

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. 128

ORDER NO. 755

THE APPLICATION OF THE MAGNOLIA PETROLEUM
COMPANY FOR AN ORDER OF APPROVAL OF PROPOSED
BURRO HILLS UNIT AGREEMENT WHOSE UNIT AREA
COVERS 16,092.26 ACRES SITUATED IN TOWNSHIPS
21 and 22 SOUTH, RANGE 22 EAST, IN EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A. M.,
March 2, 1948, at Santa Fe, New Mexico, before the Oil Conser-
vation Commission of New Mexico, hereinafter referred to as
"Commission", and said hearing was continued by order of the
Commission to ten o'clock A. M., March 10, 1948, at Santa Fe,
New Mexico.

NOW, on this the 10th day of March, 1948, 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:

"BURRO HILLS UNIT AGREEMENT ORDER"

SECTION 1. (a). That the project herein shall be
known as the Burro Hills 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 unit agreement for the
development and operation of the Burro Hills Unit Area referred to
in the petitioner's petition and filed with said petition and such
plan shall be known as the Burro Hills Unit Agreement Plan.

SECTION 2. That the Burro Hills Unit Agreement Plan
shall be and is hereby approved in principle as a proper conser-
vation 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 relinquish-
ing 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 Burro Hills 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. 21 S., R. 22 E.

All Sections 3, 4, 5, 8, 9, 10, 11,
14, 15, 16, 17, 20, 21, 22, 23, 27,
28, 29, 30, 31, 32, 33, E $\frac{1}{2}$ Section 19.

T. 22 S., R. 22 E.

All Sections 4, 5 and 6.

Eddy County, New Mexico,
containing 16,092.26 acres,
more or less.

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

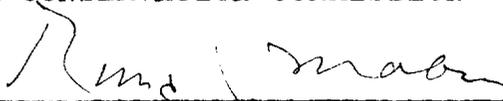
SECTION 4. That the unit operator shall file with the Commission an executed original, or executed counterparts thereof, of the Burro Hills Unit Agreement not later than 30 days after the effective date thereof.

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 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.

OIL CONSERVATION COMMISSION



THOMAS J. MABRY, CHAIRMAN

JOHN E. MILES, MEMBER



R. R. SPURRER, SECRETARY