

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. 2848
Order No. R-2521

APPLICATION OF SKELLY OIL COMPANY
FOR APPROVAL OF THE EAST BISTI UNIT
AGREEMENT, SAN JUAN COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 10, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, 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 17th day of July, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 applicant, Skelly Oil Company, seeks approval of the East Bisti Unit Agreement covering 17,812 acres, more or less, of Federal, State and Indian lands in Townships 24 and 25 North, Ranges 9, 10, and 11 West, NMPM, San Juan County, New Mexico.

(3) That approval of the proposed East Bisti Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the East Bisti Unit Agreement is hereby approved.

(2) That the plan under which the unit area shall be operated shall be embraced in the form of a unit agreement for the

development and operation of the East Bisti Unit Area, and such plan shall be known as the East Bisti Unit Agreement Plan.

(3) That the East Bisti Unit Agreement Plan 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 shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Oil Conservation Commission of New Mexico by law relative to the supervision and control of operations for the exploration and development of any lands committed to the East Bisti Unit, or relative to the production of oil or gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

SAN JUAN COUNTY, NEW MEXICO

TOWNSHIP 24 NORTH, RANGE 9 WEST

Section 5: S/2 SW/4
Section 6: S/2
Section 7: All
Section 8: W/2, SE/4, S/2 NE/4 and
NW/4 NE/4
Section 17: N/2, SE/4, and NE/4 SW/4
Section 18: N/2

TOWNSHIP 24 NORTH, RANGE 10 WEST

Section 1: S/2, NW/4, and W/2 NE/4
Sections 2 and 3: All
Section 4: E/2 and NW/4
Section 5: NE/4 and NE/4 NW/4
Section 9: NE/4
Section 10: N/2
Section 11: N/2 and NE/4 SE/4
Section 12: All
Section 13: NE/4 and NE/4 NW/4

TOWNSHIP 25 NORTH, RANGE 10 WEST

Section 19: SW/4, W/2 SE/4, and SE/4 SE/4
Section 27: S/2 SW/4, NW/4 SW/4, and
SW/4 NW/4
Section 28: S/2 and S/2 NE/4
Section 29: S/2, NW/4, and S/2 NE/4
Sections 30 through 33: All
Section 34: S/2, NW/4, S/2 NE/4, and
NW/4 NE/4
Section 35: S/2 and SW/4 NW/4
Section 36: SW/4 SW/4

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TOWNSHIP 25 NORTH, RANGE 11 WEST

Section 14: SW/4 SE/4, S/2 SW/4,
and NW/4 SW/4

Section 15: S/2

Section 16: S/2, NW/4, S/2 NE/4,
and NW/4 NE/4

Sections 21 through 23: All

Section 24: S/2, NW/4, S/2 NE/4,
and NW/4 NE/4

Sections 25 and 26: All

Section 27: N/2, SE/4, and E/2 SW/4

Section 28: NE/4 NE/4

Section 34: NE/4 NE/4

Section 35: N/2 NW/4 and NE/4

Section 36: N/2 and N/2 SE/4

containing 17,812 acres, more or less.

(b) That the unit area may be enlarged or contracted as provided in said plan; provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5) That the unit operator shall file with the Commission an executed original or executed counterpart of the East Bisti Unit Agreement within 30 days after the effective date thereof. In the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(6) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for 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 notify the Commission immediately in writing of such termination.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

[Signature]
JACK M. CAMPBELL, Chairman

[Signature]
E. S. WALKER, Member

[Signature]
A. L. PORTER, Jr., Member & Secretary