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. 749 Order No. R-513

THE APPLICATION OF HUMBLE OIL & REFINING COMPANY FOR APPROVAL OF THE HUAPACHE UNIT AGREEMENT EMBRACING 38,658 ACRES OF LAND, MORE OR LESS, IN EDDY COUNTY, NEW MEXICO, WITHIN TOWNSHIPS 23 AND 24 S., RANGES 22 AND 23 E., NMPM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a m., on the 15th day of July, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission"

NOW, on this l6th day of July, 1954, the Commission, a quorum being present, having considered said application and the evidence introduced in support thereof, 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 proposed unit plan will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

SECTION 1. That this order shall be known as the

HUAPACHE UNIT AGREEMENT ORDER

- SECTION 2. (a) That the project herein referred to shall be known as the Huapache Unit Agreement, and shall hereafter be referred to as the "Project".
- (b) That the plan by which the Project shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Huapache Unit Area referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Huapache Unit Agreement Plan.

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Entered 8-23-54 I.R.

SECTION 3. That the Huapache Unit Agreement Plan shall be, and hereby is, 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 rights, duties or obligations which are 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 Huapache Unit Agreement, or relative to the production of oil or gas therefrom.

SECTION 4. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

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Township 23 South, Range 22 East
Secs. 1, 2, 3, 4, 5: All
Sec. 6: Lots 1, 2, 3, 4, E/2, E/2 W/2 (A11)
Secs. 8, 9, 10, 11, 12: All
Sec. 13: Lots 1, 2, 3, 4, N/2, N/2 S/2 (A11)
Sec. 14: Lots 1, 2, 3, 4, N/2, N/2 S/2 (A11)
Sec. 15: Lots 1, 2, 3, 4, N/2, N/2 S/2 (All)
Secs. 16 and 17: All
Sec. 21: Lots 1, 2, 3, 4, W/2, W/2 E/2 (A11)
Secs. 22, 23, 24, 25, 26, 27: All
Sec. 28: Lots 1, 2, 3, 4, W/2, W/2 E/2 (All)
Sec. 33: Lots 1, 2, 5, 6, 7, 8, 9, 10, 11, 12,
          13, 14, 15, 16, 17, W/2 \text{ NE}/4, NE/4 \text{ NW}/4,
         W/2 NW/4 (A11)
Sec. 34: Lots 1, 2, 3, 4, 5, 6, 7, E/2, NW/4, E/2
         SW/4 (A11)
Secs. 35 and 36: All
Township 24 South, Range 22 East
Sec 1: Lots, 1, 2, 3, 4, 5, 6, 7, SW/4, W/2 SE/4,
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Township 24 South, Range 22 East

Sec 1: Lots, 1, 2, 3, 4, 5, 6, 7, SW/4, W/2 SE/4,

SW/4 NE/4, S/2 NW/4 (All)

Sec 2: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)

Sec. 3: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)

Sec 4: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)

Sec 9: NE/4

Secs 10 and 11: All

Sec 12: Lots 1, 2, 3, 4, W/2 E/2, W/2 (All)

Sec. 13: Lots 1, 2, 3, 4, W/2 E/2, W/2 (All)

Sec. 14: All

Sec. 15: NE/4

Sec 23: E/2

Sec. 24: Lots 1, 2, 3, 4, W/2 E/2, W/2 (All)

Sec 25: Lots 1, 2, 3, 4, W/2 E/2, W/2 (All)

Sec. 36: Lots 1, 2, 3, 4, W/2 E/2, W/2 (All)

Township 23 South, Range 23 East

Sec. 19: Lots 3, 4, E/2 SW/4

Sec. 30: Lots 1, 2, 3, 4, E/2 W/2

Sec. 31: Lots 1, 2, 3, 4, 5, E/2 NW/4, NE/4 SW/4

Township 24 South, Range 23 East

Sec. 5: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)

Sec. 6: Lots 1, 2, 3, 4, 5, 6, 7, SE/4, E/2 SW/4, SE/4 NW/4, S/2 NE/4 (All)

Sec. 7: Lots 1, 2, 5, 6, 7, E/2, E/2 NW/4, SE/4 SW/4 (All)

Sec. 8: All

Secs. 16 and 17: All

Sec. 18: Lots 1, 2, 5, 6, 7, 8, 9, 10, 11, 12, NE/4, E/2 NW/4
(A11)

Sec. 19: Lots 1, 2, 3, 4, E/2, E/2 W/2 (All)

Secs. 20 and 21: All

Sec. 22: W/2

Secs. 27, 28, 29: All

Sec. 30: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)

Sec. 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (A11)

Secs 32, 33, 34: All

Situated in Eddy County, New Mexico, containing 38,658 acres, more or less.

(b) The unit area may be enlarged or contracted as provided in said plan.

SECTION 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Huapache Unit Agreement within 30 days after the effective date thereof.

SECTION 6. That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification

SECTION 7. That this order shall become effective upon approval of said unit agreement by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commissioner in writing of such termination.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
Edwin L. Mechem, Chairman
E. S. Walker, Member
W B Macey, Secretary

SEAL