

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. 2593  
Order No. R-2277

APPLICATION OF SKELLY OIL COMPANY  
FOR THE APPROVAL OF A 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 June 28, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 12th day of July, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Skelly Oil Company, seeks approval of the Lovington San Andres Unit Agreement embracing 2,470 acres, more or less, in Townships 16 and 17 South, Ranges 36 and 37 East, NMPM, Lea County, New Mexico.
- (3) 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:

- (1) That the Lovington San Andres Unit Agreement is hereby approved.

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 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 Lovington San Andres Unit Agreement, or relative to the production of oil and gas therefrom.

(2) That the unit area shall be:

LEA COUNTY, NEW MEXICO

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Section 25: S/2 SE/4  
Section 35: S/2 SE/4  
Section 36: E/2, E/2 NW/4, and SW/4

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 31: Lots 1, 2, 3, 4, SE/4 NW/4,  
E/2 SW/4, SW/4 NE/4, and  
SE/4  
Section 32: W/2 SW/4

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 1: Lots 1, 2, 3, 4, S/2 N/2,  
SE/4, N/2 SW/4, and SE/4 SW/4  
Section 2: Lots 1, 2, S/2 NE/4, N/2 SE/4

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Section 5: Lot 4  
Section 6: Lots 1, 2, 3, 4, 5, 6, and  
SE/4 NW/4

containing 2,470 acres, more or less.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof. In the event of subsequent joinder by any party, the unit operator shall file with the Commission within 30 days after such action counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) 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 shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall notify the Commission in writing of such termination.

(5) That in the event of subsequent joinder by any party owning an interest in Federal lands, said joinder shall become effective only upon the approval of said unit agreement by the Director of the United States Geological Survey.

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

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DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



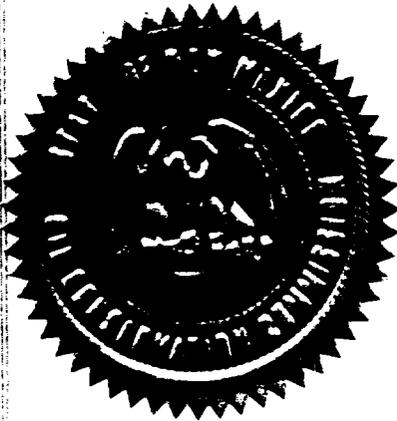
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/