



State of New Mexico
Commissioner of Public Lands

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Legal Division
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RAY POWELL, M.S., D.V.M.
COMMISSIONER

January 23, 2001

Michael H. Feldewert, Esq.
Holland and Hart LLP
P.O. Box 2208
Santa Fe, New Mexico 87501

Re: Non-Standard Proration Unit Proposal
NE4 & SE4 (Respectively)
Section 34-21S-34E
Lea County, New Mexico

Dear Mr. Feldewert:

The New Mexico State Land Office hereby withdraws its objection to the creation of two non-standard 160-acre gas spacing and proration units in the Grama Ridge Morrow, East Gas pool. The creation of this non-standard unit is in the best interest of the state's trust beneficiaries, but only because of the unique geology and other special circumstances. However, the other administrative issues raised in Mr. Jeff Albers' letter, dated January 10, 2001, still need to be addressed.

If you have any questions, please do not hesitate to call me.

Sincerely,

A handwritten signature in dark ink, appearing to read "B. Frederick", is written over a horizontal line.

Bruce Frederick
Associate Counsel, NMSLO

pc: Mike Stogner, OCD

RECEIVED

JAN 24 2001

CAMPBELL, CARR, et. al.

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