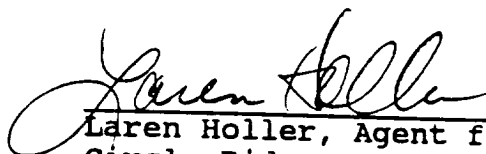


confidential information I have received, it is my opinion that a certified document should be requested from whomever is listed as operator on any transfer forms, either Federal or State. It is quite possible that the parties listed did not, and if asked would not, agree to accept the financial responsibility required of an operator under both state and federal obligations.

Thank you for your assistance in this very sensitive situation.

Sincerely,

OIL REPORTS & GAS SERVICES, INC.


Laren Holler, Agent for
Circle Ridge Production, Inc.

XC: Navajo Refining Company
Post Office Drawer 159
Artesia, New Mexico 88211-0159

Bureau of Land Management
1717 West Second Street
Roswell, New Mexico 88201-2019

Circle Ridge Corporation
300 East Northside Drive
Fort Worth, Texas 76106

Q. S. & S. Exploration Company, Inc.
Post Office Box 728
Wichita Falls, Texas 76307-0728

C. E. LaRue & B. M. Muncy, Jr.
Post Office Box 196
Artesia, New Mexico 88210