

J. Scott Hall

From: Ken Dixon <KDixon@nearburg.com>
Sent: Wednesday, March 16, 2011 1:42 PM
To: J. Scott Hall
Subject: Howenstine 12 #1: Signature Page
Attachments: Scan_Doc0001.pdf

From: dhbeams [mailto:dhbeams@etex.net]
Sent: Wednesday, March 16, 2011 2:23 PM
To: Ken Dixon
Subject: Signature Page

Dear Mr. Dixon:

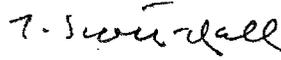
Please find attached my signed copy of the signature page on the Unorthodox Well Location.

Drew Beams

Beams Mineral
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



J. Scott Hall

JSH:kw

CONSENT:

Beams Mineral

By  _____
Drew Beams

261461



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 14, 2011

Michel E. Curry, Successor Trustee
Of the Aubrey M. Baker Revocable Trust
c/o Cotton Bledsoe Tighe & Dawson, PC
500 West Illinois, Ste. 300
Midland, TX 79701

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)**

**Howenstine 12 Well No. 1
API No. 30-025-40077
500' from the North line and 1594' from the East line (B) (Surface)
330' from the North line and 1570' from the East line (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico**

Dear Mr. Curry:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that on March 11, 2011, Nearburg Producing Company made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 at the surface and bottom-hole locations reflected above for a well to be drilled to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Michel E. Curry, Successor Trustee
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

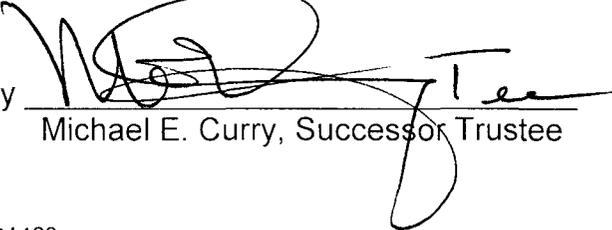


J. Scott Hall

JSH:kw

CONSENT:

Aubrey M. Baker Revocable Trust

By 
Michael E. Curry, Successor Trustee

261463

David Petroleum Corp.
Bill B. Owen, CPL
Vice President and Exploration Manager
116 West First Street
Roswell, NM 88203
575-622-8850-Office 575-623-1801-Fax
e-mail: bowen@dfn.com

FACSIMILE TRANSMITTAL

Date: March 15, 2011

To: Scott Hall

Re: Howenstine 12 Well No. 1

Unorthodox Well Location

Fax: 505-982-4289

Pages-Including cover page: 3

Message:

Scott:

Here is our "consent" to the proposed unorthodox location of Nearburg.

Hope all is well with you!



Bill Owen

CC:



J. SCOTT HALL
 Office: (505) 986-2646
 Email: shall@montand.com
 Reply To: Santa Fe Office
 www.montand.com

March 14, 2011

David Petroleum Corporation
 c/o William B. Owen
 118 West First Street
 Roswell, NM 88201

**CERTIFIED MAIL
 RETURN RECEIPT REQUESTED**

**Re: Nearburg Producing Company
 Request for Administrative Approval, Unorthodox Well Location
 Shipp-Strawn Pool (55695)
 Howenstine 12 Well No. 1
 API No. 30-025-40077
 500' from the North line and 1594' from the East line (B) (Surface)
 330' from the North line and 1570' from the East line (B) (Bottom hole)
 Section 12 , T17S, R37E
 Lea County, New Mexico**

Dear Mr. Owen:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that on March 11, 2011, Nearburg Producing Company made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 at the surface and bottom-hole locations reflected above for a well to be drilled to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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Post Office Box 2307
 Santa Fe, New Mexico 87504-2307

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 Albuquerque, New Mexico 87110
 Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
 Albuquerque, New Mexico 87176-6210

David Petroleum Corporation
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

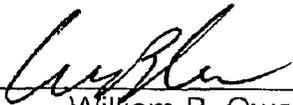


J. Scott Hall

JSH:kw

CONSENT:

David Petroleum Corporation

By  _____
William B. Owen

261470

Karen Williams

From: Ken Dixon <KDixon@nearburg.com>
Sent: Friday, March 18, 2011 7:55 AM
To: Karen Williams
Subject: FW: Lovington Prospect, Howenstine 12 #1 (Test Well)

Importance: High

Here is a response granting us approval. I will forward you a copy of the signed Notice Letter when we receive it.

From: Duane Davis
Sent: Thursday, March 17, 2011 7:43 PM
To: Ken Dixon
Cc: Terry Gant
Subject: FW: Lovington Prospect, Howenstine 12 #1 (Test Well)
Importance: High

From: Leonard Sichel [mailto:lensichel@aol.com]
Sent: Thursday, March 17, 2011 7:35 PM
To: Duane Davis
Subject: Re: Lovington Prospect, Howenstine 12 #1 (Test Well)
Importance: High

Duane, we agree to grant NPC the waiver as requested herein. Written approval will be sent in the mail.
Leonard and Brenda Sichel
On Mar 17, 2011, at 7:01 PM, Duane Davis wrote:

Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1 (Test Well)
Lovington Strawn Prospect
500' FNL and 1594' FEL (Surface Hole Location)
330' FNL and 1570' FEL (Bottom Hole Location)
Section 12, T17S, R37E
Lea County, New Mexico

Dear Len,

As you may recall, back in 1989, Nearburg and its participants, which includes you, purchased a mineral interest in the E/2 of Section 1, T17S, R37E, Lea County, New Mexico, with such interest currently being unleased. As previously advised, on our new Lovington Prospect, we reprocessed the 3D on the above Prospect, which slightly altered the Bottom Hole Location of the captioned Test Well, the Howenstine 12 Well No. 1, which is now located as stated above. Such location is directly south of your unleased mineral interest.

Note that most New Mexico Pool rules with similar oil production from similar depths as anticipated from the Howenstine allow wells to be located 330' or greater to a lease line; however, as to the Howenstine location, which is in the Shipp (Strawn) Pool, it is required to be located within a 150' radius of a circle centered in a quarter quarter subdivision of such section. Since the Howenstine location is not within such 150' circle, such location is therefore considered a non-standard or unorthodox location, which requires NMOCD approval for the well to be produced. Please see the plat attached hereto which denotes the Howenstine BHL, the 330' distance from such location to the lease line, the 150' circle in which a orthodox location needs to be placed, and the lands in which you are a un-leased mineral interest owner, which is marked in blue.

To receive approval from the New Mexico Oil Conservation Division (NMOCD), a NMOCD hearing can be applied for, or, if waivers from offsetting owners can be obtained, then the NMOCD will grant such approval administratively. For timing purposes, Nearburg is trying to get waivers signed from all the offsetting owners to allow the drilling of the Howenstine well at the desired location. So far all owners have agreed to grant us the requested waiver.

Note that in addition to the Howenstine well, the other well that we plan to drill in this Prospect immediately after the Howenstine is the Honey 13 # 1 well. It is in the same Shipp (Strawn) Pool, and is also at an unorthodox or NSL location, and which we are also attempting to get waivers from offset owners. Again, no one has objected to granting us a waiver. Since we have a rig that is ready to drill either well, the first well that gets the requisite waivers first will be the first well drilled in this Prospect.

We respectfully request that you agree to grant us a waiver to such well's location by executing and returning the Waiver Notice which is attached hereto. Please note that after the Howenstine and/or Honey well is drilled and completed as a producing well, we plan to amend the Shipp (Strawn) Pool rules to prevent this situation from occurring elsewhere in the Prospect. **In case we have to show the waivers to the NMOCD, please sign the attached letter and return to me as soon as possible. If this is not easily done, please email me your approval of the waiver as soon as possible and sign/return the attached letter when you can.**

Thanks for your cooperation in this matter. Let me know if you have any questions.

Best regards,

Duane

<Howenstine plat.pdf><LJS.pdf><Letter - Administrative application to NMOCD
(00261419).pdf>

Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1770
FAX 214-739-1819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Menpart Associates
% Larry Elkin
Palisades Hudson Financial Group
2 Overhill Road, Ste. 100
Scarsdale, NY 10583

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12, T17S, R37E
Lea County, New Mexico

Dear Menpart Associates:

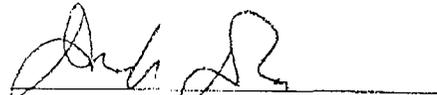
Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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Menpart Associates
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

Menpart Associates

By:  _____



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 14, 2011

Earleen Duel Mills, Individually
And as Administratrix u/w/o
Earle Marvin Simon, deceased
2528 NW 55th Place,
Oklahoma City, OK 73112-7124

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)**

**Howenstine 12 Well No. 1
API No. 30-025-40077
500' from the North line and 1594' from the East line (B) (Surface)
330' from the North line and 1570' from the East line (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico**

Dear Ms. Mills:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that on March 11, 2011, Nearburg Producing Company made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 at the surface and bottom-hole locations reflected above for a well to be drilled to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Earle Marvin Simon, deceased
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



J. Scott Hali

JSH:kw

CONSENT:

Earleen Duel Mills, Individually and as
Administratrix u/w/o Earle Marvin Simon, deceased



Earleen Duel Mills

261448



**MONTGOMERY
& ANDREWS
LAW FIRM**

J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 14, 2011

Linn
Libby ~~Ann~~ Underwood Morrish and
Husband, Alan Morrish
1388 Midland St.
Brighton, CO ~~80104-1132~~ *80601-1594*

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)**

**Howenstine 12 Well No. 1
API No. 30-025-40077
500' from the North line and 1594' from the East line (B) (Surface)
330' from the North line and 1570' from the East line (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico**

Dear Mr. and Mrs. Morrish:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that on March 11, 2011, Nearburg Producing Company made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 at the surface and bottom-hole locations reflected above for a well to be drilled to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 36210
Albuquerque, New Mexico 87176-6210

Libby ^{Linn} Ann Underwood Morrish and
Husband, Alan Morrish
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



J. Scott Hall

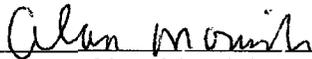
JSH:kw

CONSENT:

Libby ^{Linn} Ann Underwood Morrish and
Husband, Alan Morrish



Libby ^{Linn} Ann Underwood Morrish



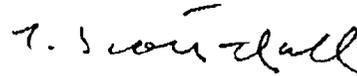
Alan Morrish

261454

Carolyn Schlicher
March 14, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

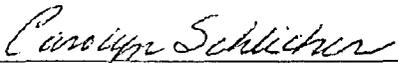
Sincerely,



J. Scott Hall

JSH:kw

CONSENT:

By 
Carolyn Schlicher

261472

KEN D
~~ST~~

Nearburg Producing Company

Exploration and Production
P. O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAR 21 2011

AAR Limited Partnership
Anna A. Reischman, sole partner
% Duane Davis, Power-of-Attorney
P. O. Box 823085
Dallas, TX 75382-3085

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear AAR Limited Partnership:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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AAR Limited Partnership
March 17, 2011
Page 2

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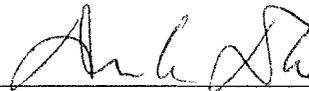
Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

AAR Limited Partnership

By:  _____
Power of Attorney for Anna A. Reischman

Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Holsum Inc., a NM Corporation
P. O. Box 2527
Roswell, NM 88202

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear Holsum Inc., a NM Corporation:

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Holsum Inc., a NM Corporation
March 17, 2011
Page 2

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Sincerely,

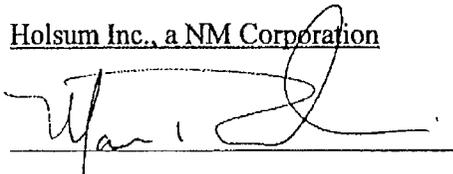


Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

Holsum Inc., a NM Corporation

By:



Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

B&L Oil Company, Inc.
6537 Dunbar Drive
Odessa, TX 79762-5422

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear B&L Oil Company, Inc.:

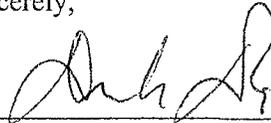
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B&L Oil Company, Inc.
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

B&L Oil Company, Inc.

By: _____



Kent
File

Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAR 21 2011

Nearburg Exploration Company, L.L.C.
P. O. Box 823085
Dallas, TX 75382-3085

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear Nearburg Exploration Company, L.L.C.:

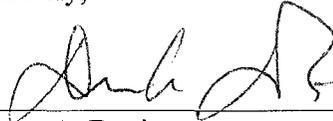
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Nearburg Exploration Company, L.L.C.
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

Nearburg Exploration Company, L.L.C.

By:



COO/CEO

Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

LDH Holdings LLC
c/o L. Donald Horne
PO Box 183 – Country Drive
New Vernon, NJ 07976

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear LDH Holdings LLC:

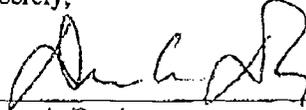
Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 I , you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well in the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

LDH Holdings LLC
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

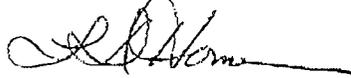


Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

LDH Holdings LLC

By: _____



{00260987-1}

MAR 21 2011

Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

LJS Resources LLC
c/o Leonard J. Sichel
33 Eagle Nest Road
Morristown, NJ 79600

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear LJS Resources LLC:

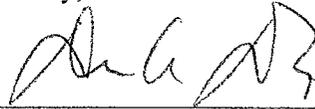
Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

LJS Resources LLC
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

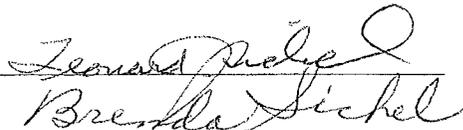


Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

LJS Resources LLC

By:



Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

MAR 21 2011

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Gretchen B. Nearburg
% Nearburg Producing Company
Attn: Duane Davis
P. O. Box 823085
Dallas, TX 75382-3085

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear Gretchen B. Nearburg:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

Gretchen B. Nearburg
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

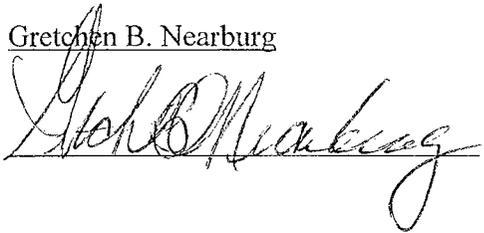


Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

Gretchen B. Nearburg

By:



Nearburg Producing Company

*Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819*

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Wright Family Living Trust
c/o Mr. Joe R. Wright
393 Calle Colina
Santa Fe, NM 87501

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12, T17S, R37E
Lea County, New Mexico

Dear The Wright Family Living Trust:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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The Wright Family Living Trust
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,

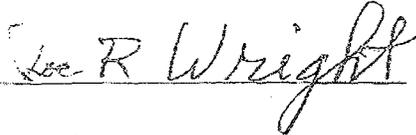


Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

The Wright Family Living Trust

By:



Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

MAR 21 2011

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

R-N Limited Partnership
3755 East Grand Plains Road
Roswell, NM 88201

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear R-N Limited Partnership:

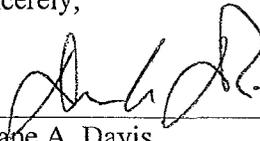
Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

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R-N Limited Partnership
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

R-N Limited Partnership

By:



Nearburg Producing Company

Exploration and Production
P.O. Box 823085
5447 Glen Lakes Drive
Dallas, Texas 75382-3085
214-739-1778
FAX 214-739-4819

March 17, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

C. W. Paine Company
969 Prairie Grove Road
Valley View, TX 76272

Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)

Howenstine 12 Well No. 1
API No. 30-025-40077
500' FNL and 1594' FEL (B) (Surface)
330' FNL and 1570' FEL (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico

Dear C. W. Paine Company:

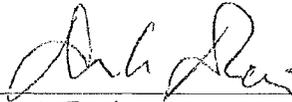
Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that Nearburg Producing Company has on this date made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 to be drilled at the surface and bottom-hole locations reflected above for a well to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

C. W. Paine Company
March 17, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

Sincerely,



Duane A. Davis
CFO & COO
Nearburg Producing Company

CONSENT:

C. W. Paine Company

By:



{00260987-1}



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL
Office: (505) 986-2646
Email: shall@montand.com
Reply To: Santa Fe Office
www.montand.com

March 15, 2011

Dan E. Bruhl
1201 Summit Avenue
Ft. Worth, TX 76102

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**Re: Nearburg Producing Company
Request for Administrative Approval, Unorthodox Well Location
Shipp-Strawn Pool (55695)**

**Howenstine 12 Well No. 1
API No. 30-025-40077
500' from the North line and 1594' from the East line (B) (Surface)
330' from the North line and 1570' from the East line (B) (Bottom hole)
Section 12 , T17S, R37E
Lea County, New Mexico**

Dear Mr. Bruhl:

Pursuant to New Mexico Oil Conservation Division (NMOCD) Rule 19.15.15.13 D, you are hereby notified that on March 11, 2011, Nearburg Producing Company made application to the NMOCD for administrative approval for an unorthodox well location for its Howenstine 12 Well No. 1 at the surface and bottom-hole locations reflected above for a well to be drilled to the Strawn formation, Shipp-Strawn Pool, in Lea County, New Mexico. A copy of the application is enclosed.

As the owner of an interest that may be affected, you have the right to object to the application. To do so, you must file a written protest with the NMOCD within twenty days. Failure to do so will prevent you from challenging the matter at a later time. A letter of protest may be sent to the NMOCD at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

6301 Indian School Road NE, Suite 400
Albuquerque, New Mexico 87110
Telephone (505) 884-4200 • Fax (505) 888-8929

Post Office Box 38210
Albuquerque, New Mexico 87176-8210

Dan E. Bruhl
March 15, 2011
Page 2

Should you consent to the application and the proposed unorthodox well location, you are requested to indicate your waiver of objection by signing where indicated below and then returning this letter to me at your earliest convenience.

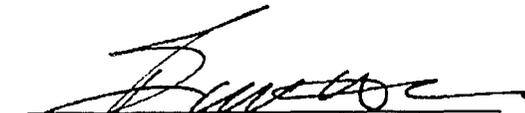
Sincerely,



J. Scott Hall

JSH:kw

CONSENT:


Dan E. Bruhl

282051

J. Scott Hall

From: Ken Dixon <KDixon@nearburg.com>
Sent: Thursday, April 14, 2011 12:31 PM
To: J. Scott Hall
Subject: FW: Howenstine 12 #1--Application for Unorthodox Location

From: Fred Schlicher [mailto:fredschlicher@comcast.net]
Sent: Thursday, April 14, 2011 1:03 PM
To: Ken Dixon
Subject: Re: Howenstine 12 #1--Application for Unorthodox Location

Ken,
I have printed out the Unorthodox Well Consent Letter on the Howenstine 12 Well No. 1 from Scott Hall of the Montgomery & Andrews Law firm dated March 15, 2011 and have signed it and mailed it to you at your Midland, Tx address. Fred Schlicher

----- Original Message -----

From: Ken Dixon
To: fredschlicher@comcast.net
Sent: Thursday, April 14, 2011 11:29 AM
Subject: FW: Howenstine 12 #1--Application for Unorthodox Location

Here it is Fred. Thanks.

From: Ken Dixon
Sent: Wednesday, March 16, 2011 3:16 PM
To: 'fredschlicher@comcast.net'
Subject: Howenstine 12 #1--Application for Unorthodox Location
Importance: High

Fred,
I have been trying to get in touch with you by telephone. I have also left a message at Dan Bruhl's office. Nearburg plans to drill the well denoted on the attachments. Several years ago, B&S Enterprises was granted a mineral interest by Nearburg in the E/2 of Section 1 to the north of this proposed well. It is now my understanding that B&S Enterprises is no longer in existence and that any interest owned by B&S Enterprises is now owned equally between yourself and Dan Bruhl. We just learned that we need an Unorthodox location for the well since we are not within a 150' radius of the center of the NW/4NE/4 of Section 12. We do plan on our bottom hole location to be 330' from the north line of the section, which is an approved stepout under other Strawn Pool rules in the surrounding area. We have a rig standing by until we sort this matter out. We are requesting that Dan and you both sign your copy of the attached letter and return said signed letter to my attention at the email listed below or by fax to the number listed below. For your information, David Petroleum Corp. acquired a mineral interest under the same conveyance you did and Bill Owen has provided us with a signed letter. Please give me a call at either of the numbers shown below so we can discuss this matter in greater detail.

Ken Dixon
Senior Landman

Nearburg Producing Company
3300 North "A" Street

Building 2, Suite 120
Midland, Texas 79705
Work Phone (432) 818-2910
Cell (432) 770-6701
Fax (432) 686-7806
kdixon@nearburg.com