PHILLIPS PARTIEL

: EX. 1 FOR ANTWORS

FUEL PRODUCTS, INC. PASKEN CENTER TOWER II 550 WEST TEXAS, SUITE 220 P. O. BOX 3098 MIDLAND, TX 79702 (915) 647-0008

June 14, 2000

RECEIVED

JUN 22 2000

PHILLIPS PERMULEUM OL ODESSA, TEXAS

CERTIFIED MAIL – REPURN RECEIPT REQUESTED

WORKING INTEREST OWNERS (Distribution List Attached)

> Re: Illinois Camp 18 State #1 990' FSL & 660' FEL (Unit P) Sec. 18, T-18-S, R-28-E Eddy County, New Mexico

Gentlemen:

We are enclosing an AFE setting forth Fuel Products, Inc.'s estimated cost to drill and complete a Morrow test well in the captioned area. The AFE is for your review and execution should you elect to participate in the drilling of this test well.

Should you not elect to participate, Fuel Products, Inc. would consider acquiring a term assignment or farmout of your interest on reasonable terms.

Yours very truly,

homm Beale

Thomas M. Beall President

PROPERTY TAXES REAL ESTATE & CLAIMS

JUN 2 0 2000

D JDB C PLP ____ U CFM ___ D PWD ____ D JNT ____ D JDB ___ D LDN ____ D JAW ___ D FTLE ___ D GGG ___ D ___ To: Pat Heak Oder

phillips

JMG/kim

Enclosures