



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

APR 16 1969

Pan American Petroleum Corporation
P. O. Box 1410
Fort Worth, Texas 76101

Attention: Mr. D. B. Mason, Jr.

Gentlemen:

Your application filed with the Regional Oil and Gas Supervisor, Roswell, New Mexico, on March 27, 1969, requests the designation of the Cedar Point unit area embracing 5,120 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 of December 22, 1950, 30 CFR 226.3 (1961 reprint), the land requested as outlined on your plat marked "Exhibit A, Cedar Point Unit, Chaves County, New Mexico," is hereby designated as a logical unit area.

Your proposed form of unit agreement will be acceptable with the indicated changes. One of the marked copies of said agreement is attached, one copy has been retained, and one copy is being sent to the Oil and Gas Supervisor, Roswell, New Mexico.

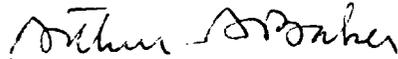
In the absence of any other type of land requiring special provisions or any objection not now apparent, a duly executed agreement identical to the 1968 reprint, modified only as outlined above and approved by the appropriate officials of the State of New Mexico, will be approved if submitted in approvable status within a reasonable time. However, the right is reserved to deny approval of any executed agreement which, in our opinion, does not have full commitment of sufficient lands to afford effective control of unit operations.

When the executed agreement is transmitted to the Supervisor for approval, include the latest status of all acreage. The format of the sample exhibits attached to the 1968 reprint of the standard form should be followed closely in the preparation of Exhibits A and B.

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 3
CASE NO. 4183

As the unit area contains State of New Mexico lands, we are sending a copy of this letter to the Commissioner of Public Lands of the State of New Mexico in Santa Fe. Please contact the State of New Mexico before soliciting joinders, regardless of prior contacts with or clearances from the State.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Arthur D. Parker".

Acting Director