

OFFICE MAIN 2-8801

R. M. RICHARDSON
OIL AND GAS LEASES — UNITIZATION
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ROSWELL, NEW MEXICO

October 15, 1962

HOME MAIN 2-7985

Page 2683

In Re: Carnero Peak Unit
Eddy County, New Mexico
Curtis R. Inman

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attn: Mr. Pete Porter

Dear Mr. Porter,

We are filing herewith one (1) copy of the proposed Unit Agreement for the Development and Operation of the Carnero Peak Unit Area, Eddy County, New Mexico, together with our application for approval and for an examiner hearing.

Please note that only one copy is filed and that such copy does not contain either Exhibit "A" or Exhibit "B". This missing set of Exhibits will be filed with you within a few days. Two additional copies of the Unit Agreement together with the proper Exhibits will be filed as quickly as possible.

Due to the deadline for drilling on this unit, and the time necessary for publication of the notice of hearing, we would like to request that you accept the attached application and Unit Agreement with the understanding that the necessary copies and additional information will be furnished as quickly as possible. Thank you.

Yours very truly,

R. M. Richardson

R. M. Richardson

DOCKET MAILED

Date 10/26/62

file 2683

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
CARNERO PEAK UNIT AGREEMENT
EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, Curtis R. Inman, with offices at Midland, Texas, and files herewith one copy of the proposed Unit Agreement for the development and operation of the Carnero Peak Unit Area, Eddy County, New Mexico, and hereby makes application for the approval of said Unit Agreement as provided by law, and in support thereof states:

1. That the proposed unit area covered by said agreement embraces 12,151.48 acres of land, more or less, more particularly described as follows:

NEW MEXICO PRINCIPAL MERIDIAN

Township 22[✓] South, Range 24[✓] East

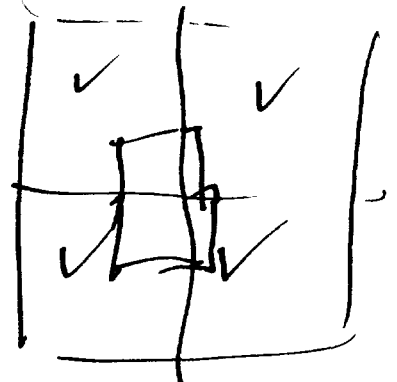
Section 23; E $\frac{1}{2}$
Section 24; All
Section 25; All
Section 26; E $\frac{1}{2}$
Section 35; E $\frac{1}{2}$
Section 36; All

Township 22 South, Range 25 East
Sections 19, 29, 30, 31, 32; All

Township 23[✓] South, Range 24[✓] East

Section 1; All
Section 2; E $\frac{1}{2}$
Section 11; E $\frac{1}{2}$
Section 12; All
Section 13; All
Section 14; E $\frac{1}{2}$

Township 23 South, Range 25 East
Sections 5, 6, 7, 8, 18; All



2. That of the lands embraced within the proposed unit area, 1,917.84 acres are lands of the State of New Mexico; 9,751.64 acres are lands of the United States; and 482.00 acres are patented or fee lands.

3. That application is being made for the designation of said unit area and for the approval of the form of Unit Agreement by the Commissioner of Public Lands of the State of New Mexico.

4. 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 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 the unitized substances.

5. That Curtis R. Inman 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 drilling of an initial test well to a depth sufficient to test the Devonian Formation, but that applicant is not obligated to drill said well, in any event, to a depth in excess of 11,500 feet.

6. That applicant believes 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 Unit Agreement, to the end that the maximum recovery will be obtained of unitized substances, and that said Unit Agreement is in the interest 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 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 after approval by the United States Department of Interior, 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 interests of conservation and the prevention of waste.

Dated this 15th day of October, 1962.

Respectfully submitted,

Curtis R. Inman
Curtis R. Inman

By: R. M. Richardson
Attorney: Roswell, New Mexico