

**TIERRA OIL COMPANY**

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April 18, 1995

Mr. Mike Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, N.M. 87505

via facsimile transmission

Re: Compulsory Pooling,
NW/4 of Sec. 27,
T16S-R38E, Lea
County, N.M.

Dear Mr. Stogner:

It has come to my attention that Mack Energy Corporation has petitioned for a hearing to be held before an Examiner of the Oil Conservation Division on April 20, 1995, regarding the compulsory pooling of lands in the NW/4 of Section 27 T16S R38E _____

The purpose of this letter is to inform the Oil Conservation Division that Tierra Oil Company owns a small mineral interest in the subject lands. Furthermore, Tierra has received a written proposal from Mack Energy regarding the leasing of Tierra's interest in the subject lands. Mack Energy has Tierra's New Mexico mailing address as evidenced by the attached letter dated March 30, 1995, which Mack sent to Tierra.

Tierra should not be force pooled. Tierra would be willing to lease its interest or participate for its proportionate share of any well drilled on subject lands. Please exclude Tierra's mineral interest from any compulsory pooling proceedings. Thank-you for your time and consideration in this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. Chris Barnhill". The signature is fluid and cursive, written over the typed name.

W. Chris Barnhill
Vice-President

cc: Mack Energy Corporation
Campbell, Carr, Berge & Sheridan