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2005 DEC 6 AM 10 15

December 6, 2005

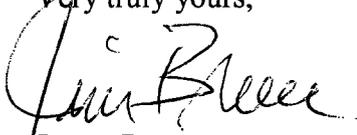
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 13616

Dear Florene:

Enclosed for filing, on behalf of Unit Petroleum Company, are an original and one copy of an application for compulsory pooling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the January 5, 2006 hearing. Thank you.

Very truly yours,



James Bruce

Attorney for Unit Petroleum Company

PARTIES BEING POOLED

Eastland Resources, Inc.
ATTN: Mr. Robin Donnelly
415 W. Wall Street, Ste. 1415
Midland, TX 79701

Eastland Exploration, Inc.
ATTN: Mr. Richard Donnelly
110 N. Marienfeld, Ste. 560
Midland, TX 79701

Mr. John H. McIsaac
3452 Lyrac Street
Oakton, VA 22124

Mr. Chester J. Stuebben
1275 Rock Ave., #HH5
North Plainfield, NJ 70600

Mr. and Mrs. Alan D. Tuck, Jr.
2829 Wilfred Reid Circle
Sarasota, FL 34240

Mr. Larry Turner
2902 County Road O
Lamesa, TX 79331

Mr. Sande Wische
126 Passaic Street
Neward, NJ 07104

Mr. Richard Donnelly
110 N. Marienfeld, Ste. 560
Midland, TX 79701

Spinnaker Oil & Gas, L.P.
ATTN: Mr. Robin Donnelly
415 W. Wall Street, Ste. 1415
Midland, TX 79701

Chesapeake Energy Corporation
Attn: Kathy F. Blick
6100 N. Western Avenue
Oklahoma City, OK 73118

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF UNIT PETROLEUM
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

2005 DEC 6 AM 10 15

Case No. 13616

APPLICATION

Unit Petroleum Company applies for an order pooling all mineral interests from 4000 feet subsurface to the base of the Morrow formation underlying the S $\frac{1}{2}$ of Section 29, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the S $\frac{1}{2}$ of Section 29, and has the right to drill a well thereon.

2. Applicant proposes to drill its Toles Fed. Com. Well No. 1, at an orthodox gas well location in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 29, to a depth sufficient to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) the NE $\frac{1}{4}$ SE $\frac{1}{4}$ to form a standard 40 acre oil and spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated Herradura Bend-Cherry Canyon Pool and Herradura Bend-Delaware Pool;

(b) the SE $\frac{1}{4}$ to form a standard 160 acre gas spacing and proration unit for any formations and/or pools developed on 160 acre spacing within that vertical extent; and

(c) the S $\frac{1}{2}$ to form a standard 320 acre gas spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Dublin Ranch-Atoka Gas Pool and Dublin Ranch-Morrow Gas Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the S½ of Section 29 for the purposes set forth herein.

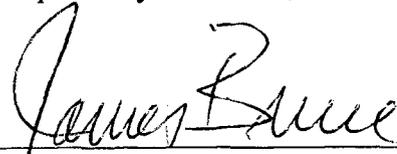
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the S½ of Section 29, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the S½ of Section 29 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the S½ of Section 29, from 4000 feet subsurface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Unit Petroleum Company

PROPOSED ADVERTISEMENT 2005 DEC 6 AM 10 16

Case No. 13616 : **Application of Unit Petroleum Company for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from 4000 feet subsurface to the base of the Morrow formation underlying the S/2 of Section 29, Township 22 South, Range 28 East, NMPM, and in the following manner: The S/2 to form a standard 320-acre gas spacing and proration unit for all formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Dublin Ranch-Atoka Gas Pool and Dublin Ranch-Morrow Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for all formations and/or pools developed on 160 acre spacing within that vertical extent; and the NE/4SE/4 to form a standard 40-acre oil spacing and proration unit for all formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated Herradura Bend-Cherry Canyon Pool and Herradura Bend-Delaware Pool. The units are to be dedicated to the Toles Fed. Com. Well No. 1, to be drilled at an orthodox gas well location in the NE/4SE/4 of Section 29. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 3-1/2 miles east-northeast of Otis, New Mexico.