



IN REPLY
REFER TO:

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
SOUTH CENTRAL REGION
505 MARQUETTE AVENUE, N.W., SUITE 815
ALBUQUERQUE, NEW MEXICO 87102

SERVATION DIVISION

DEC 9 1982

RECEIVED

DEC 9 1982

6713

Edmundson, Inc.
Attention: Steve Edmundson
P. O. Box 1707
Denver, Colorado 80201

Gentlemen:

Termination of the White Ranch Unit Agreement, No. 14-08-0001-18444, Chaves County, New Mexico, pursuant to section 20 thereof, was approved on this date effective October 6, 1982. Copies of the termination are being distributed to the appropriate Federal offices and you are requested to furnish notice to all interested parties.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Minerals Manager
Oil and Gas

cc:
BLM, Santa Fe (w/encl)
NMOCD

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

December 10, 1982

P. O. BOX 1148
SANTA FE, N. M. 87504-1148

Edmundson, Inc.
P. O. Box 1707
Denver, Colorado 80201

6713

Re: Termination White Ranch Unit
Chaves County, New Mexico

ATTENTION: Mr. Steve Edmundson

Gentlemen:

This office has been notified by the United States Minerals Management Service that the above mentioned unit agreement has been terminated. Please be advised that the Commissioner of Public Lands has this date also terminated the White Ranch Unit, pursuant to section 20 thereof.

The effective date of termination is October 6, 1982. Please submit to this office the documents mentioned in a letter from Depco, Inc., dated August 3, 1982, a copy which has been enclosed.

Please notify all interested parties of this action.

Very truly yours,

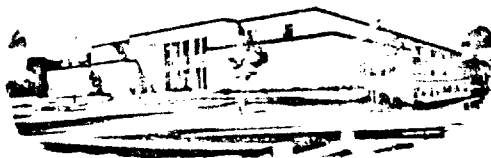
ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

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

AJA/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
USMMS-Albuquerque, New Mexico
Administration

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

January 14, 1982

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Depco, Inc.
Suite 875, Empire Plaza Building
Midland, Texas 79701

6713

Re: White Ranch Unit
Original 1981 Plan of Operation
Chaves County, New Mexico

ATTENTION: Jamie Jackson

Gentlemen:

Please refer to our letter to Depco, Inc. dated December 8, 1981 which approved your Amended 1981 Plan of Development and requested that you submit the Original 1981 Plan.

This office is in receipt of your responsive letter dated December 15, 1981 along with the Original Plan of Development for the White Ranch Unit.

The Commissioner of Public Lands has this date approved your 1981 Plan of Development dated May 5, 1981 proposing the drilling of two Atoka test wells. Such plan was approved by the USGS on July 30, 1981.

Enclosed is one approved copy for your files.

Very truly yours,

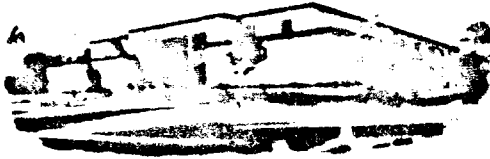
ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
FLOYD O. PRANDO, Assistant Director
Oil and Gas Division
AC 505/827-2748

AJA/RDG/pm
encls.

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

State of New Mexico



Commissioner of Public Lands

December 8, 1981

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Depco, Inc.
Suite 875, Empire Plaza Building
Midland, Texas 79701

6713

Re: Amended 1981 Plan of Development
White Ranch Unit Agreement
Chaves County, New Mexico

ATTENTION: Jamie Jackson

Gentlemen:

The Commissioner of Public Lands has this date approved your Amended 1981 Plan of Development for the White Ranch Unit Area. Such plan proposes the drilling of the third well in Section 7, Township 13 South, Range 30 East and the drilling of a fourth well in Section 5, Township 13 South, Range 30 East. Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Your letter dated November 11, 1981 failed to supply us with the Original Plan of Development as requested and the production history for this unit.

Enclosed is one approved copy for your files.

Please remit a three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director,
Oil and Gas Division
AC 505/827-2748

AJA/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico ✓
USGS-Albuquerque, New Mexico

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

December 7, 1981

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Depco, Inc.
Production & Exploration
1000 Petroleum Building
Denver, Colorado 80202

6713

Re: Initial Atoka Participating Area
White Ranch Unit Agreement
Chaves County, New Mexico

ATTENTION: O. J. Hubbard

Gentlemen:

The Commissioner of Public Lands has this date approved the Initial Atoka Participating Area for the White Ranch Unit Agreement, Chaves County, New Mexico. The Initial Participating Area is 320.00 acres described as the N/2 of Section 8, Township 13 South, Range 30 East and is based on the completion of the Unit Well No. 1

Our approval is subject to like approval by the United States Geological Survey and the New Mexico Oil Conservation Division.

Enclosed is one approved copy for your files.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director,
Oil and Gas Division
AC 505/827-2748

AJA/RDG/pm
encls.
cc:

OCD-Santa Fe, New Mexico ✓
USGS-Albuquerque, New Mexico



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 14, 1981

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

DEPCO, Inc.
Suite 875
Empire Plaza Building
Midland, Texas 79701

Attention: Jamie Jackson

Re: White Ranch Unit Plan of
Operations, Case No. 6713

Dear Sirs:

The New Mexico Oil Conservation Division has reviewed and approved, effective this date, the Plan of Development for the White Ranch Unit in Chaves County, New Mexico, as amended and approved by the USGS.

Sincerely,

A handwritten signature in cursive script, reading "W. Perry Pearce".

W. PERRY PEARCE
General Counsel

WPP/dr

DEPCO, Inc.

PRODUCTION & EXPLORATION

September 9, 1981

State of New Mexico
Oil and Gas Conservation District
P.O. Box 2088
Sante Fe, New Mexico 87501

Handwritten: DEPCO 1713
Handwritten: OK ALL

Re: White Ranch Unit Plan of Operations
Chaves County, New Mexico

Gentlemen:

Attached please find copy of the Plan of Development for the White Ranch Unit in Chaves County, New Mexico, as approved and amended by the USGS.

It is my understanding that the USGS approval is subject to like approval by the appropriate officials of the State of New Mexico. Please advise if I have submitted this to the correct agency by calling me collect at this office.

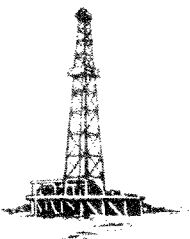
Yours very truly
DEPCO, Inc.

Handwritten signature: Jamie Jackson
Jamie Jackson
Land Department

Attachment

JJ/ks

Faint handwritten notes:
1. Review USGS approval
2. Review State approval
3. Review DEPCO approval
4. Review Chaves County approval
5. Review White Ranch Unit Plan of Operations





United States Department of the Interior

GEOLOGICAL SURVEY
South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

OJH ___ MLV ___
JJ ___ CP ___
PW ___ GS ___
KS ☒ JT ___

SEP 2 1981

Depco, Inc..
Attn: Jamie Jackson
Suite 875, Empire Plaza Bldg.
Midland, Texas 79701

Gentlemen:

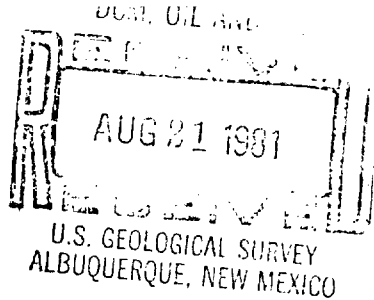
An approved copy of your amended 1981 plan of development for the White Ranch unit area, Chaves County, New Mexico is enclosed. Such plan, proposing the drilling of a third well in sec. 7, T. 13 S., R. 30 E., and the drilling of a fourth well in sec. 5, T. 13 S., R. 30 E., was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

James W. Shelton
For

Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure



DEPCO, Inc.

PRODUCTION & EXPLORATION

August 19, 1981

United State Geological Survey
South Central Region
P.O. Box 26124
Albuquerque, New Mexico 87125

Attn: Deputy Conservation Manager

Re: White Ranch Unit Plan of Operations
Approved July 30, 1981
Request for well location revision
Chaves County, New Mexico

Dear Sir:

DEPCO, Inc. as operator of the White Ranch Unit hereby submits for your approval changes to the original Plan of Operations as approved by your office July 30, 1981.

DEPCO, Inc. requests permission to drill the third well under this plan of development in Section 7, Township 13 South, Range 30 East, the location more specifically described as 1980' FNL and 660' FEL. We then wish to drill the original location for the third well as a fourth well. The location of the fourth well would be the same as the location of the approved third well now, the location more specifically described as Section 5, Township 13 South, Range 30 East, SW/4.

DEPCO, Inc. intends to spud this well within thirty to forty days at an approved location in Section 7. However, if we are unable to clear the land work on the well in Section 7, we would like to drill the well in Section 5 as it has already been approved and staked to drill.

As time is of the essence, please review this proposed change and advise as to your office's approval as soon as possible by calling the undersigned collect.

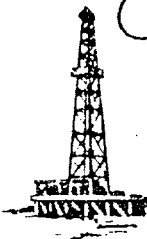
Thank you for your help.

Yours very truly,
DEPCO, Inc.

Jamie Jackson
Jamie Jackson
Land Department

Approved *Jamie W. Shelton*
SEP 2 1981
For Deputy Conservation Manager, O&G
South Central Region

Called on Aug. 31, 1981
(Signature)





United States Department of the Interior

GEOLOGICAL SURVEY
South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

✓ O.J. Hubbard

Original
to R. Condos
vbg

21 JUL 1981

O. J. Hubbard KS ✓

DEPCO, Inc.
Attention: O. J. Hubbard
1000 Petroleum Building
Denver, Colorado 80202

IC
JL

CC Condos
DIP

Gentlemen:

Your application of May 5, 1981, requesting approval of the initial Atoka participating area for the White Ranch Unit Agreement, Chaves County, New Mexico, No. 14-08-0001-18444, was approved on this date, subject to approval by the State of New Mexico. Under the terms in section 11 of the unit agreement the initial participating area is effective as of February 28, 1981.

The initial participating area is 320 acres described as the N $\frac{1}{2}$ section 8, T. 13 S., R. 30 E., N.M.P.M. and is based on the completion of unit well No. 1. Well No. 1 was completed in the interval of 9312 to 9326 feet with an initial flow of 5826 MCFD and 258 BOPD.

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

Sincerely yours,

James W. Shelton
For: Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure

DEPCO, Inc.

PRODUCTION & EXPLORATION

May 5, 1981

United States Geological Survey
South Central Region
P.O. Box 26124
Albuquerque, New Mexico 87125

RE: Initial Participating Area
White Ranch Unit
Chaves County, New Mexico

Dear Sir:

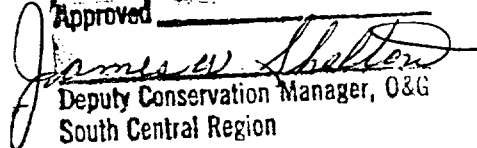
DEPCO, Inc. requests that the initial participating area for the White Ranch Unit be designated as the N/2, Sec. 8-T13S-R30E, Chaves Co., New Mexico. The attached data are submitted to substantiate this request and the determination that the No. 1 White Ranch Unit is capable of producing in paying quantities.

Yours very truly,

DEPCO, INC.



O. J. Hubbard
District Exploration Manager

21 JUL 1981
Approved 
Deputy Conservation Manager, O&G
South Central Region



White Ranch Unit No. 1
Section 8-T13S-R30E
Chaves County, New Mexico

Well Total Depth - - - - - 9,866'
Cost - - - - - \$705,000

Test - - - - - CAOF 23,312 MCFD

Initial BHP Static - - - - 3058 PSIA

BHT - - - - - 148°F

Z (initial) - - - - - 0.8349
Spacing - - - - - 320 Acres
Porosity - - - - - 13%
Water Saturation - - - - - 30%
Net Pay - - - - - 14

Pipeline Intake - - - - - 600 PSIG
Production Rate - - - - - 80% of Deliverability

Monthly Operating Cost - - \$300
Total Royalty - - - - - 17.5%
Tax - - - - - 7.8%
Gas Price - - - - - \$2.81 MCFG (Anticipated)

Gas in Place

Initial Conditions:

$$G_1 = 43,560 \times 320 \times 14 \times 0.13 \times 0.7 \times \frac{3058}{15.025} \times \frac{520}{608} \times \frac{1}{0.8349}$$

$$= 3.702 \text{ BCF}$$

Remaining:

$$G = G_1 \times \frac{Z_i}{Z} \times \frac{P}{P_i}$$

$$\text{@ 2600 psig} \quad G = 3.7 \times \frac{0.8349}{0.8225} \times \frac{2615}{3058}$$

$$= 3.211 \text{ BCF}$$

White Ranch Unit No. 1

PSI	MMCF			MCFD			Producing Time	
	Gas in Place	Gas Prod.	Cum Prod.	Potential Rate	0.80 of Potential	Average Rate	Days	Cum. Days
3043	3702	0	0	22,500	18,000	0	0	0
2800	3442	260	260	20,800	16,600	17,300	15	15
2600	3211	231	491	19,200	15,400	16,000	14	29
2400	2973	238	729	17,500	14,000	14,700	16	45
2200	2723	250	979	16,200	13,000	13,500	19	64
2000	2464	259	1238	14,700	11,800	12,400	21	85

$$\begin{aligned}
 \text{Pay Out} &= \frac{\text{Well Cost}}{\text{Gas Price} \times \text{Net Interest} \times (100 - \text{Tax Rate}) - \text{Operating Cost}} = \text{MMCF} \\
 &= \frac{\$705,000}{(2.81) (.825) (.922) - \$300} = 330 \text{ MMCF or approximately 20 days}
 \end{aligned}$$

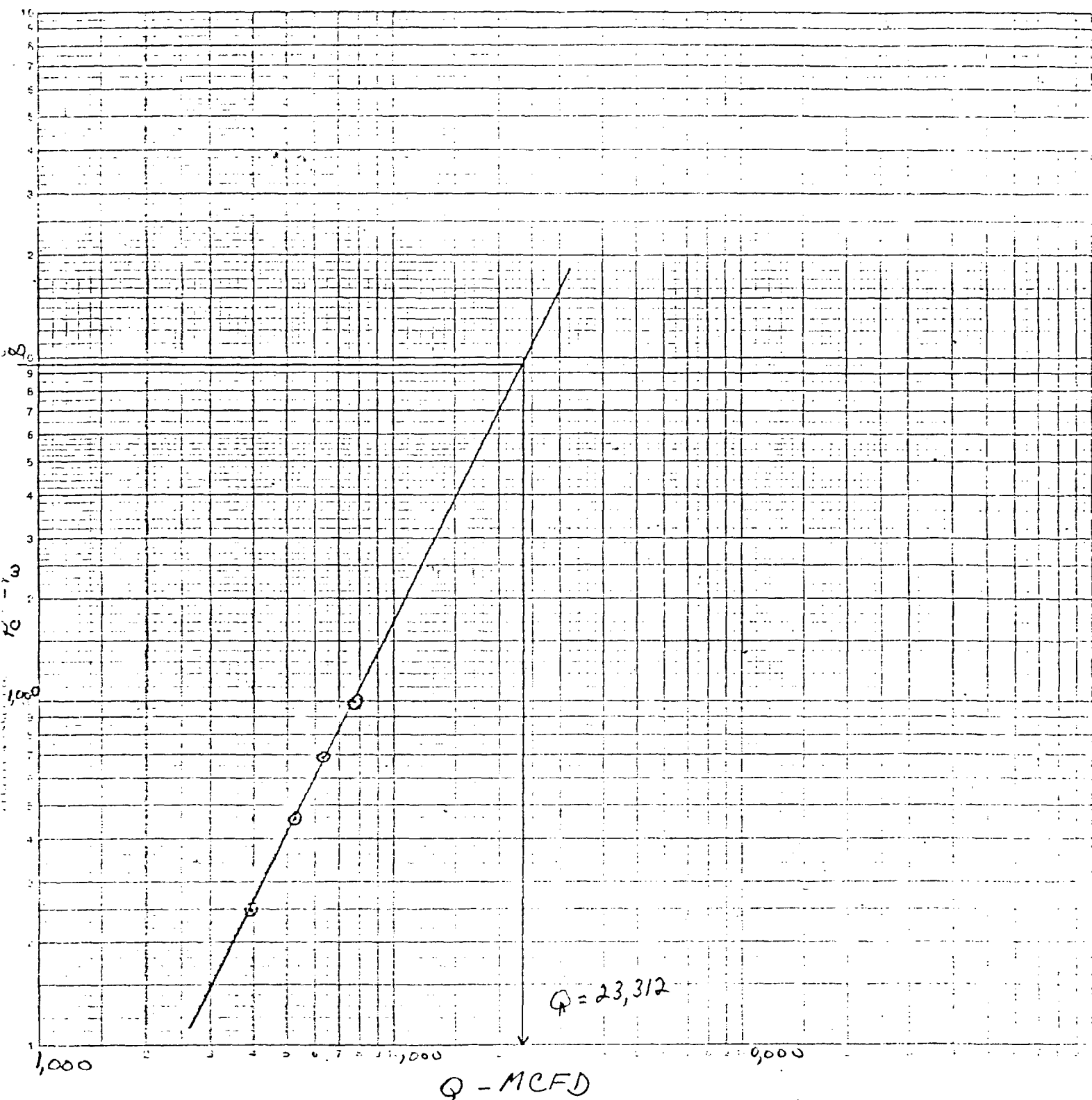


EXHIBIT "B"
 WHITE RANCH UNIT PARTICIPATING AREA
 WHITE RANCH UNIT AGREEMENT
 CHAVES COUNTY, NEW MEXICO

LEASE NO.	DESCRIPTION	PARTICIPATING AREA	PERCENT OF PARTICIPATION
NM-21503	Township 13 South, Range 30 East Section 8: NW/4	160.00 acres	50%
NM-18620	Township 13 South, Range 30 East Section 8: NE/4	160.00 acres	50%
TOTAL FEDERAL LANDS		320.00	100%

R 29 E

R 30 E

T 12 S

T 12 S

R 29 E

	ACREAGE	PERCENTAGE
FEDERAL LANDS	15,969.63	84.33 %
STATE LANDS	1,368.15	7.21 %
PATENTED LANDS	1,604.00	8.46 %
TOTAL	18,941.78	100.00 %

③ TRACT NUMBER

UNIT OUTLINE

SCALE IN MILES

NOTE: UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS PLAT CONTAIN 360.00 ACRES

EXHIBIT "A"

WHITE RANCH UNIT AREA

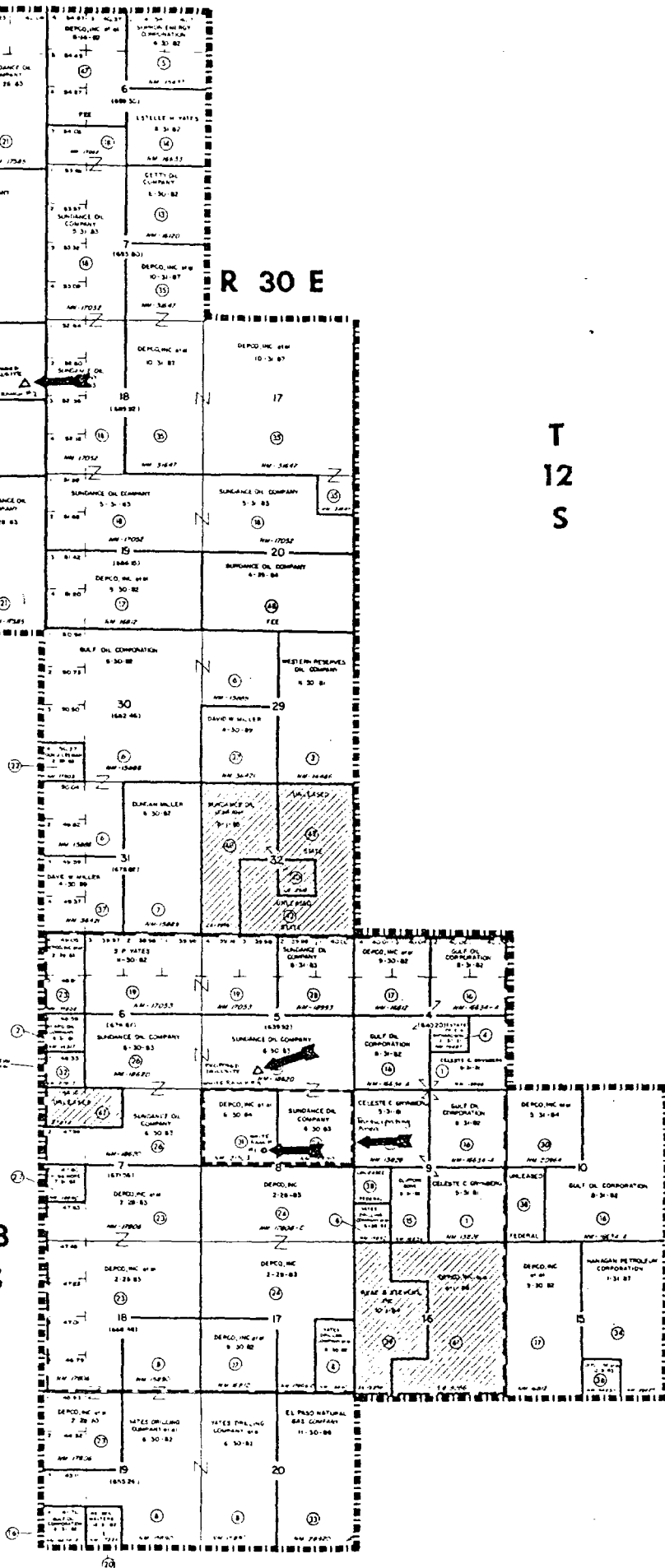
CHAVES COUNTY, NEW MEXICO

DEPCO, INC.
DENVER, COLORADO

R 30 E

T 13 S

T 13 S



South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

6713

SEP 2 1981

Depco, Inc.
Attn: Jamie Jackson
Suite 875, Empire Plaza Bldg.
Midland, Texas 79701

Gentlemen:

An approved copy of your amended 1981 plan of development for the White Ranch unit area, Chaves County, New Mexico is enclosed. Such plan, proposing the drilling of a third well in sec. 7, T. 13 S., R. 30 E., and the drilling of a fourth well in sec. 5, T. 13 S., R. 30 E., was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

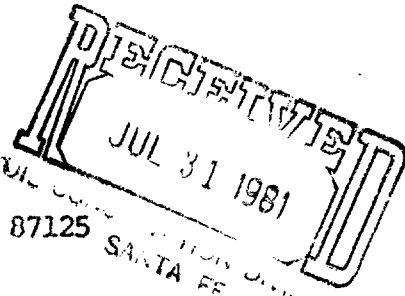
FOR Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure

cc:
Comm of Pub Lands, Santa Fe
NMOC, Santa Fe
DS, Roswell (w/encl)



South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125



JUL 30 1981

6713

Depco, Inc.
Attn: O. J. Hubbard
1000 Petroleum Bldg.
Denver, Colorado 80202

Gentlemen:

An approved copy of your 1981 plan of development for the White Ranch unit area, Chaves County, New Mexico is enclosed. Such plan, proposing to drill two Atoka test wells, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

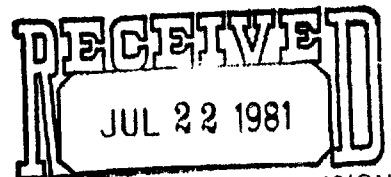
Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure

cc:
Comm of Pub Lands, Santa Fe
NMOCD, Santa Fe
DS, Roswell (w/enclosure)



South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

OIL CONSERVATION DIVISION
SANTA FE

21 JUL 1981

6713

DEPCO, Inc.
Attention: O. J. Hubbard
1000 Petroleum Building
Denver, Colorado 80202

Gentlemen:

Your application of May 5, 1981, requesting approval of the Initial Atoka participating area for the White Ranch Unit Agreement, Chaves County, New Mexico, No. 14-08-0001-18444, was approved on this date, subject to approval by the State of New Mexico. Under the terms in section 11 of the unit agreement the initial participating area is effective as of February 28, 1981.

The initial participating area is 320 acres described as the N $\frac{1}{2}$ section 8, T. 13 S., R. 30 E., N.M.P.M. and is based on the completion of unit well No. 1. Well No. 1 was completed in the interval of 9312 to 9326 feet with an initial flow of 5826 MCFD and 258 BOPD.

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

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Conservation Manager
Oil and Gas

Enclosure

cc:
BLM, Santa Fe (ltr only)
~~NMOC, Santa Fe~~ (ltr only)
DS, Roswell (w/cy)

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

October 24, 1980

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Edmundson, Inc.
P. O. Box 1707
Denver, Colorado 80201

6713

Re: White Ranch Unit
Chaves County, New Mexico

ATTENTION: Mr. Roy B. Edmundson

Gentlemen:

The Commissioner of Public Lands has this date approved the White Ranch Unit, Chaves County, New Mexico. Our approval is subject to like approval by the United States Geological Survey.

Enclosed are Five (5) Certificates of approval.

Your Filing Fee in the amount of Two Hundred and Ninety (\$290.00) Dollars has been received.

Please notify this office when the USGS gives their approval so that we may finish processing same.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC-505-827-2748

AJA/RDG/s
encls.
cc:

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

Unit Name WHITE RANCH UNIT-EXPLORATORY
Operator DEPCO, INC.
County CHAVES

0024.

DATE	OCC CASE NO.	6713	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	MINIMUM -FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO.	R-6187	12-11-80	18,961.78	1,368.15	15,989.63	1,604.00	Yes	5 yrs.
Commissioner:	Commission:								
10-24-80	12-21-79								

UNIT AREA

TOWNSHIP 12 SOUTH, RANGE 29 EAST, NMPM	
Section: 1	All
Section 12:	All
Section 13:	All
Section 14:	All
Section 23:	All
Section 24:	All
TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM	
Section 6:	All
Section 7:	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 13 SOUTH, RANGE 30 EAST, NMPM.	
Section 4:	All
Section 5:	All
Section 6:	All
Section 7:	All
Section 8:	All
Section 9:	All
Section 10:	All
Section 15:	All
Section 16:	All
Section 17:	All
Section 18:	All
Section 19:	All
Section 20:	All

Unit Name

Operator

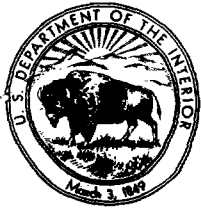
County

WHITE RANCH UNIT-EXPLORATORY

DEPCO, INC.

CHAVES

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	DATE	ACREAGE		LESSEE
								NOT	RATIFIED	
39	LG-2256	C.S.	16	13S	30E	NW/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4	12-10-79	240.00		Read & Stevens, Inc.
40	LG-2918	C.S.	32	12S	30E	NW/4, W/2SW/4, NW/4SE/4	12-19-79	280.00		Sundance Oil Company
41	LG-5256	C.S.	16	13S	30E	E/2, NE/4NW/4, SE/4SW/4	11-7-79	400.00		Depco, Inc.
42	UNLEASED	C.S.	32	12S	30E	NE/4, E/2SW/4, S/2SE/4, NE/4SE/4	— 0 —		448.15	
	UNLEASED	C.S.	7	13S	30E	Lot 1, NE/4NW/4				



United States Department of the Interior

RECEIVED
GEOLOGICAL SURVEY
Conservation Division
P. O. Box 1707
Albuquerque, NM 87125
SEP 17 1979
CONSERVATION DIVISION
SANTA FE
SEP 14 1979

6713

Edmondson, Inc.
Attention: Mr. Roy B. Edmondson
P. O. Box 1707
Denver, Colorado 80201

Gentlemen:

Your application of August 23, 1979, filed in behalf of Depco, Inc with the Oil and Gas Supervisor, Albuquerque, New Mexico, requests the designation of the White Ranch unit area, embracing 18,961.78 acres, more or less, Chaves County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act as amended.

Pursuant to unit plan regulations 30 CFR 226, the land requested as outlined on your plat marked "Exhibit 'A' White Ranch Unit Area, Chaves County, New Mexico" is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test the Mississippian Limestone, or to a depth of 9,800 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the modifications requested in your application.

If conditions are such that further modification of said standard form is deemed necessary, three copies of the proposed modifications with appropriate justification must be submitted to this office through the Oil and Gas Supervisor for preliminary approval.

In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to the Supervisor, Albuquerque, New Mexico, for approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the 1968 reprint of the aforementioned form.

Inasmuch as the unit agreement involves State land, we are sending a copy of the letter to the Commissioner of Public Lands. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts or clearances from the State.

Sincerely yours,

(CING. SEC.) JAMES W. SUTHERLAND

James W. Sutherland
Acting Conservation Manager
For the Director

Enclosure

cc:

Commissioner of Public lands (letter only)
NMOCD, Santa Fe (letter only) —①

EDMUNDSON, INC.
R.F. EDMUNDSON

MAILING ADDRESS:
P.O. BOX 1707
DENVER, COLORADO 80201
303 629-1850

November 30, 1979

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

Attn: Mr. Ray D. Graham
Director

Re: Proposed White Ranch Unit Area
Chaves County, New Mexico

Dear Sir:

Pursuant to your letter of October 18, 1979, I am enclosing two (2) copies of revised page 11 to the White Ranch Unit Agreement.

Please advise if I have not made the modifications to your satisfaction.

Very truly yours,

EDMUNDSON, INC.

By RBE
R. B. Edmundson

RBE:dbw
Enclosure

cc: Mr. Joe Ramey ✓
Oil Conversation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Mr. W. Thomas Kellahin, Esq.
P.O. Box 1769
Santa Fe, New Mexico 87501

Mr. Keith Ranum
Depco, Inc.
1000 Petroleum Building
Denver, Colorado 80202

19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance, or interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest, royalty, or other interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic, or certified copy of the instrument of transfer.

20. EFFECTIVE DATE AND TERM. This agreement shall become effective upon approval by the Secretary and the Land Commissioner or his duly authorized representative, and shall terminate five (5) years from said effective date unless

(a) such date of expiration is extended by the Director and the Land Commissioner, or

(b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder and after notice of intention to terminate the agreement on such ground is given by the Unit Operator to all parties in interest at their last known addresses, the agreement is terminated with the approval of the Supervisor and the Land Commissioner, or

(c) a valuable discovery of unitized substances has been made or accepted on unitized land during said initial term or any extension thereof, in which event the agreement shall remain in effect for such term and so long as unitized substances are being produced in commercial quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area established hereunder and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as unitized substances so discovered can be produced as aforesaid, or

(d) it is terminated as heretofore provided in this agreement. This agreement may be terminated at any time by not less than 75 per centum, on an acreage basis, of the working-interest owners signatory hereto, with the approval of the Supervisor and the Land Commissioner; notice of any such approval to be given by the Unit Operator to all parties hereto.

21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director is hereby vested with authority to alter or modify from time to time in his discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal or State law or does not conform to any statewide voluntary conservation or allocation program, which is established, recognized, and generally adhered to by the majority of operators in such State, such authority being hereby limited to alteration or modification in the public interest, the purpose hereof and the public interest to be served thereby to be stated in the order of alteration or modification. Without regard to the foregoing, the Director is also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law; provided, further, that no such alteration or modification shall be effective as to any land of the State of New Mexico, as to the rate of prospecting and developing in the absence of the specific written approval thereof by the Commissioner and as to any lands of the State of New Mexico or privately owned lands subject to this agreement as to the quantity and rate of production in the absence of specific written approval thereof by the Division.

Powers in this section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

22. APPEARANCES. Unit Operator shall, after notice to other parties affected, have the right to appear for and on behalf of any and all interests affected hereby before the Department of the Interior and the Commissioner of Public Lands and Division, and to appeal from orders issued under the regulations of said Department or Land Commissioner and Division or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior or the Land Commissioner and Division or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his own expense to be heard in any such proceeding.

1 19. COVENANTS RUN WITH LAND. The covenants herein shall be construed to be 1
2 covenants running with the land with respect to the interest of the parties hereto 2
3 and their successors in interest until this agreement terminates, and any grant, 3
4 transfer, or conveyance, or interest in land or leases subject hereto shall be and 4
5 hereby is conditioned upon the assumption of all privileges and obligations here- 5
6 under by the grantee, transferee, or other successor in interest. No assignment or 6
7 transfer of any working interest, royalty, or other interest subject hereto shall 7
8 be binding upon Unit Operator until the first day of the calender month after Unit 8
9 Operator is furnished with the original, photostatic, or certified copy of the 9
10 instrument of transfer. 10
11

12 20. EFFECTIVE DATE AND TERM. This agreement shall become effective upon 12
13 approval by the Secretary and the Land Commissioner or his duly authorized repre- 13
14 sentative, and shall terminate five (5) years from said effective date unless 14
15

16 (a) such date of expiration is extended by the Director and the Land 16
17 Commissioner, or 17
18

19 (b) it is reasonably determined prior to the expiration of the fixed term 19
20 or any extension thereof that the unitized land is incapable of production of 20
21 unitized substances in paying quantities in the formations tested hereunder and 21
22 after notice of intention to terminate the agreement on such ground is given by 22
23 the Unit Operator to all parties in interest at their last known addresses, the 23
24 agreement is terminated with the approval of the Supervisor and the Land 24
25 Commissioner, or 25
26

27 (c) a valuable discovery of unitized substances has been made or accepted on 27
28 unitized land during said initial term or any extension thereof, in which event the 28
29 agreement shall remain in effect for such term and so long as unitized substances are 29
30 being produced in commercial quantities sufficient to pay for the cost of producing 30
31 same from wells on unitized land within any participating area established hereunder 31
32 and, should production cease, so long thereafter as diligent operations are in pro- 32
33 gress for the restoration of production or discovery of new production and so long 33
34 thereafter as unitized substances so discovered can be produced as aforesaid, or 34
35

36 (d) it is terminated as heretofore provided in this agreement. This agree- 36
37 ment may be terminated at any time by not less than 75 per centum, on an acreage 37
38 basis, of the working-interest owners signatory hereto, with the approval of the 38
39 Supervisor and the Land Commissioner; notice of any such approval to be given by 39
40 the Unit Operator to all parties hereto. 40
41

42 21. RATE OF PROSPECTING, DEVELOPMENT, AND PRODUCTION. The Director is 42
43 hereby vested with authority to alter or modify from time to time in his discretion 43
44 the quantity and rate of production under this agreement when such quantity and 44
45 rate is not fixed pursuant to Federal or State law or does not conform to any state- 45
46 wide voluntary conservation or allocation program, which is established, recognized, 46
47 and generally adhered to by the majority of operators in such State, such authority 47
48 being hereby limited to alteration or modification in the public interest, the pur- 48
49 pose hereof and the public interest to be served thereby to be stated in the order 49
50 of alteration or modification. Without regard to the foregoing, the Director is 50
51 also hereby vested with authority to alter or modify from time to time in his dis- 51
52 cretion the rate of prospecting and development and the quantity and rate of pro- 52
53 duction under this agreement when such alteration or modification is in the interest 53
54 of attaining the conservation objectives stated in this agreement and is not in viola- 54
55 tion of any applicable Federal or State law; provided, further, that no such alter- 55
56 ation or modification shall be effective as to any land of the State of New Mexico, 56
57 as to the rate of prospecting and developing in the absence of the specific written 57
58 approval thereof by the Commissioner and as to any lands of the State of New Mexico 58
59 or privately owned lands subject to this agreement as to the quantity and rate of 59
60 production in the absence of specific written approval thereof by the Division. 60
61

62 Powers in this section vested in the Director shall only be exercised after 62
63 notice to Unit Operator and opportunity for hearing to be held not less than 15 days 63
64 from notice. 64
65

66 22. APPEARANCES. Unit Operator shall, after notice to other parties affected, 66
67 have the right to appear for and on behalf of any and all interests affected hereby 67
68 before the Department of the Interior and the Commissioner of Public Lands and 68
69 Division, and to appeal from orders issued under the regulations of said Department 69
70 or Land Commissioner and Division or to apply for relief from any of said regulations 70
71 or in any proceedings relative to operations before the Department of the Interior or 71
72 the Land Commissioner and Division or any other legally constituted authority; pro- 72
73 vided, however, that any other interested party shall also have the right at his own 73
74 expense to be heard in any such proceeding. 74

EDMUNDSON, INC.

R. B. EDMUNDSON

MAILING ADDRESS:
P. O. BOX 1707
DENVER, COLORADO 80201
303 629-1850

October 8, 1979

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

6713

ATTN: Mr. Ray D. Graham
Director

RE: Proposed White Ranch Unit Area
Chaves County, New Mexico

Dear Sir:

Pursuant to your letter of September 27, 1979, I have revised the proposed White Ranch Unit Agreement to conform to your request changes.

I now enclose two (2) copies of the revised White Ranch Unit Agreement. Your requested changes are noted in blue.

Please advise if I have not made the modifications to your satisfaction.

Very truly yours,

EDMUNDSON, INC.

By 
R. B. Edmundson

RBE/ek
encl.

cc: Mr. Joe Ramey, Oil Conversation Div.
Mr. W. Thomas Kellahin, Esq.
Mr. Keith Ranum, Depco, Inc.

Other _____

Unit Name WHITE RANCH UNIT-EXPLORATORY
Operator DEPCO, INC.
County CHAVES

OCD

DATE	OCC CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	SEPARATE-FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO. R-6187	12-11-80	18,961.78	1,368.15	15,989.63	1,604.00	Yes	5 yrs.
Commissioner:	Commissioner:	12-21-79						
10-24-80								

UNIT AREA

TOWNSHIP 12 SOUTH, RANGE 29 EAST, NMPM
Section: 1 All
Section 12: All
Section 13: All
Section 14: All
Section 23: All
Section 24: All
TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM
Section 6: All
Section 7: 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 13 SOUTH, RANGE 30 EAST, NMPM.
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 10: All
Section 15: All
Section 16: All
Section 17: All
Section 18: All
Section 19: All
Section 20: All

(VOLUNTARY TERMINATION)
TERMINATED
12/10/82
APP: 10/6/82
Eft

Unit Name WHITE RANCH UNIT-EXPLORATORY
 Operator DEPCO, INC.
 County CHAVES

STATE TRACT NO.	LEASE NO.	INSTI- TUTION	SEC.	TWP.	RGE.	SUBSECTION	DATE	RATIFIED ACRES	ACREAGE		LESSEE
									NOT RATIFIED		
39	LG-2256	C.S.	16	13S	30E	NW/4NW/4, S/2NW/4, N/2SW/4, SW/4SW/4	12-10-79	240.00			Read & Stevens, Inc.
40	LG-2918	C.S.	32	12S	30E	NW/4, W/2SW/4, NW/4SE/4	12-19-79	280.00			Sundance Oil Company
41	LG-5256	C.S.	16	13S	30E	E/2, NE/4NW/4, SE/4SW/4	11-7-79	400.00			Depco, Inc.
42	UNLEASED UNLEASED	C.S. C.S.	32 7	12S 13S	30E 30E	NE/4, E/2SW/4, S/2SE/4, NE/4SE/4 Lot 1, NE/4NW/4	— 0 —		448.15		

Voluntary Termination
TERMINATED
 APR: 12/10/82
 EKE 10/6/82

KELLAHIN and KELLAHIN

Attorneys at Law

500 Don Gaspar Avenue

Post Office Box 1769

Santa Fe, New Mexico 87501

Jason Kellahin

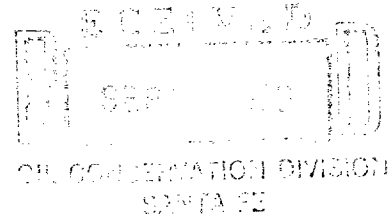
W. Thomas Kellahin

Karen Aubrey

Telephone 982-4285

Area Code 505

September 24, 1979



Mr. Joe Ramey
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Depco, Inc.
White Ranch Unit

Case 6713

Dear Joe:

On September 21, 1979 I forwarded for filing an application for Depco's White Ranch Unit and requested that it be scheduled for hearing on October 17, 1979.

I have been informed that one of my witnesses will not be available on that date. Accordingly, please reset this matter for hearing on October 31, 1979.

Very truly yours,

W. Thomas Kellahin

WTK:mf

cc: Larry Seright
R. B. Edmundson