MWJ PRODUCING COMPANY

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PETROLEUM PRODUCERS *

400 WEST ILLINOIS SUITE 1100 MIDLAND, TEXAS 79701 TELEPHONE (915) 682-5216

March 15, 1989

Coastal Oil & Gas Corporation P. O. Box 235 Midland, Texas 79702 211 N. Robinson, Ste 1700 OK12. City, OK12. 73102

RE: MWJ-Baum "F" State #1 990' FWL & 2310' FSL Sec 5, T-14S, R-33E Lea County, New Mexico Baum Upper Penn Field

Gentlemen:

MWJ proposes the sidetrack drilling of the above captioned well to a new bottom hole location of 1980' FWL and 660' FSL, Sec 5, T-14S, R-33E, Lea County, New Mexico.

If you have no objection to our proposal, please execute in the space provided below and return three copies of this letter to our office. We appreciate your prompt attention.

Very truly yours,

MWJ-RRODUCING COMPANY

Pat Drexler

pd

COASTAL OIL & GAS CORPORATION has no objection to the sidetrack drilling of the proposed well.

Bv on Myr. Title Explora Date 21 More

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