LAW OFFICES
HERVEY, DOW & HINKLE

HINKLE BUILDING

ROSWELL, NEW MEXICO.

February 8, 1961

TELEPHONE MAIN 2-6510 POST OFFICE BOX 547

New Mexico Oil Conservation Commission Box 871

> Re: Case No. 2141 Order R-1838

McKittrick Canyon Unit, Eddy County, New Mexico

Our 141-33

Gentlemen:

Santa Fe, New Mexico

J. M. HERVEY 1874-1953

CLARENCE E. HINKLE W E. BONDURANT, JR. GEORGE H. HUNKER, JR. HOWARD C. BRATTON S. B. CHRISTY IV

HIRAM M. DOW

LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD

At the hearing in the above case we left with the Examiner a fully executed counterpart of the above Unit Agreement. Please be advised that on December 27, 1960, the Commissioner of Public Lands of the State of New Mexico entered his Certificate of Approval of the Unit Agreement, and a copy of such Certificate is enclosed herewith. Please be further advised that on January 27, 1961, the Acting Director of the Geological Survey of the Department of Interior, under Contract 14-08-0001-7323, entered his Certification--Determination, which likewise approved such Unit Agreement; a copy of such Certification--Determination is likewise enclosed herewith.

Therefore, and pursuant to paragraph 20 of the Unit Agreement, the same is effective as of January 27, 1961.

To further complete your files we are enclosing one copy of ratification instruments by C. M. McElhannon, Reine McElhannon, Gertrude Bennett, Mae Smith, Rose Salzman and Albert Salzman. This enclosure now completes the obtaining of signatures to the Unit of 100% commitment by the working interest owners, royalty owners and overriding royalty owners, except Tract 20, owned by Skelly Oil Company; Skelly has refused to join the Unit.

If anything further is desired in connection with the matter we will attempt to obtain it promptly upon your request.

Respectfully,

HERVEY, DOW & HINKLE

SBC:mke Encls.

cc: Honolulu Oil Corp.

Box 1391 Midland, Texas