



United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

SEP 14 1979

Edmundson, Inc.
Attention: Mr. Roy B. Edmundson
P. O. Box 1707
Denver, Colorado 80201

Gentlemen:

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Conservation Division
Dykes
NO. 7
CASE NO. 6713

Your application of August 23, 1979, filed in behalf of Depco, Inc with the Oil and Gas Supervisor, Albuquerque, New Mexico, requests the designation of the White Ranch unit area, embracing 18,961.78 acres, more or less, Chaves County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act as amended.

Pursuant to unit plan regulations 30 CFR 226, the land requested as outlined on your plat marked "Exhibit 'A' White Ranch Unit Area, Chaves County, New Mexico" is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test the Mississippian Limestone, or to a depth of 9,800 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the modifications requested in your application.

If conditions are such that further modification of said standard form is deemed necessary, three copies of the proposed modifications with appropriate justification must be submitted to this office through the Oil and Gas Supervisor for preliminary approval.

In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

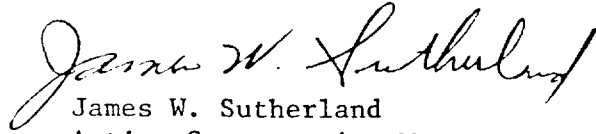
When the executed agreement is transmitted to the Supervisor, Albuquerque, New Mexico, for approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the 1968 reprint of the aforementioned form.



ONE HUNDRED YEARS OF EARTH SCIENCE IN THE PUBLIC SERVICE

Inasmuch as the unit agreement involves State land, we are sending a copy of the letter to the Commissioner of Public Lands. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts or clearances from the State.

Sincerely yours,

A handwritten signature in cursive script, reading "James W. Sutherland". The signature is written in dark ink and is positioned above the printed name.

James W. Sutherland
Acting Conservation Manager
For the Director