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EX. 11/10

MAIN OFFICE OCC

1938 MAY 23 PM 1:13

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

*Sent Copy of
Project back Copy
to Signal Oil & Gas
on 6/4/10*

APPLICATION OF SIGNAL OIL AND
GAS COMPANY FOR APPROVAL OF THE
WEST RANGER LAKE UNIT AGREEMENT
EMBRACING 960 ACRES MORE OR LESS
IN SECTIONS 17, 18 AND 20, TOWN-
SHIP 11 SOUTH, RANGE 35 EAST, LEA
COUNTY, NEW MEXICO.

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Case No. 1086

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6/4/10*

Comes now Applicant, Signal Oil and Gas Company, by its attorneys, and requests the Commission to approve the West Ranger Lake Unit Agreement, and as its grounds therefor states:

1. All working interest owners under all of Section 17, SE $\frac{1}{4}$ Section 18, and NW $\frac{1}{4}$ Section 20, Township 11 South, Range 35 East, N.M.P.M., Lea County, New Mexico, have agreed to unitize this acreage for the development and operation of the West Ranger Lake Unit.

2. All of the above-described land is now covered by oil and gas leases to the working interest owners from the State of New Mexico, and the Commissioner of Public Lands has given his tentative approval to the form of unit agreement prepared by applicant.

3. The proposed unit agreement provides for future joinder by any parties not committing their rights to the unit before the effective date thereof.

4. The unit agreement and the operation of the proposed unit area will tend to promote the conservation of oil and gas and to prevent waste thereof.

WHEREFORE, applicant requests the Commission to set this matter down before an examiner for the Commission at the

earliest possible date, and further requests the Commission after hearing to approve the West Ranger Lake Unit Agreement.

Respectfully submitted,
SIGNAL OIL AND GAS COMPANY

By Jack M. Campbell
Jack M. Campbell

For CAMPBELL & RUSSELL