

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION FOR APPROVAL OF UNIT AGREEMENT FOR
THE DEVELOPMENT AND OPERATION OF THE VAC-EDGE UNIT AREA,
LEA COUNTY, NEW MEXICO

March 30, 1959

TO THE NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Comes the undersigned, Standard Oil Company of Texas with offices at Houston, Texas, and respectfully requests that a proposed Unit Agreement for the development and operation of the Vac-Edge Unit Area, Lea County, New Mexico, be approved and in support thereof shows:

1. That the Unit Area comprises 2,078.43 acres, more or less, of State lands situated in Township 18 South, Range 35 East, N.M.P.M., as will more particularly appear on the plat attached to the copy of the proposed Unit Agreement. That all of the lands embraced in the proposed Unit Area are State lands and are believed to be located upon the same geological structure.

2. That said Unit Agreement is substantially the same form as unit agreements covering only State lands heretofore approved by the Commissioner of Public Lands and the New Mexico Oil Conservation Commission. Said proposed Unit Agreement is made subject to the approval of the Commissioner of Public Lands, after hearing, as provided by law.

3. That the undersigned applicant is designated as Unit Operator under the terms of said Unit Agreement and, as such Unit Operator, will have the right to carry on exploration and development work in accordance with the terms of said Unit Agreement. That applicant, as Unit Operator, proposes to commence, within sixty (60) days

from the effective date of the Unit Agreement, a test well for oil and gas upon some part of the lands embraced in the Unit Area selected by the Unit Operator and to drill said well in accordance with the terms of said Unit Agreement to a depth sufficient to test the Devonian Formation, unless oil or gas in paying quantities is encountered at a lesser depth, or to such a depth as further drilling would not be warranted, but in any event to a depth not to exceed 12,000 feet.

4. That it is believed that operations to be carried on under the terms of said Unit Agreement will promote the economic and efficient recovery of oil and gas to the end that the maximum yield may be obtained from the field or area, if oil or gas should be discovered in paying quantities, and the production is to be limited to such production as may be put to beneficial use with adequate realization of fuel and other values; and it is further believed that such agreement will be in the interest of conservation of oil and gas and the prevention of waste as contemplated by the Oil Conservation Statutes of the State of New Mexico.


5. That upon an order being entered by the New Mexico Oil Conservation Commission approving said Unit Agreement and after the approval thereof by the Commissioner of Public Lands of the State of New Mexico, an approved copy of said agreement 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 as provided by the Statutes of the State of New Mexico and the regulations of the New Mexico Oil Conservation Commission, and that upon said hearing said Unit Agreement be approved by the New Mexico Oil Conservation Commission.

Respectfully submitted,

ATTEST

STANDARD OIL COMPANY OF TEXAS


Assistant Secretary

By 
Vice President