

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P.O. BOX 1933

ONE SUNWEST CENTRE

505-623-6601

ROSWELL, NEW MEXICO 88201

September 11, 1987

Bill Lee
West Star Route
Lovington, New Mexico 88260

RE: Buckeye 'AEV' State #1
330' FSL & 330' FEL
Sec. 1, T1&S, R35E

Dear Bill,

The OCD has requested we provide them with a letter indicating that you will except the Buckeye well for your proposes.

This letter will therefore, confirm our conversation and your desire to take possession of the 75 ft hole, which we drilled, as the Buckeye 'AEV' State #1. We understand that you will use this hole for a water well and will accept plugging responsibility for the well necessary.

By signing the endorsement on this letter, you will accept responsibility for the well and the OCD can close their file on this matter. Please sign and return the original to us and keep the copy for your records.

If you have any questions please do not hesitate to contact me.

Sincerely,

Dan Girand
Contract Administrator

DG/vt
enclosure

Accepted and acknowledged this 7th day of Oct, 1987.

By: Bill Lee