

United States Department of the Interior

BUREAU OF LAND MANAGEMENT ALBUQUERQUE DISTRICT OFFICE Taos Trough Unit 3100 (015)

505 Marquette, N.W. P.O. Box 6770 Albuquerque, New Mexico 87197-6770

DEC 0 2 1985

Leonard Minerals Company ATTN: Mr. Ben Donegan 3202 Candelaria, NE Albuquerque, NM 87107

Gentlemen:

Your application of November 15, 1985, filed with the District Manager, Albuquerque District Office, requests the designation of the Taos Trough Unit Area, embracing 108,590.54 acres, more or less, Taos, Colfax, Mora Counties, 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 43 CFR 3180, the land requested as outlined on your plat marked "Exhibit A" Taos Trough Unit, Taos, Colfax and Mora Counties, New Mexico is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for three wells to test the Sandia Formation, or to a depth of 6000 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the agreed to modifications.

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 District Manager 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 any 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.

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
EXHIBIT NO.
CASE NO.

- 1

When the executed agreement is transmitted to the District Manager, 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 1983 reprint of the aforementioned form.

If you have any questions, please contact Robert Kent at the above address or telephone (505) 766-2841.

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Sincerely,

District Manager