

Request 5 wells in the Gerk spacing unit

- 4 wells allowed per 320 acre spacing unit effective 80-acre spacing in the Basin Dakota Pools.
 - Gerk Unit is 407.56 acres

Therefore, to achieve 80 acre spacing per well, we request a 5th well in this 400 acre spacing units to properly drain the unit and avoid drainage by offset operators.

Permission for the 5th well in the Blanco Mesaverde Pool was received for this well in 2007.

Oil Conservation Division
Case No. 14143
Exhibit No. 1