

Case 8397

1991

Correspondance



JIM BACA
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

#8397

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

May 29, 1991

Chevron U.S.A. Inc
P.O. Box 1150
Midland, Texas 79702

Attn: James E. Baca

Re: Eunice Monument South Unit
Expansion Area "B";
Proposed Lease Line Injectors
Lea County, New Mexico; UF-704344

Dear Mr. Baca:

The Commissioner of Public Lands hereby approves your request to inject water into the unitized Penrose, Grayburg, and San Andres formations through those certain lease line or first row injectors located on the outer edge of the Eunice Monument South Unit Area "B".

If you have any questions regarding this matter, please contact our office at (505) 827-5744.

Sincerely,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
Floyd O. Prando, Director
Oil, Gas & Minerals Division

JB/FOP/jsw

cc: TRD - Oil and Gas Accounting
OCD
BLM
Royalty Management



Chevron U.S.A. Inc.
P.O. Box 1150, Midland, TX 79702

OIL CONSERVATION DIVISION
REVISED

Permian Basin Production Business Unit

'91 APR 19 AM 9 02
April 15, 1991

Revision to Exhibits B, C-1
and Accounting Exhibit C-2
of The Eunice Monument South
Unit Area B,
Lea County, New Mexico

Working Interest Owners
Eunice Monument South Unit Area B

*Case File
8397
JAC*

Gentlemen:

We have completed the acquisition and assignment of the Texaco State "K" lease (Tract #109). As reflected in the attached exhibits, Chevron and Conoco have elected to share the Tract #109 interest that Arco recently declined.

Since Arco was credited with an interest in Tract #109 as of the effective date of the expansion (i.e. December 1, 1990), it will now be necessary for Chevron to make retroactive adjustments in revenues and expenditures allocated to Tract #109.

Please find the enclosed revised (dated 4-1-91) Exhibits B, C-1 and Accounting Exhibit C-2 for your files. Please distribute copies to accounting and departments (Crude oil sales, Production, etc.) that are affected by the changes.

Yours very truly,

Ray M. Vaden
Ray M. Vaden

RMV\vga
LUN10415.06

cc: Mr. Armando Lopez, Bureau of Land Management
Mr. Floyd Prando, New Mexico, State Land Office
The New Mexico Oil Conservation Division-Case #8397

Mailing
4/15/91

EXPANSION AREA "B"
EMSU WORKING INTEREST OWNERS
RATIFICATION, JOINDERS & EXHIBITS "A" AND "B"

Amerada Hess Corporation
J. C. Hefley
Manager of Unitization
P. O. Box 2040
Tulsa, Oklahoma 74102

Chevron U.S.A. Inc.
R. C. Anderson
P. O. Box 1150
Midland, Texas 79701

Amoco Production Company U.S.A.
Dan Janik
P. O. Box 3092
Houston, Texas 77253

Shell Western E&P Inc.
Donnie Champlin
200 N. Dairy Ashford
Houston, Texas 77001

Arco Oil & Gas Company
Sam Keasler
P. O. Box 1610
Midland, Texas 79702

Texaco Producing, Inc.
Attention: Mr. R. H. Koerner
P. O. Box 2100
Denver, Colorado 80201-2100

Conoco, Inc.
Jerry Hoover
10 Desta Drive
Midland, Texas 79705

EUNICE MONUMENT SOUTH UNIT (EMSU) APPLICATION

EXHIBIT 'B'

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS
IN ACCORDANCE WITH THE PARTICIPATION FORMULA FOR THE UNITIZED FORMATION FOR THE
EUNICE MONUMENT SOUTH UNIT AREA - B
LEA COUNTY, NEW MEXICO

REVISED 4/1/91

STATE LANDS

Tract No. and Tract Name	Description of Land	Acres	Serial No. and Effective Date	Basic Royalty Owner and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner and Percentage	Participation of Tract and Unit
107 State "E"	T-20-S, R-36-E, NMPM, Sec. 13, NW 1/4	160.00	B-1398-29 HBP 01/26/28	State of New Mexico 12.5000000	Shell Western E&P El Paso Natural Gas		Shell Western E&P Inc.	100.0000000 4.4633929
108 State "D"	T-20-S, R-36-E, NMPM, Sec. 13, W 1/2 SW 1/4	80.00	A-1543-1 HBP 12/29/28	State of New Mexico 12.5000000	Chevron U.S.A. Inc.		Chevron U.S.A. Inc.	100.0000000 3.3726432
109 State "K"	T-20-S, R-36-E, NMPM, Sec. 13, E 1/2 SW 1/4	80.00	B-2333-3 HBP 01/02/29	State of New Mexico 12.5000000	Texaco Producing Co.		Chevron U.S.A. Inc. Conoco, Inc.	58.375794 41.624206 0.6429433
110 Bell State	T-20-S, R-36-E, NMPM, Sec. 13, S 1/2 SE 1/4	80.00	B-230-1 HBP 09/10/31	State of New Mexico 12.5000000	Chevron U.S.A. Inc.		Chevron U.S.A. Inc.	100.0000000 2.1937330

*** 4 State Lands Tracts Totalling 400.00 Acres -or- 13.33% of Area B ***

OWNER NAME	OWNED NUM	TRACT OWNED	UNIT PARTICIPATION	OWNER'S WORKING INTEREST	TRACT PART	TRACT NUMBER	OVERALL PARTICIPATION PCT
*AMERADA HESS CORPORATION.....	002	102	1.716879	100.00	1.7168789	102	1.7168789%
		103	8.396073	25.00	33.5842940	103	33.5842940
AMOCO PRODUCTION CO.....	003	104	3.509406	25.00	14.0376231	104	14.0376231
		105	16.710649	100.00	16.7106492	105	16.7106492
		106	1.925805	25.00	7.7032192	106	7.7032192
					7.7032192	107	4.4693929
						108	3.3726432
*TOTAL AMOCO PRODUCTION CO.....			30.541933			109	0.6429433
						110	2.1937330
ATLANTIC RICHFIELD COMPANY.....	004	103	8.396073	25.00	33.5842940	111	10.8068693
		104	3.509406	25.00	14.0376231	111	4.7617539
		106	1.925805	25.00	7.7032192	112	
		111	10.806869	100.00	10.8068693		
		112	4.761754	100.00	4.7617539		
							100.000000%
*TOTAL ATLANTIC RICHFIELD COMPANY.....			29.399907				
CHEVRON USA INC.....	019	103	8.396073	25.00	33.5842940		
		104	3.509406	25.00	14.0376231		
		106	1.925805	25.00	7.7032192		
		108	3.372643	100.00	3.3726432		
		109	.375323	58.38	.6429433		
		110	2.193733	100.00	2.1937330		
*TOTAL CHEVRON USA INC.....			19.772983				
CONOCO, INC.....	098	103	8.396074	25.00	33.5842940		
		104	3.509406	25.00	14.0376231		
		106	1.925805	25.00	7.7032192		
		109	.267620	41.62	.6429433		
*TOTAL CONOCO, INC.....			14.098905				
*SHELL WESTERN E&P INC.....	097	107	4.469393	100.00	4.4693929		
			=====				
TOTAL			100.000000				

Eunice Monument South Unit						
Working Interest Ownership Percentages						
Area "A" & "B" With Common Facilities Composite						
OWNERSHIP/COMPANY NAME	EMSU Area "A"		EMSU Area "B"		Common Facilities Composite	
	Working Interest	Billing Interest	Working & Billing Interest	82.76% Of Area A	17.24% Of Area B	EMSU Common Facilities
1. Amerada Hess Corp.	1.314622%	1.314622%	1.7168790%	1.0879812%	0.2959899%	1.3839711%
2. Amoco Production Co.	8.471574%	8.384081%	30.5419330%	6.9386654%	5.2654292%	12.2040946%
3. Atlantic Richfield Co.	19.811013%					
Arco Carried W.I.						
3A Ann D. Allison (25)	.004754%					
3B Sue Bergere Trust (See #4 Below)	(.0313810%)*					
3C J. B. Catron Trust (26)	.053254%					
3D John S. Catron (27)	.020740%					
3E Thomas B. Catron III (28)	.023593%					
3F John N. Eddy (29)	.063767%					
3G Exxon (See #12 Below)	(.354061%)**					
3H Brent C. McWhorter (30)	.004754%					
3I Mary J. McWhorter (31)	.004754%					
3J Jane Ellen Moore (32)	.004754%					
3K Edith C. Wheeler (33)	.004754%					
		20.4690720%	29.3999070%	16.94020399%	5.0685440%	22.0087480%
4. Sue Bergere Trust	.049529%*	.018148%		.0150193%		.0150193%
5. Wm. E. Bloss Rev. Trst. **	.004297%	.004297%		.0035562%		.0035562%

OWNERSHIP/COMPANY NAME	EMSU Area "A"		EMSU Area "B"		Common Facilities Composit		EMSU Common Facilities	Exhibit C-2 Revised 4/1/91 Unit Area B Effective 12/1/90 Unit Area A Effective 2/1/85
	Working Interest	Billing Interest	Working & Billing Interest	82.76% Of Area A	17.24% Of Area B			

6. Bruin Energy LTD	.533831%	.533831%		.4417985%		.4417985%	
7. Carpenter Oil & Gas Co.	.864788%	.864788%		.7156985%		.7156985%	
8. Thomas B III & John S. Catron	.018148%	.018148%		.0150193%		.0150193%	
9. Chevron U.S.A. Inc.	38.303028%	38.303028%	19.7729830%	31.6995860%	3.4088623%	35.1084483%	
10. Conoco Inc.	9.416492%	9.416492%	14.098905%	7.7930888%	2.4306512%	10.2237401%	
11. Energy Production Corp.	.006680%	.006680%		.0055284%		.0055284%	
12. Exxon	5.746728%**	5.392670%		4.4629713%		4.4629713%	
13. Five States 1987, Ltd.	.239468%	.239468%		.1981837%		.1981837%	
14. Five States 1988-A, Ltd.	.317789%	.317789%		.2630022%		.2630022%	
15. Barbara D. Hepworth, Agency***	.004297%	.004297%		.0035562%		.0035562%	
16. Koch Exploration	.329744%	.329744%		.2728960%		.2728960%	
17. S.F. Pauley	.049364%	.049364%		.0408536%		.0408536%	
18. A. Lee Pfluger-Child Trust	.029000%	.029000%		.0240004%		.0240004%	
19. Wm. Carl Pfluger	.029000%	.029000%		.0240004%		.0240004%	
20. Betty Perdew Ralsin Estate***	.008594%	.008594%		.0071124%		.0071124%	
21. Shell Western E&P Inc.	6.760403%	6.760403%	4.4693930%	5.5949095%	.7705234%	6.3654329%	
22. Texaco Producing Inc.	7.313371%	7.313371%		6.0525458%		6.0525458%	
23. Fred Turner Jr. Trust	.087178%	.087178%		.0721485%		.0721485%	
24. Wiser Oil Co.	.105938%	.105938%		.0876743%	%	.0876743%	
	100.000000%	100.000000%	100.000000%	82.7600000%	17.2400000%	100.000000%	

***Formerly The Wm. E. Perdew Trust

LU/N01214.22/Vaden



Chevron U.S.A. Inc.

P.O. Box 1150, Midland, TX 79702 • Phone (915) 687-7745

15 Smith Road, Midland, TX 79705 • Fax (915) 687-7666

Ray M. Vaden
Land Unitization Representative
Permian Basin Land Division

February 7, 1991

Revised Exhibits and Copies of
Unit Expansion Instruments filed
for Record in Lea County, N.M.

Working Interest Owners
Eunice Monument South
Unit Areas A and B
(Address List Attached)

Gentlemen:

Enclosed herewith is a copy of the recorded Certificate of Effectiveness for the expansion area (Area B) of the Eunice Monument South Unit (EMSU). I have also enclosed a copy of the working interest owners' addendums and ratifications for the unit expansion (Area B) that are filed of record in Lea County, New Mexico along with a sample copy of the royalty and overriding royalty owner addendum and ratification that were recorded. One original signature copy of each ratifying owner in the expansion area is on file with the New Mexico Oil Conservation Division in Santa Fe. Since all royalty and overriding royalty interests were committed to the unit by O.C.D. order, we are not enclosing copies of each owner's ratifications, but we are maintaining them in our unit file.

It was brought to our attention that Arco's 37.5% interest in Tract 76 was not reflected in the last (August 13, 1990) Exhibit B. We incorrectly credited Amoco with 100% of the working interest in this tract. The enclosed Exhibits B, C, C-1 and C-2 dated 2/5/91 correct this error.

Exhibit C-2 is an accounting exhibit which reflects each working interest owners interest in the unit. It was derived from Exhibits B and C and the agreed upon addendum for unit expenses related to common facilities.

Please copy and share the enclosed exhibits with others within your company that utilize this information (such as accounting, land, division order, joint interest accounting, oil and gas

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February 7, 1991

sales, production, etc.) If you have any questions concerning the above, please call me.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Ray M. Vaden", written in a cursive style.

Ray M. Vaden

RMV:db
LUN10207.10L

cc: New Mexico Oil Conservation Division
New Mexico State Land Office
Bureau of Land Management