NOVEMBER 5, 1993

AMERADA HESS CORPORATION DRAWER D MONUMENT, NEW MEXICO 88265

NMOCC P.O. BOX 2088 SANTA FE, NEW MEXICO 87501

ATTN: MR. STOGNER

RE: TEXACO REQUEST FOR NON-STANDARD PRORATION UNIT FOR BAKER B #10
UNIT J, SECTION 10, T-22-S, R-37-E
LEA COUNTY, NEW MEXICO

DEAR MR. STOGNER:

AHC has received notice of Texaco's application to form an 80 acre non-standard proration unit for their Baker B #10. AHC is reviewing this request. Getty (the former operator) had originally filed for and received an 80 acre proration unit for the N/2 of the SE/4 of Section 10. This acreage included 40 acres of the Baker lease, owned and operated by AHC. Because AHC acreage has been incorrectly dedicated to the Texaco Baker B #10, located in the South Eunice San Andres Pool since 1980, AHC would like to futher review this matter with Texaco before granting the non-standard proration unit.

Sincerely,

Denise Wann

Senior Petroleum Engineer

xc: NMOCD, Hobbs Office Texaco, Hobbs Office AHC, Tulsa AHC, Houston AHC, Monument