

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. 1117
Order No. R-862

THE APPLICATION OF RICHARDSON
& BASS FOR APPROVAL OF THE LITTLE
EDDY UNIT AGREEMENT EMBRACING
54,044 ACRES OF LAND, MORE OR
LESS, IN EDDY AND LEA COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on the 7th day of August, 1956, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of August, 1956, the Commission, a quorum being present, having considered the application, the evidence and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) 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:

SECTION 1. That this order shall be known as the

LITTLE EDDY UNIT AGREEMENT ORDER

SECTION 2. (a) That the project herein referred to shall be known as the Little Eddy 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 Little Eddy Unit Area

referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Little Eddy Unit Agreement Plan.

SECTION 3. That the Little Eddy 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 obligation 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 Little Eddy Unit Agreement, or relative to the production of oil or gas therefrom.

SECTION 4. That the Unit Area will be:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

TOWNSHIP 19 SOUTH, RANGE 32 EAST

Section 25: S/2
Section 34: Lots 3, 4, N/2 SE/4
Section 35: Lots 1, 2, 3, 4, N/2 S/2, N/2 (All)
Section 36: Lots 1, 2, 3, 4, N/2 S/2, N/2 (All)

TOWNSHIP 19 SOUTH, RANGE 33 EAST

Section 29: All
Section 30: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 32: All

TOWNSHIP 20 SOUTH, RANGE 32 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 3: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)
Section 4: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)
Section 9 thru 16: All
Section 22 thru 26: All
Section 27: N/2 S/2, N/2
Section 35, 36: All

TOWNSHIP 20 SOUTH, RANGE 33 EAST

Section 5: Lots 1, 2, 3, 4, S/2 N/2, S/2 (All)
Section 6: Lots 1, 2, 3, 4, 5, 6, 7, SE/4 NW/4, S/2 NE/4, E/2 SW/4, SE/4 (All)
Section 7: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 8: 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)
Section 20: All
Section 29: All
Section 30: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 32: All

TOWNSHIP 21 SOUTH, RANGE 31 EAST

Section 1: Lots 1 thru 16, S/2 (All)
Section 2: Lots 1 thru 16, S/2 (All)
Section 3: S/2
Section 10 thru 15: (All)
Section 22 thru 27: (All)
Section 34: E/2
Section 35: All
Section 36: All

TOWNSHIP 21 SOUTH, RANGE 32 EAST

Section 3: Lots 1 thru 16, SW/4
Section 4: Lots 1 thru 16, S/2 (All)
Section 5: Lots 1 thru 16, S/2 (All)
Section 6: Lots 1 thru 18, E/2 SW/4, SE/4 (All)
Section 7: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 8: All
Section 9: All
Section 10: W/2
Section 15: W/2
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)
Section 20, 21, 22, 27, 28, 29: (All)
Section 30: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)
Section 32, 33, 34: (All)

TOWNSHIP 22 SOUTH, RANGE 31 EAST

Section 1: Lots 1, 2, 3, 4, S/2 N/2
Section 2: Lots 1, 2, 3, 4, S/2 N/2

TOWNSHIP 22 SOUTH, RANGE 32 EAST

Section 3: Lots 1, 2, 3, 4, S/2 N/2
Section 4: Lots 1, 2, 3, 4, S/2 N/2
Section 5: Lots 1, 2, 3, 4, S/2 N/2
Section 6: Lots 1, 2, 3, 4, 5, SE/4 NW/4, S/2 NE/4

Situated in Eddy and Lea County, New Mexico,
containing 54,044 acres, more or less.

SECTION 5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Little Eddy 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 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 of ratification.

SECTION 7. That this order shall become effective upon approval of said unit agreement by the Commissioner of

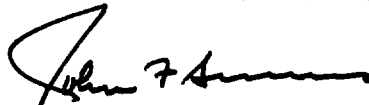
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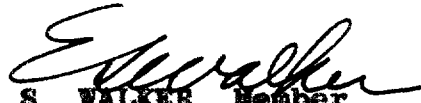
Public Lands of the State of New Mexico and the Director of the United States Geological Survey and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.

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

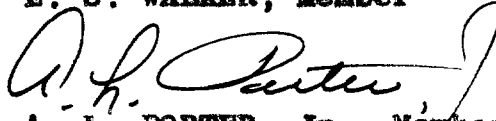
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



A. L. PORTER, Jr., Member & Secretary



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