

Memo

From

FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To

Called in by Bill Carr
2/3/81

Ameco Oil Company
Unit Agreement
Made Well Anticline

Chaves County

39,238.15 acres

State, Federal, and Fee

T 12, 13, and 14 S, R 21 and 22 E

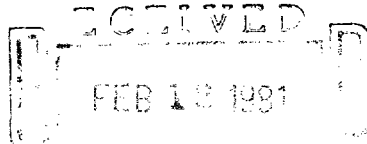
OIL CONSERVATION COMMISSION-SANTA FE

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OIL CONSERVATION DIVISION
SANTA FE

February 12, 1981

Mr. Joe D. Ramey
Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7167

Re: Application of Inexco Oil Company for
Approval of the Madewell Anticline Unit
Agreement, Chaves County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Inexco Oil
Company in the above-referenced matter.

Inexco requests that this matter be included on the docket
of the examiner hearing scheduled for February 25, 1981.

Very truly yours,

William F. Carr

WFC:lr

Enclosures

APPLICATION FOR APPROVAL OF
MADE WELL ANTICLINE UNIT AGREEMENT
CHAVES COUNTY, NEW MEXICO

Case 7/67

New Mexico Oil Conservation Commission
Santa Fe
New Mexico 87501

Comes the undersigned Inexco Oil Company, with offices at Houston, Texas and files herewith one (1) copy of the proposed Unit Agreement for the development and operation of the Made Well Anticline Unit Area, Chaves County, New Mexico and hereby makes application for approval of said Unit Agreement as provided by law, and in support thereof states:

1. That the proposed Unit Area covered by said Unit Agreement embraces 39,238.15 acres of land, more or less, more particularly described as follows:

T12S, R22E, NMPM

Sections 1 & 2:	All
Section 3: Lots 1 & 2, S/2 NE/4, SE/4	
Sections 10 through 16 inclusive:	All
Sections 20 through 24 inclusive:	All
Sections 26 through 35 inclusive:	All

T13S, R21E, NMPM

Sections 13 & 14:	All
Sections 23 through 26 inclusive:	All
Sections 35 & 36:	All

T13S, R22E, NMPM

Sections 1 through 5 inclusive:	All
Sections 7 through 12 inclusive:	All
Section 14: W/2	
Sections 15 through 22 inclusive:	All
Sections 27 through 33 inclusive:	All

T14S, R21E, NMPM

Sections 1 through 3 inclusive:	All
Sections 10 & 11:	All

2. That of the lands embraced within the proposed Unit Area 28,049.59 acres are lands of the United States, being 71.48550% of the Unit Area; 6,763.07 acres are State of New Mexico lands, being 17.23596% of the Unit Area and 4,425.49 acres are patented lands being 11.27854% of the Unit Area.



3. That applicant is informed and believes, and upon such information and belief states that the proposed Unit Area covers all or substantially all, of the geological feature involved, and that in the event of a discovery of oil and 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 Inexco Oil Company is designated as the Unit Operator in said Unit Agreement, and as such, is given authority under the terms thereof 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 said Unit Agreement provides for the drilling of an Initial Test Well and Second Test Well, each to be drilled to a depth sufficient to penetrate all of the Precambrian Age beds, but applicant is not obligated to drill said wells in any event to a depth in excess of 5,500 feet.
5. That applicant believes that in the event oil or gas is discovered in paying quantities on 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 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 rules and regulations.
6. That Application for Approval of said Unit Agreement has been filed with the Commissioner of Public Lands.
7. That upon an Order being entered by the New Mexico Conservation Commission approving said Unit Agreement, and after approval by the United States Department of Interior, 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 said Unit Agreement, and that upon such 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. Applicant respectfully requests that this matter be heard at the first available hearing following this date.

Dated this 2nd day of February, 1981.

INEXCO OIL COMPANY

BY: : 
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