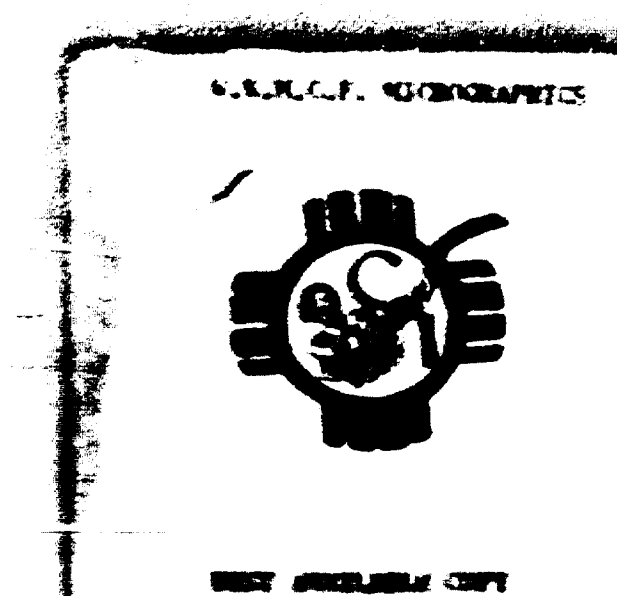
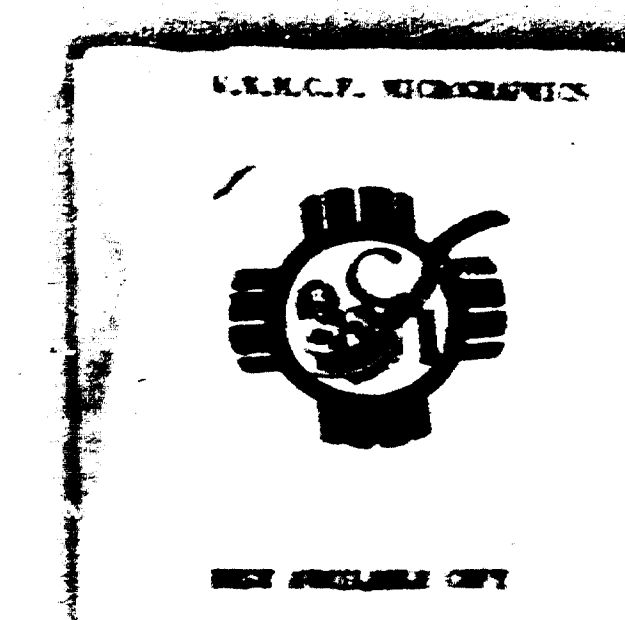
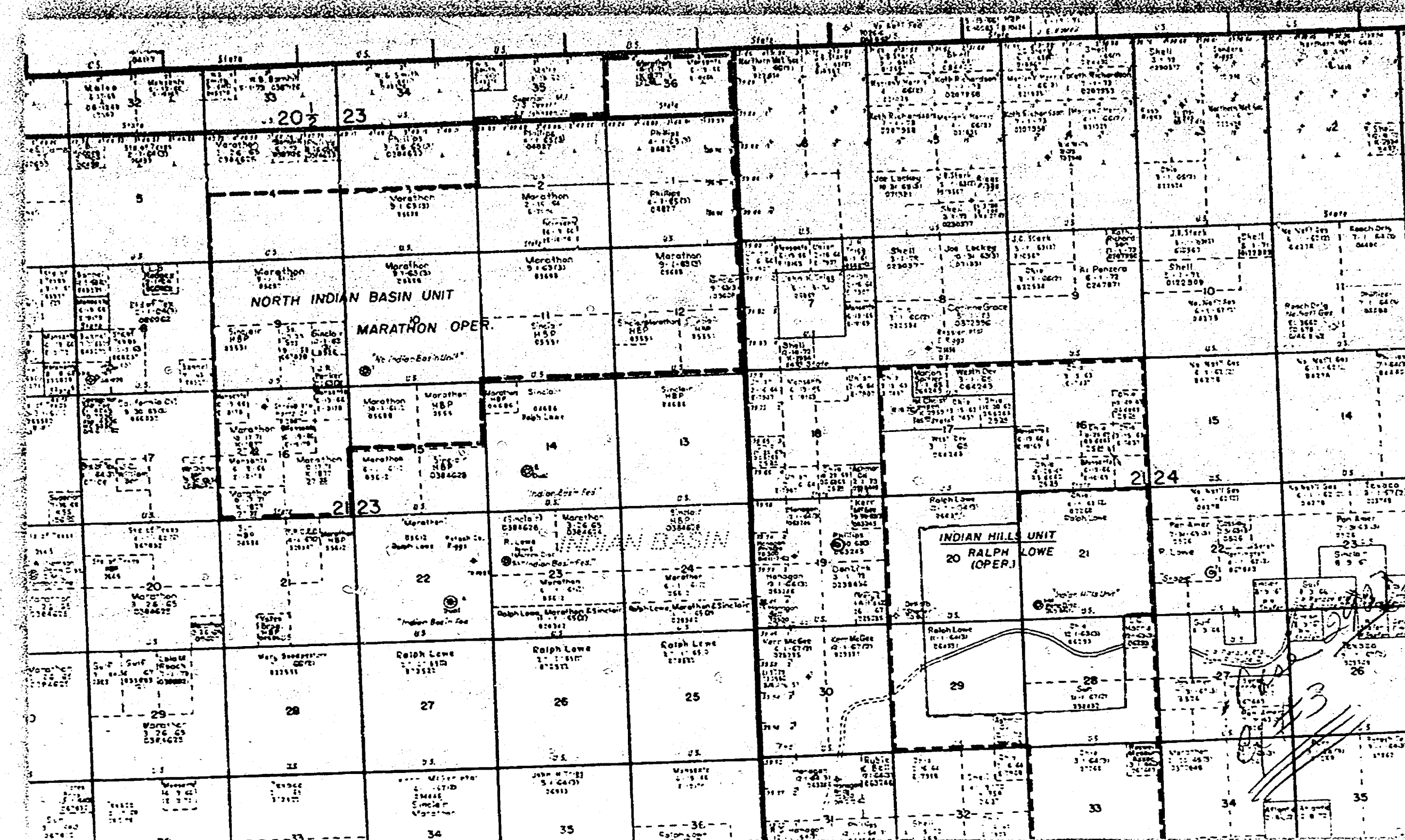
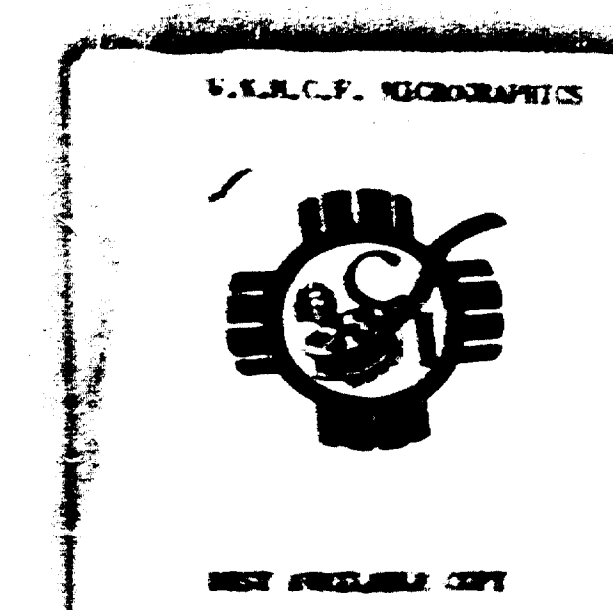
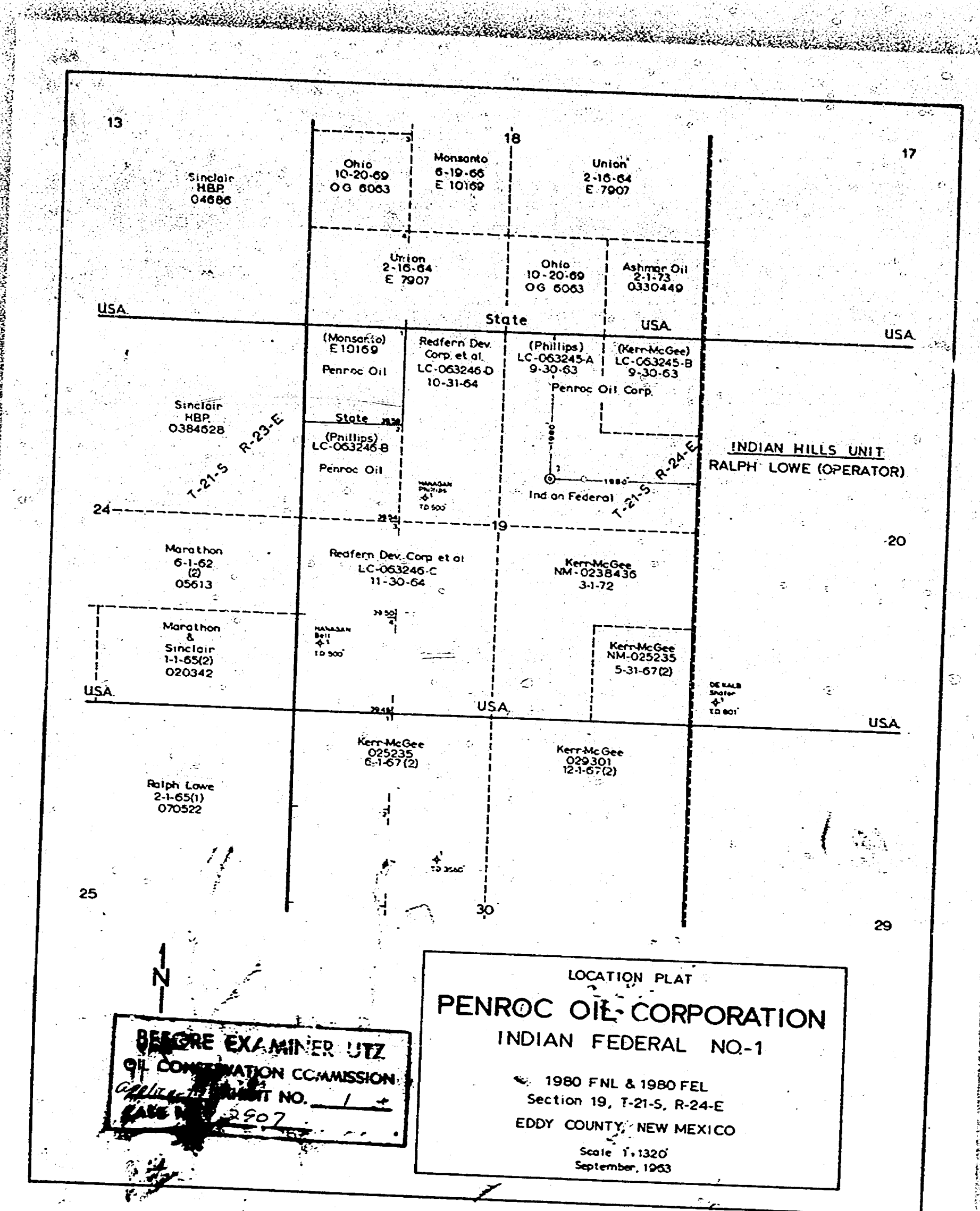
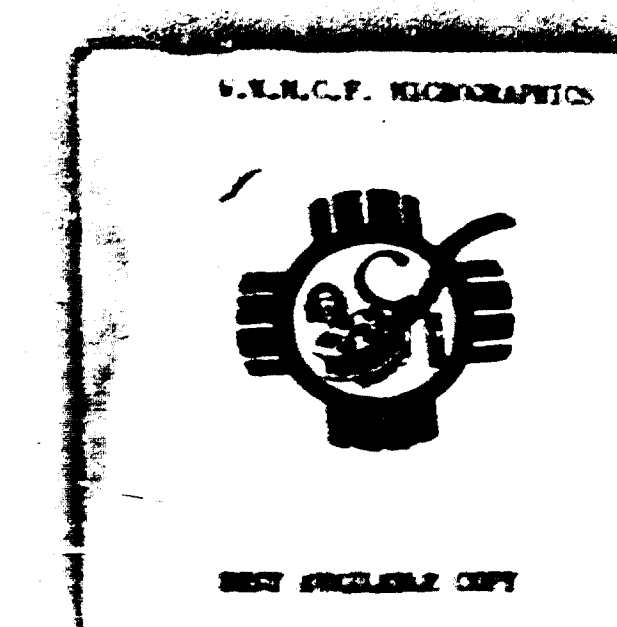
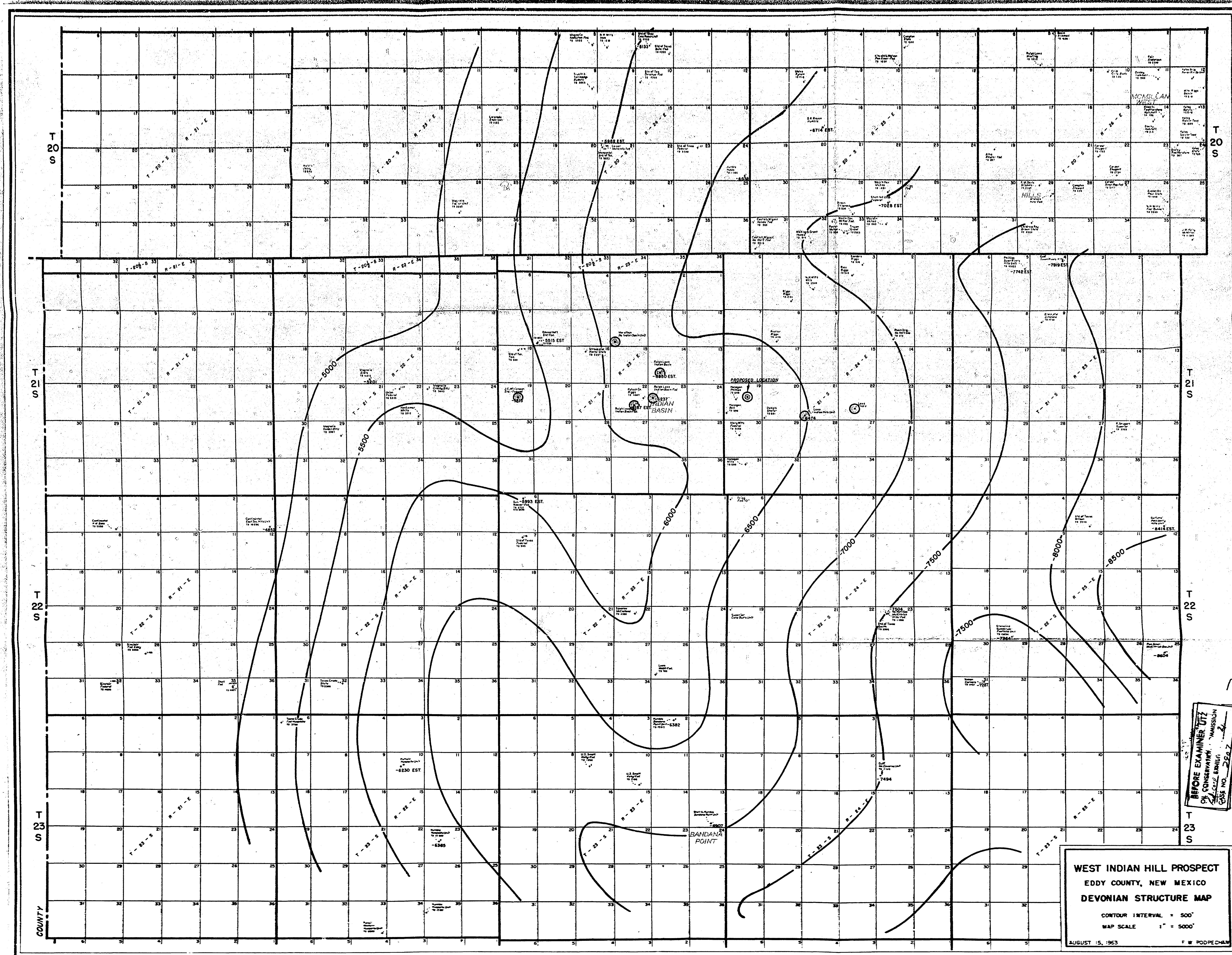


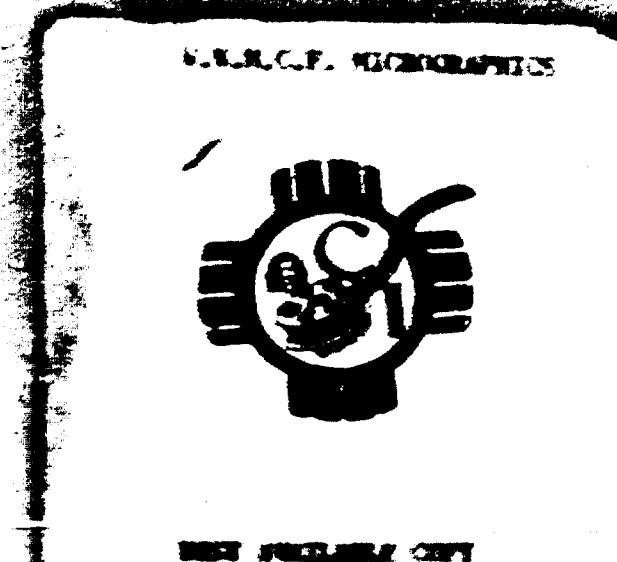
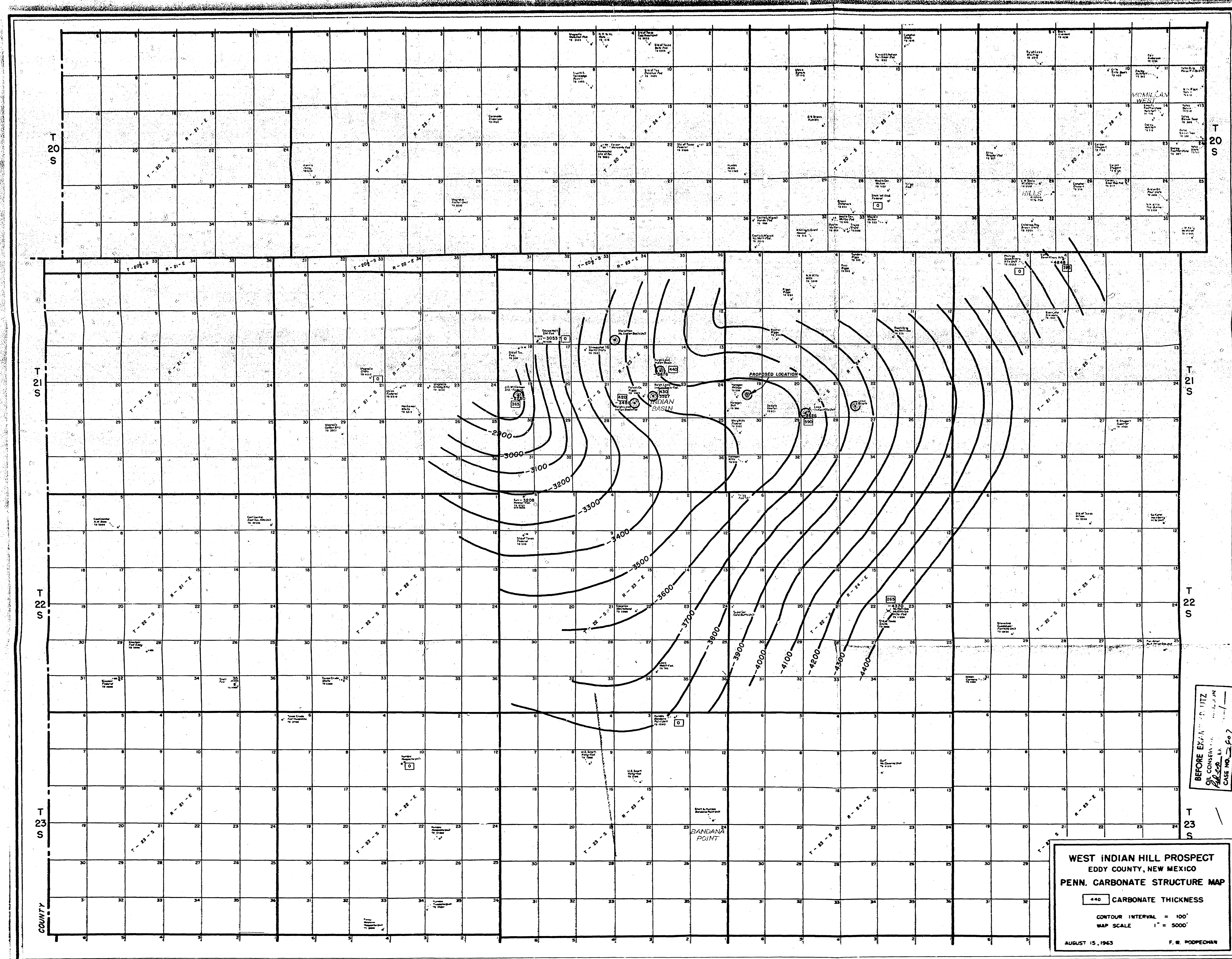
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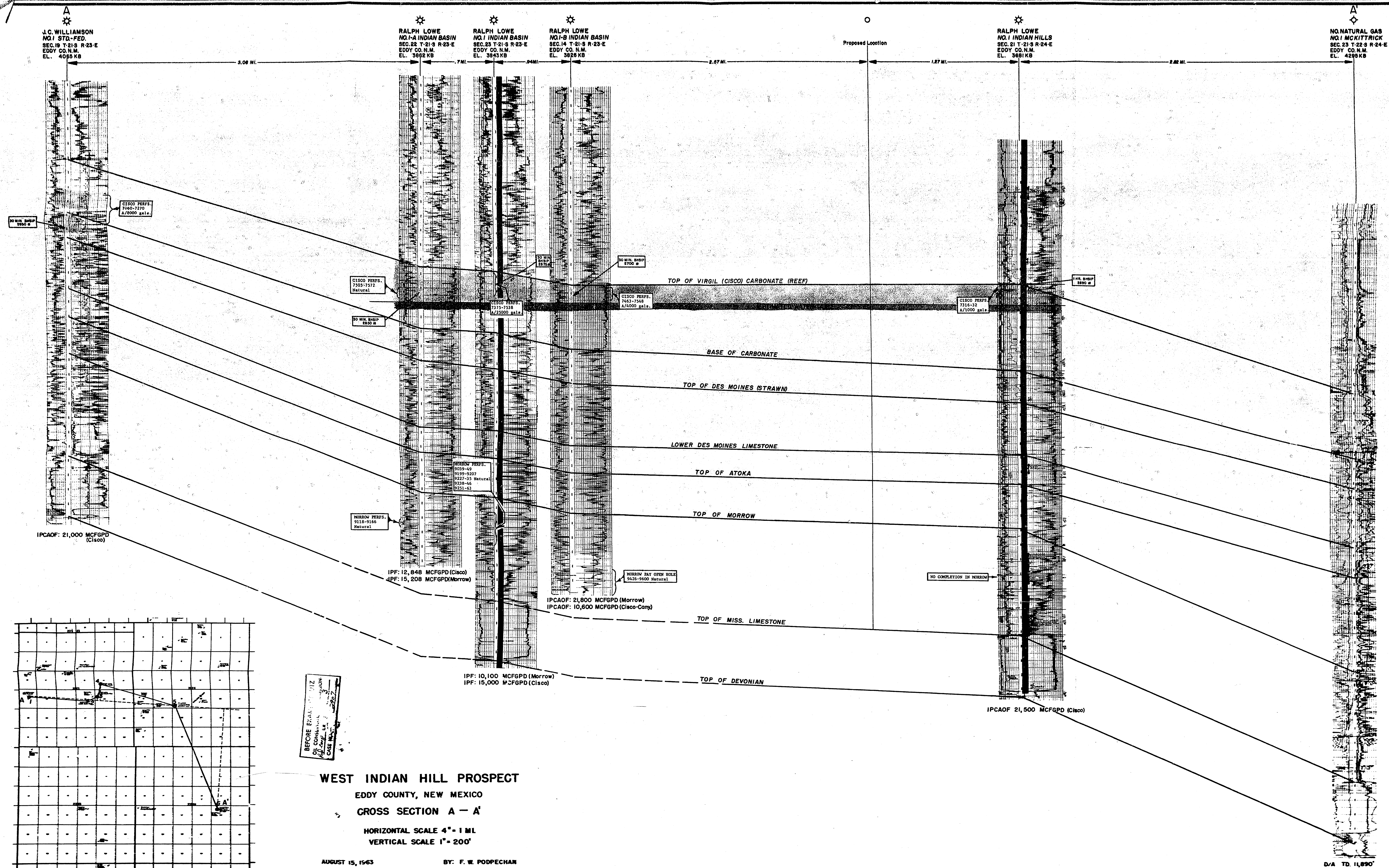












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protect correlative rights, and to afford to the owner of each interest in said proration unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in the Upper Pennsylvanian formation, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit.

(6) That the applicant should be designated the operator of the subject well and unit.

(7) That within 30 days from the date the schedule of well costs is furnished him, any non-consenting working interest owner should be afforded the opportunity ~~to pay his~~ ^{to pay his} share of estimated well costs to the operator in lieu of paying his share of costs out of production.

does not pay (8) That any non-consenting working interest owner that ~~does not pay~~ ^{does not pay} his share of estimated well costs ~~should have~~ ^{should have} ~~withheld from production~~ ^{withheld from production} his share of the reasonable well costs ~~plus 40 percent thereof as a reasonable charge for the risk~~ ^{plus 40 percent thereof as a reasonable charge for the risk} involved in the drilling of the well ~~within 30 days~~ ^{within 30 days}

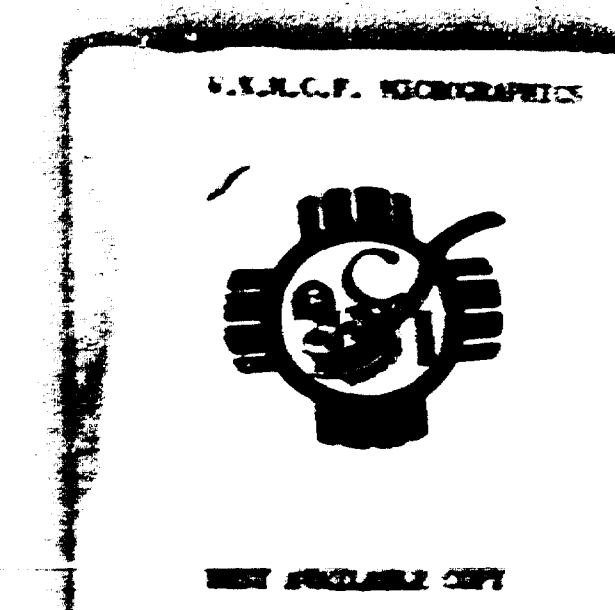
(9) That any non-consenting interest owner should be afforded the opportunity to object to the actual well costs but ~~that the actual well costs should~~ ^{that the actual well costs should} ~~be adopted as the reasonable well costs~~ ^{be adopted as the reasonable well costs} ~~in the absence of such objection~~ ^{in the absence of such objection}

(10) That ~~the~~ ^{the} ~~reasonable determination of reasonable~~ ^{reasonable determination of reasonable} well costs, any non-consenting working interest owner that has ~~not~~ ^{not} ~~objected to the~~ ^{objected to the} ~~actual well costs~~ ^{actual well costs} ~~within 30 days~~ ^{within 30 days} ~~shall~~ ^{shall} ~~be deemed to have~~ ^{be deemed to have} ~~accepted the~~ ^{accepted the} ~~actual well costs~~ ^{actual well costs} ~~as the reasonable well costs~~ ^{as the reasonable well costs} ~~plus 40 percent thereof~~ ^{plus 40 percent thereof} ~~as a reasonable charge for the risk~~ ^{as a reasonable charge for the risk} ~~involved in the drilling of the well~~ ^{involved in the drilling of the well} ~~within 30 days~~ ^{within 30 days}

(11) That \$75.00 per month should be fixed as the reasonable cost of operating the subject well and each non-consenting working interest owner should be assessed with his share of such cost, to be paid out of production.

(12) That all proceeds from production from the subject well which are not disbursed for any reason ~~shall~~ ^{shall} be placed in escrow ~~to be paid to the true owner thereof~~ ^{to be paid to the true owner thereof} upon demand and proof of ownership ~~within 30 days~~ ^{within 30 days} ~~to the name and address of said escrow agent, within~~ ^{to the name and address of said escrow agent, within} ~~30 days of the date of this order~~ ^{30 days of the date of this order}

(13) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. Dated at Santa Fe, New Mexico, on the day and year herein set forth.



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Survey in Bddy County, New Mexico, to be paid to the true owner,
hereof upon demand and proof of ownership.

IT IS THEREFORE ORDERED:

(1) That all mineral interests, whatever they may be, in
the Upper Pennsylvanian formation underlying section 19, Township
21 South, Range 24 East, 108th Eddy Co., New Mexico, are hereby
poised to form a 640-acre gas prorate. To be dedicated to
a well to be located 1900 feet from the East line of said section 19.

(2) That Petro. Oil Corporation is hereby designated the
operator of the subject well and unit.

(3) That the operator shall furnish the commission and
each owner owning interest in the subject unit an itemized
statement of estimated well costs within 30 days following the date
of this order.

(4) That each owner shall pay his share of estimated well costs
as follows: To wit, each non-consenting working interest
owner shall pay ~~his share~~ ^{pro rata} to pay his share
of estimated well costs ~~to the operator~~ in lieu of
paying his share of reasonable well costs out of production
and a copy of said statement shall be forwarded ~~to the operator~~
to the commission and to the commission; and that any
such owner who ~~refuses~~ ^{fails} his share of estimated well costs
as provided above shall remain liable for operating
costs but shall not be liable for risk charges.

(5) That the operator is hereby authorized to
withhold ~~from production~~ ^{from production} 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.

B. Any equipment (pump) or its reasonable
well costs attributable to each non-
consenting owner.
As a charge for the risk involved in
the drilling of the well, 10% 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.

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

