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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
RESERVE OIL AND GAS COMPANY FOR  
APPROVAL OF THE SOUTH LANGLIE JAL  
UNIT AGREEMENT, LEA COUNTY, NEW  
MEXICO.

*Case 4405*

APPLICATION

COMES RESERVE OIL AND GAS COMPANY, by its attorney,  
A. J. Losee, and states:

1. Applicant proposes to operate and develop as a  
unitized area, for the secondary recovery of oil and gas from  
the Seven Rivers and Queen Formations, under and by virtue of  
the terms of the Unit Agreement, a copy of which is filed  
herewith and by reference made a part hereof, the following  
lands in Lea County, New Mexico:

Township 25 South, Range 37 East, N.M.P.M.

- Section 7: SW/4 NE/4, E/2 SW/4, SE/4
- Section 8: SW/4
- Section 17: W/2
- Section 18: E/2

containing 1,080 acres, more or less.

2. The participating area established by the Unit  
Agreement comprises 1,080 acres of which 100 percent are fee  
lands.

3. Applicant is proposed to be the Operator of  
the unit area.

4. Pursuant to Article 5 of the Unit Agreement,  
the participation formula is oil ultimately recoverable by  
primary operations.

5. Article 17 of the Unit Agreement provides that after  
80 percent or more of the unit area has been qualified under

*St. 70*

the provisions of Article 9, the Unit Agreement, pursuant to Article 17, will become effective when it has been approved by the Commission and a copy filed in the County records.

6. The proposed plan for the development and operation of the Seven Rivers and Queen Formations underlying the above described unit area will promote the prevention of waste and protect correlative rights within the unit area and the method of allocating production within the unit area is fair to all of the working and royalty interest owners.

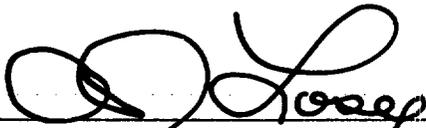
WHEREFORE, applicant prays:

A. That this matter be set for hearing before an examiner appointed by the Commission, and that due public notice be given as required by law.

B. That the Commission approve the South Langlie Jal Unit Agreement and the plans contained in said Unit Agreement for the development and operation of the unit area as a proper conservation measure.

DATED this July 17, 1970.

RESERVE OIL AND GAS COMPANY

By: 

A. J. Losee  
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