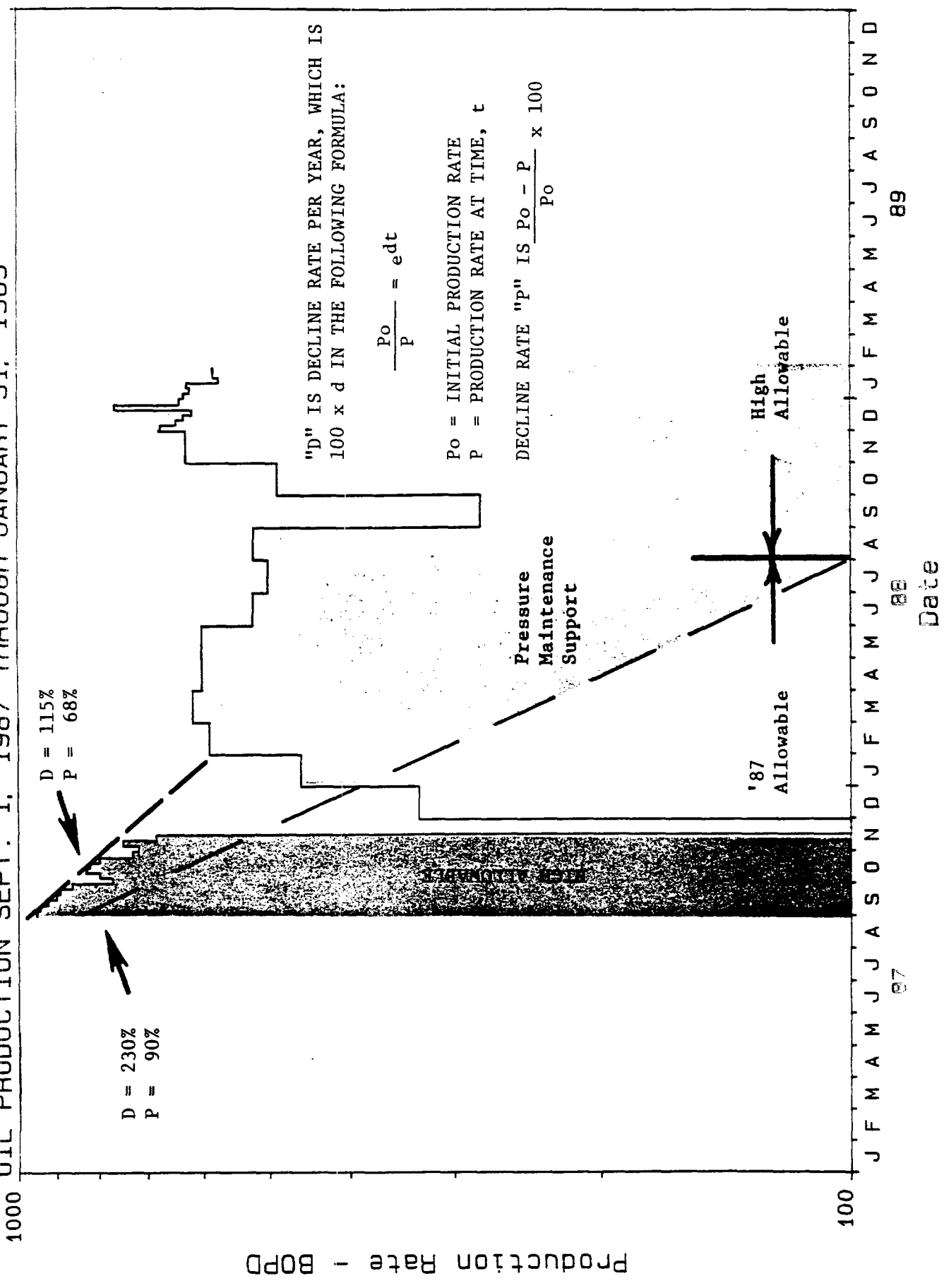
$$\frac{P_0}{P} = e^{dt}$$

P_0 = INITIAL PRODUCTION RATE

P = PRODUCTION RATE AT TIME, t

DECLINE RATE "P" IS $\frac{P_0 - P}{P_0} \times 100$

CANADA OJITOS UNIT B-32
OIL PRODUCTION SEPT. 1, 1987 THROUGH JANUARY 31, 1989



#2871

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

May 9, 1988

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Floyd Prado, Director
Oil and Gas Division

Dr.
Unit
letter
the
R

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
Amended 1988 PLAN OF DEVELOPMENT

Gentlemen:

Development plans for the Canada Ojitos Unit for 1988 are still indefinite, pending matters before the New Mexico Oil Conservation Commission. Accordingly we will plan on amending the Plan of Development at a later date.

In addition to the preliminary concurrence requested - and approved - with respect to the gasoline plant, we now ask for approval to install a 10" gas marketing pipeline.

This line will run for approximately one mile on unit lands from the SW/4 of Section 30 to the west line of Section 31, all in Township 25 North, Range 1 West; and from there off unit lands, to tie into El Paso's 12" line in Section 8, Township 24 North, Range 2 West.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
N.M. Oil Conservation Division
N.M. Commissioner of Public Lands

Page No. 2
May 9, 1988

We also propose recompletion of the following wells:

L-3: SW/4 Section 3, Township 24 North, Range 1 West
A-22: NE/4 Section 22, Township 25 North, Range 1 West

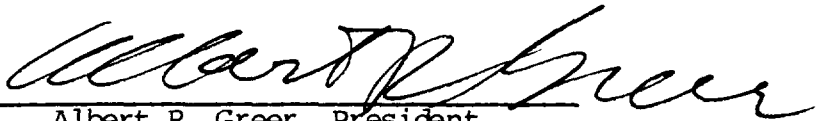
in order to produce these wells from the A and B zones as well as the C zone of the Niobrara member of the Mancos shale formation.

We hereby request approval of this Plan of Development.

Yours truly,

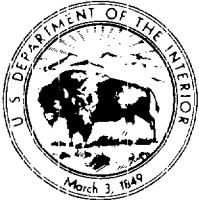
BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT OFFICE
435 MONTANO N.E.
ALBUQUERQUE, NEW MEXICO 87107

SEP 23 1988

Canada Ojitos (POD)
3180 (015)

Benson-Montin-Greer Drilling Corp.
ATTN: Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

One approved copy of your 1988 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of two wells (NE $\frac{1}{4}$ Section 8, T. 26 N., R. 1 W. and SW $\frac{1}{4}$ Section 30, T. 26 N., R. 1 W.,) is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

Starting with the 1989 Plan of Development, please provide the following information in your annual Plan of Development.

1. A summary of operations for the past year which should include up-to-date maps showing the latest geologic interpretations, all wells and participating area boundaries. Should there be no changes from one year to another, reference may be made to the most recent map submitted.
2. A list showing the status of all wells.
3. Performance curves covering the productive life of each horizon under a participating area, including injectivity curves.
4. Your plans for development within the unit area for the next year.
5. Pertinent data as to the effectiveness of the enhanced recovery project (if applicable). This information should include data on current and cumulative water injection rates, current and cumulative water, gas, and oil production and current water-oil ratios. A short discussion as to the general progress of the flood and any significant changes in any phase of the project should also be included.

All plans of development are to be filed in triplicate.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4503.

Sincerely,

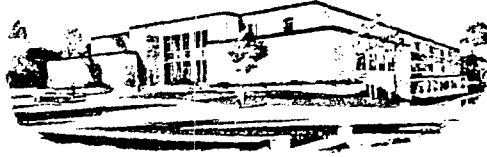
/s/ Gary A. Stephens

FOR Assistant District Manager
Mineral Resources

Enclosure

✓ NMOCD, Santa Fe

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. 885

September 15, 1988

Benson-Montin-Greer Drilling Corp.
Attn: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Amendment to the 1988 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Gentlemen:

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

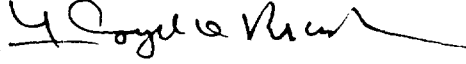
Our approval is subject to like approval by all other appropriate agencies.

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

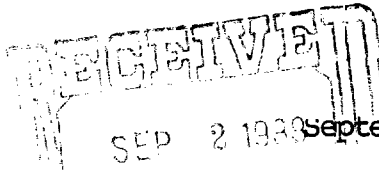
BY: 

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

cc: OCD
BLM

OK 9-7-88
UNIT letter
The R

BENSON-MONTIN-GREER DRILLING CORP.



221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

SEP 2 1988 September 1, 1988

U.S. Dept. of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attn: Gary Stephens

New Mexico Energy and Minerals Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attn: Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attn: Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
AMENDMENT TO 1988
PLAN OF DEVELOPMENT

Gentlemen:

We propose amending our 1988 Plan of Development for the Canada Ojitos Unit to include the drilling of two wells at the following locations:

NE/4 Section 8, T-26N, R-1W
SW/4 Section 30, T-26N, R-1W

We hereby request approval of this amendment to our 1988 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: COU Working Interest Owners

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

September 1, 1988

U.S. Dept. of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attn: Gary Stephens

New Mexico Energy and Minerals Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attn: Roy E. Johnson
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attn: Floyd Prando, Director
Oil and Gas Division

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
AMENDMENT TO 1988
PLAN OF DEVELOPMENT

Gentlemen:

We propose amending our 1988 Plan of Development for the Canada Ojitos Unit to include the drilling of two wells at the following locations:

NE/4 Section 8, T-26N, R-1W
SW/4 Section 30, T-26N, R-1W

We hereby request approval of this amendment to our 1988 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: COU Working Interest Owners

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-812
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

June 6, 1988

BMG Drilling Corp.
Attn: Mr. Albert R. Greer
221 Petroleum Centr Bld
Farmington, New Mexico 87401

Re: 1988 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

Gentlemen:

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

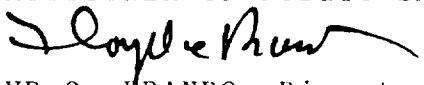
Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

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

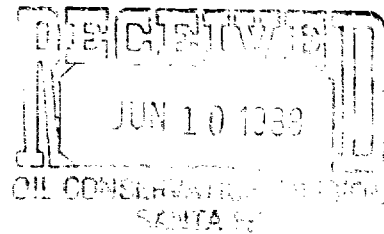
Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

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

WRH/FOP/pm
encls.
cc: OCD
BLM

Bureau of Land Management
Minerals Division
435 Montano NE
Albuquerque, NM 87107



JUN 08 1988

Canada Ojitos (POD)
3180 (015)

Benson-Montin-Graer Drilling Corp.
ATTN: Albert R. Graer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

An approved copy of your 1988 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing to recomplete the L-3 and A-22 wells and install a ten inch gas marketing pipeline, is approved this date subject to like approval by the appropriate officials of the State of New Mexico. Approval to conduct surface disturbing activities must be obtained from the Farmington Resource Area Office.

Starting with the 1989 Plan of Development, please provide the following information in your annual Plan of Development.

1. A summary of operations for the past year which should include up-to-date maps showing the latest geologic interpretations, all wells and participating area boundaries. Should there be no changes from one year to another, reference may be made to the most recent map submitted.
2. A list showing the status of all wells.
3. Performance curves covering the productive life of each horizon under a participating area, including injectivity curves.
4. Your plans for development within the unit area for the next year.
5. Pertinent data as to the effectiveness of the enhanced recovery project (if applicable). This information should include data on current and cumulative water injection rates, current and cumulative water, gas, and oil production and current water-oil ratios. A short discussion as to the general progress of the flood and any significant changes in any phase of the project should also be included.

All plans of development are to be filed in triplicate.

If you have any questions, please contact Robert Kent at the above address or telephone (505) 761-4503.

Sincerely,

(Orig. Signed) - Sid Vogelpon

Assistant District Manager
Mineral Resources

Comm. of Pub. Lands, Santa Fe

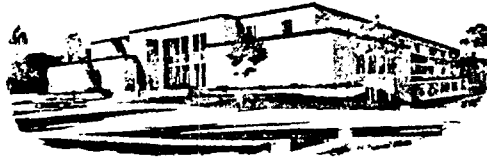
✓ NMOCB, Santa Fe
015:RKent:ja:6/6/88:0127M

cc:

NM-019



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

SLO REF NO OG-737

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

March 24, 1988

BMG Drilling Corp.
Attn: Mr. Albert R. Greer
221 Petroleum Bldg.
Farmington, New Mexico 87401

Re: 1988 Plan of Development
Canada Ojitos Unit
Rio Arriba 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, 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

Benson-Montin-Greer Drilling Corp
221 Petroleum Center Building
Farmington, N.M. 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Request for Preliminary Concurrence
of 1988 Plan of Development
Gasoline Plant

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

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

February 20, 1988

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

*D-
Unit Agreement
Thx Rg*

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
REQUEST FOR PRELIMINARY CONCURRENCE
OF 1988 PLAN OF DEVELOPMENT
Gasoline Plant

Gentlemen:

The 1988 Plan of Development for the Canada Ojitos Unit has not yet been determined. It is our intention to hold an Operators' Meeting in April to review proposals and hopefully settle on a plan soon thereafter.

In the event expansion of the pressure maintenance project area is approved as the Unit Operator has requested, we propose to recommend to the working interest owners the installation of a gasoline plant. We think the plant should be installed this year. To do this means ordering the equipment no later than the latter part of April.

The case covering the Unit Operator's application to expand the pressure maintenance project will not be heard until March 17 (copy of letter dated February 5, 1988 from the Oil Conservation Commission setting out this scheduling change is enclosed). The

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
Oil Conservation Division
Commissioner of Public Lands

Page No. 2
February 20, 1988

earliest we can reasonably expect an order to be issued following this hearing is about three weeks, which would be April 7.

This means there is not enough time after the order has been issued to hold an Operators' Meeting; review and obtain approval of the working interest owners, file Plan of Development and wait for approvals if routine scheduling is followed. We must somehow find ways to shorten the time between the issuance of the order regarding expansion of the pressure maintenance project and the ordering of equipment for the gasoline plant.

To shorten one step - approval of the authorities of the Plan of Development in this respect - we now request preliminary concurrence to approval of installation of the gasoline plant.

Upon approval of expansion of the pressure maintenance project area and the further approval of the installation by the working interest owners, we will then file with the authorities request for final approval of the Plan of Development. Locations of wells and other unit operations will be included in that application for final approval.

There is not the same urgency with respect to other unit operations as is the case with the gasoline plant. These details can be delayed until the Operators' Meeting and final approval is filed for all operations. At this time all we are addressing is installation of the gasoline plant.

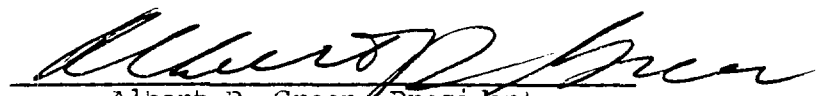
Once the authorities have given preliminary approval to the gasoline plant, all that is required is the working interest owners' concurrence. Once that is obtained, equipment can be ordered pending the filing and approval of the formal Plan of Development.

Accordingly we now request preliminary concurrence to the 1988 Plan of Development for the Canada Ojitos Unit to be the installation of a gasoline plant.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

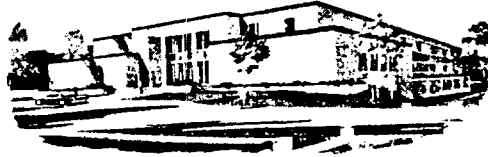
ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

Ref. No. OG-486

October 8, 1987

Mr. Albert R. Greer
Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, NM 87401

Re: Canada Ojitos Unit
Rio Arriba County,
New Mexico

Dear Mr. Greer:

We are in receipt of your letter of September 30 requesting confirmation of an acceptable method for accounting of royalties due from gas sales from the Canada Ojitos Unit.

Since our royalty interest in the unit is quite small, (0.80%) we are electing to follow the lead established by the Bureau of Land Management. It will be acceptable to us for the unit owners to recover the purchased gas volume before paying royalty on gas which is sold. Approval in this case does not imply that recovery of purchased gas before initial gas-in-place will always be the policy of the State Land Office, and does not extend said approval to other units, nor does it apply to other marketing agreements.

If you should need any further information, please feel free to contact Mr. Floyd Prando in the Oil and Gas Division at (505) 827-5744.

Yours Very Truly,

W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

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



RECEIVED
SEP - 9 1987

CONSERVATION DIV
SANTA FE

State of New Mexico



SLO REF. NO. OG-409

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

September 4, 1987

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

Benson-Montin-Greer Drilling Corp.
Attention: Albert A. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
1987 Plan of Development
Rio Arriba 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 appropriate agencies.

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

Very truly yours,

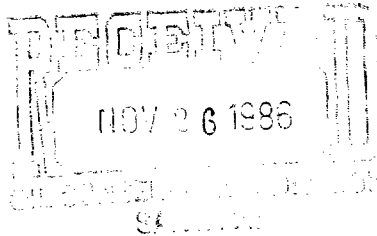
W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

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

WRH/FOP/ams
enclosure
cc: Bureau of Land Management
Oil Conservation Division

Bureau of Land Management
P.O. Box 6770
Albuquerque, New Mexico 87107

Canada Ojitos
Unit POP
3180 (015)



NOV 24 1986

Beason-Montin-Greer Drilling
Attention: Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

One approved copy of your 1987 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of three Niobrara wells and to make major expansion of the gas and oil handling facilities, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

The possibility of drainage by wells outside of the unit boundary may exist. You will be contacted at a later date about this possibility.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4503.

Sincerely,

(Orig. Signed) = Sid Vogelpohl

For District Manager

Enclosure(s)

cc:

Micrographics 943B-1

Fluids Section FRAH

✓TMOCD, Santa Fe

Comm. of Pub. Lands, Santa Fe

O&G Chron

015:GKeller:gcb:11-19-86:2487H

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

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

Ref. No. OG-486

October 8, 1987

Mr. Albert R. Greer
Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, NM 87401

Re: Canada Ojitos Unit
Rio Arriba County,
New Mexico

Dear Mr. Greer:

We are in receipt of your letter of September 30 requesting confirmation of an acceptable method for accounting of royalties due from gas sales from the Canada Ojitos Unit.

Since our royalty interest in the unit is quite small, (0.80%) we are electing to follow the lead established by the Bureau of Land Management. It will be acceptable to us for the unit owners to recover the purchased gas volume before paying royalty on gas which is sold. Approval in this case does not imply that recovery of purchased gas before initial gas-in-place will always be the policy of the State Land Office, and does not extend said approval to other units, nor does it apply to other marketing agreements.

If you should need any further information, please feel free to contact Mr. Floyd Prando in the Oil and Gas Division at (505) 827-5744.

Yours Very Truly,

W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY:

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



RECEIVED
SEP - 9 1987
CONSERVATION DIV
SANTA FE

State of New Mexico



SLO REF. NO. OG-409

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

September 4, 1987

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

Benson-Martin-Greer Drilling Corp.
Attention: Albert A. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
1987 Plan of Development
Rio Arriba 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 appropriate agencies.

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

Very truly yours,

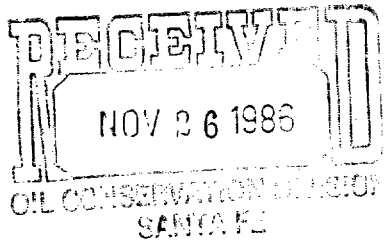
W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *F. O. Prado*
FLOYD O. PRANDO, Director
Oil & Gas Division
(505) 827-5744

WRH/FOP/ams
enclosure
cc: Bureau of Land Management
Oil Conservation Division

Bureau of Land Management
P.O. Box 6770
Albuquerque, New Mexico 87107

Canada Ojitos
Unit POD
3180 (015)



NOV 26 1986

Benson-Montin-Greer Drilling
Attention: Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

One approved copy of your 1987 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of three Niobrara wells and to make major expansion of the gas and oil handling facilities, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

The possibility of drainage by wells outside of the unit boundary may exist. You will be contacted at a later date about this possibility.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4503.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

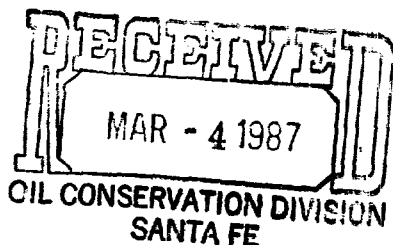
Enclosure(s)

cc:
Micrographics 943B-1
Fluids Section FRAH
✓ NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
O&G Chron

015:GKeller:gcb:11-19-86:2487M

ILLEGIBLE

Bureau of Land Management
Minerals Division
435 Montano NE
Albuquerque, NM 87107



MAR 02 1987

Canada Ojitos Unit
Unit POD
3160 (015)

Benson-Montin-Greer Drilling Corporation
Attention: Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

An approved copy of your amended 1987 plan of development for the Canada Ojitos Unit, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the reworking of the A-16 well in Section 16, T. 25 N., R. 1 W., to open the A and B zones in the W. Puerto Chiquita Mancos Formation to production, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 761-4303.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

Enclosure

cc:

NM (016)

✓ NMOCD, Santa Fe

Comm. of Pub. Lands, Santa Fe

015:GKeller:gcb:02-24-87:2826M

ILLEGIBLE

Bureau of Land Management
Minerals Division
435 Montano NE
Albuquerque, NM 87107

JUN 19 1987

JUN 18 1987

Canada Ojitos
3180 (015) (POD)

Benson-Montin-Greer Drilling Corp.
ATTN: Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

One approved copy of your second amendment to the 1987 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of a well in the NW $\frac{1}{4}$ of section 7, T. 25 N., R. 1 W., is approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Shirley Bryant at the above address or telephone (505) 761-4503.

Sincerely,

(Orig. Signed) - GARY A. STEPHENS

Assistant District Manager
Mineral Resources

Enclosure

cc:

NM-016 w/enclosure

✓ NMOCD, Santa Fe

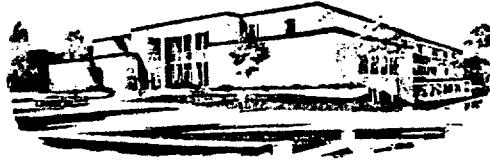
Comm. of Pub. Lands, Santa Fe

015:SBryant:jms:6-17-87:3217M

ILLEGIBLE



State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

March 10, 1987

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
First Amendment to 1987 Plan of
Development

Gentlemen:

The Commissioner of Public Lands has this date approved your first amendment to your 1987 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Such amended plan provides for the reworking of the A-16 well in Section 16, Township 25 North, Range 1 West, to open production in the A and B zones.

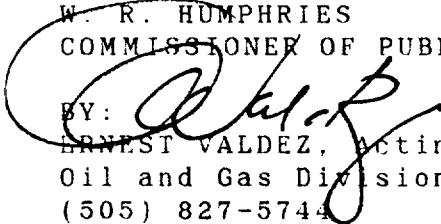
Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

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: 
ERNEST VALDEZ, Acting Director
Oil and Gas Division
(505) 827-5744

WRH/EV/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch
Gulram, Inc.



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

November 25, 1986

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Statutory Unitization
Rio Arriba County, New Mexico

Gentlemen:

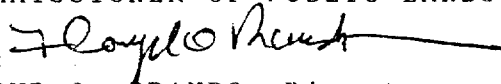
This office is in receipt of the NMOCDD Case No. 8952, Order No. R-8344, notifying the Commissioner of Public Lands that the the Canada Ojitos Unit Agreement, covering 69,567.235 acres, more or less, of federal, state and fee lands in the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico has been approved pursuant to the Statutory Unitization Act.

The Commissioner of Public Lands has this date filed the New Mexico Oil Conservation Divisions Order No. R-8344 and approved your plan of operation as prescribed in the Canada Ojitos Unit Agreement.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico



JIM BACA
COMMISSIONER

#2871

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

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-2148

November 12, 1986

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1987 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved your 1987 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Such plan calls for the expansion of the gas and oil handling facilities and the drilling of three Naborra wells located as follows.

Township 24 North, Range 1 West, Section 5: NE/4
Township 25 North, Range 1 West, Section 17: NW/4
Township 25 North, Range 1 West, Section 20: NE/4

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

Enclosed is an approved copy for your files.

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

Very truly yours.

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:

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

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico

BLM-Albuquerque, New Mexico Attn: Fluids Branch

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

December 31, 1986

Mr. Charles Roybal
Oil Conservation Division
New Mexico Energy & Minerals Department
P.O. Box 2088
Santa Fe, NM 87501

Re: STATUTORY UNITIZATION
CANADA OJITOS UNIT:
NMCD ORDER R-8344

Dear Mr. Roybal:

With reference to our letter of December 29, we inadvertently failed to include the approval of the Bureau of Land Management and the State Land Office. Copies of these approvals are enclosed.

As discussed with Vic Lyons today, we are preparing a Certificate of Effectiveness of the unitization and will be sending you a copy of this and recording a copy in the county records.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

cc: U.S. Department of the Interior, BLM, Attn: Gary Stephens
cc: New Mexico State Land Office, Attn: Pete Martinez
cc: William F. Carr



United States Department of the Interior

Canada Ojitos Unit
(GC) 3180 (015)BUREAU OF LAND MANAGEMENT
ALBUQUERQUE DISTRICT OFFICE435 Montano N.E.
Albuquerque, New Mexico 87107

RECEIVED

DEC 16 1986

DEC 15 1986

Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

This is to amend our letter of November 26, 1986, concerning statutory unitization of the Canada Ojitos Unit. It was believed unnecessary to commit the Federal royalty interest by ratifying the statutory unitization because the Federal interest had been committed when approval was given to the unit and subsequent expansions. However, it has come to our attention that the conditions of NMOCD Order R-8344 will not become effective until the royalty interests, as well as working interests, re-commit on the basis of the statutory unitization order.

Therefore, this is to advise that BLM will adopt NMOCD Order R-8344 and, on behalf of the royalty interest of the United States, hereby commits that interest to the statutory unitization of the Mancos Formation in the Canada Ojitos Unit. Please file appropriate documentation of the effective date of the statutory unitization with this office.

If you have any questions, please contact Gary Stephens or Robert Kent at the above address, or call (505)761-4503.

Sincerely,

For District Manager

CERTIFIED TO BE A TRUE COPY.

BENSON-MONTIN-GREER DRILLING CORP.

BY:

Albert R. Greer, President

 STATE OF NEW MEXICO)
) SS.
 COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 31st day of December, 1986, by Albert R. Greer, President of Benson-Montin-Greer Drilling Corp. a corporation, on behalf of said corporation.

My Commission Expires:

6/20/90

Notary Public



JIM BACA
COMMISSIONER

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

DEC - 1 1986

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

November 25, 1986

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Statutory Unitization
Rio Arriba County, New Mexico

Gentlemen:

This office is in receipt of the NMOCD Case No. 8952, Order No. R-8344, notifying the Commissioner of Public Lands that the the Canada Ojitos Unit Agreement, covering 69,567.235 acres, more or less, of federal, state and fee lands in the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico has been approved pursuant to the Statutory Unitization Act.

The Commissioner of Public Lands has this date filed the New Mexico Oil Conservation Divisions Order No. R-8344 and approved your plan of operation as prescribed in the Canada Ojitos Unit Agreement.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico

CERTIFIED TO BE A TRUE COPY.

BENSON-MONTIN-GREER DRILLING CORP.

BY: Albert R. Greer
Albert R. Greer, President

STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 31st day of December, 1986, by Albert R. Greer, President of Benson-Montin-Greer Drilling Corp., a corporation, on behalf of said corporation.

My Commission Expires:

6/20/90

Theresa L. Pacheco
Notary Public

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

June 16, 1987

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Second Amendment to 1987
Plan of Development

Gentlemen:

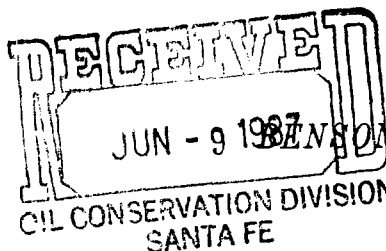
The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON,
Senior Petroleum Geologist

REJ/dr

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



BEASON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 5, 1987

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

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

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
SECOND AMENDMENT TO 1987
PLAN OF DEVELOPMENT

Gentlemen:

We request approval to amend our 1987 Plan of Development to include the drilling of a well in Section 7 on the west boundary of the unit. Our proposed location is in the NW/4 of Section 7, Township 25 North, Range 1 West. The well is projected to the producing formation of the participating area.

If this meets with your approval, we would appreciate your so advising us.

Yours truly,

BEASON-MONTIN-GREER DRILLING CORP.

BY:

Albert R. Greer, President

ARG/tlp

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 5, 1987

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

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

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
SECOND AMENDMENT TO 1987
PLAN OF DEVELOPMENT

Gentlemen:

We request approval to amend our 1987 Plan of Development to include the drilling of a well in Section 7 on the west boundary of the unit. Our proposed location is in the NW/4 of Section 7, Township 25 North, Range 1 West. The well is projected to the producing formation of the participating area.

If this meets with your approval, we would appreciate your so advising us.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

December 2, 1986

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer, President

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1987 Plan of Development

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,

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

ROY E. JOHNSON,
Senior Petroleum Geologist

REJ/dr

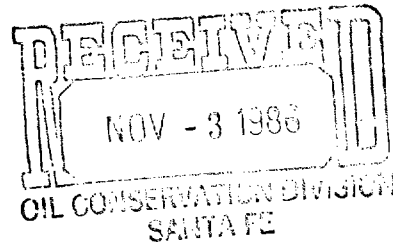
cc: Commissioner of Public Lands - Santa Fe
Bureau of Land Management - Albuquerque

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

October 30, 1986

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens



New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stanets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1987 PLAN OF DEVELOPMENT

Gentlemen:

To more closely conform with the agencies' practices, we are changing our work year for the Canada Ojitos Unit to calendar year periods.

At this time we are filing with you our Plan of Development for calendar year 1987 which is as follows:

The drilling of three Niobrara wells located as follows:

Township 24 North, Range 1 West, Section 5: NE/4
Township 25 North, Range 1 West, Section 17: NW/4
Township 25 North, Range 1 West, Section 20: NE/4

and to make a major expansion of the gas and oil handling facilities.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
October 30, 1986

Further, to take advantage of the fall weather, we request permission to commence work on this program this year.

We hereby respectfully request your approval of this 1987 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

March 4, 1987

POST OFFICE BOX 2086
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico:
First Amendment to 1987
Plan of Development

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,

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 - Santa Fe
Bureau of Land Management - Albuquerque

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

February 9, 1986

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

Diane
Unit letters
Thx
Ry

→ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: William LeMay

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
FIRST AMENDMENT TO 1987
PLAN OF DEVELOPMENT

Gentlemen:

We would like to amend our 1987 Plan of Development to include the reworking of the A-16 well in Section 16, Township 25 North, Range 1 West to open to production the A and B zones. If this meets with your approval, we would appreciate your so advising us.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

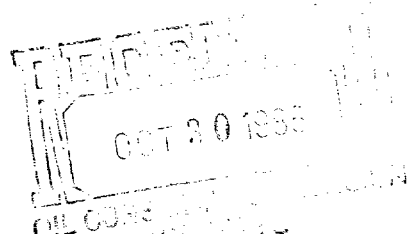
BY:

Albert R. Greer
Albert R. Greer, President

ARG/tlp

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Canada Ojitos
3160 (015)



Benson-Montin-Greer Drilling Corporation
ATTN: Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

An approved copy of your amended 1986 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing to drill the Canada Ojitos Well No. F-18 (NW $\frac{1}{4}$ sec. 18, T. 25 N., R. 1 W.) and the Canada Ojitos well No. F-19 (NW $\frac{1}{4}$ sec. 19, T. 25 N., R. 1 W.), is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 766-2841.

Sincerely,

(S. E. Keller)

For District Manager

Enclosure

cc:
Micrographics 943B-1
Fluids Section FRAH
NMOCN, Santa Fe
Comm. of Pub. Lands, Santa Fe
O&G Chron
015:GKeller:klm:9-19-86:2257M

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

October 30, 1986

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107
Attention: Gary Stephens

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stanets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1987 PLAN OF DEVELOPMENT

Gentlemen:

To more closely conform with the agencies' practices, we are changing our work year for the Canada Ojitos Unit to calendar year periods.

At this time we are filing with you our Plan of Development for calendar year 1987 which is as follows:

The drilling of three Niobrara wells located as follows:

Township 24 North, Range 1 West, Section 5: NE/4
Township 25 North, Range 1 West, Section 17: NW/4
Township 25 North, Range 1 West, Section 20: NE/4

and to make a major expansion of the gas and oil handling facilities.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
October 30, 1986

Further, to take advantage of the fall weather, we request permission to commence work on this program this year.

We hereby respectfully request your approval of this 1987 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

September 29, 1986

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

#2871

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer, President

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
First Amendment to 1986 Plan of
Development

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

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

September 9, 1986

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
FIRST AMENDMENT TO 1986
PLAN OF DEVELOPMENT

Gentlemen:

We hereby submit our first amendment to our 1986 Plan of Development as submitted June 6, 1986.

We propose now the drilling of two additional Niobrara formation wells: the F-18 and the F-19 located in the NW/4 of Section 18 and the NW/4 of Section 19, Township 25 North, Range 1 West.

Although we advised earlier with respect to protection of the unitized lands from drainage that a complete plan in this respect not be determined until a decision has been made by the Gavilan

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
Commissioner of Public Lands

Page No. 2
September 9, 1986

operators with respect to unitization, we now propose, as an interim measure, the drilling of these two wells.

The wells we propose at this time we believe will be useable wells once Gavilan is unitized; and until that time they can serve as Canada Ojitos Unit protection wells, so in a sense they will serve a dual purpose.

We hereby respectfully request your approval of this amended 1986 Plan of Development.

Yours truly,

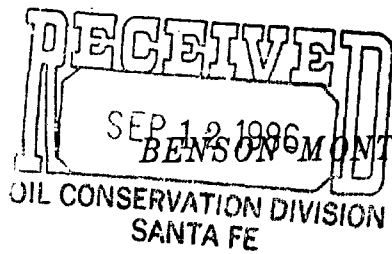
BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit



221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

September 9, 1986

U.S. Department of the Interior
Bureau of Land Management
435 Montano Road NE
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
FIRST AMENDMENT TO 1986
PLAN OF DEVELOPMENT

Gentlemen:

We hereby submit our first amendment to our 1986 Plan of Development as submitted June 6, 1986.

We propose now the drilling of two additional Niobrara formation wells: the F-18 and the F-19 located in the NW/4 of Section 18 and the NW/4 of Section 19, Township 25 North, Range 1 West.

Although we advised earlier with respect to protection of the unitized lands from drainage that a complete plan in this respect not be determined until a decision has been made by the Gavilan

...

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

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

September 18, 1986

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
First Amendment to 1986
Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to the 1986 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Such plan calls for the drilling of two additional Niobrara formation wells: the F-18 and the F-19 wells located in the NW/4 of Section 18 and the NW/4 of Section 19, Township 25 North, Range 1 West.

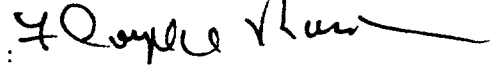
Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Enclosed is an approved copy for your files.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/FOP/pm
encls.

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

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
Commissioner of Public Lands

Page No. 2
September 9, 1986

operators with respect to unitization, we now propose, as an interim measure, the drilling of these two wells.


The wells we propose at this time we believe will be useable wells once Gavilan is unitized; and until that time they can serve as Canada Ojitos Unit protection wells, so in a sense they will serve a dual purpose.

We hereby respectfully request your approval of this amended 1986 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

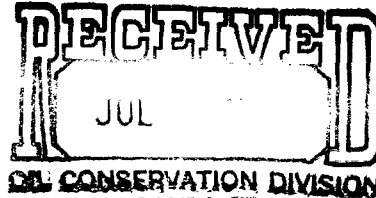
ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit

Bureau of Land Management
Albuquerque, New Mexico
Mining Division
P.O. Box 1617
Albuquerque, NM 87197-6770

Canada Ojitos
Unit PON
3180 (015)

JUL 14 1986



Benson-Montin-Greer Drilling Corporation
ATTN: Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

One approved copy of your 1986 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing no new drilling, is approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Shirley Bryant at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

Enclosure(s)

cc:
Micrographics 943B-1
Fluids Section FRAH
✓ NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
O&G Chron

015:SBryant:klm:7-10-86:2063M



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 30, 1986

50 YEARS



1935 - 1985

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

Benson-Montin-Greer
Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico:
1986 Plan of Development

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

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

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

June 25, 1986

Benson-Montin-Greer Drilling Corp.
ATTENTION: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1986 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved your 1986 Plan of Development for the Canada Ojitos Unit Area, Lea County, New Mexico. Such plan calls for the drilling of no wells, but may possibly re-enter the L-3 and the C-34 wells for recompletion in the A and B zones.

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

Enclosed is an approved copy for your files.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/FOP/pm
encls.

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

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 19, 1986

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107
Attention: Gary Stephens

New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
1986 PLAN OF DEVELOPMENT

Gentlemen:

As requested earlier, we have delayed filing our 1986 Plan of Development until now.

We are still evaluating geological, geophysical and reservoir pressure data - particularly with respect to the area along the west boundary of the unit bordering the Gavilan pool - to determine optimum well density and locations of wells in this area, some of which had been planned for drilling in 1986.

We have not yet completed our studies; but we have tentatively concluded that rather than drilling a number of boundary wells a more appropriate approach to minimizing cross-boundary migration would be to work out a boundary agreement for sharing of production which would minimize the number of wells required in this area.

To accomplish this it is necessary that Gavilan first be unitized; and in this respect we note that the Gavilan operators are currently investigating this possibility. We think it appropriate to allow some time for the Gavilan operators to accomplish this and see if a reasonable boundary agreement can be effected.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
June 19, 1986

In view of the above, we do not at this time plan the drilling of additional wells in the unit area for 1986, but should circumstances cause us to take a different view, then we will at that time submit an amended Plan of Development.

Although no new wells are planned for the 1986 Plan of Development, we will continue with completion of the wells included in earlier plans; particularly the J-6, F-30 and F-20 wells, along with completion of road and pipeline projects previously started but not completed.

Further we would like to include as possible options for this year's activity re-entering of the L-3 (Section 3, T-24N, R-1W) and the C-34 (Section 34, T-25N, R-1W) for recompletion in the A and B zones. These wells initially were completed only in the C zone, and we think it appropriate at this time to evaluate the A and B zones in these two wells.

In addition we would like approval for re-entering the gas injection well G-1 (Section 1, T-24N, R-1W) for recompletion in the A and B zones, in order to selectively inject in the A and B zones, as opposed to the C zone, should our studies indicate this appears to be the proper course of action.

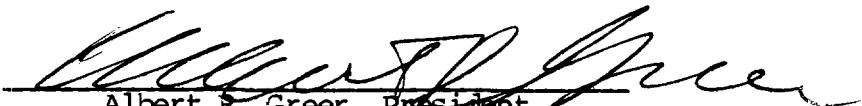
Because of potential cross-boundary migration to the area to the west, Unit Operator has purposely underinjected in the A and B zones once production developed in Gavilan. The work we are currently doing, along with boundary agreement with Gavilan, could make feasible the return to full-scale injection in the A and B zones; and we would like to be in position to do this should our studies indicate that it is now appropriate so to do.

We hereby respectfully request your approval of this 1986 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

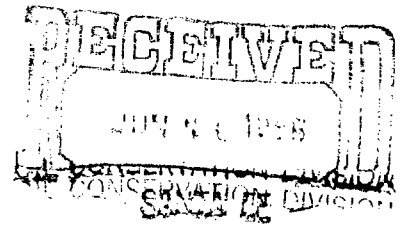
BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners

BENSON-MONTIN-GREER DRILLING CORP.



221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 19, 1986

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107
Attention: Gary Stephens

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1986 PLAN OF DEVELOPMENT

Gentlemen:

As requested earlier, we have delayed filing our 1986 Plan of Development until now.

We are still evaluating geological, geophysical and reservoir pressure data - particularly with respect to the area along the west boundary of the unit bordering the Gavilan pool - to determine optimum well density and locations of wells in this area, some of which had been planned for drilling in 1986.

We have not yet completed our studies; but we have tentatively concluded that rather than drilling a number of boundary wells a more appropriate approach to minimizing cross-boundary migration would be to work out a boundary agreement for sharing of production which would minimize the number of wells required in this area.

To accomplish this it is necessary that Gavilan first be unitized; and in this respect we note that the Gavilan operators are currently investigating this possibility. We think it appropriate to allow some time for the Gavilan operators to accomplish this and see if a reasonable boundary agreement can be effected.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
June 19, 1986

In view of the above, we do not at this time plan the drilling of additional wells in the unit area for 1986, but should circumstances cause us to take a different view, then we will at that time submit an amended Plan of Development.

Although no new wells are planned for the 1986 Plan of Development, we will continue with completion of the wells included in earlier plans; particularly the J-6, F-30 and F-20 wells, along with completion of road and pipeline projects previously started but not completed.

Further we would like to include as possible options for this year's activity re-entering of the L-3 (Section 3, T-24N, R-1W) and the C-34 (Section 34, T-25N, R-1W) for recompletion in the A and B zones. These wells initially were completed only in the C zone, and we think it appropriate at this time to evaluate the A and B zones in these two wells.

In addition we would like approval for re-entering the gas injection well G-1 (Section 1, T-24N, R-1W) for recompletion in the A and B zones, in order to selectively inject in the A and B zones, as opposed to the C zone, should our studies indicate this appears to be the proper course of action.

Because of potential cross-boundary migration to the area to the west, Unit Operator has purposely underinjected in the A and B zones once production developed in Gavilan. The work we are currently doing, along with boundary agreement with Gavilan, could make feasible the return to full-scale injection in the A and B zones; and we would like to be in position to do this should our studies indicate that it is now appropriate so to do.

We hereby respectfully request your approval of this 1986 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 12, 1986

50 YEARS



1935 - 1985

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Unit No. 14-08-0001-8526
Application to Expand Participating Area
to Form the Fourteenth Revision of the
Niobrara-Greenhorn Participating Area

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

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8374

June 6, 1986

Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107
Attention: Gary Stephens

New Mexico Commissioner of Public Lands
State Land Office
Box 1148
Santa Fe, NM 87501-1148
Attention: Ray Graham

✓ New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO
UNIT NO. 14-08-0001-8526:
APPLICATION TO EXPAND PARTICIPATING
AREA TO FORM THE FOURTEENTH REVISION
OF THE NIOBRARA-GREENHORN PARTICIPATING
AREA

Gentlemen:

Unit Operator proposes expansion of the Niobrara-Greenhorn Participating Area. Pursuant to Article 5.1 of the Unit Operating Agreement, the Unit Operator has notified all working interest owners of its intention to file this application. No objections to this proposed expansion have been received from any of the working interest owners within the Canada Ojitos Unit. Notification of proposed expansion was sent to all known lessees within the unit area who have committed their interests to the Unit Agreement.

Lands requested to be added by this fourteenth revision are all lands within the third expansion area, and are described as follows:

Township 25 North, Range 1 West
Section 20: SW/4 NE/4
Section 29: NE/4 SE/4
Section 30: W/2 SE/4

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Land
New Mexico Oil Conservation Division

Page No. 2
June 6, 1986

covering 160.00 acres in federal lease NM-03747.

Unit Operator recommends this tract be added to the participating area as a consequence of the following sequence of events:

1. A well has been drilled on a spacing unit including part of Tract 10 lands to the participating area formation and determined to be a commercial producer (unit well B-29 located in the NW/4 NE/4 of Section 29, T-25N, R-1W).

2. 40 acres of Tract 10, being the NE/4 SE/4 of Section 29, is owned to the extent of a 50% leasehold interest by Mountain States Natural Gas Corp., which company has failed to join the Unit Agreements.

3. In order to meet the regulatory requirements in connection with the drilling of the B-29, the interest of Mountain States Natural Gas Corp. was force-pooled under a New Mexico Oil Conservation Division order.

4. The Application for Permit to Drill the subject well approved by the Bureau of Land Management contained a stipulation that if the well is found to be in communication with the Niobrara-Greenhorn reservoir that the Department of the Interior would require that the lease within the designated expanded Canada Ojitos Unit area be committed to the Canada Ojitos Unit Agreement and Unit Operating Agreement.

5. We have not yet received the Department of the Interior's written determination of having followed through on item 4 above; but we anticipate that in due course it will be forthcoming.

6. Once Tract 10 is committed to the Unit Agreements, we consider these agreements to govern respecting income and expense allocations to the subject tract, along with the unit's investment adjustment. The "non-consent" percentage under the Unit Operating Agreement is the same as that under the forced pooling order; so there would be no conflict as to that detail, if there were some question as to the governing authority.

7. All lands in Tract 10 that are within the unit area are also within the boundary of the existing participating area.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Land
New Mexico Oil Conservation Division

Page No. 3
June 6, 1986

The working interest of 50% of Tract 10 is owned by the parties to the 1983 Pooling Agreement and the remaining 50% interest is owned by Mountain States Natural Gas Corp., whose interest by virtue of the forced-pooling procedure - and now superseded by the terms of the Unit Operating Agreement - is treated as a "non-consent" interest; and as earlier advised this interest is being carried by all of the remaining working interest owners within the unit except for Blackbird.

Enclosed for your information is a copy of Exhibit C for that part of the proposed fourteenth revision of the participating area which lies within the unit's third expansion area (blue color).

Effective date of the fourteenth revision is recommended to be February 1, the first of the month in which the subject well was determined to be productive in paying quantities.

Unit Operator recommends that the equity factor for Tract 10 lands be the same as the surrounding lands; which is a factor of 1.

When the participating area is expanded as proposed herein, the weighted acres in the 2nd expansion lands and the 3rd expansion lands will be as set out below:

	<u>Acres</u>	<u>Percentage</u>
COUPA 2nd	34,586.21	70.092262
COUPA 3rd	<u>14,757.625</u>	<u>29.907738</u>
	49,343.835	100.000000

We hereby respectfully request your approval of this fourteenth revision of the Niobrara-Greenhorn Participating Area.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Enclosures

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

April 14, 1986

Benson-Montin-Greer Drilling Corp.
121 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico:
1986 Plan of Development Extension Request

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

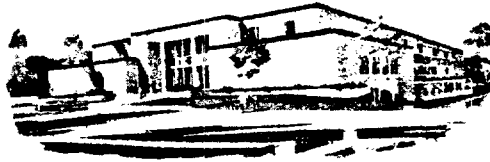
REJ/dr

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

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

April 8, 1986

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

Benson-Montin-Greer Drilling Corp.
Attn: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1986 Plan of Development

Gentlemen:

This office is in receipt of your letter dated March 31, 1986, wherein you have requested an extension to July 1, 1986, within which to file your 1986 Plan of Development.

The Commissioner of Public Lands has this date granted you approval to the above request. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Very truly yours,
JIM BACA
COMMISSIONER OF PUBLIC LANDS
BY: *F. O. Prando*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico Attn: Fluids Branch

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

March 31, 1986

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107
Attention: Gary Stephens

✓ New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501
Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501
Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1986 PLAN OF DEVELOPMENT *Extension Request.*

Gentlemen:

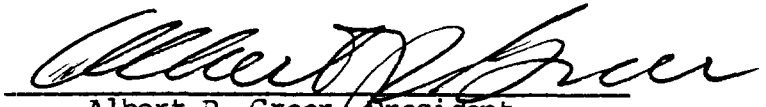
Plans of Development for the Canada Ojitos Unit run from May 1 of one year to April 30 of the next. For this year of 1986, we would like to delay until July 1 the filing of our 1986 program.

Before planning the 1986 program, we want to know the results of wells drilled under our 1985 program; and we have been delayed in completion work on some of these wells; so we hereby request an extension to July 1 for filing our 1986 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Canada Ojitos
Unit (POB)
3180 (015)

FEB 13 1986

Benson-Montin-Greer Drilling Corporation
ATTN: Mr. Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

One approved copy of your second Amendment to the 1985 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing the drilling of one new well, SE $\frac{1}{4}$, sec. 6, T. 25 N., R. 1 W., in the Mancos Formation, was approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact Gail Keller at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelbuhl

For District Manager

cc:

Micrographics (943B-1)

Com. of Publ. Lands

NMOCD

FRAH fluids (016)

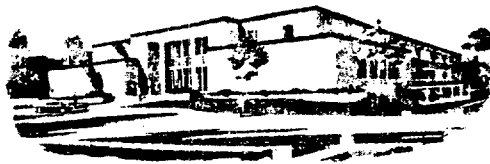
O&G chron

015:GKeller:klm:2-11-86:1507M

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

February 12, 1986

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Proposed Second Amendment
of 1985 Plan of Development

ATTENTION: Mr. Albert R. Greer

Gentlemen:

The Commissioner of Public Lands has this date approved your Second Amendment of your 1985 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Your Second Amended Plan proposes to drill an additional well in the SE $\frac{1}{4}$ of Section 6, Township 25 North, Range 1 West, to test the Mancos 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 for your files.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: Floyd O. Prado
FLOYD O. PRADO, Director
Oil and Gas Division

request an extension to July 1 for filing our 1986 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:

Albert R. Greer
Albert R. Greer, President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

January 23, 1986

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
PROPOSED SECOND AMENDMENT
OF 1985 PLAN OF DEVELOPMENT

Gentlemen:

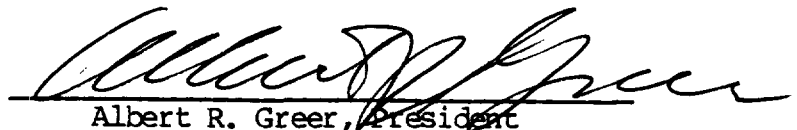
We would like to amend our 1985 Plan of Development (which runs from May 1, 1985 to April 30, 1986) for the captioned unit by the addition of another well projected to the Mancos formation. This proposed additional well will be located in the SE/4 of Section 6, Township 25 North, Range 1 West.

We hereby respectfully request your approval of this proposed second amendment of our 1985 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

*Dot
Unit letter
we are in receipt of
T h
R*

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

January 23, 1986

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stanets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARRIBA COUNTY, NEW MEXICO:
PROPOSED SECOND AMENDMENT
OF 1985 PLAN OF DEVELOPMENT

Gentlemen:


We would like to amend our 1985 Plan of Development (which runs from May 1, 1985 to April 30, 1986) for the captioned unit by the addition of another well projected to the Mancos formation. This proposed additional well will be located in the SE/4 of Section 6, Township 25 North, Range 1 West.

We hereby respectfully request your approval of this proposed second amendment of our 1985 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:

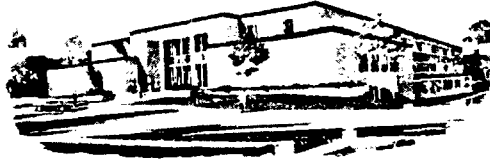

Albert R. Greer, President

ARG/tlp

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

October 28, 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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Thirteenth Revision Niobrara-Greenhorn
Participating Area

ATTENTION: Mr. Albert R. Greer

Gentlemen:

This office is in receipt of your letter dated October 17, 1985, wherein you have requested our approval of the Thirteenth Revision of the Niobrara-Greenhorn participating area in the Canada Ojitos Unit.

The Commissioner of Public Lands has this date approved your above captioned request. The Thirteenth Revision, adds 14,597.625 acres as described on your application. This revision is predicated upon the upon the commercial completion of the Unit Well Nos. 21, 25, 26 and 27. The effective date is January 1, 1985. 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
OGAD-Santa Fe, New Mexico

Bureau of Land Management
Albuquerque District Office
General Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Canada Ojitos
Unit

NOV 14 1985

Benson-Montin-Greer Drilling Corporation
ATTN: Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

Our letter dated October 16, 1985, approving the thirteenth revision of the Niobrara Greenhorn Participating Area in the Canada Ojitos Unit contains a typographical error. The acreage added by the thirteenth revision is 14,597.625 acres not 14,587.624 acres as stated in our letter. We appreciate your bringing this to our attention.

Sincerely,

(Signature) C. L. A. STEPHENS

For District Manager

cc:
Micrographics
✓ NMOCD, Santa Fe
FRAH 016
O&G chron
015:RKent:klm:11-12-85:1220M

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

October 28, 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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re Canada Ojitos Unit
Rio Arriba County, New Mexico
Third Expansion
Extension of Time Prior to Contraction

ATTENTION: Mr. Albert R. Greer

Gentlemen:

This office is in receipt of your letter dated October 10, 1984, wherein as Unit Operator of the Canada Ojitos Unit you have requested an extension of one year from May 1, 1985 to May 1, 1986, before asking for contraction of the unit area to eliminate lands not qualified for participation in the third expansion area.

The Commissioner of Public Lands has this date approved your request. On May 1, 1986 all lands in the Third Expanded area not within a participating area will be automatically eliminated from the unit. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Very truly yours,

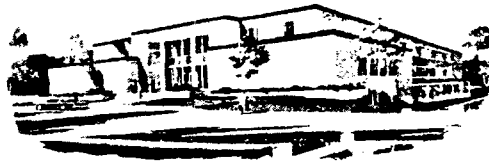
JIM BACA
COMMISSIONER OF PUBLIC LANDS

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

JB/RDG/pm
encls.
cc:

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

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

October 28, 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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Subsequent Joinders to Third Expansion
Rio Arriba County, New Mexico

ATTENTION: Mr. Albert R. Greer

Gentlemen:

This office is in receipt of your letter dated March 19, 1985, together with subsequent joinders from John Craig Cartmill, Jim L. Jacobs, Kenneth Milliken, Frank Critelli and Marion Simmons. Also, received were Exhibits "A" and "B" to the third expansion area for the Canada Ojitos Unit Area.

These subsequent joinders and revised Exhibits "A" and "B" have this date been accepted and filed in our unit 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
cc:

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

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Canada Ojitos Unit
3100 (015)

OCT 16 1985

Benson-Montin-Greer Drilling Corporation
ATTN: Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

Your application of March 7, 1985 requesting approval of the 13th revision to the Niobrara Greenhorn Participating Area in the Canada Ojitos Unit, Rio Arriba County, New Mexico was approved on this date and is effective January 1, 1985.

The 13th revision adds 14,587.624 acres as described on the following page. Contributing to this area is the completion of the Canada Ojitos Unit wells No. 21, 25, 26, and 27.

Copies of the approved application are being distributed to the appropriate Federal offices. You are requested to furnish the State of New Mexico and other interested parties with appropriate evidence of this approval.

If you have any questions, please contact Gary Stephens at the above address or telephone (505) 766-2841.

Sincerely,

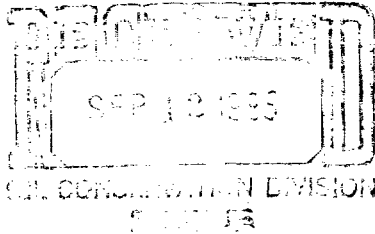
(Orig. Signed)-GARY A. STEPHENS

For District Manager

Enclosure

cc:
Micrographics
✓ NMOC, Santa Fe
FRAH 016
O&G chron

015:RBartel:klm:10-15-85:1175M



Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770

Canada Ojitos
Unit
3100 (015)

SEP 10 1985

Benson-Montin-Greer Drilling Corporation
ATTN: Mr. Albert R. Greer
221 Petroleum Center Bldg.
Farmington, NM 87401

Gentlemen:

Two approved copies of your Amendment to the 1985 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico are enclosed. Such plan, proposing the drilling of the following wells projected to the Mancos Formation,

NW $\frac{1}{4}$ sec. 6, T. 25 N., R. 1 W.,
NW $\frac{1}{4}$ sec. 30, T. 25 N., R. 1 W.,
SW $\frac{1}{4}$ sec. 31, T. 26 N., R. 1 W.,

was approved this date subject to like approval by the appropriate officials of the State of New Mexico.

If you have any questions, please contact John Gilmore at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelpohl

For District Manager

Enclosure(s)

cc:

✓ NMOCD, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-1
Fluids Section FRAH
File: Canada Ojitos Unit POD
O&G Chron

015:JGilmore:klm:9-9-85:1093M

50 YEARS



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 10, 1985



1935 - 1985

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

#2871

Attention: Albert B. Greer

Re: Canada Ojitos Unit
~~Rio Arriba County~~, New Mexico:
Amendment of 1985 Plan of Development

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.

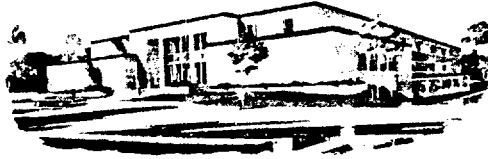
Sincerely,

ROY E. JOHNSON,
Senior Petroleum Geologist

REJ/dr

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

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

September 10, 1985

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148
Express Mail Delivery Used
310 Old Santa Fe Trail
Santa Fe, New Mexico 87511

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Amendment of 1985 Plan of Development

ATTENTION: Mr. Albert R. Greer

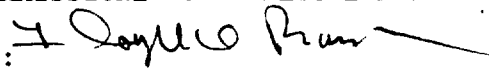
Gentlemen:

The Commissioner of Public Lands has this date approved your First Amendment to your 1985 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Your amended plan proposes to add three development wells to test the Mancos formation to be located in the NW/4, Sec. 6, NW/4, Sec. 30 and the SW/4 of Sec. 31, Township 25 North, Range 1 West. 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: 
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 Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

August 27, 1985

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
AMENDMENT OF 1985 PLAN OF DEVELOPMENT

Gentlemen:

We would like to amend our 1985 Plan of Development for the captioned unit by the addition of three wells projected to the Mancos formation. The proposed additional wells are the following:

NW/4 Section 6, Township 25 North, Range 1 West
NW/4 Section 30, Township 25 North, Range 1 West
SW/4 Section 31, Township 26 North, Range 1 West.

These wells are proposed for addition to this year's Plan of Development in order to meet offset wells either completed, drilling or staked for drilling this year.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Energy & Minerals Department
New Mexico Commissioner of Public Lands


Page No. 2
August 27, 1985

We hereby respectfully request your approval of this amended 1985 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:

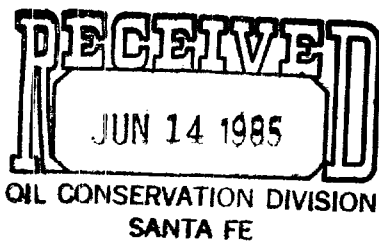

Albert R. Greer, President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit

Canada Ojitos
Unit
3100 (015)

Bureau of Land Management
Albuquerque District Office
Minerals Division
P.O. Box 6770
Albuquerque, NM 87197-6770



JUN 12 1985

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

An approved copy of your 1985 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico is enclosed. Such plan, as outlined in your application of April 30, 1985, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

The possibility might exist of drainage by wells outside of the unit boundary. You will be contacted at a later date about this possibility.

If you have any questions, please contact Ron Bartel at the above address or telephone (505) 766-2841.

Sincerely,

(Orig. Signed) - Sid Vogelpohl
For District Manager

Enclosure(s)

cc:
NMOC, Santa Fe
Comm. of Pub. Lands, Santa Fe
Micrographics 943B-1
Fluids Section FRAH
File: Canada Ojitos Unit POD
O&G Chron

015:RBartel:tt:6/5/85:0766M

2871

State of New Mexico



JIM BACA
COMMISSIONER

Commissioner of Public Lands

May 8, 1985

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1985 Plan of Development

ATTENTION: Mr. Albert R. Greer

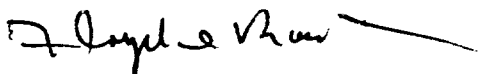
Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Canada Ojitos Unit Area, Rio Arriba County, New Mexico. Such plan proposes to drill a well in the NE/4 of Section 29, Township 25 North, Range 1 West and workover the Well No. N-22. 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: 
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 Attn: Fluids Branch
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

#2871

50 YEARS



1935 - 1985

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

May 6, 1985

Benson-Montin-Greer
Drilling Corp.
221 Petroleum Center Bldg.
Farmington, NM 87401

Attention: Albert R. Greer

Re: Canada Ojitos Unit
Rio Arriba County, NM
1985 Plan of Development

Dear Mr. Greer:

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/dp

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

BENSON-MONTIN-GREER DRILLING CORP.

OIL COMPANY

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

March 7, 1985

Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Gary Stephens

New Mexico Commissioner of Public Land
State Land Office
Box 1148
Santa Fe, NM 87501-1148

Attention: Ray Graham

New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO
UNIT NO. 14-08-0001-8526:
APPLICATION TO EXPAND PARTICIPATING
AREA TO FORM THE THIRTEENTH REVISION
OF THE NIOBRARA-GREENHORN PARTICIPATING
AREA

Gentlemen:

Unit Operator proposes expansion of the Niobrara-Greenhorn Participating Area. Pursuant to Article 5.1 of the Unit Operating Agreement, the Unit Operator has notified all working interest owners of its intention to file this application. No objections to this proposed expansion have been received from any of the working interest owners within the Canada Ojitos Unit. Notification of proposed expansion was sent to all known lessees within the unit area including those who have not committed their interests to the Unit Agreement.

Lands requested to be added by this thirteenth revision are all lands within the third expansion area, and are described as follows:

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Land
New Mexico Oil Conservation Division

Page No. 2
March 7, 1985

Township 24 North, Range 1 West

Section 5: All
Section 6: All
Section 7: All
Section 8: All

Township 25 North, Range 1 West

Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 29: All
Section 30: All
Section 31: All
Section 32: All

Township 26 North, Range 1 West

Section 5: W/2
Section 6: All
Section 7: All
Section 8: W/2
Section 17: W/2
Section 18: All
Section 19: All
Section 20: W/2
Section 29: All
Section 30: All
Section 31: All
Section 32: All

This proposed expansion is recommended because of information gained through the drilling of six wells in the proposed expansion area along with information developed by wells drilled on adjoining lands outside the unit area. Analysis of these data is described in the accompanying report titled "Geological and Engineering Discussion - Proposed Thirteenth Revision Niobrara-Greenhorn Participating Area - Canada Ojitos Unit" dated March 1, 1985.

We propose an equity factor of one be assigned for all lands added in this proposed thirteenth revision.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Lands
New Mexico Oil Conservation Division

Page No. 3
March 7, 1985

Although information developed to this time does not positively confirm that all lands are "reasonably proven productive in paying quantities" the operator nevertheless believes all lands are either proven productive or necessary for unit operations. By assigning an equity factor of one to both of these categories then it makes no difference into which category any particular tract falls since it will have the same equity.

As more particularly described in the Engineering and Geological Report, the completion of the B-32 well in Section 32, Township 25 North, Range 1 West confirms - as earlier postulated - that the high capacity fracture system within the existing participating area can extend into these third expansion lands. If the highly efficient gravity drainage mechanism is to be continued as the depletion mechanism and maximum recovery obtained, it is essential that such lands be included in the participating area.

It is impossible to forecast exactly the location of high capacity zones, but the evidence now supports the fact that the third expansion was a proper and necessary step in the orderly development of this reservoir. It only remains now to include these lands in the participating area as proposed by this application.

It is proposed that this expansion be effective as of January 1, 1985, which is the first of the month in which information was developed proving that the high capacity reservoir system extends into the third expansion area.

Although Unit Operator firmly believes that all lands in the third expansion area should be included in this thirteenth revision, it is also recognized that as to the northernmost part of the proposed expansion area (W/2 of Section 5, Section 6, Section 7, W/2 of Section 8, W/2 of Section 17 and Section 18, Township 26 North, Range 1 West), there is a lack of definitive well data; and because of this Unit Operator agrees to the stipulation that should information later be developed indicating that these lands should not be within the participating area that the Unit Operator will make application to exclude such of these lands as the authorities deem appropriate effective as of the time information is developed leading to such determination.

Because of the timing problems for the MMS to set up their records to accommodate an expansion such as this, we are suggesting that initially we not prepare an Exhibit C for the entire thirteenth expanded participating area: rather that the twelfth expanded area be

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Lands
New Mexico Oil Conservation Division

Page No. 4
March 7, 1985

treated as one parcel and the lands added by this thirteenth revision be treated as a separate parcel; that production be allocated to the two parcels on the basis of the weighted acreage of each parcel and then production be allocated to tracts within each parcel based on their participation factors within that parcel.

The weighted acreage values of the two parcels and their proportionate shares in total unit production area are set out below:

	<u>Acres</u>	<u>Percent</u>
Weighted acres 12th expanded P.A.	34,586.21	70.320279
Committed acres 3rd expansion area	<u>14,597.625</u>	<u>29.679721</u>
	49,183.835	100.000000

Included with this application are the following materials:


1. Copy of Exhibit A to the Unit Agreement which shows all lands including the third expansion area lands.
2. Copy of Exhibit A for the third expansion only (larger scale than item 1 above included here to facilitate checking of lease statistics).
3. Exhibit C for lands added by the thirteenth revision of the Niobrara-Greenhorn Participating Area.

We hereby respectfully request your approval of this thirteenth revision of the Niobrara-Greenhorn Participating Area.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Committed Working Interest Owners

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

April 30, 1985

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Gary Stephens

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

Attention: Richard Stamets

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1985 PLAN OF DEVELOPMENT

Gentlemen:

We are submitting to you now for your review our proposed Plan of Development for the work year 1985 which will be from May 1, 1985 to April 30, 1986.

Our work program for 1985 will include carry-over of uncompleted work from the 1984 program, as well as new work planned for the 1985 Plan of Development. Both of these proposed work programs are described below.

Work continued from 1984 Plan of Development:

J-8 well (SE/4 Sec. 8, T-25N, R-1W):

This well is waiting on completion; which work is planned to be undertaken when the wet weather abates

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Energy & Minerals Department
New Mexico Commissioner of Public Lands

Page No. 2
April 30, 1985

and road conditions are suitable for moving in equipment. Production casing was run on this well February 4, 1985.

K-8 well (SE/4 Sec. 8, T-24N, R-1W):

Most of the work on this well has been completed; and it is anticipated to go on permanent production the first week in May.

K-31 well (SW/4 Sec. 31, T-25N, R-1W):

This well has been drilled and completed and is now waiting on permanent production equipment. It is anticipated that this well will go on permanent production during the month of May.

G-32 well (NE/4 Sec. 32, T-26N, R-1W):

Refrac main producing zones, A, B and C.

F-20 well (NW/4 Sec. 20, T-26N, R-1W):

Frac both the Dakota formation and Mancos zones A, B and C.

New work for 1985:

1. Drill one new well:

We propose the drilling of a new well a mile or so north of the B-32 (NE/4 Sec. 32, T-25N, R-1W); the exact location to be dictated primarily by terrain such that a minimum of surface disturbance will result. This well will probably be located in the NE/4 Sec. 29, T-25N, R-1W.

2. Frac existing well (N-22, SW/4 Sec. 22, T-26N, R-1W):

We recommend that the N-22 well be worked over by fracing all three of the main (A, B and C) zones. This well currently is producing from an interval approximately 100 feet below the "C" zone, which although it is in communication with the main unit reservoir, its productivity is less than our earlier analyses indicate to be the capacity of the formation in this area.

We understand that wells are being considered for drilling which offset the unit on its west boundary. Should these wells result

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Energy & Minerals Department
New Mexico Commissioner of Public Lands

Page No. 3
April 30, 1985

in commercial production, we will want to amend this Plan of Development to include the drilling of offset wells to protect the unit from drainage. We will keep you advised as information about these activities develops.

We hereby respectfully request your approval of this 1985 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:



Albert R. Greer, President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit



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

March 11, 1985

Benson-Montin-Greer
Drilling Corp.
221 Petroleum Center Bldg.
Farmington, NM 87401

#2871

Attention: Albert R. Greer

Re: Canada Ojitos Unit, Rio Arriba
County, NM, Unit No. 14-08-
0001-8526: Application to Expand
Participating Area to form the
Thirteenth Revision of the
Niobrara-Greenhorn Participating
Area

Dear Mr. Greer:

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/dp

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

GEOLOGICAL AND ENGINEERING DISCUSSION
PROPOSED THIRTEENTH REVISION
NIOBRARA-GREENHORN PARTICIPATING AREA
CANADA OJITOS UNIT
MARCH 1, 1985

Lands in the third expansion were added to the Canada Ojitos Unit because of the possibility that the reservoir undergoing pressure maintenance within the twelfth expanded participating area might extend into the third expansion area; and if this should be the case it would be necessary for these third expansion lands to be included in the participating area so that the pressure maintenance project could be continued; and that advantage continued to be taken of the highly efficient gravity displacement mechanism in the future depletion of the reservoir.

Moreover if uncontrolled production from wells in communication with the unit reservoir were allowed to proceed - as by competitive operations - it could destroy the entire unit's pressure maintenance project and greatly reduce the otherwise potential ultimate recovery . This subject has been discussed at some length in various reports filed with the Bureau of Land Management or its predecessor and with the Oil Conservation Division of the New Mexico Energy and Minerals Department and also with the New Mexico State Land Office.

It has now been demonstrated that the high capacity reservoir does indeed extend into the third expansion area; and it is (now) fitting and proper to revise the participating area to include the third expansion lands to insure the continued operation of the reservoir under the highly efficient methods used in the past.

Recent developments by the drilling of wells both within

the third expansion area and the area just to the west have provided enough information to define a little more precisely the structure of the producing formation in the vicinity of the subject lands as well as productivity thereof. This structure is shown on the "Structural Contour Map" enclosed herewith. It is believed that the most productive part of the reservoir results, in part, from flexing of the formation as indicated by changes in dip of the structural contours.

As shown on the map, we now believe there exists a "terrace" along the north-south line of the west boundary of Township 26 North, Range 1 West (shaded area on contour map) which as it extends to the south forms a re-entrant, with the formation dipping from east to west toward this re-entrant on the west side of Township 25 North, Range 1 West and then rising gently to the west over the structural nose in the Gavilan area.

Wells in the Gavilan area of Township 25 North, Range 2 West along with Dugan Production Company #2 Tapacitos in Section 25, Township 26 North, Range 2 West confirm that the producing formation extends west from the existing Canada Ojitos Unit participating area through the third expansion area. Also the six wells drilled in the third expansion area confirm the presence of the reservoir.

Although structure alone cannot be used to definitely establish a boundary separating reservoirs, it nevertheless provides one source of information. This "terrace-re-entrant" shaded area with its flat configuration is interpreted to form a boundary of sorts separating the Canada Ojitos Unit reservoir from those to the west. The low capacity indicated by the Canada Ojitos Unit K-31 well (Section 31, Township 25 North, Range 1 West) and its west offset show

that the permeability is extremely low in this area and further supports that this is a good location for a boundary separating the reservoirs. It now appears that wells drilled along this boundary area will probably be of low enough capacity that protective wells within the unit could stop migration of oil from the unit reservoir to the outlying lands. This statement can be true only if the "border area" is wide enough: and we now believe this to be the case.

Further regarding the inclusion of land in the third expansion area which lies in Township 26 North, Range 1 West and protection of the pressure maintenance project, we note that the area now showing the greatest potential risk to the unit is that along the west boundary in the south part of Township 26 North. Here, we see that the production characteristics of the Dugan #2 Tapacitos is more like that of wells in the Canada Ojitos Unit than of typical Niobrara wells found in the reservoirs west of Canada Ojitos such as West Lindrith Gallup-Dakota. The production statistics for this well are shown on the table of statistics and graph titled "Dugan Production Company Tapacitos #2" (both on gold paper). Wells which produce with this "flat" type of production decline are typical of wells producing from a fractured reservoir whose capacity is greater than that of the formation close to the wellbore. This suggests that the Canada Ojitos Unit reservoir does extend across the third expansion area and therefore a wide band of separation is needed in this area between wells just outside the west boundary of the unit and the main producing part of the Canada Ojitos Unit reservoir under pressure maintenance if migration from the unit is to be interrupted by unit wells.

Pressure data taken in the Canada Ojitos Unit B-32 (Section 32, Township 25 North, Range 1 West) and the Canada Ojitos Unit K-8 (Section 8, Township 24 North, Range 1 West) confirm that the reservoir under these lands is in communication with the Canada Ojitos reservoir. Interpretation of reservoir pressure data for recognizing communication within a reservoir is described briefly below.

The reservoir pressure of the Niobrara formation in this area on the east side of the San Juan Basin is controlled by the difference in elevation of the reservoir as compared to the formation outcrop, along with the density of the oil within the reservoir. Even though there are different reservoirs along this east side of the basin separated by - for practical purposes of depletion in the time of mankind - impermeable barriers, the pressures of the various reservoirs have, over geologic time, equalized.

Shown by the sketch at the end of this discussion is the relation of reservoir pressure to depth from the 6100' elevation. Following this sketch is a graph (pink line) showing virgin pressures found in reservoirs on this east side of the San Juan basin. Next following this graph is a similar graph (green line) on which has been superposed maximum pressure of the Canada Ojitos Unit B-32, which pressure is some 200# below virgin pressure, indicating that the reservoir in the vicinity of this well had been partially depleted by production from other wells in the unit, the closest of which is a mile and a half away. Following this graph is a table of statistics of the bottom hole pressure data of the B-32 which is plotted on the graph.

Pressure fall-off data measured in the Canada Ojitos Unit

K-8 following frac treatment also indicates that the reservoir in the vicinity of this well has less than virgin reservoir pressure, indicating that its pressure too has been depleted by the existing wells in the unit: and thereby establishing communication. Typical pressure fall-off curve on a well following frac treatment is shown by that measured in the Canada Ojitos Unit O-33 in the fall of 1966 (green graph). Significant is the "rounding" of the pressure fall-off curve beginning at some 250# above reservoir pressure. A similar pressure fall-off curve in the Canada Ojitos Unit K-8 is shown on the next graph (yellow color), along with statistical data on the next page (yellow color) showing relevant pressure and fluid level data.

For the Canada Ojitos Unit K-8 well (yellow graph) pressures are still falling along a straight line at a point about 100# above virgin reservoir pressure (when pressure data recording was discontinued in order to obtain a productivity test in January 1985). If the pressure in the vicinity of this well were near virgin pressure, then the pressure should have followed a path as indicated by the dashed line on this (yellow) graph. Since the pressures did not follow this line, we reason that the reservoir pressure in the vicinity of this well is substantially less than virgin pressure: and this could only be from depletion resulting from production of other unit wells.

Evidence that the high capacity reservoir extends into the third expansion area comes from production data of the Canada Ojitos Unit B-32 well. This well was put on production in the last of January and has produced for approximately six weeks. The well is producing at a rate of 500 to 550 barrels per day with only about a 5% drawdown

in pressure. There has been no evidence of productivity decline in this time.

The well reached stabilization a few hours after being put on production so it is clear that the well is in communication with the high capacity reservoir system and that it can be produced at relatively high rates and stay within the gravity drainage potential. At present we estimate the gravity drainage potential to be in the range of 500 to 1000 barrels per day and the well's production will be restricted depending upon analysis in this respect. The well, however, obviously has the capacity to produce at rates up to 4000 or 5000 barrels a day; and it as noted here that had this well been drilled under competitive conditions outside unit control this is probably what would have happened - the well would have been produced at high rates, gas would have channelled from the pressure maintenance gas cap and the pressure maintenance would have been destroyed along with loss of millions of barrels of oil.

Only through this federal type of unit operation can the reservoir be protected and efficient recoveries realized.

From information available at this time, it is clear that the producing formation extends over the third expansion area; that the high capacity reservoir system extends into it; that to insure the unit ability to protect unit lands from drainage and continue the pressure maintenance project that the practical course of action is to expand the existing participating area to include all lands in the third expansion area as described in the accompanying application.

DUGAN PRODUCTION CORP.
TAPACITOS #2

25-26N-2W
RIO ARriba COUNTY, NEW MEXICO
UNDESIGNATED GALLUP

1984 PRODUCTION

	<u>Bbls Oil</u>	<u>MCF Gas</u>	<u>Bbls Water</u>	<u>Days Prod.</u>
Jan. thru July Shut-in				
Aug.	1321	831	16	31
Sep.	1288	814	15	30
Oct.	984	622	11	22
Nov.	1442	911	15	30
Dec.	1366	863	16	31

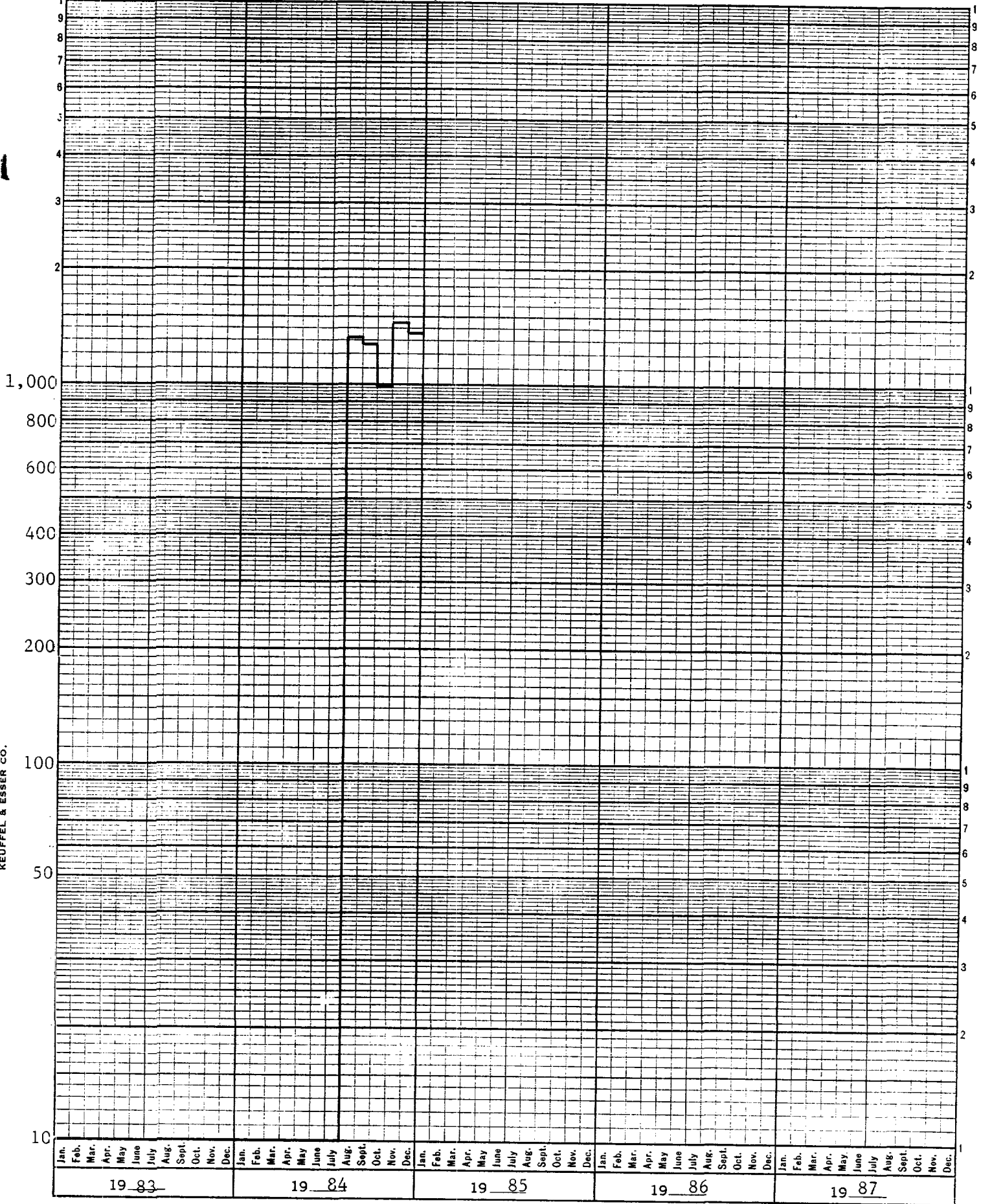
Undesignated Gallup Pool OWWO 10/80

BARRELS OF OIL PER MONTH PRODUCTION

MADE IN U.S.A.

3 LOG CYCLES

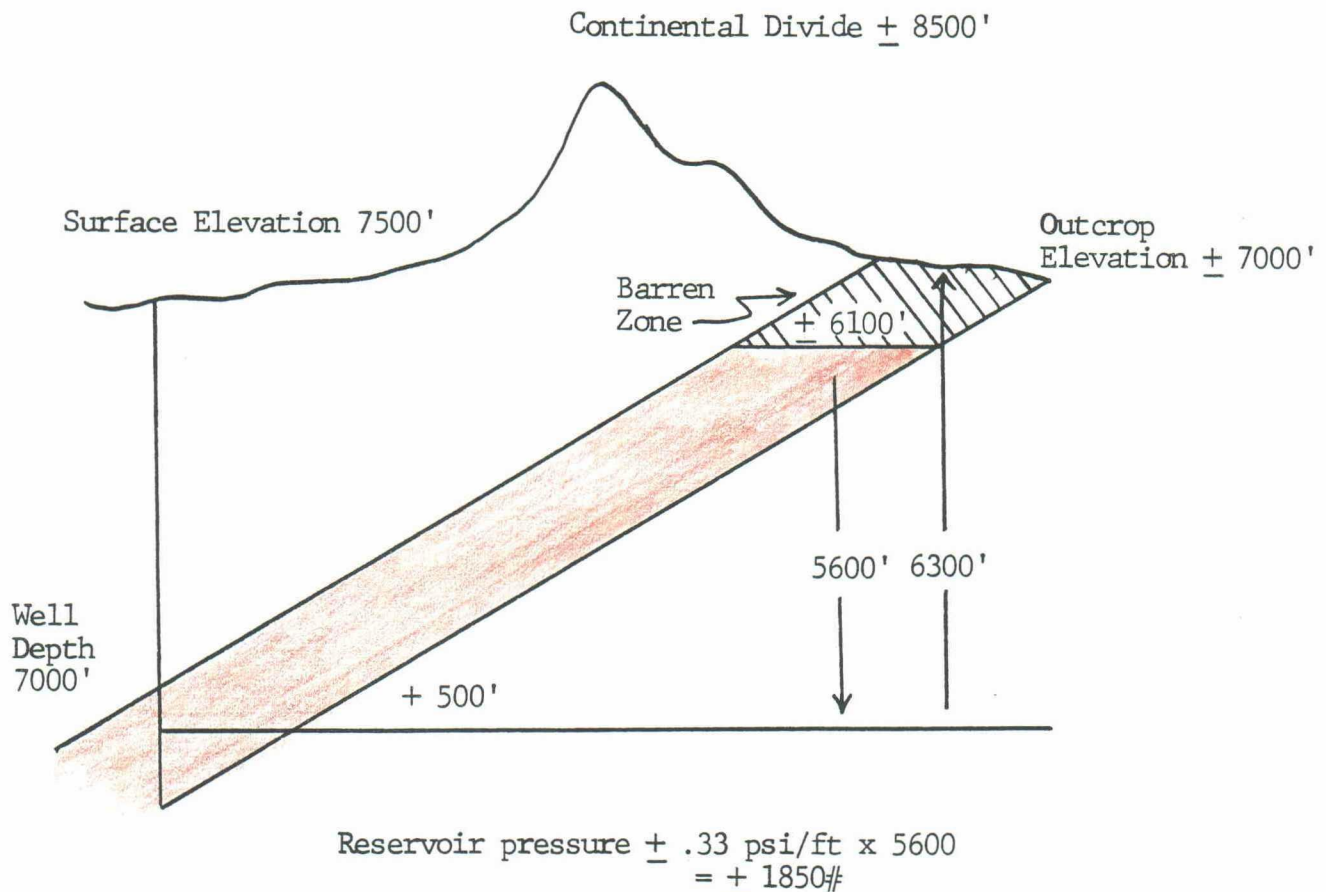
KEUFFEL & ESSER CO.

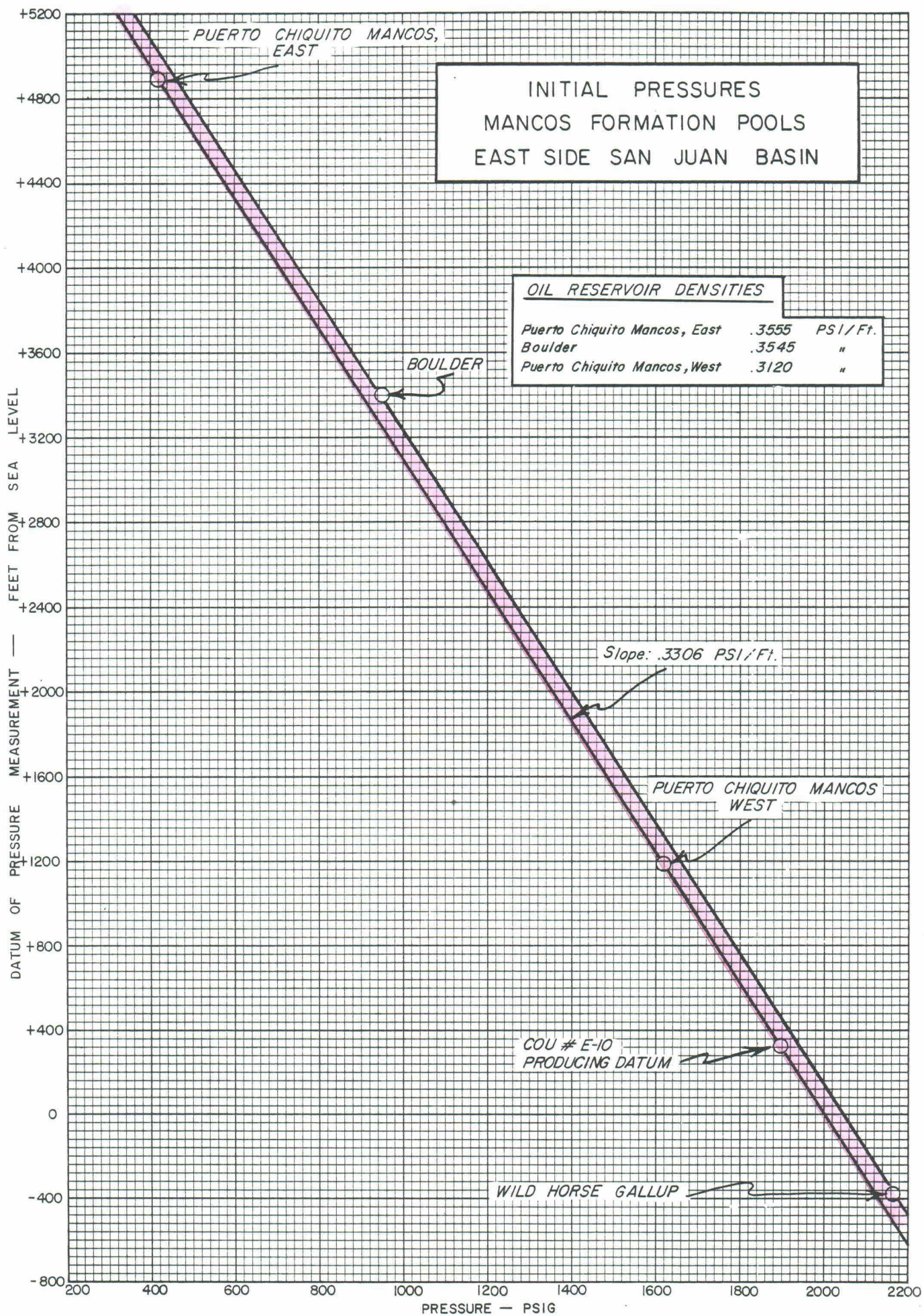


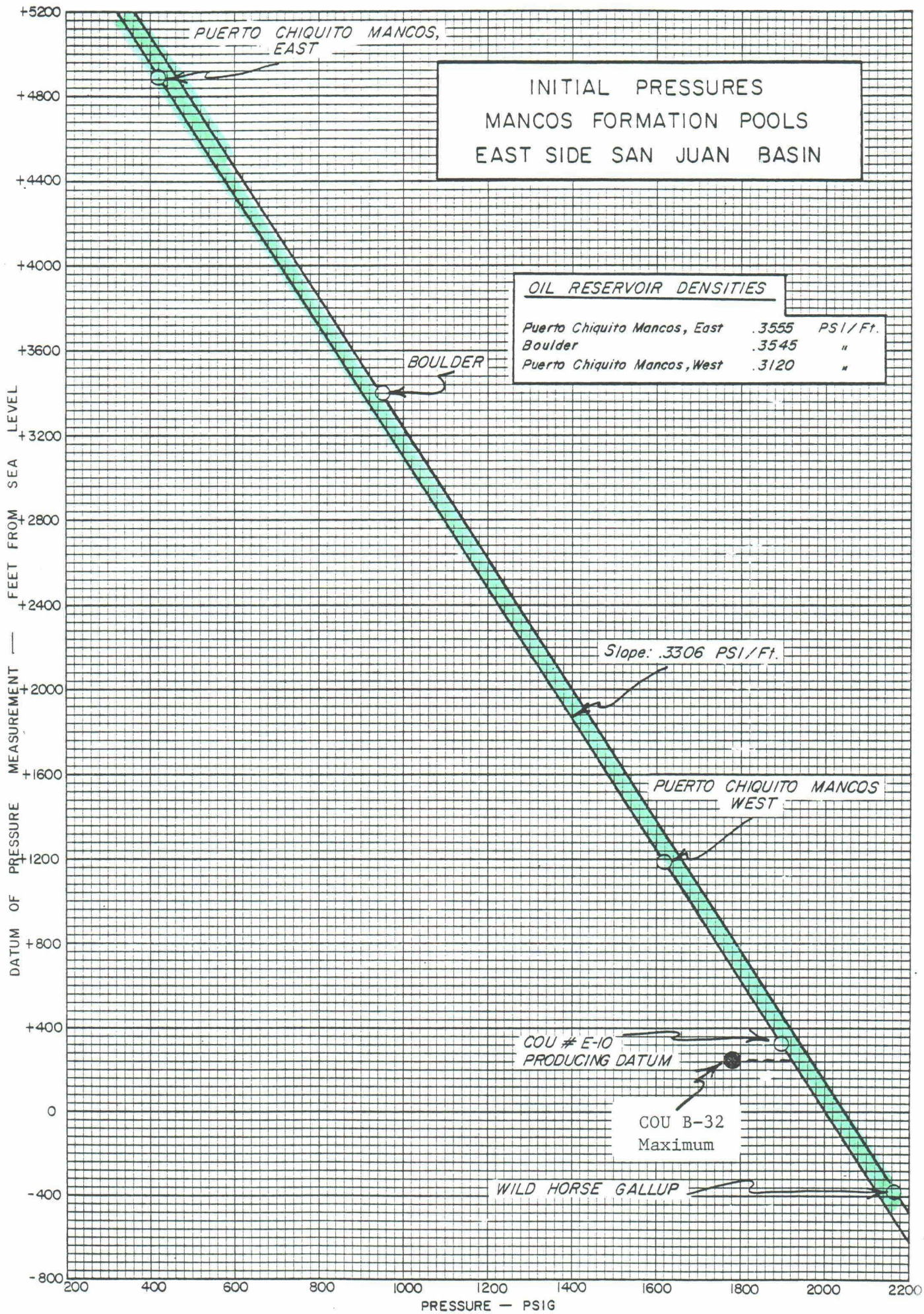
VIRGIN RESERVOIR PRESSURE
MANCOS FORMATION POOLS
EAST SIDE OF THE SAN JUAN BASIN

Although there are areas of tight zones that laterally isolate some pools from others so that no communication is perceptible during the time man produces these pools, there is nevertheless sufficient permeability in the fractured Mancos that, over geologic time, the pressure of the pools in the eastern San Juan Basin have been equalized.

In the same fashion that the pressure of a highly permeable water sand reflects the hydrostatic force as measured by the vertical distance from its outcrop on the surface, so do the pressures of the main producing zone of the Niobrara reflect the "oil static" pressure differential from the elevation of its outcrop (less 800' to 900' of apparent "barren" formation).







11/83

BOTTOM HOLE PRESSURE DATA
CANADA OJITOS UNIT B-32
SECTION 35, TOWNSHIP 25 NORTH, RANGE 1 WEST
JANUARY 18, 1985

Bottom hole pressure was measured in the well January 18 to determine maximum reservoir pressure in the vicinity of this well. Tests indicated that the reservoir was of relatively high transmissibility; and that pressure stabilization should occur in a fairly short time.

On January 17, the hole was loaded with 200 barrels of oil to provide an excess pressure on the formation. Bottom hole pressure was run about 16 hours after loading the hole. It is believed that the resulting pressure would be within 50# to 100# of stabilized pressure (and on the high side); such that the resulting measured pressure would be the maximum possible (should the well have been shut in for an indefinitely long time to assure stabilization).

Measured bottom hole pressure: 1615 psig at 7000'

Elevation	7611 RKB
"C" zone depth	<u>7375</u>
	+236

Extrapolated pressure at 7375:

$$375' \times .36 + 1615 = 1750\#$$

Virgin reservoir pressure at +236'

+ 1950 psig
(see plats pink and green lines)

1950 - 1750 = 200# less than virgin pressure for this formation at this depth.

PRESSURE FALL-OFF CURVE

C.O.U. #0-33

FOLLOWING HYDRAULIC FRACTURE TREATMENT
OCTOBER - NOVEMBER, 1966

Pressure adjusted to datum
of +1195'

PRESSURE AT DATUM - PSIG

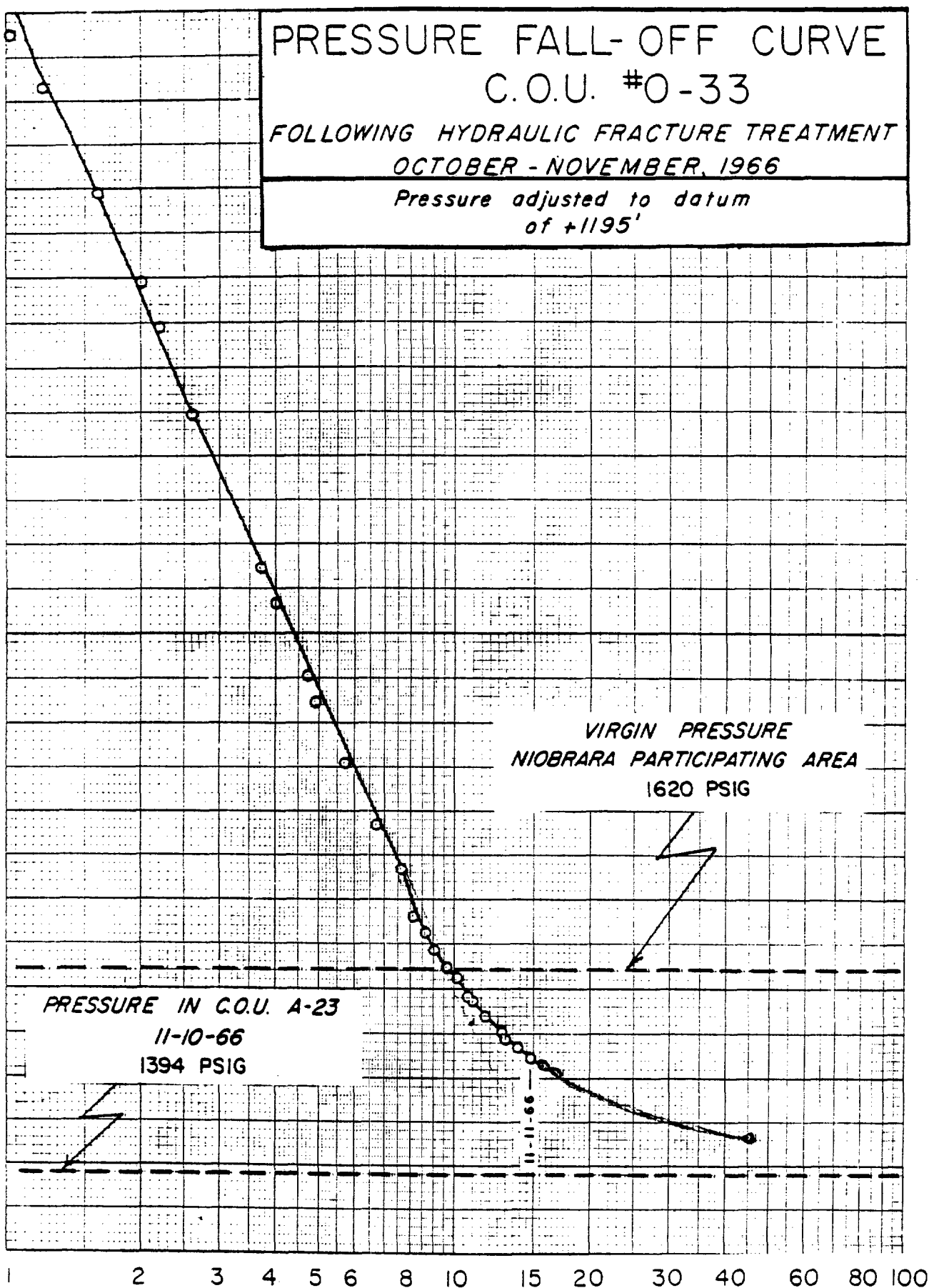
2700
2600
2500
2400
2300
2200
2100
2000
1900
1800
1700
1600
1500
1400
1300

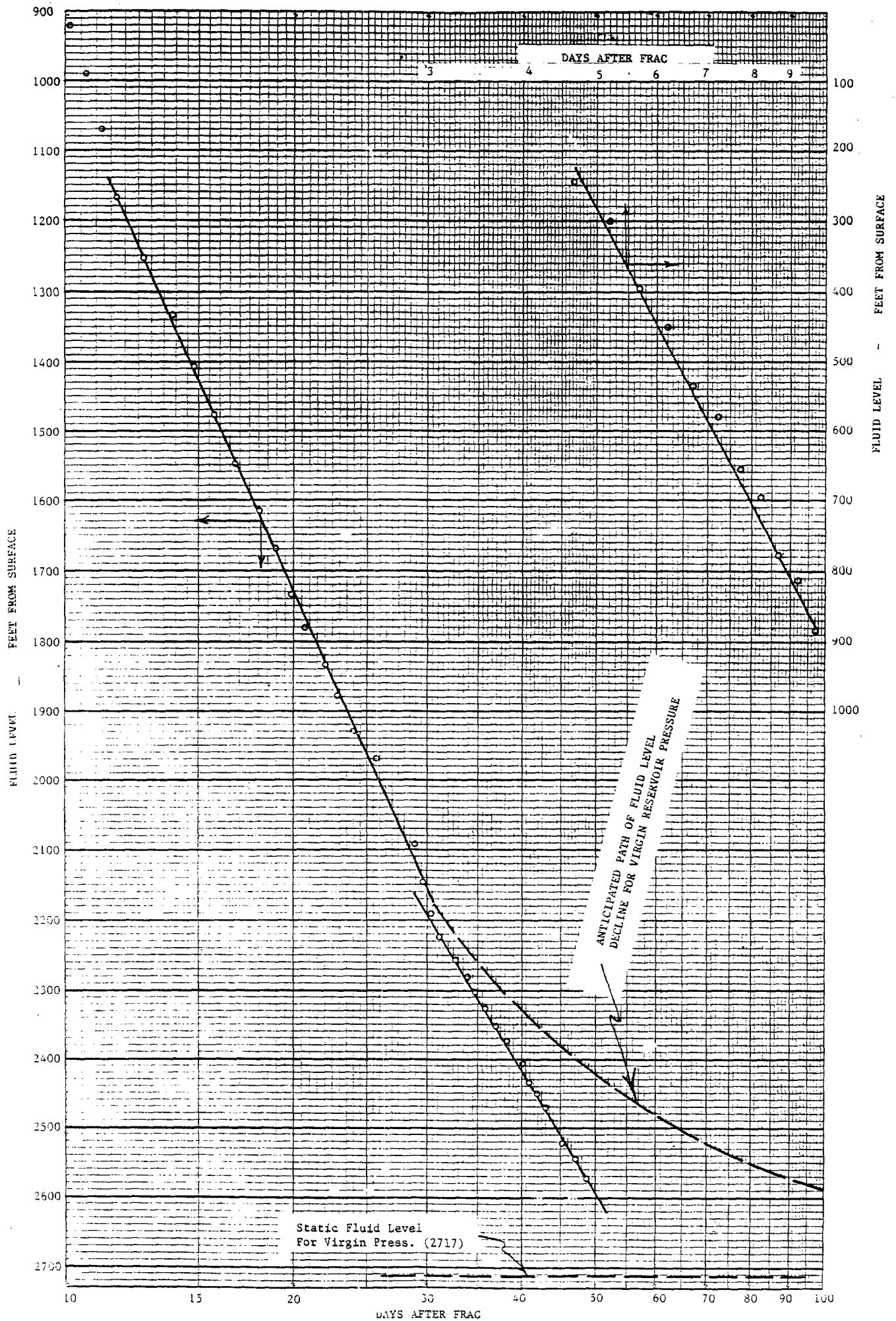
VIRGIN PRESSURE
NIOBRARA PARTICIPATING AREA
1620 PSIG

PRESSURE IN C.O.U. A-23
11-10-66
1394 PSIG

TIME AFTER FRAC TREATMENT - DAYS

1 2 3 4 5 6 8 10 15 20 30 40 60 80 100





ANALYSIS OF FLUID LEVELS AND PRESSURES
FOR VIRGIN RESERVOIR PRESSURE
VICINITY OF CANADA QUITOS UNIT K-8
SECTION 8, TOWNSHIP 24 NORTH, RANGE 1 WEST

Well elevation	7527 RKB
Midpoint of producing formation perfs	<u>7100</u>
	+427

Virgin pressure at +427 is \pm 1900#

Equivalent column of water:

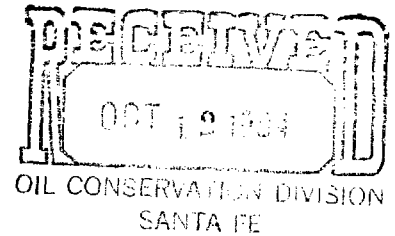
1900# divided by $.4335\text{#/in}^2/\text{ft}$ = 4383'

7100	
- 4383	
<u>2717'</u>	from surface for fluid level for reservoir pressure of 1900#.

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

October 10, 1984



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

U.S. Department of the Interior
Bureau of Land Management
Fluids Branch
P.O. Box 6770
Albuquerque, NM 87197-6770

#2871

Attention: Ms. Sue Umshler
Chief, Fluids Branch

New Mexico Commissioner of Public Land
State Land Office
P.O. Box 1148
Santa Fe, NM 87501-1148

Attention: Mr. Ray Graham

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

Attention: Mr. Richard Stamets

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
THIRD EXPANSION AREA:
REQUEST FOR ONE-YEAR EXTENSION
PRIOR TO CONTRACTION

Gentlemen:

In seeking approval of the third expansion of the Canada Ojitos Unit, the Unit Operator agreed to ask for contraction of the unit area for all lands not qualifying for participation at the end of four years from the effective date of the third expansion.

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Land
New Mexico Oil Conservation Division

Page No. 2
October 10, 1984

The third expansion was approved effective as of May 1, 1981; so the time at which contraction is due to be requested by the Unit Operator is May 1, 1985.

The Unit Operator hereby requests an extension of one year from May 1, 1985 to May 1, 1986 before asking for contraction of the unit area to eliminate lands not then qualifying for participation; and in support of this request, we set out below reasons why the exploration has been delayed and how arrangements have been made to assure that drilling and testing will now progress at a reasonable rate.

The Canada Ojitos Unit is a divided-type unit and the ownership of interests in acreage at the time the third expansion was effected was such that it was difficult to put together drilling blocks in which enough of the parties were willing to participate to make a practical operation. Primarily the working interest owners wanted to see the outcome of newly drilled wells near their acreage before drilling wells themselves.

Some of the interests - particularly in the north part of the third expansion area - were pooled and this overcame, to a certain extent, this particular adversity. In the south part of the unit, however, the ownership was too divided to permit the drilling of exploratory wells as fast and as spread out as the Unit Operator felt was required to test the acreage. To solve this problem, the working interest owners have now pooled their working interests - both within the participating area and outside - and definite progress has since been made with respect to exploring the untested lands.

Even so, since this pooling was effected only a few months ago (and particularly because of time required for permitting the well locations), we are just now in the process of drilling the next four wells. By laying pipelines ahead of drilling the wells we hope to be in a position to test them as soon as they are completed. Even so, we are skeptical that satisfactory testing can be completed prior to the May 1, 1985 contraction date; and we therefore request a one-year extension.

Now that we have overcome the problems which delayed the initial exploration in the third expansion area, we anticipate that the wells now drilling, plus any additional necessary exploration, can be accomplished in the next 18 months.

We are advising all working interest owners in the unit

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Commissioner of Public Land
New Mexico Oil Conservation Division

Page No. 3
October 10, 1984

area - both those who have joined the Unit Agreement and those who have not - by copy of this letter that they have an opportunity to object to this requested extension. Anyone who would like to register an objection to this one-year extension may do so by writing the addressees of this letter.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Canada Ojitos Unit Working Interest Owners

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

July 6, 1984

U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

JUL 8 1984

RECEIVED

Attention: Jim Shelton

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

#2871

Attention: Joe D. Ramey

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
AMENDED 1984 PLAN OF DEVELOPMENT

Gentlemen:

Referring to our 1984 Plan of Development as set out in our April 27, 1984 letter, we note that this Plan has been approved by the Department of the Interior, the New Mexico Energy and Minerals Department and the New Mexico Commissioner of Public Lands.

We now have information that a well has been staked offsetting unit lands; and we would like to have approval to meet this offset. The offsetting well is to be drilled in the SE/4 of Section 36, Township 25 North, Range 2 West, projected to the formation being produced in the Canada Ojitos Unit.

We would like to meet this offset with a well in the SW/4 of Section 31, Township 25 North, Range 1 West; and with your

...

BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Energy & Minerals Department
New Mexico Commissioner of Public Lands

Page No. 2
July 6, 1984

permission we will add this as a fourth well to our initial Plan of Development. Locations of the four wells would be as follows:

Township 25 North, Range 1 West

Section 8: SE/4

Section 31: SW/4

Section 32: NE/4

Township 24 North, Range 1 West

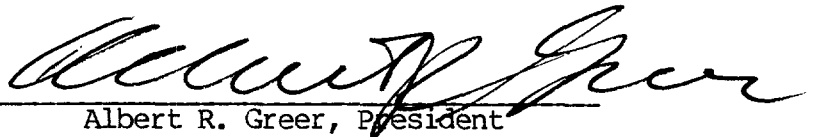
Section 8: SE/4

We hereby respectfully request your approval of this amended 1984 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

cc: Working Interest Owners
Canada Ojitos Unit

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

July 30, 1984

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Amended 1984 Plan of Development
Canada Ojitos Unit
Rio Arriba County, New Mexico

ATTENTION: Mr. Albert R. Greer

Gentlemen:

The Commissioner of Public Lands has this date approved your Amended 1984 Plan of Development for the Canada Ojitos Unit Area. Such amended plan proposes to drill an offset well in the SW/4 of Section 31, Township 25 North, Range 1 West. 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:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

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

Canada Ojitos

JUL 23 1984

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

An approved copy of your amended 1984 plan of development for the Canada Ojitos unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing to drill an additional well in the SW $\frac{1}{4}$ section 31, T. 25 N., R. 1 W., NMPM, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

In the future, please submit four copies of any unit action request. Thank you for your assistance.

Sincerely yours,

(ORIG. SGD.) GARY A. STEPHENS

For District Manager

Enclosure

cc:
Micrographics
Comm. of Public Lands
MPOCD
Fluids Section (FRAH)
File: Canada Ojitos-POD
OSG Chrono

015:RKent:ir:07/18/84:0342B

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

August 14, 1984

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
Subsequent Joinders to Third Expansion

ATTENTION: Mr. Albert R. Greer

Gentlemen:

This office is in receipt of your letter dated July 10, 1984, together with subsequent joinders from the following parties:

Working Interest Owners:

PC, Ltd.
Ibex, Ltd.
Hooper, Kimbell & Williams
Ralph Gilliland
Kistler Investment Company
Warren Clark Testamentary
Trust, Carolyn Clark Oatman,
Mabel Clark Reed and Malcolm
Clark
Dugan Production Corp.

Overriding Royalty Owners:

DenOCO Energy Corp.
Michael Schranz
Leonard Hedberg
Thomas Fails
Earl Ostling
Thomas Jordan
Betty Ruth Wright
Diana Andrikopoulos

The Commissioner of Public Lands has this date accepted these subsequent joinders and as a result the status of tracts 4, 8, 9, 10, 11 has changed from not committed to partially committed and tracts 18 and 21 are now fully committed.

Enclosed is a set of ratifications which have been accepted and filed in our unit file.

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

BIM-Albq. - Roswell NMOOP

AUG 8 1984

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, NM 87401

Gentlemen:

We have received subsequent ratification and joinders to the third expansion of the Canada Ojitos Unit which were executed by the following parties:

Working Interest Owners:

EC, Ltd.

Ibex, Ltd.

Hooper, Kimbell and Williams

Ralph Gilliland

Kistler Investment Company

Warren Clark Testamentary Trust, Carolyn Clark Oatman, Mabel Clark Reed and

Malcolm Clark

Dugan Production Corporation

Overriding Royalty Owners:

Denoco Energy Corporation

Michael Schranz

Leonard Redberg

Thomas Fails

Earl Ostling

Thomas Jordon

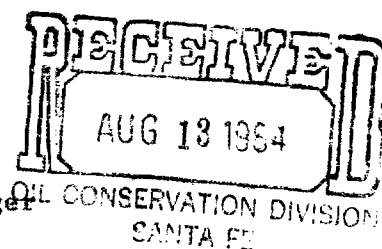
Betty Ruth Wright

Diana Andrikopoulos

These subsequent ratification and joinders are hereby accepted for record, and as a result the status of tracts 4, 8, 9, 10, 11 has changed from not committed to partially committed and tracts 18 and 21 are now fully committed. The subsequent ratification and joinders were received in this office on July 13, 1984, and under the terms of the unit agreement, the changes in commitment status will be effective as of August 1, 1984. A set of accepted ratifications is enclosed.

Sincerely yours,

For District Manager



cc:

Comm. of Public lands

Micrographics

ADO-PAB-LAC-Denver Accting.

Chrono

CONROCD, Santa Fe

Fluids Section (FRAH w/encl.)

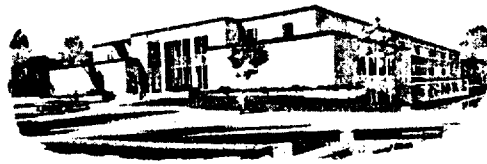
Canada Ojitos Ut. File-Subsequent Indrs.

BMSO (a/cv)

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

May 14, 1984

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

#2871

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Canada Ojitos Unit
Rio Arriba County, New Mexico
1984 Plan of Development

ATTENTION: Mr. Albert R. Greer

Gentlemen:

The Commissioner of Public lands has this date approved your 1984 Plan of Development for the Canada Ojitos Unit area, Rio Arriba County, New Mexico. Such plan proposes to complete two wells whose drilling was completed earlier and in addition you propose to drill three new wells in the third expansion area. 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, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.
cc:

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

State of New Mexico

#2871



JIM BACA
COMMISSIONER



Commissioner of Public Lands

April 19, 1984

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

Benson-Montin-Greer Drilling Corp.
221 Petroleum Center Building
Farmington, New Mexico 87401

Re: Subsequent Joinders
Canada Ojitos Unit Agreement
Rio Arriba County, New Mexico

ATTENTION: Mr. Albert R. Greer

Gentlemen:

This office is in receipt of your letter dated March 26, 1984, together with the subsequent ratification and joinders executed by Cotton Petroleum Corporation and A. G. Hill. The Commissioner of Public Lands has this date accepted these subsequent ratification and joinders and as a result the status of tracts 1, 2 and 12 is now partially committed and tract Nos. 24 and 3 are now fully committed.

Enclosed is a set of ratifications which have been accepted and filed in our unit file.

Very truly yours,

JIM BACA

COMMISSIONER OF PUBLIC LANDS

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

JB/RDG/pm
encls.
cc:

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



STATE OF NEW MEXICO
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

May 9, 1984

Benson-Montin-Greer
Drilling Corp.
221 Petroleum Center Bldg.
Farmington, NM 87401

Attention: Albert R. Greer

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY,
NEW MEXICO: 1984
PLAN OF DEVELOPMENT

Dear Mr. Greer:

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
Petroleum Geologist

REJ/dp

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

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

April 27, 1984



U.S. Department of the Interior
Bureau of Land Management
P.O. Box 6770
Albuquerque, NM 87107

Attention: Jim Shelton

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

Attention: Joe D. Ramey

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, NM 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: CANADA OJITOS UNIT
RIO ARriba COUNTY, NEW MEXICO:
1984 PLAN OF DEVELOPMENT

Gentlemen:

We are submitting to you now for your review our proposed Plan of Development for the work year 1984 which will be from May 1, 1984 to April 30, 1985.

Our Plan of Development for 1984 consists of the completion of the following wells whose drilling was initiated earlier:

F-20: Section 20, Township 26 North, Range 1 West
G-32: Section 32, Township 26 North, Range 1 West.

These wells were included in the 1983 Plan of Development and a substantial part of the completion work has been accomplished to

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BENSON-MONTIN-GREER DRILLING CORP.

Bureau of Land Management
New Mexico Oil Conservation Division
New Mexico Commissioner of Public Lands

Page No. 2
April 27, 1984

this point. We anticipate the remainder being completed and wells potentialled this summer. We are also planning on re-fracing the N-22 located in Section 22, Township 26 North, Range 1 West.

In addition we propose the drilling of three new wells in the third expansion area. The location of these wells is to be determined in the next thirty days with drilling commencing in June or July.

When the exact locations have been selected, we will be filing the APD's with the appropriate office.

We consider it possible that drilling of additional wells may be desirable beyond the three described above; and if so, we will submit for your approval a Supplemental Plan of Development.

We hereby respectfully request your approval of this 1984 Plan of Development.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

MAY 28 1984

Gentlemen:

An approved copy of your 1984 plan of development for the Canada Ojitos unit area, Rio Arriba County, New Mexico is enclosed. Such plan, proposing to complete the F-20 and G-20 wells, Re-frac the N-22 well, and drill three new wells in the third expansion area was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Before the APD's for the wells will be approved, you will have to submit an amended plan of development containing the locations of the wells.

Sincerely yours,

(OFFICIAL SIGNATURE)

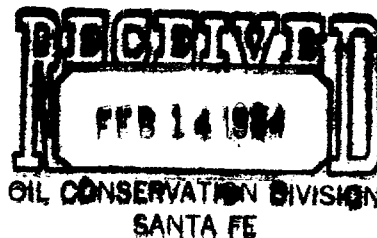
For District Manager

Enclosure

cc:
Micrographics
Comm. Of Public Lands
NMOCD
Fluids Section (FRAH-w/encl.)
File: Canada Ojitos Unit-POD
O&G Chrono

015:RKent:ir:05/21/84:0266B

#2871



Canada Ojitos Unit

FEB 09 1984

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Gentlemen:

We have received the subsequent ratification and joinder papers executed by Opal Barton, individually and as representative of the estate of Roy G. Barton, deceased, committing the overriding royalty interest to the third expansion Canada Ojitos Unit Agreement. The subsequent ratification and joinder is hereby accepted for record, and an accepted ratification is enclosed.

Sincerely yours,

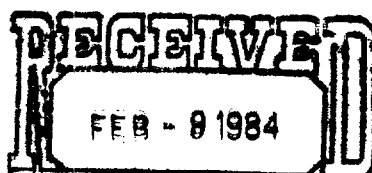
(ORIG. SGD.) JAMES W. SHELTON

For District Manager

Enclosure

cc:
NMSO (w/enc1.)
Comm. of Public Lands, Santa Fe
NMOCD, Santa Fe ✓
FRAH (Fluids) (w/enc1.)
AOD-PAB-LAC-Denver Acct.
Canada Ojitos Unit File
O&G Chrono

015:RBartel:ir:02/07/84:0049B



Canada Oiltes Unit

OIL CONSERVATION DIVISION

SANTA FE

FEB 07 1984

Hessco-Martin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Gentlemen:

We have received the subsequent ratification and joinder papers executed by A. L. Hill and committing his interests to the 1st Expansion Canada Oiltes Unit agreement and unit operating agreement. The subsequent ratification and joinder is hereby accepted for record, and as a result the status of tracts 1, 2, and 11 is changed from not committed to partially committed, and the status of tract No. 3 changes from not committed to effectively committed. The subsequent ratification and joinder was received in this office on January 1, 1984, and under the terms of the Unit Agreement tract No. 3 will be considered to be effectively committed to the Canada Oiltes Unit effective as of February 1, 1984. A set of accepted ratification is enclosed.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

For District Manager

cc:
WJSC (w/cy)
Comm. of Pub. Lands, Santa Fe
WJSC, Santa Fe
Farmington RA (w/cy)
ADP-PAB-LAC-Denver Acct'g
Canada Oiltes Unit File
Chrono
RFDartel 1/16/84

RFDartel:dg292P:1/30/84

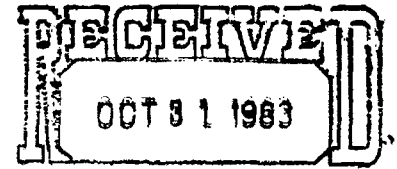


United States Department of the Interior

BUREAU OF LAND MANAGEMENT
505 Marquette Avenue N.W., Suite 815
P. O. Box 6770
Albuquerque, New Mexico 87107

IN REPLY REFER TO:

Canada Ojitos Unit



27 OCT 1983

OIL CONSERVATION DIVISION
SANTA FE

Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

#2871

Gentlemen:

We have received the subsequent ratification and joinder papers for committing tract 24 (W $\frac{1}{2}$ section 5, T. 24 N., R. 11 W., N.M.P.M.) to the Canada Ojitos unit agreement. The ratifications from Cotton Petroleum Corporation as lessee of record and partial working interest owner were received in this office on October 5, 1983. Under the terms of the unit agreement, tract 24 will be considered as committed to the Canada Ojitos Unit effective as of November 1, 1983. A set of accepted ratifications are enclosed.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON
for District Manager

Enclosure

cc:
NMSO (w/cy)
Comm. of Pub. Lands, Santa Fe
NMOCD, Santa Fe ✓
Farmington RA (w/cy)