

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. 3769
Order No. R-3420

APPLICATION OF TEXAS PACIFIC OIL
COMPANY FOR APPROVAL OF THE SOUTH
LEONARD (QUEEN) UNIT AGREEMENT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of May, 1968, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Texas Pacific Oil Company, seeks
approval of the South Leonard (Queen) Unit Agreement covering
640 acres, more or less, of Federal and Fee lands described as
follows:

LEA COUNTY, NEW MEXICO
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: SE/4 SW/4
Section 23: E/2 NE/4 and NE/4 SE/4
Section 24: W/2, NW/4 NE/4, S/2 NE/4,
and NW/4 SE/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.

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IT IS THEREFORE ORDERED:

(1) That the South Leonard (Queen) 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 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.

(4) That this order shall become effective upon the approval of said unit agreement by 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.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
TEXAS PACIFIC OIL COMPANY FOR)
APPROVAL OF A UNIT AGREEMENT)
COVERING THE SOUTH LEONARD (QUEEN))
UNIT, COMPRISING 640 ACRES, MORE OR) No. _____
LESS, OF FEDERAL AND FEE LAND IN)
TOWNSHIP 26 SOUTH, RANGE 37 EAST,)
N.M.P.M., LEA COUNTY, NEW MEXICO.)
_____)

FILED

30 MAY 7 1968

APPLICATION

COMES NOW Texas Pacific Oil Company, a Division of
Joseph E. Seagram & Sons, Inc., by its attorney, John F.
Russell, and states:

1. It is the operator of the South Leonard (Queen)
Unit, consisting of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 13, the E $\frac{1}{2}$ NE $\frac{1}{4}$ and
NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, and the W $\frac{1}{2}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of
Section 24, all in Township 26 South, Range 37 East, N.M.P.M.,
Lea County, New Mexico.

2. Applicant attaches here to as "Exhibit A" a
copy of the unit agreement for the development and operation
of the South Leonard (Queen) unit, Lea County, New Mexico,
which has been given preliminary approval by the United States
Geological Service.

3. The approval of this unit agreement will enable
the owners of each of the properties to have the opportunity


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to produce his just and equitable share of the oil or gas, or both, in the unit, will protect correlative rights, and prevent waste by premature abandonment of wells.

WHEREFORE, applicant requests the Commission to set this matter down for hearing before an examiner, to publish its notice as provided by law, and, after hearing, to issue its order approving the unit agreement as requested in the application.

Respectfully submitted,


John F. Russell
Attorney for Applicant

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Roswell, New Mexico 88201