

CASE NO. 11723 - De Novo
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Order No. R-10872-B
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(3) In the event Mewbourne does not begin drilling the well approved in paragraph 2, by April 1, 1998, Mewbourne's application for said gas well location for said 107.55-acre unit shall be deemed denied and Fasken's application for said gas well location for said 107.55-acre unit shall be deemed approved without penalty. In the event the Mewbourne well is drilled, the Fasken application is hereby denied.

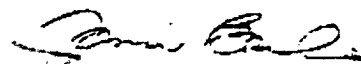
(4) In suspending prorationing in the Catclaw Draw-Morrow Gas Pool, the Commission has suspended the enforcement of allowables to the wells. Therefore, all rules, regulations and policies governing the pool, including authorization for a second well on each section or prorationing unit in the Catclaw Draw-Morrow Gas Pool, remain in effect. Accordingly, the application of Texaco Exploration and Production Inc. for an exception to the 1998 Oil and Gas Rules and Regulations for the Catclaw Draw-Morrow Gas Pool to permit it to continuously and concurrently produce in 1998 Federal "NC 1-1" Wells Nos. 1 and 2 on standard A 17 35 acre gas uniting unit comprising sections 21 and 22, Township 21 South, Range 75 East, NMDP, El Paso County, New Mexico is dismissed for no exception to the current rules is needed.

(5) Mewbourne's request for a declaration that all gas production from Texaco Exploration and Production, Inc. ("Texaco") E. J. Levens Federal "NC 1-1" Well No. 1 be declared "illegal gas" is hereby denied.

(6) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinafter designated

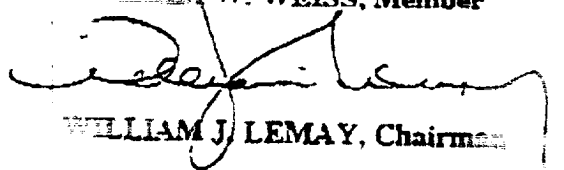
STATE OF NEW MEXICO
OIL AND GAS COMMISSION



JAMI BAILEY, Member



WILLIAM W. WEISS, Member



WILLIAM J. LEMAY, Chairman

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