

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

MAP: OFFICE 000

APPLICATION OF HUMBLE OIL & REFINING COMPANY
FOR APPROVAL OF THE RAILROAD MOUNTAIN UNIT
AGREEMENT EMBRACING 4,217.48 ACRES, MORE OR
LESS, CHAVES COUNTY, NEW MEXICO, CONSISTING
OF THE S $\frac{1}{2}$ of Section 31, TOWNSHIP 7 SOUTH,
RANGE 31 EAST, and Sections 5, 6, 7, 8,
17 and 18, TOWNSHIP 18 SOUTH, RANGE 31 EAST,
N.M.P.M.

CASE NO. 1118

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, Humble Oil & Refining Company,
a corporation, with offices at Houston, Texas, and files herewith
three copies of the proposed unit agreement for the development
and operation of the Railroad Mountain Unit Area, Chaves County,
New Mexico, and hereby makes application for the approval of said
unit agreement as provided by law, and in support thereof, shows:

1. That the proposed unit area covered by said agreement
embraces 4,217.48 acres, more or less, more particularly described
as follows:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

T. 7 S., R. 31 E.

Sec. 31: S $\frac{1}{2}$

T. 18 S., R. 31 E.,

Secs. 5, 6, 7, 8, 17, 18: all

2. That of the lands embraced within the proposed unit area,
3,645.19 acres or 86.5% are federal lands and 572.29 acres or 13.5%
are fee or privately owned lands. That said area has heretofore, on
the 14th day of June, 1956, been designated by the Acting Director
of the United States Geological Survey as an area suitable and proper
for unitization, a copy of said designation being attached hereto,
made a part hereof, and for purposes of identification marked Exhibit A.

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.

4. That Humble Oil & Refining Company 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 commencement of a test well within six months from the effective date of the unit agreement, and for the drilling of the same to a depth sufficient to test the Siluro-Devonian formation or until, at a lesser depth, unitized substances have been discovered in paying quantities, however, the unit operator is not required in any event to drill a well to a depth in excess of 10,000 feet.

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 on 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 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 19th day of July, 1956.

Respectfully submitted,

HUMBLE OIL & REFINING COMPANY

BY: R. M. Richardson

R. M. Richardson



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

JUN 1 1956

Bumble Oil and Refining Company
c/o Mr. Clarence E. Hinkle
Post Office Box 614
Roswell, New Mexico

Gentlemen:

Reference is made to your application filed May 23, 1956, with the Oil and Gas Supervisor, Roswell, New Mexico, requesting designation of 4,217.48 acres in Chaves County, New Mexico, as an area logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act, as amended.

Pursuant to the regulations of December 22, 1950, 30 C.F.R., section 226.3, the following land is designated as a logical unit to be known as the Railroad Mountain unit area:

New Mexico Principal Meridian, New Mexico

T. 7 S., R. 31 E.	Acres
sec. 31, lots 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$	325.64
T. 8 S., R. 31 E.	
sec. 5, lots 1,2,3,4, S $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ (all)	641.68
sec. 6, lots 1 through 7, SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ (all)	657.60
sec. 7, lots 1,2,3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ (all)	655.74
sec. 8, 17(all)	1,280.00
sec. 18, lots 1,2,3,4, E $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ (all)	653.82
Total	4,217.48

The proposed test well to the Siluro-Devonian formation or to a depth of 10,000 feet is deemed acceptable.

The application states that you will use the same form of agreement as used in connection with the Chalk Bluff Draw unit area, New Mexico, No. 14-08-001-2477, approved December 29, 1955, except

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EXHIBIT "A"

...and that the ... and that it is substantially
... necessary to
... of the State of New Mexico and to conform
with Public Law ... and Executive Order No. 10597
... Nevertheless, except for unitization of all
formations and use of the standard time intervals in sec. 2(e),
it is believed the form approved June 8 for the Little Eddy unit,
New Mexico, should be used instead of the Chalk Bluff Draw unit.

In the absence of any objections not now apparent, a
duly executed agreement in the form indicated above will be ap-
proved if submitted within a reasonable period of time. However,
notice is hereby given that the right is reserved to deny approval
of any executed agreement submitted which, in my opinion, does not
have the full commitment of sufficient lands to afford effective
control of unit operations. When the executed agreement is trans-
mitted to the Supervisor for approval, include the latest status
of all acreage, showing the current record owner of all leases
and the current status of all lease applications, if any.

Very truly yours,

Arthur B. Baker

Director

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