

MA
1-21-99

Nearburg Exploration Company, L.L.C.

Exploration and Production
3300 North "A" Street
Building 2, Suite 120
Midland, Texas 79705
915/686-8235
Fax 915/686-7806

JAN 21 1999

January 19, 1999

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Merit Energy Partners, L.P.
12222 Merit Drive
Dallas, Texas 75251-2217

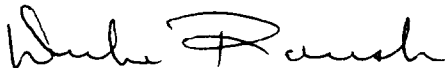
Re: Viper "3" Federal #1
Surface Location: 1,600' FEL and 2,200' FSL
Bottom Hole Location: Estimated 1,650' FNL and 1,650' FEL
Section 3, T-20-S, R-33-E
Lea County, New Mexico
NMOCD Case #12087 Order R-11109

Gentlemen:

In accordance with the terms of the New Mexico Oil Conservation Order R-11109, Nearburg Exploration Company, L.L.C. provided you with notice of your right to participate in the Viper "3" Federal #1 well to be drilled pursuant to this order by certified mail in our letter dated December 14, 1998. This letter was received by you on December 18, 1998 and due to your failure to respond within thirty (30) days or receipt of same, you are hereby deemed to be non-consent. Nearburg will pay you share of costs and will recover your share out of production plus an additional 200 percent.

If we can be of further assistance, please advise.

Yours very truly,



Duke Roush
Senior Landman

DR/dw

cc: Ms. Lori Wrotenbery, Director
Oil Conservation Division
2040 Pacheco Street
Santa Fe, New Mexico 87505

Duane Davis
Kathie Craft