

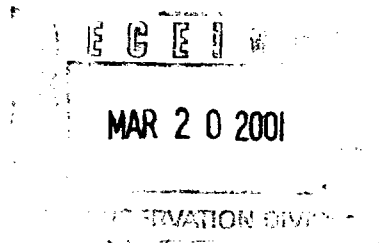
NADEL AND GUSSMAN PERMIAN, LLC

601 N. Marienfeld, Suite #508

Midland, Tx 79701

Phone: (915) 682-4429

Fax: (915) 682-4325



March 16, 2001

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Case No. 12380
Order No.R-11372
Compulsory Pooling
Nadel and Gussman Permian, L.L.C.
Kyle Federal "34" Well No. 1
N/2 Section 34-T-24-S, R28-E, N.M.P.M.
Eddy County, New Mexico

Gentlemen:

In compliance with the captioned Pooling Order, the operator shall furnish the Oil Conservation Division and non-consenting working interest owners the actual cost of the captioned well. The actual cost to date is \$1,023,579.00

Very truly yours

Sam H. Jolliffe, IV
Land Manager

Cc: Robert N. Enfield
P.O. Box 2431
Santa Fe, New Mexico 87504

Mona Enfield Coffield
10 Camio Costa Dino
Santa Fe, New Mexico 87505

Exxon Mobil Corporation
P.O. Box 4697
Houston, Texas 77210-4697