

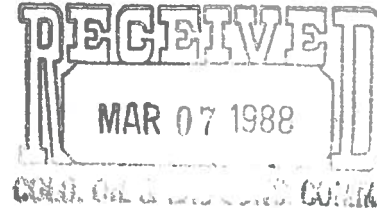


THE PERMIAN CORPORATION

P. O. BOX 110
STERLING, COLORADO 80751

522-3213

March 4, 1988



Colorado Oil & Gas Commission
1580 Logan Street, Suite 380
Denver, CO 80203

Attn: Mr. Robert Vaclavik

Dear Sirs:

On February 25, 1988, Permian had a pipe line leak in Logan County located NW, SE, Section 6, Twn. 8 N. Range 54 W. Robert Baxter called you on February 25, 1988 at 9:25 a.m.

Repairs were made on February 26, 1988. This was a 3 barrel leak. We picked up all free standing oil, dug out leak, welded patch over hole, put stained soil in hole and covered with fresh dirt on top.

Very truly yours,

PERMIAN OPERATING LIMITED PARTNERHIP

Robert Baxter

RB:dg