

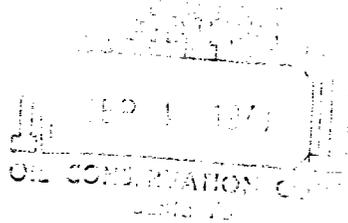


# United States Department of the Interior

GEOLOGICAL SURVEY  
Drawer 1857  
Roswell, New Mexico 88201

August 30, 1973

Midwest Oil Corporation  
Attention: Mr. Tom Coleman  
1500 Wilco Building  
Midland, Texas 79701



Gentlemen:

Two approved copies of the Cottonwood Spring unit agreement, Eddy County, New Mexico, are enclosed. Such agreement has been assigned No. 14-08-0001-12408 and is effective August 31, 1973, the same date as approved.

You are requested to furnish the New Mexico Oil Conservation Commission and all other interested principals with appropriate evidence of this approval.

Sincerely yours,

CARL C. TRAYWICK  
Acting Area Oil and Gas Supervisor

cc:

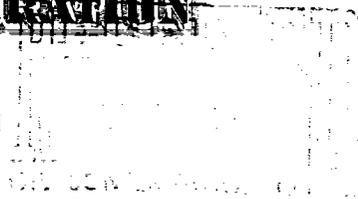
Artesia (w/cy appvd. appln.)  
NMOCC, Santa Fe (ltr only)  
Area Geologist, Roswell (ltr only)

JAGillham:ds

# MIDWEST OIL CORPORATION

1500 WILCO BUILDING  
MIDLAND, TEXAS 79701

September 5, 1973



50-4

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Cottonwood Spring Unit  
Case No. 5024  
Order No. R-4598  
EDDY COUNTY, NEW MEXICO

Gentlemen:

We are enclosing copy of Certification--Determination indicating U. S. G. S. approval of Midwest's Cottonwood Spring Unit Agreement. Executed copies of said agreement were furnished you previously.

If you have any questions or need additional material in this connection, please advise.

Very truly yours,

MIDWEST OIL CORPORATION

  
Tom Coleman  
District Landman

/rs  
Enc.

RECEIVED  
OIL CONSERVATION  
DIVISION  
U.S. GEOLOGICAL SURVEY

CERTIFICATION--DETERMINATION

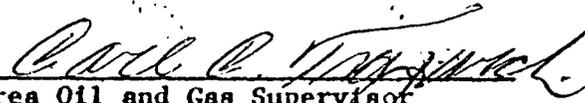
Pursuant to the authority vested in the Secretary of Interior, under the act approved February 25, 1920, 41 Stat. 437, as amended, 30 U. S. C. secs. 181, et seq., and delegated to the Area Oil and Gas Supervisors of the Geological Survey, I do hereby:

A. Approve the attached agreement for the development and operation of the Cottonwood Spring Unit Area, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated August 31, 1973.

  
Acting Area Oil and Gas Supervisor  
United States Geological Survey

Contract Number 14-08-0001-12408



# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIGO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

July 24, 1973

Re: Case No. 5024

Order No. R-4598

Applicant:

Midwest Oil Corporation

Mr. Clarence Hinkle  
Hinkle, Bondurant, Cox & Eaton  
Attorneys at Law  
Post Office Box 10  
Roswell, New Mexico 88201

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC       x      

Artesia OCC       x      

Aztec OCC                   

Other                   Unit Division - State Land Office



# United States Department of the Interior

GEOLOGICAL SURVEY

Denver Federal Center  
Denver, Colorado 80225

*Coal 5-024  
7/11  
Hemmi*

JUN 10 1973

Midwest Oil Corporation  
Attention: Mr. Tom Coleman  
1500 Wilco Building  
Midland, Texas 79701

Gentlemen:

Your application dated May 24, 1973, filed with the Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Cottonwood Spring unit area embracing 3,837.88 acres, more or less, Eddy County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act, as amended. The unit area involves 2,918.28 acres (76.04 percent) of Federal land and 919.60 acres (23.96 percent) of fee land.

Pursuant to the unit plan regulations of December 22, 1950, 30 CFR 226.3, the land requested, as described on your plat marked "Exhibit A, Cottonwood Spring Unit, Eddy County, New Mexico," is hereby designated as a logical unit area.

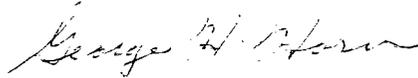
The unit agreement submitted for the area designated should provide for a well to test all formations of Pennsylvanian Age or to a depth of 12,000 feet. Use of the Form of Agreement for Unproved Areas as proposed in your application will be acceptable if modified with appropriate language for the inclusion of fee land.

In the absence of any other type of land requiring special provisions or any objection not now apparent, a duly executed agreement identical to said form, modified as indicated above, will be approved if submitted in approvable status within a reasonable time. However, the right is reserved to deny approval of any executed agreement which in our opinion does not have full commitment of sufficient land to afford effective control of operations in the unit area.

When the agreement is transmitted to the Oil and Gas Supervisor for approval, include the latest status of all acreage. The format

of the sample exhibits attached to the 1968 reprint of the  
aforementioned form of agreement should be followed closely in  
the preparation of Exhibits A and B.

Sincerely yours,



Conservation Manager, Central Region  
For the Director

cc:

Washington

Denver - Reading File

✓ BLM, Santa Fe (w/cy of Ex. A)

Roswell (2)

JAGillham:ds

SERIALS:

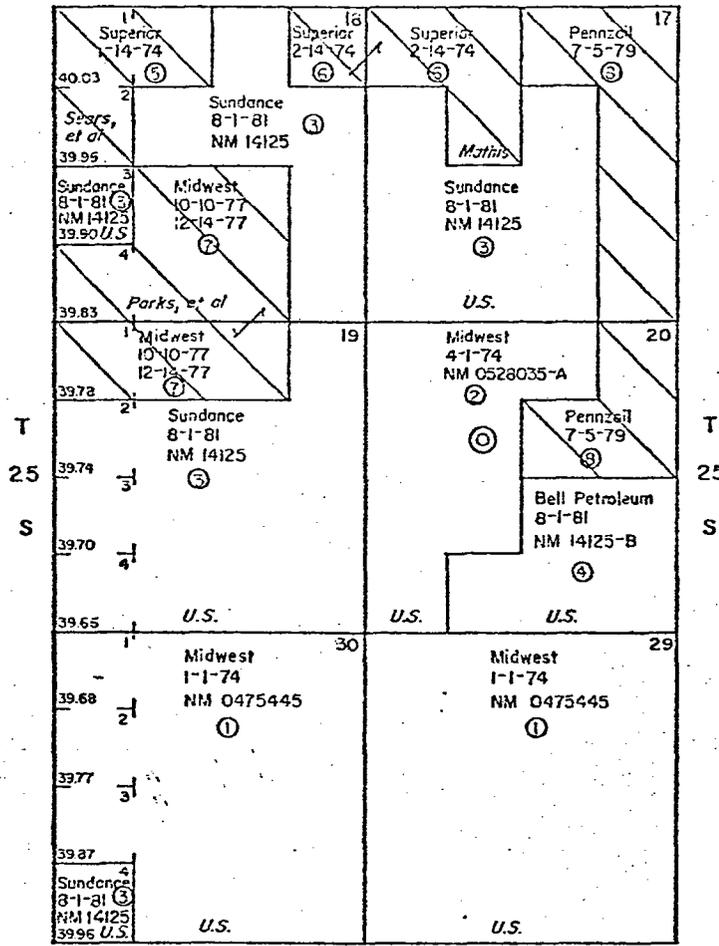
New Mexico 0475445

0528035-A

NM 14125

14125-B

R 26 E



R 25 E

- Tract Number
- Federal acreage: 2,918.28
- ▨ Fee acreage: 919.60
- Total acreage: 3,837.88

### COTTONWOOD SPRING UNIT

Eddy County, New Mexico

Containing 3837.88 Acres

Federal leases:

- ① NM-0475445
- ② NM-0528035-A
- ③ NM-14125
- ④ NM-14125-B

Scale: 1/4" = 1 Mile

Exhibit "A"



U. S. GEOL.  
ROSWELL

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

*Case 5024*

APPLICATION OF MIDWEST OIL CORPORATION  
FOR APPROVAL OF THE COTTONWOOD SPRING UNIT  
AGREEMENT, EDDY COUNTY, NEW MEXICO



New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Comes the undersigned, Midwest Oil Corporation, a corporation, with offices at 1500 Wilco Building, Midland, Texas 79701, and files herewith three copies of the proposed unit agreement for the development and operation of the Cottonwood Spring Unit Area, Eddy County, New Mexico and makes application for the approval of said unit agreement as provided by law and the rules and regulations of the New Mexico Oil Conservation Commission, and in support thereof shows:

1. That the proposed unit area covered by said agreement embraces 3,837.88 acres, more or less, situated in Eddy County, New Mexico, more particularly described as follows:

Township 25 South, Range 26 East

- Section 17 - All
- Section 18 - All
- Section 19 - All
- Section 20 - All
- Section 29 - All
- Section 30 - All

2. That the land embraced in the proposed unit area consists of 2,918.28 acres of federal lands and 919.60 acres of fee lands.

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.

DOCKET MAILED

Date 6-28-73

4. That Midwest Oil Corporation is designated as the unit operator in said unit agreement, and as such is given authority under the terms thereof to carry on all 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 be located in the NW 1/4 of Section 20, Township 25 South, Range 26 East, and that said well is to be drilled to a depth sufficient to test the Morrow formation, but not to exceed a depth of 12,000 feet, and is to be commenced within six months after the effective date of the unit.

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 in 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 by 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 11th day of June, 1973.

Respectfully submitted,

MIDWEST OIL CORPORATION

By Frank L. Scholtz



EXHIBIT # 2

# United States Department of the Interior

## GEOLOGICAL SURVEY

Denver Federal Center  
Denver, Colorado 80225

JUN 16 1973

Midwest Oil Corporation  
Attention: Mr. Tom Coleman  
1500 Wilco Building  
Midland, Texas 79701

Gentlemen:

Your application dated May 24, 1973, filed with the Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the Cottonwood Spring unit area embracing 3,837.88 acres, more or less, Eddy County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act, as amended. The unit area involves 2,918.28 acres (76.04 percent) of Federal land and 919.60 acres (23.96 percent) of fee land.

Pursuant to the unit plan regulations of December 22, 1950, 30 CFR 226.3, the land requested, as described on your plat marked "Exhibit A, Cottonwood Spring Unit, Eddy County, New Mexico," is hereby designated as a logical unit area.

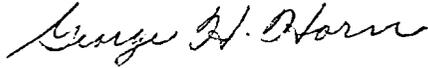
The unit agreement submitted for the area designated should provide for a well to test all formations of Pennsylvanian Age or to a depth of 12,000 feet. Use of the Form of Agreement for Unproved Areas as proposed in your application will be acceptable if modified with appropriate language for the inclusion of fee land.

In the absence of any other type of land requiring special provisions or any objection not now apparent, a duly executed agreement identical to said form, modified as indicated above, will be approved if submitted in approvable status within a reasonable time. However, the right is reserved to deny approval of any executed agreement which in our opinion does not have full commitment of sufficient land to afford effective control of operations in the unit area.

When the agreement is transmitted to the Oil and Gas Supervisor for approval, include the latest status of all acreage. The format

of the sample exhibits attached to the 1968 reprint of the  
aforementioned form of agreement should be followed closely in  
the preparation of Exhibits A and B.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "George W. Horn".

Conservation Manager, Central Region  
For the Director