

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. †(Extra charge)†
 2. Restricted Delivery †(Extra charge)†

3. Article Addressed to: Kaneb Operating Company, Ltd. 400 Wilco Building Midland, Texas 79701 ATTN: MR. RICHARD STEWART	4. Article Number P 689 308 328 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid) <i>415 W Waf</i> <i># 400</i>
6. Signature — Agent X <i>S. Miller</i>	
7. Date of Delivery <i>10-29</i>	

PS Form 3811, Mar. 1987

★ U.S.G.P.O. 1987-178-268

DOMESTIC RETURN RECEIPT

P 689 308 328

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to	
<i>Kaneb Operating Company</i>	
Street and No.	
<i>400 Wilco Building</i>	
P.O., State and ZIP Code	
<i>Midland, TX 79701</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	
<i>10/28/87</i>	

PS Form 3800, June 1985

U.S. DEPARTMENT OF JUSTICE
 FEDERAL BUREAU OF INVESTIGATION
 Exhibit No. 20
 Case No. _____

October 28, 1987

Kaneb Operating Company, Ltd.
400 Wilco Building
Midland, Texas 79701

Attention: Mr. Richard Stewart

RE: Proposed Devonian Test
Erwin No. 1 Well
EAST MORTON PROSPECT
Lea County, New Mexico

Dear Mr. McCrory:

This will reference our letter of October 2, 1987, proposing a working interest unit made up of Lots 1, 2, 3, 4 and the S/2 N/2 Section 3, T-15-S, R-35-E, and the drilling of the 14,700' Devonian test captioned above.

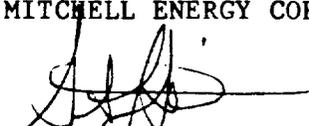
As of this writing, we have not received a formal response from you regarding your election to either participate in the drilling of the well or farmout to Mitchell under the terms outlined in our letter.

Time is fast approaching our proposed drill date of December 15, 1987, and we will need to finalize our drilling plans and complete the operating agreement within a reasonable period of time. In view of this time frame and in the absence of a formal response from you in a reasonable amount of time after receipt of this letter, Mitchell plans to seek compulsory pooling of your interest.

Your cooperation and early response would be most appreciated and will allow Mitchell to move forward on the drilling of this prospect.

Very truly yours,

MITCHELL ENERGY CORPORATION


Steven J. Smith
Senior Landman

SJS/jm