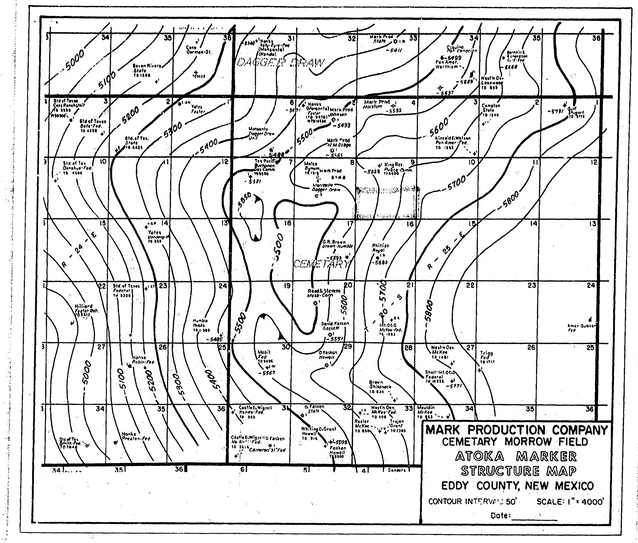
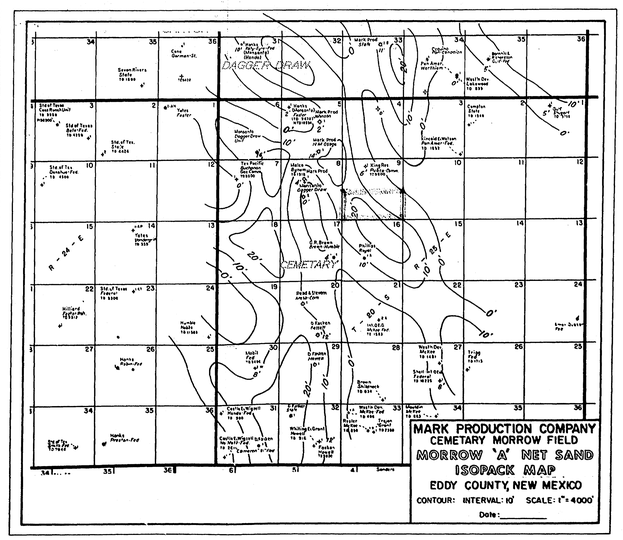
Case No
5354

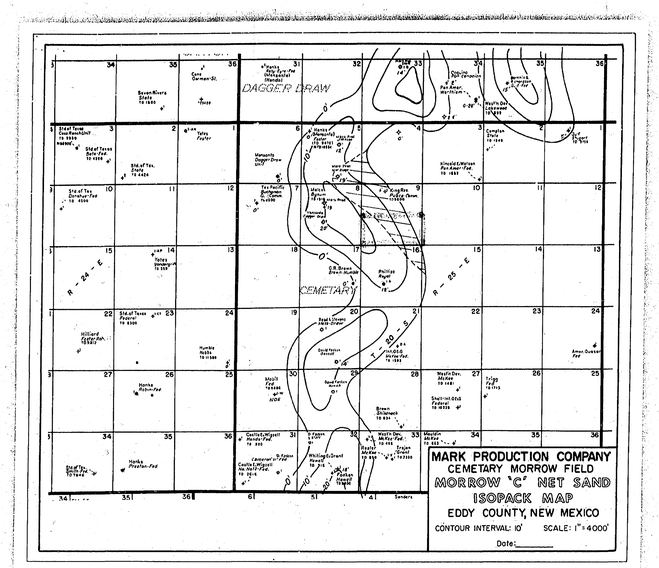
Large Exhibits

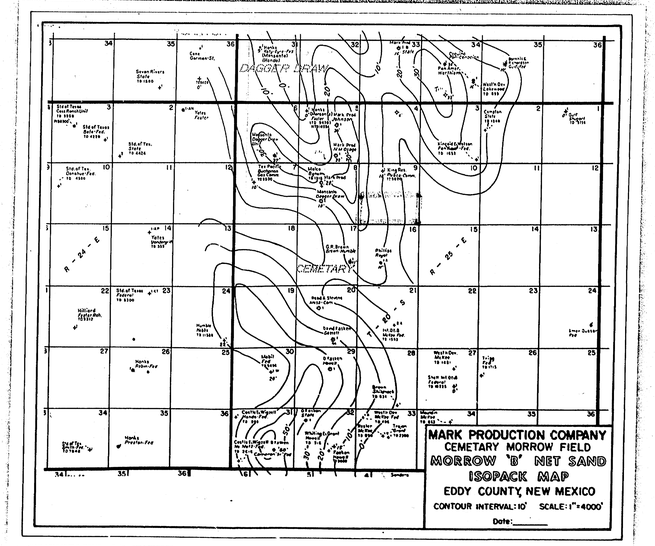
V.R.N.C.F. MICROGRAPHICS
BEST AVAILABLE COPY



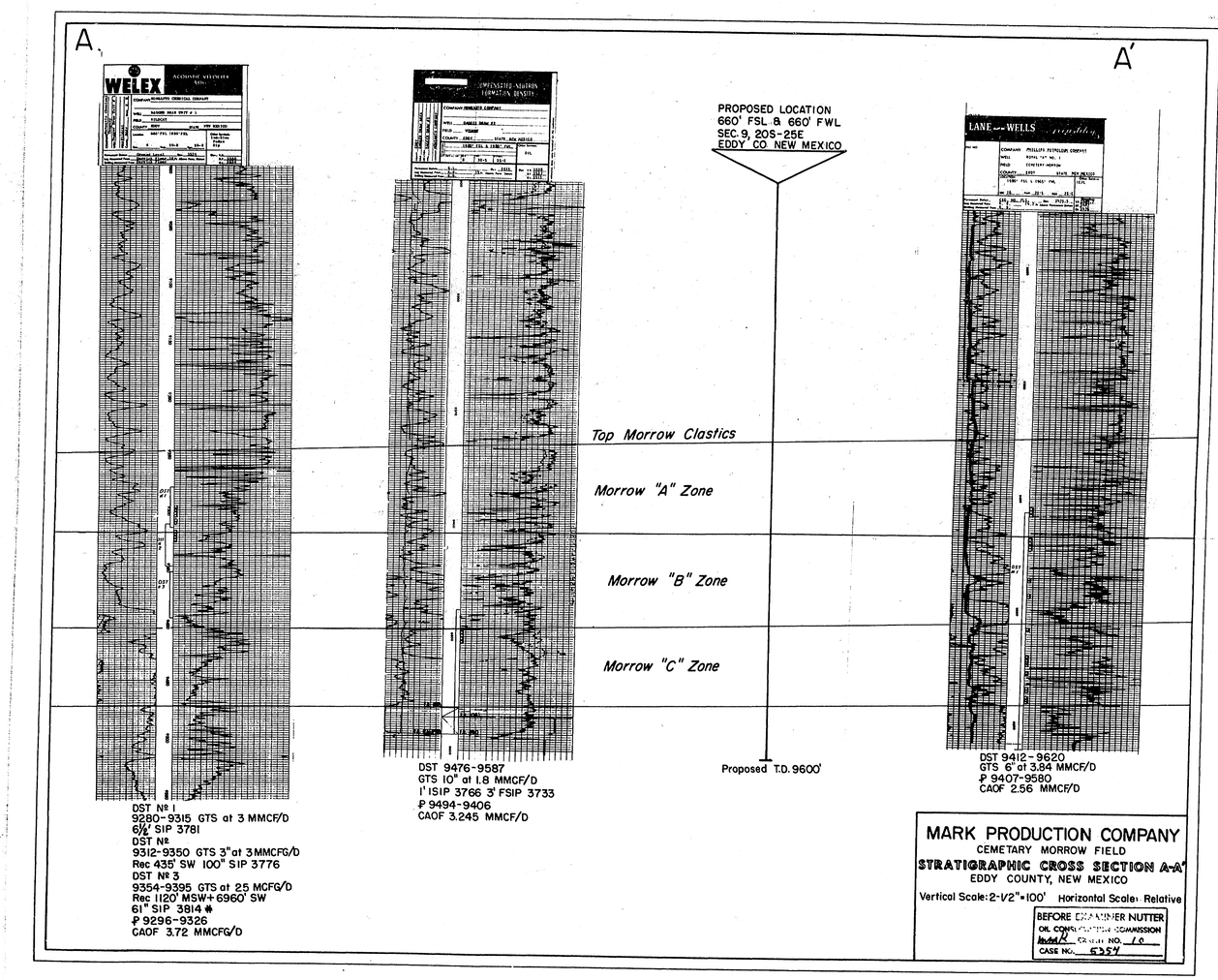


V.T.N.C.F. MICROGRAPHICS
BEST AVAILABLE COPY





N.M.N.C.P. MICROGRAPHICS
BEST AVAILABLE COPY



MARK PRODUCTION COMPANY
CEMETARY MORROW FIELD
STRATIGRAPHIC CROSS SECTION A-A'
EDDY COUNTY, NEW MEXICO
Vertical Scale: 2-1/2"=100' Horizontal Scale: Relative

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 10
CASE NO. 6354

U.S.B.C.F. MICROGRAPHICS
BEST AVAILABLE COPY

above shall pay to the operator his pro rata share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator his pro rata share of the amount that estimated well costs exceed reasonable well costs.

(7) That the operator is hereby authorized to withhold the following costs and charges from production:

(A) The pro rata share of reasonable well costs attributable to each non-consenting working interest owner who has not paid his share of estimated well costs within 30 days from the date the schedule of estimated well costs is furnished to him.

(B) As a charge for the risk involved in the drilling of the well, 200% of the pro rata share of reasonable well costs attributable to each non-consenting working interest owner who has not paid his share of estimated well costs within 30 days from the date the schedule of estimated well costs is furnished to him.

(8) That the operator shall distribute said costs and charges withheld from production to the parties who advanced the well costs.

(9) That $ 205.00 per month is hereby fixed as a reasonable charge for supervision (combined fixed rates), provided that this rate shall be adjusted on the first day of April of each year following the effective date of this order; that the adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the preceding calendar year as shown by "The Index of Average Weekly Earnings of Crude Petroleum and Gas Production Workers" as published by the United States Department of Labor, Bureau of Labor Statistics, and the adjusted rate shall be the rates currently in use, plus or minus the computed adjustment; that the operator is hereby authorized to withhold from production the proportionate share of such supervision charge attributable to each non-consenting working interest, and in addition thereto, the operator is hereby authorized to withhold from production the proportionate share of actual expenditures required for operating such well, not in excess of what are reasonable, attributable to each non-consenting working interest.

W.R.M.C.F. MICROGRAPHICS

BEST AVAILABLE COPY