

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. 1224  
Order No. R-973

THE APPLICATION OF WILSHIRE OIL COMPANY  
OF TEXAS FOR THE APPROVAL OF ITS SEVEN  
RIVERS HILLS UNIT AGREEMENT EMBRACING  
10,996 ACRES, MORE OR LESS, LOCATED IN  
TOWNSHIP 20 SOUTH, RANGE 26 EAST AND  
TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on March 20, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 5th day of April, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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

SEVEN RIVERS HILLS UNIT AGREEMENT ORDER

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

3. That the Seven Rivers Hills 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 Seven Rivers Hills Unit Agreement, or relative to the production of oil and gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM

Section 19: Lots 3, 4, S/2 NE/4, E/2 SW/4, SE/4  
Sections 20, 21, 22: All  
Section 27: NW/4, W/2 SW/4  
Sections 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)  
Sections 32, 33: All

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM

Section 3: Lots 2, 3, 4, 5, 12, 13, NW/4 SW/4  
Section 4: Lots 1 through 16 SW/4, N/2 SE/4, SW/4 SE/4  
Section 5: Lots 1 through 16, S/2 (All)  
Section 6: Lots 1 through 18, E/2 SW/4, SE/4 (All)  
Section 7: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All)  
Section 8: N/2, SW/4, N/2 SE/4, SW/4 SE/4  
Section 9: N/2 NW/4  
Section 18: Lots 1, 2, 3, 4, E/2 NW/4, W/2 NE/4

containing 10,996 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 Seven Rivers Hills 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

Case No. 1224  
Order No. R-973

shall file with the Commission within 30 days an original of any such counterpart or ratification.

7. That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and by the Commissioner of Public Lands of the State of New Mexico, 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

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

S E A L

ir/