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ROSWELL, NEW MEXICO

OF COUNSEL: HIRAM M. DOW

TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

November 18, 1965

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Chas 3352

Re: North Custer Mountain
Unit Agreement

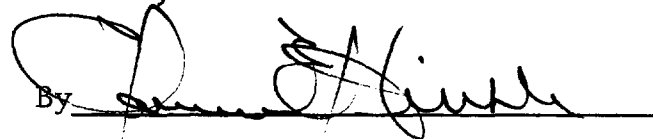
Gentlemen:

We enclose herewith in triplicate application of Bass Brothers Enterprises, Inc. for approval of the North Custer Mountain Unit Agreement, together with 3 copies of the proposed form of unit agreement. The unit area is all State lands and we understand the area has heretofore been informally approved by the Commissioner of Public Lands.

It is our understanding that Howard Jennings, representing Bass Brothers Enterprises arranged with you that the hearing pursuant to this application be put on the examiner's docket for December 14. Please send us a copy of the notice.

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By 

CEH:cs

Enc.

cc: Howard Jennings

DOCKET MAILED

Date 12-1-65

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
NORTH CUSTER MOUNTAIN UNIT
LEA COUNTY, NEW MEXICO

Case 3352

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, Bass Brothers Enterprises, Inc., of Fort Worth, Texas, acting by and through the undersigned attorneys, Hinkle, Bondurant & Christy, Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the Development and Operation of the North Custer Mountain Unit Area, Lea County, New Mexico, and hereby makes application for approval of said unit agreement as provided by law and the rules and regulations of the New Mexico Oil Conservation Commission, and in support thereof shows:

1. That the proposed unit area covered by said unit agreement embraces 2560 acres situated in Lea County, New Mexico, more particularly described as follows:

Township 23 South, Range 35 East, N.M.P.M.

Section 16 - All
Section 21 - All
Section 28 - All
Section 33 - All

That all of the above described lands are lands of the State of New Mexico.

2. That applicant is informed and believes and upon such information and belief states that the proposed unit area covers all, or substantially all, of the geological structure or geophysical anomaly involved and that in the event of a discovery of oil or gas thereon said unit agreement will permit the producing area to be

developed and operated in the interest of conservation and the prevention of waste of unitized substances.

3. It is contemplated that applicant will be the operator of the unit area and it is proposed to drill a test well pursuant to the terms of said unit agreement upon the unit area to a depth sufficient to test the Siluro-Devonian formation, but not to exceed a depth of 16,500 feet.

4. Applicant believes that in the event oil or gas in paying quantities is discovered on the lands within the unit area, the pool or field can be developed more economically and efficiently under the terms of said unit agreement to the end that the maximum recovery of unitized substances will be obtained and that said agreement is in the interest of conservation and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission, statutes and regulations.

5. That upon an order being entered by the Oil Conservation Commission approving said unit agreement and after approval thereof by the Commissioner of Public Lands, an approved copy of said unit agreement will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before an examiner on the matter of the approval of said unit agreement, and upon said hearing the same be approved by the New Mexico Oil Conservation Commission as being in the interest of conservation and prevention of waste.

DATED this 18th day of November, 1965.

BASS BROTHERS ENTERPRISES, INC.

BY

Attorney

HINKLE, BONDURANT & CHRISTY

BY

Attorneys for Applicant

Box 10

Roswell, New Mexico