

SHELL OIL COMPANY

P. O. Box 1858 Roswell, New Mexico

October 9, 1964

Subject: Lea County, New Mexico

Skylark Area

Proposed West Wilson Deep Unit

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Gentlemen:

We are attaching our Application for Approval of the West Wilson Deep Unit Agreement, which Unit is on the Docket for Examiner Hearing on October 13, 1964 (Case 3129).

We propose to use the suggested form of Unit Agreement in use by the Commissioner of Public Lands, and a fully executed copy of this Unit Agreement will be furnished to you when it has been executed by all parties concerned.

If there is anything further that you will require in this regard, please do not hesitate to call on us.

Yours very truly.

0. V. Lawrence

Roswell Division Land Manager

Attachment

DOCKET MAILED

Date 10 30 W/

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

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

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Shell Oil Company, with offices at Midland, Texas, makes application for approval of the West Wilson Deep Unit Agreement as provided by law, and in support thereof states:

1. That the proposed Unit Area covered by this agreement embraces 3,360 acres of land, more or less, more particularly described as follows:

NEW MEXICO PRINCIPAL MERIDIAN

Township 21 South, Range 34 East

Section 8: East 1/2 West 1/2 and East 1/2

Section 9: All

Section 16: All

Section 17: All

Section 20: All

Section 21: North 1/2

- 2. That the lands embraced within the proposed unit area contain 3,320 acres of State of New Mexico lands, and 40 acres of fee or patented 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 areas to be developed and operated in the interest of conservation and the prevention of waste of the unitized substances.
- 5. That Shell Oil Company is designated as the Unit Operator in the Unit Agreement, and as such is given authority under the terms of the agreement 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 the Unit Agreement provides for the drilling of an initial test well to a depth sufficient to test the Morrow formation, but that applicant is not obligated to drill said well, in any event, to a depth in excess of 13.900 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 the Unit Agreement, to the end that the maximum recovery will be obtained of unitized substances, and that the 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, 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 the 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 8th day of October, 1964.

Respectfully submitted,

SHELL OIL COMPANY

0. V. Lawrence, Division Land Manager

Roswell, New Mexico