

(915) 685-3368 300 West Texas St. — Suite 533 Midland, Texas 79701

(505) 623-2733 P. O. Box 1136 ROSWELL, NEW MEXICO 88202

December 3, 1987

Sun Exploration and Production Company ClayDesta Plaza No. 24 Smith Road, Suite 600 Midland, Texas 79705

Attention: Mr. Michael A. Morganthaler

Re: 13,700' Morrow Test 1980' FWL & 1650' FNL T18S, R33E, Sec. 26: N/2

Lea County, New Mexico

Dear Mr. Morganthaler:

As we discussed by telephone, it is Santa Fe Exploration's desire to participate in the drilling of the above captioned well to the extent of our interest in the north half proration unit (320 acres), subject to an acceptable operating agreement and a current AFE. We understand this well will be drilling within 90 days.

Sincerely,

William A. McAlpine, Jr

WAM/1rs

CASE NO. \_

SUN EXPLORATION AND PRODUCTION COMPANY CASE # 9310 MARCH 16, 1988

EXHIBIT #

BEFORE EXAMINED CATANACH OIL CONSERVATION DIVISION