December 9, 2005

Mr. Charles Perrin
District Supervisor
Aztec District
Oil Conservation Division
Facsimile Letter to: 505-334-6170

30-031-21067

Re: Saladita State #1

New Mexico State Lease No. VO7480

Dear Mr. Perrin,

This letter is to thank you for locating and approving the APD for High Plains' Saladita State No. 1 Well. Now, the road and location can be built, and we will be able to spud the well as soon as a rig is available from Stewart Brothers Drilling Co..

Since we never heard from Steve Hayden, we didn't know that he expected us to inform him when the OCD in Santa Fe approved High Plains' plugging bond. When we received the letter from the OCD in Santa Fe indicating that the bond was approved, which shows a copy to the Aztec District, we assumed that letter would go to the person who processes APD's, and the APD would then be approved.

Anyway, we appreciate your prompt handling of the matter!

Sincerely,

John Somers High Plains Petroleum

fc: Mr. Mark E. Fesmire

Director

Oil Conservation Division

Mr. John Bemis

Assistant Commissioner of Public Lands

Mr. David Stewart

Stewart Bros. Drilling Company