

**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. 1446
Order No. R-1186**

**THE APPLICATION OF THE TEXAS COMPANY
FOR THE APPROVAL OF ITS COTTON DRAW
UNIT AGREEMENT EMBRACING 35,144 ACRES,
MORE OR LESS, LOCATED IN TOWNSHIP 24
SOUTH, RANGE 31 EAST, TOWNSHIP 24 SOUTH,
RANGE 32 EAST, TOWNSHIP 25 SOUTH, RANGE
31 EAST, AND TOWNSHIP 25 SOUTH, RANGE 32
EAST, NMPM, IN EDDY AND LEA COUNTIES,
NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

**This cause came on for hearing at 9 o'clock a.m. on
May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz,
Examiner duly appointed by the Oil Conservation Commission of
New Mexico, hereinafter referred to as the "Commission," in
accordance with Rule 1214 of the Commission Rules and Regulations.**

**NOW, on this 22nd day of June, 1958, the Commission, a
quorum being present, having considered the application, the
evidence adduced and the recommendations of the Examiner, Elvis
A. Utz, 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 proposed unit plan will in principle tend to
promote the conservation of oil and gas and the prevention of waste.**

IT IS THEREFORE ORDERED:

(1) That this order shall be known as the

COTTON DRAW UNIT AGREEMENT ORDER

**(2) (a) That the project herein referred to shall be
known as the Cotton Draw Unit Agreement and shall hereinafter 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 Cotton Draw Unit Area, referred
to in the Petitioner's petition and filed with said petition, and
such plan shall be known as the Cotton Draw Unit Agreement Plan.**

(3) That the Cotton Draw Unit Agreement Plan 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 shall not be considered as waiving or relinquishing in any manner any right, 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 Cotton Draw Unit Agreement, or relative to the production of oil and gas therefrom.

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

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 24 SOUTH, RANGE 31 EAST

Section 13: All
Section 14: S/2
Sections 23, 24, 25, 26: All
Section 34: E/2
Sections 35 and 36: All

TOWNSHIP 24 SOUTH, RANGE 32 EAST

Sections 7, 8, 9: All
Sections 16, 17, 18, 19, 20, 21: All
Section 27: W/2, SE/4
Sections 28, 29, 30, 31, 32, 33 and 34: All

TOWNSHIP 25 SOUTH, RANGE 31 EAST

Sections 1 and 2: All
Section 3: E/2
Section 10: E/2
Sections 11, 12, 13, 14: All
Section 15: E/2, E/2 W/2
Section 22: E/2, E/2 W/2, SW/4 NW/4,
NW/4 SW/4
Sections 23 and 24: All
Section 25: N/2
Section 26: N/2

TOWNSHIP 25 SOUTH, RANGE 32 EAST

Sections 3, 4, 5, 6, 7, 8, 9, 10: All
Sections 15, 16, 17, 18, 19, 20, 21, 22: All
Section 27: N/2
Section 28: N/2
Section 29: N/2
Section 30: N/2

containing 35,144 acres more or less.

(b) The unit area may be enlarged or contracted as provided in said Plan.

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

(6) 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 counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

(7) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico and shall terminate ipso facto upon 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.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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



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