

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF THE
CUEVA UNIT, EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, Monsanto Company, with offices at Midland, Texas, acting by and through the undersigned attorneys, Hinkle, Bondurant & Christy, of Roswell, New Mexico and files herewith 3 copies of the proposed Unit Agreement for the Development and Operation of the Cueva Unit Area, Eddy County, New Mexico, and hereby makes application for 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 12,488.64 acres situated in Eddy County, New Mexico, more particularly described as follows:

Township 22 South, Range 25 East, N.M.P.M.

Section 21 - All	Section 29 - E $\frac{1}{2}$
Section 22 - All	Section 32 - All
Section 27 - All	Section 33 - All
Section 28 - All	Section 34 - All

Township 23 South, Range 25 East, N.M.P.M.

Section 3 - All	Section 9 - All
Section 4 - All	Section 10 - All
Section 5 - All	Section 15 - All
Section 6 - All	Section 16 - All
Section 7 - All	Section 17 - All
Section 8 - All	Section 18 - All

2. That the lands embraced in the proposed unit area consist of 8,962.28 acres, or 71.76%, of Federal lands, 2,888.67 acres, or

23.09%, of lands of the State of New Mexico, and 642.69 acres, or 5.15%, of fee or privately owned lands.

3. That the proposed unit area has heretofore, on February 24, 1965, been designated by the Director of the United States Geological Survey as an area logically subject to unitization.

4. 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 structure or feature involved and that in the event of the discovery of oil or gas thereon said unit agreement will permit the producing area to be developed and operated in the interests of conservation and the prevention of waste of unitized substances.

5. That it is contemplated that applicant, Monsanto Company, will be the operator of the unit area and it is proposed to drill an initial test well pursuant to the terms thereof to be located in the SW $\frac{1}{4}$ Section 28, Township 22 South, Range 25 East, N.M.P.M. and that said well will be drilled to a depth sufficient to test the Siluro-Devonian formation of Devonian age, but not to exceed a depth of 11,000 feet.

6. That applicant believes that in the event oil or gas in paying quantities is discovered in the lands within the unit area the pool or field can be developed more economically and efficiently under the terms of said unit agreement to the end that the maximum recovery of unitized substances will be obtained, and that said agreement is in the interests of conservation and prevention of waste as contemplated by the New Mexico Oil Conservation Commission, statutes and regulations.

7. That upon an order being entered by the 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 of said unit agreement will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before the examiner on the matter of the approval of said unit agreement and upon said hearing the same be approved by the New Mexico Oil Conservation Commission as being in the interests of conservation and the prevention of waste.

DATED this 10th day of May, 1965.

Respectfully submitted,

MONSANTO COMPANY

By 

Attorney

HINKLE, BONDURANT & CHRISTY

By 

Attorneys for Applicant

Box 10

Roswell, New Mexico