



IN REPLY REFER TO:

# United States Department of the Interior

GEOLOGICAL SURVEY  
Box 25046  
Denver Federal Center  
Denver, Colorado 80225

OCT 07 1977

Mr. Randolph M. Richardson  
P. O. Box 819  
Roswell, New Mexico 88201

Gentlemen:

Your application of September 16, 1977, filed for Yates Petroleum Corporation with the Assistant Area Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Stinking Draw, unit embracing 2880.64 acres, more or less, in Eddy County, New Mexico, as logically subject to exploration and development under unitization provisions of the Mineral Leasing Act, as Amended.

Pursuant to unit plan regulations 30 CFR 226, the land requested as outlined on your plat marked "Exhibit 'A'", Stinking Draw unit area is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test all formations of Pennsylvanian age or to a depth of 9500 feet. Your proposed use of the Form of Agreement for Unproved Areas, modified as shown in your application, will be accepted.

If conditions are such that further modification of said standard form is deemed necessary, two copies of the proposed modifications with appropriate justification must be submitted to this office through the Oil and Gas Supervisor for preliminary approval.

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 3  
CASE NO. \_\_\_\_\_  
Submitted by \_\_\_\_\_  
Hearing Date \_\_\_\_\_

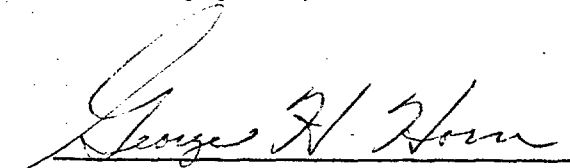


In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to Roswell, New Mexico, for the Supervisor's approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the 1968 reprint of the aforementioned form.

Inasmuch as this unit area contains State of New Mexico lands, we are sending a copy of this letter to the Commissioner of Public Lands at Santa Fe, and we are hereby requesting you to contact such office promptly in connection with this letter before soliciting joinders.

Sincerely yours,



Central Region Conservation Manager

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For the Director,  
U.S. Geological Survey

Enclosure