

EXHIBIT "B"

SCHEDULE

TRACT NO. 1-A (2,360.80 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: NM 0503

Participating Acreage: 480

Percent of Participation: 18.670⁷⁶⁰

Description: N 1/2 and SW 1/4 Section 12, T25S, R31E, N.M.P.M.

TRACT NO. 17-A (1720.00 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061862

Participating Acreage: 800

Percent of Participation: 31.267

Description: SE 1/4 Section 12 and All of Section 13, T25S, R31E, N.M.P.M.

TRACT NO. 18-B (1882.68/ acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061863 A

Participating Acreage: 320.145

Percent of Participation: 12.512

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 7, T25S,
R32E, N.M.P.M.

TRACT NO. 20-B (319.73 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873

Participating Acreage: 319.73

Percent of Participation: 12.496

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4 Section 7, T25S,
R32E, N.M.P.M.

Exhibit "B", Contd.

TRACT NO. 20-A(319.45 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-A

Participating Acreage: 319.45

Percent of Participation: 12.485

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 18, T25S,
R32E.

TRACT NO. 20-C (1759.31 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873-B

Participating Acreage: 319.31

Percent of Participation: 12.480

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4, Section 18, T25S,
R32E, N.M.P.M.

SUMMARY

	<u>Acres</u>	<u>Percent</u>
Total Federal Lands	2558.684	100.00
Other lands	----	----
Sub-total	2558.684	100.00
Uncommitted acreage	----	----
Total Productive Acreage	2558.684	100.00

REVISED

EXHIBIT "B"

SCHEDULE

TRACT NO. 1-A (2,360.80 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: NM 0503

Participating Acreage: 480

Percent of Participation: 18.75996

Description: N 1/2 and SW 1/4 Section 12, T25S, R31E, N.M.P.M.

TRACT NO. 17-A (1720.00 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061862

Participating Acreage: 800

Percent of Participation: 31.26661

Description: SE 1/4 Section 12 and All of Section 13, T25S, R31E, N.M.P.M.

TRACT NO. 18-B (1882.61 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061863 A

Participating Acreage: 320.15

Percent of Participation: 12.51251

Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 7, T25S,
R32E, N.M.P.M.

TRACT NO. 20-B (319.73 acres)

Lessor: U.S.A.

Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2

Serial or Lease Number: LC 061873

Participating Acreage: 319.73

Percent of Participation: 12.49609

Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4 Section 7, T25S,
R32E, N.M.P.M.

Exhibit "B", Contd.

TRACT NO. 20-A (319.45 acres)

Lessor: U.S.A.
Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2
Serial or Lease Number: LC 061873-A
Participating Acreage: 319.45
Percent of Participation: 12.48515
Description: Lots 1 & 2, E 1/2 NW 1/4 and NE 1/4 Section 18, T25S, R32E.

TRACT NO. 20-C (1759.31 acres)

Lessor: U.S.A.
Working Interest Owner: TEXACO Inc. 1/2, Pauley Petroleum Inc. 1/2
Serial or Lease Number: LC 061873-B
Participating Acreage: 319.31
Percent of Participation: 12.47968
Description: Lots 3 & 4, E 1/2 SW 1/4 and SE 1/4, Section 18, T25S, R32E, N.M.P.M.

SUMMARY

	<u>Acres</u>	<u>Percent</u>
Total Federal Lands	2558.64	100.00
Other lands	----	----
Sub-total	2558.64	100.00
Uncommitted acreage	----	----
Total Productive Acreage	2558.64	100.00

1446
MAIN OFFICE OCC

Drawer 1257
Roswell, New Mexico 88201 FEB 10 AM 8:03

February 9, 1966

Texaco Inc.
P. O. Box 3100
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Gentlemen:

Your letter of January 20, 1966, transmits seven copies of revised Exhibits A and B to the Cotton Dew unit agreement, No. 14-06-001-3247, Lea and Eddy Counties, New Mexico.

Copies of the revised exhibits are being distributed to the appropriate Federal offices to be filed with the unit records. All copies surplus to our needs are returned herewith.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

cc:

Washington (w/cy Rev. Ex. A & B)
HLM - Santa Fe (w/cy Rev. Ex. A & B)
Hobbs (w/cy Rev. Ex. A & B)
Gen. of Pub. Lands - Santa Fe (ltr. only)
H.M.O.C.S. - Santa Fe (ltr. only)
Accounts

1740
TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



MAIN OFFICE 000

JAN 27 AM 8 03 P. O. BOX 8109
MIDLAND, TEXAS 79704

January 20, 1966

186150- Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

TO WORKING INTEREST OWNERS:

Following our revision of Exhibits A and B of the captioned Unit, furnished to you by our letter of December 6, 1965, additional corrections were required.

Enclosed please find Exhibits A and B revised as of January 15, 1966. If you have any questions in this regard, please advise.

Yours very truly,

R. T. Maxwell
Division Landman

By T. E. Johnson
T. E. Johnson

TEJ-mr
Encl.

R 31 E

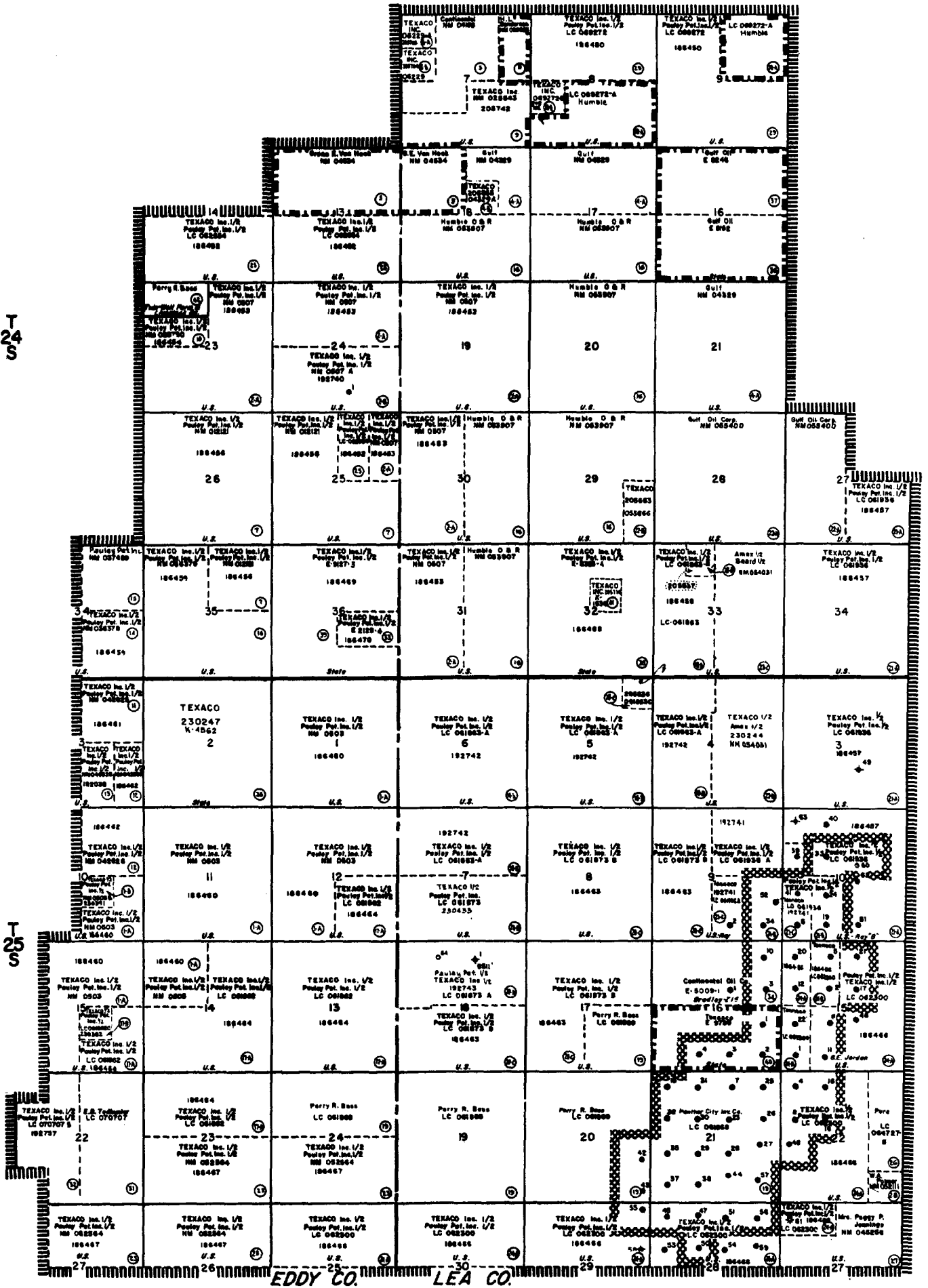
R 32 E

T 24 S

T 24 S

T 25 S

T 25 S



R 31 E

R 32 E

COTTON DRAW UNIT AREA

EDDY & LEA COUNTIES, NEW MEXICO

SCALE 1 MILE

EXHIBIT "A"

LEGEND

UNIT BOUNDARY

NON COMMITTED ACREAGE

THIRTEENTH ENLARGED AREA - EFFECTIVE APR. 1, 1962

EXHIBIT "B"
Revised 1-15-66)
COTTON DRAW UNIT AREA
LEA AND EDDY COUNTIES, NEW MEXICO

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS IN ALL LANDS IN THE UNIT AREA

Tract	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
<u>FEDERAL LAND</u>							
1-A	T-25-S, R-31-E Sec. 1: All Sec. 10: S/2 SE/4, NE/4 SE/4 Sec. 11: All Sec. 12: SW/4, N/2 Sec. 14: NW/4 Sec. 15: NE/4, E/2 NW/4, E/2 SW/4	2,360.80	NM 0503 2-1-50	USA 12½%	Pauley Petroleum Inc. 1/2 Texaco Inc. 1/2	Tom W. Heflin et ux Frieda B. E. Spencer Estate 1% 1%	Texaco 1/2 Pauley
1-B	T-25-S, R-31-E Sec: 10: NW/4 SE/4	40.00	NM 0503-B 2-1-50	USA	Pauley Petroleum Inc.	Tom W. Heflin et ux Frieda B. E. Spencer Estate Reese Cleveland et ux Rozelle B. 1% 1% 3%	Texaco 1/2 Pauley 1/2
2-A	T-24-S, R-31-E Sec. 23: NE/4, S/2 Sec. 24: N/2 Sec. 25: E/2 NE/4 T-24-S, R-32-E Sec. 19: Lots 1, 2, 3, 4, E/2 W/2, E/2 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2 Sec. 31: Lots 1, 2, 3, 4, E/2 W/2	2,235.24	NM 0507 2-1-50	USA 12½%	Texaco Inc. 1/2 Pauley Petroleum Inc. 1/2	Tom W. Heflin et ux Frieda B. E. Spencer Estate 1% 1%	Texaco 1/2 Pauley 1/2

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
2-B	<u>T-24-S, R-31-E</u> Sec. 24: S/2	320.00	NM 0507-A 2-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 1/2 Tom W. Heflin et ux Frieda B. E. Spencer Estate	Texaco Pauley 1/2 1%
3	<u>T-24-S, R-32-E</u> Sec. 7: Lot 3 NE/4 SW/4, W/2 NE/4, E/2 NW/4	245.34	NM 04168 9-1-55	USA 12½%	Continental Oil Company	None	Continental
4-A	<u>T-24-S, R-32-E</u> Sec. 17: N/2 Sec. 18: N/2 NE/4 and SE/4 NE/4 Sec. 21: All	1,080.00	NM 04329 7-1-52	USA 12½%	Gulf Oil Corporation	Neill S. Sergeant-\$1000 per acre out of 3% Erle Payne-\$125 per acre out of 1/2 of 1%	Gulf
4-B	<u>T-24-S, R-32-E</u> Sec. 18: SW/4 NE/4	40.00	NM 04329-A 7-1-52	USA 12½%	Texaco Inc.	Neill S. Sergeant-\$1000 per acre out of 3% Erle Payne-\$125 per acre out of 1/2 of 1%	Texaco
5 (Unq.)	<u>T-24-S, R-31-E</u> Sec. 13: N/2 <u>T-24-S, R-32-E</u> Sec. 18: Lots 1, 2, E/2 NW/4	490.65	NM 04534 5-1-52	USA 12½%	Grace E. Van Hook	None	Grace Van Hook
6-A	<u>T-24-S, R-32-E</u> Sec. 7: Lot 1	45.53	NM 06229-A 1-1-52	USA 12½%	Texaco Inc.	Frank O. Elliott et ux Elizabeth M.G. Livermore et ux Edna M.	Texaco 2½% 2½% 2½%
6-B	<u>T-24-S, R-32-E</u> Sec. 7: Lot 2	45.44	NM 06229 1/1/52	USA 12½%	Texaco Inc.	Frank O. Elliott et ux Elizabeth M. G. Livermore et ux Edna M.	Texaco 2½% 2½%

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
7	<u>T-24-S, R-31-E</u> Sec. 25: <u>W/2, SE/4</u> Sec. 26: <u>All</u> Sec. 35: <u>NE/4</u>	1,280.00	NM 012121 12-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 Clara Loving 1/2 of 1% B. E. Spencer Estate 1% Robert E. Ferguson- 1/4 of 1% J. S. Ward and Son, Inc. 1/4 of 1% C. B. Smith-2% as to NW/4 Section 26 only	Texaco 1/2 Pauley 1/2
8(Unq.)	<u>T-24-S, R-32-E</u> Sec. 7: <u>E/2 NE/4</u>	80.00	NM 025283 5-1-57	USA 12½%	H. L. Sanderson	None	H. L. Sanderson
9	<u>T-24-S, R-32-E</u> Sec. 7: <u>SE/4,</u> Lot 4, <u>SE/4 SW/4</u>	245.25	NM 025543 1-1-58	USA 12½%	Texaco Inc.	Vincent Cuccia et ux Louise 2% George E. Conley 2%	Texaco
10	<u>T-24-S, R-31-E</u> Sec. 23: <u>S/2 NW/4</u>	80.00	NM 025750 2-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc.	1/2 B. E. Spencer Estate 2% 1/2	Pauley 1/2 Texaco 1/2
11	<u>T-25-S, R-31-E</u> Sec. 3: <u>Lots 1, 2,</u> <u>S/2 NE/4</u>	159.38	NM 042625 3-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc.	1/2 None 1/2	Pauley 1/2 Texaco 1/2
12	<u>T-25-S, R-31-E</u> Sec. 3: <u>E/2 SE/4</u> Sec. 10: <u>NE/4</u>	240.00	NM 042626 3-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc.	1/2 None 1/2	Pauley 1/2 Texaco 1/2
13	<u>T-25-S, R-31-E</u> Sec. 3: <u>W/2 SE/4</u>	80.00	NM 046525 6-1-58	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 R. Hal Johnson, Jr. 3% 1/2	Texaco 1/2 Pauley 1/2
14	<u>T-24-S, R-31-E</u> Sec. 34: <u>Lots 3, 4</u> <u>N/2 SE/4</u> Sec. 35: <u>NW/4 Lots</u> <u>1, 2, 3, 4, N/2 S/2</u>	628.68	NM 036379 8-1-57	USA 12½%	Pauley Petroleum Inc. Texaco Inc.	1/2 None 1/2	Pauley 1/2 Texaco 1/2
15	<u>T-24-S, R-31-E</u> Sec. 34: <u>NE/4</u>	160.00	NM 037489 10-1-57	USA 12½%	Pauley Petroleum Inc.	None	Pauley

Tract No.	Description of Land	No. of Acres	Application	Basic Royalty and Percentage		Lessee of Record	Overriding Royalty Owner and Percentage		Working Interest Owner
				centage					
16	T-24-S, R-32-E Sec. 17: S/2 Sec. 18: S/2 Sec. 20: All Sec. 29: N/2, W/2 SE/4, SW/4 Sec. 30: E/2 Sec. 31: E/2	2,491.15	NM 053907 1-1-60	USA 12½%		Humble Oil & Refining Company	J. Penrod Toles-\$715 per acre out of 5%		Humble
17-A	T-25-S, R-31-E Sec. 12: SE/2 Sec. 13 All Sec. 14: NE/4, S/2 Sec. 15: SW/4 SE/4, E/2 SE/4 Sec. 23: N/2	1,720.00	LC 061862 6-1-50	USA 12½%		Texaco Inc. Pauley Petroleum Inc. 1/2	H. L. Arnold J. L. Prude C. L. Cameron B. E. Spencer Estate	1/2% 1% 1/2% 1/2%	Texaco 1/2 Pauley 1/2
17-B	T-25-S, R-31-E Sec. 15: NW/4 SE/4	40.00	LC 061862-C 6-1-50	USA 12½%		Pauley Petroleum Inc.	H. L. Arnold J. L. Prude C. L. Cameron B. E. Spencer Estate W. J. Weaver et ux Marjorie	1/2% 1% 1/2% 1/2% ' 3%	Texaco 1/2 Pauley 1/2
18-A	T-24-S, R-32-E Sec. 33: W/2 W/2 E/2 SW/4, SE/4 NW/4	280.00	LC 061863 6-1-50	USA 12½%		Texaco Inc. Pauley Petroleum Inc. 1/2	B. E. Spencer Estate Marshall Rowley	1% 1%	Texaco 1/2 Pauley 1/2
18-B	T-25-S, R-32-E Sec. 4: W/2 Sec. 5: Lots 2, 3, 4, S/2 N/2, S/2 Sec. 6: All Sec. 7: N/2	1,882.60	LC 061863-A 6-1-50	USA 12½%		Texaco Inc. Pauley Petroleum Inc. 1/2	B. E. Spencer Estate Marshall Rowley	1% 1%	Texaco 1/2 Pauley 1/2
18-C	T-25-S, R-32-E Sec. 5: Lot 1	40.39	LC 061863-C 6-1-50	USA 12½%		Texaco Inc. Pauley Petroleum Inc. 1/2	B. E. Spencer Estate Marshall Rowley Reese Cleveland	1% 1% 1%	Texaco 1/2 Pauley 1/2

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner	
18-D	<u>T-25-S, R-32-E</u> Sec. 33: NE/4 NW/4	40.00	LC 061863-B 6-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 B. E. Spencer Estate Marshall Rowley Reese Cleveland	1% 1% 1%	Texaco Pauley 1/2
19	<u>T-25-S, R-31-E</u> Sec. 24: N/2	2,398.96	LC 061869 1-1-51	USA 12½%	Perry R. Bass	J. A. Fairey H. L. Arnold	3% ½%	Bass
	<u>T-25-S, R-32-E</u> Sec. 17: SE/4 Sec. 19: All Sec. 20: All Sec. 21: All							
20-A	<u>T-25-S R-32-E</u> Sec. 18: Lots 1, 2 E/2 NW/4, NE/4	319.45	LC 061873-A 3-1-51	USA 12½%	Texaco Inc.	Jack B. Shaw et ux Virginia B. E. Spencer Estate	1% 1% 1%	Texaco Pauley 1/2
20-B	<u>T-25-S, R-32-E</u> Sec. 7: Lots 3, 4, E/2 SW/4, SE/4	319.73	LC 061873 3-1-51	USA 12½%	Pauley Petroleum Inc.	Jack B. Shaw et ux Virginia B. E. Spencer Estate	1% 1% 1%	Texaco Pauley 1/2
20-C	<u>T-25-S R-32-E</u> Sec. 8: All Sec. 9: W/2, Sec. 17: N/2, SW/4 Sec. 18: Lots 3, 4, E/2 SW/4, SE/4	1,759.31	LC 061873-B 3-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 Jack B. Shaw et ux Virginia B. E. Spencer Estate	1% 1% 1%	Texaco Pauley 1/2
21-A	<u>T-24-S, R-32-E</u> Sec. 27: SE/4 Sec. 34: All	1,879.14	LC 061936 7-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 Emily Flint Ray et vir G. B.	2%	Texaco Pauley 1/2
	<u>T-25-S, R-32-E</u> Sec. 3: All Sec. 10: E/2, N/2 NW/4, SE/4 NW/4							

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner	
21-B	<u>T-25-S, R-32-E</u> Sec. 9: <u>NE/4, E/2 SE/4</u> Sec. 10: <u>E/2, SW/4, SW/4 NW/4</u>	360.00	LC 061936-A 7-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 1/2	Emily Flint Ray et vir G. B. 2%	Texaco Pauley 1/2
21-C	<u>T-25-S, R-32-E</u> Sec. 9: <u>W/2 SE/4</u> to 4850' Sec. 10: <u>W/2 SW/4</u> to 4845'	160.00	LC 061936-A 7-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 1/2	Emily Flint Ray et vir G. B. Charlotte Woods Runyon Texaco Inc. Pauley Petroleum Inc. 3.125%	Tenneco Oil Co.
22-A	<u>T-24-S, R-32-E</u> Sec. 27: <u>W/2</u> Sec. 28: <u>A11</u>	960.00	NM 055400 8-1-61	USA 12½%	Gulf Oil Corporation	T. B. Shearman-\$500 per acre out of 5%	Gulf	
22-B	<u>T-24-S, R-32-E</u> Sec. 29: <u>E/2 SE/4</u>	80.00	NM 053866 8-1-61	USA 12½%	Texaco Inc.	Peggy E. Baetz et vir Bertrand 3%	Texaco	
22-C	<u>T-24-S, R-32-E</u> Sec. 33: <u>E/2</u>	320.00	NM 054031 4-1-60	USA 12½%	Texaco Inc. Amax Petroleum Corp.	1/2 1/2	Joanne F. Angstman Bruce Anderson 1/2% 3½%	Beard Amax 1/2 1/2
22-D	<u>T-25-S, R-32-E</u> Sec. 4: <u>E/2</u>	319.52	NM 054031 4-1-60	USA 12½%	Texaco Inc. Amax Petroleum Corp.	1/2 1/2	Beard Oil Company 1/2 of 3% less 1/2% Joanne F. Angstman Bruce Anderson 1/2% 3½%	Texaco Amax 1/2 1/2
23	<u>T-25-S, R-31-E</u> Sec. 23: <u>S/2</u> Sec. 24: <u>S/2</u> Sec. 26: <u>N/2</u> Sec. 27: <u>E/2 NW/4, NE/4</u>	1,200.00	NM 052564 3-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 1/2	Clarence M. Gormley et ux Quilla B. E. Spencer Estate 1-1/3% 2/3%	Texaco Pauley 1/2 1/2
24-A	<u>T-25-S, R-31-E</u> Sec. 25: <u>N/2</u>	2,319.82	LC 062300 3-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 1/2	G. E. Jordan et ux Edna B. E. Spencer Estate 1% 1%	Texaco Pauley 1/2 1/2

Tract No.	Description of Land	Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
24-A							
(cont'd)							
T-25-S, R-32-E							
	Sec. 15: E/2, W/2 NW/4, E/2 SW/4						
	Sec. 22: W/2 E/2, W/2						
	Sec. 27: N/2 NW/4						
	Sec. 28: N/2						
	Sec. 29: N/2						
	Sec. 30: Lots 1, 2, E/2 NW/4, NE/4						
24-B							
	T-25-S, R-32-E	160.00	LC 062300	USA	Texaco Inc.	1/2	Tenneco Oil Co.
	Sec. 15: E/2 NW/4 to 4901' W/2 SW/4 to 4855'		3-1-51	12 1/2%	Pauley Petroleum Inc.	1/2	
							B. E. Spencer Estate 1% .459%
							Joe S. Hill & W.W. Meeker .22%
							Adalin Inc. .05%
							H. D. Manning .05%
							Elliott M. Browder .02%
							John L. Beumeler .165%
							Charles R. Grice 3.125%
							Texaco Inc. 3.125%
							Pauley Petroleum Inc. 3.125%
25							
	T-24-S, R-31-E	720.00	LC 062654	USA	Texaco Inc.	1/2	Texaco 1/2
	Sec. 13: S/2		1-1-51	12 1/2%	Pauley Petroleum Inc.	1/2	Pauley 1/2
	Sec. 14: S/2						B. E. Spencer Estate 1%
	Sec. 25: W/2 NE/4						Robert E. Ferguson 1/4%
							J. S. Ward & Son, Inc. 1/4%
26							
	T-25-S, R-32-E	120.00	LC 064727-B	USA	The Pure Oil Company		Pure
	Sec. 22: E/2 NE/4, NE/4, SE/4		4-1-51	12 1/2%			Frank O. Elliott et ux 5%
							Elizabeth Ann
27							
	T-25-S, R-32-E	240.00	NM 045256	USA	Peggy P. Jennings		Peggy P. Jennings
	Sec. 27: N/2 NE/4, S/2 N/2			12 1/2%			Albert Evans, Jr. 7681/14714 of 1-1/2 %
							Island Oil Company 3/4 of 1%
							Porter Brown 7033/14714 of 1-1/2 %
							Charles P. Miller 3/4 of 1%

Tract No.	Description of Land	No. of Acres	Serial and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
28	<u>T-25-S, R-32-E</u> Sec. 22: SE/4 SE/4	40.00	NM 052111	USA 12½%	Walter A. Palmer	None	Walter A. Palmer
29	<u>T-24-S, R-32-E</u> Sec. 8: N/2 Sec. 9: W/2, SE/4	800.00	LC 069272	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	Lloyd E. Lockhart et ux Erin Helen Magruder Kolliker and Fort Worth National Bank of Fort Worth, Texas, Trustee Erle Payne et ux Marg- uerite \$200 per acre out of 1%	Texaco 1/2 Pauley 1/2
30-A (Unq.)	<u>T-24-S, R-32-E</u> Sec. 8: S/2 S/2, N/2 SE/4, NE/4 SW/4 Sec. 9: NE/4	440.00	LC 069272-A 6-1-51	USA 12½%	Mrs. N. Davenport	None	Humble
30-B	<u>T-24-S, R-32-E</u> Sec. 8: NW/4 SW/4	40.00	LC 069272-B 6-1-51	USA 12½%	Texaco Inc.	Lloyd E. Lockhart et ux Erln 3%	Texaco
31	<u>T-25-S, R-31-E</u> Sec. 22: E/2	320.00	LC 070707 8-1-51	USA 12½%	E. B. Todhunter	None	E. B. Todhunter
32	<u>T-25-S, R-31-E</u> Sec. 22: E/2 W/2, SW/4 NW/4, NW/4, SW/4	240.00	LC 070707-B 8-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	E. B. Todhunter-\$1,000 per acre out of 3%	Texaco 1/2 Pauley 1/2

49 Federal Tracts containing 31,866.38 Acres, or 90.668 % of Unit Area.

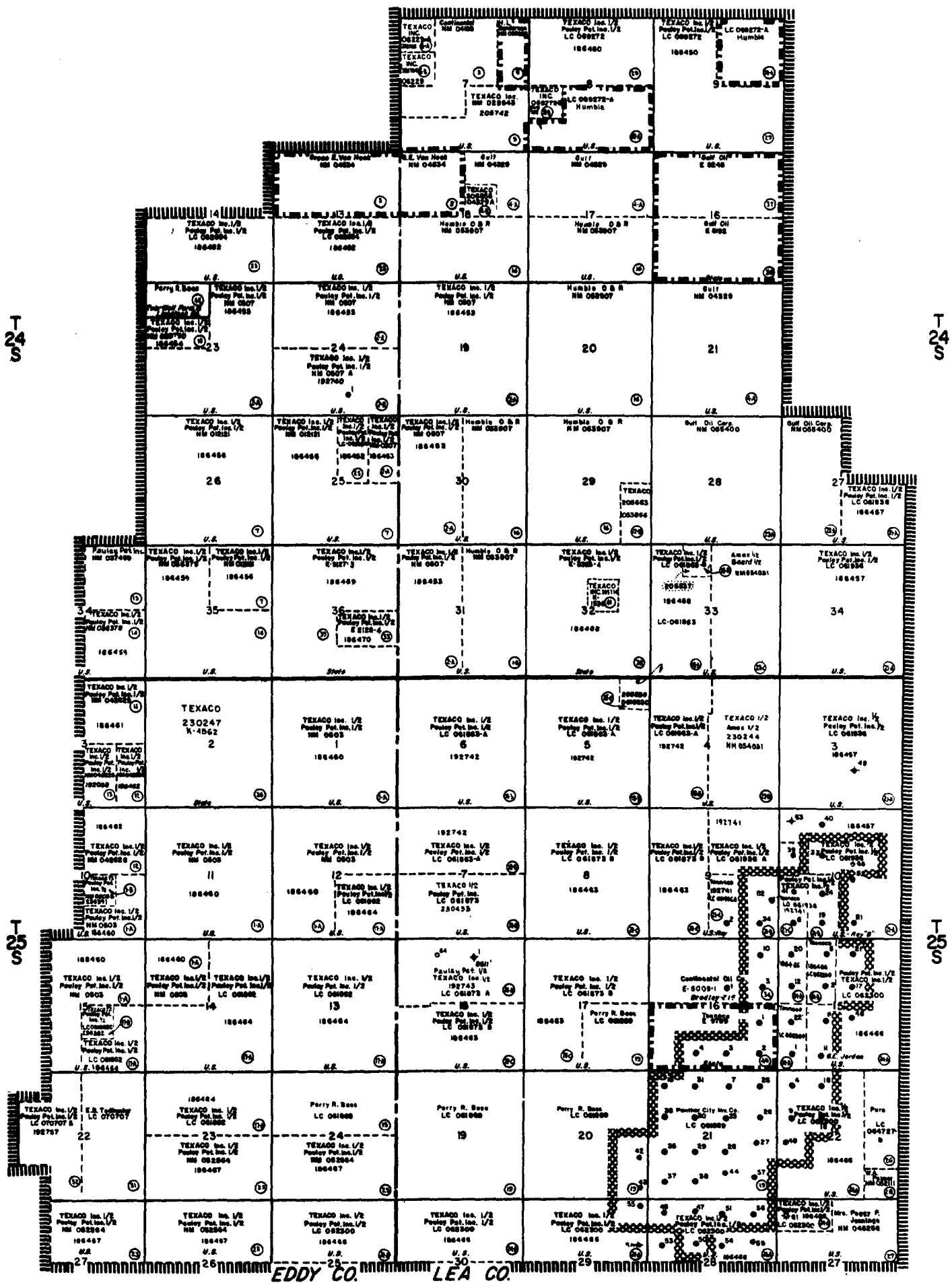
Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
<u>STATE LAND</u>							
33	<u>T-24-S, R-31-E</u> Sec. 36: N/2 SE/4	80.00	E-2129-4 9-10-48	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
34	<u>T-25-S, R-32-E</u> Sec. 16: N/2	320.00	E-5009-1 2-10-51	State 12½%	Continental Oil Company	None	Continental
35	<u>T-25-S, R-31-E</u> Sec. 2: All	639.92	K-4562 11-17-64	State 12½%	Texaco Inc.	None	Texaco
36(uniq.)	<u>T-24-S, R-32-E</u> Sec. 16: S/2	320.00	E-8192 5-18-54	State 12½%	Sunray DX O. I. Company	None	Sunray
37(uniq.)	<u>T-24-S, R-32-E</u> Sec. 16: N/2	320.00	E-8245 6-15-54	State 12½%	Sunray DX Oil Company	None	Sunray
38	<u>T-24-S, R-32-E</u> Sec. 32: W/2, SE/4, N/2 NE/4 SE/4 NE/4	600.00	E-8325-4 7-20-54	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
39	<u>T-24-S, R-31-E</u> Sec. 36: N/2, SW/4, S/2 SE/4	560.00	E-9127-3 6-21-55	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
40(Unq.)	<u>T-25-S, R-32-E</u> Sec. 16: S/2	320.00	E-9789 2-21-56	State 12½%	Tenneco Oil Company	Monsanto Chemical Company	Tenneco 1%
41	<u>T-24-S, R-32-E</u> Sec. 32: SW/4 NE/4	40.00	K-1536 6-20-61	State 12½%	Texaco Inc.	None	Texaco

9 State Tracts containing 3, 199.92 acres, or 9.104% of Unit Area.

Tract No.	Description of Land	No. of Acres	Date of Lease Expiration	Royalty	Lessor of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
FEE LAND							
42	<u>T-24-S, R-31-E</u> Sec. 23; N/2 NW/4	80.00	11-2-61	1/8	Twinwell Farm and Livestock Company	None	Perry F. Bass
1 Fee Tract containing 80.00 Acres, or .228% of Unit Area							
	FEDERAL LAND	49 tracts		31,866.38 acres		90.668% of Unit Area	
	STATE LAND	9 tracts		3,199.92 acres		9.104% of Unit Area	
	FEE LAND	<u>1 tract</u>		<u>80.00 acres</u>		<u>.228% of Unit Area</u>	
	TOTAL	42		35,146.30 acres		100.000%	

R 31 E

R 32 E



R 31 E

R 32 E

COTTON DRAW UNIT AREA EDDY & LEA COUNTIES, NEW MEXICO

SCALE  = 1 MILE

EXHIBIT "A"

LEGEND

 UNIT BOUNDARY

 NON COMMITTED ACREAGE

 THIRTEENTH ENLARGED AREA - EFFECTIVE APR. 1, 1962

EXHIBIT "B"
Revised 1-15-66)
COTTON DRAW UNIT AREA
LEA AND EDDY COUNTIES, NEW MEXICO

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS IN ALL LANDS IN THE UNIT AREA

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
<u>FEDERAL LAND</u>							
1-A	T-25-S, R-31-E Sec. 1: All Sec. 10: S/2 SE/4, NE/4 SE/4 Sec. 11: All Sec. 12: SW/4, N/2 Sec. 14: NW/4 Sec. 15: NE/4, E/2 NW/4, E/2 SW/4	2,360.80	NM 0503 2-1-50	USA 12½%	Pauley Petroleum Inc. 1/2 Texaco Inc. 1/2	Tom W. Heflin et ux Frieda B. E. Spencer Estate 1%	Texaco 1/2 Pauley
1-B	T-25-S, R-31-E Sec. 10: NW/4 SE/4	40.00	NM 0503-B 2-1-50	USA	Pauley Petroleum Inc.	Tom W. Heflin et ux Frieda B. E. Spencer Estate Reese Cleveland et ux Rozelle B. 1% 1% 3%	Texaco 1/2 Pauley 1/2
2-A	T-24-S, R-31-E Sec. 23: NE/4, S/2 Sec. 24: N/2 Sec. 25: E/2 NE/4 T-24-S, R-32-E Sec. 19: Lots 1, 2, 3, 4, E/2 W/2, E/2 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2 Sec. 31: Lots 1, 2, 3, 4, E/2 W/2	2,235.24	NM 0507 2-1-50	USA 12½%	Texaco Inc. 1/2 Pauley Petroleum Inc. 1/2	Tom W. Heflin et ux Frieda B. E. Spencer Estate 1% 1%	Texaco 1/2 Pauley 1/2

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
2-B	<u>T-24-S, R-31-E</u> <u>Sec. 24: S/2</u>	320.00	NM 0507-A 2-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	1/2 Tom W. Hefflin et ux Frieda B. E. Spencer Estate	Texaco Pauley 1/2 1%
3	<u>T-24-S, R-32-E</u> <u>Sec. 7: Lot 3</u> NE/4 SW/4, W/2 NE/4, E/2 NW/4	245.34	NM 04168 9-1-55	USA 12½%	Continental Oil Company	None	Continental
4-A	<u>T-24-S, R-32-E</u> <u>Sec. 17: N/2</u> Sec. 18: N/2 NE/4 and SE/4 NE/4 Sec. 21: A11	1,080.00	NM 04329 7-1-52	USA 12½%	Gulf Oil Corporation	Nell S. Sergeant-\$1000 per acre out of 3% Erle Payne-\$125 per acre out of 1/2 of 1%	Gulf
4-B	<u>T-24-S, R-32-E</u> <u>Sec. 18: SW/4 NE/4</u>	40.00	NM 04329-A 7-1-52	USA 12½%	Texaco Inc.	Nell S. Sergeant-\$1000 per acre out of 3% Erle Payne-\$125 per acre out of 1/2 of 1%	Texaco
5 (Unq.)	<u>T-24-S, R-31-E</u> <u>Sec. 13: N/2</u> <u>T-24-S, R-32-E</u> <u>Sec. 18: Lots 1, 2,</u> <u>E/2 NW/4</u>	490.65	NM 04534 5-1-52	USA 12½%	Grace E. Van Hook	None	Grace Van Hook
6-A	<u>T-24-S, R-32-E</u> <u>Sec. 7: Lot 1</u>	45.53	NM 06229-A 1-1-52	USA 12½%	Texaco Inc.	Frank O. Elliott et ux Elizabeth M.G. Livermore et ux Edna M.	Texaco 2½% 2½%
6-B	<u>T-24-S, R-32-E</u> <u>Sec. 7: Lot 2</u>	45.44	NM 06229 1/1/52	USA 12½%	Texaco Inc.	Frank O. Elliott et ux Elizabeth M. G. Livermore et ux Edna M.	Texaco 2½% 2½%

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
7	<u>T-24-S, R-31-E</u> Sec. 25: <u>W/2, SE/4</u> Sec. 26: All Sec. 35: <u>NE/4</u>	1,280.00	NM 012121 12-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	Clara Loving 1/2 of 1% B. E. Spencer Estate 1% Robert E. Ferguson- 1/4 of 1% J. S. Ward and Son, Inc. 1/4 of 1% C. B. Smith-2% as to NW/4 Section 26 only	Texaco 1/2 Pauley 1/2
8 (Unq.)	<u>T-24-S, R-32-E</u> Sec. 7: <u>E/2 NE/4</u>	80.00	NM 025283 5-1-57	USA 12½%	H. L. Sanderson	None	H. L. Sanderson
9	<u>T-24-S, R-32-E</u> Sec. 7: <u>SE/4,</u> Lot 4, <u>SE/4 SW/4</u>	245.25	NM 025543 1-1-58	USA 12½%	Texaco Inc.	Vincent Cuccia et ux Louise 2% George E. Conley 2%	Texaco
10	<u>T-24-S, R-31-E</u> Sec. 23: <u>S/2 NW/4</u>	80.00	NM 025750 2-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc. 1/2	B. E. Spencer Estate 2%	Pauley 1/2 Texaco 1/2
11	<u>T-25-S, R-31-E</u> Sec. 3: Lots 1, 2, <u>S/2 NE/4</u>	159.38	NM 042625 3-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc. 1/2	None	Pauley 1/2 Texaco 1/2
12	<u>T-25-S, R-31-E</u> Sec. 3: <u>E/2 SE/4</u> Sec. 10: <u>NE/4</u>	240.00	NM 042626 3-1-58	USA 12½%	Pauley Petroleum Inc. Texaco Inc. 1/2	None	Pauley 1/2 Texaco 1/2
13	<u>T-25-S, R-31-E</u> Sec. 3: <u>W/2 SE/4</u>	80.00	NM 046525 6-1-58	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	R. Hal Johnson, Jr. 3%	Texaco 1/2 Pauley 1/2
14	<u>T-24-S, R-31-E</u> Sec. 34: Lots 3, 4 <u>N/2 SE/4</u> Sec. 35: <u>NW/4</u> Lots 1, 2, 3, 4, <u>N/2 S/2</u>	628.68	NM 036379 8-1-57	USA 12½%	Pauley Petroleum Inc. Texaco Inc. 1/2	None	Pauley 1/2 Texaco 1/2
15	<u>T-24-S, R-31-E</u> Sec. 34: <u>NE/4</u>	160.00	NM 037489 10-1-57	USA 12½%	Pauley Petroleum Inc.	None	Pauley

Tract No.	Description of Land	No. of Acres	Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
16	T-24-S, R-32-E Sec. 17: S/2 Sec. 18: S/2 Sec. 20: A11 Sec. 29: N/2, W/2 SE/4, SW/4 Sec. 30: E/2 Sec. 31: E/2	2,491.15	NM 053907 1-1-60	USA 12½%	Humble Oil & Refining Company	J. Penrod Toles-\$715 per acre out of 5%	Humble
17-A	T-25-S, R-31-E Sec. 12: SE/2 Sec. 13 A11 Sec. 14: NE/4, S/2 Sec. 15: SW/4 SE/4, E/2 SE/4 Sec. 23: N/2	1,720.00	LC 061862 6-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	H. L. Arnold J. L. Prude C. L. Cameron B. E. Spencer Estate	Texaco 1/2 Pauley 1/2
17-B	T-25-S, R-31-E Sec. 15: NW/4 SE/4	40.00	LC 061862-C 6-1-50	USA 12½%	Pauley Petroleum Inc.	H. L. Arnold J. L. Prude C. L. Cameron B. E. Spencer Estate W. J. Weaver et ux Marjorie	Texaco 1/2 Pauley 1/2
18-A	T-24-S, R-32-E Sec. 33: W/2 W/2 E/2 SW/4, SE/4 NW/4	280.00	LC 061863 6-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	B. E. Spencer Estate Marshall Rowley	Texaco 1/2 Pauley 1/2
18-B	T-25-S, R-32-E Sec. 4: W/2 Sec. 5: Lots 2, 3, 4, S/2 N/2, S/2 Sec. 6: A11 Sec. 7: N/2	1,882.60	LC 061864-A 6-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	B. E. Spencer Estate Marshall Rowley	Texaco 1/2 Pauley 1/2
18-C	T-25-S, R-32-E Sec. 5: Lot 1	40.39	LC 061863-C 6-1-50	USA 12½%	Texaco Inc. Pauley Petroleum Inc.	B. E. Spencer Estate Marshall Rowley Reese Cleveland	Texaco 1/2 Pauley 1/2

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
18-D	<u>T-25-S, R-32-E</u> Sec. 33: <u>NE/4 NW/4</u>	40.00	LC 061863-B 6-1-50	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	1/2 B. E. Spencer Estate 1/2 Marshall Rowley 1% Reese Cleveland	Texaco 1/2 Pauley 1/2
19	<u>T-25-S, R-31-E</u> Sec. 24: <u>N/2</u>	2,398.96	LC 061869 1-1-51	USA 12 $\frac{1}{2}$ %	Perry R. Bass	J. A. Fahey H. L. Arnold	3% Bass $\frac{1}{2}$ %
	<u>T-25-S, R-32-E</u> Sec. 17: <u>SE/4</u> Sec. 19: <u>All</u> Sec. 20: <u>All</u> Sec. 21: <u>All</u>						
20-A	<u>T-25-S R-32-E</u> Sec. 18: <u>Lots 1, 2</u> <u>E/2 NW/4, NE/4</u>	319.45	LC 061873-A 3-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc.	Jack B. Shaw et ux Virginia B. E. Spencer Estate	Texaco 1/2 Pauley 1/2
20-B	<u>T-25-S, R-32-E</u> Sec. 7: <u>Lots 3, 4,</u> <u>E/2 SW/4, SE/4</u>	319.73	LC 061873 3-1-51	USA 12 $\frac{1}{2}$ %	Pauley Petroleum Inc.	Jack B. Shaw et ux Virginia B. E. Spencer Estate	Texaco 1/2 Pauley 1/2
20-C	<u>T-25-S R-32-E</u> Sec. 8: <u>All</u> Sec. 9: <u>W/2,</u> Sec. 17: <u>N/2, SW/4</u> Sec. 18: <u>Lots 3, 4,</u> <u>E/2 SW/4, SE/4</u>	1,759.31	LC 061873-B 3-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	1/2 Jack B. Shaw et ux 1/2 Virginia B. E. Spencer Estate	Texaco 1/2 Pauley 1/2
21-A	<u>T-24-S, R-32-E</u> Sec. 27: <u>SE/4</u> Sec. 34: <u>All</u>	1,879.14	LC 061936 7-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	1/2 Emily Flint Ray 1/2 et vir G. B.	Texaco 1/2 Pauley 1/2
	<u>T-25-S, R-32-E</u> Sec. 3: <u>All</u> Sec. 10: <u>E/2, N/2</u> <u>NW/4, SE/4 NW/4</u>						

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
21-B	T-25-S, R-32-E Sec. 9: NE/4, E/2 SE/4 Sec. 10: E/2 SW/4, SW/4 NW/4	360.00	LC 061936-A 7-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	Emily Flint Ray et vir G. B.	Texaco Pauley 1/2 1/2
21-C	T-25-S, R-32-E Sec. 9: W/2 SE/4 to 4850' Sec. 10: W/2 SW/4 to 4845'	160.00	LC 061936-A 7-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	Emily Flint Ray et vir G. B. Charlotte Woods Runyon Texaco Inc. Pauley Petroleum Inc.	Tenneco Oil Co. 3.125%
22-A	T-24-S, R-32-E Sec. 27: W/2 Sec. 28: All	960.00	NM 055400 8-1-61	USA 12 $\frac{1}{2}$ %	Gulf Oil Corporation	T. B. Shearman-\$500 per acre out of 5%	Gulf
22-B	T-24-S, R-32-E Sec. 29: E/2 SE/4	80.00	NM 053866 8-1-61	USA 12 $\frac{1}{2}$ %	Texaco Inc.	Peggy E. Baetz et vir Bertrand	Texaco 3%
22-C	T-24-S, R-32-E Sec. 33: E/2	320.00	NM 054031 4-1-60	USA 12 $\frac{1}{2}$ %	Texaco Inc. Amax Petroleum Corp.	Joanne F. Angstman Bruce Anderson	Beard Amax 1/2 1/2
22-D	T-25-S, R-32-E Sec. 4: E/2	319.52	NM 054031 4-1-60	USA 12 $\frac{1}{2}$ %	Texaco Inc. Amax Petroleum Corp.	Beard Oil Company 1/2 of 3% less 1/2% Joanne F. Angstman Bruce Anderson	Texaco Amax 1/2 1/2
23	T-25-S, R-31-E Sec. 23: S/2 Sec. 24: S/2 Sec. 26: N/2 Sec. 27: E/2 NW/4, NE/4	1,200.00	NM 052564 3-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	Clarence M. Gornley et ux Quilla B. E. Spencer Estate	Texaco Pauley 1/2 1/2
24-A	T-25-S, R-31-E Sec. 25: N/2	2,319.82	LC 062300 3-1-51	USA 12 $\frac{1}{2}$ %	Texaco Inc. Pauley Petroleum Inc.	G. E. Jordan et ux Edna B. E. Spencer Estate	Texaco Pauley 1/2 1/2

Tract No.	Description of Land	Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
24-A							
(cont'd)							
T-25-S, R-32-E							
	Sec. 15: E/2, W/2 NW/4, E/2 SW/4						
	Sec. 22: W/2 E/2, W/2						
	Sec. 27: N/2 NW/4						
	Sec. 28: N/2						
	Sec. 29: N/2						
	Sec. 30: Lots 1, 2, E/2 NW/4, NE/4						
24-B							
T-25-S, R-32-E							
	Sec. 15: E/2 NW/4 to 4901' W/2 SW/4 to 4855'	160.00	LC 062300	USA	Texaco Inc.	1/2 B. E. Spencer Estate Joe S. Hill & W.W. Meeker Adalin Inc. H. D. Manning Elliott M. Browder John L. Beumeler Charles R. Grice Texaco Inc. Pauley Petroleum Inc.	Tenneco Oil Co. 1% .459% .22% .05% .05% .02% .165% 3.125% 3.125%
			3-1-51	12½%	Pauley Petroleum Inc.	1/2	
25							
T-24-S, R-31-E							
	Sec. 13: S/2	720.00	LC 062654	USA	Texaco Inc.	1/2 R. H. Hayes et ux Cathryn	Texaco 1/2
	Sec. 14: S/2			12½%	Pauley Petroleum Inc.	1/2 B. E. Spencer Estate Robert E. Ferguson J. S. Ward & Son, Inc.	Pauley 1/2 1% 1/4% 1/4%
26							
T-25-S, R-32-E							
	Sec. 22: E/2 NE/4, NE/4, SE/4	120.00	LC 064727-B	USA	The Pure Oil Company	Frank O. Elliott et ux Elizabeth Ann	Pure 5%
27							
T-25-S, R-32-E							
	Sec. 27: N/2 NE/4, S/2 N/2	240.00	NM 045256	USA	Peggy P. Jennings	Albert Evans, Jr. 7681/14714 of 1-1/2 % Island Oil Company 3/4 of 1% Porter Brown 7033/14714 of 1-1/2 % Charles P. Miller 3/4 of 1%	Peggy P. Jennings

Tract No.	Description of Land	No. of Acres	Serial and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
28	<u>T-25-S, R-32-E</u> Sec. 22: <u>SE/4 SE/4</u>	40.00	NM 052111	USA 12½%	Walter A. Palmer	None	Walter A. Palmer
29	<u>T-24-S, R-32-E</u> Sec. 8: <u>N/2</u> Sec. 9: <u>W/2, SE/4</u>	800.00	LC 069272 6-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	Lloyd E. Lockhart et ux Erin Helen Magruder Kolliker and Fort Worth National Bank of Fort Worth, Texas, Trustee Erle Payne et ux Marg- uerite \$200 per acre out of 1%	Texaco 1/2 Pauley 1/2
30-A (Unq.)	<u>T-24-S, R-32-E</u> Sec. 8: <u>S/2 S/2,</u> <u>N/2 SE/4, NE/4 SW/4</u> Sec. 9: <u>NE/4</u>	440.00	LC 069272-A 6-1-51	USA 12½%	Mrs. N. Davenport	None	Humble
30-B	<u>T-24-S, R-32-E</u> Sec. 8: <u>NW/4 SW/4</u>	40.00	LC 069272-B 6-1-51	USA 12½%	Texaco Inc.	Lloyd E. Lockhart et ux Erin 3%	Texaco
31	<u>T-25-S, R-31-E</u> Sec. 22: <u>E/2</u>	320.00	LC 070707 8-1-51	USA 12½%	E. B. Todhunter	None	E. B. Todhunter
32	<u>T-25-S, R-31-E</u> Sec. 22: <u>E/2 W/2,</u> <u>SW/4 NW/4, NW/4, SW/4</u>	240.00	LC 070707-B 8-1-51	USA 12½%	Texaco Inc. Pauley Petroleum Inc. 1/2	E. B. Todhunter-\$1,000 per acre out of 3%	Texaco 1/2 Pauley 1/2

49 Federal Tracts containing 31,866.38 Acres, or 90.668 % of Unit Area.

Tract No.	Description of Land	No. of Acres	Serial No. and Date of Lease or Application	Basic Royalty and Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
<u>STATE LAND</u>							
33	<u>T-24-S, R-31-E</u> Sec. 36: N/2 SE/4	80.00	E-2129-4 9-10-48	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
34	<u>T-25-S, R-32-E</u> Sec. 16: N/2	320.00	E-5009-1 2-10-51	State 12½%	Continental Oil Company	None	Continental
35	<u>T-25-S, R-31-E</u> Sec. 2: All	639.92	K-4562 11-17-64	State 12½%	Texaco Inc.	None	Texaco
36 (unq.)	<u>T-24-S, R-32-E</u> Sec. 16: S/2	320.00	E-8192 5-18-54	State 12½%	Sunray DX Oil Company	None	Sunray
37 (unq.)	<u>T-24-S, R-32-E</u> Sec. 16: N/2	320.00	E-8245 6-15-54	State 12½%	Sunray DX Oil Company	None	Sunray
38	<u>T-24-S, R-32-E</u> Sec. 32: W/2, SE/4, N/2 NE/4 SE/4 NE/4	600.00	E-8325-4 7-20-54	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
39	<u>T-24-S, R-31-E</u> Sec. 36: N/2, SW/4, S/2 SE/4	560.00	E-9127-3 6-21-55	State 12½%	Texaco Inc. Pauley Petroleum Inc.	None	Texaco 1/2 Pauley 1/2
40 (unq.)	<u>T-25-S, R-32-E</u> Sec. 16: S/2	320.00	E-9789 2-21-56	State 12½%	Tenneco Oil Company	Monsanto Chemical Company	Tenneco 1%
41	<u>T-24-S, R-32-E</u> Sec. 32: SW/4 NE/4	40.00	K-1536 6-20-61	State 12½%	Texaco Inc.	None	Texaco

9 State Tracts containing 3, 199.92 acres, or 9.104% of Unit Area.

Tract No.	Description of Land	No. of Acres	Date of Lease Expiration	Royalty	Lessor of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
FEE LAND							
42	T-24-S, R-31-E Sec. 23; N/2 NW/4	80.00	11-2-61	1/8	Twinnell Farm and Livestock Company	None	Perry R. Bass
1 Fee Tract containing 80.00 Acres, or .228% of Unit Area							
	FEDERAL LAND	49 tracts		31,866.38 acres			90.668% of Unit Area
	STATE LAND	9 tracts		3,199.92 acres			9.104% of Unit Area
	FEE LAND	<u>1 tract</u>		<u>80.00 acres</u>			<u>.228% of Unit Area</u>
	TOTAL	42		35,146.30 acres			100.000%



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:
DEC 15 1965

December 13, 1965

1446

Texaco Inc.
P. O. Box 3109
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Gentlemen:

Your letter of December 6, 1965, transmits seven copies of revised Exhibits A and B to the Cotton Draw unit agreement No. 14-08-001-5247, Lea and Eddy Counties, New Mexico.

Copies of the revised exhibits are being distributed to the appropriate Federal offices to be filed with the unit records. All copies surplus to our needs are returned herewith.

Sincerely yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

cc:
Washington (w/cy Rev. Exs. A & B)
BLM, Santa Fe (w/cy Rev. Exs. A & B)
Hobbs (w/cy Exs. A & B-Rev.)
Com. of Pub. Lands, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only)✓
Accounts

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



1446
P. O. BOX 3109
MIDLAND, TEXAS 79704

December 6, 1965

186150- Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

TO WORKING INTEREST OWNERS:

Enclosed please find revised copies of Exhibits A and B of the captioned Unit reflecting the commitment of Tracts 15, 35 and 41, effective October 1, 1965. You have previously received copies of United States Geological Survey and State of New Mexico approval for such additional tracts.

Yours very truly,

R. T. Maxwell
Division Landman

By J. E. Johnson
T. E. Johnson

TEJ-mr
Encl.

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS 79704

December 6, 1965

186150- Cotton Draw Unit
Lea and Eddy Counties,
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TO WORKING INTEREST OWNERS:

Enclosed please find revised copies of Exhibits A and B of the captioned Unit reflecting the commitment of Tracts 15, 35 and 41, effective October 1, 1965. You have previously received copies of United States Geological Survey and State of New Mexico approval for such additional tracts.

Yours very truly,

R. T. Maxwell
Division Landman

By J. E. Johnson
T. E. Johnson

TEJ-mr
Encl.

EXHIBIT "B"
COTTON DRAW UNIT AREA
TOWNSHIPS 24 and 25 SOUTH, RANGES 31 and 32 EAST, LEA AND EDDY COUNTIES, NEW MEXICO

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS IN ALL LANDS IN THE UNIT AREA

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
<u>FEDERAL LAND</u>							
1	T-25-S, R-31-E Sec. 1: All Sec. 10: SE/4 Sec. 11: All Sec. 12: SW/4, N/2 Sec. 14: NW/4 Sec. 15: NE/4, E/2 NW/4, E/2 SW/4	2400.80	NM 0503 2-1-50	USA 12 1/2%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Tom W. Hefflin et ux Frieda Ballard E. Spencer Trust, Inc.	The Texas Company - 1/2 R. L. Harrison- 1/4 Edwin W. Pauley - 1/4
2	T-24-S, R-31-E Sec. 23: NE/4, S/2 Sec. 24: All Sec. 25: E/2 NE/4	2555.24	NM 0507 2-1-50	USA 12 1/2%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Tom W. Hefflin et ux Frieda Ballard E. Spencer Trust, Inc.	R. L. Harrison- 1/2 Edwin W. Pauley - 1/2
3	T-24-S, R-32-E Sec. 19: Lots 1, 2, 3, 4, E/2 W/2, E/2 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2 Sec. 31: Lots 1, 2, 3, 4, E/2 W/2	245.34	NM 04168 9-1-55	USA 12 1/2%	Mrs. Margaret A. Andrews	Margaret A. Andrews et vir R. K. -\$1000.00 per acre out of 3%	Continental Oil Company

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
4	T-24-S, R-32-E Sec. 17: N/2 Sec. 18: NE/4 Sec. 21: All	1120.00	NM 04329 7-1-52	USA 12 $\frac{1}{2}$ %	G. W. Littlefield	Neil S. Sergeant-\$1000.00 per acre out of 3% Erle Payne-\$125.00 per acre out of 1/2 of 1%	G. W. Littlefield
5	T-24-S, R-31-E Sec. 13: N/2 T-24-S, R-32-E Sec. 16: Lots 1, 2, E/2 NW/4	490.65	NM 04534 5-1-52	USA 12 $\frac{1}{2}$ %	Grace E. Van Hook	None	Grace E. Van Hook
6	T-24-S, R-32-E Sec. 7: Lots 1, 2	90.97	NM 06229 1-1-52	USA 12 $\frac{1}{2}$ %	M. G. Livermore -1/4 Frank O. Elliott-3/4	None	M. G. Livermore - 1/4 Frank O. Elliott - 3/4
7	T-24-S, R-31-E Sec. 25: W/2, SE/4 Sec. 26: All Sec. 35: NE/4	1280.00	NM 012121 12-1-50	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Clara Loving -1/2 of 1% Ballard E. Spencer - 1% Trust, Inc. Robert E. Ferguson J. S. Ward & Son, Inc C. B. Smith - 2% as to NW/4 Sec. 26 only	R. L. Harrison Edwin W. Pauley
8	T-24-S, R-32-E Sec. 7: E/2 NE/4	80.00	NM 025283 5-1-57	USA 12 $\frac{1}{2}$ %	H. L. Sanderson	None	H. L. Sanderson
9	T-24-S, R-32-E Sec. 7: SE/4, S/2 SW/4	245.25	NM 025543 1-1-58	USA 12 $\frac{1}{2}$ %	Vincent Cuccia -1/2 George E. Conley-1/2	None	Vincent Cuccia George E. Conley

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
10	T-24-S, R-31-E Sec. 23: S/2 NW/4	80.00	NM 025750 2-1-58	USA 12 1/2%	J. M. Garfinkel	None	J. M. Garfinkel
11	T-25-S, R-31-E Sec. 3: Lots 1, 2, S/2 NE/4	159.38	NM 042625 3-1-58	USA 12 1/2%	W. R. Pagen	None	W. R. Pagen - 1/2 The Texas Company - 1/2
12	T-25-S, R-31-E Sec. 3: E/2 SE/4 Sec. 10: NE/4	240.00	NM 042626 3-1-58	USA 12 1/2%	W. R. Pagen	None	W. R. Pagen - 1/2 The Texas Company - 1/2
13	T-25-S, R-31-E Sec. 3: W/2 SE/4	80.00	NM 046525 2-1-58	USA 12 1/2%	R. Hal Johnson, Jr.	None	R. Hal Johnson, Jr.
14	T-24-S, R-31-E Sec. 34: Lots 3, 4, N/2 SE/4 Sec. 35: NW/4, Lots 1, 2, 3, 4, N/2 S/2	628.68	NM 036379 8-1-57	USA 12 1/2%	R. J. Kerr	None	R. J. Kerr
15	T-24-S, R-31-E Sec. 34: NE/4	160.00	NM 037489 10-1-57	USA 12 1/2%	Pauley Petroleum Inc.	None	Pauley Petroleum Inc
16	T-24-S, R-32-E Sec. 17: S/2 Sec. 18: S/2 Sec. 20: A11 Sec. 29: N/2, W/2 SE/4, SW/4 Sec. 30: E/2 Sec. 31: E/2	2491.15	LC 061637 10-1-48	USA 12 1/2%	R. L. Harrison -1/4 Edwin W. Pauley -1/4 The Texas Co. -1/2	J. A. Falrey - 3% Erle Payne - 1%	R. L. Harrison - 1/4 Edwin W. Pauley - 1/4 The Texas Company - 1/2

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner #
17	T-25-S, R-31-E Sec. 12: SE/4 Sec. 13: A11 Sec. 14: NE/4, S/2 Sec. 15: SE/4 Sec. 23: N/2	1760.00	LC 061862 6-1-50	USA 12 1/2%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	H. L. Arnold J. L. Prude C. L. Cameron Ballard E. Spencer Trust, Inc.	R. L. Harrison Edwin W. Pauley The Texas Company - 1/4 - 1/4 - 1/2
18	T-24-S, R-32-E Sec. 33: W/2	320.00	LC 061863 6-1-50	USA 12 1/2%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Ballard E. Spencer Trust, Inc. Marshall Rowley	R. L. Harrison Edwin W. Pauley -1% -1%
	T-25-S, R-32-E Sec. 4: W/2 Sec. 5: A11 Sec. 6: A11 Sec. 7: N/2	1922.99	LC 061863 6-1-50	USA 12 1/2%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Ballard E. Spencer Trust, Inc. Marshall Rowley	R. L. Harrison Edwin W. Pauley The Texas Company - 1/4 - 1/4 - 1/2
19	T-25-S, R-31-E Sec. 24: N/2	2398.96	LC 061869 1-1-51	USA 12 1/2%	Eugene H. Perry	J. A. Fairley H. L. Arnold	Sid W. Richardson & Perry R. Bass -3% -1/2%
	T-25-S, R-32-E Sec. 17: SE/4 Sec. 19: A11 Sec. 20: A11 Sec. 21: A11						
20	T-25-S, R-32-E Sec. 18: Lots 1, 2, E/2 NW/4, NE/4	319.45	LC 061873-A 3-1-51	USA 12 1/2%	The Texas Company	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	The Texas Company -1% -1%

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
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21	T-25-S, R-32-E Sec. 7: Lots 3, 4, E/2 SW/4, SE/4	319.73	LC 061873	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	-1%	R. L. Harrison Edwin W. Pauley
21	T-24-S, R-32-E Sec. 27: SE/4 Sec. 34: A11	1879.14	LC 061936	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	-1%	R. L. Harrison Edwin W. Pauley
22	T-25-S, R-32-E Sec. 3: A11 Sec. 10: E/2, N/2 NW/4, SE/4 NW/4	520.00	LC 061936	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Emily Flint Ray et vir G. B.	-2%	R. L. Harrison -1/4 Edwin W. Pauley The Texas Co. -1/2
22	T-24-S, R-32-E Sec. 27: W/2 Sec. 28: A11 Sec. 29: E/2 SE/4 Sec. 33: E/2	1359.20	LC 062000	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Ballard E. Spencer Trust, Inc.	-2%	R. L. Harrison Edwin W. Pauley
	T-25-S, R-32-E Sec. 4: E/2	320.32	LC 062000	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Ballard E. Spencer Trust, Inc.	-2%	R. L. Harrison -1/4 Edwin W. Pauley -1/4 The Texas Co. -1/2

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
23	T-25-S, R-31-E Sec. 23: S/2 Sec. 24: S/2 Sec. 26: N/2 Sec. 27: E/2 NW/4, NE/4	1200.00	LC 062140 3-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley -1/2	Clarence M. Gormley et ux Quilla Ballard E. Spencer Trust, Inc. -1-1/3% -2/3%	R. L. Harrison Edwin W. Pauley The Texas Company -1/4 -1/4 -1/2
24	T-25-S, R-31-E Sec. 25: N/2	2479.82	LC 062300 3-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley -1/2	G. E. Jordan et ux Edna Ballard E. Spencer Trust, Inc. -1% -1%	R. L. Harrison Edwin W. Pauley The Texas Company -1/4 -1/4 -1/2
	T-25-S, R-32-E Sec. 15: All Sec. 22: W/2 E/2, W/2 Sec. 27: N/2 NW/4 Sec. 28: N/2 Sec. 29: N/2 Sec. 30: Lots 1, 2, E/2 NW/4, NE/4						
25	T-24-S, R-31-E Sec. 13: S/2 Sec. 14: S/2 Sec. 25: W/2 NE/4	720.00	LC 062654 1-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley -1/2	R. H. Hayes et ux Cathryn Ballard E. Spencer Trust, Inc. Robert E. Ferguson J. S. Ward & Son, Inc. -1/2% -1% -1/4% -1/4%	R. L. Harrison Edwin W. Pauley -1/2 -1/2
26	T-25-S, R-32-E Sec. 22: E/2 NE/4, NE/4 SE/4	120.00	LC 064727 4-1-51	USA 12 $\frac{1}{2}$ %	Ora R. Hall, Jr.	None	Ora R. Hall, Jr.

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centages	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
27	T-25-S, R-32-E Sec. 27: N/2 NE/4, S/2 N/2	240.00	NM 045256 (Application filed 4-15-58)	USA 12 $\frac{1}{2}$ %	Mrs. Peggy P. Jennings	None	Mrs. Peggy P. Jennings
28	T-25-S, R-32-E Sec. 22: SE/4 SE/4	40.00	LC 065878 9-1-48	USA 12 $\frac{1}{2}$ %	Porter Brown	None	Porter Brown
29	T-24-S, R-32-E Sec. 3: N/2 Sec. 9: W/2, SE/4	800.00	LC 069272 6-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/4 Edwin W. Pauley -1/4 The Texas Co. -1/2	Lloyd E. Lockhart et ux Erin Helen Magruder Kolliker and Fort Worth National Bank of Fort Worth, Texas, Trustee	R. L. Harrison Edwin W. Pauley The Texas Company -1/4 -1, '4 -1/2
30	T-24-S, R-32-E Sec. 8: S/2 Sec. 9: NE/4	480.00	LC 069272-A 6-1-51	USA 12 $\frac{1}{2}$ %	F. W. Estill	Lloyd E. Lockhart et ux Erin	F. W. Estill
31	T-25-S, R-31-E Sec. 22: E/2	320.00	LC 070707 8-1-51	USA 12 $\frac{1}{2}$ %	E. B. Todhunter	None	E. B. Todhunter
32	T-25-S, R-31-E Sec. 22: E/2 W/2, SW/4 NW/4, NW/4 SW/4	240.00	LC 070707-A 8-1-51	USA 12 $\frac{1}{2}$ %	Jeff Hawks	E. B. Todhunter \$1,000.00 per acre out of -	Jeff Hawks

* 32 Federal Tracts containing 31,866.38 acres, or 90.673% of Unit Area.
Some Federal Leases are presently held under Option Agreement.

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
<u>STATE LAND</u>							
33	<u>T-24-S, R-31-E</u> Sec. 36: N/2 SE/4	80.00	E-2129-1 9-10-48	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
34	<u>T-25-S, R-32-E</u> Sec. 16: N/2	320.00	E-5009-1 2-10-51	State 12 $\frac{1}{2}$ %	Continental Oil Co.	None	Continental Oil Co.
35	<u>T-25-S, R-31-E</u> Sec. 2: All	639.92	K-4562 11-17-64	State 12 $\frac{1}{2}$ %	Texaco Inc.	None	Texaco Inc.
36	<u>T-24-S, R-32-E</u> Sec. 16: S/2	320.00	E-8192 5-18-54	State 12 $\frac{1}{2}$ %	Gulf Oil Corp.	None	Gulf Oil Corp.
37	<u>T-24-S, R-32-E</u> Sec. 16: N/2	320.00	E-8245 6-15-54	State 12 $\frac{1}{2}$ %	Gulf Oil Corp.	None	Gulf Oil Corp.
38	<u>T-24-S, R-32-E</u> Sec. 32: W/2 $\frac{1}{2}$ SE/4 $\frac{1}{2}$ N/2 NE/4, SE/4 NE/4	600.00	E-8325-1 7-20-54	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
39	<u>T-24-S, R-31-E</u> Sec. 36: N/2, SW/4, S/2 SE/4	557.96	E-9127 6-21-55	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
40	<u>T-25-S, R-32-E</u> Sec. 16: S/2	320.00	E-9789 2-21-56	State 12 $\frac{1}{2}$ %	Monsanto Chemical Co.	None	Monsanto Chemical Co.
41	<u>T-24-S, R-32-E</u> Sec. 32: SW/4 NE/4	40.00	K-1536 6-20-61	State 12 $\frac{1}{2}$ %	Texaco Inc.	None	Texaco Inc.

9 State Tracts containing 3,197.88 Acres, or 9.099% of Unit Area

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Date of Lease Expiration	Royalty	Lessor of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
<u>FEE LAND</u>	<u>T-24-S, R-31-E</u>	80.00	11-2-61	1/8	Twinwell Farm and Livestock Co.	None	Richardson and Bass
42	Sec. 23: N/2 NW/4						
	1 Fee Tract Containing 80.00 Acres, or .228% of Unit Area						
	FEDERAL LAND	32 tracts			31,866.38 acres	90.673 % of unit area	
	STATE LAND	9 tracts			3,197.88 acres	9.099 % of unit area	
	FEE LAND	<u>1 tract</u>			<u>80.00 acres</u>	<u>.228 % of unit area</u>	
	TOTAL	42 tracts			35,144.26 acres	100.00 %	

R 31 E

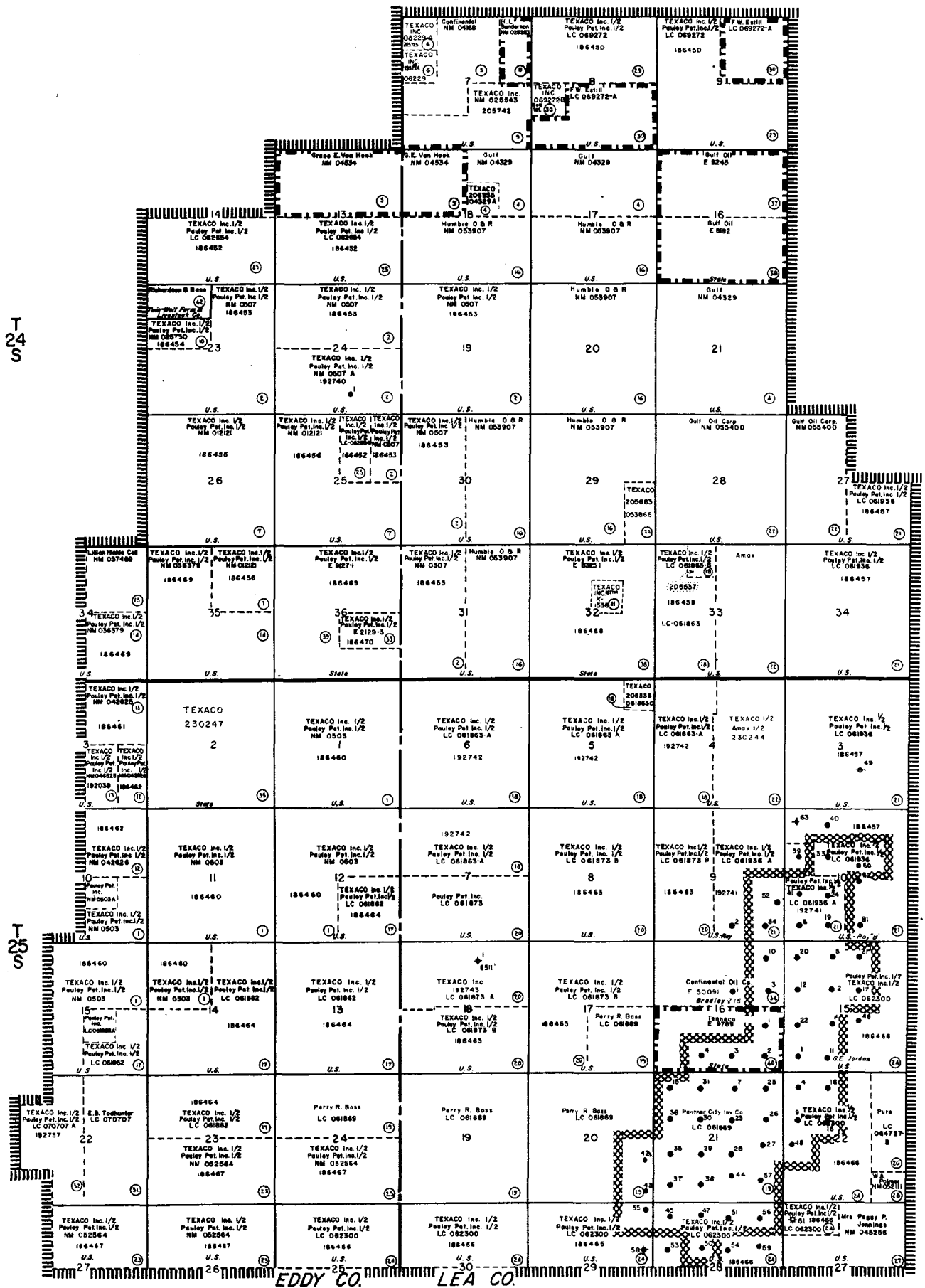
R 32 E

T 24 S

T 24 S

T 25 S

T 25 S



R 31 E

R 32 E

EXHIBIT "A"

COTTON DRAW UNIT AREA
EDDY & LEA COUNTIES, NEW MEXICO

LEGEND

SCALE  = 1 MILE

UNIT BOUNDARY

NON COMMITTED ACREAGE

THIRTEENTH ENLARGED AREA - EFFECTIVE APR. 1, 1962

EXHIBIT "B"
COTTON DRAW UNIT AREA
TOWNSHIPS 24 and 25 SOUTH, RANGES 31 and 32 EAST, LEA AND EDDY COUNTIES, NEW MEXICO

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS IN ALL LANDS IN THE UNIT AREA

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
<u>FEDERAL LAND</u>							
1	T-25-S, R-31-E Sec. 1: All Sec. 10: SE/4 Sec. 11: All Sec. 12: SW/4, N/2 Sec. 14: NW/4 Sec. 15: NE/4, E/2 NW/4, E/2 SW/4	2400.80	NM 0503 2-1-50	USA 12 3/4%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Tom W. Hefflin et ux Frieda Ballard E. Spencer Trust, Inc.	The Texas Company - 1/2 R. L. Harrison- 1/4 Edwin W. Pauley - 1/4
2	T-24-S, R-31-E Sec. 23: NE/4, S/2 Sec. 24: All Sec. 25: E/2 NE/4	2555.24	NM 0507 2-1-50	USA 12 3/4%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Tom W. Hefflin et ux Frieda Ballard E. Spencer Trust, Inc.	R. L. Harrison- 1/2 Edwin W. Pauley - 1/2
3	T-24-S, R-32-E Sec. 10: Lots 1, 2, 3, 4, E/2 W/2, E/2 Sec. 30: Lots 1, 2, 3, 4, E/2 W/2 Sec. 31: Lots 1, 2, 3, 4, E/2 W/2	245.34	NM 04168 9-1-55	USA 12 3/4%	Mrs. Margaret A. Andrews	Margaret A. Andrews et vir R. K. -\$1000.00 per acre out of 3%	Continental Oil Company

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
4	T-24-S, R-32-E Sec. 17: N/2 Sec. 18: NE/4 Sec. 21: All	1120.00	NM 04329 7-1-52	USA 12 $\frac{1}{2}$ %	G. W. Littlefield	Neil S. Sergeant-\$1000.00 per acre out of 3% Erle Payne-\$125.00 per acre out of 1/2 of 1%	G. W. Littlefield
5	T-24-S, R-31-E Sec. 13: N/2 T-24-S, R-32-E Sec. 16: Lots 1, 2, E/2 NW/4	490.65	NM 04534 5-1-52	USA 12 $\frac{1}{2}$ %	Grace E. Van Hook	None	Grace E. Van Hook
6	T-24-S, R-32-E Sec. 7: Lots 1, 2	90.97	NM 06229 1-1-52	USA 12 $\frac{1}{2}$ %	M. G. Livermore -1/4 Frank O. Elliott-3/4	None	M. G. Livermore - 1/4 Frank O. Elliott - 3/4
7	T-24-S, R-31-E Sec. 25: W/2, SE/4 Sec. 26: All Sec. 35: NE/4	1280.00	NM 012121 12-1-50	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Clara Loving -1/2 of 1% Ballard E. Spencer - 1% Trust, Inc. Robert E. Ferguson -1/4 of 1% J. S. Ward & Son, Inc -1/4 of 1% C. B. Smith - 2% as to NW/4 Sec. 26 only	R. L. Harrison Edwin W. Pauley
8	T-24-S, R-32-E Sec. 7: E/2 NE/4	80.00	NM 025283 5-1-57	USA 12 $\frac{1}{2}$ %	H. L. Sanderson	None	H. L. Sanderson
9	T-24-S, R-32-E Sec. 7: SE/4, S/2 SW/4	245.25	NM 025543 1-1-58	USA 12 $\frac{1}{2}$ %	Vincent Cuccia -1/2 George E. Conley-1/2	None	Vincent Cuccia George E. Conley

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest Owner *
10	T-24-S, R-31-E Sec. 23: S/2 NW/4	80.00	NM 025750 2-1-58	USA 12 1/2%	J. M. Garfinkel	None	J. M. Garfinkel
11	T-25-S, R-31-E Sec. 3: Lots 1, 2, S/2 NE/4	159.38	NM 042625 3-1-58	USA 12 1/2%	W. R. Pagen	None	W. R. Pagen - 1/2 The Texas Company - 1/2
12	T-25-S, R-31-E Sec. 3: E/2 SE/4 Sec. 10: NE/4	240.00	NM 042626 3-1-58	USA 12 1/2%	W. R. Pagen	None	W. R. Pagen - 1/2 The Texas Company - 1/2
13	T-25-S, R-31-E Sec. 3: W/2 SE/4	80.00	NM 046525 2-1-58	USA 12 1/2%	R. Hal Johnson, Jr.	None	R. Hal Johnson, Jr.
14	T-24-S, R-31-E Sec. 34: Lots 3, 4, N/2 SE/4 Sec. 35: NW/4, Lots 1, 2, 3, 4, N/2 S/2	628.68	NM 036379 8-1-57	USA 12 1/2%	R. J. Kerr	None	R. J. Kerr
15	T-24-S, R-31-E Sec. 34: NE/4	160.00	NM 037489 10-1-57	USA 12 1/2%	Pauley Petroleum Inc.	None	Pauley Petroleum Inc
16	T-24-S, R-32-E Sec. 17: S/2 Sec. 18: S/2 Sec. 20: A11 Sec. 29: N/2, W/2 SE/4, SW/4 Sec. 30: E/2 Sec. 31: E/2	2491.15	LC 061637 10-1-48	USA 12 1/2%	R. L. Harrison -1/4 Edwin W. Pauley -1/4 The Texas Co. -1/2	J. A. Fahey - 3% Erle Payne - 1%	R. L. Harrison - 1/4 Edwin W. Pauley - 1/4 The Texas Company - 1/2

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
17	T-25-S, R-31-E Sec. 12: SE/4 Sec. 13: A11 Sec. 14: NE/4, S/2 Sec. 15: SE/4 Sec. 23: N/2	1760.00	LC 061862 6-1-50	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	H. L. Arnold J. L. Prude C. L. Cameron Ballard E. Spencer Trust, Inc.	R. L. Harrison Edwin W. Pauley The Texas Company - 1/4 - 1/4 - 1/2
18	T-24-S, R-32-E Sec. 33: W/2	320.00	LC 061863 6-1-50	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Ballard E. Spencer Trust, Inc. Marshall Rowley	R. L. Harrison Edwin W. Pauley - 1/4 - 1/4
	T-25-S, R-32-E Sec. 4: W/2 Sec. 5: A11 Sec. 6: A11 Sec. 7: N/2	1922.99	LC 061863 6-1-50	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Ballard E. Spencer Trust, Inc. Marshall Rowley	R. L. Harrison Edwin W. Pauley The Texas Company - 1/4 - 1/4 - 1/2
19	T-25-S, R-31-E Sec. 24: N/2	2398.96	LC 061869 1-1-51	USA 12 $\frac{1}{2}$ %	Eugene H. Perry	J. A. Falrey H. L. Arnold	Sld W. Richardson & Perry R. Bass - 3/4 - 1/2
	T-25-S, R-32-E Sec. 17: SE/4 Sec. 19: A11 Sec. 20: A11 Sec. 21: A11						
20	T-25-S, R-32-E Sec. 18: Lots 1, 2, E/2 NW/4, NE/4	319.45	LC 061873-A 3-1-51	USA 12 $\frac{1}{2}$ %	The Texas Company	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	The Texas Company - 1/4 - 1/4

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
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T-25-S, R-32-E Sec. 7: Lots 3, 4, E/2 SW/4, SE/4	319.73	LC 061873	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	-1%	R. L. Harrison Edwin W. Pauley
T-25-S, R-32-E Sec. 8: All Sec. 9: W/2 Sec. 17: N/2, SW/4 Sec. 18: Lots 3, 4, E/2 SW/4, SE/4	1759.31	LC 061873	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Jack B. Shaw et ux Virginia Ballard E. Spencer Trust, Inc.	-1%	R. L. Harrison-1/4 Edwin W. Pauley -1¼/4 The Texas Co. -1/2
T-24-S, R-32-E Sec. 27: SE/4 Sec. 34: All	1879.14	LC 061936	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Emily Flint Ray et vir G. B.	-2%	R. L. Harrison Edwin W. Pauley
T-25-S, R-32-E Sec. 3: All Sec. 10: E/2, N/2 NW/4, SE/4 NW/4	520.00	LC 061936	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Emily Flint Ray et vir G. B.	-2%	R. L. Harrison-1/4 Edwin W. Pauley -1¼/4 The Texas Co. -1/2
T-25-S, R-32-E Sec. 9: E/2 Sec. 10: SW/4, SW/4 NW/4	1359.20	LC 062000	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Ballard E. Spencer Trust, Inc.	-2%	R. L. Harrison Edwin W. Pauley
T-25-S, R-32-E Sec. 4: E/2	320.32	LC 062000	USA 12½%	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Ballard E. Spencer Trust, Inc.	-2%	R. L. Harrison-1/4 Edwin W. Pauley-1¼/4 The Texas Co. -1/2

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Percentage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
23	T-25-S, R-31-E Sec. 23: S/2 Sec. 24: S/2 Sec. 26: N/2 Sec. 27: E/2 NW/4, NE/4	1200.00	LC 062140 3-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	Clarence M. Gormley et ux Quilla Ballard E. Spencer Trust, Inc. -2, 3%	R. L. Harrison Edwin W. Pauley The Texas Company -1, 2
24	T-25-S, R-31-E Sec. 25: N/2	2479.82	LC 062300 3-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	G. E. Jordan et ux Edna Ballard E. Spencer Trust, Inc. -1%	R. L. Harrison Edwin W. Pauley The Texas Company -1, 4
25	T-25-S, R-32-E Sec. 15: All Sec. 22: W/2 E/2, W/2 Sec. 27: N/2 NW/4 Sec. 28: N/2 Sec. 29: N/2 Sec. 30: Lots 1, 2, E/2 NW/4, NE/4	720.00	LC 062654 1-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	R. H. Hayes et ux Cathryn Ballard E. Spencer Trust, Inc. -1, 2% Robert E. Ferguson -1% J. S. Ward & Son, Inc.-1, 4%	R. L. Harrison Edwin W. Pauley -1, 2
26	T-25-S, R-32-E Sec. 22: E/2 NE/4, NE/4 SE/4	120.00	LC 064727 4-1-51	USA 12 $\frac{1}{2}$ %	Ora R. Hall, Jr.	None	Ora R. Hall, Jr.

EXHIBIT "B" (cont'd)

Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centages	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
27	<u>T-25-S, R-32-E</u> <u>Sec. 27: N/2 NE/4,</u> <u>S/2 N/2</u>	240.00	NM 045256 (Application filed 4-15-58)	USA 12 $\frac{1}{2}$ %	Mrs. Peggy P. Jennings	None	Mrs. Peggy P. Jennings
28	<u>T-25-S, R-32-E</u> <u>Sec. 22: SE/4 SE/4</u>	40.00	LC 065878 9-1-48	USA 12 $\frac{1}{2}$ %	Porter Brown	None	Porter Brown
29	<u>T-24-S, R-32-E</u> <u>Sec. 3: N/2</u> <u>Sec. 9: W/2, SE/4</u>	800.00	LC 069272 6-1-51	USA 12 $\frac{1}{2}$ %	R. L. Harrison -1/4 Edwin W. Pauley -1/4 The Texas Co. -1/2	Lloyd E. Lockhart et ux Erin Helen Magruder Kollker and Fort Worth National Bank of Fort Worth, Texas, Trustee	R. L. Harrison Edwin W. Pauley The Texas Company -1/4 -1/4 -1/2
30	<u>T-24-S, R-32-E</u> <u>Sec. 8: S/2</u> <u>Sec. 9: NE/4</u>	480.00	LC 069272-A 6-1-51	USA 12 $\frac{1}{2}$ %	F. W. Estill	Lloyd E. Lockhart et ux Erin	F. W. Estill
31	<u>T-25-S, R-31-E</u> <u>Sec. 22: E/2</u>	320.00	LC 070707 8-1-51	USA 12 $\frac{1}{2}$ %	E. B. Todhunter	None	E. B. Todhunter
32	<u>T-25-S, R-31-E</u> <u>Sec. 22: E/2 W/2, SW/4</u> <u>NW/4, NW/4 SW/4</u>	240.00	LC 070707-A 8-1-51	USA 12 $\frac{1}{2}$ %	Jeff Hawks	E. B. Todhunter \$1,000.00 per acre out of -	Jeff Hawks

* 32 Federal Tracts containing 31,866.38 acres, or 90.673% of Unit Area.
Some Federal Leases are presently held under Option Agreement.

EXHIBIT "B" (Cont'd)

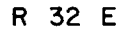
Tr. No.	Description of Land	No. of Acres	Serial No. & Date of Lease or Application	Basic Royalty & Per- centage	Lessee of Record	Overriding Royalty Owner and Percentage	Working Interest Owner *
<u>STATE LAND</u>							
33	<u>T-24-S, R-31-E</u> Sec. 36: N/2 SE/4	80.00	E-2129-1 9-10-48	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
34	<u>T-25-S, R-32-E</u> Sec. 16: N/2	320.00	E-5009-1 2-10-51	State 12 $\frac{1}{2}$ %	Continental Oil Co.	None	Continental Oil Co.
35	<u>T-25-S, R-31-E</u> Sec. 2: All	639.92	K-4562 11-17-64	State 12 $\frac{1}{2}$ %	Texaco Inc.	None	Texaco Inc.
36	<u>T-24-S, R-32-E</u> Sec. 16: S/2	320.00	E-8192 5-18-54	State 12 $\frac{1}{2}$ %	Gulf Oil Corp.	None	Gulf Oil Corp.
37	<u>T-24-S, R-32-E</u> Sec. 16: N/2	320.00	E-8245 6-15-54	State 12 $\frac{1}{2}$ %	Gulf Oil Corp.	None	Gulf Oil Corp.
38	<u>T-24-S, R-32-E</u> Sec. 32: W/2, SE/4, N/2 NE/4, SE/4 NE/4	600.00	E-8325-1 7-20-54	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
39	<u>T-24-S, R-31-E</u> Sec. 36: N/2, SW/4, S/2 SE/4	557.96	E-9127 6-21-55	State 12 $\frac{1}{2}$ %	R. L. Harrison -1/2 Edwin W. Pauley-1/2	None	R. L. Harrison Edwin W. Pauley
40	<u>T-25-S, R-32-E</u> Sec. 16: S/2	320.00	E-9789 2-21-56	State 12 $\frac{1}{2}$ %	Monsanto Chemical Co.	None	Monsanto Chemical Co.
41	<u>T-24-S, R-32-E</u> Sec. 32: SW/4 NE/4	40.00	K-1536 6-20-61	State 12 $\frac{1}{2}$ %	Texaco Inc.	None	Texaco Inc.

9 State Tracts containing 3,197.88 Acres, or 9.09% of Unit Area

EXHIBIT "B" (Cont'd)

Tr. No.	Description of Land	No. of Acres	Date of Lease Expiration	Royalty	Lessor of Record	Overriding Royalty Owner and Percentage	Working Interest Owner
42	FEE LAND T-24-S, R-31-E Sec. 23: N/2 NW/4	80.00	11-2-61	1/8	Twinwell Farm and Livestock Co.	None	Richardson and Bass
1 Fee Tract Containing 80.00 Acres, or .228% of Unit Area							
	FEDERAL LAND	32 tracts			31,866.38 acres	90.673 % of unit area	
	STATE LAND	9 tracts			3,197.88 acres	9.099 % of unit area	
	FEE LAND	<u>1 tract</u>			<u>80.00 acres</u>	<u>.228 % of unit area</u>	
	TOTAL	42 tracts			35,144.26 acres	100.00 %	

R 32 E



COTTON DRAW UNIT AREA
EDDY & LEA COUNTIES, NEW MEXICO

UNIT BOUNDARY
NON COMMITTED ACREAGE

LEGEND

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



1946
P. O. BOX 8109
MIDLAND, TEXAS 79704

December 1, 1965

186150-Cotton Draw Unit
Eddy and Lea Counties,
New Mexico

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico, 87501
Attention: Mr. Joe D. Raney

Regional Oil and Gas Supervisor
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201
Attention: Mr. John Anderson

Shoreline Exploration Co.
P. O. Box 1822
Roswell, New Mexico
Attention: Mr. C. B. Read

Gentlemen:

We enclose for your record, Designation of Agent whereby Texaco Inc. Unit Operator of the Cotton Draw Unit, designates Shoreline Exploration Co. as its Agent as to the W/2 NE/4 Section 16, Township 25 South, Range 32 E, Lea County, New Mexico.

Yours very truly,

R. T. Maxwell
Division Landman

By Wm. R. Dowdy
Wm. R. Dowdy

WRD-mr
Encl.

DESIGNATION OF AGENT

The undersigned is, on the records of the U. S. Geological Survey, Unit Operator of the Cotton Draw Unit, No. 14-08-001-5247, embracing in part the following Oil and gas Lease:

DISTRICT LAND OFFICE: Santa Fe, New Mexico

SERIAL NUMBER: E 50091

and hereby designates

NAME: Shoreline Exploration Co.
P. O. Box 1822
Roswell, New Mexico

as its agent, with full authority to act in its behalf in complying with the terms of the above described lease and Unit Agreement, and regulations applicable thereto, and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to all operations involving the following lands committed to said Cotton Draw Unit Area:

Township 25 South, Range 32 E, N. M. P. M.
Section 16: W/2 NE/4

as to all depths, down to and including the Delaware Sand.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest in the lease.

In case of default on the part of the Designated Agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms or orders of the Secretary of the Interior or his representative.

The Unit Operator agrees promptly to notify the Oil and Gas Supervisor of any change in the Designated Agent.

APPROVED AS TO

Title *uko*

Form *JER*

TEXACO Inc.

By *[Signature]*

Attorney-in-Fact

Box 3109

Midland, Texas

Dated: December 1, 1965.

"UNIT OPERATOR"

DESIGNATION OF AGENT

The undersigned is, on the records of the U. S. Geological Survey, Unit Operator of the Cotton Draw Unit, No. 14-08-001-5247, embracing in part the following Oil and gas Lease:

DISTRICT LAND OFFICE: Santa Fe, New Mexico

SERIAL NUMBER: E 50091

and hereby designates

NAME: Shoreline Exploration Co.
P. O. Box 1822
Roswell, New Mexico

as its agent, with full authority to act in its behalf in complying with the terms of the above described lease and Unit Agreement, and regulations applicable thereto, and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to all operations involving the following lands committed to said Cotton Draw Unit Area:

Township 25 South, Range 32 E, N.M.P.M.
Section 16: W/2 NE/4

as to all depths, down to and including the Delaware Sand.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the lease and the Oil and Gas Operating Regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest in the lease.

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The Unit Operator agrees promptly to notify the Oil and Gas Supervisor of any change in the Designated Agent.

WES
JSR

TEXACO Inc.

By *[Signature]*
Attorney-in-Fact
Box 3109
Midland, Texas

Dated: December 1, 1965.

"UNIT OPERATOR"

DESIGNATION OF AGENT

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SERIAL NUMBER: E 50091

and hereby designates

NAME: Shoreline Exploration Co.
P. O. Box 1822
Roswell, New Mexico

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Township 25 South, Range 32 E, N.M.P.M.
Section 16: W/2 NE/4

as to all depths, down to and including the Delaware Sand.

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The Unit Operator agrees promptly to notify the Oil and Gas Supervisor of any change in the Designated Agent.

WLS
JSR

TEXACO Inc.

By *[Signature]*
Attorney-in-Fact
Box 3109
Midland, Texas

Dated: December 1, 1965.

"UNIT OPERATOR"

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

1446

October 6, 1965

Texaco Inc.
P. O. Box 3109
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Re: Cotton Draw Unit,
Lea and Eddy Counties,
New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the commitment of Tracts 15, 35 and 41, effective October 1, 1965, to the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the application are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/eg

cc: Commissioner of Public Lands - Santa Fe
United States Geological Survey - Roswell

C
O
P
Y

Drawer 1857
Roswell, New Mexico 88201

MAIN OFFICE
OCT 4 1965
AHB

October 1, 1965

Teneco Inc.
P. O. Box 3109
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Gentlemen:

Your letter of September 24, 1965, transmits copies of the following ratifications and joinders to the Cotton Draw unit agreement, No. 14-08-001-5347, Lea and Eddy Counties, New Mexico:

<u>Joinder to</u>	<u>Date Received</u>	<u>Executed by</u>
Unit agreement and unit operating agreement	September 29, 1965	Pauley Petroleum Inc., lessee of record and working interest owner in Federal land unit tract 15.
Unit agreement and unit operating agreement	September 29, 1965	Teneco Inc., reported lessee of record and working interest owner in State land tract 35.
Unit agreement and unit operating agreement	September 29, 1965	Teneco Inc., reported lessee of record and working interest owner in State land tract 41.

Federal land unit tract (lease New Mexico 037489) is considered effectively committed to the Cotton Draw unit agreement as of October 1, 1965. State land unit tracts 35 and 41 are also considered effectively committed as of October 1, 1965, since the Commissioner of Public Lands of the State of New Mexico approved such commitment by letter of September 30, 1965.

Copies of the ratifications and joinders are being distributed to the appropriate Federal offices.

cc:

Washington (w/cy joinder)
ELM - Santa Fe (w/cy joinder)
Hobbs (w/cy joinder)
N.M.O.C.C. - Santa Fe (ltr. only)✓
Accounts

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

MAIN OFFICE
SEP 31 1965

September 30, 1965

Texaco Inc.
P. O. Box 3109
Midland, Texas

Re: Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Attention: Mr. R. T. Maxwell

Gentlemen:

This office has received four copies of your application for approval of the commitment of Tract No. 15, 35 and 41 to the Cotton Draw Unit Agreement. You have furnished three copies of ratification to Tract No. 15 signed by Pauley Petroleum Inc. and consented to by Texaco Inc., Unit Operator. This is a Federal tract therefore, ~~our~~ approval is subject to like approval by the United States Geological Survey.

Received in triplicate was ratification to Tract No. 35, State of New Mexico Lease No. K-4562 committing Lots 1,2,3,4,S/2N/2,S/2 Section 2, Township 25 South, Range 31 East, Texaco Inc. being the lessee of record. This ratification is signed by Texaco Inc. as working interest owner and also as Unit Operator.

Also received in triplicate was ratification to Tract No. 41, State of New Mexico Lease No. K-1536 committing the SW/4NE/4 Section 32,

C
O
P
Y

Texaco Inc.
Attention: Mr. R. T. Maxwell
September 30, 1965
- page 2 -

Township 24 South, Range 32 East, Texaco Inc. being the lessee of record. This ratification is signed by Texaco Inc. as working interest owner and also consented to as Unit Operator.

The Commissioner of Public Lands has no objections to these two State tracts being committed to the Cotton Draw Unit Agreement and has approved your request for the commitment of the three tracts to become effective as of October 1, 1965.

We are returning two approved copies of your request.

Very truly yours,

GUYTON B. HAYE
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Director
Oil and Gas Department

MMR/e
cc:

United States Geological Survey
Post Office Drawer 1857
Roswell, New Mexico
Attention: Mr. John A. Anderson

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

C
O
P
Y

TEXACO INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

O. BOX 3109
MIDLAND, TEXAS 79704

September 24, 1965

186150-Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Commissioner of Public Lands (3)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico, 87501

Oil Conservation Commission (3)
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

Gentlemen:

Requests have been received by Texaco Inc., Unit Operator of the Cotton Draw Unit, to include certain presently uncommitted tracts that are within the outline of the Cotton Draw Unit, through the subsequent joinder provisions of the Cotton Draw Unit Agreement and Unit Operating Agreement.

The parcels requested for inclusion, together with the Working Owners thereof, are as follows:

<u>Tract</u>	<u>Description</u>	<u>Working Interest Owner</u>
15	NM 037489 10-1-57 NE/4 Section 34, T24S-R31E, Eddy County, New Mexico	Pauley Petroleum Inc.
35	K-4562 11-17-64 Lots 1, 2, 3, 4, S/2 N/2, S/2 Section 2, T25S-R31E, Eddy County, New Mexico	TEXACO Inc.
41	K-1536 6-20-61 SW/4 NE/4 Section 32, T24S-R32E, Lea County, New Mexico	TEXACO Inc.

These tracts, upon commitment, will be subject to the terms and conditions of both the Unit Agreement and Unit Operating Agreement.

We enclose three (3) copies of Consent and Ratification of Cotton Draw Unit Agreement and Unit Operating Agreement covering Tracts 15, 35 and 41, which have been executed by their respective Working Interest Owner and approved by TEXACO Inc. Unit Operator.

We would appreciate your approval to the commitment of these parcels, with an effective date of October 1, 1965.

Yours very truly,

TEXACO Inc.
UNIT OPERATOR

By R. T. Maxwell
R. T. Maxwell

Approved: _____ Date: _____
Commissioner of Public Lands, State of New Mexico

Approved: A. H. Carter Date: 10-6-65
Oil Conservation Commission, State of New Mexico

Approved: _____ Date: _____
Supervisor, United States Geological Survey

TEXACO INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 3109
MIDLAND, TEXAS 79704

September 24, 1965

186150-Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Commissioner of Public Lands (3)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico, 87501

Oil Conservation Commission (3)
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

Gentlemen:

Requests have been received by Texaco Inc., Unit Operator of the Cotton Draw Unit, to include certain presently uncommitted tracts that are within the outline of the Cotton Draw Unit, through the subsequent joinder provisions of the Cotton Draw Unit Agreement and Unit Operating Agreement.

The parcels requested for inclusion, together with the Working Owners thereof, are as follows:

<u>Tract</u>	<u>Description</u>	<u>Working Interest Owner</u>
15	NM 037489 10-1-57 NE/4 Section 34, T24S-R31E, Eddy County, New Mexico	Pauley Petroleum Inc.
35	K-4562 11-17-64 Lots 1, 2, 3, 4, S/2 N/2, S/2 Section 2, T25S-R31E, Eddy County, New Mexico	TEXACO Inc.
41	K-1536 6-20-61 SW/4 NE/4 Section 32, T24S-R32E, Lea County, New Mexico	TEXACO Inc.

These tracts, upon committment, will be subject to the terms and conditions of both the Unit Agreement and Unit Operating Agreement.

We enclose three (3) copies of Consent and Ratification of Cotton Draw Unit Agreement and Unit Operating Agreement covering Tracts 15, 35 and 41, which have been executed by their respective Working Interest Owner and approved by TEXACO Inc. Unit Operator.

We would appreciate your approval to the committment of these parcels, with an effective date of October 1, 1965.

Yours very truly,

TEXACO Inc.
UNIT OPERATOR

By R. T. Maxwell
R. T. Maxwell

Approved: _____ Date: _____
Commissioner of Public Lands, State of New Mexico

Approved: A. R. Carter Date: 10-6-65
Oil Conservation Commission, State of New Mexico

Approved: _____ Date: _____
Supervisor, United States Geological Survey

(6)
9/1

FALL 11
SEP 29 AM 5

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:
NM-037489
NE/4 Section 34,
T24S-R31E
N.M. P.M.
Eddy County, New Mexico

PAULEY PETROLEUM INC.

By Lawrence E. Scott
Lawrence E. Scott, Vice President

ATTEST:

By [Signature]
Assistant Secretary

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

The foregoing instrument was acknowledged before me this 20th day of SEPTEMBER, 1965, by VICE PRESIDENT, LAWRENCE E. SCOTT, for Pauley Petroleum Inc., on behalf of said corporation.

My Commission Expires:

HELENE E. BORCHARDT
My Commission Expires Mar. 3, 1967

[Signature]
Notary Public in and for
Los Angeles County, California

APPROVED
wld-BM
JER

APPROVED
TEXACO Inc.
UNIT OPERATOR

By [Signature]
Attorney-in-Fact

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:
NM-037489
NE/4 Section 34,
T24S-R31E
N.M.P.M.
Eddy County, New Mexico

PAULEY PETROLEUM INC.

By Lawrence E. Scott
Lawrence E. Scott, Vice President

ATTEST:

By [Signature]
Assistant Secretary

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

The foregoing instrument was acknowledged before me this 20th day of SEPTEMBER, 1965, by VICE PRESIDENT, LAWRENCE E. SCOTT, for Pauley Petroleum Inc., on behalf of said corporation.

My Commission Expires:

HELENE E. BORCHARDT
My Commission Expires Mar. 3, 1967

[Signature]
Notary Public in and for
Los Angeles County, California

APPROVED
TEXACO Inc.
UNIT OPERATOR

By [Signature]
Attorney-in-Fact

(6)
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SEP 29 AM '65

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:
NM-037489
NE/4 Section 34,
T24S-R31E
N. M. P. M.
Eddy County, New Mexico

PAULEY PETROLEUM INC.

By Lawrence E. Scott
Lawrence E. Scott, Vice President

ATTEST:

By [Signature]
Assistant Secretary

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

The foregoing instrument was acknowledged before me this 20th day of SEPTEMBER, 1965, by VICE PRESIDENT, LAWRENCE E. SCOTT, for Pauley Petroleum Inc., on behalf of said corporation.

My Commission Expires:

[Signature]
Notary Public in and for
Los Angeles County, California

[Signature]
Notary Public in and for
Los Angeles County, California

APPROVED
TEXACO Inc.
UNIT OPERATOR

By [Signature]
Attorney-in-Fact

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

MAIN OFFICE
1965 SEP 29 AM 9 41

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-4562
11 17-64
Lots 1, 2, 3, 4,
S/2 N/2, S/2
Section 2, T25S,
R31E, Eddy County,
New Mexico

APPROVED AS TO
Terms WRD-RTM
Form JSR

TEXACO Inc.

By J. H. Markley
Attorney-in-Fact

STATE OF TEXAS

COUNTY OF MIDLAND

X
X
X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, ~~Attorney-in-Fact~~ for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

6-1-67

Inez Wiley
INEZ WILEY Notary Public in and for
Midland County Texas

APPROVED
TEXACO Inc.
UNIT OPERATOR

By J. H. Markley
Attorney-in-Fact

WRD-RTM
JSR

6
MAIN DEPT
65 SEP 29 AM 9 42

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-4562
11-17-64
Lots 1, 2, 3, 4,
S/2 N/2, S/2
Section 2, T25S,
R31E, Eddy County,
New Mexico

APPROVED AS TO
Terms WED RTM
Form GR

TEXACO Inc.

By JH Markley
Attorney-in-Fact

STATE OF TEXAS X
COUNTY OF MIDLAND X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, Attorney-in-Fact for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

1-1-67

INEZ WILEY

Inez Wiley
Notary Public in and for

Midland County Texas

APPROVED
TEXACO Inc.
UNIT OPERATOR

By JH Markley
Attorney-in-Fact

1

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

MAH UNIT
SEP 29 AM 9 42

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-4562
11-17-64
Lots 1, 2, 3, 4,
S/2 N/2, S/2
Section 2, T25S,
R31E, Eddy County,
New Mexico

APPROVED AS TO

TERMS
FORM

W. H. R. M.
[Signature]

TEXACO Inc.

By

[Signature]
Attorney-in-Fact

STATE OF TEXAS X
X
COUNTY OF MIDLAND X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, Attorney-in-Fact for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

6-1-67

INEZ WILEY

[Signature]
Notary Public in and for
Midland County Texas

APPROVED
TEXACO Inc.
UNIT OPERATOR

By

[Signature]
Attorney-in-Fact

6

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

MAIN OFFICE
65 SEP 29 AM 9 41

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-1536
6-20-61
SW/4 NE/4
Section 32,
T24S-R32E,
Lea County,
New Mexico

APPROVED AS TO
Terms WED RM
Form JSR

TEXACO Inc.
By J. H. Markley
Attorney-in-Fact

STATE OF TEXAS X
COUNTY OF MIDLAND X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, Attorney-in-Fact for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

6-1-67

Inez Wiley
Notary Public in and for
Midland County Tex
INEZ WILEY

WED RM
JSR

APPROVED
TEXACO Inc.
UNIT OPERATOR
By J. H. Markley
Attorney-in-Fact

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-1536
6-20-61
SW/4 NE/4
Section 32,
T24S-R32E,
Lea County,
New Mexico

APPROVED AS TO
Terms WEO-RTM
Form SR

TEXACO Inc.

By J. H. Markley
Attorney-in-Fact

STATE OF TEXAS
COUNTY OF MIDLAND

X
X
X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, Attorney-in-Fact for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

6-1-67

APPROVED
TEXACO Inc.
UNIT OPERATOR

By J. H. Markley
Attorney-in-Fact

Inez Wiley
Notary Public in and for
Midland County Texas
INEZ WILEY

CONSENT AND RATIFICATION
OF COTTON DRAW UNIT AGREEMENT
AND UNIT OPERATING AGREEMENT

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement and Unit Operating Agreement for the development and operation of the Cotton Draw Unit Area embracing lands situated in Eddy and Lea Counties, New Mexico, which said agreements are dated the 28th day of July, 1958, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of the leasehold, royalty, or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to the Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Cotton Draw Unit Agreement and Unit Operating Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the originals of said Unit Agreement and Unit Operating Agreement or counterparts thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

Lease Committed:

K-1536
6-20-61
SW/4 NE/4
Section 32,
T24S-R32E,
Lea County,
New Mexico

APPROVED AS TO
Terms WED-RM
Form SR

TEXACO Inc.

By J. H. Markley
Attorney-in-Fact

STATE OF TEXAS X
COUNTY OF MIDLAND X

The foregoing instrument was acknowledged before me this 24th day of September, 1965, by J. H. Markley, Attorney-in-Fact for TEXACO Inc., on behalf of said corporation.

My Commission Expires:

6-1-67

APPROVED
TEXACO Inc.
UNIT OPERATOR

By J. H. Markley
Attorney-in-Fact

Inez Wiley
Notary Public in and for
Midland County Tex
INEZ WILEY

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

1446

C
O
P
Y

September 28, 1965

Texaco Inc.
P. O. Box 3109
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Re: Plan of Development,
Cotton Draw Unit, Lea
and Eddy Counties, New
Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development covering the period October 1, 1965 to September 30, 1966, for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/og

cc: United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

Commissioner of Public Lands - Santa Fe

Drawer 1857
Roswell, New Mexico 88201

MAIN

SEP 21 PM 1 01

September 17, 1965

Texaco Inc.
P. O. Box 3109
Midland, Texas 79704

Attention: Mr. R. T. Maxwell

Gentlemen:

Your plan of development dated September 7, 1965, covering the period from October 1, 1965, to September 30, 1966, Cotton Draw unit area, Lea and Eddy Counties, New Mexico, has been approved on this date subject to like approval by the appropriate State officials. The plan proposes the drilling of a 17,500 foot Devonian test well in the NW $\frac{1}{4}$ sec. 18, T. 25 S., R. 32 E., Lea County, New Mexico.

One approved copy of the plan is enclosed.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

cc:
Washington (w/cy of plan)
Hobbs (w/cy of plan)
N.M.O.C.C. - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

MAIN

'65 SEP 21 AM 11

September 21, 1965

Texaco Inc.
Post Office Box 3109
Midland, Texas

In RE: Cotton Draw Unit
Lea & Eddy Counties, N.M.
Plan of Development

Att: R. T. Maxwell

Gentlemen:

We have received your Plan of Development and Operation for the period from October 1, 1965 to September 30, 1966.

As you are aware, the automatic elimination clause becomes effective as of October 1, 1965, therefore, we approve your Plan of Development only in so far as there is no conflict between it and Section 2 of the Unit Agreement.

The Commissioner of Public Lands approves this plan subject to like approval by the United States Geological Survey, and subject to the well which this plan of development covers being spudded by October 1, 1965. Not more than 90 days may elapse between the completion of this well and the commencement of the next well; otherwise, the non-participating acreage in this Unit will be automatically eliminated.

We are returning one (1) approved copy of this plan of development.

Very truly yours,

GUYTON B. HAYS,
Commissioner of Public Lands

By

TED BILBERRY, Director,
Oil and Gas Department

GBH/TB/MMR/1/Enclosures

w/cc to:

United States Geological Survey
New Mexico Oil Conservation Commission

C
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P
Y

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201 (4-60)

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

LA116 DC127

D MDA107 PD=MIDLAND TEX 27 204P CST

OIL CONSERVATION COMMISSION=

STATE OF NEW MEXICO SANTA FE NMEX=.

ACTUAL DRILLING OPERATIONS COMMENCED AT 3 AM SEPTEMBER
27, 1965 ON TEXACO #64 COTTON DRAW UNIT WELL IN SECTION
18-25S-32E, LEA COUNTY, NEW MEXICO AND DRILLING BELOW
200' AT 7 AM=

TEXACO INC R T MAXWELL==

3 AM 27 1965 #64 18-25S-32E 200' 7 AM==

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

TEXACO INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

SEP 10 1965
P. O. BOX 3109
MIDLAND, TEXAS 79704
September 7, 1965

Certified Mail

186150- Cotton Draw Unit
Lea and Eddy Counties, New Mexico
Plan of Development and Operation
October 1, 1965 to September 30, 1966

Commissioner of Public Lands (3)
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico, 87501

Oil Conservation Commission (3)
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, dated April 21, 1956, approved by both the Commissioner of Public Lands, State of New Mexico and the Oil Conservation Commission, State of New Mexico on June 4, 1958 and approved by the United States Geological Survey on July 28, 1958, Texaco Inc. as Unit Operator, hereby submits for your approval a Plan of Development and Operation, for the period of October 1, 1965 to September 30, 1966.

HISTORY OF PAST DEVELOPMENT: Sixty-three (63) wells have been drilled to the Delaware zone on committed lands in the unit area. Forty-nine(49) of the producing wells have been included in the Delaware Participating Area.

The current Plan of Development was approved on the basis of geological studies and the additional seismic work conducted during the period with the results of the work to determine whether a deep wildcat test would be considered during 1965.

PROPOSED ADDITIONAL WELL: Pursuant to Section 2 (e) of the Unit Agreement providing for the extension of the contraction date, a Devonian wildcat test to an approximate depth of 17,500 feet or deeper, is proposed on unitized lands not entitled to be in a participating area. The test, to be known as the Texaco Cotton Draw Unit Well No. 64, is proposed for commencement on or before September 30, 1965 at a location in the Northwest Quarter of Section 18, Township 25 South, Range 32 East, Lea County, New Mexico and a minimum of nine (9) months will be required to drill the test. Pauley Petroleum Inc. will join with Texaco in this Unit operation.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the period of October 1, 1965 to September 30, 1966.

Yours very truly,

TEXACO Inc.
Unit Operator

By R. T. Maxwell
R. T. Maxwell

Approved: _____ Date: _____
Commissioner of Public Lands, State of New Mexico
(Subject to like approval by the Supervisor and Oil Conservation Commission)

Approved: A. R. Carter, Jr. Date: 9-28-65
Oil Conservation Commission, State of New Mexico
(Subject to like approval by the Supervisor and Commissioner)

Approved: _____ Date: _____
Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and Oil Conservation Commission)



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

April 19, 1965

Texas Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. T. Maxwell

Gentlemen:

Your plan of development dated December 28, 1964, covering the period from January 1, 1965, to October 1, 1965, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials. You advise that seismic and other geological studies are continuing in the unit area and based upon the results of this work a deep test well will be considered for the unit area during 1965.

One approved copy of the plan is enclosed.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

cc:
Washington (w/cy of plan)
Hobbs (w/cy of plan)
MDECC, Santa Fe (ltr. only) ✓
Com. of Pub. Lands, Santa Fe (ltr. only)

TEXACO
INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 3109
MIDLAND, TEXAS

February 3, 1965

186150 - Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Attention: Mrs. M. M. Rhea

Dear Sir:

This will acknowledge receipt of your letter of January 14, 1965 with reference to the Cotton Draw Unit in Lea and Eddy Counties, New Mexico.

We have again reviewed the area around the Tenneco No. 2 U.S. Smelting-USA Delaware well, completed in the gas cap of the Delaware and shut-in since 1961, in the SW/4 NW/4 of Section 22-24S-32E; and according to our interpretation, the western most porosity of the Delaware Sand does not extend into Section 21-24S-32E or would be so thin as to be non-profitable. We are at the present time of the opinion the drilling of an offset on Section 21 could not be justified.

In addition to the geological studies carried out on the Cotton Draw Unit acreage during 1964, we are currently conducting geophysical work in an effort to define a drillable location. We have to date obtained 119.8 miles of new control. This geophysical work is scheduled for early completion, after which we will be advising you as to a deep wildcat test.

The Plan of Development extends only to October 1, 1965 because of the elimination clause under Subsection 2(e) of the Unit Agreement. With drilling operations in progress at that time no elimination will occur, and should a discovery be made, a new Plan of Development will be submitted for your consideration.

Yours very truly,

R. T. Maxwell
Division Landman

By W. R. Dowdy
W. R. Dowdy

WRD-bw

February 3, 1965
Page 2

CC: United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico

1240
JAN 15 AM 11
January 14, 1965

Texaco Inc.
P. O. Box 3109
Midland, Texas

Re: Cotton Draw Unit
Lea & Eddy Counties, New Mexico
Plan of Development

Attention: Mr. R. T. Maxwell

Gentlemen:

We have received your Plan of Development dated December 28, 1964, for the period January 1, 1965, to October 1, 1965.

There is a Delaware obligation well due in Section 21, Township 24 South, Range 32 East as there is at present a producing Delaware well located outside the Unit in the SW/4NW/4 of Section 22, Township 24 South, Range 32 East directly offsetting the Unit acreage.

We believe that under Proposed Additional Wells there should be a much more definite commitment. The last well drilled on this Unit was in 1963, sufficient time in which to have completed geological studies. We request a Plan of Development for the offset well which is past due and a more definite program in regard to the drilling of a deep test well.

Texaco Inc.
Attention: Mr. E. T. Maxwell
January 14, 1965
- page 2 -

We note your Plan of Development is for the period ending October 1, 1965, although previous Plans have covered a calendar year, is this due to the date the elimination clause is effective.. May we have an explanation in regard to this date.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:
(Mr.) Ted Bilberry, Director
Oil & Gas Department

GBH/mmr/v

cc:

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

DEC 29 1964

TEXACO INC.

PETROLEUM PRODUCTS



P. O. BOX 3109
MIDLAND, TEXAS 79704

December 28, 1964

186150 - Cotton Draw Unit
Lea and Eddy Counties, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands (3)
P. O. Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, which was approved by the Survey on July 28, 1958, Texaco Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the period January 1, 1965 to October 1, 1965.

HISTORY OF PAST DEVELOPMENT: Sixty-three (63) wells have been drilled to the Delaware zone on committed lands in the unit area. Forty-nine (49) of the producing wells have been included in the Delaware Participating Area.

The current Plan of Development requires no additional drilling in the unit area, within the Delaware Participating Area or otherwise.

PROPOSED ADDITIONAL WELLS: Geological studies of the unit area were conducted throughout the year, and additional seismic work is currently being done. Based upon the results of this work a deep wildcat will be considered during 1965.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

Regional Oil and Gas Supervisor
United States Geological Survey
Commissioner of Public Lands
Oil Conservation Commission

-2-

December 28, 1964

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the period January 1, 1965 to October 1, 1965.

Yours very truly,

TEXACO Inc.
Unit Operator

By R. T. Maxwell
R. T. Maxwell *TEJ*

TEJ-bw

Approved: _____ Date: _____
Acting Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and Oil
Conservation Commission)

Approved: _____ Date: _____
Commissioner of Public Lands
(Subject to like approval by the Supervisor and Oil
Conservation Commission)

Approved: _____ Date: _____
Oil Conservation Commission
(Subject to like approval by the Supervisor and
Commissioner)

TEXACO
INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 8109
MIDLAND, TEXAS 79704

December 28, 1964

186150 - Cotton Draw Unit
Lea and Eddy Counties, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands (3)
P. O. Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, which was approved by the Survey on July 28, 1958, Texaco Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the period January 1, 1965 to October 1, 1965.

HISTORY OF PAST DEVELOPMENT: Sixty-three (63) wells have been drilled to the Delaware zone on committed lands in the unit area. Forty-nine (49) of the producing wells have been included in the Delaware Participating Area.

The current Plan of Development requires no additional drilling in the unit area, within the Delaware Participating Area or otherwise.

PROPOSED ADDITIONAL WELLS: Geological studies of the unit area were conducted throughout the year, and additional seismic work is currently being done. Based upon the results of this work a deep wildcat will be considered during 1965.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

Regional Oil and Gas Supervisor
United States Geological Survey
Commissioner of Public Lands
Oil Conservation Commission

-2-

December 28, 1964

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the period January 1, 1965 to October 1, 1965.

Yours very truly,

TEXACO Inc.
Unit Operator

By R. T. Maxwell
R. T. Maxwell *TEJ*

TEJ-bw

Approved: _____ Date: _____
Acting Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and Oil
Conservation Commission)

Approved: _____ Date: _____
Commissioner of Public Lands
(Subject to like approval by the Supervisor and Oil
Conservation Commission)

Approved: _____ Date: _____
Oil Conservation Commission
(Subject to like approval by the Supervisor and
Commissioner)

TEXACO
INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 3109
MIDLAND, TEXAS 79704

December 28, 1964

186150 - Cotton Draw Unit
Lea and Eddy Counties, New Mexico

Regional Oil and Gas Supervisor (3)
United States Geological Survey
Roswell, New Mexico

Commissioner of Public Lands (3)
P. O. Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, which was approved by the Survey on July 28, 1958, Texaco Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the period January 1, 1965 to October 1, 1965.

HISTORY OF PAST DEVELOPMENT: Sixty-three (63) wells have been drilled to the Delaware zone on committed lands in the unit area. Forty-nine (49) of the producing wells have been included in the Delaware Participating Area.

The current Plan of Development requires no additional drilling in the unit area, within the Delaware Participating Area or otherwise.

PROPOSED ADDITIONAL WELLS: Geological studies of the unit area were conducted throughout the year, and additional seismic work is currently being done. Based upon the results of this work a deep wildcat will be considered during 1965.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

Regional Oil and Gas Supervisor
United States Geological Survey
Commissioner of Public Lands
Oil Conservation Commission

-2- December 28, 1964

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the period January 1, 1965 to October 1, 1965.

Yours very truly,

TEXACO Inc.
Unit Operator

By R. T. Maxwell
R. T. Maxwell TEJ

TEJ-bw

Approved: _____ Date: _____
Acting Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and Oil
Conservation Commission)

Approved: _____ Date: _____
Commissioner of Public Lands
(Subject to like approval by the Supervisor and Oil
Conservation Commission)

Approved: _____ Date: _____
Oil Conservation Commission
(Subject to like approval by the Supervisor and
Commissioner)

1446
MAIN OFFICE OCC

1964 APR 6 AM 9:07

Roomer 1857
Roswell, New Mexico 88201

April 2, 1964

Tanaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. W. C. Lons

Gentlemen:

Your letter of March 25, 1964, advises that Tanaco Inc., as unit operator of the Cotton Draw unit has determined that unit well No. 61 in the NW1/4 Sec. 27, T. 25 N., R. 32 E., N.M.P.M., on Federal lease LA 842300, is not capable of producing unitized substances in paying quantities from the Balcones.

Unit well No. 61 was completed on April 6, 1962, for an initial potential of 603 MCF of gas per day from the Balcones 4,647 - 4,654.

This office concurs with your determination that the well is not capable of producing unitized substances in paying quantities.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

cc:

Washington (w/cy ltr.)
Hobbs (w/cy ltr.)
Com. of Pub. Lands (ltr. only)
BREC - Santa Fe (ltr. only)
Accounts

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

1446

March 12, 1964

C
O
P
Y

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. T. Maxwell

Re: 1964 Plan of Development,
Cotton Draw Unit, Lea and
Eddy Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1964 Plan of Development for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/og

cc: Commissioner of Public Lands - Santa Fe
United States Geological Survey - Roswell

MAIN OFFICE OCC

1964 MAR 5 PM 4:18

March 5, 1964

Toraco Inc.
P. O. Box 3109
Midland, Texas

Re: Cotton Draw Unit
Lea and Eddy Counties,
New Mexico
1964 Plan of Development

Attention: Mr. R. T. Maxwell

Gentlemen:

The Commissioner of Public Lands approved as of March 5, 1964, your 1964 Plan of Development for Cotton Draw Unit, Lea and Eddy Counties, New Mexico.

We are enclosing one approved copy of this Plan.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESW/mm/v

cc: Oil Conservation Commission
Santa Fe, New Mexico

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

Drawer 1857
Roswell, New Mexico 88201

February 3, 1964

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. T. Maxwell

Gentlemen:

Your 1964 plan of development dated December 26, 1963, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is enclosed.

Sincerely yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Enclosure 1

cc:
Washington (w/cy of plan)
Hobbs (w/cy of plan)
NMOCC-Santa Fe (ltr. only)
Com. of Pub. Lands-Santa Fe (ltr. only)

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

December 26, 1963

186150 - Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Director (3)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
P. O. Box 791
Santa Fe, New Mexico

Oil Conservation Commission (3)✓
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the year 1964.

HISTORY OF PAST DEVELOPMENT: A total of 63 wells have been drilled to the Delaware zone on committed lands in the unit area. Of the producing wells, 49 have been included in the Delaware Participating Area and an application to include an additional well has been filed. Four wells were barren in the Delaware zone.

The current Plan of Development required no additional Delaware tests within the unit area. However, during this period TEXACO Inc. drilled and completed Unit Well No. 63 located in the NW/4 NW/4 of Section 10, T-25-S, R-32-E. This well was dry and abandoned at 4,910 feet in the Delaware zone.

PROPOSED ADDITIONAL WELLS: No definite plans exist for additional drilling in the unit area at this time, although existing geological studies will be continued to justify further exploration and development. Additional wells will be commenced if these studies of all available information reveal sufficient justification.

Director
United States Geological Survey
Commissioner of Public Lands
Oil Conservation Commission

-2-

December 26, 1963

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the year 1964. Before this plan expires, another plan for further development of the unit area will be submitted.

Yours very truly,

TEXACO Inc.
Unit Operator.

By R. T. Maxwell
R. T. Maxwell

BEH-bw

Approved: _____ Date: _____
Acting Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and Oil
Conservation Commission)

Approved: _____ Date: _____
Commissioner of Public Lands
(Subject to like approval by the Director and Oil
Conservation Commission)

Approved: A. H. Souter Date: 3-12-64
Oil Conservation Commission
(Subject to like approval by the Director and
Commissioner)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

1446

May 2, 1963

C
O
P
Y

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. T. Maxwell

Re: 1963 Plan of Development
Cotton Draw Unit, Lea and
Eddy Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1963 Plan of Development for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan of development are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/ig

cc: Commissioner of Public Lands
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

1-40-0000000000
1963 APR 0 PM 3 19

April 2, 1963

Texaco Inc.
P. O. Box 3102
Midland, Texas

Re: Cotton Plant Unit
Lea and Eddy Counties,
New Mexico

Attention: Mr. R. T. Maxwell

Gentlemen:

The Commissioner of Public Lands has approved your 1963 Plan of Development as of April 2, 1963, subject to like approval by the United States Geological Survey and the Oil Conservation Commission.

We are enclosing one approved copy of this Plan of Development.

Very truly yours,

E. S. Johnny Walker
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea
Supervisor, Unit Division

ESW/mms/e
encl:
cc:

United States Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico

MAIN OFFICE OCC

Drawer 9685 FEB 20 AM 8 29
Roswell, New Mexico

February 18, 1963

Taxaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. T. Maxwell

Gentlemen:

Your 1963 plan of development dated December 26, 1962, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, proposing the drilling of no additional wells, has been approved on this date subject to like approval by the appropriate State officials.

One approved copy of the plan is enclosed.

Very truly yours,

(LONG 265) CARL C. TRAYNICK

CARL C. TRAYNICK
Acting Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Hobbs (w/cy of plan)
RMOCC - Santa Fe (ltr. only) ✓
Com. of Pub. Lands - Santa Fe (ltr. only)

TEXACO INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 3109
MIDLAND, TEXAS

December 26, 1962

186150 - Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Director (3)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the year 1963.

HISTORY OF PAST DEVELOPMENT: A total of 62 wells have been drilled to the Delaware zone on committed lands in the unit area. Of the producing wells, 50 have been included in the Delaware Participating Area or are included in applications which are currently pending approval. Only three wells have been completed dry in the Delaware zone.

The current Plan of Development required the drilling of three Delaware tests. Delaware wells completed under the current plan are as follows:

<u>Well Name</u>	<u>Location</u>	<u>Completion Date</u>	<u>Results</u>
Unit No. 49	NW SE 3-25-32	6- 5-62	TD 4890' P & A
Unit No. 61	NW NW 27-25-32	4- 6-62	TD 4693' PB 4600' Tested gas in Lamar Lime - shut-in

Director (3)
Commissioner of Public Lands (3)
Oil Conservation Commission (3) -2-

December 26, 1962

<u>Well Name</u>	<u>Location</u>	<u>Completion Date</u>	<u>Results</u>
Unit No. 62	NW SE 10-25-32	7-9-62	TD 4775' P/4 BOD / 21 BW

The Delaware well proposed for Section 20-25-32 under the current plan was not drilled due to lack of sufficient information. We request that the above Unit Well No. 62, which was drilled during this plan, be substituted for the well in Section 20.

PROPOSED ADDITIONAL WELLS: No additional Delaware tests are proposed within the unit area at this time. Information being obtained from existing wells will be evaluated during 1963. Additional exploratory and development wells will be commenced if sufficient justification is received from these studies. The Unit Operator is also conducting a study of the secondary recovery potential in the Delaware wells.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the year 1963. Before this plan expires, another plan for further development of the unit area will be submitted.

Yours very truly,

TEXACO Inc.
Unit Operator

By R. T. Maxwell
R. T. Maxwell *ms*

BEH:bw

Approved: _____ Date: _____
Acting Supervisor, United States Geological Survey
(Subject to like approval by the Commissioner and
Oil Conservation Commission)

Approved: _____ Date: _____
Commissioner of Public Lands
(Subject to like approval by the Director and
Oil Conservation Commission)

Approved: A. L. Fortner Date: 5-1-63
Oil Conservation Commission
(Subject to like approval by the Director and
Commissioner)

1246
July 19, 1962

C
O
P
Y

Texaco, Inc.
P. O. Box 3109
Midland, Texas

Re: Tenth, Eleventh and
Twelfth Enlargements,
Delaware Participating Area,
Cotton Draw Unit, Lea and
Eddy Counties, New Mexico

Attention: Mr. R. M. Bischoff

Gentlemen:

The Commissioner approved, on March 20, 1962, the
Tenth, Eleventh and Twelfth Enlargements of the Participating
Areas for the Delaware Formation, subject to like approval by
the United States Geological Survey.

Have these Enlargements not been approved by the United
States Geological Survey or have we failed to receive notifi-
cation.

May we hear from you at your earliest convenience.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESW/mmr/v

cc: U.S. Geological Survey - Roswell, New Mexico
Oil Conservation Commission - Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

1442

March 22, 1962

C
O
P
Y
Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Re: 1962 Plan of Development
Cotton Draw Unit, Lea and
Eddy Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1962 Plan of Development for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/19

cc: U. S. Geological Survey - Roswell
State Land Office - Santa Fe



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

1962 MAR 15 PM 1857
Roswell, New Mexico

March 14, 1962

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Gentlemen:

Your 1962 plan of development, dated February 13, 1962, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, which proposes the drilling of three Delaware test wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Very truly yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Hobbs (w/cy of Plan)
NMOCC-Santa Fe (ltr only)
Com. of Pub. Lands-Santa Fe (ltr only)

MAIN OFFICE OCC
1962 MAR 13 PM 3 33

March 9, 1962

C
O
P
Y

Texaco Inc.
P. O. Box 3109
Midland, Texas

Re: 1962 Plan of Development
Cotton Draw Unit Lea and
Eddy Counties, New Mexico

Attention: Mr. R. M. Bischoff

Gentlemen:

The Commissioner has approved as of this date
your Plan of Development for the Calendar Year 1962.

We are handing four approved copies of this
Plan to the Oil Conservation Commission for their
consideration.

This Plan calls for three additional Delaware
test wells during the year 1962.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

ESW/mm/v

cc: Oil Conservation Commission
Santa Fe, New Mexico

U. S. Geological Survey
Roswell, New Mexico

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

R. M. BISCHOFF, ASSISTANT DIVISION MANAGER

February 13, 1962

186150 - Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Director (6)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the year 1962.

HISTORY OF PAST DEVELOPMENT: A total of 59 wells have been drilled to the Delaware zone on committed lands in the Unit Area. Only one of these wells was a dry hole. Of the producing wells, 48 have been included in the Delaware Participating Area or are included in applications which are currently pending approval. The five (5) Delaware tests proposed in our Plan which expired on December 31, 1961 have been drilled.

PROPOSED ADDITIONAL WELLS: The drilling of three (3) additional Delaware tests within the Unit Area is proposed during 1962. These wells will be located in the S/2 of Section 3, Section 20, and in the NW/4 NW/4 of Section 27, all in T-25-S, R-32-E. Further drilling locations will depend upon information obtained from these wells and from a further subsurface study of the Unit Area.

Director (6)
Commissioner of Public Lands (3)
Oil Conservation Commission (3) -2-

February 13, 1962

WELL CASING PROGRAM: The well casing program will include such surface casing and other casing as may be required by the Director and the Commissioner, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said Agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the year 1962. Before this plan expires, another plan for further development of the Unit Area will be submitted.

MODIFICATION: It is understood that this Plan of Development is dependent upon certain information to be obtained prior to drilling, and upon other contingencies such as availability of well casing; therefore, this Plan of Development may be modified to meet changing conditions or to protect the interests of all parties to this agreement.

TEXACO Inc.
Unit Operator

By R. M. Bischoff
R. M. Bischoff

BEH:bw

APPROVED: _____ Date: _____
Supervisor, United States Geological Survey

APPROVED: E. Smalher Date: 3-9-62
Commissioner of Public Lands

APPROVED: H. J. Patten Date: 3.22.62
Oil Conservation Commission

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

R. M. BISCHOFF, ASSISTANT DIVISION MANAGER

February 13, 1962

186150 - Cotton Draw Unit
Lea and Eddy Counties,
New Mexico

Director (6)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the year 1962.

HISTORY OF PAST DEVELOPMENT: A total of 59 wells have been drilled to the Delaware zone on committed lands in the Unit Area. Only one of these wells was a dry hole. Of the producing wells, 48 have been included in the Delaware Participating Area or are included in applications which are currently pending approval. The five (5) Delaware tests proposed in our Plan which expired on December 31, 1961 have been drilled.

PROPOSED ADDITIONAL WELLS: The drilling of three (3) additional Delaware tests within the Unit Area is proposed during 1962. These wells will be located in the S/2 of Section 3, Section 20, and in the NW/4 NW/4 of Section 27, all in T-25-S, R-32-E. Further drilling locations will depend upon information obtained from these wells and from a further subsurface study of the Unit Area.

Director (6)
Commissioner of Public Lands (3)
Oil Conservation Commission (3) -2-

February 13, 1962

WELL CASING PROGRAM: The well casing program will include such surface casing and other casing as may be required by the Director and the Commissioner, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said Agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the year 1962. Before this plan expires, another plan for further development of the Unit Area will be submitted.

MODIFICATION: It is understood that this Plan of Development is dependent upon certain information to be obtained prior to drilling, and upon other contingencies such as availability of well casing; therefore, this Plan of Development may be modified to meet changing conditions or to protect the interests of all parties to this agreement.

TEXACO Inc.
Unit Operator

By R. M. Bischoff
R. M. Bischoff

BEH:bw

APPROVED: _____ Date: _____
Supervisor, United States Geological Survey

APPROVED: C. Smalcher Date: 3-9-62
Commissioner of Public Lands

APPROVED: A. L. Porter Date: 3-22-62
Oil Conservation Commission

OIL CONSERVATION COMMISSIC

P. O. BOX 871

SANTA FE, NEW MEXICO

1446

March 22, 1962

C
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Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Re: Plan of Development July 1,
1961 to December 31, 1961
Cotton Draw Unit, Lea and
Eddy, Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Plan of Development covering the period July 1, 1961 to December 31, 1961 for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

Two approved copies of the plan are returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/ig

cc: U. S. Geological Survey - Roswell, New Mexico
Land Office - Santa Fe, New Mexico



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

July 26, 1961

Texaco Inc.
P.O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Gentlemen:

Your plan of development dated July 17, 1961, covering the last half of 1961, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, which proposes the drilling of five Delaware wells, has been approved on this date subject to like approval by the appropriate State officials.

Three copies of the approved plan are enclosed.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of plan)
Hobbs (w/cy of plan)
MOCC, Santa Fe (ltr. only)

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

July 17, 1961

186150 - Cotton Draw Unit
Lea & Eddy Counties, New Mexico

Director (6)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the remainder of the year 1961.

HISTORY OF PAST DEVELOPMENT: The current Plan of Development covers the 90-day period ending July 1, 1961. That plan required the drilling of six (6) additional Delaware tests within the Unit Area. All of these wells have been drilled except for the location in the NE/4 NE/4 of Section 29, 25S-32E. This location was not drilled due to a lack of sufficient information and a substitute location was drilled in the SE/4 NW/4 of Section 28, 25S-32E. Three additional wells were drilled during the 90-day period ending on July 1, 1961, and are located in the NW/4 SW/4 of Section 22, SE/4 NW/4 and NW/4 NE/4 of Section 28, 25S-32E. All of these wells have been productive from the Delaware zone.

PROPOSED ADDITIONAL WELLS: The drilling of five (5) additional Delaware tests within the Unit Area is proposed for the remainder of 1961. These wells will be located in the NE/4 SE/4 of Section 9, SW/4 NE/4 and SW/4 NW/4 of Section 28, SE/4 NE/4 of Section 29, and the previously undrilled location in the NE/4 NE/4 of Section 29, all in 25S-32E. In addition to the drilling requirements contained in this paragraph, other wells will be drilled in the event additional information is obtained within the period covered by this Plan under which additional wells can be recommended.

Director (6)
Commissioner of Public Lands (3)
Oil Conservation Commission (3)

-3-

July 17, 1961


WELL CASING PROGRAM: The well casing program will include such surface casing and other casing as may be required by the Director and the Commissioner, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said Agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the remainder of 1961. Before this plan expires, another plan for further development of the Unit Area will be submitted.

MODIFICATION: It is understood that this Plan of Development is dependent upon certain information to be obtained prior to drilling, and upon other contingencies such as availability of well casing; therefore, this Plan of Development may be modified to meet changing conditions or to protect the interests of all parties to this agreement.

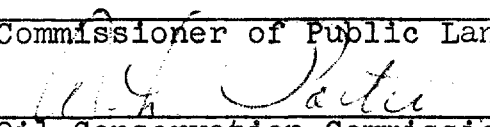
TEXACO Inc.
Unit Operator

By 
R. M. Bischoff

BEH:lg

APPROVED: _____ Date: _____
Supervisor, United States Geological Survey

APPROVED: _____ Date: _____
Commissioner of Public Lands

APPROVED:  Date: 3 22 62
Oil Conservation Commission



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

June 21, 1961

Texaco Inc.
P.O. Box 3109
Midland, Texas

Gentlemen:

Your letter of June 2, 1961, advises that Texaco Inc., as unit operator of the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, has determined well Ray-USA No. 2 as incapable of producing unitized substances in paying quantities from the Delaware sand.

The well in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 9, T. 25 S., R. 32 E., N.M.P.M., was completed on December 23, 1960, for 37 barrels of oil and 16 barrels of water per day. After being reworked, the well is presently producing approximately 3 barrels of oil and 14 barrels of water per day.

This office concurs with your determination that well Ray-USA No. 2 is incapable of producing unitized substances in paying quantities under existing conditions.

Very truly yours,

(Orig. Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

Copy to: Washington (w/cy of Notice)
Hobbs (w/cy of Notice)
Com. of Pub. Lands, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only)

Case #1446

May 26, 1961

C
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**Texaco Inc.
P. O. Box 3109
Midland, Texas**

**Re: Application for
Enlargement of the Delaware
Participating Area
COTTON DRAW UNIT
Lea and Eddy Counties,
New Mexico**

Attention: Mr. R. M. Bischoff

Gentlemen:

**We are forwarding to the US Geological Survey,
Reston, New Mexico, Attention Mr. John Anderson, seven
copies of the First Enlargement, Second Enlargement,
Third Enlargement, Fourth Enlargement, Fifth Enlargement
and the Sixth Enlargement of the Application for Enlarge-
ment of the Participating Area for the Delaware Formation,
Cotton Draw Unit, Lea and Eddy Counties, New Mexico.**

**These Enlargements were approved by the Commissioner
of Public Lands May 26, 1961, subject to like approval by
the Director, US Geological Survey. Please furnish us one
fully approved copy.**

Very truly yours,

**E. S. Johnny Walker
Commissioner of Public Lands**

KBW/maz/s

**Tenneco Inc.
P. O. Box 3109
Midland, Texas**

**May 26, 1961
Page (2).**

encl. (7)

cc:

**Mr. John A. Anderson
US Geological Survey
P. O. Box 6721
Roswell, New Mexico**

C
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Case # 1446

May 23, 1961

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Re: 1961 Plan of Development,
Cotton Draw Unit, Lea and
Eddy Counties, New Mexico

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1961 Plan of Development, for the three month period beginning April 1, 1961, for the Cotton Draw Unit, Lea and Eddy Counties, New Mexico, subject to like approval by the United States Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

One approved copy of the plan is returned herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/JEK/eg

cc: Commissioner of Public Lands - Santa Fe
U. S. Geological Survey - Roswell

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



May 8, 1961

P. O. BOX 3109
MIDLAND, TEXAS

186150 - Cotton Draw Unit
Lea and Eddy Counties, New Mexico

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

Enclosed for approval find two copies of our application dated April 24, 1961 for a plan of development covering the three month period beginning April 1, 1961. Please return one approved copy of this application.

Pursuant to your request, we are also enclosing a copy of the Certificate of Approval by the Director of the United States Geological Survey indicating his approval to the Cotton Draw Unit Agreement on July 28, 1958. If any additional information is desired under this Unit, please advise.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Dan B. Smith".

BEH-JM

Enclosures

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

April 24, 1961

186150 - Cotton Draw Unit
Lea & Eddy Counties, New Mexico

Director (6)
United States Geological Survey
c/o Regional Oil and Gas Supervisor
Roswell, New Mexico

Commissioner of Public Lands (3)
The State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Gentlemen:

In compliance with Section 10 of the Cotton Draw Unit Agreement, Contract No. 14-08-001-5249, and approved by the Survey on July 28, 1958, TEXACO Inc., as Unit Operator, hereby submits for your approval a Plan of Development for the 3-month period beginning April 1, 1961.

HISTORY OF PAST DEVELOPMENT: The Delaware discovery well in the unit was completed on September 15, 1960, and is known as Unit Well No. 1. This well is located in the SW/4 SW/4 Section 15, T-25-S, R-32-E and tested 171.32 BOPD flowing through a 12/64" choke from the Delaware formation between 4,673 feet and 4,689 feet. Since that date, a total of 37 wells have been drilled to the Delaware formation on committed lands in the Unit Area, all of which have been productive.

PROPOSED ADDITIONAL WELLS: The drilling of six (6) additional Delaware tests within the Unit Area is proposed for the 3-month period beginning April 1, 1961. These wells will be located in the NW/4 NW/4 and NE/4 NW/4 Section 28, NE/4 NE/4 Section 29, NW/4 SE/4 Section 15, NE/4 SE/4 Section 20, SW/4 SE/4 Section 21, all in T-25-S, R-32-E. In addition to the drilling requirements contained in this paragraph, other wells will be drilled in the event additional information is obtained within the period covered by this Plan under which additional wells can be recommended.

WELL CASING PROGRAM: The well casing program will include such surface casing and other casing as may be required by the Director and the Commissioner, or as set forth in approvals of the applicable U.S.G.S. and State of New Mexico forms. The producing string of casing may be set and cemented on top of, partially through or completely through the producing zone.

Director (6)
Commissioner of Public Lands (3)

-2-

April 24, 1961

OFFSET OBLIGATIONS: Appropriate and adequate measures will be taken to prevent drainage of unitized substances from lands subject to the Cotton Draw Unit Agreement, or pursuant to applicable regulations, fair and reasonable compensatory royalty will be paid as provided in Section 17 of said Agreement.

FURTHER DEVELOPMENT: This Plan of Development shall constitute the drilling obligations of the Unit Operator under the terms of the Cotton Draw Unit Agreement for the 3-month period beginning April 1, 1961. Before this plan expires, another plan for further development of the Unit Area will be submitted.

MODIFICATION: It is understood that this Plan of Development is dependent upon certain information to be obtained prior to drilling, and upon other contingencies such as availability of well casing; therefore, this Plan of Development may be modified to meet changing conditions or to protect the interests of all parties to this agreement.

TEXACO Inc.
Unit Operator

By R. M. Bischoff
R. M. Bischoff

BEH:lg

APPROVED: _____ Date: _____
Supervisor, United States Geological Survey

APPROVED: _____ Date: _____
Commissioner of Public Lands

APPROVED: A. L. Porter Date: May 24, 1961
New Mexico Oil Conservation Commission



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1837
Roswell, New Mexico

RECEIVED

MAY 22 1961

May 18, 1961 O. C. C.
ARTESIA, OFFICE

Case # 1446

Texaco, Inc.
P.O. Box 3109
Midland, Texas

Attention: Mr. R. M. Bischoff

Gentlemen:

Your plan of development for a three-month period beginning April 1, 1961, dated April 24, 1961, for the Cotton Draw unit area, Lea and Eddy Counties, New Mexico, which proposes the drilling of six Delaware formation wells, has been approved on this date subject to like approval by the appropriate State officials.

Three approved copies of the plan are enclosed.

Very truly yours,

EDWIN M. THOMASSON
Acting Regional Oil and Gas Supervisor

Cop: to: Washington (w/cy of plan)

Hobbs (w/cy of plan)

Com. of Pub. Lands, Santa Fe (ltr. only)

NMOCC, Santa Fe (ltr. only)

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1486
April 27, 1961

C
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Texaco Inc.
P. O. Box 3109
Midland, Texas

Re: Cotton Draw Unit
Lea and Eddy Counties, New Mexico

Attention: Mr. R. M. Bischoff

Gentlemen:

We are returning one copy of your Plan of Development for the Delaware Formation, which was approved by the Commissioner of Public Lands as of April 27, 1961.

This plan proposes the drilling of six Delaware wells for the period of April 1, 1961 thru July 1, 1961.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

ESW/mmr/s
cc:

Oil Conservation Commission
Santa Fe, New Mexico

US Geological Survey
Roswell, New Mexico

In reply refer to: *100-100000-1000*
Unit Division

100-100000-1000

December 12, 1960

Case #1446

C
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Texaco Inc.
P. O. Box 3109
Midland, Texas

Re: Initial Participating Area,
Delaware Formation,
COTTON DRAW UNIT
Lea & Eddy Counties, New Mexico

Attention: Mr. B. E. Hellman

Gentlemen:

Your application of November 30, 1960, for approval of the Initial Participating Area, Delaware Formation, for your Cotton Draw Unit, has been approved by the Commissioner of Public Lands as of December 12, 1960.

We are forwarding six copies to the United States Geological Survey in Roswell, New Mexico for their consideration.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/mmz/s

cc: Oil Conservation Commission ✓
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

In reply refer to:
Unit Division

January 25, 1960

C
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P
Y

Texaco Incorporated
P. O. Box 3109
Midland, Texas

Re: Cotton Draw Unit
Lea and Eddy Counties

ATTENTION: B. E. Hollman

Gentlemen:

We are transmitting to the United States Geological Survey, Roswell, New Mexico, six copies of your application dated December 14, 1959, for a six months extension of time in which to commence the third test well on the Cotton Draw Unit Area.

This application was approved by the Commissioner of Public Lands as of January 25, 1960.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MMR/m
cc:

OCC- Santa Fe
USGS- Roswell

P. O. Box 6721
Roswell, New Mexico

December 15, 1939

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. B. E. Bellman

Gentlemen:

This is to acknowledge receipt of the following documents relating to the Cotton Draw unit agreement, New Mexico, No. 14-08-001-3247:

Five copies of a Ratification and Joinder to the unit agreement, executed by J. Fearod Tolos and Sally Saunders Tolos who will own record title in Federal land unit tract 16 when lease New Mexico 053907 is issued. Approval and Consent of Texaco Inc., unit operator, is affixed to each copy of the Ratification and Joinder.

Five copies of a Ratification and Joinder to the unit operating agreement, executed by J. Fearod Tolos and Sally Saunders Tolos also relating to Federal land unit tract 16.

By virtue of the Ratifications and Joinders listed above, Federal land unit tract 16 is considered effectively committed to the Cotton Draw unit agreement, effective as of the date of issuance of lease New Mexico 053907

Copies of the Ratifications and Joinders are being distributed to appropriate Federal offices for inclusion in the official case records. It is assumed you will furnish other interested parties with appropriate evidence of this action. One copy of each of the Ratifications and Joinders is surplus to our needs and is returned herewith.

Copy to: Wash. (w/cy of Joinders)
Artesia "
ELM-Santa Fe "
EMOCC
St. Land Off.
(Mrs. Rhea) (Ltr. only)
Humble Oil & Refining Co.
P. O. Box 1287
Roswell, New Mexico

Very truly yours,

ERWIN M. THOMASSON
Acting Oil and Gas Supervisor

MAIN OFFICE GOC
OCT 7 AM 8:31

In reply refer to:
Unit Division

October 6, 1959

C
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The Texas Company
P. O. Box 1270
Midland, Texas

Re: Cotton Draw Unit
Eddy and Lea Counties,
New Mexico

Gentlemen:

Our records show that your Haflin Federal No. 1 Well was completed April 6, 1959.

The terms of your unit provide that within six months after the completion of this well, if considered a commercial well, you are required to file a Plan of Development. This office has not received a participating area for this well nor a plan of development.

May we hear from you immediately concerning these requirements otherwise we shall consider you in default under the terms of the Unit Agreement.

Very truly yours,
MURRAY E. MORGAN
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MER/m
cc: Oil Conservation Commission
Santa Fe, New Mexico

United States Geological Survey
Roswell, New Mexico

In reply refer to:
Unit Division

File

case 1446

June 4, 1958

Hervey, Dow and Hinkle
P. O. Box 547
Roswell, New Mexico

Re: Cotton Draw Unit Agreement
Eddy and Lea Counties

ATTENTION: Mr. John H. Clark

Gentlemen:

We are handing you herewith twenty five copies of the
Certificate of Approval on your Cotton Draw Unit Agreement.
This approval being made as of June 4, 1958.

Also enclosed please find your Official Receipt No.
E-38868 in the amount of \$305.00 which covers your filing fee.

Very truly yours,

MURRAY E. MORGAN,
Commissioner of Public Lands

BY:
Ted Bilberry, Supervisor
Oil and Gas Division

MEM/MMR/s

cc: OCC-SANTA FE, N.M.
USGS-ROSWELL, N.M.

C
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1446
P. O. Box 6721
Roswell, New Mexico

December 3, 1959

Texaco Inc.
P. O. Box 3109
Midland, Texas

Attention: Mr. E. K. Neilman

Gentlemen:

This is to acknowledge receipt of the following documents relating to the Cotton Draw unit agreement, New Mexico No. 14-68-001-3247:

Four copies of a Consent and Ratification to the unit agreement and unit operating agreement, executed by Peggy F. Jennings and Howard W. Jennings, who will own record title and full working interest in Federal land unit tract No. 27 upon issuance of oil and gas lease New Mexico 045236. Approval and Consent of Texaco Inc., unit operator, is affixed to each copy of the Consent and Ratification.

The Consent and Ratification is being accepted for record purposes. The record title and working interest in Federal land unit tract No. 27 is, however, considered effectively committed as of the lease issuance date of New Mexico 045236, by original joinder to the Cotton Draw unit agreement and unit operating agreement.

Copies of the Consent and Ratification are being distributed to appropriate Federal offices for inclusion in the official case records. It is assumed you will furnish other interested parties with appropriate evidence of this action. One copy of the Consent and Ratification is surplus to our needs and is returned herewith.

Very truly yours,



EDWIN M. THOMASSON
Acting Oil and Gas Supervisor

Enclosure

Copy to: Wash. (w/cy of Joinder)
Artesia "
BLM-Santa Fe "
State Land Office, (Mrs. Rhea) (Ltr. only)
BMOCC

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS



PRODUCING DEPARTMENT
WEST TEXAS DIVISION

Midland, Texas, June 2, 1958

186150 - Cotton Draw Unit
Lea & Eddy Counties, New Mexico

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Daniel S. Nutter, Examiner

Gentlemen:

Reference is made to recent hearing held in Santa Fe, New Mexico on May 28, 1958, in connection with the Cotton Draw Unit located in Lea & Eddy Counties, New Mexico.

At this hearing, Mr. Nutter requested percentage figures as to the State and Federal acreage committed to this unit.

This is to advise that 91 plus percent of the Federal acreage has been committed, 51 plus percent of the State acreage and 100 percent of the fee acreage. As stated at the hearing, we now have committed a total of 88 percent with the possibility of picking up some additional interest.

If further information is desired in this connection, please advise.

Yours very truly,

K. H. Griffin
District Landman

By:

J. H. Clark
J. H. Clark

JHC:rc

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	<input checked="" type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHIP RADIOGRAM	<input type="checkbox"/>

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	COLLECT		Please charge the telegram to Mr. J. H. Markley, Texaco, Inc.	10:00 A.M.

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Midland, Texas

MARCH 23, 1961

W. E. SHIPP

TEXAS-NEW MEXICO PIPELINE COMPANY
MIDLAND, TEXAS

RE: COTTON DRAW UNIT, PADUCA DELAWARE POOL. UNIT AGREEMENT PROVIDES THAT REVISIONS OF PARTICIPATING AREA SHALL BE EFFECTIVE FIRST OF MONTH IN WHICH KNOWLEDGE PREDICATING SUCH REVISION IS OBTAINED UNLESS ANOTHER DATE JUSTIFIED BY UNIT OPERATOR. TEXACO ASSURES COMMISSION NO SUCH OTHER DATE WILL BE USED. COMMISSION INTERPRETS "MONTH IN WHICH KNOWLEDGE IS OBTAINED" TO BE MONTH OF FIRST PRODUCTION EXCEPT IN CASES OF EXTREMELY QUESTIONABLE WELLS. BASED ON ABOVE ASSURANCE AND INTERPRETATION, COMMISSION HEREBY APPROVES PADUCA DELAWARE. COMINGLING OF ALL BUT EXTREMELY QUESTIONABLE WELLS ON COMMITTED LEASES IN COTTON DRAW UNIT AND AUTHORIZES TEXAS-NEW MEXICO PIPELINE TO PURCHASE FROM COMMON BATTERY. TEXACO ADVISED TO SEPARATELY TANK ANY SUCH QUESTIONABLE WELLS.

A. L. PORTER, Jr., Secretary-Director

Copy of this telegram to J. H. Markley, Texaco, Inc., Midland, Texas