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. 195

ORDER NO. 836

THE APPLICATION OF SLICK-MOORMAN OIL COMPANY FOR AN ORDER APPROVING A PROPOSED UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE HUERFANO UNIT AREA CONSISTING OF 63,122.05 ACRES SITUATED IN TOWN-SHIPS 25, 26 AND 27 NORTH, RANGES 9, 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., September 20, 1949, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 20th day of September, 1949, 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:

"HUERFANO UNIT AGREEMENT ORDER"

- SECTION 1. (a) That the project herein shall be known as the Huerfano 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 Huerfano Unit Area referred to in the Petitioner's petition and filed with said petition and such plan shall be known as the Huerfano Unit Agreement Plan.

SECTION 2. That the Huerfano 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 Huerfano Unit Agreement or relative to the production of oil or gas therefrom.

SECTION 3. (a) That the Unit Area shall be: NEW MEXICO PRINCIPAL MERIDIAN

Township 25 North, Range 9 West

Sec. 2-All Sec. 3-All Sec. 4-All Sec. 5-All Sec. 6-All	Sec. 7-All Sec. 8-All Sec. 9-All Sec. 10-All Sec. 11-All	Sec. 14-A11 Sec. 15-A11 Sec. 16-A11 Sec. 17-A11 Sec. 18-A11
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Township 25 North, Range 10 West

Sec.	1-A11	Sec.	1+-A11	Sec.	12-A11
Sec.	2-A11	Sec.	10-A11	Sec.	13-A11
Sec.	3-A11	Sec.	11-A11	Sec.	14-A11

Township 26 North, Range 9 West

Sec.	5-A11	Sec.	18-A11	Sec.	28-A11
Sec.	6-A11	Sec.	19-A11	Sec.	29-All
Sec.	7-All	Sec.	20-All	Sec.	30-A11
Sec.	8-A11	Sec.	21 - A11	Sec.	31-A11
Sec.	9-A11	Sec.	22-All	Sec.	32-A11
Sec.	15-A11	Sec.	23-A11	Sec.	33-A11
Sec.	16-All	Sec.	26 -A 11	Sec.	34-A11
Sec.	17-A11	Sec.	27-All		35-A11

Township 26 North, Range 10 West

Sec. Sec. Sec. Sec. Sec. Sec.	8-All 9-All 10-All	Sec. 15-All Sec. 16-All Sec. 17-All Sec. 18-All Sec. 19-All Sec. 20-All Sec. 21-All Sec. 22-All	Sec. 25-All Sec. 26-All Sec. 27-All Sec. 28-All Sec. 30-All Sec. 31-All Sec. 32-All Sec. 33-All Sec. 34-All
		Sec. 23-A11 Sec. 24-A11	Sec. 35-All Sec. 36-All

Township 26 North, Range 11 West

Sec. 1-All Sec. 12-E/2

Township 27 North, Range 9 West

Sec. 31-A11

Township 27 North, Range 10 West

Sec.	19-A11	Sec.	31-A11	Sec.	34-A11
Sec.	29-All	Sec.	32-A11	Sec.	35-All
Sec.	30-A11	Sec.	33-A11	Sec.	36-A11

Township 27 North, Range 11 West

Sec. 24-All Sec. 25-All Sec. 36-All

embracing 63,122.05 acres, more or less, San Juan County, New Mexico.

(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 Huerfano 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Thomas J. Mabry, Chairman

Guy Shepard, Member

R. R. Spuprier. Secretary