CASE 12048:

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, Undesignated Gem-Morrow Gas Pool, underlying the E/2 for all formations developed on 320-acre spacing, the SE/4 for all formations developed on 160-acre spacing, the E/2 SE/4 for all formations developed on 80-acre spacing, and the NE/4 SE/4 for all formations developed on 40-acre spacing, all in Section 28, Township 19 South, Range 33 East, NMPM. Applicant proposes to dedicate this pooled unit to its Jade "28" Federal Com Well No. 1 to be drilled at a standard location 1650 feet from the South line and 990 feet from the East line in Unit I of said Section 28 to test any and all formations to the base of the Morrow formation. Also to be considered will be the designation of applicant as operator of the well. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.

OIL CONSLIVATION DIX