

Attn: William Dannels

Bill,

I've been unable to contact you by phone so I thought I would let you know that your request for an extension to drill for Bass's James Ranch Unit # 80 is still on hold and has not been approved.

As discussed on 1/25/01, I need a sign-off from IMC Kalium. Kalium's copy I have in our records expired back on 11/03/00.

In addition, I need an approval from Santa Fe for a Non-Standard location from this well as noted in your intention C-103 dated 1/13/00.

In closing, all casing strings will require cement to be circulated to surface.

Bryan Arrant

OCD 505-748-1283

Spoke to Bill
3/26/01 for
update on Parash
signoffs

Needed Sign Off
from Parash
Completed
called Bill
3/26/01

915 687 0329