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. 320
ORDER NO. 104

THE APPLICATION OF STANOLIND OIL AND GAS COMPANY FOR AN ORDER APPROVING A PROPOSED UNIT AGREEMENT FOR THE DEVEL-OPIENT AND OPERATION OF THE ANGELS PEAK UNIT AREA CONSISTING OF 29,802.17 ACRES SITUATED IN TOWNSHIPS 27, 28 AND 29 NORTH, RANGES 10,AND 11 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m., October 23, 1951, at Santa Fe, New Hexico, before the Oil Conservation Commission of New Hexico, hereinafter referred to as the "Commission".

NOW, on this <u>23rd</u> day of <u>October</u>, <u>1951</u>, 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:

"ANGELS PEAK UNIT AGREE ENT ORDER"

- SECTION 1. (a) That the project herein shall be known as the Angels Peak 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 Angels Peak Unit Area referred to in the Petitioner's petition and filed with said petition and such plan shall be known as the Angels Peak Unit Agreement Plan.
- SECTION 2. That the Angels Peak 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 Angels Peak Unit Agreement or relative to the production of oil or gas therefrom.

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

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T. 27N., R. 10 W., Sec. 1, Lots 3, $4 S_{\frac{1}{2}}^{\frac{1}{2}} NU_{\frac{1}{4}}^{\frac{1}{4}}$, $SU_{\frac{1}{4}}^{\frac{1}{2}}$; Secs. 2 to 6, inclusive; Sec. 7, $E_{\frac{1}{2}}^{\frac{1}{2}}$, $E_{\frac{1}{2}}^{\frac{1}{2}} U_{\frac{1}{2}}^{\frac{1}{2}}$; Secs. 8 to 11, inclusive; Sec. 12, $U_{\frac{1}{2}}^{\frac{1}{2}}$;

Sec. 13, $\sqrt{2}$; Secs. 14 to 17, inclusive; Sec. 13, $E_{\frac{1}{2}}$; Secs. 20 to 23, inclusive; Sec. 24, $\sqrt{2}$; Sec. 25, $\sqrt{2}$, $\sqrt{2}$ SU2; Sec. 26, $\sqrt{2}$, $\sqrt{2}$, $\sqrt{2}$ SE $\frac{1}{2}$; Secs. 27 and 28

T. 28N., R. 10 W., Fractional Secs. 7, 8 and 9; Sec. 15, SW4; Secs. 16 to 22, inclusive; Sec. 23, SW4; Sec. 26, W2; Sec. 26, W2; Secs. 27 to 35, inclusive

T. 29N., R. 10 W., Sec. 29, S^{-1}_{-2} ; Sec. 30, S^{-1}_{-2} ; Secs. 31 and 32

T. 28N., R. 11 W., Sec. 12, Lot 1, SE SE; Sec. 13, E2 E2; Sec. 24, E2 E2; Sec. 25, E2 E2; Sec. 36, E2 NE4

T. 29N., R. 11 W., Sec. 25, SE¹/₂; Sec. 36, all.

Total Unit Area embraces 29,802.17 acros, 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 counterpart thereof of the Angels Peak Unit Agreement not later than 30 days after the effective date hereof.

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 thereafter 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 or any such counterpart.

SECTION 6. That this order shall become effective on the first day of the calendar month next following the approval of the Commissioner of Public Lands and the Director of the United States Geological Survey 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.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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Secretary