

October 9, 1997

New Mexico Oil Conservation Division  
811 S. First  
Artesia, New Mexico 88210

Attention: Mr. Tom Gum

Re: Transfer of Operations  
Buckaroo 1-28 Well  
Location O, Section 28-23S-28E  
Eddy County, New Mexico


Dear Mr. Gum:

I appreciate your assistance in effecting the transfer of operations to Kaiser-Francis Oil Company of the Buckaroo 1-28 wellbore that was formerly operated by Westfall. As we discussed, it is not Kaiser's intent to produce this well but rather we will convert it to salt water disposal. We plan to submit an application to the NMOCDD office in Santa Fe to utilize the presently open Bone Springs and Brushy Canyon (Delaware) zones for water disposal from similar zones to be opened at our Cavalier 1-28 wellbore.

Please call me at (918) 491-4510 if you need additional information to process our application for a transfer of operations.

Very truly yours,

KAISER-FRANCIS OIL COMPANY

  
James T. Wakefield

JTW:lh