

CHRONOLOGY
VIPER "3" Well No. 1

1998

June: Nearburg sent farmout request to Sampson and Merit

September 17: Nearburg sent written well proposal and AFE to Sampson and Merit

October 21: Nearburg sent Farmout proposal to Merit

October 27: Merit advises Nearburg that Merit is general partner for several partnerships and will be dealing on behalf of all Merit entities

October 27: Merit advises Nearburg that Merit will not farmout anything from surface to base of Wolfcamp--voluntary agreement efforts fail

October 28: Nearburg sends notice of compulsory pooling application to Merit and Sampson

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12087 Exhibit No. — 4
Submitted By:
Nearburg Exploration Co.
Hearing Date: November 19, 1998