STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION COMMISSION

APPLICATION OF MACK ENERGY CORPORATION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

> CASE NO. 14763 Order No. R-13519-B

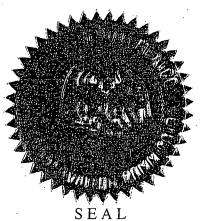
ORDER OF THE COMMISSION

This matter comes before the Oil Conservation Commission ("Commission") on a Response to Subpoena Duces Tecum and Partial Motion to Quash ("Motion") filed by Mack Energy Corporation ("Mack") on May 22, 2012. The Motion is in response to a Subpoena Duces Tecum issued by the Commission on May 3, 2012, that directed Mack to produce certain documents and make them available to Siana Oil and Gas LLP ("Siana") on May 22, 2012. Siana filed a Response to the Motion on May 31, 2012.

The Commission, having considered the Motion and the Response, determines that the Motion is without merit. The Oil and Gas Act, NMSA 1978, Section 70-2-8, grants the Commission and the Oil Conservation Division broad authority to subpoena witnesses and "to require the production of books, papers and records in any proceeding before the commission or the division". The subpoenaed materials must be "pertinent to some question lawfully before the commission or division for determination". Id. Mack argues that some of the materials have been previously provided to Siana, that some information is publicly available and that because Siana and its president have not paid joint interest billings and do not own the working interest, they are not entitled to the information. Siana, which opposes the application that is the focus of this case, argues that it has a working interest, that the information requested is pertinent to the case and that it has not previously received all documents requested. The Commission finds that the documents are pertinent to this case and that Mack has failed to show good reason to quash the subpoena.

NOW THEREFORE the Commission denies the Motion to Quash and orders Mack Energy Corporation to appear at 9:00 a.m., June 15, 2012, at the offices of the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 and produce and make available to Siana Oil and Gas LLP and their attorney, for copying, the documents specified in the Subpoena Duces Tecum issued on May 3, 2012.

Done in Santa Fe, New Mexico, this 8th day of June, 2012.



STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JAMI BAILEY, Chair