

**Nearburg Producing Company**

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

May 19, 1999

Mary Lou Ormseth  
Bureau of Land Management  
2909 W. Second Street  
Roswell, New Mexico 88202

Re: Viper "3" Federal #2  
1,980' FEL and 1,650' FSL  
Section 3, T-20-S, R-33-E  
Lea County, New Mexico  
Viper Prospect

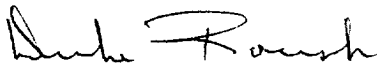
Dear Mary Lou:

Please be advised that all matter concerning surface use in connection with the captioned well have been agreed upon between Nearburg Producing Company and the surface owner, Kenneth Smith, Inc.

Attached hereto please find six (6) additional copies of this letter as requested.

If we can be of further assistance, please feel free to call me at (915) 686-8235.

Yours very truly,



Duke Roush  
Senior Landman

DR/dw  
encl.



ELF  
AD  
CONF  
WILL  
NOT

ELF  
ABOVE DATE DOES NOT  
INDICATE WHEN  
CONFIDENTIAL LOGS  
WILL BE RELEASED  
3/31/00  
1617 1920 2122 2324 2526 2728 2930 31