



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 13, 2004

Texland Petroleum, Inc.
777 Main Street
Suite 3200
Fort Worth, Texas 76102

Attention: Mr. Mark A. Jacoby

Re: Amendment of Division Order No. R-11638
Bowers "A" Federal Well No. 40
API No. 30-025-35754
2440' FNL & 170' FWL (Unit E)
Section 29, T-18 South, R-38 East, NMPM
Lea County, New Mexico

Dear Mr. Jacoby:

I have received your request dated October 4, 2004 to amend Division Order No. R-11638, which order authorized Texland Petroleum, Inc. to institute a waterflood project within the Hobbs Upper Blinebry Cooperative Waterflood Area. It is our understanding that due to surface obstructions, the Bowers "A" Federal Well No. 40, which was approved as an injection well by Division Order No. R-11638, needs to be relocated from its originally approved location 2440 feet from the North line and 195 feet from the West line (Unit E) to a new location 2440 feet from the North line and 170 feet from the West line (Unit E).

It appears that the proposed relocation of the Bowers "A" Federal Well No. 40 will not adversely affect any offset operators or interest owners within the Hobbs Upper Blinebry Cooperative Waterflood Area.

Texland Petroleum, Inc. is hereby authorized to drill its Bowers "A" Federal Well No. 40 at a surface location 2440 feet from the North line and 170 feet from the West line (Unit E) of Section 29, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

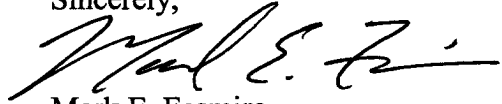
Amendment of Division Order No. R-11638

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Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", written in a cursive style.

Mark E. Fesmire

Xc: OCD-Hobbs
 Case File-12666
 Well File-Bowers "A" Federal No. 40