

LAW OFFICES OF
HUNKER-FEDRIC, P. A.
SUITE 210, HINKLE BUILDING
POST OFFICE BOX 1837
ROSWELL, NEW MEXICO 88201

MAR 18 1981
OIL CONSERVATION DIVISION
SANTA FE

GEORGE H. HUNKER, JR.
DON M. FEDRIC

TELEPHONE 622-2700
AREA CODE 505

March 12, 1981

TO: ALL WORKING INTEREST OWNERS, LAYTON ENTERPRISES, INC.,
TODD LOWER SAN ANDRES UNIT, ROOSEVELT COUNTY, NEW MEXICO

In connection with the above matter, we hand you herewith the final draft of Unit Agreement and Unit Operating Agreement covering the above described project.

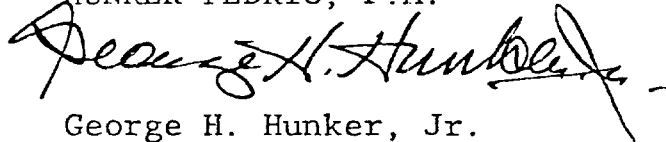
We would advise at this time that we have made application to the Oil Conservation Division for approval of this unit, not as a statutory unit but as a voluntary unit, and for approval of the water flood project. It appears that these cases will be heard by an Examiner for the Commission on March 25, 1981, in Santa Fe at the State Oil Conservation Commission offices, commencing at 9:00 A.M.

We would invite you to attend this hearing; however, if you are unable to do so, we would suggest that at this time you write a letter or send a telegram to Joe D. Ramey, New Mexico Oil Conservation Division, Santa Fe, New Mexico, indicating your approval of both the Unit and the Project.

If you have any questions with regard to the documents submitted herewith, please do not hesitate to get in touch with us or with Don Layton, Layton Enterprises in Lubbock.

Sincerely yours,

HUNKER-FEDRIC, P.A.



George H. Hunker, Jr.

GHH:dd
Encls.

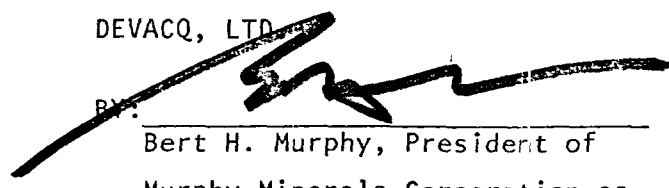
xc: Mr. Donald R. Layton, Pres.
Layton Enterprises, Inc.
3103 - 79th Street
Lubbock, Texas 79423

xc: Mr. Joe L. Johnson, Jr.
Stephens Engineering
P.O. Box 2249
Wichita Falls, Texas 76307

ACCEPTED AND AGREED TO THIS 16TH
DAY OF MARCH, 1981.

DEVACQ, LTD.

BY:


Bert H. Murphy, President of
Murphy Minerals Corporation as
General Partner of DEVACQ, LTD.

copy to Mr. Joe D. Ramey
Mr. George H. Hunker, Jr.

HARVARD AND LE MAY EXPLORATION C
PO BOX 936
ROSWELL NM 88201

western union

Mailgram



4-001486S084003 03/25/81 ICS IPMBNGZ CSP ABQC
2 5056231581 MGM TDBN ROSWELL NM 03-25 0201A EST

JOE D RANEY, DIRECTOR, NEW MEXICO OIL
CONVERSATION DIVISION
STATE LAND OFFICE BLDG
SANTA FE NM 87501

THIS IS A CONFIRMATION COPY OF A PREVIOUSLY PHONE-DELIVERED TELEGRAM

HARVARD AND LE MAY EXPLORATION LTD.-SERIES 1976A APPROVES THE
FORMATION OF THE LOWER SAN ANDRES UNIT IN ROOSEVELT COUNTY AND THE
SUBSEQUENT WATERFLOOD PROJECT.

H LEE HARVARD FOR HARVARD AND LE MAY EXPLORATION COMPANY, GENERAL
PARTNER
PO BOX 936
ROSWELL NM 88201

0202 EST

MGMCOMP MGM

WU AGENT SANA

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PMS JOE D. RAMEY, DLR

NEW MEXICO OIL CONSERVATION DIVN

SANTA FE NM

GETTY OIL COMPANY CONCURS WITH LAYTON ENTERPRISES, INC - IN THEIR
APPLICATION FOR APPROVAL OF THE TODD LOFER SAN ANDRES UNIT, ROCSEVELT
COUNTRY, NEW MEXICO AS A VOLUNTARY UNIT AND FOR APPROVAL OF THE
WATERFLED PROJECT, THESE CASES ARE SET FOR HEARING ON MARCH 25 1981.

JOE E. KING, GETTY OIL COMPANY

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Case 7201 (unit)

Cs 7202 (water fld)

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WJ AGENT SANA

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PMS JOE D. RAMEY, DLR

NEW MEXICO OIL CONSERVATION DIV

SANTA FE NM

PLEASE BE ADVISED THAT HANOVER PETROLEUM CORP, SUBSIDIARY OF TOTAL
PETROLEUM INC, APPROVES THE UNIT AND WATER FLOOD PROJECT FOR THE
LAYTON ENTERPRISES TODD LOWER SAN ANDRES UNIT, ROOSEVELT COUNTY NEW
MEXICO.

WARD M. CLARK, VP

HANOVER PETROLEUM CORP

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WU AGENT SANA

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PMS JOE D. RAMEY, DLR

NEW MEXICO OIL CONSERVATION DIVN

SANTA FE NM

GETTY OIL COMPANY CONCURS WITH LAYTON ENTERPRISES, INC - IN THEIR APPLICATION FOR APPROVAL OF THE TODD LORER SAN ANDRES UNIT, ROOSEVELT COUNTRY, NEW MEXICO AS A VOLUNTARY UNIT AND FOR APPROVAL OF THE WATERFLED PROJECT. THESE CASES ARE SET FOR HEARING ON MARCH 25 1981.

JOE E. KING, GETTY OIL COMPANY

NNNN

Rec'd 3/23
Case 7201 (Unit)
Case 7202 (Water fld?)

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ZCZC 002 DLY DALLAS, TX 03/24/81

PMS JOE D. RAMEY, DIRECTOR

STATE OF NEW MEXICO

OIL CONSERVATION DIV.

STATE LAND OFC, BLDG.

300 OLD SANTA FE TRAIL

SANTA FE, NM 87501

RE: CASE NOS. 7201 AND 7202

TODD LOWER SAN ANDRES UNIT

ROOSEVELT COUNTY, NEW MEXICO

DEAR SIR:

*Case 7201
Layton Unit Agreement*



IN CONNECTION WITH LAYTON ENTERPRISES, INC., APPLICATIONS FOR
UNITIZATION AND SECONDARY RECOVERY OPERATIONS FOR THE TODD
LOWER SAN ANDRES UNIT WHICH ARE SET FOR HEARING MARCH 25, 1981,
THIS IS TO ADVISE THAT SUN OIL COMPANY IS IN AGREEMENT WITH THE
PARTICIPATION FORMULA, AND WILL RATIFY AS SOON AS A SUITABLE
UNIT AGREEMENT AND OPERATING AGREEMENT CAN BE FORMULATED.

