DYAD PETROLEUM COMPANY

May 29, 1985

Mr. Eddy Seay Energy & Mineral Department P.O. Box 1980 Hobbs, New Mexico 88240

> Re: Field #1-G Sec. 25, T-12-S, R-37-E Lea County, New Mexico

Dear Mr. Seay:

In reference to your letter of May 27, 1985, DyAd Associates has paid to the land owner, Robert Field, the clean-up costs for the above referenced well. This agreement was made with Mr. Field prior to drilling operations.

Thank you for your cooperation.

Sincerely, John G. Celle

Charles A. Adkisson

CAA/tq