Ong-2 2001 in Jecuine 398 15# 3

February 2, 2000

United States Department of the Interior Bureau of Land Management Albuquerque Field Office ATTN: BRIAN DAVIS 435 Montano Rd NE Albuquerque, NM 87107-4935



Dear Brian:

Elm Ridge Resources, Inc. currently has a rig working in the Lybrook area. We plan to move over into the Jicarilla the first part of June and begin working on the following wells:

> Jicarilla 362-B #4 -17-93N-4W Apache A-10 Apache A-5 Jicarilla 398-B #2

The Jicarilla Contract 158, Apache #1 does not show up in our records. Could you please fax me a legal description? I apologize for the delay in getting the information to you. One note of interest, the Jicarilla Contract 362 MM #2 we do not operate. Please call and advise if your records show otherwise. Again, I appreciate your patience.

If you need anything further from us, please call.

Sincerely,

Doug Endsley

Operation Manager

Condition of Approval: Return Well to production

by 7/15/00 B/8/00