

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office 1717 West Second Street Roswell, New Mexico 88201-2019

NMNM91009X 3180 (06557)

JAN 24 1994

Quality Production Corporation Attention: Mr. R. M. Williams P. O. Box 250 Hobbs, NM 88241

Gentlemen:

Your application of December 22, 1993, filed with the BLM on behalf of The Wiser Oil Company, requests the designation of the Caprock Maljamar Unit area, embracing 4160.00 acres, more or less, Lea County, New Mexico, as logically subject to secondary operations under the unitization provisions of the Mineral Leasing Act as amended.

Pursuant to unit plan regulations 43 CFR 3180, the land requested as outlined on your plat marked Exhibit A, The Wiser Oil Company, Caprock Maljamar Unit, Lea County, New Mexico, is hereby designated as a logical unit area for the purpose of conducting secondary recovery operations and has been assigned No. NMNM91009X. This designation is valid for a period of one year from the date of this letter.

Waterflooding will be limited to the Grayburg/San Andres interval.

Your basis for allocation of unitized substances is acceptable. Although you did not submit a form of Unit Agreement, you have stated that you will be using the standard form of Unit Agreement with a minimum of changes. Corrections that need to be made to the enclosed Exhibits A and B are marked in red.

If conditions are such that further modification of said standard form is deemed necessary, one copy of the proposed modifications with appropriate justification must be submitted to this office for preliminary approval.

In the absence of any type of land requiring special provisions or 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 BLM for final 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 reprint of the aforementioned form. You will also need to submit an Initian Plan of Operation.

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
EXHIBIT NO

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,

Jony L. Ferguson

Tony L. Ferguson Assistant District Manager,

Minerals

2 Enclosures