

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

APPLICATION OF MACK ENERGY
CORPORATION FOR COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 14763
ORDER NO. R-13519-A

ORDER STAYING ORDER NO. R-13519 IN PART

THIS MATTER came before the Division Director pursuant to 19.15.4.23.B NMAC on motion of Siana Oil and Gas LLP and Tom M. Ragsdale for an order staying, in part, Order No. R-13519 and directing the Applicant, Mack Energy Corporation, to abstain from conducting a fracture stimulation operation on the Cockburn "A" State Well No. 5 located in the SE/4 NW/4 of Section 32, Township 17 South, Range 33 East, NMPM, in Lea County, New Mexico. The Division Director having reviewed the motion for stay and Mack Energy Corporation's response in opposition to the motion,

FINDS THAT:

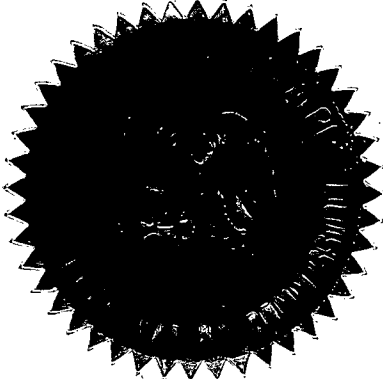
1. The above matter was heard by the Division on January 5, 2012. On February 21, 2012, the Division entered Order No. R-13519 granting the application of Mack Energy Corporation.
2. Siana Oil and Gas LLP and Tom M. Ragsdale filed an Application for Hearing De Novo on March 1, 2012 and the matter is tentatively set for hearing before the Oil Conservation Commission on May 17, 2012.
3. The motion filed by Siana Oil and Gas and Mr. Ragsdale seeks a partial stay of the provision of Order R-13519 authorizing Mack Energy Corporation to re-enter the Cockburn "A" State Well No. 5 located in the SE/4 NW/4 of Section 32, Township 17 South, Range 33 East, NMPM, in Lea County, New Mexico and conduct a fracture stimulation operation on the well and the producing formation.
4. If a stay is not granted, Mack Energy Corporation may proceed to conduct the fracture stimulation. As a result, by the time this matter is decided by the Oil Conservation Commission, the right of Siana Oil and Gas and Mr. Ragsdale to a de novo hearing will effectively be negated. Accordingly, a partial stay of Order No. R-13519 is proper.

IT IS THEREFORE ORDERED THAT:

1. Those provisions of Order No. R-13519 authorizing Mack Energy Corporation to re-enter and perform a fracture stimulation of the Cockburn "A" State Well No. 5 are hereby stayed. Mack Energy Corporation is further directed to abstain from conducting such re-entry and fracture stimulation until the Oil Conservation Commission issues its order on the de novo application filed herein.

2. Jurisdiction of this cause is retained for the entry of such further order as the Division may deem necessary.

DONE at Santa Fe, New Mexico on the 20th day of March, 2012.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Jami Bailey".

JAMI BAILEY
Director