

EDWARDS ENERGY CORPORATION

OIL & GAS PROPERTIES

1401 17TH STREET / SUITE 1400

DENVER, COLORADO 80202

303/298-1400 FAX 303/298-0757

November 14, 2001

Mr. Peter Mueller
R.W. Beck
1125-17th Street
Suite 1900
Denver, Colorado 80202

RE: Inactive Wells
Status of Wellbore
Frew Federal #5, #6, #8, Hickman #7R, Ross Federal #2, Nelson #1
San Juan County, New Mexico



Dear Peter:

Mr. Charlie Perrin of the New Mexico Oil Conservation Division (NMOCD) has requested a letter be sent to him with the status of the wellbores to the referenced inactive wells, as well as Sundry Notices on the same wells to the Bureau of Land Management (BLM).

These wells have been inactive for quite some time and have passed their standard time allowance for shut-in status with the NMOCD. For your information, out of the wells listed above, the Nelson #1 was plugged and abandoned 6/6/01. *- No PA rpt.*

Please send the letter to Mr. Perrin and the sundry notices to the BLM as soon as possible. I will forward a copy of this letter to Mr. Perrin for his information. It would be greatly appreciated if you would contact Mr. Perrin by phone at 505/334-6178 extension 16 to introduce yourself as receiver for Edwards Energy Corporation, which is currently operating our properties.

If you should have any questions, please advise. Thank you.

Sincerely,

Ann L. Feldman
Assistant to the President

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