

8-30-77
 Comp. Acoustic Velocity
 Gamma Caliper Log
 0-11674
 Forxo - Guard Log
 2650 - 11686

IT IS THEREFORE ORDERED:

Case # 5895 4-6-77 D.L.
 order E-5415 4-12-77

(1) That all mineral interests, whatever they may be, in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 12, Township 22 South, Range 26 East, NMPM, South Carlsbad Field, Eddy County, New Mexico, are hereby pooled to form a standard 320-acre gas spacing and proration unit to be dedicated to a well to be drilled at an unorthodox location 840 feet from the South line and 1760 feet from the East line of said Section 12.

PROVIDED HOWEVER, that the operator of said unit shall commence the drilling of said well on or before the 1st day of July, 1977, and shall thereafter continue the drilling of said well with due diligence to a depth sufficient to test the Wolfcamp and Pennsylvanian formations;

PROVIDED FURTHER, that in the event said operator does not commence the drilling of said well on or before the 1st day of July, 1977, Order (1) of this order shall be null and void and of no effect whatsoever; unless said operator obtains a time extension from the Commission for good cause shown.

PROVIDED FURTHER, that should said well not be drilled to completion, or abandonment, within 120 days after commencement thereof, said operator shall appear before the Commission and show cause why Order (1) of this order should not be rescinded.

(2) That C&K Petroleum, Inc. is hereby designated the operator of the subject well and unit. 200%

Log Tops as Per JWR

Penn - 9411

Strawn - 9782

Atoka - 19288

MorrowLS - 10642

MorrowCL - 10,900