

#13,033



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE
2909 West Second Street
Roswell, New Mexico 88201-2019

RECEIVED
APR 10 2003
OIL COMPANY SECTION

IN REPLY REFER
NMNM109670X
3180 (06300)

APR 10 2003

Read & Stevens, Inc.
Attention: Robert H. Watson
P. O. Box 1518
Roswell, NM 88202

Gentlemen:

One approved copy of the West Haystack Unit Agreement, No. NMNM109670X, Chaves County, New Mexico, is enclosed. Such agreement is effective as of the date of approval.

Fursuant to 43 CFR 3183.4(b) and Section 9 of the unit agreement, if the Public Interest Requirement is not fulfilled, the unit will be declared invalid and no lease committed to this agreement shall receive the benefits of 43 CFR 3107.3-2 and 3107.4.

Approval of the agreement does not warrant or certify that the operator thereof and other working interest owners hold legal or equitable title to the leases which are committed hereto.

You are requested to furnish all interested principals with appropriate evidence of this approval.

Sincerely,

/s/ Larry D. Bray

Larry D. Bray
Assistant Field Manager,
Lands and Minerals

Enclosure

cc:
MMS, Denver (3133)
NMOCD, Santa Fe

CERTIFICATION - DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the Act approved February 25, 1920, 41 Stat. 437, as amended, 30 U.S.C. sec 181, et seq., and delegated to the Authorized Officer of the Bureau of Land Management, under the authority of 43 CFR 3183, I do hereby:

- A. Approve the attached agreement for the development and operation of the West Haystack Unit Area, State of New Mexico. This approval shall be invalid *ab initio* if the public interest requirement under §3183.4(b) of this title is not met.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of all Federal leases committed to said Agreement are hereby established, altered, changed or revoked to conform with the terms and conditions of this agreement.

Dated: April 10, 2003



Authorized Officer
Bureau of Land Management

Contract No.: NMNM109670X

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

March 3, 2003

Case 13033

RECEIVED

MAR 3 2003

Oil Conservation Division

Hand Delivered

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and one copy of an application for special pool rules, and a proposed advertisement, filed on behalf of Read & Stevens, Inc. Please set this matter for the March 27, 2003 Examiner hearing. Thank you.

The application and advertisement are also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for Read & Stevens, Inc.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF READ & STEVENS, INC.
FOR APPROVAL OF A UNIT AGREEMENT,
CHAVES COUNTY, NEW MEXICO.

RECEIVED
MAR 3 2003
OIL CONSERVATION DIVISION
No. 13033

APPLICATION

Read & Stevens, Inc. applies for an order approving the Unit Agreement for the proposed West Haystack Unit Area, and in support thereof, states:

1. Applicant is a working interest owner in, and the operator of, the proposed West Haystack Unit Area, which comprises 1910.80 acres of federal and fee lands in Chaves County, New Mexico, described as follows:

Township 6 South, Range 27 East, N.M.P.M.
Section 7: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$, and E $\frac{1}{2}$ (All)
Section 8: All
Section 18: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$, and E $\frac{1}{2}$ (All)

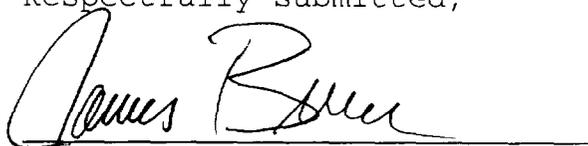
2. The proposed unit area has been preliminarily approved by the United States Bureau of Land Management as a logical unit.

3. Approval of the proposed unit area is necessary to conserve natural resources.

4. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

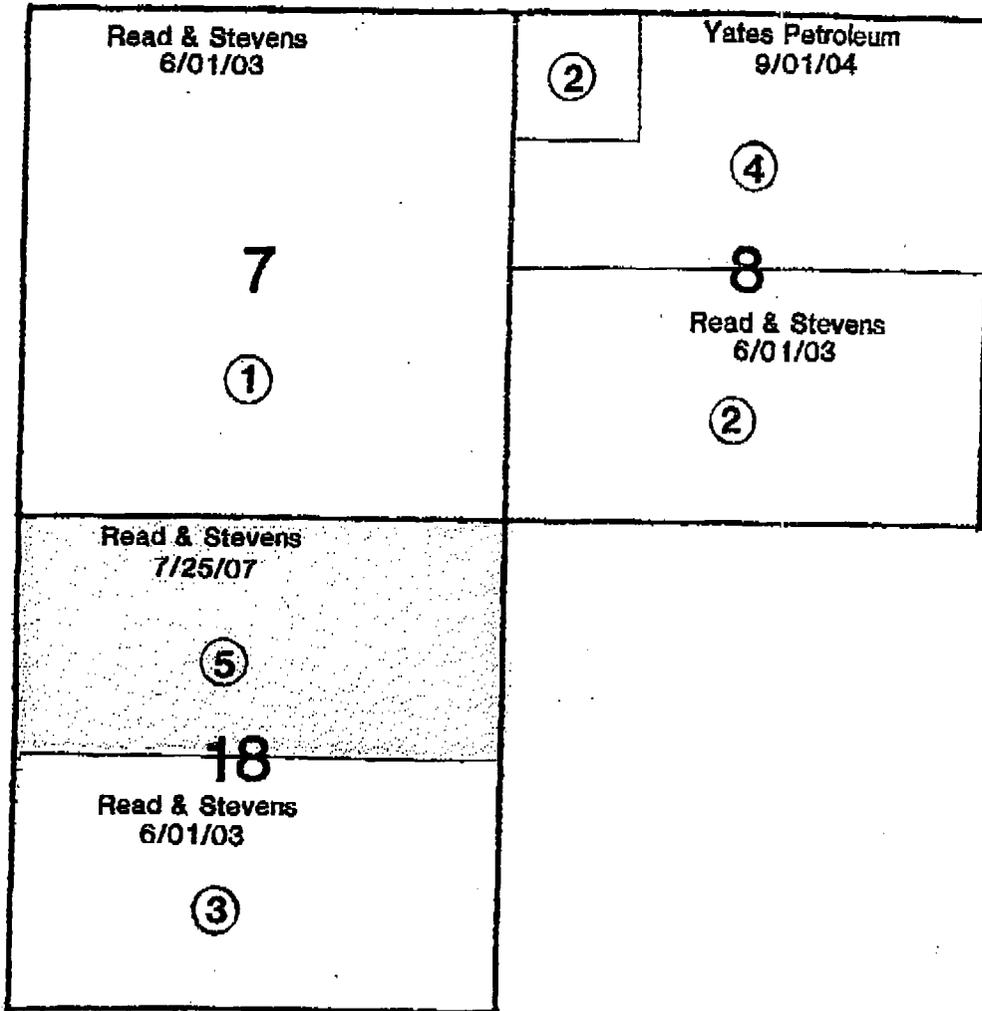
Respectfully submitted,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Read & Stevens, Inc.

READ & STEVENS, INC.
EXHIBIT A
WEST HAYSTACK AREA
CHAVES CO., NEW MEXICO
 1910.86 gross acres



- Tract Number Listed on Exhibit B
- Public Land
- Private Land

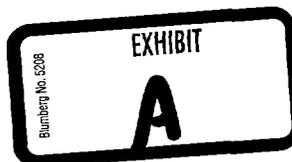


EXHIBIT "B"
WEST HAYSTACK AREA
CHAVES COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION OF LAND	ACRES	SERIAL NO./ LEASE EXPIRATION DATE	BASIC ROYALTIES & OWNERSHIP PERCENTAGE	LESSEE OF RECORD	ORRI%	WI%
1	T6S-R2ZE Section 7: Lots 1-4, E/2NW/2, E/2	635.04	NMN/M-90872 5/31/2003	USA - All of 12.5%	Read & Stevens, Inc. - 100%	Read & Stevens, Inc. - 3.5% R&S Royalty Pool - 2%	Read & Stevens, Inc. - 99.5% Lincoln Oil & Gas LLC - 0.5%
2	T6S-R2ZE Section 8: NW/4NW/4, S/2	390.00	NMN/M-90873 5/31/2003	USA - All of 12.5%	Read & Stevens, Inc. - 100%	Read & Stevens, Inc. - 3.5% R&S Royalty Pool - 2%	Read & Stevens, Inc. - 99.5% Lincoln Oil & Gas LLC - 0.5%
3	T6S-R2ZE Section 18: Lots 3 & 4, E/2SW/4, SE/4	317.70	NMN/M-90876 5/31/2003	USA - All of 12.5%	Read & Stevens, Inc. - 100%	Read & Stevens, Inc. - 3.5% R&S Royalty Pool - 2%	Read & Stevens, Inc. - 99.5% Lincoln Oil & Gas LLC - 0.5%
4	T6S-R2ZE Section 8: NE/4, E/2NW/4, SW/4NW/4	280.00	NMN/M-93468 8/31/2004	USA - All of 12.5%	Yates Petroleum Corp. - 4% Abo Petroleum, Inc. - 32% MYCO Industries, Inc. - 32% Yates Drilling Co. - 32%	Unknown	Yates Petroleum Corp. - 4% Abo Petroleum, Inc. - 32% MYCO Industries, Inc. - 32% Yates Drilling Co. - 32%
5	T6S-R2ZE Section 18: Lots 1 & 2 E/2NW/4, NE/4	318.06	Private Lands 7/29/2007	Mary Lou Couch - All of 16.67%	Read & Stevens, Inc. - 100%	None	Read & Stevens, Inc. - 100%
	TOTAL	1910.80					



PROPOSED ADVERTISEMENT

Case 13033: Application of Read & Stevens, Inc. for approval of a unit agreement, Chaves County, New Mexico. Applicant seeks approval of the West Haystack Unit Area comprising 1910.80 acres of federal and fee lands in Sections 7, 8, and 18, Township 6 South, Range 27 East, NMPM. The proposed unit area is located approximately 13 miles north of Campbell, New Mexico.

RECEIVED

MAR 12 2003

Oil Conservation Division