

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Case 3156

APPLICATION FOR APPROVAL OF
BOGLE FLATS UNIT AGREEMENT
EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes now the undersigned, California Oil Company (Standard Oil Company of Texas Division) with offices at Houston, Texas, and files herewith two copies of a proposed Unit Agreement for the development and operation of the Bogle Flats Unit Area, Eddy County, New Mexico, and respectfully requests that the said Unit Agreement be approved and in support thereof shows:

1. That the Unit Area comprises 11,090.69 acres, more or less, of which 2,120.77 acres, representing approximately 19.12%, is State lands and of which 8,969.92, representing approximately 80.88%, is Federal lands. The Unit Area is comprised of Sections 2, 3, 4, 5, 7, 8, 9, 10, 16, 17, 18, 19, 20, 29, 30, 31 and 32 of Township 22 South, Range 23 East, NMPM, Eddy County, New Mexico.

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

3. That all of the lands situated in the Unit Area are located upon the same geological structure as shown by the attached geological report, structure map and isopach map of the Unit Area and that, if approved, the Unit Agreement will give effective control of all, or substantially all, of the geological structure or feature involved.

4. That the undersigned applicant is designated as Unit Operator under the terms of said Unit Agreement and, as such Unit Operator, will have the right to carry on exploration and development work in accordance with the terms of said Unit Agreement and that applicant, as Unit Operator, proposes to commence, within six (6) months from the effective date of the Unit Agreement (probably prior to January 1, 1965)

a test well for oil and gas upon some part of Section 3, Township 22 South, Range 23 East, Eddy County, New Mexico, and to drill said well in accordance with the terms of said Unit Agreement to a depth sufficient to test the Cisco-Canyon formation of Pennsylvanian age, unless unitized substances in paying quantities shall be discovered at a lesser depth or to such a depth as further drilling would not be warranted, or in any event, to a depth not to exceed 8,000 feet.

5. 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.

6. 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 said Unit Agreement, and that upon said hearing, said Unit Agreement be approved by the New Mexico Oil Conservation Commission as being in the interest of conservation and the prevention of waste.

Dated this 30th day of October, 1964.

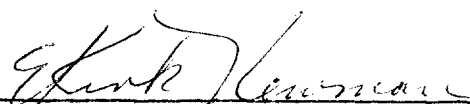
Respectfully submitted,

CALIFORNIA OIL COMPANY
(Standard Oil Company of Texas Division)

DOCKET MAILED

Date _____

By: _____


E. Kirk Newman
Attorney for Applicant