Date: February 25, 1997

To: Bob Shelton

- From: Duke Roush
- Re: Aztec 14 Fed. Com. #1

Mike Gray, Jerry Elger and myself attended a meeting with Jim Engstrom (Geophysicist), Mary ? (Geologist) and Georgia Fenton (Landman) with Phillips regarding the drilling of the captioned well. Jerry provided a Geologic overview and left them copies of a cross-section, a structure map and three isopach maps over the prospect in hopes of obtaining Phillips participation in the well. We told them that we were scheduled to go before the OCD on March 20 to get approval for an unorthodox location and to Force Pool the proration unit if necessary. Ms. Fenton indicated that if they did not participate they would grant us a Term Assignment, however if terms are as stringent as their last proposed Assignment we may have to proceed with the hearing.

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

DR/sc

BEFORE THE OIL CONSERVATION DIVISION Case No.11747 Exhibit No. \_ 8 Submitted By: Nearburg Exploration Co. Hearing Date: March 20, 1997