

*Entered July 1, 1960
A.P.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 THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE No. 1994
Order No. R-1712

APPLICATION OF INTEX OIL COMPANY
FOR APPROVAL OF THE PUERTO-CHIQUITO
UNIT AGREEMENT EMBRACING 12,721
ACRES, MORE OR LESS, LOCATED IN
TOWNSHIP 26 NORTH, RANGE 1 EAST,
NMPM, RIO ARRIBA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 22, 1960, 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 5th day of July, 1960, 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 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 PUERTO-CHIQUITO UNIT AGREEMENT ORDER.

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

3. That the Puerto-Chiquito 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 Puerto-Chiquito Unit Agreement, or relative to the production of oil and gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 26 NORTH, RANGE 1 EAST

Section 3: W/2
Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 10: W/2
Section 15: W/2, W/2 E/2, SE/4 SE/4,
S/2 NE/4 SE/4, S/2 N/2 NE/4 SE/4,
NW/4 NW/4 NE/4 SE/4, W/2 W/2 SE/4 NE/4,
W/2 W/2 NE/4 NE/4, NE/4 NW/4 NE/4 NE/4,
N/2 NE/4 NE/4 NE/4
Section 16: All
Section 17: All
Section 18: All
Section 20: All
Section 21: All
Section 22: All
Section 27: All
Section 28: All
Section 29: All
Section 32: All
Section 33: All
Section 34: All

containing 12,721 acres more or less.

(b) 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 be obtained from the Secretary-Director of the Oil Conservation Commission should any fee land be committed to the unit, any expansion or revision of the participating area, as well as plans of development, shall also be subject to the approval of the Secretary-Director of the Oil Conservation Commission.

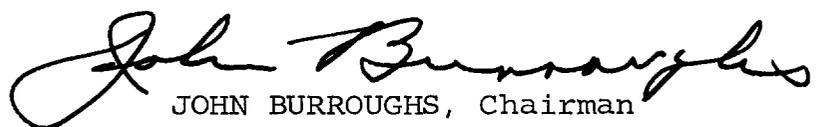
5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Puerto-Chiquito Unit Agreement within 30 days after the effective date thereof.

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.

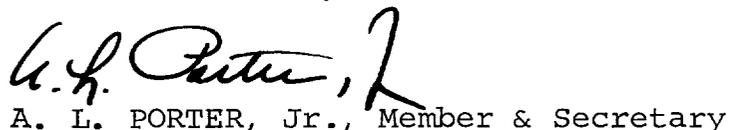
7. That this Order shall become effective upon the approval of said unit agreement by the Director of the U. S. Geological Survey or upon the date of signature by two members of the Oil Conservation Commission, whichever is later, and shall terminate ipso facto upon the termination of said unit agreement. 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


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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