STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-5800

November 28, 1989

Nearburg Producing Company 401 E, Illinois Suite 300 Midland, TX 79701

Attention: Mark K. Nearburg, Vice President

Administrative Order NSP-1588

Dear Mr. Nearburg:

Reference is made to your application of October 4, 1989 for a 329.35-acre non-standard gas proration unit consisting of the following acreage in the North Quail Ridge Morrow Gas Pool:

LEA COUNTY, NEW MEXICO TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 1: Lot 3 and 4, S/2 NW/4 and SW/4

It is my understanding that this unit is to be dedicated to your Buffalo "1K" Federal Com Well No. 1 drilled at a standard gas well location 1980 feet from the South line and West lines (Unit K) of said Section 1.

By authority granted me under the provisions of General Rule 104.D.II, the above non-standard gas proration unit is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs

NM Oil and Gas Engineering Committee - Hobbs US Bureau of Land Management - Carlsbad