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. 3025
Order No. R--2690

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR APPROVAL OF THE LONG
DRAW UNIT AGREEMENT, EDDY COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
April 8, 1964, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this 13th day of April, 1964, 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, Pan American Petroleum Corporation,
seeks approval of the Long Draw Unit Agreement covering 3,514
acres, more or less, of State and Federal lands in Township 20
South, Ranges 23 and 24 East, NMPM, Eddy County, New Mexico.

(3) That approval of the proposed Long Draw Unit Agreement
will in principle tend to promote the conservation of oil and gas
and the prevention of waste.

IT IS THEREFORE ORDERED:

(1) That the Long Draw Unit Agreement is hereby approved.

(2) That the plan under which the unit area shall be oper-
ated shall be embraced in the form of a unit agreement for the
development and operation of the Long Draw Unit Area, and such
plan shall be known as the Long Draw Unit Agreement Plan.

(3)   That the Long Draw Unit Agreement Plan 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 Oil Conservation Commission of New Mexico by law relative to the supervision and control of operations for the exploration and development of any lands committed to the Long Draw Unit, or relative to the production of oil or gas therefrom.

(4)   (a)   That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

EDDY COUNTY, NEW MEXICO

TOWNSHIP 20 SOUTH, RANGE 23 EAST

Section 24:   S/2
Section 25:   All
Section 36:   N/2

TOWNSHIP 20 SOUTH, RANGE 24 EAST

Section 19:   All
Section 20:   W/2
Section 30:   All
Section 31:   All

containing 3,514.52 acres, more or less.

(b)   That the unit area may be enlarged or contracted as provided in said plan; provided, however, that administrative approval for expansion or contraction of the unit area must also be obtained from the Secretary-Director of the Commission.

(5)   That the unit operator shall file with the Commission an executed original or executed counterpart of the Long Draw Unit Agreement within 30 days after the effective date thereof. 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.

(6)   That this order shall become effective upon the approval 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, and shall terminate ipso facto upon the termination of

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said unit agreement. The last unit operator shall notify the Commission immediately in writing of such termination.

(7) 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

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member
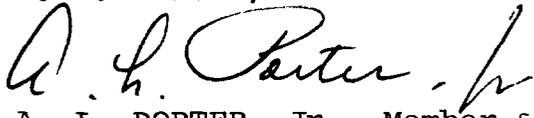
A. L. PORTER, Jr., Member & Secretary

S E A L

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