BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered August 7 1962

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

> CASE No. 2595 Order No. R-2285

APPLICATION OF HUMBLE OIL & REFINING COMPANY FOR APPROVAL OF A UNIT AGREE-MENT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 11, 1962, 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>17th</u> day of July, 1962, 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, Humble Oil & Refining Company, seeks approval of the Cedar Hills Unit Agreement, comprising 1,440 acres of State land in Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) 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 the Cedar Hills Unit Agreement is hereby approved.

<u>PROVIDED HOWEVER</u>, 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 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 Cedar Hills Unit Agreement, or relative to the production of oil and gas therefrom. -2-CASE No. 2595 Order No. R-2285

(2) That the unit area shall be:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM EDDY COUNTY, NEW MEXICO Section 14: W/2 Section 15: All Section 22: N/2 Section 23: NW/4

containing 1,440 acres.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof. In the event of subsequent joinder by any party, the unit operator shall file with the Commission within 30 days after such action counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) 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 <u>ipso</u> <u>facto</u> upon the termination of said unit agreement. The last unit operator shall notify the Commission in writing of such termination.

(5) 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

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EDWIN L. MECHEM, Chairman

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E. S. WALKER, Member

SEAL

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

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