hur horas

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF MEM MEXICO

APPLICATION OF THE BRITISH-AMERICAN OIL PRODUCING COMPANY FOR APPROVAL OF THE WEST BISTI-LOWER GALLUP SAND UNIT AGREEMENT COVERING 14,330.97 ACRES LOCATED IN TOWNSHIPS 25 AND 26 NORTH, RANGE 13 WEST, AND IN TOWNSHIP 26 NORTH, RANGE 14 WEST, H.M.P.M., SAN JUAN COUNTY, NEW MEXICO

1866 CASE NO.

APPLICATION

COMES NOW The British-American Oil Producing Company and respectfully alleges and states as follows:

1. That applicant and certain other parties are owners of interests in certain leases covering a total of 14,330.97 acres located in Townships 25 and 26 North, Range 13 West, and in Township 26 North, Range 14 West, N.M.P.M., San Juan County, New Mexico, which comprise the unit area of the West Bisti-Lower Gallup Sand Unit, all as shown in Exhibit "A"; and that leases within said unit area are productive of oil and gas from the Bisti-Lower Gallup Oil Pool, upon which leases said parties propose to institute a pressure maintenance program by injection of water into the Lower Gallup formation found at a depth of approximately 4,800 feet.

2. That the aforementioned parties have entered into the West Bisti-Lower Gallup Sand Unit Agreement, copy of which is attached hereto, marked Exhibit "A" and made a part hereof, which unitizes the Lands and leases, and the interests therein, for pressure maintenance by water injection.

3. That said Unit Agreement designates applicant as Unit Operator.

4. That the unit plan set forth in said Unit Agreement will result in the prevention of waste, promote the conservation of oil and

- l -

gas, is fair to the royalty owners in the unit area, and will not impair the correlative rights of any party.

WHEREFORE, applicant prays that this matter be set for hearing, that notice thereof be given as required by law, and that upon such hearing this Commission issue an order approving said Unit Agreement and granting such other and further relief as may seem appropriate under the circumstances.

THE BRITISH-AMERICAN OIL PRODUCING COMPANY

By MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS Its Attorneys

By

7 \mathcal{C} Burns H. Errebo

1200 Simms Building, P. O. Box 466, Albuquerque, New Mexico.