

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF LLANO, INC. FOR
APPROVAL OF THE LUSK STRAWN DEEP
UNIT AGREEMENT EMBRACING 20,863.88
ACRES OF FEDERAL AND STATE LANDS
IN LEA AND EDDY COUNTIES, NEW MEXICO
FORMED FOR ADDED RECOVERY BY PRESSURE
MAINTENANCE FOR THE LUSK STRAWN POOL.

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Llano, Inc., acting by and through the undersigned attorneys, and files herewith in triplicate copies of proposed Unit Agreement for the Development and Operation of the Lusk Strawn Deep Unit Area, Lea and Eddy Counties, New Mexico and hereby makes application for approval of said unit agreement and in support thereof respectfully shows:

1. That the proposed unit agreement consists of 18,581.60 acres or 89.061% of federal lands and 2,282.28 acres or 10.939% of lands of the State of New Mexico. There is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a plat showing the outlines of the proposed unit area, the ownership of the leasehold interests and the character of the land.
2. That the proposed unit area has heretofore been designated by the Acting Director of the United States Geological Survey as an area logically subject to operation under the unitization provisions of the Mineral Leasing Act as amended. The unit agreement has also been approved as to form by the State Land Office.
3. That the proposed unit agreement, copies of which are filed herewith, is substantially the same form as has heretofore been approved by the Commission and the United States Geological Survey and the Commissioner of Public Lands where federal and state lands are involved.
4. Llano, Inc. is designated as unit operator in the proposed unit agreement and the principal reason for unitization is to carry on a pressure maintenance project covering the Lusk Strawn Field or Pool, substantially all of which is within the proposed unit area. A separate application is being filed for specific approval of the pressure maintenance project.

5. The proposed unit covers the subsurface portion of the unit area known as the Strawn formation and more specifically defined as the vertical interval from 11,097 feet to 11,504 feet on the Schlumberger Gamma Ray-Sonic Log run in the El Paso Natural Gas Company Lusk Deep No. 2 well located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 18, Township 19 South, Range 32 East, N.M.P.M.


6. Applicant is of the opinion that the formation of the proposed unit will be in the interest of conservation, the prevention of waste and will protect correlative rights and tend to promote the greatest ultimate recovery of unitized substances.

7. Applicant respectfully requests that this matter be included on the examiner's docket for October 8, 1975.

Respectfully submitted,

LLANO, INC.

By


HINKLE, BONDURANT, COX & EATON
P.O. Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

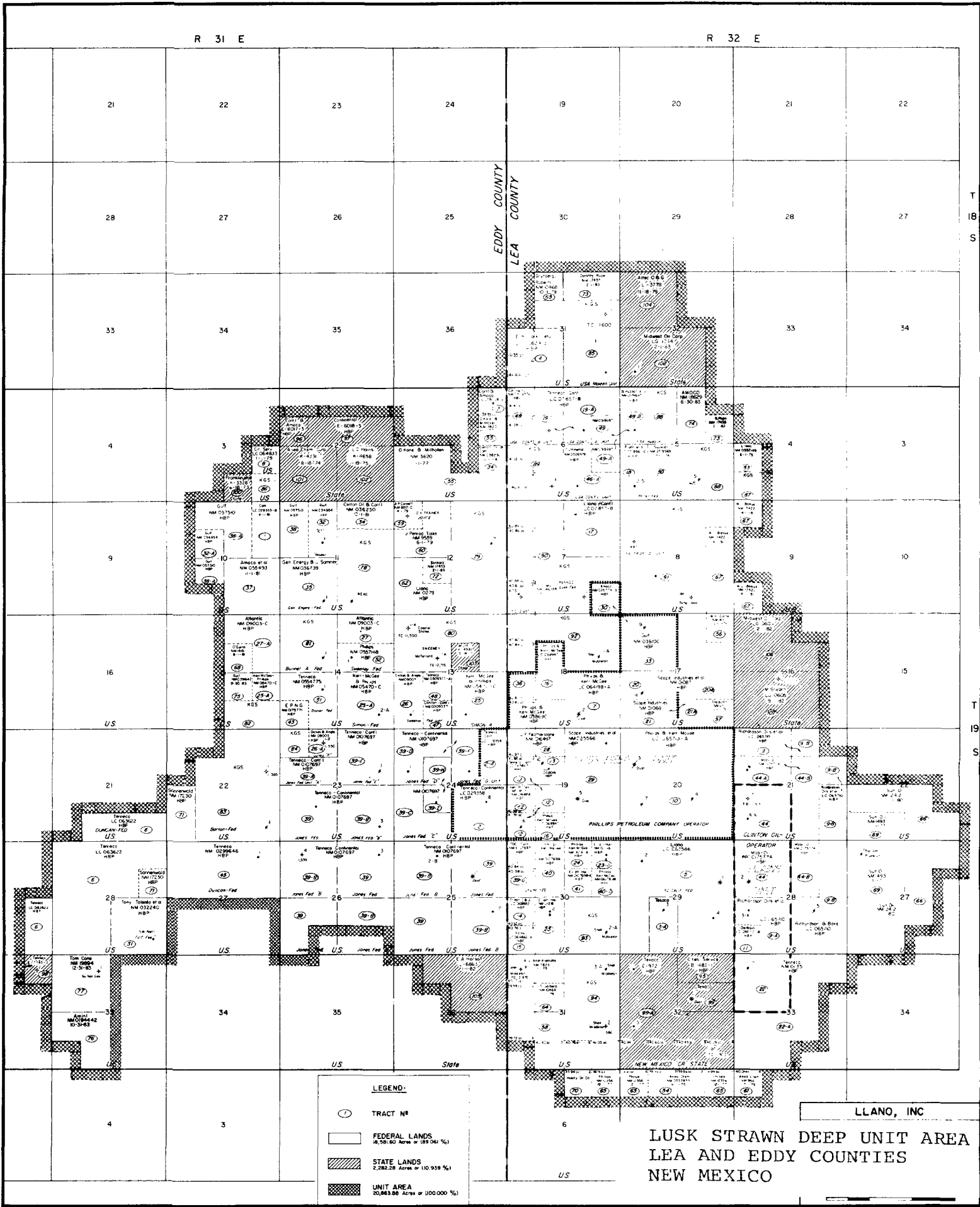


EXHIBIT "A"