

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. 77

ORDER NO. 656

THE APPLICATION OF THE MAGNOLIA PETROLEUM
COMPANY FOR AN ORDER OF APPROVAL OF THE UNIT
AGREEMENT FOR THE DEVELOPMENT AND OPERATION
OF THE BLACK HILLS ANTICLINE UNIT AREA WITHIN
TOWNSHIPS 17 AND 18 SOUTH, RANGES 19 AND 20
EAST, N.M.P.M., CONTAINING 17,626.62 ACRES,
MORE OR LESS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A. M. June 7, 1946
at Santa Fe, New Mexico before the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission".

NOW, on this 7th day of June, 1946, the Commission having before
it for consideration the testimony adduced at the hearing of said case,
and being fully advised in the premises;

IT IS THEREFORE ORDERED THAT:

The order herein shall be known as the:

BLACK HILLS ANTICLINE UNIT AGREEMENT ORDER

SECTION 1. (a) The project herein shall be known as the Black
Hills Anticline Unit Agreement, and shall hereinafter be referred to
as the Project.

(b) The plan by which the Project shall be operated shall be em-
braced in the form of unit agreement for the development and operation
of the Black Hills Anticline Unit Area referred to in the petitioner's
petition and filed with said petition and such plan shall be known as
the Black Hills Anticline Unit Agreement Plan.

SECTION 2. The Black Hills Anticline Unit Agreement Plan shall be
and is hereby approved.

SECTION 3. (a) The Unit Area shall be:

All Sections 25, 26, 35 and 36; E $\frac{1}{2}$ Sec. 27; E $\frac{1}{2}$ Sec. 34,
Township 17 South, Range 19 East; All Sections 22 and 23,
S $\frac{1}{2}$ Sec. 20, S $\frac{1}{2}$ Sec. 21, All of Sections 26 to 35, inclusive,
Township 17 South, Range 20 East; All Sections 1, 2, 3, 10,
11, 12, 14 and 15, Township 18 South Range 19 East; All
Sections 5 and 6, Township 18 South, Range 20 East, N.M.P.M.,
Chaves County, New Mexico, containing 17,626.62 acres, more
or less.

(b) The Unit Area may be enlarged or diminished as provided in
said plan.

SECTION 4. The unit operator shall file with the Commission an
executed original, or executed counterparts thereof, of the Black Hills
Anticline Unit Agreement not later than 30 days after the effective date
thereof.

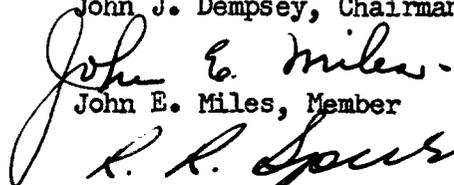
SECTION 5. Any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become party thereto by subscribing to such Agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original of any such counterpart.

SECTION 6. The order herein shall become effective on the first day of the calendar month next following the approval of Commissioner of Public Lands and the Secretary of the Interior and shall terminate ipso facto on the termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

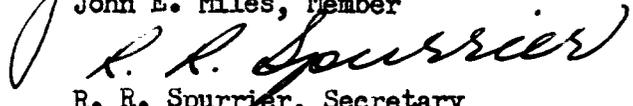
Done at Santa Fe, New Mexico as of the day and year hereinabove designated.

OIL CONSERVATION COMMISSION

John J. Dempsey, Chairman



John E. Miles, Member



R. R. Spurrier, Secretary