2836

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF THE WEST McDONALD UNIT AGREEMENT LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Comes UNION OIL COMPANY OF CALIFORNIA, acting by and through the undersigned attorneys, Hervey, Dow & Hinkle of Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the development and operation of the West McDonald Unit Area, Lea 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 2,320 acres situated in Township 14 South, Range 35 East, N.M.P.M., more particularly described as follows:

Township 14 South, Range 35 East

Section 4: SW and WasEL

Section 5: SE_{+}^{1}

Section 8: All

Section 9: All

Section 16: N½

Section 17: N¹/₂

containing 2,320 acres, more or less.

- 2. That the lands embraced in the proposed unit consist of 2,240 acres of State land and 80 acres of fee land.
- 3. That applicant is informed and believes and upon such information and belief states that the proposed unit area contains all or substantially all of the geological or geophysical feature involved and that 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 unitized substances.
- 4. That it is contemplated that applicant will be the Operator of the unit area and it is proposed to drill a test well thereon pursuant to and to the depth provided by Section 8 of the proposed Unit Agreement.
- 5. That applicant believes that in the event oil or gas in paying quantities is discovered on the lands within the unit area, that 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 Unit Agreement is in the interest of conservation and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes and regulations.
- 6. 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, 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 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 the prevention of waste.

DATED this 10 day of 1963.

Respectfully submitted,

UNION OIL COMPANY OF CALIFORNIA

HERVEY, DOW & HINKLE

Attorneys for Union Oil Company of California P. O. Box 10 $\,$

Roswell, New Mexico