



United States Department of the Interior

GEOLOGICAL SURVEY
South Central Region
P. O. Box 26124
Albuquerque, New Mexico 87125

14 JUL 1931

Amoco Production Company
Attn: J. E. Harrison
P. O. Box 3092
Houston, Texas 77001

Gentlemen:

Your application of July 6, 1981, filed with the Deputy Conservation Manager, Oil and Gas, requests the designation of the El Alto Grande unit area, embracing 2,535.44 acres, more or less, Lea 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' El Alto Grande Unit, Lea 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 Devonian formation, or to a depth of 15,100 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 Deputy Conservation Manager, Oil and Gas, 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.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
Amoco EXHIBIT NO. 3
CASE NO. 7310
Submitted by C.L. Raper
Hearing Date 7-29-81

[illegible]

When the executed agreement is transmitted to the Deputy Conservation Manager, Oil and Gas, 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.

Sincerely yours,


For James W. Sutherland
Conservation Manager
For the Director