

HARKEN SOUTHWEST CORPORATION

(formerly Chuska Energy Company)

December 6, 1995

H-2-29N 19W RaTTle SNIKE 203 202

State of New Mexico Oil Conservation Division District III 1000 Rio Brazos Road Aztec, NM 87410

RE: Rattlesnake Lease

Sec. 1&2-29N-19W San Juan County, NM DEC 1 8 1995

OIL CON. DIV.

Gentlemen:

In an endeavor to clarify issues left unresolved for many years, please be advised of the following:

- 1. The attached map outlines of Sections 1&2-T29N-R19W acreage assigned to Chuska Energy by the Navajo Nation on November 3, 1988. Chuska Energy was the operator of this lease prior to changing the name to Harken Southwest Corporation.
- 2. Returned unapproved C-104's indicate Tasco, Inc. as the operator of record, in the State of New Mexico, for well numbers 160, 202, 203, and 205 located in Sections 1&2-29N-19W. The above referenced map clearly indicates the wells are located on what is currently known as Harken Southwest acreage.
- A diligent search of the Armstrong & Hart's Petroleum Directories for the past several years, does not have an operator by the name of Tasco, Inc. in the Texas, New Mexico or Rocky Mountain Regions. Therefore, under previous operator Harken indicated the date the lease was assigned by the Navajo Nation.
- 4. Regarding well name changes, attached you will find sundry notices approved by the Bureau of Land Management clarifying the following:

Navajo 202 to Rattlesnake 202, approved 7/28/95

Navajo 203 to Rattlesnake 203, approved 7/28/95

In addition, it appears the Navajo 205 was changed to the Rattlesnake 205 prior to 1989 with the BLM. This opinion is based on in-house records which has numerous documents filed subsequently to 1989 with a well name of Rattlesnake 205. If the State of New Mexico needs some additional type of documentation for the wells to be referred to as "Rattlesnake" please advise.

December 6, 1995
Page 2 of 2

Please contact the undersigned at telephone number (214) 753-6900 if any of the attached C-104's are unacceptable. Thanking you in advance for your assistance and cooperation in this matter.

Very Truly Yours,

Rashelle Montgomery

HARKEN SOUTHWEST CORPORATION

RLM/mh

Enclosures (3)