

**LEE CATTLE COMPANY
HC 60 BOX 465
LOVINTON, NM 88261-9613**

PHONE: (505)396-3027

March 12, 2001

New Mexico Oil Conservation Division
District I Hobbs
625 French Drive
Hobbs, New Mexico 88240

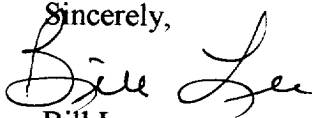
**Re: Penroc Oil-State G-36
Unit L, Section 36-T-17-S, R-35-E
Lea County, New Mexico**

Gentlemen:

It is to inform you that Penroc Oil Corporation has satisfactorily cleaned the captioned plugged and abandoned location. There are two remaining 300-bbls empty stock tanks still on the location, which will be utilized by the Ranch or the operator for other operations at a future date, and therefore they will stay where they are for an un-specified time.

If you have any questions, please contact me at the above address or the phone number.
Thank you.

Sincerely,



Bill Lee
Lee Cattle Company

CC: Penroc Oil Corporation



