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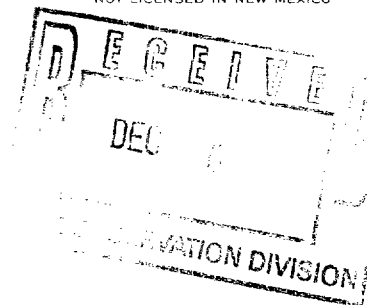
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December 16, 1996

Florene Davidson
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87501



Re: In the Matter of the Application of Parker & Parsley
Development, L.P. for Statutory Unitization, Lea County,
New Mexico

Dear Ms. Davidson:

Enclosed for filing the above-referenced matter, please find
the original and three copies of the Application with attached
exhibits and a Proposed Advertisement.

If you should have any questions, please do not hesitate to
call me. Thank you for your assistance in this matter.

Very truly yours,

HINKLE, COX, EATON, COFFIELD,
& HENSLEY, L.L.P.

Conrad E. Coffield

CEC/bc

Enclosures

PROPOSED ADVERTISEMENT

Case 11703:

Application of Parker & Parsley, L.P., for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a water injection project, all mineral interests in the Lusk West Delaware Pool underlying its proposed Lusk West (Delaware) Unit Area encompassing some 1,520 acres, more or less, of Federal lands comprising All of Sections 20 and 21 and NW¼, N½SW¼ Section 21, all in Township 19 South, Range 32 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately _____ miles _____ of _____, New Mexico.