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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION)CASE NO.
OF THE BRITISH AMERICAN OIL PRODUCING)
COMPANY FOR APPROVAL OF A UNIT AGREEMENT	FILED
FOR THE JALMAT FIELD YATES SAND UNIT,)
LEA COUNTY, NEW MEXICO.)HEARING

APPLICATION

The British-American Oil Producing Company, on behalf of itself and others, respectfully states, as follows:

1. That it is an owner and operator of wells in the Jalmat Field-Yates Sand Unit, Lea County, New Mexico.

2. That in order to conduct water flood operations and to increase the amount of ultimate recovery and thereby add in the conservation of oil and gas and in order to protect the correlative rights of all parties in the unit area, it is necessary and advisable that the Jalmat Field-Yates Sand Unit be established and approved.

3. That the area to be included in this unit is described as follows:

	Township 22	South,	Range	35	East,	NMPM
,	Section 2:	$S_2^{\pm}S_2^{\pm}$				
ĺ	Section 3:	$SE_{4}^{1}S$	El .			
	Section 10:	$\mathbf{E}_{\widehat{c}}^{1}$				
	Section 11:	A11				
	Section 12:	W_2^{\perp}				
	Section 13:	Nj				
1	Section 14:	A11				
*	Section 23:	Nj				
ź	Containing	2,760 a	cres, 1	more	e or le	ess,
	Lea County,	New Me:	xico.			

4. That the formation sought to be unitized is the Yates Sand Formation and that sand shall be construed to mean the sand and reservoir encountered in drilling by The British-American Oil Producing Company in its British-American Hall State D-#1. Well between the depths of 3,812 feet KB and 4,018 feet KE, as shown by the Rediation Log of said well, which well is located 660 feet from the North line and 660 feet from the East line of Section 23, Township 22 South, Range 35 East, Lea County, New Mexico.

5. Attached hereto and made a part hereof, by reference, is a copy of the Unit Agreement for the development and operation of the Jalmat Field-Yates Sand Unit area and that contained in said Agreement as Exhibit "B" is a map showing the unit area and participating area for this unit.

WHEREFORE, premises considered, appellant prays that this Commission after the giving of notice, as required by law, set this Application down for hearing; that at the conclusion of said hearing, based on the evidence produced, that it approve the Unit Agreement for the Jalmat Field-Yates Sand Unit and for other rules and regulations as may be necessary in the premises.

Respectfully submitted,

THE BRITISH-AMERICAN OIL PRODUCING COMPANY By: MOD LL SEYMOUR SPERLING ROEHL & HADRIS ttorneys Office Box 466 - 1200 Simms Building

Albuquerque, New Mexico