BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF C C TANK UNIT AGREEMENT EDDY COUNTY, NEW MEXICO Ling on Personal Control Sunto Fo

New Mexico Oil Conservation Commission Santa Fe, New Mexico 87501

Comes the undersigned Randolph M. Richardson, with offices at Roswell, New Mexico and files herewith one (1) copy of the proposed Unit Agreement for the development and operation of the C C Tank Unit Area, Eddy County, New Mexico and hereby makes application for approval of said Unit Agreement as provided by law, and in support thereof, states:

1. That the proposed Unit Area covered by said Agreement embraces 10,550.24 acres of land, more or less, more particularly described as follows:

T-20-S, R-23-E, NMPM Secs. 1, 12; All Sec. 13; N/2 T-19-S, R-24-E, NMPM Secs. 28, 29; All Secs. 31, 32, 33; All T-20-S, R-24-E, NMPM Secs. 4, 5, 6, 7, 8, 9; All Secs. 16, 17, 18; All

Eddy County, New Mexico

- 2. That of the lands embraced within the proposed Unit, 8,830.03 acres are lands of the United States, being 83.70% of the Area; and 440.21 acres are patented or fee lands, being 4.17% of the Unit Area; and 1,280.00 acres are State of New Mexico lands being 12.13% of the Area.
- 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 a discovery of oil and gas thereon, that said Unit Agreement will permit the producing area to be developed or operated in the interest of conservation and the prevention of waste of the unitized substances.
- 4. That Randolph M. Richardson 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 penetrate the Mississippian Formation, but applicant is not obligated to drill said well in any event to a depth in excess of 9,500 feet.
- 5. That the applicant believes that in the event oil or gas is discovered in paying quantities on lands within the Unit Area, that the field or area can be developed more economically and efficiently under the terms of said Unit Agreement, to the end that maximum recovery will be obtained of unitized substances and that said Unit Agreement is in the interest of conservation of prevention of waste as contemplated by the New Mexico Oil Conservation rules and regulations.
- 6. That Application for Approval of said Unit Agreement has been filed with the Commissioner of Public Lands.
- 7. That upon an order being entered by the New Mexico Oil Conservation Commission approving said Unit Agreement, and after approval by the United States Department of Interior, an approved copy will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before an examiner on the matter 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. Applicant respectfully requests that this matter be heard at the first available hearing following this date.

DATED this 2nd day of March, 1976.

Randolph M. Richardson

Unit Operator

P. O. Box 819

Roswell, New Mexico 88201