MONTGOMERY & ANDREWS

PROFESSIONAL ASSOCIATION ATTORNEYS AND COUNSELORS AT LAW

Paul R. Owen Direct Diel: (505) 986-2538 powen@montand.com Post Office Box 230 Sante Fe, New Mexico 87504-250 325 Peseo de Perait Telephone (505) 982-387: Fax (505) 982-428:

April 21, 2003 VIA FACSIMILE

David Brooks, Esq.
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

NMOCD Case No. 13004; Application of the New Mexico Oil Conservation Division, Through the Environmental Bureau Chief, for an Order Determining the Responsible Party or Parties and Ordering the Responsible Party or Parties to Conduct Division-Approved Corrective Action With Respect to a Hydrocarbon Release; Lea County, New Mexico.

Dear Mr. Brooks:

Re:

Last week in a series of telephone calls and electronic mail messages we discussed Lori Wrotenbery's concern with paragraph 9 of the Stipulated Conditional Dismissal which I sent to you by letter dated April 8, 2003.

Samedan Oil Corporation agrees that Paragraph 9 of the Stipulated Conditional Dismissal does not prevent the Bureau from using the data derived from Samedan's investigation plan, as defined in the Stipulated Conditional Dismissal, in any related proceeding.

Samedan is prepared to submit its proposed investigation upon the Division's approval of the Stipulated Conditional Approval. If you have any questions, please let me know.

Very truly yours,

Paul R. Owen

cc: Arnold J. Johnson, Esq. (via facsimile)

J. Scott Hall, Esq. (via facsimile)

W. Thomas Kellahin, Esq. (via facsimile)

Mr. Michael Stogner (via facsimile)