

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. 99

ORDER NO. 706

THE APPLICATION OF THE STANDARD OIL
COMPANY OF TEXAS FOR AN ORDER OF
APPROVAL OF PROPOSED SCARP UNIT AGREE-
MENT WHOSE UNIT AREA COVERS 63,995.05 ACRES
SITUATED IN TOWNSHIPS 19, 20, 21, and 22
SOUTH, RANGES 17, 18 AND 19 EAST IN CHAVES
AND OTERO COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A. M.,
May 23, 1947, at Santa Fe, New Mexico, before the Oil Conserva-
tion Commission of New Mexico, hereinafter referred to as the
"Commission."

NOW, on this 23 day of May, 1947, the
Commission having before it for consideration the testimony
adduced at the hearing of said case and being fully advised
in the premises:

FINDS 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:

That the order herein shall be known as the:

"SCARP UNIT AGREEMENT ORDER"

SECTION 1. (a). That the project herein shall be
known as the Scarp Unit Agreement and shall hereinafter be refer-
red to as the Project.

(b) That the plan by which the Project shall be
operated shall be embraced in the form of unit agreement for the
development and operation of the Scarp Unit Area referred to in
the petitioner's petition and filed with said petition and such
plan shall be known as the Scarp Unit Agreement Plan.

SECTION 2. That the Scarp Unit Agreement Plan shall be and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said Unit Agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, 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 Scarp Unit Agreement or relative to the production of oil and gas therefrom.

SECTION 3. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

- T. 19 S., R. 17 E.
Sec. 36, E $\frac{1}{2}$;
- T. 19 S., R. 18 E.
Sec. 19, SE $\frac{1}{4}$;
Sec. 20, SW $\frac{1}{4}$;
Sec. 29, W $\frac{1}{2}$;
Sec. 30, E $\frac{1}{2}$, SW $\frac{1}{4}$;
Secs. 31 and 32, all;
- T. 20 S., R. 17 E.
Sec. 1, E $\frac{1}{2}$;
Sec. 12, E $\frac{1}{2}$;
Sec. 13, E $\frac{1}{2}$;
Sec. 24, E $\frac{1}{2}$;
Sec. 25, E $\frac{1}{2}$;
Sec. 36, E $\frac{1}{2}$;
- T. 20 S., R. 18 E.
Secs. 5, 6, 7, and 8, all;
Sec. 14, W $\frac{1}{2}$;
Secs. 15 to 36, inclusive, all;
- T. 20 S., R. 19 E.
Sec. 19, W $\frac{1}{2}$;
Sec. 29, S $\frac{1}{2}$;
Sec. 30, SE $\frac{1}{4}$, W $\frac{1}{2}$;
Secs. 31 and 32, all;
Sec. 33, W $\frac{1}{2}$;
- T. 21 S., R. 17 E.
Sec. 1, E $\frac{1}{2}$;
Sec. 12, E $\frac{1}{2}$;
Sec. 13, E $\frac{1}{2}$;
Sec. 24, NE $\frac{1}{4}$;
- T. 21 S., R. 18 E.
All secs. 1 to 29, inclusive;
Sec. 30, NE $\frac{1}{4}$;
All secs. 32 to 36, inclusive;

T. 21 S., R. 19 E.
Sec. 4, W $\frac{1}{2}$;
All Secs. 5, 6, 7, and 8;
Sec. 9, W $\frac{1}{2}$;
All Secs. 17, 18, 19, 20, 29, 30, 31, 32;

T. 22 S., R. 18 E.
All secs. 1, 2, 3, 4, 10, 11, 12, 13, 14;

T. 22 S., R. 19 E.
Sec. 5, W $\frac{1}{2}$;
All Sec. 6;
Sec. 7, W $\frac{1}{2}$;

Chaves and Otero Counties
containing 63,995.05 acres,
more or less.

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

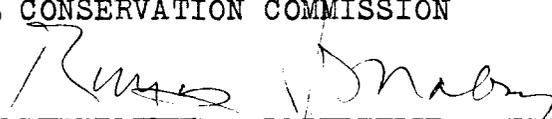
SECTION 4. That the unit operator shall file with
the Commission an executed original, or executed counterparts
thereof, of the Scarp Unit Agreement not later than 30 days
after the effective date thereof.

SECTION 5. 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 there-
after become a 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.

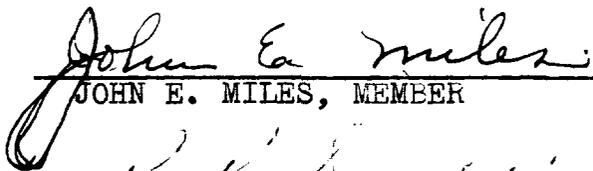
SECTION 6. That the order herein shall become
effective on the first day of the calendar month next following
the approval of Commissioner of Public Lands and the Secretary
of the Interior and shall terminate ipso facto on the termina-
tion of said Unit Agreement. The last Unit Operator shall
immediately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

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

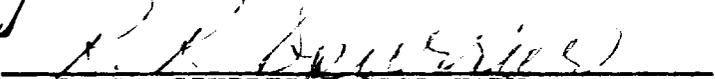
OIL CONSERVATION COMMISSION



THOMAS J. MABRY, CHAIRMAN



JOHN E. MILES, MEMBER



R. R. SPURRIER, SECRETARY

SEAL