



United States Department of the Interior

NATIONAL PARK SERVICE

Padre Island National Seashore
9405 South Padre Island Drive
Corpus Christi, Texas 78418

IN REPLY REFER TO:

L3025(PAIS)

May 9, 1997

COPY

Mr. Brad Pierce, Manager
Environmental, Health and Safety
American Exploration Company
1331 Lamar Street, Suite 900
Houston, TX 77010-3088

Dear Mr. Pierce:

The National Park Service appreciates receiving the November 13, 1996, Phase II Site Characterization Report and Site Remediation Work Plan. The documents describe the type and aerial extent of contamination at the Yarbrough Pass site and American Exploration's remediation proposal. We are already reviewing the documents and will provide comments in the very near future.

We wish to advise American Exploration Company again that the current letter of credit will expire on May 31, 1997. As per my letter to Mr. Greg Katt, Treasurer, American Exploration, dated March 17, 1997, if American Exploration Company fails to replace the letter of credit within 15 days prior to the expiration date, the Regional Director, Intermountain Region, will initiate steps to secure the expiring security.

If you need assistance, please feel free to contact Mr. Paul Eubank, Environmental Protection Specialist, at 512-949-8173, extension 224.

Sincerely,

Patrick C. McCrary
Superintendent