

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. 224

ORDER NO. R-24

THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN ORDER FOR FINAL APPROVAL OF THE ALLISON UNIT AGREEMENT EMBRACING LANDS LOCATED AS DESCRIBED IN THE APPLICATION IN TOWNSHIP 32 NORTH, RANGE 6 WEST, AND TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO, AND OTHER LANDS LOCATED IN THE STATE OF COLORADO, ALL CONTAINING 13,774.22 ACRES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause coming on for hearing at 10:00 o'clock, a.m., on the 14th day of June, 1950 before the Oil Conservation Commission pursuant to notice heretofore duly given by said Commission;

The Commission having heard and considered testimony adduced at said hearing, being fully advised in said premises:

FINDS that the Allison Unit Plan will in principle tend to promote the conservation of oil and gas, and a prevention of waste;

IT IS THEREFORE ORDERED:

That the order herein shall be known as the:

"ALLISON UNIT AGREEMENT ORDER"

SECTION 1. (a) That the Unit herein shall be known as the Allison Unit Agreement, and shall hereinafter be referred to as the Unit.

(b) That the plan by which the unit shall be operated shall be embraced in the form of unit agreement for the development and operation of the Allison Unit Area referred to in the petitioner's petition and filed with said petition, and such plan shall be known as the Allison Unit Agreement Plan.

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

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

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M. P.M., NEW MEXICO

	ACRES
Section 7: Lots 1,2,3,4,5,6,7; SE/4 NW/4 E/2 SW/4; S/2 NE/4; SE/4 (All)	549.74
" 8: Lots 1,2,3,4; S/2 N/2; S/2	554.82
" 9: SW/4	160.00
" 16: W/2	320.00
" 17: All	640.00
" 18: Lots 1,2,3,4; E/2 W/2; E/2 (All)	637.82
" 19: Lots 1,2,3,4; E/2 W/2; E/2 (All)	636.83
" 20: All	640.00
" 21: W/2	320.00
" 28: W/2	320.00
" 29: All	640.00
" 30: Lots 1,2,3,4; E/2 W/2; E/2 (All)	634.42
" 31: Lot 1; NE/4 NW/4; NE/4; N/2 SE/4	318.39

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M., P.M., NEW MEXICO

Section 9: Lots 1,2,3; SE/4; E/2 SW/4	298.15
" 10: Lots 1,2,3,4; S/2 (Fractional, All)	397.56
" 11: Lots 1,2,3,4; S/2 " "	398.25
" 12: Lots 1,2,3,4; S/2 " "	399.00
" 13: All	640.00
" 14: All	640.00
" 15: All	640.00
" 16: E/2	320.00
" 23: NW/4; E/2	480.00
" 24: All	640.00
" 25: NW/4; N/2 NE/4; S/2 NE/4	320.00
" 26: NE/4	160.00

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M., P.M., COLORADO

Section 19: Fractional, All	450.68
" 20: Lots 1,2,3,4; S/2 N/2; N/2 NE/4; N/2 NW/4 (Fractional, All)	448.96
" 21: Lots 1,2,3,4; S/2 N/2; NW/4 NW/4	328.40
" 22: Lots 1,2,3,4; SW/4 NE/4; S/2 NW/4	246.24

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M., P.M., COLORADO

Section 23: Lot 1; E/2 NE/4	119.60
" 24: Fractional, All	475.36

TOTAL ACRES 13,774.22

(b) The above reference to land in the State of Colorado shall not be construed as any attempt on the part of this Commission to exercise jurisdiction over such lands.

(c) 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 counterparts thereof, of the Allison Unit Agreement not later than 30 days after the effective date thereof.

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 of any such counterpart.


SECTION 6. That the order herein shall become effective on the first day of the calendar month next following the approval of Commissioner of Public Lands and the Secretary of the Interior 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.

OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN


GUY SHEPARD, MEMBER


R. R. SPURRIER, SECRETARY

**APPLICATION FOR FINAL APPROVAL OF THE ALLISON UNIT AGREEMENT
SAN JUAN COUNTY, NEW MEXICO AND LAPLATA AND ARCHULETA COUNTIES, COLORADO**

Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

Director, New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Application is hereby made for the final approval by the Commissioner of Public Lands and the Oil Conservation Commission of the Unit Agreement for the Development and Operation of the Allison Unit Area, embracing 15,774.22 acres in the Counties of San Juan, New Mexico and LaPlata and Archuleta, Colorado. This agreement dated November 15, 1949 has been entered into by and between Amerada Petroleum Corporation, as Unit Operator, and by Stanolind Oil and Gas Company, Byrd-Frost, Inc., and associates, H. H. Phillips, and Amerada Petroleum Corporation owning or controlling all of the working interest in the lands included within the Unit Area, and certain royalty and overriding royalty owners who have consented thereto, and such other working interest owners and royalty owners as may hereafter subscribe or consent to this agreement.

1. There is submitted herewith two (2) unsigned counterparts of the Unit Agreement in the form executed by the above referred to owners of working and royalty interests. We have previously submitted for your preliminary approval a form of Unit Agreement, together with geological map and geological report showing the location and depth of the proposed test well and a land map outlining the Unit Area. After review of such Unit Agreement by the Commissioner of Public Lands, certain requirements were made with respect to the Unit Agreement to make the form acceptable to the State of New Mexico. The Agreement herewith submitted embodies all of the requirements made by the State Land Office in its letter of September 14, 1949 by Mr. George A. Graham, Attorney, State Land Office.

2. With reference to the lands which have been committed to this Unit, there is attached to this application, as Exhibit "A", a map of the Unit Area on which is shown by distinctive colors the status of commitment of the various lands. As of the date of this application it is calculated that 13,069.87 acres, or approximately 94.89 percent of the lands within the Unit outline are fully committed. This percentage is considered entirely adequate to warrant approval of the Unit. The applicant is continuing in its efforts to secure consent to unitization by those owners of royalty

interest who have not as yet committed their interest to the Unit.

3. Within six (6) months after the effective date of the Unit Agreement the Unit Operator is obligated to commence operations for the drilling of a test well. Unitized operations will assure an orderly development program for the Unit Area, proper well spacing without regard to land subdivision or lease lines, and will insure production operations by a responsible operator, with full consideration being given to the capabilities and requirements of the Area. Development and operations will be conducted in agreement with plans having the joint approval of State and Federal authorities. Under this agreement the State of New Mexico will receive its fair share of the unitized substances produced, which will be allocated to it in the proportion that its acreage in any and all participating areas, which may be established, bears to the total acreage in such participating area or areas. Royalty allocated to the State will be paid to the Commissioner of Public Lands, and distribution can be made by him to the appropriate funds of the several State Institutions to which income should be credited. This Unit Agreement tends to promote the conservation of vital resources, and is deemed to be in the best interest of the State of New Mexico.

4. Applicant's check in the sum of \$155.00 is enclosed herewith as filing fee for the 51 sections of land fully or partially embraced in the Unit Area.

5. The Director, New Mexico Oil Conservation Commission is hereby requested to set an early date for hearing on this application, at which time nine (9) executed counterparts of the Unit Agreement will be submitted. Upon your final approval it is requested that the Commissioner of Public Lands attach his certificate of approval to each counterpart submitted and return all such counterparts to your applicant for filing with the Director of the United States Geological Survey. After approval of the Agreement by the Commissioner of Public Lands of the State of New Mexico, The Oil Conservation Commission of the State of New Mexico, and the Director of the United States Geological Survey, a completely signed and approved counterpart of the Unit Agreement will be filed in the office of the Commissioner of Public Lands.

Respectfully submitted this 16th day of May, 1950

AMERADA PETROLEUM CORPORATION

By 
F. W. Hulsizer

NOTICE FOR PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held June 14, 1950, beginning at 10:00 o'clock a.m. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

STATE OF NEW MEXICO TO:

All named parties in the following
case: and notice to the public:

Case 224

In the matter of application of Amerada Petroleum Corporation for an order for final approval of the Allison Unit Agreement embracing lands located as described in the application in Township 32 north, Range 6 west, and Township 32 north, Range 7 west, N.M.P.M., San Juan County, New Mexico, and other lands located in the State of Colorado, all containing 13,774.22 acres.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on May 31, 1950.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrer
R. R. SPURRIER, SECRETARY