

MYCO INDUSTRIES, INC.

OIL PRODUCERS
POST OFFICE BOX 840
ARTESIA, NEW MEXICO 88211-0840
Phone (505) 748-1471

August 4, 2005

VIA FAX 505.748.9720

Mr. Bryan Arrant Oil Conservation Division 1301 West Grand Artesia, New Mexico 88210

Re:

Throckmorton Well

T21S, R28E, Section 32: N/2 Eddy County, NM 30 -015 - 33972

Dear Bryan:

Per your request, this letter shall serve to confirm our conversation that MYCO Industries, Inc. will NOT be drilling the Throckmorton well as submitted to the OCD. MYCO and Bass Enterprises have entered into an arrangement which allows Bass to drill its BEU #149.

Should you have any other questions regarding this matter, please feel free to call us at 505.748.4290.

Best regards,

MYCO INDUSTRIES, INC.

Shari Darr Hodges, CPL

Land Manager