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TELEPHONE 622-6510
AREA CODE 505
POST OFFICE BOX 10

January 3, 1966

Case 3365

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Re: North Cedar Hills Unit Agreement
Eddy County, New Mexico

Gentlemen:

We enclose in triplicate Application of Humble Oil & Refining Company for approval of the North Cedar Hills Unit Agreement covering 8,499.94 acres in Eddy County, New Mexico. In the application it is stated that we are filing three copies of the proposed unit agreement. These copies are not yet complete, but we expect to have them completed within the next few days and they will be mailed to you for filing with the application.

Please set this matter down for hearing at the examiner's hearing which we understand will be held on January 26.

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By 

CEH:cs
Enc.
cc: John Cron

DOCKET MAILED

Date 1-13-66

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
NORTH CEDAR HILLS UNIT
EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

ca 3365

Comes the undersigned, Humble Oil & Refining Company, acting by and through the undersigned attorneys Hinkle, Bondurant & Christy of Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the Development and Operation of the North Cedar Hills 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 Unit Agreement embraces 8,499.94 acres situated in Eddy County, New Mexico more particularly described as follows:

Township 20 South, Range 28 East, N.M.P.M.

Section 28 - All
Section 29 - All
Section 30 - Lots 1, 2, 3, 4, $E\frac{1}{2}W\frac{1}{2}$, $E\frac{1}{2}$
Section 31 - Lots 1, 2, 3, 4, $E\frac{1}{2}W\frac{1}{2}$, $E\frac{1}{2}$
Section 32 - All
Section 33 - All

Township 21 South, Range 27 East, N.M.P.M.

Section 4 - Lots 1 to 16 inclusive, $S\frac{1}{2}$
Section 5 - Lots 1 to 16 inclusive, $S\frac{1}{2}$
Section 6 - Lots 1 to 18 inclusive, $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$
Section 7 - Lots 1, 2, 3, 4, $E\frac{1}{2}W\frac{1}{2}$, $E\frac{1}{2}$
Section 8 - All
Section 9 - All

That of the above described lands 5,273.03 acres, or 62%, are Federal lands; 2,626.91 acres, or 30.91%, are State lands; and 600 acres, or 7.09%, are fee or privately owned lands.

2. 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 geophysical anomaly involved and that in the event of a discovery of oil or gas thereon said unit agreement will permit the producing area to be developed and operated in the interest of conservation and the prevention of waste of unitized substances.

3. It is contemplated that applicant will be the operator of the unit area and it is proposed to drill a test well pursuant to the terms of said unit agreement on the unit area to a depth sufficient to test the Morrow formation of Pennsylvanian age, but not to exceed a depth of 11,500 feet.

4. Applicant believes that in the event oil or gas in paying quantities is discovered on 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 interest of conservation and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission, statutes and regulations.

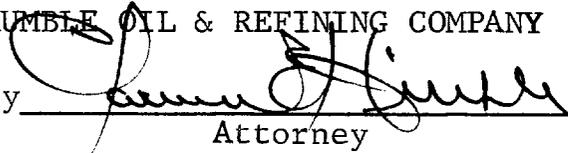
5. That upon an order being entered by the Oil Conservation Commission approving said unit agreement and after approval thereof by the Commissioner of Public Lands, an approved copy of said unit agreement will be filed with the New Mexico Oil Conservation Commission.

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

DATED this 30th day of December, 1965.

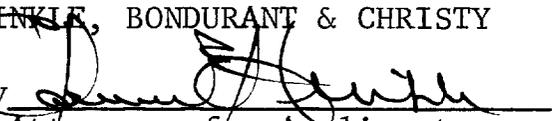
HUMBLE OIL & REFINING COMPANY

By


Attorney

HINKLE, BONDURANT & CHRISTY

By


Attorneys for Applicant

Box 10

Roswell, New Mexico