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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. 2835 Order No. R-2514

APPLICATION OF JAKE L. HAMON FOR APPROVAL OF THE SOUTHEAST BELL LAKE 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 26, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 <u>9th</u> day of July, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Jake L. Hamon, seeks approval of the Southeast Bell Lake Unit Agreement covering 9,597.10 acres, more or less, of State, Federal and Fee lands in Townships 24 and 25 South, Ranges 34 and 35 East, NMPM, Lea County, New Mexico.

(3) That approval of the proposed Southeast Bell Lake Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Southeast Bell Lake Unit Agreement is hereby approved.

(2) That the plan under which the unit area shall be operated shall be embraced in the form of a unit agreement for the -2-CASE No. 2835 Order No. R-2514

development and operation of the Southeast Bell Lake Unit Area, and such plan shall be known as the Southeast Bell Lake Unit Agreement Plan.

(3) That the Southeast Bell Lake 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 Southeast Bell Lake Unit, or relative to the production of oil or gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

LEA	COI	JNTY, NEW MEXICO
TOWNSHIP	24	SOUTH, RANGE 34 EAST
Sections	34	through 36: All
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TOWNSHIP	25	SOUTH, RANGE 34 EAST
Sections	1	through 3: All
Section	10	: N/2
Sections	11	through 14: All
Section	23	: N/2
Section	24	: N/2
TOWNSHIP	25	SOUTH, RANGE 35 EAST
Sections	6	and 7: All
Section	18	: All
Section	19	: N/2

containing 9,597.10 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 Southeast Bell Lake 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. -3-CASE No. 2835 Order No. R-2514

(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 Geological Survey, and shall terminate <u>ipso facto</u> 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 CAMPBELL Chairman Μ. a., . . . E. S. WALKER, Member Aller.

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

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