

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop Cabinet Secretary June 1, 2006

Mark E. Fesmire, P.E. Director

Oil Conservation Division

Murchison Oil & Gas, Inc. c/o James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504

CORRECTED Division Administrative Order NSP-1898 (NSL)

Dear Mr. Bruce:

Due to inadvertence Division Administrative Order NSP-1898 (NSL) issued on Division administrative application reference No. pTDS0-611735069 and dated May 30, 2006 does not correctly state the intended of the Division.

The fifth, or last, paragraph on page 2 of Division Administrative Order NSP-1898 (NSL), be and the same, is hereby amended to read in its entirety as follows:

"By the authority granted me under the provisions of Division Rules 104.D (2) (b) and 104.F (2), the above-described non-standard 80-acre lay-down oil spacing and proration unit in the Hightower-Devonian Pool and unorthodox Devonian oil well location for Murchison's proposed Hightower State Unit Well No. 1 (API No. 30-025-37901) is hereby approved."

The corrections set forth in this order, which is hereby entered into the Division's administrative database as administrative application reference No. pMES0-615235433, shall be entered retroactively as of May 30, 2006; all other provisions of Division Administrative Order NSP-1898 (NSL) shall remain in full force and effect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs

New Mexico State Land Office - Santa Fe

File: NSP-1898 (NSL)

Jack E. Fermine