KELLAHIN AND KELLAHIN

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January 24, 1997

HAND DELIVERED

William F. Carr, Esq. P. O. Box 2208 Santa Fe, New Mexico 87501

Re: NMOCD Case 11684 Hummer "4" State Com Well No. 1 Application of Nearburg Exploration Company, L.L.C. for Compulsory Pooling Eddy County, New Mexico Received (a) the

TELEPHONE (505) 982-4285

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2-6-97 1 Lehrung 2ng

Dear Mr. Carr:

On behalf of Nearburg Exploration Company, L.L.C., I would appreciate your assistance in forwarding to your client. Amoco Production Company (Attn: Jerry West), this letter, the enclosed notice of hearing, application and exhibits from yesterday's New Mexico Oil Conservation Division hearing of the referenced case.

My purpose is to provide Amoco Production Company with both an opportunity to enter into a voluntary agreement with Nearburg for this well or, in the alternative, to participate in the hearing before the Division which seeks to pool all interests including Amoco's.

Nearburg presented its case at the hearing yesterday, and then obtained the Examiner's approval to continue to the case to the February 6, 1997 docket in order to communicate with Amoco.

If Amoco does not object to having its interest pooled by the Division, I would appreciate you having Amoco sign and return to me the enclosed waiver in time for submittal to the Division prior to the next hearing.

Truly yours 10.0 ···

W. Thomas' Kellahin

cc: Nearburg Exploration Company Attn: Duke Roush