

CERTIFICATION -- DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the act approved February 23, 1920, 41 Stat. 437, 30 U.S.C. Secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 43 CFR S 4.611, 12 F. R. 6784, I do hereby:

A. Approve the attached agreement for the development and operation of the San Juan 27-4 Unit Area, State of New Mexico.

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Date: SEP 3 1953

Acting Thomas B. Nolan
Director,
United States Geological Survey


CERTIFICATE OF APPROVAL BY COMMISSIONER OF PUBLIC LANDS,
STATE OF NEW MEXICO, OF UNIT AGREEMENT FOR DEVELOPMENT
AND OPERATION OF SAN JUAN 27-4 UNIT AREA, RIO ARRIBA
COUNTY, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands in the State of New Mexico, for examination, the attached Agreement for the Development and Operation of the San Juan 27-4 Unit Area, Rio Arriba County, New Mexico, in which El Paso Natural Gas Company is designated as Unit Operator and which has been executed by various parties owning and holding oil and gas leases embracing lands within the Unit Area, and upon examination of said agreement the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area;
- (b) That under the operations proposed the State will receive its fair share of the recoverable oil or gas in place under its lands in the area affected, if and when State lands may be included in the unit by enlargement of the unit area;
- (c) That the agreement is, in other respects, for the best interests of the State;
- (d) That the agreement provides for the unit operation of the area, for the allocation of production and the sharing of proceeds from a part of the area covered by the agreement on an acreage basis as specified in the agreement.

NOW, THEREFORE, by virtue of the authority conferred upon me by Chapter 88 of the Laws of the State of New Mexico, 1943, as amended by Chapter 162 of the Laws of the State of New Mexico, 1951, I, the undersigned Commissioner of Public Lands for the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said agreement and do hereby amend all leases embracing lands of the State of New Mexico committed to said unit agreement, to conform and extend said leases as provided in said agreement so that the provisions of each such lease, so far as they apply to lands within such area, will conform to the provisions of such agreement and so that the length of the secondary term as to lands within such area will be extended to coincide with the terms of such agreement. This approval is subject to all of the provisions of the aforesaid Chapter 88 of the Laws of the State of New Mexico, 1943, as amended by Chapter 162 of the Laws of the State of New Mexico, 1951.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7 day of July, 1953.



Commissioner of Public Lands
of the State of New Mexico

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