

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

NMOCD - ACO 161

IN THE MATTER OF MACK ENERGY CORPORATION,

Respondent.

AGREED COMPLIANCE ORDER

Pursuant to the New Mexico Oil and Gas Act, NMSA 1978, §§70-2-1 through 70-2-38, as amended ("Act") and 19.15.14.1227.E NMAC, the Director of the Oil Conservation Division ("OCD") and Mack Energy Corporation ("Mack") enter into this Agreed Compliance Order ("Order").

FINDINGS

1. The OCD is the state division charged with administration and enforcement of the Act, and rules and orders adopted pursuant to the Act.
2. Mack is a corporation doing business in the state of New Mexico.

Factual Background

3. From August 1, 1992 until March 1, 2006, Mack was the operator of record under OGRID 13837 of the wells in the Grayburg-Jackson West Cooperative Unit ("Unit"), located in Eddy County, New Mexico.
4. The Unit was established in 1966, with Tenneco Oil Co. ("Tenneco") as operator of record. On October 1, 1984, Marbob Energy Corporation ("Marbob") became operator of record for the Unit. Marbob operated the Unit until August 1, 1992 when Mack split off from Marbob and became operator of record for the Unit. On March 1, 2006, COG Operating LLC ("COG") became operator of record for the Unit. Although Mack is no longer operator of record, Mack continues to operate the Unit pursuant to a contract with COG.
5. The Unit Agreement designated the unitized formation to be that portion of the Grayburg-San Andres formation encountered between the depths of 2220 feet and

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- 3600 feet, underlying certain specified state and fee lands. The OCD approved the Unit in Case No. 3468, Order No. R-3127, dated October 4, 1966.
6. By Order No. R-3127-A in Case No. 3728, dated March 4, 1968, the OCD approved the expansion of the Unit to include 400 additional acres of state lands. The description of the unitized formation did not change.
 7. The unitized formation was included within the Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool.
 8. On November 15, 2005, several months before COG became operator of record, Mack filed two applications for hearing regarding the Unit. In Case No. 13609, Mack sought an amendment to Order No. R-3127-A extending the vertical limits of the unitized formation to include all formations from the top of the Seven Rivers formation to the base of the Glorieta-Yeso (Paddock) formation, being those depths from 1,116' to 4,636'. In Case No. 13608, Mack sought an order extending the vertical limits of the Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool to include the Glorieta-Yeso (Paddock) formation underlying the Unit. The two cases were consolidated for hearing.
 9. On June 13, 2006, the OCD granted Mack's applications. Order No. R-3127-B, issued in Case No. 13609, approved the amendment to the Unit Agreement to extend the vertical limits of the unitized formation to include all formations from the top of the Seven Rivers formation to the base of the Glorieta-Yeso (Paddock) formation. Order No. R-12567, issued in Case No. 13608, extended the vertical limits of the Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool to include the Glorieta-Yeso (Paddock) formation underlying the Unit area. In both orders the OCD issued findings based on the testimony of the Mack witnesses that the Yeso/Paddock interval had not been tested or developed within the Unit Area, but that Mack expects the interval will be productive.
 10. In September 2006 COG notified the OCD that it had discovered discrepancies in the regulatory filings for 72 wells in the Unit.
 11. According to COG, 70 wells in the Unit were producing from the Yeso (Paddock) formation before the expansion of the unitized formation and the expansion of the pool. Nine of the 70 wells were producing from the Yeso (Blínebry) formation, which was not included in the expanded unitized formation. COG found some evidence of discrepancies in the regulatory filings for two additional wells in the Unit, but was not able to verify their findings in the well files. Those two wells are now plugged and abandoned.
 12. Production reports for the wells incorrectly reported commingled production from the non-unitized intervals as unit production; an underpayment of royalties attributable to state lands occurred as a result.

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13. Well completion reports and sundry notices for the 70 wells listed the incorrect pool(s) and incomplete or incorrect perforations. In some instances, wells were re-completed to different zones without giving notice to OCD or obtaining OCD approval.
14. COG voluntarily:
 - a) shut in the nine wells producing from the Blinebry;
 - b) filed corrected C-103, C-104 and C-105 well reports; and
 - c) contacted the State Land Office regarding the royalty underpayment.
15. According to COG's review of the well files, the wells were either drilled to or re-completed to zones outside the Unitized Area and the reported pool as early as December 1984, and the practice continued through March 1997. Thirty-three of the wells were drilled to or re-completed to the unauthorized zones during the time period when Marbob was Unit operator; thirty-seven were drilled to or re-completed to the unauthorized zones during the time period when Mack was Unit operator.
16. Exhibit A is a spreadsheet prepared by COG summarizing its findings. It identifies each well, the total depth, the original completion date, the location of the perforations, the date the Yeso perforations were added, the producing formation(s), the initial production date, and the current status of each well. (COG subsequently shut-in the wells producing from the Blinebry.)
17. At OCD's request, COG provided well files for five sample wells. Documents in the well files corroborated COG's findings regarding those wells.
18. On November 2, 2006, Mack agreed to pay \$615,444.30 to the State Land Office as settlement for underpayment of royalties.

Relevant Statutes and Rules

19. Rule 19.15.5.303 NMAC requires each pool to be produced as a single source of supply, with each well within a pool completed, maintained, and operated so as to prevent communication within the wellbore with any other pool. Production from each pool and each lease must be segregated, and the commingling of production before marketing, of production from separate pools or separate leases is prohibited. Exceptions may be permitted for surface commingling, downhole commingling and off-lease storage and/or measurement may be obtained only through procedures outlined in the rule.
20. An operator must obtain a permit prior to commencing drilling, deepening or re-entry operations, or before plugging a well back to a different pool or completing or re-completing a well in an additional pool. Applicants must file a complete

form C-101 and form C-102. See Rule 19.15.3.102.A and B NMAC, and Rule 19.15.13.1101.A NMAC.

- Form C-101 requires information including: the proposed pool(s) for the well. If the operator is applying to deepen or plug back, the operator must provide data on the present productive zone and the proposed new productive zone.
 - Form C-102 requires information including: the pool code for the proposed completion and the pool name, and if the completion involves more than one lease of different ownership, an explanation regarding how the ownership was consolidated.
21. An operator must file a well completion report on Form C-105 within 20 days after the completion of a well, or the recompletion of a well into a different common source of supply. See Rule 19.15.3.117 NMAC. See also Rule 19.15.13.1103.H NMAC.
- Form C-105 requires information including: the pool name, the producing intervals, and the perforation record.
22. Rule 19.15.13.1103.G NMAC requires operators to file a Form C-103 report on remedial work within 30 days following completion of such work, including "a detailed account of the work done and the manner in which such work was performed; the daily production of oil, gas and water both prior to and after the remedial operation; the size and depth of shots; the quantity of and [sic], crude, chemical or other materials employed in the operation, and any other pertinent information."
23. Rule 19.15.13.1103.H NMAC provides that if a well is recompleted to a different pool, the operator shall file forms C-101, C-102, C-104 and C-105.
24. The operator is required to file a monthly report, form C-115, for each non-plugged well completion for which the division has approved a C-104 authorization to transport. See Rule 19.15.13.1115.A NMAC. A C-104 allowable and authorization to transport may be assigned to a newly completed or re-completed well or a well completed in an additional pool if the operator meets certain requirements, including the filing of a complete form C-104.
- Form C-104 requires information including pool name and code, and perforations.
25. NMSA 1978, §70-2-31(B) makes it unlawful for any person to knowingly and willfully:
- (2) do any of the following for the purpose of evading or violating the Oil and Gas Act or any rule, regulation or order of the commission or the division issued pursuant to that act:

- (a) make any false entry or statement in a report required by the Oil and Gas Act or by any rule, regulation or order of the commission or division issued pursuant to that act;
- (b) make or cause to be made any false entry in any record, account or memorandum required by the Oil and Gas Act or by any rule, regulation or order of the commission or division issued pursuant to that act;
- (c) omit or cause to be omitted from any such record, account or memorandum full, true and correct entries; or
- (d) remove from this state or destroy, mutilate, alter or falsify any such record, account or memorandum.

Each day of violation of NMSA 1978, §70-2-31(B) constitutes a separate offense. NMSA 1978, §70-2-31(C).

26. NMSA 1978, §70-2-10 provides:

If any person of whom an oath shall be required under the provisions of this act, or by any rule, regulation or order of the commission or division, shall willfully swear falsely in regard to any matter or thing respecting which such oath is required, or shall willfully make any false report or affidavit required or authorized by the provisions of this act, or by any rule, regulation or order of the commission or division, such person shall be deemed guilty of perjury and shall be punished by imprisonment in the state penitentiary for not more than five years nor less than six months.

27. Any person who knowingly and willfully procures, counsels, aids or abets the commission of the knowing and willful violation of any provision of the Oil and Gas Act or any provision of any rule or order issued pursuant to that Act is subject to penalties. NMSA 1978, §70-2-31(D).
28. NMSA 1978, §70-2-31(A) authorizes the assessment of civil penalties of up to one thousand dollars per day per violation against any person who knowingly and willfully violates any provision of the Oil and Gas Act or any rule or order adopted pursuant to the Act.
29. NMSA 1978, §70-2-33(A) and Rule 19.15.1.7(P)(2) NMAC define "person" in relevant part as including a "corporation".

CONCLUSIONS

1. The OCD has jurisdiction over the parties and subject matter in this proceeding.
2. Mack is a "person" as defined by NMSA 1978, §70-2-3(A) and Rule 19.15.1.7(P)(2) NMAC.

- 3. Regarding the wells identified in Exhibit A, Mack is subject to civil penalties pursuant to NMSA 1978, §70-2-31(A) as to the following rules and statutes: 19.15.5.303 NMAC; 19.15.3.102.A and B NMAC; 19.15.13.1101.A NMAC; 19.15.3.117 NMAC; 19.15.13.1103 NMAC; 19.15.13.1115.A NMAC; NMSA 1978, §70-2-31(B); and NMSA 1978, §70-2-31(D).

ORDER

- 1. Mack agrees to pay a penalty of \$250,000 pursuant to NMSA 1978, §70-2-31(A) as to the following rules and statutes: 19.15.5.303 NMAC; 19.15.3.102.A and B NMAC; 19.15.13.1101.A NMAC; 19.15.3.117 NMAC; 19.15.13.1103 NMAC; 19.15.13.1115.A NMAC; NMSA 1978, §70-2-31(B); and NMSA 1978, §70-2-31(D).
- 2. By signing this Order, Mack expressly:
 - (a) acknowledges the correctness of the Findings and Conclusions set forth in this Order;
 - (b) agrees to pay the \$250,000 penalty at the time this Order is executed;
 - (c) waives any right, pursuant to the Oil and Gas Act or otherwise, to a hearing challenging the entry of this Order (either prior to or subsequent to the entry of this Order) or to an appeal from the entry of this Order; and
 - (d) agrees that the Order may be enforced by OCD or Oil Conservation Commission Order, by suit or otherwise to the same extent and with the same effect as a final Order of the OCD or Oil Conservation Commission entered after notice and hearing in accordance with all terms and provisions of the Oil and Gas Act.
- 3. Entry of this Order resolves all civil and criminal liability of Mack under 19.15.5.303 NMAC, 19.15.3.102.A and B NMAC, 19.15.13.1101.A NMAC, 19.15.3.117 NMAC, 19.15.13.1103 NMAC, 19.15.13.1115.A NMAC, NMSA 1978, §70-2-31(B), and NMSA 1978, §70-2-31(D) as to the wells identified in Exhibit A, and all criminal liability of Mack pursuant to NMSA 1978, §70-2-10 as to Case No. 13608 and Case No. 13609.

Oil Conservation Division

By: *[Signature]*
 Title: Director, Oil Conservation Division
 Date: Jan 19th 2007

By: *[Signature]*
 Title: Oil Conservation Div. Attorney
 Date: Jan 19, 2007

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FAX NO.

P. 08

Office of the New Mexico Attorney

General

By: Gay Tij
Title: Attorney General
Date: 01/19/07

Mack Energy Corporation

By: [Signature]
Title: V.P.
Date: 1/22/07

GJ WEST COOP UNIT WELLS
SEDDY COUNTY, NH

SORTED BY: DATE YESO PERFS ADDED

| COUNT | UWI (A/F Num) | Field Name | Operator | New Name | Sec | Trm | Ring | TD | ICOMP DATE | Perfs | Date Yeso | Perfs Added | Producing Formation | DATE | CURRENT STATUS |
|-------|----------------|------------------|-------------------|-------------------|-----|-----|------|-------|------------|-----------|------------|-------------|---------------------|--------|----------------|
| 1 | 30015 2589000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #63 | 22 | 17S | 29E | 4.550 | 12/17/1984 | 2235-4167 | 12/14/1984 | 12/14/1984 | Q-GB-SA-YESO | Dec-84 | active |
| 2 | 30015 2531000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #65 | 28 | 17S | 29E | 4.400 | 6/15/1946 | 2662-4471 | 12/29/1984 | 12/29/1984 | SA-YESO | Jan-85 | active |
| 3 | 30015 2024000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #48 | 21 | 17S | 29E | 4.225 | 5/23/1988 | 2245-4165 | 3/18/1985 | 3/18/1985 | GB-SA-YESO | May-88 | active |
| 4 | 30015 2528000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #67 | 27 | 17S | 29E | 5.074 | 12/23/1985 | 2429-3247 | 10/29/1985 | 10/29/1985 | SA-YESO | Jan-86 | active |
| 5 | 30015 2580000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #75 | 21 | 17S | 29E | 4.465 | 7/13/1986 | 2624-4190 | 8/11/1985 | 8/11/1985 | SA-YESO | Jul-86 | active |
| 6 | 30015 2589000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #78 | 21 | 17S | 29E | 4.450 | 1/31/1985 | 2610-4185 | 7/17/1985 | 7/17/1985 | SA-YESO | Jan-86 | active |
| 7 | 30015 2580000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #71 | 22 | 17S | 29E | 4.565 | 12/28/1985 | 2276-4174 | 7/28/1985 | 7/28/1985 | Q-GB-SA-YESO | Jan-86 | active |
| 8 | 30015 2531000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #72 | 22 | 17S | 29E | 5.060 | 12/28/1985 | 2659-4188 | 8/14/1986 | 8/14/1986 | SA-YESO | Jan-86 | active |
| 9 | 30015 2584000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #70 | 22 | 17S | 29E | 4.430 | 10/5/1985 | 2633-4189 | 8/22/1985 | 8/22/1985 | SA-YESO | Oct-85 | active |
| 10 | 30015 2586000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #73 | 21 | 17S | 29E | 4.460 | 12/21/1985 | 2243-4194 | 9/27/1985 | 9/27/1985 | Q-GB-SA-YESO | Jan-86 | active |
| 11 | 30015 2633000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #69 | 21 | 17S | 29E | 4.335 | 5/29/1985 | 2595-4171 | 11/11/1986 | 11/11/1986 | SA-YESO | Oct-85 | active |
| 12 | 30015 2586000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #77 | 28 | 17S | 29E | 4.590 | 12/31/1985 | 2247-4422 | 11/20/1986 | 11/20/1986 | Q-GB-SA-YESO | Jan-86 | active |
| 13 | 30015 2582000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #68 | 28 | 17S | 29E | 4.435 | 10/21/1985 | 2589-4244 | 12/14/1986 | 12/14/1986 | SA-YESO | Oct-85 | active |
| 14 | 30015 2582000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #74 | 28 | 17S | 29E | 4.460 | 12/30/1985 | 2320-4336 | 12/8/1985 | 12/8/1985 | Q-GB-SA-YESO | Jan-86 | active |
| 15 | 30015 2557000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #84 | 22 | 17S | 29E | 4.510 | 1/5/1987 | 2656-4473 | 12/16/1985 | 12/16/1985 | SA-YESO | Jan-87 | active |
| 16 | 30015 2581000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #81 | 21 | 17S | 29E | 4.650 | 1/9/1987 | 2594-4256 | 12/26/1985 | 12/26/1985 | SA-YESO | Jan-87 | active |
| 17 | 30015 2589000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #85 | 22 | 17S | 29E | 4.560 | 9/17/1987 | 2662-4268 | 9/8/1987 | 9/8/1987 | SA-YESO | Sep-87 | active |
| 18 | 30015 2633000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #89 | 22 | 17S | 29E | 4.428 | 5/15/1989 | 2648-4212 | 5/10/1989 | 5/10/1989 | SA-YESO | Jun-89 | active |
| 19 | 30015 2643000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #83 | 28 | 17S | 29E | 4.480 | 12/6/1989 | 2670-4376 | 11/16/1990 | 11/16/1990 | SA-YESO | Jan-91 | active |
| 20 | 30015 26531000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #90 | 28 | 17S | 29E | 4.585 | 1/26/1991 | 2701-4436 | 1/9/1991 | 1/9/1991 | SA-YESO | Jan-91 | active |
| 21 | 30015 2583000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #80 | 21 | 17S | 29E | 4.490 | 2/3/1991 | 2774-4250 | 1/22/1991 | 1/22/1991 | SA-YESO | Feb-91 | active |
| 22 | 30015 2681000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #81 | 21 | 17S | 29E | 4.630 | 3/27/1991 | 2710-4413 | 2/12/1991 | 2/12/1991 | SA-YESO | Mar-91 | active |
| 23 | 30015 2684000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #83 | 28 | 17S | 29E | 4.500 | 3/26/1991 | 2818-4346 | 3/6/1991 | 3/6/1991 | SA-YESO | Apr-91 | active |
| 24 | 30015 2686000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #95 | 22 | 17S | 29E | 4.518 | 5/17/1991 | 3839-4223 | 5/12/1991 | 5/12/1991 | YESO | Jun-91 | active |
| 25 | 30015 2581000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #82 | 21 | 17S | 29E | 4.465 | 5/31/1991 | 2763-4235 | 5/23/1991 | 5/23/1991 | SA-YESO | Jun-91 | active |
| 26 | 30015 26743000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #79 | 21 | 17S | 29E | 4.490 | 6/13/1991 | 2637-4278 | 6/4/1991 | 6/4/1991 | SA-YESO | Jul-91 | active |
| 27 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #56 | 22 | 17S | 29E | 4.495 | 6/22/1991 | 2663-4245 | 6/13/1991 | 6/13/1991 | SA-YESO | Jul-91 | active |
| 28 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #97 | 22 | 17S | 29E | 4.520 | 6/30/1991 | 2673-4282 | 6/25/1991 | 6/25/1991 | SA-YESO | Jul-91 | active |
| 29 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #99 | 21 | 17S | 29E | 4.525 | 8/6/1991 | 2668-4280 | 7/30/1991 | 7/30/1991 | SA-YESO | Aug-91 | active |
| 30 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #101 | 21 | 17S | 29E | 4.450 | 11/25/1991 | 2663-4277 | 10/14/1991 | 10/14/1991 | SA-YESO | Dec-91 | active |
| 31 | 30015 26731000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #88 | 22 | 17S | 29E | 4.459 | 11/25/1991 | 2612-4247 | 10/15/1991 | 10/15/1991 | SA-YESO | Dec-91 | active |
| 32 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #100 | 21 | 17S | 29E | 4.470 | 11/19/1991 | 2599-4250 | 10/25/1991 | 10/25/1991 | SA-YESO | Dec-91 | active |
| 33 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #102 | 21 | 17S | 29E | 4.450 | 11/12/1991 | 2627-4318 | 10/31/1991 | 10/31/1991 | SA-YESO | Dec-91 | active |
| 34 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #108 | 28 | 17S | 29E | 6.360 | 11/24/1993 | 3983-4950 | 12/23/1992 | 12/23/1992 | YESO | Jun-93 | active |
| 35 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #103 | 28 | 17S | 29E | 5.050 | 1/8/1993 | 2660-4275 | 2/9/1993 | 2/9/1993 | SA-YESO | Jun-93 | active |
| 36 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #104 | 21 | 17S | 29E | 5.050 | 1/31/1993 | 2631-4282 | 2/13/1993 | 2/13/1993 | SA-YESO | Jun-93 | active |
| 37 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #105 | 28 | 17S | 29E | 5.052 | 4/5/1993 | 2629-4363 | 3/11/1993 | 3/11/1993 | SA-YESO | Jun-93 | active |
| 38 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #106 | 28 | 17S | 29E | 5.060 | 5/20/1993 | 3334-4271 | 3/19/1993 | 3/19/1993 | SA-YESO | Jun-93 | active |
| 39 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #109 | 28 | 17S | 29E | 5.048 | 5/11/1993 | 3334-4271 | 3/26/1993 | 3/26/1993 | SA-YESO | Jun-93 | active |
| 40 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #112 | 16 | 17S | 29E | 4.355 | 5/26/1993 | 2623-4238 | 3/27/1993 | 3/27/1993 | SA-YESO | Jun-93 | active |
| 41 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #119 | 21 | 17S | 29E | 4.408 | 5/20/1993 | 2672-4280 | 4/8/1993 | 4/8/1993 | SA-YESO | Sep-93 | active |
| 42 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #118 | 21 | 17S | 29E | 4.421 | 6/10/1993 | 2611-4219 | 4/28/1993 | 4/28/1993 | SA-YESO | Jun-93 | active |
| 43 | 30015 26838000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #113 | 21 | 17S | 29E | 4.456 | 6/24/1993 | 2599-4270 | 4/29/1993 | 4/29/1993 | SA-YESO | Jun-93 | active |
| 44 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #114 | 21 | 17S | 29E | 4.378 | 6/28/1993 | 2593-4240 | 5/10/1993 | 5/10/1993 | SA-YESO | Jun-93 | active |
| 45 | 30015 26753000 | GRAYBURG JACKSON | COG Operating LLC | GJ West Coop #120 | 21 | 17S | 29E | 4.477 | 6/24/1993 | 2634-4170 | 5/18/1993 | 5/18/1993 | SA-YESO | Jun-93 | active |

Exhibit A
Agreed Compliance Order
Mack Energy Corp.

JOINT UWI/A Field Name Operator New Name Sec Fm Ring TD COM? DATE Perfs Date Acctd Producing Formation FIRST PROD DATE CURRENT STATUS

| UWI/A Field Name | Field Name | Operator | New Name | Sec | Fm | Ring | TD | COM? | DATE | Perfs | Date Acctd | Producing Formation | FIRST PROD DATE | CURRENT STATUS |
|--|--------------|------------------|---------------------------------------|-----|-----|------|--------|------------|-----------|------------|------------|---------------------|-----------------|----------------|
| 45 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #117) | 21 | 17S | 29E | 4.920 | 7/8/1993 | 2661-4535 | 5/4/1993 | SA-YESO | SA-YESO | Jul-93 | active |
| 46 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #115) | 21 | 17S | 29E | 4.758 | 7/18/1993 | 2616-4594 | 5/11/1993 | SA-YESO | SA-YESO | Jul-93 | active |
| 47 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #107) | 21 | 17S | 29E | 5.058 | 1/6/1994 | 3935-4937 | 1/12/1993 | YESO | YESO | Jul-94 | active |
| 48 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #124) | 28 | 17S | 29E | 10.890 | 8/16/1973 | 4698-5038 | 3/31/1994 | YESO | YESO | Jul-94 | active |
| 49 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #123) | 23 | 17S | 29E | 10.835 | 5/27/1994 | 3939-5202 | 4/26/1994 | YESO | YESO | Jul-94 | active |
| 50 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #8) | 28 | 17S | 29E | 4.550 | 12/5/1945 | 4109-4432 | 6/13/1994 | SA-YESO | SA-YESO | Dec-45 | active |
| 51 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #26) | 22 | 17S | 29E | 5.296 | 7/6/1937 | 2839-5103 | 7/12/1994 | GB-SA-YESO | GB-SA-YESO | Aug-37 | active |
| 52 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #16) | 28 | 17S | 29E | 5.215 | 2/24/1947 | 2673-4884 | 11/1/1994 | GB-SA-YESO | GB-SA-YESO | Feb-47 | active |
| 53 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #22) | 28 | 17S | 29E | 5.521 | 2/11/1995 | 2712-4371 | 12/5/1995 | SA-YESO | SA-YESO | Feb-95 | active |
| 54 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #7) | 28 | 17S | 29E | 5.702 | 4/27/1946 | 3302-4869 | 2/16/1995 | SA-YESO | SA-YESO | Apr-46 | active |
| 55 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #5) | 27 | 17S | 29E | 5.205 | 1/23/1945 | 3106-4229 | 2/20/1995 | SA-YESO | SA-YESO | Feb-45 | active |
| 56 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #6) | 27 | 17S | 29E | 5.570 | 2/19/1995 | 2685-4421 | 3/28/1995 | SA-YESO | SA-YESO | Feb-95 | active |
| 57 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #121) | 28 | 17S | 29E | 4.958 | 6/3/1995 | 3179-4423 | 5/23/1995 | SA-YESO | SA-YESO | Jun-95 | active |
| 58 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #139) | 28 | 17S | 29E | 4.600 | 6/11/1995 | 4018-4449 | 5/31/1995 | YESO | YESO | Jun-95 | active |
| 59 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #133) | 28 | 17S | 29E | 4.590 | 6/28/1995 | 4046-4425 | 5/7/1995 | YESO | YESO | Jun-95 | active |
| 60 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #138) | 28 | 17S | 29E | 4.594 | 7/6/1995 | 4089-4446 | 5/27/1995 | YESO | YESO | Jun-95 | active |
| 61 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #136) | 28 | 17S | 29E | 4.625 | 18/3/1995 | 4088-4423 | 7/5/1995 | YESO | YESO | Jul-95 | active |
| 62 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #137) | 28 | 17S | 29E | 4.609 | 8/5/1995 | 4028-4420 | 7/14/1995 | YESO | YESO | Aug-95 | active |
| 63 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #134) | 28 | 17S | 29E | 5.294 | 8/11/1995 | 3901-4218 | 8/8/1995 | YESO | YESO | Aug-95 | active |
| 64 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #131) | 21 | 17S | 29E | 4.405 | 9/4/1995 | 3985-4313 | 8/15/1995 | YESO | YESO | Aug-95 | active |
| 65 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #135) | 22 | 17S | 29E | 7.407 | 7/24/1961 | 4000-4388 | 9/15/1995 | YESO | YESO | Sep-66 | active |
| 66 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #24) | 21 | 17S | 29E | 7.500 | 12/26/1996 | 3929-4228 | 11/23/1996 | YESO | YESO | Jul-51 | active |
| 67 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #140) | 21 | 17S | 29E | 4.602 | 4/7/1997 | 4042-4411 | 2/19/1997 | YESO | YESO | Dec-96 | active |
| 68 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #143) | 28 | 17S | 29E | 4.628 | 5/5/1997 | 4119-4415 | 3/4/1997 | YESO | YESO | Mar-97 | active |
| 69 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #142) | 28 | 17S | 29E | 4.502 | 3/27/1997 | 3978-4236 | 3/11/1997 | YESO | YESO | May-97 | active |
| 70 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #141) | 21 | 17S | 29E | | | | | | | Mar-97 | active |
| EVIDENCE OF YESO PERFS. COULD NOT VERIFY W/ WELL HISTORIES - WELLS ARE NOW P&AD. | | | | | | | | | | | | | | |
| 71 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #87) | 28 | 17S | 29E | 19.370 | 10/28/1972 | 2671-4253 | | | SA-YESO | | P&AD 2003 |
| 72 | 300152710000 | GRAYBURG JACKSON | COG Operating LLC (GJ West Coop #92) | 28 | 17S | 29E | 4.600 | 3/11/1991 | 2741-4445 | 2/20/1991 | SA | SA | | P&AD 2002 |

GRAYBURG JACKSON : 9-18-05