

Catanach

Nearburg Exploration Company, L.L.C.

Exploration and Production
3500 North A1 Street
Building 2, Suite 120
Midland, Texas 79706
915-834-0200
Fax: 915-834-7315

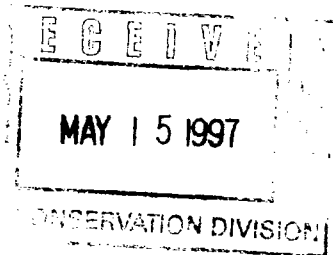
May 13, 1997

Oil Conservation Division of Energy
2040 S. Pachero Street
Santa Fe, New Mexico 87505

Attn: William J. LeMay, Director

Re: Compulsory Pooling Order R-10785
T-21-S, R-32-E
Section 14: W/2
Lea County, New Mexico
Aztec Prospect

DE
OBE FILE - 11747



Dear Mr. LeMay:

Enclosed herewith please find an election by Phillips Petroleum Company to be force pooled under the captioned order. The remaining parties in this proration unit have either elected to participate or we have acquired their interest under mutually agreeable terms.

We will now proceed with drilling plans for this well and should be able to timely spud the well under the order barring a problem with rig availability.

If we can be of any further assistance, please advise.

Yours truly,

Duke Roush

Duke Roush
Consulting Landman

DR/sc



PHILLIPS PETROLEUM COMPANY

4001 PENBROOK
ODESSA, TEXAS 79762

EXPLORATION AND PRODUCTION
Permian Profit Center

Handwritten notes: "copy to file" and "see below"

MAY - 7 1997

May 6, 1997

Mr. Duke Roush
Nearburg Exploration Company, L.L.C.
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705

RE: Aztec 14 Fed Com #1 Well
1980' FNL 1980' FWL Section 14-T21S-R32E
Lea County, NM
PPCo LLN 130483

Dear Duke:

Pursuant to our telephone conversation this morning, this letter is to confirm in writing Phillips Petroleum Company election to be force pooled under the compulsory pooling provisions of the New Mexico Oil Conversation Division.

If you have any questions regarding this election, please advise.

Yours truly,
Phillips Petroleum Company

James S. Welin
Land Director

cc: J. S. Chimahusky

o:\land\wordfile\1997\jsw\1130483.ltr