

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 19, 1955

Mr. Clarence Hinkle  
Hervey, Dow & Hinkle  
First National Bank Bldg.  
Roswell, New Mexico

Dear Sir:

In behalf of your client, Union Oil Company of California, we enclose a copy of Order R-706 issued October 13, 1955, by the Oil Conservation Commission in Case 953, which was heard at the September 15th hearing.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:brp  
Encl.

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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. 953  
Order No. R-706

THE APPLICATION OF THE UNION  
OIL COMPANY OF CALIFORNIA FOR  
THE APPROVAL OF THE QUEEN UNIT  
AGREEMENT EMBRACING 17,384.19  
ACRES, MORE OR LESS, LOCATED IN  
TOWNSHIP 23 SOUTH, RANGE 21 EAST,  
TOWNSHIP 24 SOUTH, RANGE 21 EAST,  
AND TOWNSHIP 24 SOUTH, RANGE 22  
EAST, NMPM, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 15, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 13<sup>th</sup> day of October, 1955, the Commission, a quorum being present, having considered said application and the evidence introduced in support thereof, 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 proposed unit plan will tend to promote the conservation of oil and gas and the prevention of waste and that such plan is fair to the royalty owners in the area embraced thereby.

IT IS THEREFORE ORDERED:

SECTION 1. That this order shall be known as the

QUEEN UNIT AGREEMENT ORDER

SECTION 2. (a) That the project herein referred to shall be known as the Queen Unit Agreement, and shall hereafter be referred to as the "Project".

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

SECTION 3. That the Queen Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, 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, 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 Queen Unit Agreement, or relative to the production of oil or gas therefrom.

SECTION 4. (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

TOWNSHIP 23 SOUTH, RANGE 21 EAST

Section 25: All  
Section 26: E/2  
Section 35: E/2  
Section 36: All

TOWNSHIP 24 SOUTH, RANGE 21 EAST

Section 1: Lots 1, 2, 3, 4 S/2 N/2, S/2 (All)  
Section 2: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: All  
Section 22: SE/4  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: E/2

TOWNSHIP 24 SOUTH, RANGE 22 EAST

Section 6: Lots 1, 2, 3, 4, 5, 6, 7, SE/4 NW/4,  
S/2 NE/4, E/2 SW/4, SW/4 (All)  
Section 7: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)  
Section 8: All  
Section 9: W/2, SE/4  
Section 15: W/2, SE/4  
Section 16: All  
Section 17: All  
Section 18: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)  
Section 19: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)

TOWNSHIP 24 SOUTH, RANGE 22 EAST (Continued)

Section 20: All  
Section 21: All  
Section 22: All  
Section 29: All  
Section 30: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)

containing 17,384.19 acres, more or less.

(b) The unit area may be enlarged or contracted as provided in said Plan.

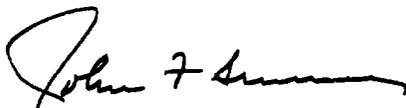
SECTION 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Queen Unit Agreement within 30 days after the effective date thereof.

SECTION 6. 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 thereafter become a party thereto by subscribing to such unit agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

SECTION 7. That this order shall become effective on the first day of the calendar month next following the approval of said unit agreement by the Commissioner of Public Lands of the State of New Mexico and the Director of the United States Geological Survey, and shall terminate automatically upon 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.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

