Case 6/13

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December 13, 1977

Oil Conservation Commission State of New Mexico P.O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,

State Petroleum Engineer

Dear Mr. Ramey:

Enclosed herewith, in triplicate, is the application of TransOcean Oil, Inc. for approval of the Cibola Unit Agreement, embracing 30,733.49 acres of land, more or less, in Catron County, New Mexico. TransOcean requests that this matter be set for the Examiner's Hearing to be held on January 4, 1978.

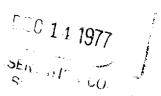
Very truly yours,

William F. Carr

WFC/ss

enclosures

BEFORE THE OIL CONSERVATION COMMISSION OF NEW MEXICO



IN THE MATTER OF THE APPLI-CATION OF TRANSOCEAN OIL, INC. FOR APPROVAL OF A UNIT AGREEMENT, CATRON COUNTY, NEW MEXICO.

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APPLICATION

Comes now TransOcean Oil, Inc., by their undersigned attorneys, and hereby makes application for an order approving its Cibola Unit Agreement and in support of this application would show the Commission:

1. That the proposed Unit Agreement consists of 30,733.49 acres, more or less, situated in Catron County, New Mexico, of which 27,934.11 acres are federal lands, 2,639.38 acres are state lands and 160.0 acres are fee lands. The horizontal limits of said unit are described as follows:

Township 1 North, Range 14 West, N.M.P.M. Sections 2 through 5: All Sections 8 through 11: All

Township 2 North, Range 14 West, N.M.P.M. Sections 4 through 11: All Sections 13 through 35: All

Township 2 North, Range 15 West, N.M.P.M.
Section 1:

Sections 11 through 14:
All
Sections 23 through 26:
All

- 2. That all owners of interest within the Unit Area have been or will be offered the opportunity to join the Unit Agreement.
- 3. That the Unit Agreement has been approved by most of the working interest owners holding interests within the proposed Unit Area. It is expected that by the date which will be set for hearing on this application, the Unit Agreement will have been executed by all, or substantially all, of the owners of working interest, overriding royalty interest and other interests in the land included within the Unit Area.

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- 4. That the applicant, TransOcean Oil, Inc., is designated as Unit Operator in said Unit Agreement and all oil and gas in any and all formations down to the Basement Complex or 6,500 feet are being utilized.
- 5. That the Unit Area has been designated by the United States Geological Survey as an area logically subject to unitization pursuant to the provisions of the Mineral Leasing Act as amended.
- 6. That the Unit Agreement has been approved as to form and content by the State Land Office.
- 7. That, in the opinion of the applicant, the proposed Unit Area covers all, or substantially all, of the geological structures or anomaly involved; and in the event said Unit Agreement is approved and production of unitized substances is obtained, it is believed that said Unit Agreement will be in the interest of conservation and the prevention of waste, and that it will protect the correlative rights of all parties concerned.

TransOcean Oil, Inc. requests that this Application be set for hearing before a duly appointed Examiner of the Oil Conservation Commission on January 4, 1978, that notice be given as required by law and the rules of the Commission, and that the Cibola Unit Agreement be approved.

Respectfully submitted, CATRON, CATRON & SAWTELL

P.O. Box 788

Santa Fe, New Mexico 87501 Attorneys for Applicant