BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 322 ORDER NO. R-109

THE APPLICATION OF L. G. WELSH FOR AN ORDER APPROVING A PROPOSED UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE ANTELOPE LAKE UNIT AREA, EMBRACING LANDS IN LINCOLN AND CHAVES COUNTIES, NEW MEXICO, COMPRISING 44,635.59 ACRES, MORE OR LESS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 a. m. on November 1, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter refered to as the "Commission," upon the application of L. G. Welsh for approval of the Antelope Lake Unit Agreement embracing lands situated in Lincoln and Chaves Counties, New Mexico.

NOW, on this 5th., day of November, 1951, the Commission, a quorum being present, having considered the testimony adduced and exhibits received at said hearing, and being fully advised in the premises,

FINDS: (1) That due public notice having been given as required by law, the Commission has jurisdiction of this case, of all interested parties, and the subject matter thereof.

(2) That the proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

SECTION 1. That this order shall be known as the Antelope Lake Unit Agreement Order

SECTION 2. (a) That the project herein referred to shall be known as the Antelope Lake Unit Agreement, and shall be referred to herein as the "Project."

(b) That the plan by which the Project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Antelope Lake Unit Area referred to in the petitioner's petition and filed with said petition, and shall be known as the Antelope Lake Unit Agreement Plan.

SECTION 3. That the Antelope Lake Unit Agreement Plan shall be, and hereby is approved in principle as a proper conservation measure; provided, howewer that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing any manner any rights, duties or obligations which are now, or may hereafter, be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Antelope Lake Unit Agreement, or relative to the production of oil or gas therefrom. SECTION 4. (a) That the Unit Area shall be:

New Mexico Principal Meridian, New Mexico

Township 9 South, Range 19 East

All of Sections 1 and 12; N/2 of Section 13

Township 7 South, Range 20 East

Section 34, S/2 NW/4, SW/4 S/2 SE/4

Township 8 South, Range 20 East

All of Sections 3 and 4, 9 and 10; Section 11, S/2; Section 12, S/2; All of Sections 13 to 16, incl.; All of Sections 21 to 28, incl.; Section 29, E/2; All of Sections 31 to 36, incl.

Township 9 South, Range 20 East

All of Sections 1 to 18, incl.; All of Sections 22 to 27, incl.; Section 34, N/2; Section 35, N/2;

Township 8 South, Range 21 East

Section 7, Lots 9-16, incl. Section 18, Lots 1-16, incl. Section 19, Lots 1-16, incl. Section 30, Lots 1-16, incl. Section 31, Lots 1-16, incl.

Township 9 South, Range 21 East

Section 6, Lots 1-22, incl., S/2 NE/4, SE/4, all; Section 7, Lots 1-20, incl., E/2, all; Section 17, SW/4; Section 18, Lots 1-20, incl., E/2, all; Section 19, Lots -120, incl., E/2, all; Section 20, all; Section 21, SW/4; Section 28, S/2 NE/4, W/2, SE/4; Section 29, all; Section 30, Lots 1-20, incl., E/2, all; Section 31, Lots 2, 3, 4, 5, 12, 13, 17, 18, 19, 20, E/2

containing 44,635.59 acres of land, more or less, of which 35,887.52 acres are Federal lands, 4,973.72 acres are State lands, and 3,774.35 acres are fee or privately owned lands.

(b) The Unit Area may be enlarged or contracted, as provided

in said plan.

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SECTION 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Antelope Lake Unit Agreement within 30 days after the effective date thereof.

SECTION 6. That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof. The unit operator shall file with the Commission within 30 days an original of any such counterpart.

SECTION 7. This order shall become effective upon approval of said unit agreement by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

DONE at Santa Fe, New Mexico on the day and year hereinabove written.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

/s/ EDWIN L. MECHEM, Chairman

/s/ GUY SHEPARD, Member

/s/ R. R. SPURRIER, Secretary

SEAL