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. 3233 Order No. R-2894

APPLICATION OF TIDEWATER OIL COMPANY FOR APPROVAL OF THE BAST EUMONT UNIT AGREEMENT, LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 7, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 21st day of April, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fally advised in the premises,

FIMOS:

- (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, Tidewater Cil Company, seeks approval of the East Eumont Unit Agreement covering 5,535.06 acres, more or less, of State, Federal, and Fee lands described as follows:

LEA COUNTY, NEW MEXICO

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM
SECTION 33: S/2 NE/4, SE/4 NW/4, SE/4,
S/2 SW/4 and NE/4 SW/4

SECTION 34: SW/4 SW/4

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM SECTION 3: Lot 4, 3/2 NW/4 and SW/4 SECTION 4: N/2 and E/2 SE/4

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TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM - Cont'd

SECTION 9: N/2 NE/4

SECTION 10: W/2 and NW/4 NE/4

SECTION 15: W/2

SECTION 16: E/2 E/2 and SW/4 SE/4

SECTION 21: E/2 E/2

SECTION 22: W/2 and S/2 SE/4

SECTION 26: SW/4 NW/4, NW/4 SW/4,

S/2 SW/4, and SW/4 SE/4

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

SECTION 28: E/2 NE/4

SECTION 34: NE/4 NW/4, NW/4 NE/4,

and E/2 NE/4

SECTION 35: E/2, NW/4 and E/2 SW/4

SECTION 36: SW/4 NW/4, NW/4 SW/4 and

S/2 8W/4

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

SECTION 1: W/2 and W/2 E/2

SECTION 2: E/2, E/2 NW/4, and SE/4 SW/4

SECTION 11: NE/4 NE/4

SECTION 12: NW/4 NW/4, E/2 NW/4 and W/2 NE/4

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

- (1) That the East Eumont Unit Agreement is hereby approved.
- (2) That the plan contained in said unit agreement for the development and operation of the unit area 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 Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.
- (3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in

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the event of subsequent joinder by any party or expansion of 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.

- 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; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.
- (5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DOME at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chalrman

Mysen Hay

GUYTON B. HAYS, Marcher

A. L. PORTER, JR., Aumber & Secretary

