

7565

Delta Drilling Company
Attention: Bob Stevens
P. O. Box 3467
Midland, Texas 79702

RECEIVED
JUN 25 1982

Gentlemen:

Your application of April 29, 1982, filed with the Deputy Minerals Manager, Oil and Gas, Albuquerque, New Mexico, requests the designation of the North Mescalero unit area, embracing 959.77 acres, more or less, Lea County, 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 30 CFR 226, the land requested as outlined on your plat marked "Exhibit A" is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test the Permo Penn, or to a depth of 9,500 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the modifications requested in your application, provided it is further modified as follows:

1. Change "Oil and Gas Supervisor" and "Supervisor" to "Deputy Minerals Manager" and "Deputy."
2. Change "Director of the Geological Survey" to "Director of the Minerals Management Service."
3. Delete Section 22, Conflict of Supervision.
4. Add the words "as amended" after (30 F.R. 12319) in Section 27, Nondiscrimination.

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 Deputy Minerals Manager, Oil and Gas, 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 deny 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.

When the executed agreement is transmitted to the Deputy Minerals 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 1968 reprint of the aforementioned form.

Inasmuch as this unit agreement involves State land, we are sending a copy of the letter to the Commissioner of Public Lands. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts or clearances from the State.

Sincerely yours,

(ORIG. SCD.) JAMES E. FASSETT

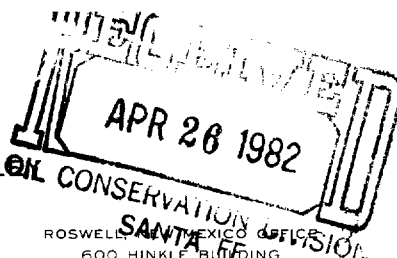
FOR James W. Sutherland
Minerals Manager
For the Director

Enclosure

cc:
Comm. of Public Lands, Santa Fe
NMOCD, Santa Fe

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(1914-1973)
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*NOT LICENSED IN
TEXAS

April 21, 1982

Oil Conservation Division
State Land Office
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Dan Nutter

Re: Delta Drilling Company Oil
Conservation Division Case
7565, Docket No. 12-82,
April 28, 1982

Dear Dan:

This will confirm my telephone call to you today respectfully requesting a continuance of the above referenced case involving an application for approval of Delta's North Mescalero Unit Area. We would like to have this case set on the May 12 docket and it is my understanding that such a continuance is acceptable.

If there is any problem in the requested continuance, please let me know.

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


Conrad E. Coffield

CEC:cl

xc: Mr. Bob Stevens
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Mr. Ben Poole
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Tyler, Texas 75710