BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF THE OWL DRAW UNIT EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Comes Jake L. Hamon of Dallas, Texas, acting by and through the undersigned attorneys, Hinkle, Bondurant & Christy, of Roswell, New Mexico, and files herewith three copies of the Unit Agreement for the Development and Operation of the Owl Draw 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 8916.44 acres situated in Eddy County, New Mexico more particularly described as follows:

Township 25 South, Range 27 East, N.M.P.M.

Section 29 - SWZ

Section 30 - St

Section 31 - All

Section 32 - $W_{\overline{2}}^{1}$

Township 26 South, Range 26 East, N.M.P.M.

Section $1 - E_2^1 E_2^1$

Section 12 - EzEz

Section 13 - Ez

Section 24 - All

Section 25 - EzEz

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SEP

Township 26 South, Range 27 East, N.M.P.M.

Section 5 - W2

Section 6 - All

Section 7 - All

Section 8 - All

Section 17 - All

Section 18 - All

Section 19 - All

Section 20 - Wz, SEz, WzNEz, SEZNEz

Section 29 - All

Section 30 - All

- 2. That the lands embraced in the proposed unit area consist of 8,436.55 acres, or 94.61% of Federal lands; 320 acres, or 3.58% of State lands; and 159.89 acres, or 1.79% of fee lands.
- 3. That the proposed unit area has heretofore 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. It is contemplated that applicant, Jake L. Hamon, will be the operator of the unit area and it is proposed to drill a test well pursuant to the terms of the unit agreement to a depth sufficient to test the formations of Pennsylvanian age, but not to exceed a depth of 12,900 feet.
- 6. 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 statutes and regulations.

WHEREFORE, the undersigned applicant respectfully requests that a hearing be held before the examiner on the matter of the approval of said unit 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 24th day of September, 1965.

Respectfully submitted,

JAKE L. HAMON

By Clarence & Nintele
Attorney

Of

HINKLE, BONDURANT & CHRISTY

By ((A rener & Minkle
Attorneys for Applicant ")

Roswell, New Mexico

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Section 1 - EzEz

Section 12 - EtEt

Section 13 - E

Section 24 - All

Section 25 - EzEz

Township 26 South, Range 27 East, N.M.P.M.

Section 5 - W

Section 6 - All

Section 7 - All

Section 8 - All

Section 17 - All

Section 18 - All

Section 19 - All

Section 20 - Wt, SEt, Winet, SEINEL

Section 29 - All

Section 30 - All

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By Clause E Mentele
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HINKLE, BONDURANT & CHRISTY

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Attorneys for Applicant (5)

Roswell, New Mexico