

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 15, 1955

Mr. H. N. Burton
P.O. Box 791
Midland, Texas

Dear Sir:

In behalf of your client, Phillips Petroleum Company, we enclose two copies of Order R-718 issued November 10, 1955, by the Oil Conservation Commission in Case 971, which was heard on October 20th.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:brp
Encls.

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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 THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 971
Order No. R-718**

**THE APPLICATION OF THE PHILLIPS
PETROLEUM COMPANY FOR THE
APPROVAL OF THE ETZ DEEP UNIT
AGREEMENT EMBRACING 7,928.48
ACRES, MORE OR LESS, LOCATED IN
TOWNSHIP 20 SOUTH, RANGE 33 EAST,
TOWNSHIP 21 SOUTH, RANGE 32 EAST,
AND TOWNSHIP 21 SOUTH, RANGE 33
EAST, NMPM, LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on October 20, 1955 at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 10th day of *November*, 1955, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application and the recommendations of the Examiner, Warren W. Mankin, 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 the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

1. That this order shall be known as the

ETZ DEEP UNIT AGREEMENT ORDER

2. (a) That the project herein referred to shall be known as the Etz Deep 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 Ets Deep Unit Area, referred to in the Petitioner's petition and filed with said petition, and such plan shall be known as the Ets Deep Unit Agreement Plan.

3. That the Ets Deep 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 Ets Deep Unit Agreement, or relative to the production of oil or gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 20 SOUTH, RANGE 33 EAST

Section 35: S/2
Section 36: All

TOWNSHIP 21 SOUTH, RANGE 32 EAST

Section 1: All
Section 2: All
Section 3: SE/4
Section 10: E/2
Section 11: All
Section 12: All
Section 13: All
Section 14: All
Section 15: E/2
Section 23: N/2
Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 33 EAST

Section 6: Lots 3, 4, 5, 6, 11, 12, 13, 14, 17, 18,
E/2 SW/4
Section 7: Lots 1, 2, 3, 4, E/2 W/2
Section 18: Lots 1, 2, 3, 4, E/2 W/2

containing 7,928.48 acres more or less.

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

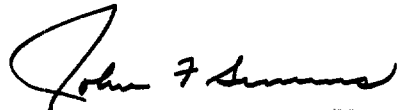
5. That the unit operator shall file with the Commission an executed original or executed counterpart of the Ets Deep Unit Agreement within 30 days after the effective date thereof.

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 or ratification.

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 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.

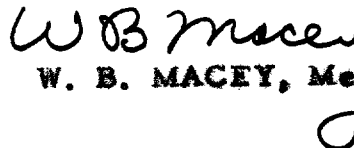
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

