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Compensated Nextion-Compensated Nextign Formation Density D- 9466 Duel Laterolog Micro S7L 1128-9465

IT IS THEREFORE ORDERED:

R. 5723

That all mineral interests, whatever they may be, in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 10, Township 21 South, Range 22 East, NMPM, Eddy County, New Mexico, are hereby pooled to form a standard 320acre gas spacing and proration unit to be dedicated to a well to be drilled at an unorthodox location 1383 feet from the South line and 695 feet from the East line of said Section 10.

PROVIDED HOWEVER, that the operator of said unit shall commence the drilling of said well on or before the first day of July, 1978, 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 first day of July, 1978, Order (1) of this order shall be null and void and of no effect whatsoever; unless said operator obtains a time extension from the Division 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said operator shall appear before the Division Director and show cause why Order (1) of this order should not be rescinded.

(2) That Yates Petroleum Corporation is hereby designated the operator of the subject well and unit.