BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CITIES SERVICE OIL COMPANY FOR APPROVAL OF A UNIT AGREEMENT EDDY COUNTY, NEW MEXICO

Case 5094 5045.69 5685,69

APPLICATION

COMES NOW CITIES SERVICE OIL COMPANY and applies to the Oil Conservation Commission of New Mexico for approval of the Azotea Mesa Unit Agreement, Eddy County, New Mexico, and in support thereof would show the Commission:

1. Applicant proposes the formation of the Azotea Mesa Unit as an exploratory unit. The proposed unit will consist of 5,685.69 acres, consisting of 5,045.69 acres or 88.74 per cent Federal lands and 640 acres or 11.26 per cent State of New Mexico lands.

2. Lands to be included in the unit are more specifically described as follows:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, N.M.P.M., EDDY COUNTY

Section	4	-	A11
Section	5	-	A11
Section	6		A11
Section	7	-	A11
Section	8		A11
Section	9	-	A11
Section	16	-	A11
Section	17	-	A11
Section	18		A11

3. Applicant proposes an initial test well to be drilled to a depth of approximately 10,800 feet or sufficient depth to test the Morrow formation, said well to be located 1980 feet from the South line, and 1980 feet from the West line of Section 8, Township 23 South, Range 24 East.

Docket Mailed

4. The proposed unit, as an exploratory unit, is in the interests of conservation, will prevent waste, and the correlative rights of all owners affected will be protected.

WHEREFORE applicant requests that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the Azotea Mesa Unit Agreement.

> Respectfully submitted, CITIES SERVICE OIL COMPANY

By Ason W. Kellah. KELLAHIN & FOX P. O. Box 1769 Santa Fe, New Mexico 87501

Santa Fe, New Mexico 87501 ATTORNEYS FOR APPLICANT

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