OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

February 13, 1998

Certified Mail Return Receipt Requested

Delta U. S. Corporation 3100 C North "A" Street Midland, TX 79705

RE: Application of the New Mexico Oil Conservation Division for an order requiring Delta U.S. Corporation to properly plug its Missouri New Mexico Land Co. Com. Well No. 1 located in Units O in Section 6, Township 23 South, Range 27 East, Eddy County, NM, authorizing the Division to plug said well, and ordering a forfeiture of any plugging bond

Dear Sir/Madam:

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application seeking a Show Cause Hearing requiring Delta U. S. Corporation and other interested parties to appear and show cause why the above-referenced well should not be ordered plugged and abandoned.

This application has been set for hearing before an Examiner of the Oil Conservation Division on March 5, 1998. You are not required to attend this hearing, but as an owner of an interest that may be affected by an order issued in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90--- Enclosed) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

RAND CARROLL

ATTORNEY FOR THE NEW MEXICO OIL CONSERVATION DIVISION Enclosures

c: Ray Smith, OCD Artesia Tim Gum, OCD Artesia District Supervisor