

NMOCC Exhibit No. 1
Case No. 2495

The following is recommended for the Northwest nomenclature case:

- (a) Extend the Ballard-Pictured Cliffs Pool boundary in Rio Arriba, Sandoval and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM
Section 13: NW/4

based on:

Southwest Production #2 Bond
D-13-26N-8W
AOF 618 MCFPD; SICP 753#/7 days

- (b) Extend the Tapacito-Pictured Cliffs Pool boundary in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
Section 26: NW/4

based on:

Southern Union #5 Jicarilla "B"
D-26-26N-4W
AOF 1107 MCFPD; SICP 912#/7 days

- (c) Extend the Blanco-Mesaverde Pool boundary in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 18: W/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM
Section 9: E/2
Section 10: W/2
Section 15: W/2

based on:

Delhi-Taylor #2 Jicarilla
L-18-26N-5W
AOF 723 MCFPD; SICP 1184#

Consolidated Oil & Gas #1-9 Wilmerding
B-9-31N-13W
AOF 852 MCFPD; SICP 1055#/7 days

Consolidated Oil & Gas #1-15 Price
N-15-31N-13W
IP 50 MCFPD; SICP 709#/7 days

- (d) Extend the Cha Cha-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 25: E/2 NW/4

Offset on three sides.

- (e) Extend the Escrito-Gallup Oil Pool boundary in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM
Section 31: W/2 NE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
Section 22: E/2 NE/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 12: W/2 SE/4

based on:

Val R Reese & Associates #2-31 Bobby "B"
B-31-24N-6W
IP 192 BOPD

Dorfman Production #2 Nancy Federal
O-12-24N-8W
IP 202 BOPD

- (f) Extend the Horseshoe-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Section 19: W/2 NW/4

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 24: NE/4 NE/4

based on:

Century Exploration #1 Pan Am-Federal
E-19-30N-15W
IP 22 BOPD

- (g) Extend the Totah-Gallup Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 20: E/2 SE/4
Section 21: W/2 SW/4

based on:

Tenneco #1 Hagood Oil Unit "A"
M-21-29N-13W
IP 14 BOPD