

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF THE SUN OIL COMPANY, A CORPORATION
FOR AN ORDER APPROVING THE PROPOSED
PINON UNIT AGREEMENT EMBRACING 7033.91
ACRES IN CHAVES COUNTY, NEW MEXICO,
WITHIN TOWNSHIP 19 S, RANGES 16 and 17 E,
NMPM.

CASE NO. 305
ORDER NO. R-91

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 A. M. on the 21st day of August, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", upon the application of the Sun Oil Company for approval of the Pinon Unit Agreement embracing lands situated in Chaves County, New Mexico, and the Commission having considered said application and the evidence introduced in support thereof, and being fully advised of the premises, finds:

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 BY THE COMMISSION AS FOLLOWS:

SECTION 1. That this order shall be known as the

PINON UNIT AGREEMENT ORDER.

SECTION 2. (a) That the project herein referred to shall be known as the Pinon Unit Agreement, and shall hereafter be referred to 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 Pinon Unit Area referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Pinon Unit Agreement Plan.

SECTION 3. That the Pinon Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement this approval shall not be considered as waiving or relinquishing in 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 Pinon 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

Twp. 19 S, Rge. 16E
Sec. 13: SE/4 NE/4, SE/4, E/2 SW/4, SW/4 SW/4,
Lots 1, 2, 3, 4
Sec. 14: SE/4
Sec. 23: E/2 W/2, E/2
Sec. 24: All
Sec. 25: N/2
Twp. 19 S, Rge. 17E
Sec. 7: S/2 S/2
Sec. 8: S/2 SW/4
Sec. 16: SW/4
Sec. 17: All
Sec. 18: All
Sec. 19: All
Sec. 20: All
Sec. 21: W/2 W/2 E/2
Sec. 28: W/2
Sec. 29: All
Sec. 30: All

containing 7033.91 acres, more or less.

(b) The unit area may be enlarged or contracted as provided in said Plan,

SECTION 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Pinon 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 September 20, 1951 above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

/s/ EDWIN L. MECHEM, Chairman

/s/ GUY SHEPARD, Member

/s/ R. R. SPURRIER, Secretary

SEAL