

PETRUS OIL COMPANY, L.P.

12201 MERIT DRIVE, SUITE 900

DALLAS, TEXAS 75251

214/387-0599

March 19, 1987

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

Attn: Jerry Sexton
Supervisor, District I

Re: State A #1-K
Section 34, T11S, R35E

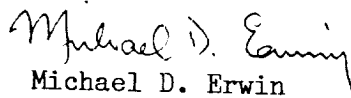
Gentlemen:

I regret that we failed to pass your recent inspection of the above captioned lease. I have now been assured that the final clean-up has been completed as of March 13 and all lease material removed from the location.

It is our hope that an inspector will soon be available to reinspect the location and release it.

Please feel free to call if there are any questions or if you wish to meet a representative of ours on the location. Again, I regret the poor initial cleanup of the location.

Sincerely,


Michael D. Erwin
Operations Engineer

MDE:nm

cc: Well File
R. F. Schoonover