

BEFORE THE OIL CONSERVATION DIVISION
STATE DEPARTMENT OF ENERGY AND MINERALS
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
SALADAR UNIT
EDDY COUNTY, NEW MEXICO

No. 6238

New Mexico Oil Conservation Division
State Department of Energy and Minerals
P.O. Box 2088
Santa Fe, New Mexico 87501

COMES NOW BARBER OIL, INC., P.O. Box 1658, Carlsbad, New Mexico 88220, and files herewith one copy of the proposed Unit Agreement for the Development and Operation of the Saladar Unit, Eddy County, New Mexico, and hereby makes Application for Approval of said Unit as provided by law, and in support thereof states:

1. That the proposed Unit Area covered by said Agreement embraces 240 acres of land, more or less, more particularly described as follows:

Township 20 South, Range 28 East, NMPM
Section 33: NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$,
S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.

2. That of the lands embraced within the proposed Unit, 200 acres are lands of the United States of America and 40 acres are lands that are owned in fee. There are no State lands within the Unit Area.

3. That an Application has been made for the designation of said Unit Area and for approval of the form of Unit Agreement by the Supervisor, United States Geological Survey of the United States of America. It is anticipated that said area will be designated as being logical for unitization.

4. That Applicant is informed and believes and upon information and belief states that the proposed Unit Area

contains all or substantially all the geological feature involved, and in the event the Unit Agreement is approved, the area will be developed and operated in the interest of conservation and the prevention of waste of unitized substances.

5. That Barber Oil, Inc. is designated as the Unit Operator of 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. It is recognized that all of the lands subject to the Agreement are reasonably proven to be productive of unitized substances and that the object and purpose of the Agreement is to formulate and put into effect a secondary recovery project in order to effect the additional recovery of unitized substances, prevent waste, and conserve natural resources. The unitized formation is defined as that portion of the Yates formation commonly known as the Yates Sand. This unitized interval is found between 641 feet and 665 feet as shown on the driller's log dated June 20, 1956, of the George Riggs et al-Hughes Federal #1 Well, which is located 1650 feet from the South line and 1650 feet from the West line, Section 33, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

6. That upon an order being entered by the New Mexico Oil Conservation Division approving said Agreement and upon approval thereof by the Supervisor, United States Geological Survey, an approved copy of said Unit Agreement and the documents approving the same will be filed with the New Mexico Oil Conservation Division.

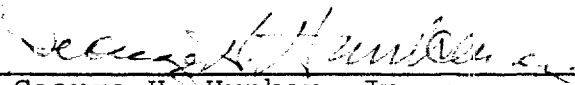
WHEREFORE, the undersigned Applicant respectfully requests that a hearing be held before an Examiner on the matter of approval of said Unit Agreement, and that upon said hearing said Unit Agreement be approved by the New Mexico Oil Conservation Division as being in the interests of conservation and prevention of waste.

DATED this 12th day of May, 1978.

Respectfully submitted,

BARBER OIL, INC.

By


George H. Hunker, Jr.,
Attorney for Applicant
P.O. Box 1837
Roswell, New Mexico 88201

GHH:dd