NADEL AND GUSSMAN PERMIAN, L.L.C. 601 N. Marienfeld, Suite 508 Midland, TX 79701 Office: (915) 682-4429

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June 5, 2000

Bureau of Land Management Lands & Minerals 2909 W. Second St. Roswell, New Mexico 88201

Ms. Linda Askwig,

This letter is an amendment to the original drilling application dated 12/01/99, for the Nadel and Gussman Permian operated Kyle "34" Federal No. 1. Barry Hunt has verbally approved the new location. The new location is 660' FNL, 860' FEL, Sec 34, T-24-S, R-28-E in Eddy County, NM. The following items are attached:

- 1. 13 Point Surface Use and Operation Plan,
- 2. 13 Point Drilling Plan,
- 3. Lease Responsibility Statement,
- 4. BOP and Choke Diagrams,
- 5. Lease and Topographical Maps,
- 6. Archeological Survey and
- 7. Location Photographs,

There are no archeological or environmental problems at this site. If you have any questions, contact Robert McNaughton at 915-682-4429.

