

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF TIDEWATER OIL  
COMPANY FOR APPROVAL OF THE  
EAST EUMONT UNIT AGREEMENT,  
LEA COUNTY, NEW MEXICO }

No. 3933

APPLICATION

Comes now Tidewater Oil Company by its Attorneys  
and applies to the New Mexico Oil Conservation Commission  
for approval of the East Eumont Unit Agreement, Lea County,  
New Mexico and in support of its Application states:

1. Attached to this Application is a copy of the  
proposed East Eumont Unit Agreement which covers 5,535.06  
acres more or less of Federal, State and Fee Lands in Lea  
County, New Mexico as follows:

Township 18 South, Range 37 East,  
N.M.P.M., Lea County, New Mexico

Section 33: S/2 NE/4, SE/4 NW/4, SE/4,  
S/2 SW/4 and NE/4 SW/4  
Section 34: SW/4 SW/4

Township 19 South, Range 37 East,  
N.M.P.M., Lea County, New Mexico

Section 3: Lot 4, S/2 NW/4 and SW/4  
Section 4: Lots 1, 2, 3 and 4, S/2 NW/4,  
S/2 NE/4 and E/2 SE/4  
Section 9: N/2 NE/4  
Section 10: NW/4, SW/4, and NW/4 NE/4  
Section 15: W/2  
Section 16: E/2 E/2 and SW/4 SE/4  
Section 21: E/2 E/2  
Section 22: W/2 and S/2 SE/4  
Section 26: SW/4 NW/4, NW/4 SW/4,  
S/2 SW/4, and SW/4 SE/4  
Section 27: N/2, SE/4, and E/2 SW/4  
Section 28: E/2 NE/4  
Section 34: NE/4 NW/4, NW/4 NE/4,  
and E/2 NE/4

DOCKET MAILED

Date 3/24/11

Section 35: E/2, NW/4 and E/2 SW/4  
Section 36: SW/4 NW/4, NW/4 SW/4 and S/2 SW/4

Township 20 South, Range 37 East,  
N.M.P.M., Lea County, New Mexico

Section 1: Lots 2, 3 and 4, S/2 NW/4,  
SW/4 NE/4, SW/4 and W/2 SE/4  
Section 2: Lots 1, 2 and 3, SE/4 NW/4,  
S/2 NE/4, SE/4, and SE/4 SW/4  
Section 11: NE/4 NE/4  
Section 12: NW/4 NW/4, E/2 NW/4 and W/2 NE/4

2. (h) The Unitized Formation is defined in Section 2 (h) appearing at Page 3 of the Unit Agreement as follows:

(h) "Unitized Formation" is defined as and shall mean that vertical interval underlying the unitized land from the top of the Yates Formation to the top of the Grayburg Formation and being the same vertical interval encountered between the subsurface depths of 2856 feet and 3982 feet in the Aztec Oil and Gas Company State E 33 "A" Well No. 1, located in the S/2 SE/4 of Section 33, Township 18 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

3. Unitized Substances are defined in Section 2 (i) appearing at Page 3 of the Unit Agreement as follows:

(i) "Unitized Substances" is defined as and shall mean all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate and all associated and constituent liquids or liquefiable hydrocarbons within or produced from the Unitized Formation, save and except, any part of any of the enumerated substances which are committed to a presently existing gas proration unit the unit well for which is located outside of the Unit Area.

4. Approval of the East Eumont Unit Agreement will facilitate the institution of a water flood project in the Unit Area. Approval of this water flood project is being sought by a separate Application.

5. Approval of the East Eumont Unit Agreement will prevent waste and protect correlative rights.

Wherefore, Applicant requests that this Application be set for hearing before the Commission or one of it's Examiners and that the Commission enter it's Order approving the East Eumont Unit Agreement.

SETH, MONTGOMERY, FEDERICI & ANDREWS

By

*Richard S. Morris*

Post Office Box 2307

Santa Fe, New Mexico

Attorneys for Applicant Tidewater Oil  
Company