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March 4, 1996

VIA FACSIMILE

(505) 988-7592

Ernest L. Padilla, Esq.
Padilla Law Firm
P. O. Box 2523
Santa Fe, New Mexico 87504

Re: REQUEST FOR PRODUCTION OF DATA
NMOCDCase 11481
Application of Nearburg Exploration Company
for an Unorthodox Gas Well Location
Lea County, New Mexico

Dear Ernie:

On behalf of Nearburg Exploration Company, I need certain data from your client, Read & Stevens, in order to prepare for the hearing of the referenced case which is set for hearing on Thursday, March 7, 1996.

In addition, we are requesting that case 11481 be continued to March 21, 1996 hearing in order to have time to review the Read & Stevens data and prepare for hearing.

Accordingly, we request that Read & Stevens provide to me at my office, not later than noon on March 8, 1996 the following information for all the Read & Stevens operated well in the SE/4 of Section 4, T24S, R26E, Lea County, New Mexico:

1. Reservoir pressure data including but not limited to bottom-hole surveys or pressures, surface pressure readings, daily tubing pressure and casing pressures, drill stem tests, build-up tests, and interference tests, with relevant information as to shut-in time and production rates prior to shut-in.
2. Gas-liquid ratios and tests including a description of any and all test data and zones per well.

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3. All production data including, but not limited to all well check records, including gauges/charts for each well on a daily basis from initial testing/completion to date showing actual production of oil, gas and water per day and per month.

4. Chronological reports to include details of: (a) perforating and perforation locations, (b) stimulation fluids, volumes, rates, and pressures for each treated interval, and (c) swabbing, flowing and/or pumping results for each interval that was perforated and tested including Pre and Post stimulation results as applicable.

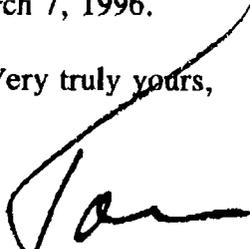
5. If your client has conducted any reservoir simulation which includes either of the subject wells, then provide: model software description, model parameters and assumptions, model variables, model history matching data, model predictions, subsequent modification.

6. Any and all reserve calculations, including but not limited to estimates of ultimate recovery, production decline curves, pressure decline curves, material balance calculations (including reservoir parameters), volumetric calculation (including reservoir parameters); and

7. Any and all reservoir studies, including but not limited to drainage calculations, well interference studies, pressure studies or well communication studies.

If you have any objection to the foregoing, please advise me by 9:00 AM on Thursday, March 7, 1996.

Very truly yours,



W. Thomas Kellahin

cc: Nearburg Exploration Company