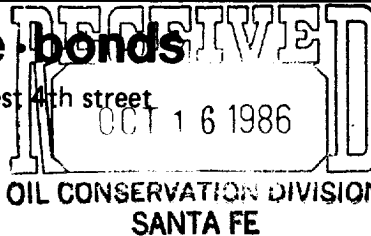


steel city agencies, inc.

insurance bonds

offices at 1414 west 4th street



post office box 916
pueblo, colorado 81002
telephone (303) 544-2533

October 13, 1986

Mr. Roy Johnson
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: WET HOLE WELL #1, A LIMITED PARTNERSHIP
OIL WELL PLUGGING BOND
AETNA CASUALTY & SURETY COMPANY
BOND #: 19S100149901BCA
BOND PERIOD: 11-7-85 TO 11-7-86

Dear Mr. Johnson:

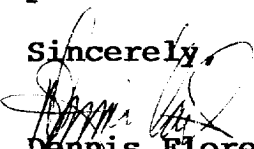
I have been notified by Mr. David Cisneros that the above bond is no longer needed as the oil well was converted into a water well. He indicates that your department is in a position to release the surety company of the obligation under the bond issued.

I would appreciate you sending a letter releasing this obligation to the following individual and address:

Mr. Chris Perrin
Aetna Life & Casualty
Commercial Insurance Division
P.O. Box 24683
Denver, CO 80224

Please send a copy to my attention and if anything further is needed, please call me. Thank you for your assistance.

Sincerely,


Dennis Flores
Commercial Insurance Department

DF/vb

cc: Chris Perrin