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December 11, 1970

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Cicc 4413

Mr. A. L. Porter Secretary-Director New Mexico Oil Conservation Cormission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Porter:

Enclosed herewith is the Application of Pubco Petroleum Corporation for approval of the formation of the Kemnitz Lower Wolfcamp East Unit. It is requested that this matter be set for hearing as prayed for in the Application at the first Examiner Hearing held in January of 1971.

Very truly yours,

James E. Sperling

JES:jv

Enclosures (3)

Mr. Charles E. Ramsey, w/encl. Pubco Petroleum Corporation

DOCKET MAKED

Date 12-23-70

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PUBCO PETROLEUM CORPOPATION FOR APPROVAL OF THE KENNITZ LOWER WOLFCAMP EAST UNIT, LEA COUNTY, NEW MEXICO.

Case No. 4483

APPLICATION

Pubco Petroleum Corporation requests approval of the Kemmitz Lower Wolfcamp Hast Unit, Lea County, New Mexico, and in support of the Application states:

- 1. The proposed unit area is comprised of the SW/4 and the W/2 SE/4 of Section 22, the E/2 MW/4 of Section 27, and the E/2 NE/4 of Section 28, all in Township 16 South, Range 34 East, W.H.P.M., Lea County, New Mexico.
- 2. Applicant, as unit operator, together with the owners of interest in the oil and gas and associated minerals within the unit area, deem it necessary and desirable to unitize said rights in and to the unitized formation as specified in the Unit Agreement in order to conduct a consolidated gas lift program, the same being a program contemplated and authorized by Section 7-11-39 of the New Mexico Statutes 1953 Annotated.
- 3. By the consolidation of the respective oil, gas and mineral rights within the unit area for the purpose of operation of the unit area, the production efficiency of the unitized area will result in the extension of the economic life of the unit area and will result in the protection of correlative rights, prevention of waste, both economic and physical, and will be in the best interests of conservation of natural resources.

WHEREFORE, Applicant requests that this matter be

set for hearing before an Examiner at the first Examiner Hearing in January of 1971, and that following such hearing the Commission issue its order approving and authorizing the formation and operation of the unit pursuant to the terms of the Unit Agreement.

> Respectfully submitted, PUBCO PETROLEUM CORPORATION

BY: MODRALL SEYMOUR SPERLING ROELL & MARRIS

James E. Sperling, its attorneys 800 Public Service Building P.C. Box 2168

Albuquerque, New Mexico 87103