BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF CROSS TIMBERS OPERATING COMPANY FOR UNIT EXPANSION, LEA COUNTY, NEW MEXICO.

No. 11/42

APPLICATION

Cross Timbers Operating Company, for its application, states: 1. Applicant is the operator of the Southeast Maljamar Grayburg-San Andres Unit ("the Unit"), approved by Division Order No. R-3130, which unitized the state and federal lands described below, located in Lea County, New Mexico:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, N.M.P.M.

Section 29:	W½NE¼, SE¼NE¼, NW¼, S½
Section 30:	NE¼, N½SE¼, SE¼SE¼
Section 32:	N½N½, SE¼NE¼

Containing 1080 acres, more or less.

2. Applicant requests that the Unit be expanded to include the following state and federal lands:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, N.M.P.M.

Section 32: N½SE¼

Section 33: NW4NW4, N4SW4

Containing 200 acres, more or less.

A map of the proposed expanded unit area, containing 1280 acres, is attached hereto as Exhibit A.

3. The Unit is subject to a waterflood project, authorized by Division Order No. R-3134, which authorized a waterflood project in the Maljamar Grayburg-San Andres Pool. 4. The plan of unitization for the expanded unit area is embodied in the Unit Agreement approved by the Division by Order No. R-3130, which agreement is incorporated herein by reference, and the plan is fair, reasonable, and equitable.

5. The unitized management, operation, and further development of the Maljamar Grayburg-San Andres Pool underlying the expanded unit area is reasonably necessary in order to effectively carry on waterflood operations.

6. Applicant has made a good faith effort to secure voluntary unitization of the Maljamar Grayburg-San Andres Pool underlying the expanded unit area.

7. The Bureau of Land Management and the Commissioner of Public Lands have granted approval of the unit expansion.

8. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that the Division enter its order:

A. Approving the expansion of the Unit to include the lands described in ¶2 above;

B. Approving the Unit Agreement, as amended, for the expanded unit area; and

C. Granting such further relief as the Division deems proper.

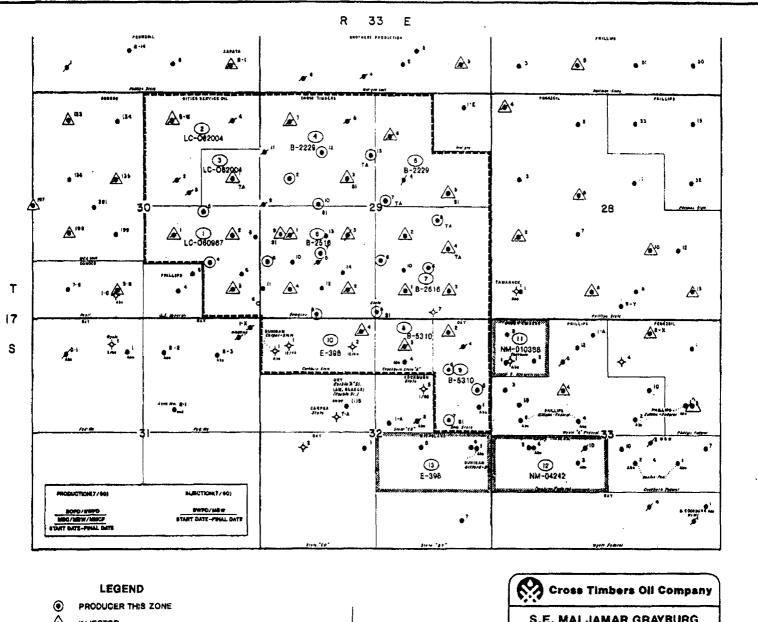
Respectfully submitted,

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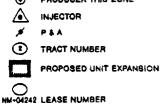
James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Cross Timbers Operating Company

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S.E. MALJAMAR GRAYBURG SAN ANDRES UNIT LEA COUNTY, NEW MEXICO REVISED EXHIBIT "A" September 1, 1998 LANDMAN: WIN RYAN

PROPOSED ADVERTISEMENT

Case <u>1742</u>: Application of Cross Timbers Operating Company for unit expansion, Lea County, New Mexico. Applicant seeks an order expanding the Southeast Maljamar Grayburg-San Andres Unit to cover the Maljamar Grayburg-San Andres Pool underlying parts of Sections 29, 30, 32, and 33, Township 17 South, Range 33 East, comprising 1280 acres, more or less, of state and federal lands. Said unit is located approximately 6 miles Southeast of Maljamar, New Mexico.

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