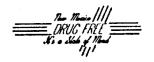


STATE OF NEW MEXICO



ENERGY, MINERALS and NATURAL RESOURCES DIVISION

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (500) 334-6178

March 15, 1993

Mr. Steve Culp Kearns Oil & Gas Inc. 8700 Crownhill San Antonio, Tx. 78209

Re:

Bradenhead Testing Of The Abraham Federal #3 well, O-24-24N-02W Rio Arriba

County, New Mexico on March 11, 1993

Dear Mr. Culp:

Mr. Dan Ross of the Rio Puerco District of the BLM and I performed a bradenhead test on the referenced well and gauged a continuous flow of gas at 11 PSI for fifteen minutes from the bradenhead. You are hereby directed to perform at minimum a cement bond and noise log to access the condition of the outside casing and hole annulus.

If you have any questions contact this office at (505-334-6178) or write the letter head address. This matter is urgent, so please respond in like manner.

Your's truly

Ernie Busch

District Geologist/Deputy Oil & Gas Inspector

cc:

Mr. Dan Ross-BLM Rio Puerco District

Mr. Robert G. Stovall-General Counsel

Mr. Don Voss