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PLEASE DIRECT ALL CORRESPONDENCE
TO OUR ARTESIA OFFICE

March 7, 2000

Ms. Lori Wrotenbery
Oil Conservation Division
2040 S. Pacheco St.
Santa Fe, NM 87505

Re: Application of Prairie Sun, Inc. for Compulsory Pooling,
Eddy County, New Mexico, Case No. 12236,
Order No. R-11292

Dear Ms. Wrotenbery:

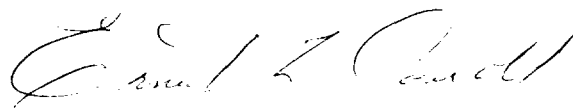
On the sixth day of December, 1999, Order No. R-11292 was entered by the Division, for the forced pooling of all interests under the E/2 of Section 28, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. The only other interest owner other than Prairie Sun, Inc. was Exxon Corporation. The order requires that the operations on the well commence on or before March 10, 2000.

Since the entry of the order, Prairie Sun has been contacted by VF Petroleum of Midland, Texas, and they have advised that they have arranged a farm out agreement with Exxon, though the formal paperwork has not been received. VF Petroleum has requested that we obtain an extension of the pooling order, so that they may obtain their paperwork from Exxon, and then allow them to work out a deal with Prairie Sun for the drilling of the well.

Therefore, Prairie Sun requests that you extend this pooling order to allow adequate time for Prairie Sun and VF Petroleum to work out a voluntary agreement for the drilling of the well.

Yours very truly,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:bal

cc: Mr. Gene Lee
Mr. Jerry Gahr

Asiley

V-F Petroleum Inc.

110 N. Marienfeld Street, Suite 580, Midland, Texas 79701 Tele: 915/683-3344 915/683-3352 FAX
Mailing Address: P. O. Box 1889, Midland, TX 79702 E-mail: vfmid@worldnet.att.net

February 3, 2000

Fax 505/827-1150

Ms. Jennifer Salisbury
NMOCD
2040 S. Pacheco
Santa Fe, NM 87505

NMOCD Pooling
Order # R - 11292

CASE #12236

Ladies and Gentlemen:

We are successor in interest to ExxonMobil in Section 28, T-23-S, R-29-E, Eddy County, New Mexico. We respectfully request a 30 day extension to respond to election regarding participation in the re-entry of the existing Laguna Grande Well No. 1 as set forth in item (F), page 4 of order no. R-11292.

Thank you for your consideration.

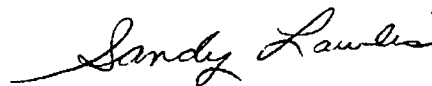
called ERNIE CARROLL & LEFT MESSAGE
ON 2-8-00. ASKED THEM
TO ADDRESS THIS. ASKED TO
RETURN MY CALL.

MA

ERNE called BACK on 2-10-00
& SAID THEY WILL WORK WITH
VF ON THIS WELL.

MA

Very truly yours,



S.K. Lawlis
Vice President & Controller