

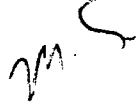
Stogner

Nearburg Exploration Company, L.L.C.

Exploration and Production
3300 North Loop West
Building 2100
Melano, Texas 75705
915-856-4235
Fax: 915-856-1801

April 17, 1997

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

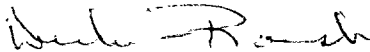
Attn: William J. Lemay 
Re: Case No. 11684
Order No. R-10762
Hummer 4 State Com #1
Eddy County, New Mexico
Artesia Prospect

Gentlemen:

Pursuant to the captioned order, Nearburg Exploration Company, L.L.C. (Nearburg) was required to spud the captioned well on or before May 15, 1997. Unfortunately due to the results of a well in the immediate area, we feel we must now delay the drilling of this well and re-evaluate our present location. Should the results of the evaluation show that the well should be drilled, we will repropose it at a later date.

We thank you for your cooperation in this matter. If we can be of any further assistance, please advise.

Yours very truly,



Duke Roush
Consulting Landman

DR/sc 