

EACH STATE JOINING HEREIN SHALL APPOINT ONE REPRESENTATIVE TO A COMMISSION HEREBY CONSTITUTED AND DESIGNATED AS THE INTERSTATE OIL COMPACT COMMISSION, THE DUTY OF WHICH SAID COMMISSION SHALL BE TO MAKE INQUIRY AND ASCERTAIN FROM TIME TO TIME SUCH METHODS, PRACTICES, CIRCUMSTANCES, AND CONDITIONS AS MAY BE DISCLOSED FOR BRINGING ABOUT CONSERVATION AND THE PREVENTION OF PHYSICAL WASTE OF OIL AND GAS, AND AT SUCH INTERVALS AS SAID COMMISSION DEEMS BENEFICIAL IT SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE SEVERAL STATES FOR ADOPTION OR REJECTION.

THE COMMISSION SHALL HAVE POWER TO RECOMMEND THE COORDINATION OF THE EXERCISE OF THE POLICE POWERS OF THE SEVERAL STATES WITHIN THEIR SEVERAL JURISDICTIONS TO PROMOTE THE MAXIMUM ULTIMATE RECOVERY FROM THE PETROLEUM RESERVES OF SAID STATES, AND TO RECOMMEND MEASURES FOR THE MAXIMUM ULTIMATE RECOVERY OF OIL AND GAS. SAID COMMISSION SHALL ORGANIZE AND ADOPT SUITABLE RULES AND REGULATIONS FOR THE CONDUCT OF ITS BUSINESS.

NO ACTION SHALL BE TAKEN BY THE COMMISSION EXCEPT: (1) BY THE AFFIRMATIVE VOTES OF THE MAJORITY OF THE WHOLE NUMBER OF THE COMPACTING STATES REPRESENTED AT ANY MEETING, AND (2) BY A CONCURRING VOTE OF A MAJORITY IN INTEREST OF THE COMPACTING STATES AT SAID MEETING, SUCH INTEREST TO BE DETERMINED AS FOLLOWS: SUCH VOTE OF EACH STATE SHALL BE IN THE DECIMAL PROPORTION FIXED BY THE RATIO OF ITS DAILY AVERAGE PRODUCTION DURING THE PRECEDING CALENDAR HALF-YEAR TO THE DAILY AVERAGE PRODUCTION OF THE COMPACTING STATES DURING SAID PERIOD.

ARTICLE VII

NO STATE BY JOINING HEREIN SHALL BECOME FINANCIALLY OBLIGATED TO ANY OTHER STATE, NOR SHALL THE BREACH OF THE TERMS HEREOF BY ANY STATE SUBJECT SUCH STATE TO FINANCIAL RESPONSIBILITY TO THE OTHER STATES JOINING HEREIN.

ARTICLE VIII

THIS COMPACT SHALL EXPIRE SEPTEMBER 1, 1937. BUT ANY STATE JOINING HEREIN MAY, UPON SIXTY (60) DAYS NOTICE, WITHDRAW HEREFROM.

THE REPRESENTATIVES OF THE SIGNATORY STATES HAVE SIGNED THIS AGREEMENT IN A SINGLE ORIGINAL WHICH SHALL BE DEPOSITED IN THE ARCHIVES OF THE DEPARTMENT OF