JOT 1 - 1969

CLARENCE E. HINKLE W. E. BONDURANT, JR. S. B. CHRISTY IV LEWIS C. COX, JR. PAUL W. EATON, JR. CONRAD E. COFFIELD HAROLD L. HENSLEY, JR. STUART D SHANOR

C.D.MARTIN PAUL J. KELLY, JR.

LAW OFFICES HINKLE, BONDURANT & CHRISTY 600 HINKLE BUILDING ROSWELL, NEW MEXICO 88201

October 13, 1969

MIDLAND, TEXAS OFFICE 521 MIDLAND TOWER (915) MU 3-4691

1. A. C. 4 X 449

TELEPHONE (505) 622-6510 POST OFFICE BOX 10

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Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

There is enclosed in triplicate application of J. J. Travis for approval of the North Shugart Queen Unit Agreement which we would like to have set down on the examiner's docket for the first examiner's hearing in November, which we assume will be on November 12. Copies of the unit agreement are being run offi and we still lack Exhibit "A" to be attached thereto, and consequently, we will file 3 copies of the unit agreement with you just as soon as this is completed.

Under the terms of the unit agreement only 200 feet below the top of the Queen formation will be unitized which consists of the wells producing from the North Shugart Queen The unit is for the purpose of conducting a waterflood Pool. project and Mr. Travis in the process of getting up the necessary plat to show the water injection wells and diagrammatic sketches, etc. of the wells. We would like for you to include on the same docket an application of J. J. Travis for approval of a waterflood project for the proposed North Shugart Queen Unit Area as to the above mentioned formation. If you need to include in the notice the number and location of the injection wells which are to be used, please let me know as I can obtain this information from Mr. Travis over the phone and give it to you over the phone.

We would like to have these on the same docket so that the two cases can be consolidated for the purpose of taking the testimony.

By

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

CEH:cs Enc. cc: J. J. Travis

DOCKET MAILED Dot 10-24-69

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF J. J. TRAVIS FOR APPROVAL OF THE NORTH SHUGART QUEEN UNIT AGREEMENT EMBRACING 520 ACRES IN SECTIONS 20, 21 AND 28, TOWNSHIP 18 SOUTH, RANGE 31 EAST, N.M.P.M. EDDY COUNTY, NEW MEXICO FOR SECONDARY RECOVERY PURPOSES IN THE QUEEN FORMATION.

Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

Comes ^J. J. Travis with offices at Midland, Texas acting by and through the undersigned attorneys and files 3 copies of the proposed Unit Agreement for the Development and Operation of the North Shugart Queen Unit Area and hereby makes application for approval of said unit agreement for secondary recovery purposes and in support thereof respectfully shows:

1. That the proposed unit area contains 520 acres situated in Eddy County, New Mexico more particularly described as follows:

Township 18 South, Range 31 East, N.M.P.M. Section 20 - $E_2^{1}E_2^{1}$ Section 21 - W_2^{1} Section 28 - $NW_4^{1}NW_4^{1}$ containing 520 acres, more or less

2. That applicant seeks to unitize that portion of the subsurface area of the above described lands from the top of the Queen formation to a depth of 200 feet below the top of the Queen formation for the purpose of conducting secondary recovery operations in connection with the wells producing from the Queen formation, as is more particularly defined under 2.1(f) of the unit agreement.

3. The above described area consists of all federal lands and has heretofore been designated by the Acting Director of the

United States Geological Survey as an area logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act as amended.

4. That applicant is designated as unit operator under the terms of the proposed unit agreement and in applicant's opinion the unit agreement will be in the interest of conservation and the prevention of waste and will promote the greatest ultimate recovery of unitized substances from the unit area and will be in the interest of the protection of correlative rights of all parties concerned.

5. Applicant requests that this matter be set down to be heard at the first examiner's hearing in November, 1969.

Respectfully submitted,

J. J. TRAVIS By

Member of the Firm of HINKLE, BONDURANT & CHRISTY Attorneys for Applicant Box 10 Roswell, New Mexico