



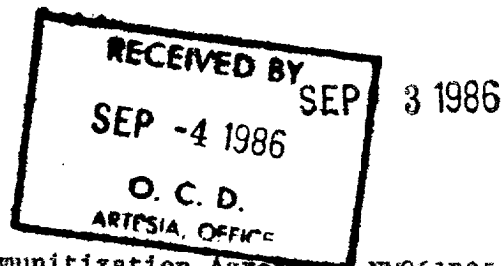
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Box 1397, Roswell, New Mexico - 88201

IN REPLY
REFER TO:

HNG Oil Company
ATTENTION: B. Craig Duke
P. O. Box 2267
Midland, TX 79702



Gentlemen:

Enclosed is one approved copy of Communitization Agreement NM061P35-86C357, involving 79.84 acres of land in Federal lease NM-54409 and 239.04 acres of Fee land in Eddy County, New Mexico, comprising a 318.88-acre well spacing unit.

The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Strawn, Atoka and Morrow formations in the W $\frac{1}{2}$ section 18, T. 24 S., R. 29 E., NMPM, and is effective May 6, 1986.

Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

You are requested to furnish all interested principals with appropriate evidence of this approval. This approval is subject to the attached Condition of Approval.

Sincerely,

Herbert D. Hubbard

FOR Francis R. Cherry, Jr.
District Manager

Enclosure: 1 Copy of Communitization Agreement

cc:
✓ NMOCD - Artesia

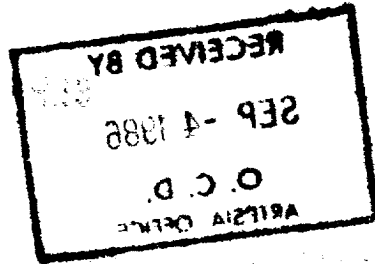
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Washington, D.C. 20250



MAIL ROOM
BUREAU OF LAND MANAGEMENT



Enclosed for review

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