

MWJ PRODUCING COMPANY

★ PETROLEUM PRODUCERS ★

400 WEST ILLINOIS SUITE 1100
MIDLAND, TEXAS 79701
TELEPHONE (915) 682-5216

March 15, 1989

Coastal Oil & Gas Corporation
P. O. Box 235
Midland, Texas 79702

RE: MWJ-Baum "F" State #1
990' FWL & 2310' FSL
Sec 5, T-14S, R-33E
Lea County, New Mexico
Baum Upper Penn Field

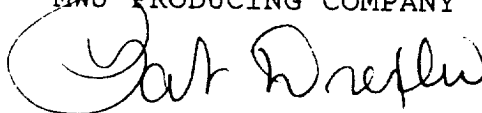
Gentlemen:

MWJ proposes the sidetrack drilling of the above captioned well to a new bottom hole location of 1980' FWL and 660' FSL, Sec 5, T-14S, R-33E, Lea County, New Mexico.

If you have no objection to our proposal, please execute in the space provided below and return three copies of this letter to our office. We appreciate your prompt attention.

Very truly yours,

MWJ PRODUCING COMPANY



Pat Drexler

pd

COASTAL OIL & GAS CORPORATION has no objection to the sidetrack drilling of the proposed well.

By _____

Title _____

Date _____

RECEIVED

MAR 17 1989

OCD
HOBBS OFFICE