DATE June 12, 1998

Threshold Development

777 Taylor St, Suite II-D

Fort Worth, TX 76102

Re: Plugging Reports

Gentlemen:

RECEIVED
OCD - ARTESIA

Form C-103 Report of Plugging for your Conoco 9 A State #1   G   9-19S-29E
                                        Lease   Well No. Ut. S-T-R

cannot be approved until an N.M.O.C.D. representative has made an inspection
of the location and found it to be cleared to comply with Division Rules and
Regulations. Please check each item in the space provided to indicate that the
work has been done.

(X) 1. All pits have been filled and leveled.

(X) 2. Rat hole and cellar have been filled and leveled.

(X) 3. A steel marker 4" in diameter and approximately 4' above mean ground
         level has been set in concrete. It must show the quarter-quarter
         section or unit designation, section, township and range numbers which
         have been permanently stenciled or welded on the marker.

(X) 4. The location has been leveled as nearly as possible to original top
         ground contour and has been cleared of all junk and equipment.

(X) 5. The dead men and tie downs have been cut and removed.

(X) 6. If a one well lease or last remaining well on lease, the battery and
         burn pit locations have been leveled and cleared of all junk & equipment.

The above are minimum requirements and no plugging bond will be cancelled until all
locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by filling
in the blank form below and returning this letter to us so that our representative
will not have to make more than one trip to the location.

Mike Stubblefield
Mike Stubblefield
Deputy Oil & Gas Inspector

FILL IN BELOW AND RETURN

I certify that the above work has been done and the above mentioned lease is ready
for your inspection and approval.

NAME Alan T. Davis

Petroleum Engineer
TITLE

* Can Call Ray Selby @ 505-369-9228
For Directions + meeting