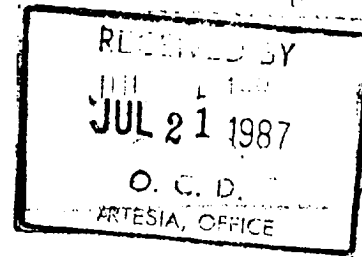


BFC

Baruch-Foster Corporation

1160 ONE ENERGY SQUARE
4925 GREENVILLE AVENUE
DALLAS, TEXAS 75206
214/368-5886



July 15, 1987

El Paso Natural Gas Company
P.O. Box 1492
El Paso, Texas 79978

Att: Mr. Guinn Beadle

Re: Production Test for Gas Commingling (Morrow, Strawn)
Little Jewel No. 1
Section 31, T22S, R27E
Eddy County, New Mexico
Meter Station No. 61-721

Gentlemen:

During June, 1987, Production tests indicated that the Morrow Zone contributed most of the production with the Strawn Zone producing intermittently. Our best estimate based on these tests is that the production split should be 95% Morrow, 5% Strawn. Please use this split to report production from this well beginning in June.

Thank you.

Yours very truly,

BARUCH-FOSTER CORPORATION

J.F. Ellebracht
Vice President of Production

JFE/tsm

cc: State of New Mexico
Energy and Minerals Department
Oil and Conservation Division
P.O. Drawer DD
Artesia, NM 88210

Sue Fairley
Kirk Morgan, Sr.