

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. 446
ORDER NO. R-235

THE APPLICATION OF PHILLIPS PETROLEUM
COMPANY, A DELAWARE CORPORATION, FOR
APPROVAL OF THE SAN JUAN 32-8 UNIT
AGREEMENT, EMBRACING LANDS IN TOWNSHIPS
31 and 32 NORTH, RANGE 8 WEST, NMPM,
SAN JUAN COUNTY, NEW MEXICO, CONTAINING
27,500.28 ACRES, MORE OR LESS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a. m. on December 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 16th day of December, 1952, the Commission, a quorum being present and 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 in principle tend to promote a conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

SECTION 1. That this order shall be known as the

SAN JUAN 32-8 UNIT AGREEMENT ORDER

SECTION 2. (a) That the project herein referred to shall be known as the San Juan 32-8 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 a unit agreement for the development and operation of the San Juan 32-8 Unit Area referred to in the Applicant's Application and filed with said application, and such plan shall be known as the San Juan 32-8 Unit Agreement Plan.

SECTION 3. That the San Juan 32-8 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 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 San Juan 32-8 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:

Township 31 North, Range 8 West

Section 1, 2, 3, 4: All

Sections 9, 10, 11, 12, 13, 14, 15,

16: All

Sections 21, 22, 23, 24: All

SECTION 4. (a)

Township 32 North, Range 8 West

Section 7: Lots 1, 2, 3, 4, 5, 6, E/2 SW/4, SE/4

Section 8: Lots 1, 2, 3, 4, S/2

Section 9: Lots 1, 2, 3, 4, S/2

Section 10: Lots 1, 2, 3, 4, S/2

Section 11: Lots 1, 2, 3, 4, S/2

Section 12: Lots 1, 2, 3, 4, S/2

Section 13, 14, 15, 16, 17: All

Section 18: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 19: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 20, 21, 22, 23, 24, 25, 26, 27, 28, 29: All

Section 30: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 32, 33, 34, 35, 36: All

Containing 27, 500.28 acres, more or less.

(b) That 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 San Juan 32-8 Unit Agreement within 30 days after the effective date thereof.

SECTION 6. That any party owning rights in the unitized substances who does not now commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto in accordance with the terms and conditions of the unit agreement by subscribing to such agreement or counterpart thereof or by ratifying the same and, if the owner of a working interest, by joinder in the related unit operating agreement in accord with the provisions thereof. The unit operator shall file with the Commission within 30 days the duplicate original of any such counterpart or ratification.

SECTION 7. This order shall become effective upon approval of said 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 ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commissioner 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

/s/ EDWIN L. MECHEM, Chairman

/s/ GUY SHEPARD, Member

/s/ R. R. SPURRIER, Secretary

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