Entered July 15, 1970

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. 4374 Order No. R-2544-A

APPLICATION OF BENSON-MONTIN-GREER DRILLING CORPORATION FOR EXPANSION OF A UNIT AREA, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 1, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>15th</u> day of July, 1970, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 by Order No. R-2544, dated August 9, 1963, the Commission approved the Canada Ojitos Unit Agreement containing 35,829.84 acres, more or less, of Federal and Fee lands in Townships 25 and 26 North, Ranges 1 East and 1 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicant, Benson-Montin-Greer Drilling Corporation, seeks the expansion of said Canada Ojitos Unit Area to include 20,480 additional acres, more or less, of Federal, State and Fee lands described as follows: -2-CASE No. 4374 Order No. R-2544-A

RIO ARRIBA COUNTY, NEW MEXICO

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM Sections 1 through 4: A11 Section 8: E/2 Sections 9 through 16: All Section 17: E/2 Sections 23 and 24: All TOWNSHIP 24 NORTH, RANGE 1 EAST, NMPM Sections 6 and 7: All Section 8: W/2Section 17: W/2 Sections 18 and 19: All Section 20: W/2TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM Section 36: E/2TOWNSHIP 25 NORTH, RANGE 1 EAST, NMPM Section 4: W/2Section 5: All Section 8: All Section 9: W/2 Section 17: All Section 19: E/2 Section 20: All Section 29: W/2 Sections 30 and 31: All TOWNSHIP 26 NORTH, RANGE 1 EAST, NMPM

Section 20: W/2 Section 29: All Section 32: All Section 33: W/2

(4) That the proposed expansion of said Canada Ojitos Unit Agreement should promote the prevention of waste and protection of correlative rights within the unit area as expanded.

IT IS THEREFORE ORDERED:

(1) That the Canada Ojitos Unit Agreement, as amended to include the acreage described in Finding (3) above, is hereby approved.

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(2) That the unit operator shall file with the Commission an executed original or executed counterpart of the amendment to the unit agreement within 30 days after the effective date thereof; that 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.

(3) That this order shall become effective upon the approval of the aforesaid amendment to the Canada Ojitos Unit Agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate <u>ipso facto</u> upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(4) 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.

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

1 day 31 ALEX J. ARMIJO, Member anter PORTER, Jr., Member & Secretary

SEAL

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