

**NMOCD**

#3730

OIL CONCERN IN DIVISION  
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**RESIGNATION OF UNIT OPERATOR  
SOUTH PEARL QUEEN UNIT AREA  
COUNTY OF LEA, STATE OF NEW MEXICO  
14-08-00018917**

This Agreement is entered into by and between Pyramid Energy, Inc., "Pyramid", and Xeric Oil & Gas Company, "Xeric";

W I T N E S S E T H, T H A T:

WHEREAS, under the provisions of the act of February 25, 1920, 41 Stat, 437, 30 U.S.C. secs 181 et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior or his designated representative on April 3, 1968 approved the Unit Agreement dated September 1, 1967 for the South Pearl Queen Unit Area, Lea County, New Mexico; and

WHEREAS, Tamarack Petroleum Company, Inc. is designated as Unit Operator under the terms of said Unit Agreement; and

WHEREAS, through subsequent designation, Pyramid has become the Successor Unit Operator to Tamarack Petroleum Company, Inc.; and

WHEREAS, Pyramid herein resigns as such Unit Operator, and the designation of a successor Unit Operator is now required pursuant to the terms of said Unit Agreement; and

WHEREAS, Xeric desires to assume all the rights, duties and obligations of Unit Operator under the said Unit Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants herein contained, Xeric Oil & Gas Company hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all of the terms of said Unit Agreement, and Pyramid covenants and agrees that, effective upon approval of this Agreement by the Director of the Bureau of Land Management or his designated representative, Xeric Oil & Gas Company shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said Unit Agreement; said Unit Agreement, as it may have been heretofore amended, being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said Unit Agreement were expressly set forth in this instrument.

This instrument may be executed in any number of counterparts, each of which shall be considered an original for all purposes, or may be ratified or consented to by separate instrument in writing specifically referring hereto.

**Resignation of Unit Operator  
South Pearl Queen Unit Area**

IN WITNESS WHEREOF, this Agreement is executed effective the  
15th day of June, 1994 at 7 a.m..


**XERIC OIL & GAS COMPANY**

By: 

Name: Randall L. Capps

Title: Owner

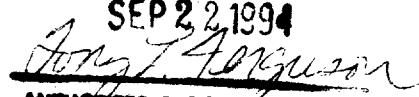
**PYRAMID ENERGY, INC.**

By: 

Name: L. J. Miller

Title: Vice-President

**APPROVED**

SEP 22 1994  
  
AUTHORIZED OFFICER, MINERALS  
BUREAU OF LAND MANAGEMENT

APR 8 1968

Tamarack Petroleum Company, Inc.  
910 Bank of the Southwest Bldg.  
Midland, Texas 79701

2730

Gentlemen:

On April 3, 1968, Arthur A. Baker, Acting Director of the Geological Survey, approved the South Pearl Queen unit agreement, Lea County, New Mexico, filed by your company as unit operator. This agreement has been designated No. 14-08-0001-8917, and is effective as of May 1, 1968.

Enclosed is one copy of the approved unit agreement for your records. We request that you furnish all interested principals with appropriate evidence of this approval.

Sincerely yours,

RUSSELL G. WAYLAND

Chief, Conservation Division

Enclosure

cc:

Roswell (2) (w/2 copies approved agreement) Dist. from Roswell

MAIN OFFICE

1968 APR 12 AM 8 37



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

3730  
April 12, 1968

Tamarack Petroleum Company, Inc.  
910 Bank of the Southwest Bldg.  
Midland, Texas 79701

Gentlemen:

Your initial plan of operation for the South Pearl Queen unit, Lea County, New Mexico, has been approved on this date subject to like approval by the appropriate State officials.

MAILED  
'68 APR 15 AM 7 59

Two approved copies of the plan are enclosed.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

cc:  
Washington (w/cy. of plan)  
Hobbs (w/cy. of plan)  
NMOCC, Santa Fe (ltr. only)✓

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
GUYTON B. HAYS  
MEMBER

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

P. O. BOX 2088  
SANTA FE

March 4, 1968

Mr. Jason Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: Case No. 3730  
Order No. R-3383  
Applicant:  
Tamarack Petroleum Company

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

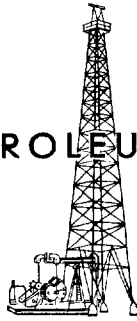
Hobbs OCC x

Artesia OCC       

Aztec OCC       

Other Unit Division - State Land Office

**TAMARACK PETROLEUM COMPANY, INC.**



910 BANK OF THE SOUTHWEST BLDG.  
MIDLAND, TEXAS 79701

TELEPHONE: MUTUAL 3-5474

February 2, 1968

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico 87501  
ATTN: Mr. D. S. Nutter

Gentlemen:

Please consider this our request for hearing to approve, both unitization and secondary recovery by water flooding the unit area, our South Pearl Queen Unit, Pearl Queen Field, Lea County.

The following described land constitutes the Unit area.

Township 20 South, Range 35 East, N.M.P.M.

Section 3	W/2, NW/4 of NE/4
Section 4	S/2, S/2 of NE/4, NE/4 of NE/4, SE/4 of NW/4
Section 5	S/2 of SE/4, NE/4 of SE/4
Section 8	NE/4 of NE/4
Section 9	N/2
Section 10	NW/4, NW/4 of NE/4

The unit area contains 1522.71 acres, more or less, of which 201.94 acres are Patented land and 1320.77 acres are Federal land.

As required by Rule 701-B of the Rules and Regulations of the New Mexico Oil Conservation Commission, the following material is submitted with this application.

1. Plat showing the unit area and the location of the proposed injection wells.

DOCKET MAILED  
Date 2-15-68

Page 2  
February 2, 1968

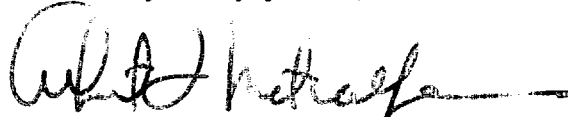
2. Logs of proposed injection wells.
3. Diagrammatic sketch of proposed injection wells.

The "Unitized Formation" is the Queen Sand zone, more specifically defined as occurring between 4553 feet and 4986 feet on the Schlumberger Gamma Ray-Sonic log dated October 28, 1960 for the Tamarack - Federal No. 2 well.

It is anticipated that a total volume of 5,000 barrels per day will be injected in the unit area. This water will be supplied by the existing system furnishing water to the Shell Oil Company - East Pearl Queen Unit and the Gulf Oil Corporation - West Pearl Queen Unit.

If any additional information is required in connection with this application, please advise.

Very truly yours,



Albert G. Metcalfe

AGM:db

Attachments

cc: State Engineer Office  
State of New Mexico  
Santa Fe, New Mexico 87501

Mr. John A. Anderson  
Regional Oil and Gas Supervisor  
United States Geological Survey  
Drawer 1857  
Roswell, New Mexico 88201

LLC & C ENGINEERING, INC.

PETROLEUM CONSULTANTS

FORMERLY LEIBROCK, LANDRETH, CAMPBELL & CALLAWAY

ROBERT F. BAILEY, P. E. - PRESIDENT

L. D. SIPES, JR., P. E.

ROY C. WILLIAMSON, JR., P. E.

A. E. PINSON, JR.

1100 V & J TOWER  
MIDLAND, TEXAS 79701  
915 683-1841

February 9, 1968

*Case 3730*

Mr. D. S. Nutter, Chief Engineer  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Nutter:

Attached are revised diagrammatic sketches of proposed injection wells in the proposed Tamarack South Pearl Queen Unit for those dry holes which will be re-entered and the proposed injection well to be drilled. These revised sketches show the proposed new cement tops as you requested.

Yours very truly,

LLC&C ENGINEERING, INC.

*Arthur E. Pinson, Jr.*

Arthur E. Pinson

AEP:zt

Enclosure

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DIAGRAMMATIC SKETCH OF PROPOSED INJECTION WELL  
 SOUTHERN UNION SAUNDERS FEO. NO. 6 SINGLE INJECTOR  
 330' FNL & 660' FEL (UNIT A)  
 58 T20S R35E

NOTE: D&A TO 5080. NO OIL STRING RUN

TOP CEMENT @ SURFACE

△ 8 5/8 csg @ 215 w/ 115 sx.

===== TOP CEMENT @ 3380

TBL: 2" @ APPROX. 4900

PKR: RETRIEVABLE TENSION & COMPRESSION PKR.,  
 MECHANICALLY SET, @ APPROX 4870'

INJECTION PERES

5060 (APPROX DEPTHS, EXACT DEPTHS TO BE DETERMINED  
 5070 AFTER DRILLING OUT & LOSSING)

△ 4 1/2 csg @ 5080 w/ 350 sx. (TO BE SET)

DISCRIMINATE SKETCH OF PROPOSED INJECTION WELL  
SOUTHERN UNION SANDS FED. NO. 8 SINGLE INJECTOR  
1930' FSL & 330' FEL (UNIT I)  
S5 T20S R35E

NOTE: D&A TO 5040. NO OIL STRING RUN

TOP CEMENT @ SURFACE

8 5/8 CSG @ 185 W/ 150 SX.

TOP CEMENT @ 3330

TAB: 2" @ APPROX. 4900

PKR: RETRIEVABLE TENSION & COMPRESSION  
PKR., MECHANICALLY SET, @ APPROX. 4870

INJECTION PERFS

5010

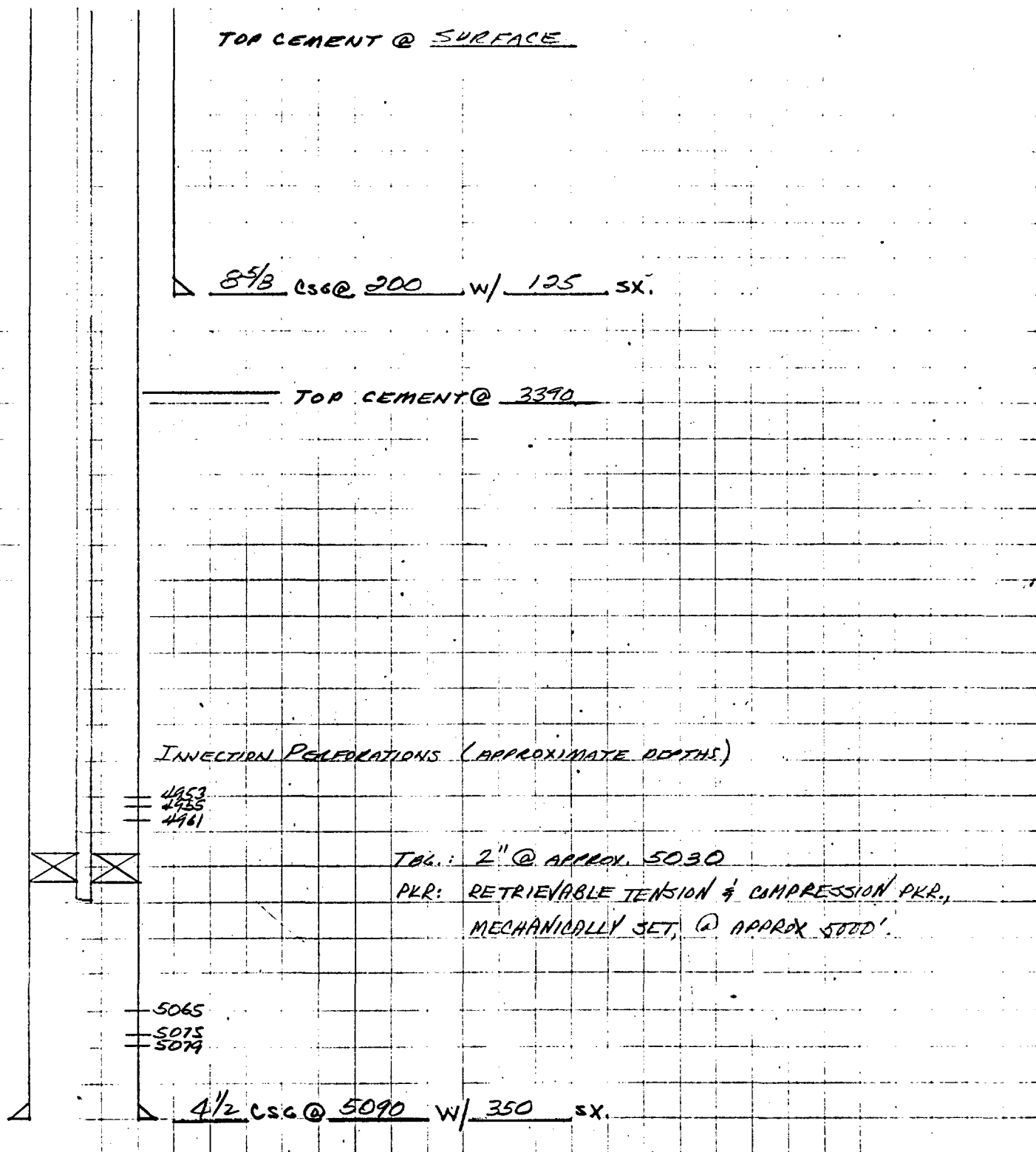
5014

5021

5026

4 1/2 CSG @ 5030 W/ 350 SX. (TO BE SET)

DIAGRAMMATIC SKETCH OF PROPOSED INJECTION WELL  
 TAMARACK SO. PEARL QUEEN UT. DUAL INJECTOR  
 INJECTION WELL TO BE DRILLED  
 1980' F WL & 1550' F NL (UNIT F)  
 S 9 T 20 S R 35 E



DIAGRAMMATIC SKETCH OF PROPOSED INJECTION WELL  
SHELL LINAM ESTATE No. 1 SINGLE INJECTOR  
660' FNL & 1650' FNL (UNIT B)  
S3 T20S R35E

NOTE: D&A APPROX 3900' 5 1/2" OIL STRING SALVAGED  
OIL STRING TO BE REPAIRED.

TOP CEMENT @ SURFACE

8 5/8 CSG @ 107 w/ 125 SX.

TOP CEMENT @ 3000 (PROPOSED TOP AFTER CSG. REPAIR)

INJECTION

PERF 4756

TSG: 2" @ APPROX 4700

PKR: RETRIEVABLE TENSION & COMPRESSION PKR,  
MECHANICALLY SET, @ APPROX 4670

5 1/2 CSG @ 3018 w/ 200 SX.