

File 2485

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
RED TANK UNIT AGREEMENT
LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, Union Oil Company of California, a corporation with offices at Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the Development and Operation of the Red Tank Unit Area, Lea County, New Mexico, and hereby makes application for the approval of said Unit Agreement as provided by law, and in support thereof states:

1. That the proposed unit area covered by said Unit Agreement covers 3,680 acres, more or less, more particularly described as follows:

Township 22 South, Range 32 East, N.M.P.M.

- Section 14: NW $\frac{1}{4}$ and S $\frac{1}{2}$
- Section 15: A11
- Section 22: A11
- Section 23: A11
- Section 26: NW $\frac{1}{4}$
- Section 27: A11
- Section 28: E $\frac{1}{2}$ and SW $\frac{1}{4}$

2. That all of the lands embraced within said proposed unit area are lands of the United States.

3. That applicant is informed and believes, and upon such information and belief states, that the proposed unit area

covers all or substantially all of the geological feature involved, and that in the event of 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.

4. That the Unit Operator is given authority under the terms of the Unit Agreement to carry on all operations necessary for the development and operation of the unit area subject to all applicable laws and regulations. That Section 9 of the Unit Agreement provides for the commencement of an initial test well within six months from the effective date thereof and for the drilling thereof with due diligence to a depth sufficient to test the Cherry Canyon Formation (Middle Delaware Sand). However, Operator is not obligated to drill said well in excess of 7,500 feet.

5. That applicant believes that in the event oil or gas in paying quantities is discovered on the land 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 of unitized substances will be obtained and that said Unit Agreement is in the interest of conservation and prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes and regulations.

6. That upon an Order being entered by the New Mexico Oil Conservation Commission approving said Unit Agreement,

an approved copy will be filed with the Commission.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before an Examiner 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 the prevention of waste.

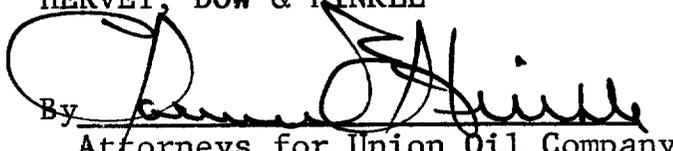
DATED this the 2nd day of January, 1962.

Respectfully submitted,

UNION OIL COMPANY OF CALIFORNIA

By  atty.

HERVEY, DOW & HINKLE

By 
Attorneys for Union Oil Company
of California
Roswell, New Mexico