COMMISSIONER'S OFFICE Phone (505) 827-5760 Fax (505) 827-5766

ADMINISTRATION Phone (505) 827-5700 Fax (505) 827-5853

GENERAL COUNSEL Phone (505) 827-5713 Fax (505) 827-4262

PUBLIC AFFAIRS Phone (505) 827-1245 Fax (505) 827-5766 SEP - 8 2000

New Mexico State Land Office

Commissioner of Public Landon over

COMMERCIAL RESOURCES Phone (505) 827-5724

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MINERAL RESOURCES Phone (505) 827-5744 Fax (505) 827-4739

ROYALTY MANAGEMENT Phone (505) 827-5772 Fax (505) 827-4739

SURFACE RESOURCES Phone (505) 827-5793 Fax (505) 827-5711

(use 12289

September 6, 2000

Mr. James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504

Re:

West Lovington Strawn Unit

Second Expansion

Lea County, New Mexico

Dear Mr. Bruce:

We are in receipt of your letter of August 5, 2000, wherein on behalf of Gillespie Oil, Inc., you have requested final approval for the second expansion of the West Lovington Strawn Unit. The New Mexico Oil Conservation Division, by Case No. 12289, Order R-10864-B, recently approved the second expansion of the West Lovington Strawn Unit effective November 1, 1997 and April 1, 1999.

Ray Powell, M.S., D.V.M.

The Commissioner of Public Lands hereby grants final approval to expand the boundaries of the West Lovington Strawn Unit. Approval of the second expansion increases the size of the unit from 1,618.95 acres to 2,622.12 acres. It is our understanding that since Tract No. 15 should have been added to the WLSU with the first expansion, its inclusion is effective November 1, 1997. The expansion of the unit to include Tract Nos. 16 through 25 is effective April 1, 1999.

Enclosed are 3 Certificates of Conditional Approval. Our approval is given subject to the conditions as set out in the attached Certificate of Conditional Approval.

Our approval is also subject to like approval by the Bureau of Land Management and the New Mexico Oil Conservation Division.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M. COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director

Oil, Gas and Minerals Division

(505) 827-5744 RP/JB/pm

pc:

Reader File, Commissioner's File

MOCD Attention: Mr. Michael Stogner
BLM-Roswell Attention: Mr. Armando Lopez

TRD-Attention: Mr. Valdean Severson

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