

ENDORSED

**FIRST JUDICIAL DISTRICT COURT
COUNTY OF SANTA FE
STATE OF NEW MEXICO**

**WHITING PETROLEUM CORPORATION,
a corporation, and MARALEX RESOURCES,
INC., a corporation,**

Plaintiffs,

vs.

No. SF-CV-98-01295

**PENDRAGON ENERGY PARTNERS, INC.,
a corporation, and J.K. EDWARDS
ASSOCIATES, INC., a corporation**

Defendants.

PRELIMINARY INJUNCTION

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
M/W	EXHIBIT NO. <u>5</u>
CASE NO. <u>11996</u>	

THIS MATTER came before the Court on June 29, 1998 on Plaintiffs' Verified Application for Preliminary Injunction with the parties appearing by their corporate representatives and counsel. The Court having received evidence and arguments of counsel for all parties, FINDS that good grounds have been established in behalf of the plaintiffs' Application and it should be granted.

Upon the evidence presented and application of the law concerning issuance of preliminary injunctions the Court CONCLUDES AS FOLLOWS:

1. The Court has jurisdiction of the parties and of the subject matter.
2. Plaintiffs have established a substantial likelihood that they will prevail on the merits of their claim that defendants have trespassed into plaintiffs' Fruitland formation and that defendants are converting the plaintiffs' gas.
3. Issuance of an injunction may cause harm to defendants but the continuing harm to plaintiffs should the injunction not issue greatly outweighs the harm

to the defendants.

4. Issuance of an injunction against defendants' continued taking of plaintiffs' gas will not be adverse to the public interest.

5. The Court has weighed the factors to be considered under New Mexico law in determining whether to issue a preliminary injunction and having done so concludes that the Application for Preliminary Injunction in behalf of plaintiffs is well taken and should be granted.

IT IS THEREFORE ORDERED AS FOLLOWS:

1. The defendants upon entry of this Preliminary Injunction shall immediately shut-in Chaco wells 1, 2R, 4 and 5 and cease and desist all gas production therefrom.

2. This Preliminary Injunction is to remain in force for a period of ninety (90) days from entry, or until further order of the Court, to permit review by the Court and consideration by the New Mexico Oil Conservation Division or New Mexico Oil Conservation Commission on certain issues within their administrative jurisdiction.

3. The Court will review this matter prior to the expiration of ninety (90) days from entry to consider the disposition of an administrative proceeding, if any, and to make any further orders as may be deemed appropriate or necessary.

4. No bond shall be required of plaintiffs, however, defendants are encouraged to track production loss in the event they become entitled to claim they have been wronged by the issuance of this Preliminary Injunction.

ORIGINAL SIGNED BY
The Honorable Art Encinias
District Judge

ORIGINAL SIGNED BY
ART ENCINIAS

Submitted on Notice of Presentment:

GALLEGOS LAW FIRM, P.C.

By  _____
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