

SEELY OIL COMPANY

815 WEST TENTH STREET

FORT WORTH, TEXAS 76102

March 10, 2003

TO: New Mexico Minerals and
Natural Resources Department
Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Final Restoration
Lowe No. 1 Well
Lea County, New Mexico
B-26-225-37e
30-025-24445

Gentlemen:

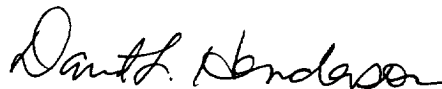
Reference is made to a letter from the Oil Conservation Division (OCD) to Seely Oil Company (Seely) dated February 28, 2003. The letter indicated Seely was in violation to OCD rules due to the fact that two 210 bbl. oil storage tanks have not been removed from the location.

When the well was plugged and abandoned in August 2000, Mr. Billy Sims, the surface owner of the Lowe No. 1 Well, requested that the tanks be cleaned out and left on the location for his use.

Please contact Mr. Sims to confirm that the tanks were given to him. If necessary, Seely will prepare and forward a letter and Bill of Sale to Mr. Sims to reflect this transfer.

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

Very truly yours,



David L. Henderson
Executive Vice President

DLH/rk

Handwritten initials or mark in the bottom right corner.