

Entered August 16, 1963  
C. L. P.

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. 2837  
Order No. R-2515

APPLICATION OF CONTINENTAL OIL COMPANY  
FOR APPROVAL OF THE EASTCAP QUEEN POOL  
UNIT AGREEMENT, CHAVES 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 9th 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, Continental Oil Company, seeks approval of the Eastcap Queen Pool Unit Agreement covering 1,480 acres, more or less, of State and Fee lands in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico.

(3) That although all of the subject acreage was included within the boundaries of the South Caprock Queen Unit Area as described by Order No. R-1728, said acreage was not committed to the South Caprock Queen Unit Agreement, and application has been made to withdraw said acreage from said unit.

(4) That approval of the proposed Eastcap Queen Pool 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 Eastcap Queen Pool 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 development and operation of the Eastcap Queen Pool Unit Area, and such plan shall be known as the Eastcap Queen Pool Unit Agreement Plan.

(3) That the Eastcap Queen Pool 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 Eastcap Queen Pool Unit, or relative to the production of oil or gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

CHAVES COUNTY, NEW MEXICO  
TOWNSHIP 14 SOUTH, RANGE 31 EAST  
Section 22: E/2 SE/4  
Section 23: W/2 SW/4  
Section 27: All  
Section 34: NE/4 NW/4, S/2 NW/4,  
SW/4, and E/2  
Section 35: W/2 NW/4

containing 1,480 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 Eastcap Queen Pool 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 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.

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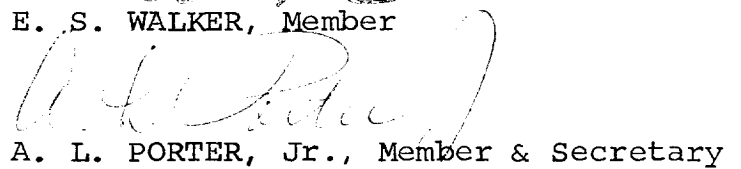
(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member  
A. L. PORTER, Jr., Member & Secretary

S E A L

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