

SAN JUAN 30-4 UNIT AREA --- NEW MEXICO

No. 14-08-001-1035 Approved & Effective September 11, 1953 — 25,102.27 Acres

Unit Acroaga Corrected From 25,102.27 Acres To 25,756.19 Acres by

BLM Original Survey of T.30 N. R. 4 W. Approved Sept. 2, 1955

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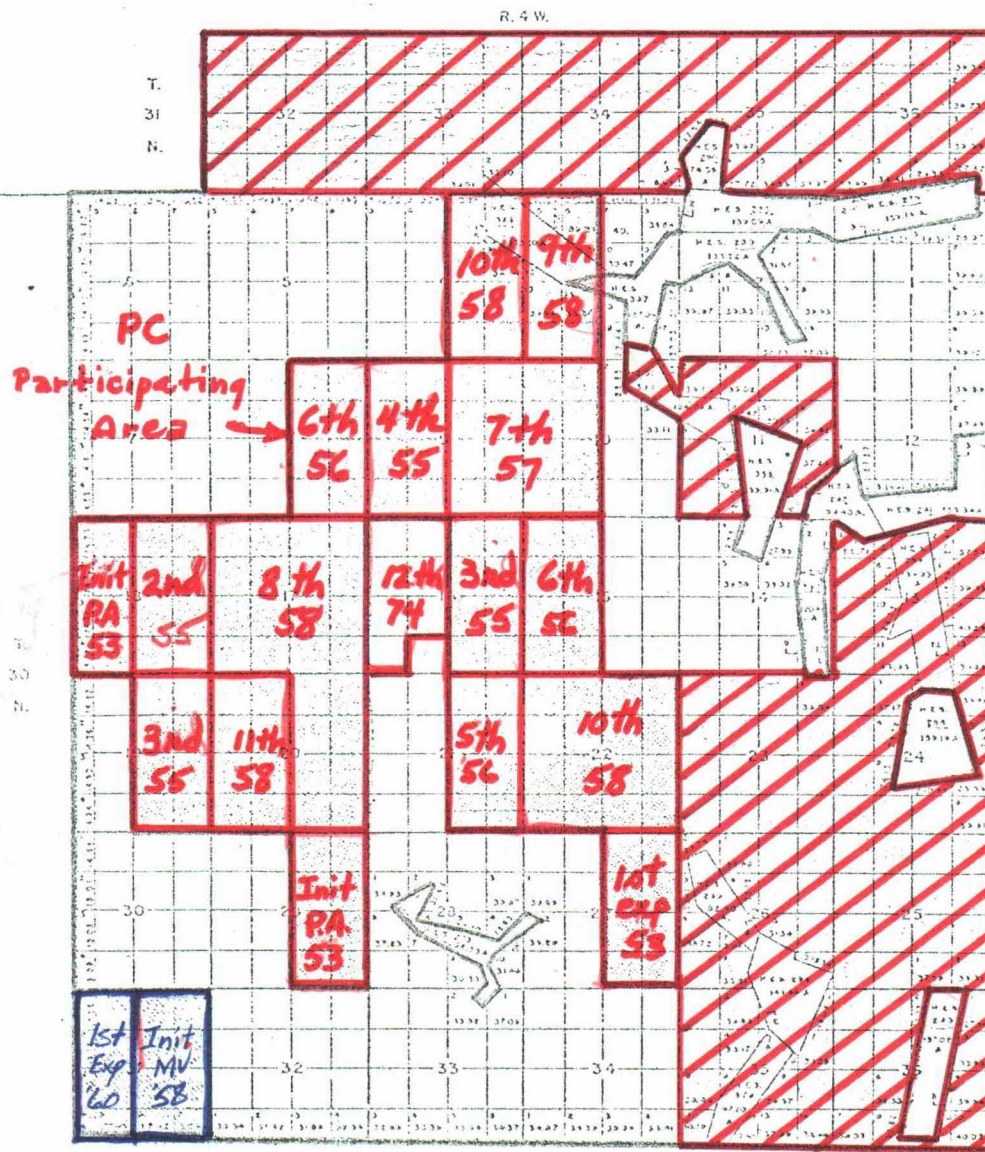
Ts. 30-01 N. R. 4 W., N.M.P.M.

Auto ELIM 9-11-58

PRODUCING

Participating Area

Zone	Approved Date	Effective Date	Area	Total	Zone	Approved Date	Effective Date	Area	Total
Pictured Cliffs June 17, 1954		Sept. 11, 1953	539.04	539.04	10th.		Oct. 1, 1953	931.63	6,022.43
1st.		Oct. 1, 1953	20.00	559.04	11th.		Nov. 1, 1953	320.00	6,342.43
2nd.		Jan. 1, 1955	520.00	1,079.04					
3rd.		July 1, 1955	640.00	1,719.04					
4th.		Sept. 1, 1955	320.00	2,039.04					
5th.		July 1, 1956	320.00	2,359.04	Mosavarde	Feb. 15, 1958	Oct. 24, 1958	300.36	3,000.36
6th.		Aug. 1, 1953	640.00	3,000.04	Haystack		Aug. 1, 1960	205.88	5,066.24
7th.		Dec. 1, 1957	640.00	3,759.04					
8th.		Jan. 1, 1958	960.00	4,699.04					
9th.		Sept. 1, 1958	341.79	5,040.83					



* Portion of land not counted on B.L.M. plot—approximately 6.53 acres—in total

**CROSS-HATCHED AREA ALREADY
DELETED FROM UNIT AREA.**

**BEFORE THE
OIL CONSERVATION COMMISSION**
Santa Fe, New Mexico

Case No. 5712 Exhibit No. 1
Submitted by OC
Hearing Date 7/14/76

Unit Area Boundary
Pictured Cliffs Participating Area
Mosavarde Participating Area

Rev: Sept., 1953

AUTOMATIC ELIMINATION
9/11/53

SUMMS TRACTS

El Paso Natural Gas Company

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

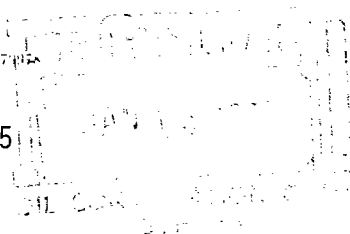
Case No. 670 Exhibit No. 2

Submitted by El Paso Natural Gas Company

Hearing Date January 13, 1975

El Paso, Texas 79901

January 13, 1975



Regional Oil & Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

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

Re: San Juan 30-4 Unit #14-08-001-1056
Rio Arriba County, New Mexico
1975 DRILLING PROGRAM

Gentlemen:

By letter dated January 9, 1974, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program on the captioned Unit for the calendar year 1974. Said program provided for the drilling of no wells.

As of this date, the total number of wells drilled in the San Juan 30-4 Unit on acreage committed to the Unit is as follows:

Pictured Cliffs, Commercial	19
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged and Abandoned	7
Mesaverde, Commercial	2
	<u>30</u>

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a Drilling Program for the calendar year 1975 providing for the drilling of the following wells during the calendar year 1975:

<u>Well Number</u>	<u>Drilling Block</u>	<u>Formation</u>
35	W/2 Sec. 22, T-30-N, R-4-W	Pictured Cliffs
36	E/2 Sec. 20, T-30-N, R-4-W	Pictured Cliffs
37	W/2 Sec. 10, T-30-N, R-4-W	Pictured Cliffs
38	E/2 Sec. 16, T-30-N, R-4-W	Pictured Cliffs

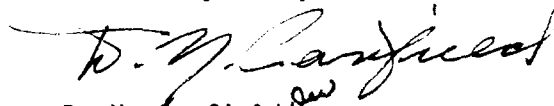
Regional Oil & Gas Supervisor
Oil Conservation Commission
Page Two

All of the proposed wells will be drilled within the boundaries of the existing Pictured Cliffs Participating Area.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this Drilling Program are being sent to the working interest owners as shown on the attached sheet.

Yours very truly,

A handwritten signature in dark ink, appearing to read "D. N. Canfield", with a stylized flourish at the end.

D. N. Canfield
Director of Land
Energy Resource Development

DNC:DW:km
Enclosures
San Juan 30-4, 3.0

cc: Commissioner of Public Lands
(Information Only)

APPROVED: _____ DATE: _____
Regional Oil & Gas Supervisor
United States Geological Survey
Subject to like approval by the
Oil Conservation Commission

APPROVED: _____ DATE: _____
Oil Conservation Commission
Subject to like approval by the
United States Geological Survey

The foregoing approvals are for the 1975 Drilling Program for the
San Juan 30-4 Unit #14-08-001-1056, Rio Arriba County, New Mexico.

SAN JUAN 30-4 UNIT
Working Interest Owners

Mr. J. R. Abercrombie

Dr. W. E. Alsup

Amoco Production Company (3)
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Lela L. Barkley

Blackwood & Nichols Company

Mrs. Evelyn G. Brown

Mr. James A. Brown

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison,
Trustee for Omega E. Quinn

Mr. Ralph H. McCullough

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mr. Forrest B. Miller

N.B.S. Corporation

Phillips Petroleum Company

Mr. H. O. Pool

Mr. Joe Quinn

Mr. M. A. Romero

Texas Commerce Bank N.A., Ancillary
Guardian of the Estate of John L.
Abercrombie

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace & James A.
Brown, Trustees under the Last
Will and Testament of Algernon W. Brown

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART S. CHANER
C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

January 29, 1975

TELEPHONE 505 622-5310

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 693-4391

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

Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

Gentlemen:

We represent Cecilia Wirt Simms, the mineral owner under an oil and gas lease covering 1601.41 acres which has been committed to the above unit. 11.04 acres under the lease are within a Pictured Cliffs participating area and have been in the participating area since 1958. The remaining 1,590.37 acres under the lease are undeveloped and not within any participating area. We attach a plat which shows the participating areas, the tracts totaling 1,601.41 acres under the Simms' lease, and the acreage which was automatically eliminated from the unit in 1952.

Only one well has been drilled since 1961. El Paso Natural Gas Company, the unit operator, has submitted for approval a 1975 drilling program which contemplates the drilling of four Pictured Cliffs wells within the established Pictured Cliffs participating area. The proposed plan of development, in fact all plans of development since 1960, is not satisfactory from the standpoint of our client. It is obvious that neither the unit operator nor the Simms' lessee (Amoco Production Company) intends to carry out a program of development which would be beneficial to the Simms' mineral interest. Accordingly, we respectfully request that the plan of development not be approved or, in the alternative, you make demand on the unit operator (pursuant to Section 2 of the Unit Agreement) to prepare a notice of proposed contraction of the unit area which would effect the elimination of all of the Simms' lands from the unit other than the 11.04 acres presently in the participating area.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

Paul W. Eaton, Jr.
Paul W. Eaton, Jr.

PWE/jw

cc: El Paso Natural Gas Company
Amoco Production Company
Mr. and Mrs. Richard R. Simms

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>2472</u>	Exhibit No. <u>2</u>
Submitted by <u>ECG</u>	
Hearing Date <u>1/30/75</u>	

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OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

January 30, 1975

C
O
P
Y

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Attention: Mr. D. N. Canfield

Re: San Juan 30-4 Unit
1975 Drilling Program

Gentlemen:

The New Mexico Oil Conservation Commission has received a letter from Mr. Paul W. Eaton, Jr., attorney, on behalf of his client, Cecilia Wirt Simms, objecting to the 1975 Plan of Development for the San Juan 30-4 Unit. It is suggested that a meeting of those involved in the matter, including representatives of the Commission and the United States Geological Survey, be arranged at a time and place convenient to all.

Your early response to the suggestion is solicited.

Very truly yours,

J. E. KAPTEINA
Petroleum Engineer

JEK/og

cc: Mr. Paul Eaton, Jr.
P. O. Box 10
Roswell, New Mexico 88201

Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

RECEIVED
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Case No. _____ Submittal No. _____
Submitted to _____
Hearing Date _____

El Paso Natural Gas Company

El Paso, Texas 79978

February 6, 1975

Mr. J. E. Kapteina
Petroleum Engineer
Oil Conservation Commission
State of New Mexico
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Kapteina:

We are forwarding a copy of your letter of January 30, 1975 to Amoco Production Company with the request that they advise us of their recommendation concerning undeveloped acreage in the San Juan 30-4 Unit. Upon receipt of their response we will contact you concerning the proposed meeting.

Yours very truly,



James R. Permenter
Supervising Landman
Land Department
Energy Resource Development

JP:dm

CC: Amoco Production Company
Attention: Mr. B. F. Pracko

Mr. Paul Eaton, Jr.

Regional Oil and Gas Supervisor

OIL CONSERVATION COMMISSION	
Case No. <u>5712</u>	File No. <u>25</u>
Submitted <u>2/10</u>	
Hearing Date <u>7/14/75</u>	



Amoco Production Company

Security Life Building
Denver, Colorado 80202

P. J. Early
Division Production
Manager
A. M. Roney
Assistant Division
Production Manager
T. M. Curtis
W. M. Jones
District Superintendents

February 17, 1975

File: EDC-79-416

**Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Box 1857
Roswell, New Mexico**

**Oil and Gas Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501**

Gentlemen:

**Re: San Juan 30-4 Unit, Rio Arriba County, New Mexico
1975 Drilling Program**

Reference is made to the letter dated January 29, 1975 from Paul W. Eaton, Jr., requesting El Paso Natural Gas Company's, 1975 plan of development not be approved or, in the alternative, Unit Contraction.

All prior plans of development submitted by the Unit Operator have been approved by the Working Interest Owners, the Commission and the Supervisor as provided in the Unit Agreement. Considering the performance of existing wells within and adjacent to the Unit Area, the 1975 plan proposed by the Working Interest Owners is reasonable and proper for the development of Unit lands and we recommend its approval.

Yours very truly,

Original Signed

A. M. RONEY *RC*

CJB:pk

**cc: El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978**

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>5712</u>	Exhibit No. <u>6</u>
Submitted by <u>ROC</u>	
Hearing Date <u>7/14/76</u>	

El Paso Natural Gas Company

El Paso, Texas 79978

March 3, 1975

Regional Oil and Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

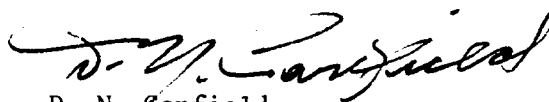
Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico
1975 Drilling Program

Gentlemen:

We are in receipt of a copy of Amoco Production Company's letter dated February 17, 1975 which recommends approval of the 1975 Drilling Program for the captioned unit as submitted. We concur in Amoco's statements, and after considering the performance of existing wells within and adjacent to the unit area, the 1975 plan proposed by the unit working interest owners is reasonable and proper and we again recommend its approval.

Yours very truly,



D. N. Canfield
Director of Land
Energy Resource Development

lj

cc: Amoco Production Company
Security Life Building
Denver, Colorado 80202

Mr. Paul Eaton, Jr.
Post Office Box 10
Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico	
Case No. <u>277</u>	Exhibit No. <u>7</u>
Submitted by <u> </u>	
Hearing Date <u> </u>	

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

March 5, 1975

TELEPHONE 505/622-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4691

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

Regional Oil & Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

Gentlemen:

We have just received a copy of letter dated March 3, 1975 to you from El Paso Natural Gas Company. The gist of the letter is that El Paso concurs in the statements contained in a letter dated February 17, 1975 from Amoco Production Company and that it recommends approval of the 1975 drilling program. Although Amoco is the owner of the oil and gas lease covering the mineral lands of our client, Cecelia Wirt Simms, it did not send us a copy of its letter and consequently we are in the dark as to what it said.

We must reiterate our previous position that the plan of development not be approved or, in the alternative, the unit operator be instructed to prepare a notice of proposed contraction of the unit area which would effect the elimination of all of our client's lands from the unit other than the acreage presently in a participating area. We are willing to attend a meeting of all parties involved in order to discuss the matter in further detail.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

Paul W. Eaton, Jr.
Paul W. Eaton, Jr.

PWE/jw

cc: Mr. and Mrs. Richard R. Simms
El Paso Natural Gas Company
Amoco Production Company

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>317</u>	Ex No. <u>1</u>
Submitted <u>3/11/75</u>	
Hearing Date <u>4/1/75</u>	

9

El Paso Natural Gas Company

El Paso, Texas 79968

April 29, 1975

544

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

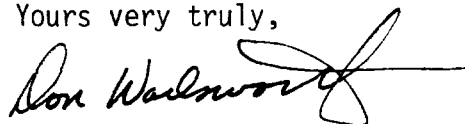
Re: San Juan 30-4 Unit
1975 Drilling Program

Gentlemen:

By letter dated January 13, 1975, we submitted for your approval our proposed 1975 Drilling Program for the referenced unit. To date we have not received your approval.

Please let us know of the status of the Drilling Program.

Yours very truly,



Don Wadsworth
Landman
Land Department
Energy Resource Development

DW:nm
SJ 30-4 Unit 3.0

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>572</u>	Sub. No. <u>9</u>
Submitted by <u> </u>	
Hearing Date <u> </u>	

El Paso Natural Gas Company

10

El Paso, Texas 79975

May 9, 1975

Oil Conservation Committee
Post Office Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

I have been informed of the recent telephone conversations between Mr. Jim Kapetina, of your staff and our Mr. Don Wadsworth pertaining to the San Juan 30-4 Unit. We respectfully request that the Commission reconsider the withholding of its approval of our 1975 no well program. The program reflects the wishes of the unit working interest owners and has been approved by the United States Geological Survey.

In regard to the Sims acreage which is without the participating area, we wish to point out, as we have in the past, that this acreage is held by Amoco and can only be developed at their request.

Notwithstanding the foregoing should the Commission feel that a meeting between the interested parties would be fruitful, and formally request such a meeting, we will arrange to have a representative present in our capacity as Unit Operator.

6:30 AM

Yours very truly,



D. N. Canfield
Director of Land
Energy Resource Development

DNC/JRP/mb

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico	
Case No. <u>5712</u>	BOARD No. <u>10</u>
Submitted by <u>CE</u>	
Hearing Date <u>May 14, 1975</u>	



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

July 16, 1975

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

Gentlemen:

The Development History of the San Juan 30-4 Unit during the past ten years indicates that the productive area of the unit is established as being within the existing participating areas. Inasmuch as further drilling outside the participating areas is not now contemplated, demand is made that unit operator prepare a notice of proposed contraction of the boundaries of the Unit Area, the reasons therefor, and the proposed effective date thereof.

It is suggested that after contraction, the Unit Area would comprise the following described lands:

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 3: W/2
Section 4: E/2
Section 8: E/2
Section 9: All
Section 10: W/2
Section 15: W/2
Sections 16 through 22: All
Section 27: E/2
Sections 29, 30, 31: All

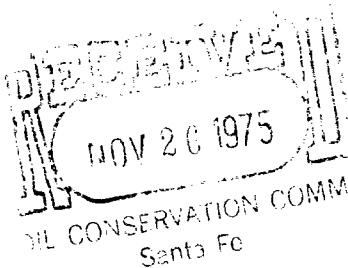
Very truly yours,

JOE D. RAMEY
Secretary-Director

JDR/JEK/og

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>5712</u>	Sub. No. <u>11</u>
Submitted by <u>OGC</u>	
Hearing Date <u>7/22/75</u>	

El Paso NATURAL GAS
COMPANY



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

November 21, 1975

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

Attention: Mr. Joe D. Ramey
Secretary-Director

OFFICE OF THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico	
Case No. <u>30-4</u>	File No. <u>12</u>
Submitted by _____	
Hearing Date _____	

Re; San Juan 30-4 Unit

Gentlemen:

Your letter of July 16, 1975 concerning contraction of the captioned Unit was forwarded to the working interest owners with the request that they advise us of their recommendations as to the response which El Paso as Unit Operator should make to such letter. A considerable majority of such owners strongly opposed contraction. Copies of Amoco's and T.H. McElvain's responses are attached as they most clearly set forth the thinking of those who objected to such contraction.

As representative of the working interest owners, as Operator of the Unit, El Paso feels obligated to continue to operate the Unit in accordance with the wishes of the working interest owners so long as such operations do not violate the terms of the Unit and Unit Operating Agreements. We do not believe that either of these agreements require a contraction of the Unit in light of present circumstances. For this reason, we must respectfully decline to request approval of the unit working interest owners to contract the Unit in accordance with your demand.

Very truly yours,

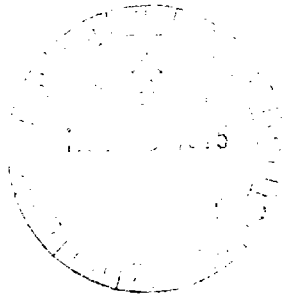
James R. Permenter
Manager, Land Contracts
and Titles
Land Department
Energy Resource Development

JRP:sas
Enclosures

cc: Mr. Carl Traywick
U.S.G.S., Roswell, N.M.



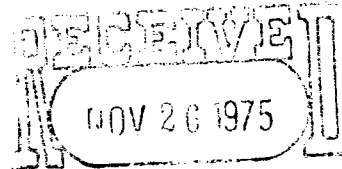
October 31, 1975



Amoco Production Company

Security Life Building
Denver, Colorado 80202

P. J. Early
Division Production
Manager
A. M. Roney
Division Operations
Superintendent
T. M. Curtis
D. D. Gilliam
Production Coordination
Superintendents



OIL CONSERVATION COMM.
Santa Fe

El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas 79978

Gentlemen:

File: RDC-277-416

Proposed Contraction of San Juan 30-4 Unit
Rio Arriba County, New Mexico

Please reference your letter of October 1, 1975, which requested our comments concerning the State of New Mexico Oil Conservation Commission's demand that the subject unit be contracted. We offer the following reply which you as unit operator should make to the Commission:

It is our understanding that the area which would be taken out of the unit does not include any state lands. It includes some private lands, but the majority of the lands are federal. Since the State's property rights are not affected, we believe any demand must be originated by the USGS.

Since there is still a real possibility that additional drilling outside the participating area may prove desirable if gas prices improve, and since if such drilling is conducted it can be more efficiently carried out under the unit agreement, we would oppose any demands, even if made by the USGS.

P. J. Early

MAG:tt

671 417

T. H. McELVAIN OIL & GAS PROPERTIES

T. H. McELVAIN, JR., MANAGER

220 SHELBY STREET

P. O. Box 2148

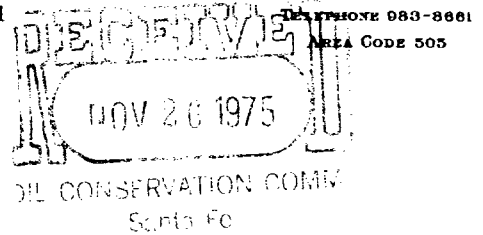
SANTA FE, NEW MEXICO 87501

CATHERINE B. McELVAIN

CATHERINE M. HARVEY

T. H. McELVAIN, JR.

November 12, 1975



El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Attn: James R. Permenter

Re: San Juan 30-4 Unit

Gentlemen:

In reply to your letter of October 1, 1975, concerning the New Mexico State Oil Conservation Commission request that the San Juan 30-4 Unit be contracted, of course, we do not want to contract the unit area, and we do not understand what right the State has to ask us to do so.

The State of New Mexico's contention that the Unit Development over the last ten years has established the productive area is correct in so far as the controlled and restricted gas prices dictated the economic limits of the productive area, and suppressed the desire to drill exploratory wells. We are now entering a time when the effect of the controlled gas prices is becoming known to the public and government, and even though we do not as yet have a free market the prospects are brighter. Right now there is considerable confusion as to the future of gas prices and what effect they will have on the economic limit of the productive area of the 30-4 Unit, and to the number of exploratory wells that will be drilled.

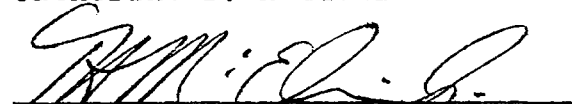
Because of the controlled prices of the past, the uncertainty of the future prices, or the future course of governmental influence in the gas industry, we believe that it is premature to state that the productive area of the Unit has been established, and that there will not be any drilling outside the participating area. Certainly, if the price for natural gas in the San Juan Basin in anyway approximated the free market value for the energy it contains, there would be many wells contemplated, and I am sure some would be in the 30-4 Unit.

Page 2
November 12, 1975

On this basis we would object to contracting the size
of the 30-4 Unit.

Very truly yours,


Catherine B. McElvain


T. H. McElvain, Jr.


Catherine M. Harvey

THM,Jr/b

13

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

December 3, 1975

AVOID - RETURN
AFT REQUESTED

R. James R. Parmenter, Manager
Land Contracts and Title
Land Department
Energy Resource Development
El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

SEE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

Case No. 772 Exhibit No. 13
Submitted by: _____
Hearing Date: 1/1/76

Re: San Juan 30-4 Unit

Dear Mr. Parmenter:

The Oil Conservation Commission has reviewed your letter of November 21, 1975, and believes there are certain matters which should be called to your attention:

First, pursuant to the terms of the unit agreement for the above-captioned unit, there are certain things which El Paso Natural Gas Company, as unit operator, shall do once a demand is made upon it to either contract or expand the unit area. They are:

1. Prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof.
2. Said notice shall be delivered to the Commission.
3. Copies of said notice shall be mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that 30 days will be allowed for submission to the unit operator of any objections.

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El Paso NATURAL GAS
COMPANY

P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

January 15, 1976

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

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

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201

Re: San Juan 30-4 Unit

Gentlemen:

In accordance with Paragraph 2(c) of the San Juan 30-4 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, attaches letters evidencing notification of the proposed contraction of such Unit to the working interest owners and copies of responses which contained objections to such proposed contraction.

El Paso Natural Gas Company in its capacity as a working interest owner in the San Juan 30-4 Unit wishes to add the following observations concerning the proposed contraction:

1. Parties holding 99.31% of the working interest in gas have expressed objections to the proposed contraction; parties holding the remaining .69% had no objections or failed to respond.
2. El Paso recognizes the role of the Commission as guardian of the rights of fee owners in the administration of units. In this regard, we observe that much of the acreage proposed by the Commission to be contracted out of the Unit is federal acreage. We respectfully submit that a demand for contraction insofar as it removes federal lands from unit boundaries should ideally originate from the United States Geological Survey or should at least bear the endorsement of that agency.

Very truly yours,

James R. Permenter

James R. Permenter
Manager, Land Contracts
and Titles

Land Department
Energy Resource Development

RECEIVED
OIL CONSERVATION COMMISSION
SANTA FE, N.M.
JAN 20 1976
BY _____
DATE 1/21/76

JRP:sas

El Paso NATURAL GAS
COMPANY

P.O. BOX 1472
EL PASO, TEXAS 79961
PHONE 935-4111

December 12, 1975

TO ALL SAN JUAN 30-4 UNIT WORKING INTEREST OWNERS

Dear Working Interest Owner:

In view of the demands made by the New Mexico Oil Conservation Commission in its letter of December 3, 1975 and the language contained in Paragraph 2 of the Unit Agreement, El Paso, as Unit Operator, feels we have no alternative except to request contraction of the Unit as demanded.

We have been advised by both the United States Geological Survey and the Bureau of Land Management that the proposed contraction, if approved, will not result in the segregation of Federal leases as to lands within and without the Unit. Thus, the Federal acreage outside the Unit will be perpetuated by production from within the Unit. The effect of the contraction on fee acreage is conjectural. Of course, lands eliminate from the Unit will not share in Unit production and vice versa.

In accordance with Paragraph 2(b) of the Unit Agreement, please furnish us your objections, if any, within thirty days from the date of this letter. Some of you have made your objections known in earlier letters and if you wish, you may advise that your objections remain as previously stated.

Please feel free to call me concerning this matter.

Yours very truly,

James R. Permenter
Manager, Land Contracts & Titles
Land Department
Energy Resource Development

JRP:nm
SJ 30-4
Enclosures

El Paso NATURAL GAS
COMPANY

P.O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2500

October 1, 1975

TO ALL WORKING INTEREST OWNERS

SAN JUAN 30-4 UNIT

Dear Working Interest Owner:

The New Mexico Oil Conservation Commission has requested that the San Juan 30-4 Unit be contracted as set out in their attached letter of July 16, 1975. We also attach a plat for your assistance in reviewing this proposal.

Please advise us of your recommendation as to the response which El Paso Natural Gas Company, as Unit Operator, should make to the Commission.

Yours very truly,

James R. Permenter
Manager, Land Contracts & Titles
Land Department
Energy Resource Development

JP:nm
Attachments
SJ 30-4.5

SAN JUAN 30-4 UNIT
Working Interest Owners

Mr. J. R. Abercrombie

Dr. W. E. Alsup

Amoco Production Company
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Lela L. Barkley

Blackwood & Nichols Company

Mrs. Evelyn G. Brown

Mr. James A. Brown

Thomas Dugan

Flag-Redfern Oil Company

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison

Mr. Ralph H. McCullough

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mabelle M. Miller

Phillips Petroleum Company

Mr. H. O. Pool

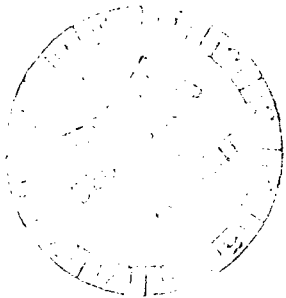
Mr. Joe Quinn

Mr. M. A. Romero

Texas Commerce Bank N.A.

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace &
James A. Brown



ESTATE OF

FORREST B. MILLER

1224 LOIS STREET

P. O. BOX 1445

KERRVILLE, TEXAS 78028

512-257-3141

December 19, 1975

El Paso Natural Gas Company
Box 1492
El Paso, Texas 79978

Attention: Mr. James Permenter
Land Contracts & Titles
Energy Resources Development Co.

Gentlemen:

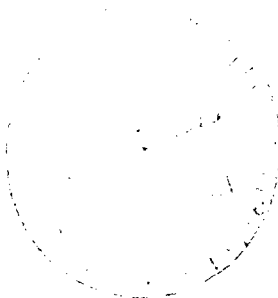
Re: Certain sections in T-30-N, R-4-E, Unit, Rio Arriba Co.,
New Mexico.

In accordance with your request in paragraph three of your letter of December 12, 1975, this letter is to inform you that I have not changed my mind about giving up the sections. I do not believe they have a chance to be thoroughly tested and to be asked to change ownership in any way without my consent would infringe upon my ownership rights.

In addition, while I acquired my interest at the time of the death of my husband, Forrest B. Miller, because this was community property, you have made no effort to acquire permission from the estate or from the future legatees. They are not even listed as owners.

Yours very truly,

Mabelle M. Miller
Mabelle M. Miller



MABELLE McELVAIN MILLER

1224 LOIS STREET

P. O. Box 1445

KERRVILLE, TEXAS 78028

512-257-3141

November 4, 1975

El Paso Natural Gas
Box 1492
El Paso, Texas 79978

ATTENTION: James R. Permenter

Gentlemen:

In reply to your letter of July 16, 1975, and of October 1, 1975, re the request of the New Mexico Oil Conservation Commission that the San Juan 30-4 Unit be contracted as set out in the plat which you furnished with your letter of October 1, 1975.

First, I do not note that the State of New Mexico owns any land in this township and so unless the 30-4 Unit is violating some restrictions over which the state has jurisdiction, it would appear to me that the state should not have anything to say about the unit.

Second, I think they are definitely out of line to be telling someone that their leases have no value, and hence they should drop them. If a plain citizen did such a thing he would end up in the farthest corner of the nearest jail-house. When a person puts up his money to buy a lease, he should be allowed to keep it as long as he complies with the regulations. Many formations are now producing which we never even heard of a few years ago.

If the owners and operators thought it was advisable to drop the leases, that is a different matter, but, you can count on me, individually and as independent executrix of the estate of my deceased husband, Forrest B. Miller, to vote against just giving our lease interests to the State of New Mexico.

Yours very truly,

Mabelle McElvain Miller

Mabelle McElvain Miller

ROBERT PRIEST TINNIN



November 17, 1975

Mr. James R. [unclear]
Manager, Land Contracts & Titles
Land Department
Energy Resources Development
El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

RE: San Juan 30-4 Unit

Dear Mr. [unclear]:

I have had several thoughts since my letter to you on November 10th in which I stated that I generally concurred with Col. Langley Dewey Harrison, who is acting as representative for Mrs. [unclear] E. Quinn and Harold O. Pool, who lives in Scottsdale, Arizona.

It has come to my attention that Col. Harrison did sign the papers and agreed to your request regarding Unit 30-4, but Mr. Harold Pool did not agree. Therefore, I must at this time state that I agree with Mr. Pool and refer to the enclosed copy which gives you the reasons as to why he thinks Unit 30-4 should be included. Thus, I am against your proposal unless the enclosed mentioned units are included, and Harold Pool agrees.

It has further come to my attention that Mrs. Quinn, represented by Col. Harrison, also agrees with Mr. Pool and, along with me, wants to put in her protest, in spite of Col. Harrison's action of agreement.

The enclosed list refers to the units that are not included in this contract, and we feel they should be.

Sincerely,

R. P. Tinnin

Enc.
RPT/lis

P. O. Box 3532, Station D
2500 Louisiana Blvd., N.E., Suite 600
Albuquerque, New Mexico 87110

Office: 505/294-2231
505/292-3333
Residence: 505/242-5123

LEASES IN TWP. 30 N - R 4 W. EXCLUDED FROM PROPOSED
CONTRACTED UNIT IN WHICH H. O. POOL et al OWNS AN
INTEREST.

<u>LEASE NUMBER</u>	<u>SECTION NUMBERS</u>
SF079482A	1 All* - 3 E/2* - 5 All*
SF079482	2 All - 4 All
SF079483	6 All - 8 W/2
SF079483A	7 All *
SF079484	11 All* - 13 All*
SF079484A	10 E/2 - 12 All - 14 All
SF079485B	15 E/2*
SF079486	27 W/2* - 28 All - 33 All - 34 All*
SF079488A	32 All
SF079489	24 All* - 25 All* - 26 All* - 35 All* - 36All*
SF079490	23 All*

(*) These leases are included in the Gas Purchase Agreement
between El Paso Natural Gas Company and General American Oil
Company of Texas, dated March 3, 1952.

November 17, 1975
7311 Montgomery, NE
Box H-190
Albuquerque, New Mexico 87109

Mr. James R. Permenter
Manager, Land Contracts & Titles
Land Department
Energy Resource Development
EL PASO NATURAL GAS COMPANY
P. O. Box 1492
El Paso, Texas 79978


Re: EPNG Letter dated October 1, 1975, concerning
San Juan 30-4 Unit

Dear Mr. Permenter:

I do not agree with the proposed contraction of San Juan
Unit 30-4 as set aside in the above-referenced letter.

I request that the enclosed list of leases in T-30-N,
R-4-W be included, in which Langdon D. Harrison, et al
own.

Sincerely,


Langdon D. Harrison

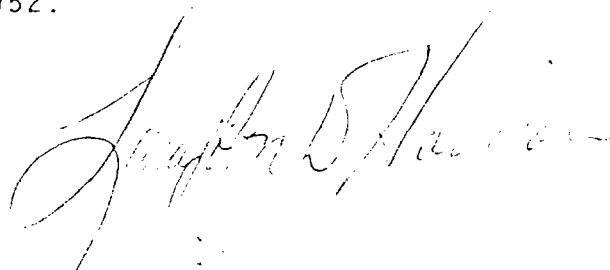
LDH/mjf

Encl.

LEASES IN TWP. 30 N - R 4 W. EXCLUDED FROM PROPOSED
CONTRACTED UNIT IN WHICH LANGDON D. HARRISON et al
OWNS AN INTEREST.

<u>LEASE NUMBER</u>	<u>SECTION NUMBERS</u>
SF079482A	1 A11* - 3 E/2* - 5 A11*
SF079482	2 A11 - 4 A11
SF079483	6 A11 - 8 W/2
SF079483A	7 A11 *
SF079484	11 A11* - 13 A11*
SF079484A	10 E/2 - 12 A11 - 14 A11
SF079485B	15 E/2*
SF079486	27 W/2* - 28 A11 - 33 A11 - 34 A11*
SF079488A	32 A11
SF079489	24 A11* - 25 A11* - 26 A11* - 35 A11* - 36A11*
SF079490	23 A11*

(*) These leases are included in the Gas Purchase Agreement
between El Paso Natural Gas Company and General American Oil
Company of Texas, dated March 3, 1952.

A handwritten signature in cursive script, appearing to read "Langdon D. Harrison", is written in dark ink.

ROBERT PRIEST TINNIN

November 10, 1975

Mr. James R. Permenter
Manager, Land Contracts & Titles
Land Department
Energy Resource Development
EL PASO NATURAL GAS COMPANY
P. O. Box 1492
El Paso, Texas 79978

Re: San Juan 30-4 Unit

Dear Mr. Permenter:

This is in answer to your letter of October 1, 1975 in which you requested a recommendation for the contraction of the above-referenced unit.

As my working interest is very small, I generally go along with the recommendations of (1) Lt. Col. Langdon Dewey Harrison, who represents Mrs. O. E. Quinn, and (2) Mr. H. O. Pool, who lives in Scottsdale, Arizona. As I am sure you must know, both of these people represent Working Interest Owners. Please consider this as your authorization to accept either or both of their recommendations as my own.

If you have any questions, please let me know.

Sincerely,

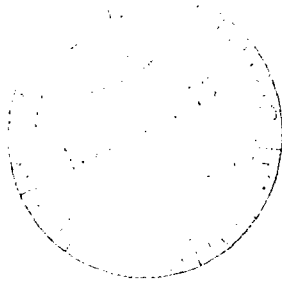
Robert P. Tinnin
Robert P. Tinnin

RPT/mjf

Dictated but not read.

P. O. Box 3532, Station D
2500 Louisiana Blvd., N.E., Suite 600
Albuquerque, New Mexico 87110

Office: 505/294-2231
505/292-3333
Residence: 505/242-5123



HAROLD O. POOL
POST OFFICE BOX 1585
SCOTTSDALE, ARIZONA 85252

November 10, 1975

Mr. James R. Permenter
Manager, Land Contract & Titles
El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

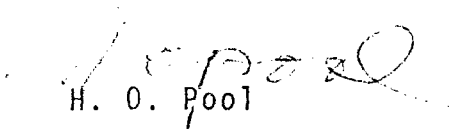
Re: San Juan 30-4 Unit

Dear Mr. Permenter:

I am attaching hereto a list of leases in which I am interested that are excluded from the proposed contracted 30-4 Unit. Naturally, I am opposed to the request by the New Mexico Oil Conservation Commission.

Yours very truly

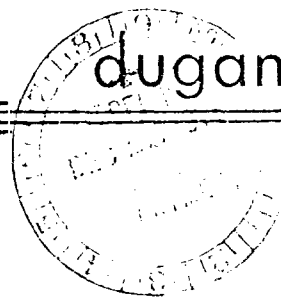
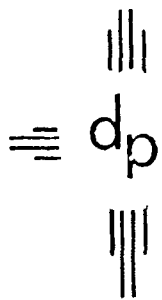
HOP:P


H. O. Pool

LEASES IN TWP. 30 N - R 4 W. EXCLUDED FROM PROPOSED
CONTRACTED UNIT IN WHICH H. O. POOL et al OWNS AN
INTEREST.

<u>LEASE NUMBER</u>	<u>SECTION NUMBERS</u>
SF079482A	1 A11* - 3 E/2* - 5 A11*
SF079482	2 A11 - 4 A11
SF079483	6 A11 - 8 W/2
SF079483A	7 A11 *
SF079484	11 A11* - 13 A11*
SF079484A	10 E/2 - 12 A11 - 14 A11
SF079485B	15 E/2*
SF079486	27 W/2* - 28 A11 - 33 A11 - 34 A11*
SF079488A	32 A11
SF079489	24 A11* - 25 A11* - 26 A11* - 35 A11* - 36A11*
SF079490	23 A11*

(*) These leases are included in the Gas Purchase Agreement
between El Paso Natural Gas Company and General American Oil
Company of Texas, dated March 3, 1952.



dugan production corp.

December 17, 1975

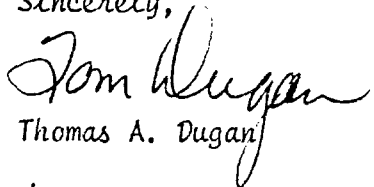
James R. Permenter
El Paso Natural Gas Company
Box 1492
El Paso, TX 79978

Re: San Juan 30-4 Unit

Dear Mr. Permenter:

We still object to the contraction of the San Juan 30-4 Unit. We would recommend a small drilling program if it would postpone or stop the pressure from the state.

Sincerely,


Thomas A. Dugan

dw

dugan production corp.

Re: San Juan 30-4 Unit

October 3, 1975

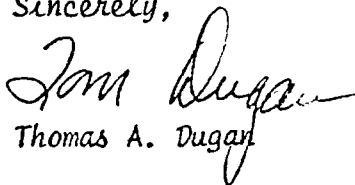
James R. Permenter
El Paso Natural Gas Company
Box 1492
El Paso, Texas 79978

Dear Mr. Permenter:

I would suggest that you do what you can to maintain the San Juan 30-4 Unit like it is, even if you have to drill a well or two to do it.

Whatever you do, protect your leases as they are becoming more valuable. If you don't believe it, see what Coastline paid for those to the north.

Sincerely,


Thomas A. Dugan

dw

T. H. McELVAIN OIL & GAS PROPERTIES

T. H. McELVAIN, JR., MANAGER

220 SHELBY STREET

P. O. Box 2148

SANTA FE, NEW MEXICO 87501

CATHERINE B. McELVAIN
CATHERINE M. HARVEY
T. H. McELVAIN, JR.

TELEPHONE 983-8001
AREA CODE 505

January 7th, 1976

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

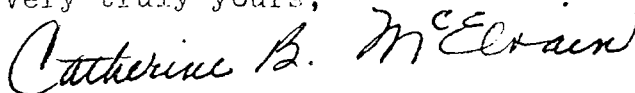
Attn: James R. Permenter, Mgr.
Land Contracts & Titles

Re: San Juan 30-4 Unit

Gentlemen:

Please be advised that our objections to the proposed
contraction of the San Juan 30-4 Unit by the New Mexico
Oil Conservation Commission remains as previously stated
in our letter to you of November 12, 1975.

Very truly yours,



Catherine B. McElvain

GBB/b

T. H. McElvain Oil & Gas Properties

T. H. McElvain, Jr., Manager

220 SHELBY STREET

P. O. Box 2148

SANTA FE, NEW MEXICO 87501

CATHERINE B. McELVAIN

CATHERINE M. HARVEY

T. H. McELVAIN, JR.

TELEPHONE 983-8601

AREA CODE 505

November 12, 1975

El Paso Natural Gas Company

P. O. Box 492

El Paso Texas 79978

Attn: J. R. Permenter

Re: San Juan 30-4 Unit

Gentl

In reply to your letter of October 1, 1975, concerning the New Mexico State Oil Conservation Commission request that the San Juan 30-4 Unit be contracted, of course, we do not want to contract the unit area, and we do not understand what the State has to ask us to do so.

The State of New Mexico's contention that the Unit Development over the last ten years has established the productive area is correct in so far as the controlled and restricted gas prices dictated the economic limits of the productive area and suppressed the desire to drill exploratory wells. We are now entering a time when the effect of the controlled gas prices is becoming known to the public and government, and even though we do not as yet have a free market the prospects are brighter. Right now there is considerable confusion as to the future of gas prices and what effect they will have on the economic limit of the productive area of the 30-4 Unit, and to the number of exploratory wells that will be drilled.

Because of the controlled prices of the past, the uncertainty of the future prices, or the future course of governmental influence in the gas industry, we believe that it is premature to state that the productive area of the Unit has been established, and that there will not be any drilling outside the participation area. Certainly, if the price for natural gas in the San Juan Basin in anyway approximated the free market value for the energy it contains, there would be many wells contemplated, and I am sure some would be in the 30-4 Unit.

Page 2
November 12, 1975

On this basis we would object to contracting the size
of the 30-4 Unit.

Very truly yours,

Catherine B. McElvain
Catherine B. McElvain

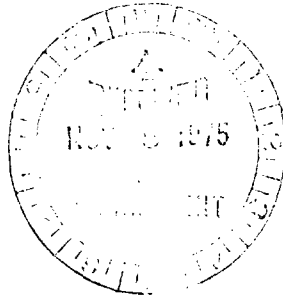
T. H. McElvain, Jr.
T. H. McElvain, Jr.

Catherine M. Harvey
Catherine M. Harvey

THM,Jr/b



October 31, 1975



Amoco Production Company

Security Life Building
Denver, Colorado 80202

P. J. Early
Division Production
Manager
A. M. Roney
Division Operations
Superintendent
T. M. Curtis
D. D. Gilliam
Production Control
Superintendents

El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas 79978

Gentlemen:

File: RDC-277-416

Proposed Contraction of San Juan 30-4 Unit
Rio Arriba County, New Mexico

Please reference your letter of October 1, 1975, which requested our comments concerning the State of New Mexico Oil Conservation Commission's demand that the subject unit be contracted. We offer the following reply which you as unit operator should make to the Commission:

It is our understanding that the area which would be taken out of the unit does not include any state lands. It includes some private lands, but the majority of the lands are federal. Since the State's property rights are not affected, we believe any demand must be originated by the USGS.

Since there is still a real possibility that additional drilling outside the participating area may prove desirable if gas prices improve, and since if such drilling is conducted it can be more efficiently carried out under the unit agreement, we would oppose any demands, even if made by the USGS.

P. J. Early

MAG:tt

671 417

15

El Paso NATURAL GAS
COMPANY

P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

January 2, 1976

Regional Oil & Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

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

Re: San Juan 30-4 Unit #14-08-001-1056, Rio Arriba
County, New Mexico - 1976 DRILLING PROGRAM

Gentlemen:

By letter dated January 13, 1975, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program on the captioned Unit for the calendar year 1975. Said program provided for the drilling of four (4) Pictured Cliffs wells. Due to pipe shortages and unavailability of rigs during 1974 and 1975, drilling in the San Juan Basin was delayed. These delays and the increasing shortage of gas necessitated a revaluation of our proposed drilling programs in the San Juan Basin so that the wells proposed for drilling would obtain the maximum increase in deliverability. In this vein, the four (4) Pictured Cliffs wells proposed were not drilled during 1975 and will not be drilled during 1976.

As of this date, the total number of wells drilled in the San Juan 30-4 Unit on acreage committed to the Unit is as follows:

Pictured Cliffs, Commercial	19
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged and Abandoned	7
Mesaverde, Commercial	<u>2</u>
	30

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a Drilling Program for the calendar year 1976 providing for the drilling of no wells during the calendar year 1976.

OIL COMPANY	COMMISSION
Case No. _____	File No. _____
Submitted _____	
Hearing Date _____	

Regional Oil & Gas Supervisor
Oil Conservation Commission
Page Two

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this Drilling Program are being sent to the working interest owners as shown on the attached sheet.

Yours very truly,

D. N. Canfield
Director of Land
Energy Resource Development

DNC:DW:nm
Enclosures
San Juan 30-4, 3.0

cc: Commissioner of Public Lands
(Information Only)

APPROVED: _____ DATE: _____
Regional Oil & Gas Supervisor
United States Geological Survey
Subject to like approval by the
Oil Conservation Commission

APPROVED: _____ DATE: _____
Oil Conservation Commission
Subject to like approval by the
United States Geological Survey

The foregoing approvals are for the 1976 Drilling Program for the
San Juan 30-4 Unit #14-08-001-1056, Rio Arriba County, New Mexico.

SAN JUAN 30-4 UNIT
Working Interest Owners

Mr. J. R. Abercrombie

Dr. W. E. Alsup

Amoco Production Company
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Lela L. Barkley

Blackwood & Nichols Company

Mrs. Evelyn G. Brown

Mr. James A. Brown

Thomas Dugan

Flag-Redfern Oil Company

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison

Mr. Ralph H. McCullough

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mabelle M. Miller

Phillips Petroleum Company

Mr. H. O. Pool

Mr. Joe Quinn

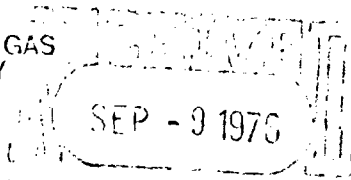
Mr. M. A. Romero

Texas Commerce Bank N.A.

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace &
James A. Brown

El Paso NATURAL GAS
COMPANY



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE 915 543-2600

September 7, 1976

OIL CONSERVATION COMM.
Santa Fe

Regional Oil & Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

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

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

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

*File
Case 5712*

Gentlemen:

Attached for your information and files is an updated copy of Exhibit "B" to the San Juan 30-4 Unit Agreement, revised effective September 1, 1976. This revised Exhibit "B" reflects the change in the Unit boundaries, resulting from the Unit contraction which was effective September 1, 1976.

Copies of the revised Exhibit "B" are being sent to the Working Interest Owners in the San Juan 30-4 Unit.

Yours very truly,

Don Wadsworth
Landman
Land Department
Energy Resource Development

DW/mb
Attachment

SJ-30-4 Unit 1.0, 5.0

Cc: San Juan 30-4 Unit Working Interest Owners

SAN JUAN 30-4 UNIT AREA --- NEW MEXICO

No. 14-08-001-1055 Approved & Effective September 11, 1953 --- 26,102.27 Acres

Unit Acreage Corrected From 26,102.27 Acres To 25,756.19 Acres by 345.08 A

BLM. Original Survey of T.30 N. R. 4 W. Approved Sept. 2, 1955

0

Ts. 30-S. N. R. 4 W., N.M.P.M.

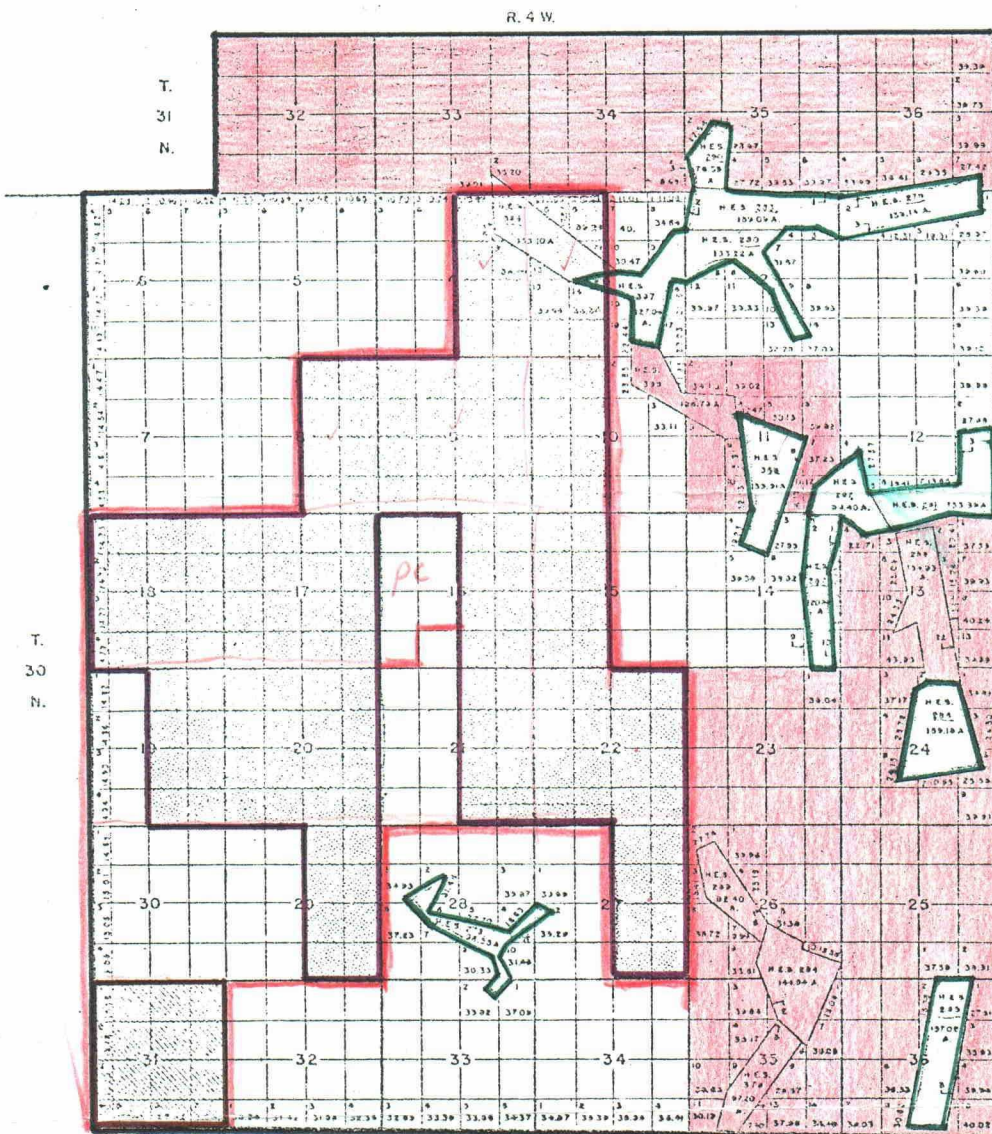
Auto Elim 9-11-58

PRODUCING

File Case 5712

Participating Area

Zone	Approved Date	Effective Date	Area	Total	Zone	Approved Date	Effective Date	Area	Total
Pictured Cliffs	June 17, 1954	Sept. 11, 1953	539.04	539.04	10th.		Oct. 1, 1953	931.60	6,022.43
Reclamation 1st.		Oct. 1, 1953	20.00	559.04	11th.		Nov. 1, 1958	320.00	6,342.43
2nd.		Jan. 1, 1955	320.00	1,179.04					
3rd.		July 1, 1955	640.00	1,819.04					
4th.		Sept. 1, 1955	320.00	2,139.04					
5th.		July 1, 1956	320.00	2,459.04	Mesavarde	Feb. 16, 1958	Oct. 24, 1958	300.36	300.36
6th.		Aug. 1, 1956	640.00	3,099.04	Reclamation 1st.		Aug. 1, 1960	205.88	506.24
7th.		Dec. 1, 1957	640.00	3,739.04					
8th.		Jan. 1, 1958	960.00	4,699.04					
9th.		Sept. 1, 1958	341.79	5,040.83					



T. 30 N. R. 4 W.	SEC.	LOT.	AREA
1	1	2.87	
2	2	3.41	
3	3	5.31	
4	4	2.22	
5	5	4.50	
6	6	8.45	
7	7	6.64	
8	8	8.41	
9	9	10.23	
10	10	9.29	
11	11	4.50	
12	12	5.52	
13	13	10.09	
14	14	13.20	
15	15	2.41	
16	16	2.79	
17	17	11.24	
18	18	1.91	
19	19	14.13	
20	20	4.06	
21	21	5.05	
22	22	11.03	
23	23	2.95	
24	24	2.44	
25	25	4.00	
26	26	4.45	
27	27	7.58	
28	28	3.21	
29	29	2.85	
30	30	12.43	
31	31	11.43	
32	32	3.54	
33	33	2.51	
34	34	3.82	
35	35	9.59	
36	36	3.47	
37	37	15.43	

- Unit Area Boundary
- Pictured Cliffs Participating Area
- Mesavarde Participating Area

Rev. Sept., 1983

AUTOMATIC ELIMINATION 9/11/58

SIMMS TRACTS

* Portion of land not counted on B.L.M. plot - approximately 6.59 acres - in total



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

Re: CASE NO. 5712
ORDER NO. R-5253

Mr. Paul Eaton
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
P. O. Box 10
Roswell, New Mexico 88201

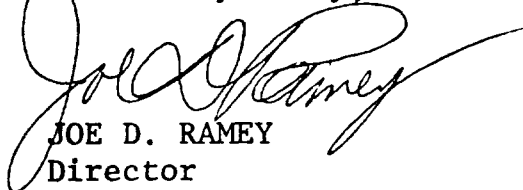
Applicant:

Oil Conservation Commission

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC x

Other Jim Permenter



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201

June 10, 1976

Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

This is to confirm our opinion, as expressed in the informal meeting with you and members of your staff on June 8, 1976, that we believe that a "Show Cause" hearing should be held to provide the proper forum to allow the working interest owners of the San Juan 30-4 unit agreement to furnish any information as to why the unit agreement should not be contracted to the current participating areas. We believe such hearing would provide interested parties the opportunity to supply the input necessary for due consideration of all information, as required by section 2(d) of the unit agreement upon which to base the joint decision by the NMOCC, the Commissioner of Public Lands, and the U. S. Geological Survey to make the contraction effective.

Thank you for your cooperation in this matter.

Sincerely yours,

CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc: El Paso Natural Gas Company
P. O. Box 1492
El Paso, TX 79999



LAW OFFICES
HINKLE, BONDURANT, COX & EATON

TELEPHONE (505) 622-6510

CLARENCE E. HINKLE
W. E. BONDURANT, JR. (1914-1973)
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

600 HINKLE BUILDING

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

March 5, 1976

MR. ISBELL LICENSED
IN TEXAS ONLY

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4691

JAMES H. BOZARTH
RONALD G. HARRIS
JAMES H. ISBELL
DOUGLAS L. LUNSFORD

Mr. W. F. Carr
New Mexico Oil Conservation
Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

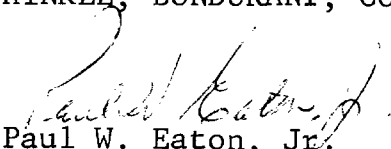
Re: San Juan 30-4 Unit
El Paso Natural Gas Company,
Operator

Dear Bill:

Could you let me know what action the Oil Conservation Commission is taking on contraction of the San Juan 30-4 Unit? It is important to us that the matter be promptly resolved.

Yours very truly,

HINKLE, BONDURANT, COX & EATON


Paul W. Eaton, Jr.

PWE:mm

cc: Mr. and Mrs. Richard R. Simms



P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE 915-543 2000

January 20, 1976

Mr. M. S. Kraemer
Amoco Production Company
Security Life Building
Denver, Colorado 80202

Dear Mr. Kraemer:

Your letter dated January 9, 1976 pertaining to the San Juan 30-4 Unit was received by this office on January 19, 1976. By copies of this letter I am forwarding a copy of your letter to the regulatory agencies.

Very truly yours,

A handwritten signature in cursive script, reading "James R. Permenter".

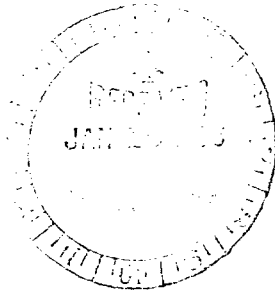
James R. Permenter
Manager, Land Contracts
and Titles
Land Department
Energy Resource Development

JRP:sas
San Juan 30-4 Unit 5.0

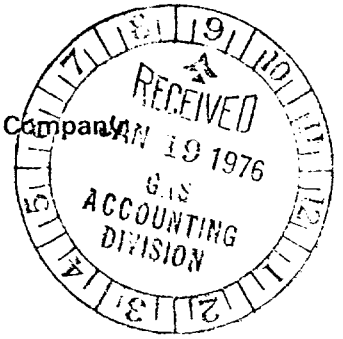
cc: Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

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

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico 88201



Amoco Production Company
Security Life Building
Denver, Colorado 80202



January 9, 1976

El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas 97978

File: RDC-7-416

Proposed Contraction
San Juan 30-4 Unit
Rio Arriba County
New Mexico

We have reviewed recent correspondence, and particularly the letter of December 3, 1975 from William F. Carr, General Counsel for the New Mexico Oil and Gas Conservation Commission concerning contraction of the San Juan 30-4 Unit.

While we agree that the unit agreement gives the Oil and Gas Conservation Commission the power to request contraction of the Unit Area, this is a power which may not be exercised arbitrarily. There must be a reason. The proposed contraction must accomplish some proper purpose. Since no State of New Mexico lands are involved, the only proper purpose the Commission can have is a conservation purpose, i.e., either prevention of waste or the protection of correlative rights. We think that before the Unit Operator can be required by the Commission to initiate a contraction, it should be entitled to be told how the Commission believes the contraction will prevent waste, or will protect correlative rights - otherwise the Unit Operator, and the other working interest owners have no way of knowing why the contraction is requested, or whether the Commission is seeking to accomplish a proper purpose, or what sort of evidence the working interest owners should furnish to show that waste will not be prevented or correlative rights protected by the proposed contraction.

We believe that the Commission should be advised that we do not believe that the proposed contraction will either prevent waste or protect correlative rights, and we therefore request that it advise the Unit Operator of the purpose of the proposed contraction, and how in the Commission's opinion it will accomplish that purpose, so we may know how to answer its demand.

M. S. Kramer

El Paso NATURAL GAS
COMPANY

P.O. BOX 1492
EL PASO, TEXAS 79978
PHONE 915-543-2500

December 12, 1975

wf

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

Attention: Mr. William F. Carr
General Counsel

Re: San Juan 30-4 Unit

Gentlemen:

In accordance with your letter of December 3, 1975, El Paso Natural Gas Company as Unit Operator of the captioned unit hereby proposes the contraction of such unit so that the unit, as contracted, will consist of the following described lands:

Township 30 North, Range 4 West, N.M.P.M.

Section 3:	W/2
Section 4:	E/2
Section 8:	E/2
Section 9:	All
Section 10:	W/2
Section 15:	W/2
Sections 16 thru 22:	All
Section 27:	E/2
Sections 29, 30 & 31:	All

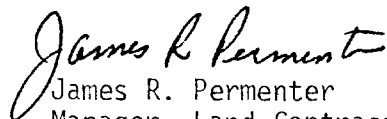
The reason for the proposed contraction is to comply with the demand made by the Oil Conservation Commission. The proposed effective date of the contraction is February 1, 1976.

In accordance with Paragraph 2(b) of the San Juan 30-4 Unit Agreement, copies of this letter are being forwarded to the working interest owners with the request that they advise us of any objection to the proposed contraction

Re: San Juan 30-4 Unit

within thirty (30) days from the date of this letter. Such objections will be filed at the end of said thirty (30) day period with the Supervisor, United States Geological Survey, Commissioner of Public Lands and the Oil Conservation Commission. The working interest owners will be advised of the final action of these bodies in regard to the proposed contraction.

Very truly yours,



James R. Permenter
Manager, Land Contracts
and Titles
Land Department
Energy Resource Development

JRP:sas

cc: Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

San Juan 30-4 Working Interest Owners

SAN JUAN 30-4 UNIT
Working Interest Owners

Mr. J. R. Abercrombie

Dr. W. E. Alsup

Amoco Production Company
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Lela L. Barkley

Blackwood & Nichols Company

Mrs. Evelyn G. Brown

Mr. James A. Brown

Thomas Dugan

Flag-Redfern Oil Company

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison

Mr. Ralph H. McCullough

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mabelle M. Miller

Phillips Petroleum Company

Mr. H. O. Pool

Mr. Joe Quinn

Mr. M. A. Romero

Texas Commerce Bank N.A.

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace &
James A. Brown



P.O. BOX 1402
EL PASO, TEXAS 79979
PHONE 915-543-2600

October 28, 1975

TO WORKING INTEREST OWNERS ON ATTACHED SCHEDULE

Re: San Juan 30-4 Unit

Gentlemen:

On October 1, 1975 we forwarded you materials pertaining to a contraction of the San Juan 30-4 Unit, which had been requested by the New Mexico Oil Conservation Commission and asked for your recommendations. May we again request your response.

Should you have questions or wish additional information, please contact the undersigned.

Yours very truly,

A handwritten signature in cursive script, reading "James R. Permenter".

James R. Permenter
Manager, Land Contracts & Titles
Land Department
Energy Resource Development

JRP:nm
Attachment
SJ 30-4 Unit, 5.0

SAN JUAN 30-4 UNIT
Working Interest Owners

Dr. W. E. Alsup

Amoco Production Company
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Evelyn G. Brown

Mr. James A. Brown

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mabelle M. Miller

Phillips Petroleum Company

Mr. H. O. Pool

Mr. Joe Quinn

Mr. M. A. Romero

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace &
James A. Brown

214

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE NEW MEXICO 87501

August 20, 1975

C
O
P
Y

Paul Eaton, Esq.
Hinkle, Bondurant, Cox &
Eaton
P. O. Box 10
Roswell, New Mexico 88201

Dear Paul:

Enclosed is a copy, for your files, of a letter we received August 18, 1975, from El Paso Natural Gas concerning contraction of the San Juan 30-4 Unit.

We will keep you advised of all developments in this matter.

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr
enc.

El Paso NATURAL GAS
COMPANY

P.O. BOX 1492
EL PASO TEXAS 79978
PHONE 915-543-2600

August 14, 1975

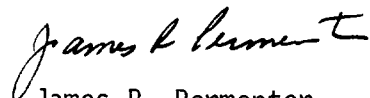
Mr. Joe D. Ramey
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Your letter of July 16, 1975 (copy attached) pertaining to contraction of the San Juan 30-4 Unit was apparently misrouted to the USGS and was only received in our office today.

We will review your proposal and respond in the near future.

Very truly yours,



James R. Permenter
Manager, Land Contracts
And Titles
Land Department
Energy Resource Development

JRP:sas
Attachment

SJ 30-4 Unit 5.0

cc: Mr. John Ahlm



OIL CONSERVATION COMMISSION

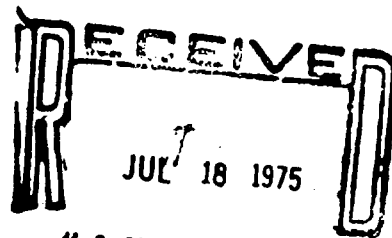
STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

July 16, 1975

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978



Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

Gentlemen:

The Development History of the San Juan 30-4 Unit during the past ten years indicates that the productive area of the unit is established as being within the existing participating areas. Inasmuch as further drilling outside the participating areas is not now contemplated, demand is made that unit operator prepare a notice of proposed contraction of the boundaries of the Unit Area, the reasons therefor, and the proposed effective date thereof.

It is suggested that after contraction, the Unit Area would comprise the following described lands:

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 3: W/2
Section 4: E/2
Section 8: E/2
Section 9: All
Section 10: W/2
Section 15: W/2
Sections 16 through 22: All
Section 27: E/2
Sections 29, 30, 31: All

Very truly yours,

Joe D. Ramey
JOE D. RAMEY
Secretary-Director



JDR/JEK/og

El Paso Natural Gas Company

El Paso, Texas 79978

May 28, 1975


Mr. J. E. Kapteina
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Kapteina

I apologize for the delay in acknowledging your letter of May 13, 1975 pertaining to a meeting to discuss the San Juan 30-4 Unit 1975 Drilling Program. I have been off on vacation.

As requested, El Paso will have a representative present on June 5, 1975.

Yours very truly,



D. N. Canfield
Director of Land
Energy Resource Development

DNC/JRP/mb

SJ-30-4 Unit 5.0
NM-2031

Cc: Mr. Carl Traywick - USGS
Mr. Paul W. Eaton, Jr.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

May 13, 1975

El Paso Natural Gas Company
Box 1492
El Paso, Texas 79978

Attention: Mr. D. N. Canfield

Gentlemen:

It is requested that a representative from your office be present at a meeting to be held on June 5, 1975, at 9:30 a.m. in an attempt to resolve the objection to the 1975 Drilling Program for the San Juan 30-4 Unit. The meeting will be held in the State Land Office Conference Room, Room 105, in Santa Fe.

If you are of the opinion that a representative of Amoco would be of assistance in dealing with this problem, please feel free to extend an invitation to Amoco to have someone attend.

Very truly yours,

J. E. KAPTEINA
Petroleum Engineer

JEK/oq

cc: Mr. Carl C. Traywick
Drawer 1857
Roswell, New Mexico

Mr. Paul W. Eaton, Jr.
P. O. Box 10
Roswell, New Mexico 88201

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

January 29, 1975

TELEPHONE (505) 622-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4691

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

Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Re: San Juan 30-4 Unit
Rio Arriba County, New Mexico

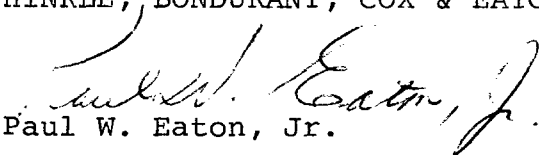
Gentlemen:

We represent Cecilia Wirt Simms, the mineral owner under an oil and gas lease covering 1601.41 acres which has been committed to the above unit. 11.04 acres under the lease are within a Pictured Cliffs participating area and have been in the participating area since 1958. The remaining 1,590.37 acres under the lease are undeveloped and not within any participating area. We attach a plat which shows the participating areas, the tracts totaling 1,601.41 acres under the Simms' lease, and the acreage which was automatically eliminated from the unit in 1958.

Only one well has been drilled since 1961. El Paso Natural Gas Company, the unit operator, has submitted for approval a 1975 drilling program which contemplates the drilling of four Pictured Cliffs wells within the established Pictured Cliffs participating area. The proposed plan of development, in fact all plans of development since 1960, is not satisfactory from the standpoint of our client. It is obvious that neither the unit operator nor the Simms' lessee (Amoco Production Company) intends to carry out a program of development which would be beneficial to the Simms' mineral interest. Accordingly, we respectfully request that the plan of development not be approved or, in the alternative, you make demand on the unit operator (pursuant to Section 2 of the Unit Agreement) to prepare a notice of proposed contraction of the unit area which would effect the elimination of all of the Simms' lands from the unit other than the 11.04 acres presently in the participating area.

Yours very truly,

HINKLE, BONDURANT, COX & EATON


Paul W. Eaton, Jr.

PWE/jw

cc: El Paso Natural Gas Company
Amoco Production Company
Mr. and Mrs. Richard R. Simms

El Paso Natural Gas Company

El Paso, Texas 79901

January 13, 1975

Regional Oil & Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

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

Re: San Juan 30-4 Unit #14-08-001-1056
Rio Arriba County, New Mexico
1975 DRILLING PROGRAM

Gentlemen:

By letter dated January 9, 1974, El Paso Natural Gas Company, as Unit Operator, filed a Drilling Program on the captioned Unit for the calendar year 1974. Said program provided for the drilling of no wells.

As of this date, the total number of wells drilled in the San Juan 30-4 Unit on acreage committed to the Unit is as follows:

Pictured Cliffs, Commercial	19
Pictured Cliffs, Non-commercial	2
Pictured Cliffs, Plugged and Abandoned	7
Mesaverde, Commercial	<u>2</u>
	30

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, El Paso Natural Gas Company, as Unit Operator, hereby respectfully requests the approval of a Drilling Program for the calendar year 1975 providing for the drilling of the following wells during the calendar year 1975:

<u>Well Number</u>	<u>Drilling Block</u>	<u>Formation</u>
35	W/2 Sec. 22, T-30-N, R-4-W	Pictured Cliffs
36	E/2 Sec. 20, T-30-N, R-4-W	Pictured Cliffs
37	W/2 Sec. 10, T-30-N, R-4-W	Pictured Cliffs
38	E/2 Sec. 16, T-30-N, R-4-W	Pictured Cliffs

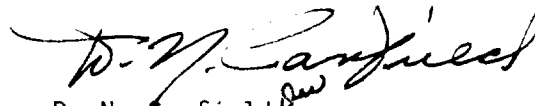
Regional Oil & Gas Supervisor
Oil Conservation Commission
Page Two

All of the proposed wells will be drilled within the boundaries of the existing Pictured Cliffs Participating Area.

If this Drilling Program is acceptable, please signify your approval as required under Section 10 of the Unit Agreement in the space provided on the attached sheet and return an approved copy to El Paso Natural Gas Company.

Copies of this Drilling Program are being sent to the working interest owners as shown on the attached sheet.

Yours very truly,

A handwritten signature in cursive script, appearing to read "D. N. Canfield".

D. N. Canfield
Director of Land
Energy Resource Development

DNC:DW:km
Enclosures
San Juan 30-4, 3.0

cc: Commissioner of Public Lands
(Information Only)

APPROVED: _____ DATE: _____
Regional Oil & Gas Supervisor
United States Geological Survey
Subject to like approval by the
Oil Conservation Commission

APPROVED: _____ DATE: _____
Oil Conservation Commission
Subject to like approval by the
United States Geological Survey

The foregoing approvals are for the 1975 Drilling Program for the
San Juan 30-4 Unit #14-08-001-1056, Rio Arriba County, New Mexico.

SAN JUAN 30-4 UNIT
Working Interest Owners

Mr. J. R. Abercrombie

Dr. W. E. Alsup

Amoco Production Company (3)
Denver, Colorado

Amoco Production Company
Farmington, New Mexico

Mrs. Lela L. Barkley

Blackwood & Nichols Company

Mrs. Evelyn G. Brown

Mr. James A. Brown

General American Oil Company of Texas

Lt. Col. Langdon Dewey Harrison,
Trustee for Omega E. Quinn

Mr. Ralph H. McCuillough

Mrs. Catherine B. McElvain

Mr. T. H. McElvain, Jr.

Mr. Forrest B. Miller

N.B.S. Corporation

Phillips Petroleum Company

Mr. H. O. Pool

Mr. Joe Quinn

Mr. M. A. Romero

Texas Commerce Bank N.A., Ancillary
Guardian of the Estate of John L.
Abercrombie

Mr. Robert P. Tinnin

Mrs. Evelyn E. Wallace & James A.
Brown, Trustees under the Last
Will and Testament of Algernon W. Brown