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CASE 14629 (Continued from the September 15, 2011 Examiner Hearing.)

Application of Blue Dolphin Production, LLC for Compulsory Pooling, Rio Arriba County, New Mexico. Applicant seeks an order for the compulsory pooling of all interests in all pools or formations developed on 40-acre spacing within the Mancos Shale formation underlying a non-standard oil well spacing and proration unit comprised of 21.0 ± acres located in the approximate E/2 SW/4 NE/4 of projected Section 27, Township 30 North, Range 1 East in Rio Arriba County, New Mexico. The unit will be dedicated to the following well to be drilled to the Greenhorn member of the undesignated Mancos Shale formation, (WC30N1E27):

This Greenhorn Test Well No. 1
1643' FNL and 1575' FEL (G)
Projected Section 27, T30N, R1E
Rio Arriba County, New Mexico

Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Applicant as operator and a charge for the risk involved in drilling the well. The well and lands are located approximately one-half mile South of Horse Lake, New Mexico.