

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
NEWMONT OIL COMPANY FOR APPROVAL OF)
A UNIT AGREEMENT COVERING THE YOUNG)
(QUEEN) UNIT, CONTAINING 1320 ACRES,)
MORE OR LESS, OF FEDERAL AND STATE)
LAND IN TOWNSHIP 18 SOUTH, RANGE 32)
EAST, N.M.P.M., LEA COUNTY, NEW)
MEXICO.)

No. 3876

APPLICATION

COMES NOW Newmont Oil Company by its attorney, John F. Russell, and states:

1. It is the operator of the Young (Queen) Unit, consisting of the following described lands:

Township 18 South, Range 32 East, New Mexico Principal Meridian

Section 9: SW/4 SW/4
Section 16: SE/4 NW/4 and W/2 NW/4
Section 17: NE/4; NE/4 SE/4; W/2 SE/4; E/2 SW/4
Section 19: E/2 NE/4
Section 20: NW/4; W/2 NE/4; SE/4 NE/4; E/2 SW/4; SE/4; NW/4 SW/4
Section 21: SW/4 SW/4
Section 28: NW/4 NW/4
Section 29: NE/4 NE/4; NE/4 NW/4

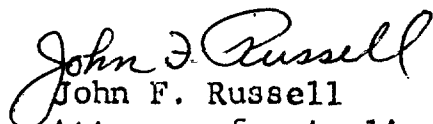
2. Applicant attaches hereto as "Exhibit A" a copy of the unit agreement for the development and operation of the Young (Queen) Unit, Lea County, New Mexico, which has been given preliminary approval by the United States Geological Survey.

3. The approval of this unit agreement will enable the owners of each of the properties to have the opportunity to

produce his just and equitable share of the oil or gas, or both, in the unit, will protect correlative rights, and prevent waste by premature abandonment of wells.

WHEREFORE, applicant requests the Commission to set this matter down for hearing before an examiner, to publish its notice as provided by law, and, after hearing, to issue its order approving the unit agreement as requested in the application.

Respectfully submitted,


John F. Russell
Attorney for Applicant

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