BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR APPROVAL OF THE ESTACADO UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

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APPLICATION

COMES NOW Applicant, Union Oil Company of California, by its attorneys, Jennings, Christy & Copple, and requests approval of the Estacado Unit Agreement covering 1280 acres of fee and state lands, Lea County, New Mexico, and in support of its Application states:

1. Applicant desires to obtain the Commission's approval of the Estacado Unit Agreement covering 1280 acres of state and fee lands described as follows:

LEA COUNTY, NEW MEXICO

TOWNSHIP 14 SOUTH, RANGE 35 EAST, N.M.P.M.

Section 8: All Section 17: All

2. Applicant proposes to drill a Morrow test to be located on the Unit and feels that the Unit Agreement will promote the prevention of waste and the protection of correlative rights within the Unit Area.

3. Applicant will be the operator of the Unit Area.

4. A copy of the Unit Agreement will be furnished at the time of the hearing.

WHEREFORE, Applicant requests that the Commission set this matter down for hearing before an examiner at an early date,

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publish notice as required by law, and after hearing issue its Order approving the Estacado Unit Agreement.

Respectfully submitted,

UNION OIL COMPANY OF CALIFORNIA

By Fog Jennings misty & Co ple At forneys for Applicant

Roswell, New Mexico 88201