

**Fasken Oil and Ranch, Ltd.**  
**303 West Wall Avenue, Suite 1800**  
**Midland, Texas 79701**  
**Phone 915/687-1777**  
**Fax 915/687-0669**

Tuesday, September 12, 2000

TO: Mark Wheeler  
Nearburg Exploration Company, L.L.C.  
3300 North "A" Street,  
Building 2, Suite 120,  
Midland, Texas 79705

RE: White Tip "7" Federal Com. #2 Well  
1,592' FSL and 1,389' FWL Section 7,  
T-22-S, R-26-E, Eddy County, New Mexico

White Tip "12" Federal Com. #1  
660' FSL and 710' FEL Section 12,  
T-22-S, R-25-E, Eddy County, New Mexico

Dear Mark,

Enclosed please find duplicate originals of Joint Operating Agreements, executed by Fasken, for each of the prospects captioned above. As you know, for the development of our most recent endeavor with Nearburg, we meticulously and laboriously negotiated a JOA covering the offsetting tract (E/2 Section 7, 22-26) to the first prospect listed above. To my knowledge, from an operations and administrative standpoint, it has served us well.

Accordingly, we have attempted to conform the enclosed JOA to the terms and conditions of the JOA covering the E/2 of Section 7. As we have now consented to the drilling of both of the captioned prospects, and we have fully executed the Joint Operating Agreements covering each, we request that Fasken Oil and Ranch, Ltd. and Fasken Land and Minerals, Ltd. be removed from the scheduled compulsory pooling hearings regarding these wells.

Wheeler2  
Tuesday, September 12, 2000

We ask that you review these materials at your earliest convenience, and that you call should you have any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Hubbard", written in a cursive style.

Craig Hubbard

Cc: State of New Mexico  
Department of Energy, Minerals and Natural Resources  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505

CEH/cg