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Santa Fé, New Mexico 87504-2265

July 25, 1988

Case 9453
RECEIVED

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Mr. William J. LeMay
Oil Conservation Division
P. C. Box 2208
Santa Fe, New Mexico 87504

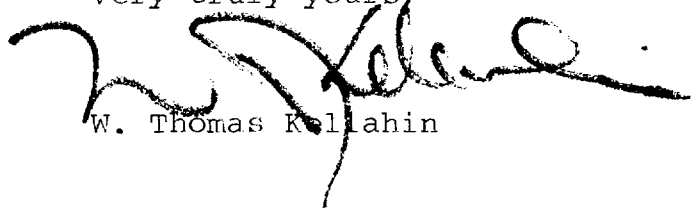
OIL CONSERVATION DIVISION

Re: Application of BHP Petroleum Company, Inc.
for Approval of the Ervin Ranch Unit
Chaves County, New Mexico

Dear Mr. LeMay:

On behalf of BHP Petroleum Company, Inc. please set
the enclosed application for hearing on the Division
Examiner's docket now scheduled for August 17, 1988.

Very truly yours



W. Thomas Kellahin

WTK:ca
Enc.

cc: Mr. Randall Davis
BHP Petroleum Company, Inc.
21 Desta Drive, Suite 3200
Midland, Texas 79705-5510

"Certified Return-Receipt Requested"

Parties listed in Application

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BHP PETROLEUM COMPANY, INC.
FOR APPROVAL OF THE ERVIN RANCH UNIT,
CHAVES COUNTY, NEW MEXICO.

CASE NO. 9453

A P P L I C A T I O N

COMES NOW BHP PETROLEUM COMPANY, INC. and applies to the Oil Conservation Division of New Mexico for approval of a Unit Agreement, Chaves County, New Mexico, and in support thereof would show:

1. Applicant has formed its Ervin Ranch Unit, composed of State and Fee acreage consisting of the following lands:

668 acres, more or less, covering:

Township 10 South, Range 26 East, NMPM
Section 36: W/2 (320 acres)

Township 11 South, Range 27 East, NMPM
Section 5: S/2 Lots 1 through 4, (348 acres)

2. Applicant is designated as operator of the proposed unit.

3. The Unit Agreement has been submitted to the Commissioner of Public Lands of New Mexico for preliminary approval.

4. The said Unit Agreement has been approved by sufficient owners of interests to assure its ultimate effectiveness.

5. The said Unit is being formed for the development of the acreage dedicated to it.

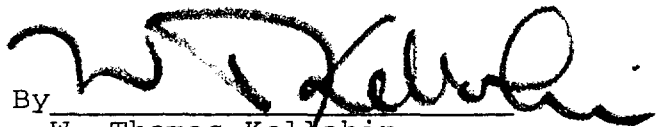
6. Attached as Exhibit "A" is a list of the names and addresses of those parties to be included in this unit and to whom notification of the Division hearing to be held on August 17, 1988, has been provided.

7. Attached as Exhibit "B" is a plat of the unit area and surrounding acreage.

8. The granting of this application will result in the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed Examiner and that after notice and hearing, an order be entered approving the Unit Agreement.

Kellahin, Kellahin & Aubrey

By 

W. Thomas Kellahin
P. O. Box 2265
Santa Fe, NM 87504

EXHIBIT "A"

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504

Yates Petroleum Corporation
Attn: Mr. Bob Bullock
105 S. Fourth Street
Artesia, New Mexico 88210

Mrs. Martha K. Rice, Individually
and Rayburn H. F. Rice, Estate
337 Hale Street (Alloway)
Lyons, New York 14489

Samedan Oil corporation
10 Desta Drive, Suite 240
Midland, Texas 79705

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Conoco Inc.
P. O. Box 460
Hobbs, New Mexico 88240

Union Texas Petroleum
4000 N. Big Springs, Suite 500
Midland, Texas 79705

Southern Union Exploration Company
1800 Renaissance Tower
1201 Elm Street
Dallas, Texas 75270-2090

Liberty Petroleum
Oakwood Resources
P. O. Box 740516
Dallas, Texas 75374

Inexco Oil Company
RepublicBank Center, Suite 2100
700 Louisiana Street
Houston, Texas 77002-2702

Exhibit "A" Continued:

Quanico Oil & Gas Inc.
P. O. Box 1714
El Dorado, Arkansas 71730

Santa Fe Exploration Company
P. O. Box 1136
Roswell, New Mexico 88202

William W. Cline
P. O. Box 1746
Amarillo, Texas 79105

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

G. D. Williamson
P. O. Box 2206
Roswell, New Mexico 88201

Yates Drilling Company
Myco Industries, Inc.
Abo Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

