

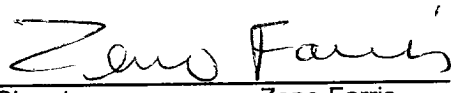
Operator - Landowner Agreement

Company: Gruy Petroleum Management Co.
Proposed Well: Gulf Federal Com No. 3
Federal Lease Number: NM-040547

This is to advise that Gruy Petroleum Management Co. has an agreement with: Danny W. & Kathryn B. Fowler, 817 N. Canal, Carlsbad, NM 88220, the surface owner, concerning entry and surface restoration after completion of drilling operations at the above described well.

After abandonment of the well, all pits will be filled and levelled, and all equipment and trash will be removed from the well site. No other requirements were made concerning restoration of the well site.

4/8/2002
Date


Signature Zeno Farris
Manager, Operations Administration