XTER, INC.

Box 912-A, RR #2 Deming, New Mexico 88030 (505) 546-0225

February 16, 1989

RECEIVED

FEB 21 '89

O. C. D. ARTESIA, OFFICE

D.G. Moore, J.D. Robinson, & M.B. Williams Oil Conservation Division State of New Mexico District II 324 W. Main Street P.O. Drawer DD Artesia, New Mexico 88210

Gentlemen

This letter is to confirm my telephone conversation with Mr. M.B. Williams on February 3, 1989.

The subject of the conversation was to amend Form C-101, dated 1-27-89, from:
SIZE OF HOLE: 12 1/4, SIZE OF CASING: 8 5/8, WEIGHT PER FOOT: H-40

TO: SIZE OF HOLE: 10, SIZE OF CASING: 7, WEIGHT PER FOOT: J-55, 23# per foot. (These amended numbers will replace those in the "description space" also. The remainder of Form C-101 will remain the same.

Unless we hear differently, we will assume the above is confirmed.

Sworthard

Sincerely

XTER, INC.

Ralph Swarthout

President