

Nearburg Exploration Company, L.L.C.

Exploration and Production
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705
432/686-8235
FAX: 432/686-7806

April 22, 2009

BOPCO, L.P.
Attn: Brad Glasscock
201 Main Street, Suite 2900
Fort Worth, TX 76102

Re: Appaloosa Prospect
Eddy County, New Mexico
Request for Accounting of Drilling & Completion Costs
Big Eddy Unit #218
660' FNL & 660' FWL
Section 17, T22S, R28E

Gentlemen:

Pursuant to Division Order No. R-12990 granted by the Oil Conservation Division, Nearburg Exploration Company, L.L.C. respectfully requests an itemized schedule of actual well costs associated with the drilling and completion of the referenced well. While this well reflects a completion date of December 22, 2008 on the completion report filed with the Bureau of Land Management, the well was not frac'd until January 10, 2008. The above stated Order provides that the Operator must provide each pooled working interest owner with said schedule within ninety (90) days following completion of the well. We then have forty-five (45) days from our receipt of the schedule to deem the costs as being reasonable.

Nearburg has timely paid its proportionate share of the estimated drilling and completion costs under said Order. We strongly feel that we are entitled to the schedule of actual costs so we can determine if said costs shall be deemed to be reasonable. We believe that BOPCO has not timely provided us with the schedule of actual costs for this well.

Thank you for your immediate attention in this matter. I expect to hear back from you in the very near future.

Sincerely,



Ken Dixon
Senior Landman

cc: New Mexico Energy, Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico

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Case 14172