

J. M. HERVEY 1874-1953

HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV

J. PENROD TOLES  
LEWIS C. COX, JR.  
PAUL W. EATON, JR.

LAW OFFICES  
HERVEY, DOW & HINKLE  
FIRST NATIONAL BANK BUILDING  
ROSWELL, NEW MEXICO

*Case # 1212*

TELEPHONE MAIN 2-6510

February 5, 1957

New Mexico Oil Conservation Commission  
Santa Fe  
New Mexico

Re: Application for Approval of Kinebeto Unit  
Agreement, San Juan County, New Mexico

Gentlemen:

We enclose herewith in triplicate Application of the Humble Oil & Refining Company for approval of the proposed Kinebeto Unit Agreement embracing lands in San Juan County, New Mexico. You will also find enclosed three copies of the proposed Unit Agreement.

The area described in the application has been designated by the U.S.G.S. as an area suitable and proper for unitization and the agreement has been approved as to form by the U.S.G.S. We are making application to the Commissioner of Public Lands for approval as to form and for approval of the unit after it has been approved by the Conservation Commission.

We would like to have this matter set down for hearing as soon as practicable and have no objections to having it set before an examiner at Hobbs. Please send us a copy of the notice as soon as prepared and ready for publication.

Yours very truly,

HERVEY, DOW & HINKLE

BY: 

CEH:jy

cc: Mr. R. M. Richardson  
Humble Oil & Refining Company  
P. O. Box 1287  
Roswell, New Mexico  
cc: Mr. M. L. McMillan  
Humble Oil & Refining Company  
P. O. Box 1600  
Midland, Texas

11/11/1933  
OCC

Case # 1212

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF KINEBETO  
UNIT AGREEMENT, SAN JUAN COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Comes the undersigned, Humble Oil & Refining Company,  
a corporation, with offices at Houston, Texas, and files herewith  
three copies of the proposed unit agreement for the development and  
operation of the Kinebeto Unit Area, San Juan County, New Mexico,  
and hereby makes application for the approval of said unit agreement  
as provided by law, and in support thereof, shows:

1. That the proposed unit area covered by said agreement  
embraces 46,062.94 acres, more or less, more particularly described  
as follows:

NEW MEXICO PRINCIPAL MERIDIAN

T. 22 N., R. 10 W., N.M.P.M.

- Sec. 1: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 2: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 3: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 4: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 5: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 6: Lots 1,2,3,4,5,6,7, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ ,  
E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$  (All)
- Sec. 7: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Secs. 8 thru 17: All
- Sec. 18: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Sec. 19: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Secs. 20 thru 29: All
- Sec. 30: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Sec. 31: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Secs. 32 thru 36: All

T. 23 N., R. 10 W., N.M.P.M.

- Sec. 1: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 2: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 3: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 4: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 5: Lots 1,2,3,4, S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$  (All)
- Sec. 6: Lots 1,2,3,4,5,6,7, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ ,  
E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$  (All)
- Sec. 7: Lots 1,2,3,4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$  (All)
- Secs. 8 thru 17: All

T. 23 N., R. 10 W., N.M.P.M. (Cont.)

Sec. 18: Lots 1,2,3,4,  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$  (All)  
Sec. 19: Lots 1,2,3,4,  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$  (All)  
Secs. 20 thru 29: All  
Sec. 30: Lots 1,2,3,4,  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$  (All)  
Sec. 31: Lots 1,2,3,4,  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$  (All)  
Secs. 32 thru 36: All

2. That of the lands embraced within the proposed unit area, 31,029.07 acres or 67.3623% are federal lands, 8,638.83 acres or 18.7545% are Indian allotted lands, 3,837.92 acres or 8.3319% are lands of the State of New Mexico, and 2,557.12 acres or 5.5513% are fee or privately owned lands. That said area has heretofore, on October 11, 1956, been designated by the Acting Director of the United States Geological Survey as an area suitable and proper for unitization, a copy of said designation being attached hereto, made a part hereof, and for purposes of identification marked Exhibit "A".

3. That applicant is informed and believes, and upon such information and belief, states: That the proposed unit area covers a substantial part of the geological feature involved, and in the event of the discovery of oil or gas thereon, that said unit agreement will permit the producing area to be developed and operated in the interest of conservation and the prevention of waste of the unitized substances.

4. That Humble Oil & Refining Company is designated as the unit operator in said unit agreement, and as such is given authority under the terms thereof to carry on all operations necessary for the development and operation of the unit area for oil and gas, subject to all applicable laws and regulations. That said unit agreement provides for the drilling of four (4) test wells to depths sufficient to test the Dakota formation, the first of which is to be commenced within six (6) months after the effective date of the unit, and the other wells are to be drilled with the elapse of not more than sixty (60) days between the time of the completion of one well and the commencement of the next, however, the unit operator is not required to drill any of said wells to a depth in excess of 5,500 feet.

5. That said unit agreement is in substantially the same form as unit agreements heretofore approved by the Commissioner of Public Lands of the State of New Mexico and by the New Mexico Oil Conservation Commission, and it is believed that in the event oil or gas in paying quantities is discovered on the lands within the unit area, that the field or area can be developed more economically and efficiently under the terms of said agreement, to the end that the maximum recovery will be obtained, and that said unit agreement is in the interest of the conservation of oil and gas and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes.

6. That application is being made for the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico.

7. That upon an order being entered by the New Mexico Oil Conservation Commission approving said unit agreement and after approval thereof by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, an approved copy thereof will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a public hearing be held on the matter of the approval of said unit agreement and that upon said hearing, said unit agreement be approved by the New Mexico Oil Conservation Commission as being in the interest of conservation and prevention of waste.

DATED this the 4<sup>th</sup> day of February, 1957.

Respectfully submitted,

HUMBLE OIL & REFINING COMPANY

BY: R. M. Ribadeneyra