

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
IN THE MATTER OF THE APPLICATION OF
ENSERCH EXPLORATION, INC. FOR APPROVAL
OF A UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 1767

APPLICATION

COMES NOW ENSERCH EXPLORATION, INC., by and through its undersigned attorneys, Miller, Stratvert & Torgerson, P.A., and hereby makes application for an order approving its Custer Mountain North Unit Agreement and in support of this application would show the Division:

1. That the proposed Unit Agreement consists of 8,124.62 acres, more or less, of State, Federal and Fee lands situated in Lea County, New Mexico. The horizontal limits of said Unit are described as follows:

Township 23 South, Range 35 East, N.M.P.M.

Section 1: W/12
Section 2: All
Section 3: All
Section 4: All
Section 9: All
Section 10: All

Section 11: All
Section 12: N1/2 NW1/4
SW1/4 NW1/2
Section 14: All
Section 15: All
Section 16: All

Section 21: All
Section 22: All
Section 23: All

Containing 8,124.62 acres, more or less.

2. That the Unit Agreement has been approved by a sufficient percentage of the working interest owners holding interests within the proposed Unit Area.

3. That the applicant, Enserch Exploration, Inc., is designated as Unit Operator in said Unit Agreement and all formations are being unitized for a voluntary exploratory unit, with the Bone Spring formation as the primary objective.

4. That the proposed Unit Area covers all, or substantially all, of the geological structures or anomalies involved.

5. Approval of this Unit Agreement will be in the best interest of conservation the prevention of waste, and the protection of correlative rights of all parties concerned.

WHEREFORE, Enserch Exploration, Inc. respectfully requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on May 1, 1997, that notice be given as required by law and the rules of the Division and that the Unit Agreement be approved.

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.

By



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April 3, 1997

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

BY HAND DELIVERY

Re: Application of Enserch Exploration, Inc. for Approval of a Unit Agreement, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed are triplicate applications of Enserch Exploration, Inc. for approval of a Unit Agreement for lands located in Lea County, New Mexico.

On behalf of the Applicant, Enserch Exploration, Inc., we ask that this matter be set for examiner hearing on May 1, 1997.

Very truly yours,

MILLER, STRATVERT & TORGERSON, P.A.

T. Scott Hall
J. Scott Hall

JSH:CMB
Enclosure

cc: Jerry Anderson, Enserch Exploration, Inc.