



United States Department of the Interior

GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

FEB 11 1972

4664265
Tenneco

Tenneco Oil Company
Suite 1200
Lincoln Tower Building
Denver, Colorado 80203

Attention: Mr. R. A. Williford

Gentlemen:

Your application of September 20, 1971, filed with the Regional Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Lone Pine Dakota "D" unit area embracing 2,598.30 acres in McKinley County, New Mexico, as logically subject to unitized operations.

You estimate that pressure maintenance operations will result in the recovery of 2,650,000 barrels of additional oil. The land outlined on your plat marked "Exhibit A, Lone Pine Dakota 'D' unit, McKinley County, New Mexico," is hereby designated as a logical area for pressure maintenance operations. The area proposed for unitization, embraces 211.10 acres of Federal land (8.12 percent), 958.72 acres of Navajo allotted land (36.90 percent), and 1,428.48 acres of privately owned land (54.98 percent).

The form of unit agreement you proposed will be acceptable if modified as indicated in accordance with the marked copy of said agreement returned herewith. Marked copies of the proposed unit agreement are being distributed to the appropriate offices of the Bureau of Indian Affairs and the Geological Survey.

In the absence of any other type of land requiring special provisions or any objections not now apparent, a duly executed agreement conformed to the agreement enclosed herewith and approved by the Area Director, Bureau of Indian Affairs, Navajo Area Office, and the appropriate State officials will be approved if submitted in acceptable status within a reasonable period of time. However, the right is reserved to deny approval of any executed agreement which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations within the unit area.

Please include the latest status of all acreage when the executed agreement is submitted for final approval by the Bureau of Indian Affairs and the Geological Survey. The format of the sample exhibits attached to the 1968 reprint of the standard form should be followed closely in the preparation of Exhibits A and B. Since Navajo Indian lands are included in the proposed unit area, a minimum of eight copies of the executed agreement should be submitted with your request for final approval.

Sincerely yours,

W. A. Rader

Acting Director

Enclosure