RAMSEY PETROLEUM CO.

P. O. BOX 11446

ALBUQUERQUE, NEW MEXICO 87192

505 299-6048

February 10, 1989

BEFORE EXAMINER STOGNER
Oil Conservation Division
Exhibit No. 1
Case No. 9600

Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

RE: Application for Unit Agreement, Playas Valley
Hidalgo County, New Mexico

Dear Sir:

I desire to obtain a Unit Agreement to be known as "Playas Valley Unit" in Townships 26 and 27 South, Range 17 West in Hidalgo County, New Mexico, consisting of eight (8) State of New Mexico Oil and Gas Leases, covering fourteen sections, and a total of 6,280 acres.

Such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy. Under the proposed unit operation, the State of New Mexico will receive its fair share of the recoverable oil and gas in place under its lands in the proposed unit area. Each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the unit area. Such unit agreement is in other respects for the best interest of the trust.

Attached find a geological report and a geological map covering this prospect. Also, attached is the completed Unit Agreement form with Exhibits A and B, and my check No. 3158 in the amount of $420.00 to cover the filing fees.

Thank you for your cooperation.

Yours truly,

Arthur B. Ramsey

Arthur B. Ramsey

ABR:lo
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