GOVERNOR

September 14, 1987

COT OFFICE BOX 2088 2141F LAND OFFICE BUILDING 34517A FE, NEW MEXICO 87504 (505) 827-5800

CERTIFIED - RETURN RECEIPT REQUESTED

Andy's Oil Consultant and Tractor Service 6105 N.W. 32nd Bethany, Oklahoma 73008

Attention: Mr. Andy Wilkerson

Re: Sadler Well No. 1 I-3-24N-29E Union County, New Mexico

Dear Mr. Wilkerson:

It has come to the attention of this office, through correspondence with your bond company, that there has been no activity on this well for the past seven and one-half years and that your temporary abandonment status expired 6 1/2 years ago.

The last communication that this office has received stated that you were in the process of selling the said well or in the alternative developing the CO_2 reserves in this area (enclosed). This office will require further correspondence on your plans for this well and will also require that this well shall have tubing placed in it as per our rules and regulations.

I shall be in the area within the next two weeks in order to make an inspection of this location. Should you have any questions pertaining to the matter, please contact me at this office.

Sincerely,

3141

ROY E. JOHNSON, Sr. Petroleum Geologist

REJ/dr