Entered April 2, 1457 O.R.O.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 1213 Order No. R-965

THE APPLICATION OF HUMBLE OIL AND REFINING COMPANY FOR THE APPROVAL OF ITS TANNER UNIT AGREEMENT EMBRACING 35,751 ACRES, MORE OR LESS, LOCATED IN TOWNSHIPS 23 AND 24 NORTH, RANGE 12 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on February 27, 1957, at Hobbs, New Mexico, before Warren W. Mankin, 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 $29^{\frac{1}{10}}$ day of March, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, 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:

1. That this order shall be known as the

TANNER UNIT AGREEMENT ORDER

- 2. (a) That the project herein referred to shall be known as the Tanner Unit Agreement and shall hereinafter 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 Tanner Unit Area, referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Tanner Unit Agreement Plan.

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- 3. That the Tanner 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 right, 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 Tanner Unit Agreement, or relative to the production of oil and gas therefrom.
 - 4. (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

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TOWNSHIP 23 NORTH, RANGE 12 WEST, NMPM
Section 1:
                Lots 5 thru 20 (A11)
                Lots 1, 2, 3, 4, S/2 N/2, S/2 (A11)
Lots 5 thru 16, SW/4 (A11)
Lots 5 thru 20 (A11)
Section 2:
Section 3:
Section 4:
                Lots 5 thru 20 (A11)
Section 5:
Section 6:
                Lots 8 thru 23 (All)
Section 7:
                Lots 5 thru 19, SE/4 SE/4 (All)
Lots 1 thru 14, S/2 SW/4 (All)
Section 8:
                Lots 1, 2, 3, 4, NE/4, S/2 (A11)
Lots 1 thru 8, E/2 (A11)
Section 9:
Section 10:
Section 11:
                A11
Section 12:
                Lots 1 thru 16 (All)
                Lots 1 thru 16 (A11)
Lots 1 thru 8, N/2 (A11)
Lots 1 thru 8, N/2 (A11)
Section 13:
Section 14:
Section 15:
Section 16:
                 A11
Section 17:
                 Lots 1 thru 13, NW/4 SW/4, S/2 SW/4
                 (A11)
                 Lots 1 thru 6, E/2 NW/4, E/2 NE/4,
Section 18:
                 E/2 SW/4, SE/4 (All)
                Lots 5 thru 20 (A11)
Section 19:
Section 20:
                Lots 1 thru 16 (All)
                Lots 1 thru 16 (All)
Lots 1 thru 16 (All)
Section 21:
Section 22:
                Lots 1 thru 8, S/2 (All)
Section 23:
Section 24:
                Lots 1 thru 8, S/2 (All)
Sections 25 thru 29: All
                Lots 1, 2, 3, 4, E/2, E/2 W/2 (All)
Lots 1, 2, 3, 4, E/2, E/2 W/2 (All)
Section 30:
Section 31:
Sections 32 thru 36:
                           A11
TOWNSHIP 24 NORTH, RANGE 12 WEST, NMPM Section 19: Lots 5 thru 20 (A11) Section 20: Lots 1 thru 16 (A11)
Section 21:
                Lots 1 thru 16 (All)
Section 22:
               Lots 1 thru 16 (All)
Section 23: Lots 1 thru 16 (All)
Section 24: Lots 1 thru 16 (All)
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> TOWNSHIP 24 NORTH, RANGE 12 WEST, NMPM (continued) Section 25: Lots 1 thru 16 (All) Lots 1 thru 16 (All) Section 26: Section 27: Lots 1 thru 16 (All) Section 28: Lots 1 thru 16 (All) Section 29: Lots 1 thru 16 (All) Section 30: Lots 5 thru 20 (All) Section 31: Lots 5 thru 20 (All) Section 32: All Section 33: Lots 1 thru 16 (All) Section 34: Lots 1 thru 16 (All) Section 35: Lots 1 thru 16 (A11) Section 36: A11

containing 35,751 acres, more or less.

- (b) The unit area may be enlarged or contracted as provided in said Plan.
- 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Tanner Unit Agreement within 30 days after the effective date thereof.
- 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.
- 7. That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and 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 immediately notify the Commission 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

MURRAY E. MORGAN, Member

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

SEAL