

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

*Case 5024*

APPLICATION OF MIDWEST OIL CORPORATION  
FOR APPROVAL OF THE COTTONWOOD SPRING UNIT  
AGREEMENT, EDDY COUNTY, NEW MEXICO



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

Comes the undersigned, Midwest Oil Corporation, a corporation, with offices at 1500 Wilco Building, Midland, Texas 79701, and files herewith three copies of the proposed unit agreement for the development and operation of the Cottonwood Spring Unit Area, Eddy County, New Mexico and makes application for the approval of said unit agreement as provided by law and the rules and regulations of the New Mexico Oil Conservation Commission, and in support thereof shows:

1. That the proposed unit area covered by said agreement embraces 3,837.88 acres, more or less, situated in Eddy County, New Mexico, more particularly described as follows:

Township 25 South, Range 26 East

Section 17 - All  
Section 18 - All  
Section 19 - All  
Section 20 - All  
Section 29 - All  
Section 30 - All

2. That the land embraced in the proposed unit area consists of 2,918.28 acres of federal lands and 919.60 acres of fee lands.

3. That applicant is informed and believes, and upon such information and belief, states: That the proposed unit area covers a substantial part of the geological feature involved, and in the event of the discovery of oil or gas thereon, that said unit agreement will permit the producing area to be developed and operated in the interest of conservation and the prevention of waste of the unitized substances.

4. That Midwest Oil Corporation is designated as the unit operator in said unit agreement, and as such is given authority under the terms thereof to carry on all operation of the unit area for oil and gas, subject to all applicable laws and regulations. That said unit agreement provides for the drilling of an initial test well to be located in the NW 1/4 of Section 20, Township 25 South, Range 26 East, and that said well is to be drilled to a depth sufficient to test the Morrow formation, but not to exceed a depth of 12,000 feet, and is to be commenced within six months after the effective date of the unit.

5. That said unit agreement is in substantially the same form as unit agreements heretofore approved by the ~~Commissioner of Public Lands of the State of New Mexico and by the~~ New Mexico Oil Conservation Commission, and it is believed that in the event oil or gas in paying quantities is discovered in the lands within the unit area, that the field or area can be developed more economically and efficiently under the terms of said agreement, to the end that the maximum recovery will be obtained, and that said unit agreement is in the interest of the conservation of oil and gas and the prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes.

6. That ~~application is being made for the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico.~~

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 and by~~ the Director of the United States Geological Survey, an approved copy thereof will be filed with the New Mexico Oil Conservation Commission.

WHEREFORE, the undersigned applicant respectfully requests that a public hearing be held 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 prevention of waste.

Dated this the 11th day of June, 1973.

Respectfully submitted,

MIDWEST OIL CORPORATION

By

Frank L. Scholtz

Delete —  
there are no  
state lands in  
unit area.