

JIM PIERCE

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February 1, 2000

New Mexico Oil Conservation Division

VIA FAX# (505)827-1389

Attention: Mr. Ben Stone

Re: Certified Statement Request
Termination of Right to Inject Water/Mason Phillips of Florida
Reinstatement of Right to Inject/McQuadrangle, L.C.
S. Redlake Grayburg wells
Eddy County, New Mexico

Dear Ben:

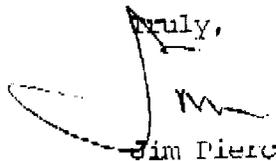
Per our telephone conversation, please accept this letter as formal request for an original, certified statement regarding the captioned.

As mentioned, there is ongoing litigation between McQuadrangle, L.C., current owner/operator and "Mason Phillips", previous operator of what was previously known as the South Redlake Graybur Unit, Eddy County, New Mexico.

I am in need of an original, certified statement from your department and/or the OCD regarding the termination of the right to inject water while "Mason Phillips" was operator, and the reinstatement granted to McQuadrangle, L.C. back in October, 1999.

Please send subject statement to the letterhead address at your earliest convenience.

I appreciate your continued help and consideration in this matter.

Truly,

Jim Pierce

JP

xc: McQuadrangle, L.C.