February 22, 1977

Amoco Production Company P. O. Eox 3092 Houston, Texas 77001

Attn: Mr. Joe Durkee

RE: Malaga Unit Sections 4, 5, 8 & 9 T-24-S, R-28-E Eddy County, New Mexico

Gentlemen:

Enclosed please find two copies of a Designation of Unit covering the E/2 of Section 8 which is in the captioned unit. Please review and return one executed copy to my attention.

Thank you.

Yours truly,

HNG OIL COMPANY

Robert E. Zimmerman, Jr.

REZJr/jw encls.