

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
LITTLE LUCKY LAKE UNIT AGREEMENT
CHAVES AND EDDY COUNTIES, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, The Texas Company, a corporation with offices at Fort Worth, Texas, and files herewith three copies of the proposed unit agreement for the development and operation of the Little Lucky Lake Unit Area, Chaves and Eddy Counties, 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 11,714.96 acres, more or less, more particularly described as follows:

NEW MEXICO PRINCIPAL MERIDIAN

Township 15 South, Range 29 East

Section 11: SE $\frac{1}{4}$
Section 12: S $\frac{1}{2}$
Section 13: All
Section 14: E $\frac{1}{2}$
Section 23: E $\frac{1}{2}$
Section 24: All
Section 25: N $\frac{1}{2}$ and SE $\frac{1}{4}$
Section 36: E $\frac{1}{2}$

Township 15 South, Range 30 East

Section 7: SW $\frac{1}{4}$
Section 16: SW $\frac{1}{4}$
Sections 17, 18, 19, 20, and 21: All
Sections 28, 29, 30, 31, and 32: All
Section 33: W $\frac{1}{2}$

Township 16 South, Range 30 East

Section 2: Lots 1 through 8 inclusive and
Lots 11, 12, 13 and 14
Section 3: Lots 1 through 16 inclusive
Section 4: Lots 1 through 8 inclusive

2. That of the lands embraced within the proposed unit area, 10,072.28 acres or 85.98% are Federal lands, and 1,642.68 acres or 14.02% are lands of the State of New Mexico. That said area has

heretofore 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 The Texas 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 an initial test well to a depth sufficient to test the Devonian formation. However, the unit operator is not required to drill said well to a depth in excess of 12,000 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.

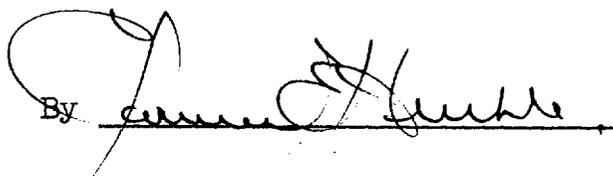
7. That upon an order being entered by the New Mexico Oil Conservation Commission approving said unit agreement and after approval thereof by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, an approved copy thereof will be filed with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

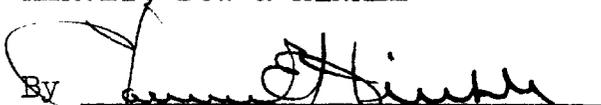
DATED this the 15th day of Jan, 1958.

Respectfully submitted,

THE TEXAS COMPANY

By 

HERVEY, DOW & HINKLE

By 
Attorneys for
The Texas Company



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

The Texas Company
Post Office Box 1720
Fort Worth 1, Texas

Gentlemen:

Reference is made to your application filed on September 11, 1957, with the Oil and Gas Supervisor, Roswell, New Mexico, requesting the designation of 11,714.96 acres, more or less, in Chaves and Eddy Counties, New Mexico, as an area logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act, as amended.

Pursuant to the unit plan regulations of December 22, 1950, 30 CFR 226.3, the land requested, as outlined on exhibit "A", marked "Little Lucky Lake unit area, Chaves and Eddy Counties, New Mexico," is hereby designated as a logical unit.

The proposed drilling of an exploratory well to test the Ellenburger formation or to a depth of 12,100 feet is acceptable.

Your proposal to use the standard form of unit agreement, June 1957 reprint, modified to provide for approval by the Commissioner of Public Lands of the State of New Mexico and by the New Mexico Oil Conservation Commission, is acceptable. Section 2 of the executed unit agreement, when submitted for final approval, may designate the unit area by proper written description or by appropriate reference to exhibit A of the unit agreement, which should conform to Bureau of Land Management official surveys. In event you wish to refer to exhibit A instead of using written descriptions, lines 14 through 22 of page 2 of the standard form, reprint June 1957 (section 2), should be rewritten as follows:

"The area specified on the plat attached hereto marked Exhibit A is hereby designated and recognized as constituting the unit area, containing 11,714.96 acres, more or less.

"Exhibit A shows, in addition to the boundary of the unit area, the"

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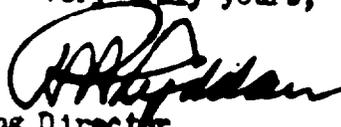
EXHIBIT A

If conditions are such that additional modification of said form is deemed necessary, three copies of the form so modified, with all deviations plainly marked and with explanations and justifications therefor, must be submitted through the Oil and Gas Supervisor for preliminary approval by the Director.

In the absence of any objections not now apparent, a duly executed agreement in the proposed form, modified as outlined above, will be approved if submitted within a reasonable period of time.

When the executed agreement is transmitted to the Supervisor for approval, include the latest status of all acreage, showing the current record owner of all issued leases and the current status of all lease applications, if any. 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 unit operations.

Very truly yours,



Acting Director

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