



Texaco E & P

205 E. Bender Blvd.
Hoobs NM 88240
505 393 7191

DATE: August 27, 1996

TO: Mr. Jerry T. Sexton

FROM: Paula S. Ives
Texaco Exploration & Production Inc.

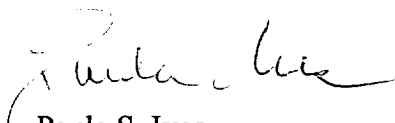
SUBJECT: Permission To Produce
Cooper Jal Unit #101 &
Cooper Jal Unit #106

For your approval, permission to produce the Cooper Jal Unit #101 and the Cooper Jal Unit #106, in the Jalmat Gas zone, while obtaining a Non-Standard Proration Gas Unit. Texaco understands that any penalties are there responsibility and will not hesitate to shut-in these wells if needed.

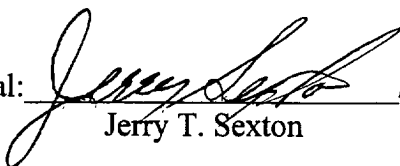
If you have any questions, please call me at 397-0432.

Your approval will be greatly appreciated.

Sincerely,


Paula S. Ives
Assistant Engineer

xc: RSP
file

Approval:  8-27-96
Jerry T. Sexton Date