

MEMO: NOTE

PHONE CALL FROM I.T. PROPERTIES RECEIVED ON 9/20/2001

MR. WENDLE CHEW CALL ME TODAY AND SAID HE HAD RECEIVED APPROVAL AND MONIES FROM OTHER PARTNERS ON THE DHY B ST. #1 TO PRECEED WITH WORKOVER AND REPAIR OF THE WELL. I INSTRUCTED MR. CHEW TO SEND THE O.C.D. ARTESIA OFFICE A INTENT ON C-103 FORM WITH HIS REPAIR ACTIONS TO BE TAKEN ON THE DHY ST. #1. HE TOLD ME HE WOULD DO AS REQUESTED AND THAT A WORKOVER RIG WOULD BE MOVING ONTO THE DHY ST. #1 THURSDAY 9/27/2001. I THEN INSTRUCTED MR. CHEN TO NOTIFIE O.C.D. IN TIME TO WITNESS REPAIR ACTIONS TAKEN ON THE DHY ST. #1.

MIKE S.