

Gillespie-Crow, Inc.

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NMOCD Case No. 11724

Exhibit No. 18

Submitted by: Gillespie-Crow, Inc.

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**CHRONOLOGY OF EVENTS
WEST LOVINGTON STRAWN UNIT
LEA COUNTY, NEW MEXICO**

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| October 1, 1995 | - | West Lovington Strawn Unit (WLSU) becomes effective. Average bottom hole pressure of the West Lovington Strawn Pool on 9/18/95 was 3294 psia. |
| October 26, 1995 | - | State "S" No.1 well is completed in the Strawn formation flowing 505 BOPD + 720 MCFGPD. Original bottom hole pressure from DST taken 9/24/95 was 3286 psia. |
| November 21, 1995 | - | State "S" No.1 well bottom hole pressure is recorded at 3261 psia. Gillespie-Crow, Inc. prepares to expand the WLSU to bring in the State "S" well. |
| December, 1995 | - | Hanley Petroleum, Inc. announces location of its Chandler No.1 well to test the Strawn formation in Section 28, Township 15 South, Range 35 East just 330 feet from WLSU boundary. |
| December 4, 1995 | - | Hinkle Law Firm's Division Order Title Opinion identifies title problems with State of New Mexico Oil and Gas Lease No. VC-11 covering the SW/4 SE/4 of Section 34, Township 15 South, Range 35 East, which makes up a portion of the proration unit for the State "S" No.1 well. |

- December 28, 1995 - Gillespie-Crow receives letter from Mr. Scott Wilson with Pathfinder Exploration Co. claiming he and four other family members own an interest in State of New Mexico Oil and Gas Lease No. VC-11, and therefore claim an interest in the State "S" well.
- January 2, 1996 - Gillespie-Crow asks Hanley Petroleum to share well data and pressure data from its Chandler well if said well is completed in the West Lovington Strawn unitized interval.
- January 8, 1996 - Gillespie-Crow notifies Lario Oil & Gas Company, Viersen & Cochran, Visa Industries of Arizona and Yates Petroleum Corp., et al. of their apparent interests in State of New Mexico Oil and Gas Lease No. VC-11, and requests their election to join in the State "S" No.1 well. Gillespie-Crow also proposes the State "S" well and the two tracts that make up the proration unit for said well be brought into the WLSU at certain tract participation percentages. The State "S" No.1 well is choked back pending resolution of title problems.
- January 10, 1996 - Gillespie-Crow notifies Lario, Viersen & Cochran, Visa and Yates Petroleum, et al. of Wilson, et al.'s claims to a portion of their interests.
- January 19, 1996 - Hanley Petroleum, Inc. spuds its Chandler No.1 well 330' FSL & 1650' FEL of Section 28, Township 15 South, Range 35 East, Lea County, New Mexico.
- Jan.-Feb., 1996 - Ongoing discussions between Gillespie-Crow and Yates Petroleum, et al. regarding possible settlements with Wilson, et al. Numerous correspondence between Gillespie-Crow's attorney and Wilson, et al.'s attorney.

- February 21, 1996 - Gillespie-Crow receives notice from Hanley Petroleum's attorney stating that if Hanley completes its Chandler No.1 well in the Strawn formation, they would oppose joining the WLSU and they will not provide Gillespie-Crow any data from said well.

- March 5, 1996 - Gillespie-Crow, et al. make offer to Wilson, et al. to settle title dispute regarding State "S" well.

- March 8, 1996 - WLSU average bottom hole pressure is recorded at 3310 psia indicating that the pressure maintenance project for the Unit is working successfully.

- March 11, 1996 - Wilson, et al. reject Gillespie-Crow, et al.'s offer to settle State "S" title dispute.

- March 14, 1996 - Hanley Petroleum, Inc. completes its Chandler No.1 well in the Strawn formation flowing 133 BOPD + 280 BWPD + 478 MCFGPD. Hanley requests the OCD to hold well logs confidential for 90 days.

- March 25, 1996 - Gillespie-Crow's attorney sends Wilson, et al.'s attorney a proposed Stipulation of Interests agreement stating that upon said document being fully executed by all parties involved, the present recognized interest owners of the State of New Mexico Oil and Gas Lease No. VC-11 would agree that Wilson, et al. own interest in said Lease No. VC-11 and in the State "S" No.1 well.

- March 26, 1996 - Charles B. Gillespie, Jr. completes its Snyder "EC" Com No.1 well in the Strawn formation pumping 52 BOPD + 45 MCFGPD. Well is located 1346' FNL & 1980' FEL of Section 6, Township 16 South, Range 36 East, Lea County, New Mexico.

- Mar.-Apr., 1996 - Wilson, et al. consider Gillespie-Crow, et al.'s offer to settle dispute regarding State "S" No.1 well.

- April 26, 1996 - Wilson, et al. accept Gillespie-Crow, et al.'s offer to settle dispute regarding State "S" well.

- April 29, 1996 - Gillespie-Crow mails out Stipulation of Interests agreements for execution by all parties involved in State "S" well.
- May 1-31, 1996 - Gillespie-Crow collects executed Stipulation of Interests documents regarding State "S" well.
- May 9-10, 1996 - Gillespie-Crow calls for a vote among the working interest owners in the WLSU and the State "S" No.1 well for or against bringing the State "S" well and the two tracts that make up its proration unit into the WLSU at certain tract participation percentages.
- June 5, 1996 - Gillespie-Crow sends copies of all executed Stipulation of Interests agreements regarding the State "S" well to Wilson, et al.'s attorney for final approval and execution.
- June, 1996 - Wilson, et al.'s and Gillespie-Crow's attorneys request re-execution of Stipulation agreement regarding State "S" well by Visa Industries of Arizona.
- June 10, 1996 - Gillespie-Crow notifies working interest owners in the WLSU and in the State "S" No.1 well of a working interest owners meeting to be held in Midland, Texas regarding the proposed expansion of the WLSU.
- June 20, 1996 - Gillespie-Crow, Inc. holds working interest owners meeting regarding WLSU expansion. Owners in the State "S" No.1 well that are not in the WLSU request Gillespie-Crow to remap the West Lovington Strawn reservoir utilizing the new Charles B. Gillespie, Jr. Snyder "EC" Com No.1 wellbore information which is located in Section 6, Township 16 South, Range 36 East. Additional pressure data from the Unit wells, the State "S" well and the Snyder "EC" Com well is also requested. Gillespie-Crow and the other working interest owners in the WLSU agree.

- June 25, 1996 - Gillespie-Crow sends Stipulation of Interests agreement regarding State "S" well to Visa Industries for re-execution.
- June 28, 1996 - OCD releases Hanley Petroleum's Chandler No.1 electric logs. Logs confirm that the Chandler well is completed in the WLSU unitized interval and said interval appears to be the same reservoir as the West Lovington Strawn Pool. Gillespie-Crow notifies Hanley Petroleum it intends to take a field wide bottom hole pressure buildup of the West Lovington Strawn reservoir and invites Hanley to join in buildup analysis by shutting in its Chandler No.1 and recording a buildup on said well.
- July 1, 1996 - Hanley Petroleum's attorney notifies Gillespie-Crow that Hanley will not join in obtaining bottom hole pressure data.
- July 2, 1996 - Yates Petroleum Corp. writes Gillespie-Crow requesting State "S" No.1 well be produced at top allowable. Letter states that Yates opposes joining the WLSU but if the two tracts that make up the proration unit for the State "S" No.1 well are brought into the Unit, the tract participation percentages for said tracts should total 4.8935587% of the expanded WLSU. Letter further states that Yates believes the Charles B. Gillespie, Jr. Snyder "EC" Com No.1 well should not be brought into said Unit.
- July 9, 1996 - Gillespie-Crow mails Yates Petroleum production data, pressure data, PVT data, DST data, etc. for the WLSU per their request.
- July 19, 1996 - Gillespie-Crow shuts in all of its wells in the WLSU together with the State "S" No.1 and the Snyder "EC" Com No.1 for bottom hole pressure survey. WLSU average bottom hole pressure is recorded at 3295 psia. At the time the WLSU wells are put back on production the State "S" No.1 well's bottom hole pressure is still being recorded. The pressure

curve for the State "S" well immediately flattens at this point indicating extremely good pressure communication between the well and the WLSU wells. No usable data is recovered from the Snyder "EC" Com No.1.

- July 22, 1996 - Gillespie-Crow receives executed Stipulation of Interests document back from Visa Industries of Arizona.
- July 28, 1996 - Gillespie-Crow increases production from State "S" No.1 well to 300 BOPD.
- July 30, 1996 - Gillespie-Crow's attorney files application for reduced allowable for Strawn wells drilled around WLSU boundaries.
- August 1, 1996 - Gillespie-Crow reduces production from WLSU wells to account for bottom hole pressure depletion in the West Lovington Strawn reservoir caused by increased production from the State "S" No.1 and the Chandler No.1.
- August 2, 1996 - Gillespie-Crow's attorney notifies offset operators to the WLSU of application filed for reduced allowable and of OCD hearing date set for 8/22/96.
- August 20, 1996 - Yates Petroleum, et al.'s attorney files motion to dismiss Gillespie-Crow's application for reduced allowable.
- August 22, 1996 - OCD hearing held for the purpose of considering Gillespie-Crow's application for allowable reduction.
- August 27, 1996 - Gillespie-Crow's attorney files amended application for allowable reduction and the creation of a new pool being the South Big Dog Strawn Pool.
- August 30, 1996 - Gillespie-Crow's attorney notifies offset operators to the WLSU of amended application.

- September 7, 1996 - Gillespie-Crow increases production from the State "S" No.1 well to top allowable.
- September 11, 1996 - Gillespie-Crow, Inc. and Enserch Exploration Inc. calculate hydrocarbon pore volume numbers and new tract participation factors for the proposed new WLSU area using the electric log data from the WLSU wells and the new State "S" No.1, the Chandler No.1 and the Snyder "EC" Com No.1 wells.
- September 12, 1996 - Gillespie-Crow notifies all working interest owners in the WLSU, the State "S" No.1 well and the Chandler No.1 well of its proposed expansion of the WLSU to include these two new wells. Gillespie-Crow calls for a working interest owners meeting to be held in Midland, Texas.
- September 19, 1996 - Gillespie-Crow, Inc. holds working interest owners meeting, proposes new WLSU maps and new tract participation percentages. All of the working interest owners who do not have an interest in the current WLSU reject proposed maps and percentages. Gillespie-Crow asks Hanley Petroleum to trade pressure data regarding the WLSU, the State "S" well and the Chandler well. Hanley refuses to trade data.
- September 25, 1996 - Gillespie-Crow calls for vote from working interest owners in the WLSU, the State "S" No.1 well and the Chandler No.1 well for or against the proposed expansion of the WLSU to include these two new wells at the tract participation percentages presented by Gillespie-Crow at the working interest owners meeting.
- October 3, 1996 - OCD hearing for the purpose of considering Gillespie-Crow's application for a new pool creation and reduced allowable.

- October 23, 1996 - Gillespie-Crow notifies all working interest owners in the WLSU, the State "S" No.1 and the Chandler No.1 that the results of the voting regarding expansion of the WLSU to include these two new wells indicates that 98.0511047% of the cost bearing interest owners in the proposed new Unit Area voted FOR expansion. Gillespie-Crow requests that those parties who voted against expansion reconsider and voluntarily join.
- November 11, 1996 - Gillespie-Crow requests preliminary approval of Unit expansion from the BLM and the Commissioner of Public Lands.
- November 25, 1996 - Gillespie-Crow receives preliminary approval of Unit expansion from the BLM.
- December 26, 1996 - Gillespie-Crow receives preliminary approval of Unit expansion from the Commissioner of Public Lands.
- January 9, 1997 - Gillespie-Crow has UnitSource, Inc. notify working and royalty interest owners in the WLSU, the State "S" No.1 and the Chandler No.1 of the Unit expansion and request their ratifications and joinders.
- January 24, 1997 - Gillespie-Crow's attorney files application for expansion of the WLSU.
- January 28, 1997 - UnitSource notifies working and royalty interest owners of application filed by Gillespie-Crow for expansion of the WLSU and of OCD hearing to be held 2/20/97.
- February 14, 1997 - Yates Petroleum, et al.'s attorney files motion to continue OCD hearing regarding the expansion of the WLSU and requests OCD to issue a subpoena requiring Gillespie-Crow to produce certain information.

- February 18, 1997 - Gillespie-Crow's attorney files motion to restrict production from the State "S" No.1 and the Chandler No.1 wells pending continued hearing and Order regarding the expansion of the WLSU. Gillespie-Crow notifies Hanley Petroleum it intends to take another field wide bottom hole pressure buildup of the West Lovington Strawn reservoir and invites Hanley to join in buildup analysis by shutting in its Chandler No.1 well and recording a buildup on said well. Gillespie-Crow offers to pay for all costs associated with said buildup analysis.
- February 19, 1997 - Gillespie-Crow's attorney receives copy of Subpoena Duces Tecum filed by Yates Petroleum, et al.'s attorney requesting an enormous amount of information regarding Gillespie-Crow, Inc.'s and Charles B. Gillespie, Jr.'s wells in the WLSU area, including but not limited to proprietary seismic data.
- February 20, 1997 - Gillespie-Crow receives notice from Hanley Petroleum that they are agreeable to participate in a bottom hole pressure buildup test with Gillespie-Crow, however, due to short notice (72 hours), they are not able to make arrangements to participate with Gillespie-Crow on the scheduled date.
- February 21, 1997 - Gillespie-Crow shuts in all of its wells in the WLSU and the State "S" No.1 well for bottom hole pressure survey. WLSU average bottom hole pressure is recorded at 3262 psia. The State "S" No.1 well's bottom hole pressure is recorded at 3257 psia verifying said well is in communication with the WLSU wells. Hanley Petroleum rigs up and runs wireline survey on its Chandler No.1 well at the same time the Unit wells are shut in and being surveyed.

- February 26, 1997 - OCD issues Order Nos. R-9722-C and R-10448-A regarding Gillespie-Crow, Inc's application for pool creation, pool contraction and reduced allowable. Order creates the South Big Dog Strawn Pool, contracts the West Lovington Strawn Pool and reduces allowable in the West Lovington Strawn Pool to 250 BOPD.

- February 28, 1997 - Gillespie-Crow's attorney offers Yates Petroleum, et al.'s attorney additional data on the WLSU pursuant to their subpoena dated February 19, 1997.

- March 5, 1997 - Gillespie-Crow's attorney files Subpoena Duces Tecum requesting certain information from Hanley Petroleum regarding its Chandler No.1 well.

- March 7, 1997 - Yates Petroleum's and Hanley Petroleum's attorney files an Application for Hearing De Novo regarding OCD's Order Nos. R-9722-C and R-10448-A.

- March 15, 1997 - Yates Petroleum, et al.'s attorney asks Gillespie-Crow's attorney for a voluntary continuance of the hearing for Unit Expansion set for March 20, 1997.

- March 17, 1997 - Gillespie-Crow agrees to voluntarily continue the hearing set for March 20, 1997, if Yates Petroleum, et.al. agree to shut in the State "S" No.1 and the Chandler No.1 wells until an order is issued by the OCD regarding Unit Expansion. Yates Petroleum, et al. will not agree to shut wells in. Gillespie-Crow again offers data to Yates Petroleum, et al. regarding their subpoena.

- March 18, 1997 Gillespie-Crow, Inc. objects to the continuance, however the motion was granted by the OCD.

- March 24, 1997 Attorneys for each party exchange additional subpoena'd data.

- April 1, 1997 Yates, et al. and Hanley file a second motion for continuance of the hearing with the OCD in order to allow adequate time to complete their study.

April 4, 1997	OCD grants the continuance and sets this hearing for May 15, 1997.
April 7, 1997	Yates et al. and Hanley agree not to try to seek any other data including title work, seismic, etc.
April 22, 1997	Gillespie-Crow, Inc. requests a copy of the reservoir study by Yates to be received prior to the hearing. Also requests are made to the Snyder Ranches (Squires) to obtain data generated by Platt & Sparks which is the basis of the commission accepted HPV maps and related ownership interests.
April 22, 1997	Yates et al. and Hanley send out a certified mailing to interest owners in the West Lovington Strawn Pool Area indicating plans to present the results of their oil in place study and proposes a new formula for the allocation of Unit production and expand the Unit by 2480 acres (the Unit currently consists of 1400 acres).
May 5, 1997	Enserch files a motion to strike the Yates et al, and Hanley de facto application sent out April 22, 1997.
May 8, 1997	Yates et al. and Hanley files a response to the Enserch motion to strike and motions to dismiss Gillespie's application for Unit expansion.