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United States Department of the Interior

LATIGO LAND DEPT,
RECEIVED

JAN 07 2004

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201

IN REPLY REFER TO:
NMNM-107368
3160 (513)

JAN 07 2005

Latigo Petroleum, Inc.
Fasken Center Tower II
550 W. Texas, Suite 700
Midland, Texas 79701
Attn: Ricky Cox

Gentlemen:

Your letter dated December 14, 2004, requests a communitization agreement covering the N $\frac{1}{2}$ of Section 19, T. 25 S., R. 27 E., NMPM, Eddy County, New Mexico based on geology. Your isopach map of the Morrow E sand submitted with your letter to this office, depicts a northeast-southwest trend with the bulk of the deposit occurring in the N $\frac{1}{2}$, sec. 19. This is in agreement with the trend of the Morrow fields in the White City Penn field located 1 $\frac{1}{2}$ miles to the northwest. Therefore this office agrees with your request to consolidate O&G leases NMNM-109756 and NMNM-107368 under a communitization agreement for the N $\frac{1}{2}$ of sec. 19, T. 25 S., R. 27 E., NMPM.

If you have any questions please call John S. Simtz at (505) 627-0288 or the Division of Land and Minerals at (505) 627-0272.

Sincerely,

Larry D. Bray
Assistant Field Manager,
Lands and Minerals

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