

JIM PIERCE

OIL AND GAS PROPERTIES
SUITE 859
PETROLEUM BUILDING
200 WEST FIRST
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7248
FAX 505-622-1711

December 5, 2001

NMOCD
Artesia District Office

Via Fax #748.9720

Attention: Ms Carmen Reno

Re: BB State #2 Single Well Bond #UIB005517(?)
Section 16, T-19-S, R-31-E, NMPM,
Eddy County, NM

Dear Carmon:

Enclosed is copy of the captioned bond, issued by Underwriter's Indemnity (RLI),
Houston, Texas, on behalf of El Ran, Inc. (operator).

Apparently, subject bond was issued and in place same date as BB State #1 well single
well bond.

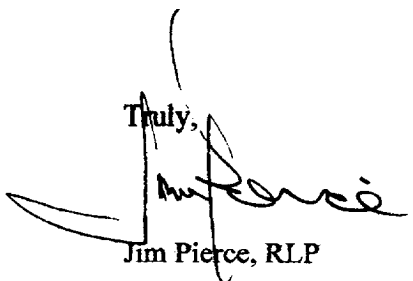
Please include subject data into the 'system'.

I will provide Mrs. Boyce with a copy.

Again, would appreciate you educating Mrs. Boyce to the fact that we did this out of the
"goodness of our heart", and have been working on getting some company to take an
interest in what has been an unproductive lease since the demise of Mr. Boyce (1996?).

As always, appreciate your help.

Truly,



Jim Pierce, RLP

JP
Encl.