

Nearburg Exploration Company

Exploration and Production
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July 24, 1992

Scott E. Wilson
500 North Loraine
Suite 1070
Midland, Texas

Re: Amended Unorthodox Location Waiver
Emerald 32 No. 2 Well
NE/4 SW/4 Section 32, T-24-S, R-29-E,
Eddy County, New Mexico

Gentlemen:

Pursuant to my letter dated July 14, 1992 I asked for a waiver of the unorthodox location for the subject well. The location given in my July 14 letter has been changed pursuant to the archaeological survey, and upon the BLM's request we have moved the well to 1400' FWL and 2080' FSL of Section 32, T-24-S, R-29-E, Eddy County, New Mexico. The well is to be drilled to the Delaware to approximately 6700' and the proration unit will be the NE/4 SW/4 of Section 32. This well will be in the newly formed Willow Lake Delaware pool and is at a non-standard location for this pool. A hearing will be held August 20, 1992, before the New Mexico Oil Conservation Division seeking approval of same.

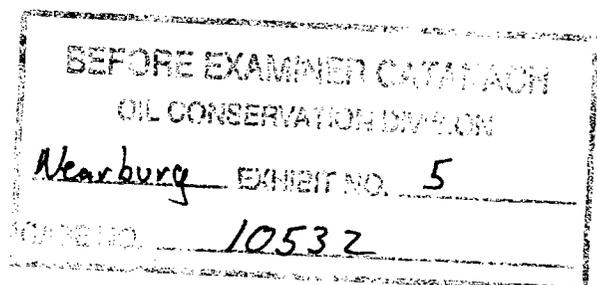
Our records indicate you have a leasehold interest in one or more of the offset tracts to our proration unit for the subject well. Therefore, Nearburg Producing Company respectfully requests a waiver of this unorthodox location. We ask that one copy of this letter be signed by the appropriate party having authority to grant such a waiver and thereafter returning same to the undersigned. The waiver shall be used in the hearing on August 20, 1992 with the New Mexico OCD showing you have no objections to this action.

Should you have any questions or need further information, please advise.

Very truly yours,



Joe Fitzgerald
Senior Landman



SCOTT E. WILSON has no objection to the unorthodox location in the NE/4 SW/4 of Section 32, T-24-S, R-29-E, Eddy County, New Mexico, for the well proposed herein.

Dated this 18th day of August, 1992.

SCOTT E. WILSON

By: Scott E. Wilson