

OTHER

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. 2993
Order No. R-2662

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR APPROVAL OF THE SOUTH-
WEST JAL UNIT AGREEMENT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
February 19, 1964, at Santa Fe, New Mexico, before Examiner
Elvis A. Utz.

NOW, on this 13th day of March, 1964, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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 cause and the subject
matter thereof.

(2) That the applicant, Sinclair Oil & Gas Company, seeks
approval of the Southwest Jal Unit Agreement covering 6,401 acres,
more or less, of State, Federal and Fee lands in Townships 25 and
26 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That approval of the proposed Southwest Jal Unit Agree-
ment will in principle tend to promote the conservation of oil and
gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Southwest Jal Unit Agreement is hereby
approved.

(2) That the plan under which the unit area shall be oper-
ated shall be embraced in the form of a unit agreement for the

-2-

CASE No. 2993

Order No. R-2662

development and operation of the Southwest Jal Unit Area, and such plan shall be known as the Southwest Jal Unit Agreement Plan.

(3) That the Southwest Jal Unit Agreement Plan is hereby 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 right, duty, or obligation which is now, or may hereafter be, vested in the Oil Conservation Commission of New Mexico by law relative to the supervision and control of operations for the exploration and development of any lands committed to the Southwest Jal Unit, or relative to the production of oil or gas therefrom.

(4) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

LEA COUNTY, NEW MEXICO

TOWNSHIP 25 SOUTH, RANGE 36 EAST

Sections 31 through 33: All

TOWNSHIP 26 SOUTH, RANGE 36 EAST

Section 3: W/2

Sections 4 through 9: All

Section 10: W/2

containing 6,401.20 acres, more or less.

(b) That the unit area may be enlarged or contracted as provided in said plan; provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the Southwest Jal Unit Agreement within 30 days after the effective date thereof. In the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(6) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States

-3-

CASE No. 2993

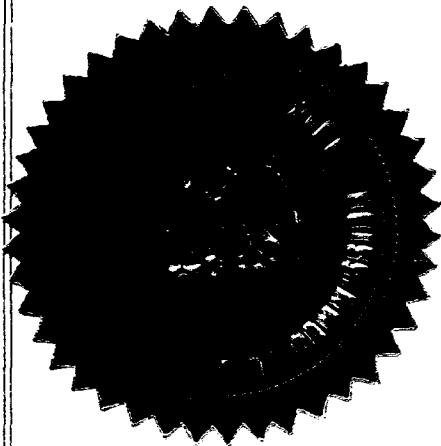
Order No. R-2662

Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall notify the Commission immediately in writing of such termination.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

esr/