

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

February 18, 2005 Preston Exploration, LLC P.O. Box 7520 The Woodland, TX 77387

Attn: Ms Sandra Nobles or To Whom It may Concern

RE: Preston Exploration, LLC: San Remo '32' # 1, located in Unit F

(1980' FNL & 2130' FEL) of Section 32, Township 16 South Range 26 East Eddy County,

New Mexico. API # 30-015-33700

Dear Ms. Nobles,

In addition to the requirements submitted yesterday, the New Mexico Oil Conservation Division (NMOCD) will also require the following:

This is for Preston Exploration, LLC to cement the 5 ½' production casing to surface with cement and a cement bond log ran from the total depth of the well to surface.

Prior to cementing, please call our office at 748-1283 in time so that NMOCD personnel may witness Please call our office if you have any questions regarding this matter.

Respectfully yours,

Bryan G. Arrant

PES

CC: Tim Gum-District Supervisor-Artesia

Van Barton-Field Representative II-Artesia

Well File