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. 576 Order No. R-379

THE APPLICATION OF STANOLIND OIL AND GAS COMPANY FOR APPROVAL OF A PROPOSED UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE BUFFALO UNIT AREA EMBRACING 6,127.07 ACRES OF LAND, MORE OR LESS, IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. September 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this / 3 day of October, 1953, the Commission, having before it for consideration the testimony adduced at the hearing 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 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 be, and hereafter shall be known as the:

'BUFFALO UNIT AGREEMENT ORDER'

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

SECTION 2: (a) That the Buffalo Unit Agreement 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 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 Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Buffalo Unit Agreement or relative to the production of oil or gas therefrom.

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SECTION 3: (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

Township 18 South, Range 33 East All Sections 33, 34 and 35

Township 19 South, Range 33 East W/2 Section 1; all Sections 2, 3 and 4; N/2 Section 9; all Sections 10 and 11; W/2 Section 12

containing 6,127.07 acres, more or less (5,470.75 acres being federal lands, and 656.32 acres being state lands).

(b) The unit area may be enlarged or contracted 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 Buffalo Unit Agreement not later than 30 days after the effective date hereof.

SECTION 5: That any party owning rights in the unitized substances in said area who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to or ratifying such agreement or a counterpart thereof. The unit operator shall file with the Commission within 30 days an original, counterpart, or ratification thereof duly executed.

SECTION 6: That this order shall become effective on the first day of the calendar month next following the approval of the unit agreement by the Commissioner of Public Lands, and the Director of the United States Geological Survey, or other proper federal official, and shall terminate ipso facto upon the termination of the agreement. The final 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

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EDWIN L. MECHEM, Chairman

E. S. WALKER, Member R. R. SPURRIER, Secretary and Member

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