



Lone Star Oil & Gas

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July 18, 1997

Ms. Donna Pitzer  
State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
P.O. Box 1980  
Hobbs, New Mexico 88240

Re: Marathon Oil Company  
Benson #1,  
Section 14, T-16-S, R-38-E,  
Lea County, New Mexico

Dear Ms. Pitzer:

We met with your field representative, Mr. Gary Wink, to appraise the clean-up and restoration that Marathon Oil Company had not completed upon plugging and abandoning the referenced well.

Lone Star Oil & Gas is the current Lessee of the subject oil and gas lease and we hereby agree to assume Marathon Oil Company's liability to properly restore this location. According to Mr. Wink, clean-up and restoration entailed leveling the tank battery pad and cleaning up pieces of reserve pit liner.

Very truly yours,

James E. Cauthen

JC/mac