KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

Post Office Box 2265

SANTA FE, NEW MEXICO 87504-2265

NATURAL RESOURCES-OIL AND GAS LAW JASON KELLAHIN (RETIRED 1991)

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF

W THOMAS KELLAHIN*

December 14, 1992

William J. LeMay Oil Conservation Division Room 219 310 Old Santa Fe Trail Santa Fe, New Mexico 87501

HAND DELIVERED

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

Application of H.L. Brown, Jr. RE: for Approval of an Exploratory Unit Agreement, Lea County, New Mexico.

Dear Mr. LeMay:

On behalf of H.L. Brown, Jr., we request that the enclosed application be set for hearing on the next available Examiner's docket now scheduled for January 7, 1993.

We suggest the following advertisement:

Application of H.L. Brown, Jr., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Feather State Unit Agreement for an area comprising 640 acres, more or less of State lands in all or portions of Sections 9 and 16 of T15S, R32E, NMPM.

W. Thomas Kellahin

WTK/jcl/appt1214.020 Enclosure

with Enclosure XC:

Q. Peter Courtney - H.L. Brown, Jr.

Mr. Pete Martinez-Unit Manager

Office of the Commissioner of Public Lands P.O. Box 1148, Santa Fe, New Mexico 87504

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CASE NO.: 10649

IN THE MATTER OF THE APPLICATION OF H.L. BROWN, JR. FOR APPROVAL OF ITS NORTH FEATHER STATE UNIT AGREEMENT, LEA COUNTY, NEW MEXICO.

APPLICATION

Comes now H.L. BROWN, JR., by and through its attorneys, Kellahin and Kellahin, and applies to the New Mexico Oil Conservation Division for approval of its North Feather State Unit Agreement for an area comprising 640 acres, more or less, of State lands in the S/2 of Section 9 and the N/2 of Section 16 of T15S, R32E, NMPM, Lea County, New Mexico, and in support states:

(1) Applicant is the proposed operator of a voluntary exploratory unit called the "North Feather State Unit consisting entirely of State of New Mexico leases and comprising 640 acres, more or less, identified on Exhibit "A" attached and being the following described area:

Township 15 South, Range 32 East, NMPM

Section 9: S/2 (320 acres) Section 16: N/2 (320 acres) Application of H. L. Brown, Jr. Page 2

- (2) Applicant has requested preliminary approval from the Commissioner of Public Lands of New Mexico for the subject unit.
- (3) The unit constitutes a reasonable geologic area to be effectively and efficiently developed by unit operations.
- (4) That under the proposed unit operation all parties will receive their fair and equitable share of the recoverable oil and gas under their lands in the proposed unit area.
- (5) Applicant has obtained the approval of the unit from a sufficient percentage of the interest owners so that the unit operations will be orderly and uniform development of the area and would avoid wasteful drilling and completion practices.
- (6) The consenting parties to the unit hold sufficient interest to give the unit reasonable effective control of operations.
- (7) Approval of the unit will be in the best interests of conservation, the prevention of waste and the protection of correlative rights.

Application of H. L. Brown, Jr. Page 3

WHEREFORE, Applicant requests that this application be set for hearing on the next available Division Examiner's docket now scheduled for January 7, 1993 and that after notice and hearing, the application be granted as requested.

Respectfully submitted:

Bv:

W. Thomas Kellahin Kellahin and Kellahin

P. O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

ATTORNEYS FOR APPLICANT

appt1214.020

S/2 SEC. 9 & N/2 SEC. 16, T-I5-S, R-32-E

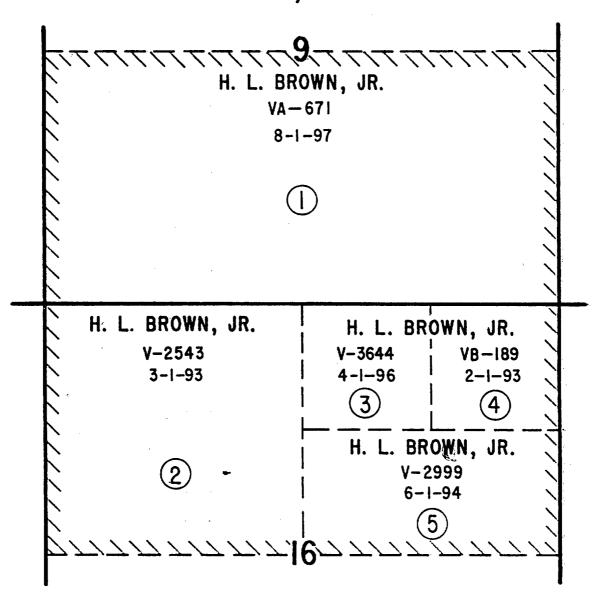
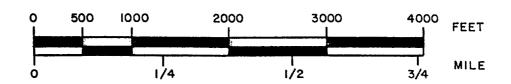


EXHIBIT 'A' N. FEATHER-STATE UNIT LEA COUNTY, NEW MEXICO



///// -UNIT OUTLINE

(I) - TRACT NUMBER - EXHIBIT "B"