

KING RANCH

January 10, 1997

2520032032193

Top Hat Plan Exemption
Pension Welfare Benefits Administration
U.S. Department of Labor
Room N-5644
200 Constitution Avenue N.W.
Washington, D.C. 20216

RE: King Ranch, Inc. and ERISA Affiliates
EIN #74-0726547
1415 Louisiana, Suite 2300
Houston, Texas 77002

*4 plans
31 employees*

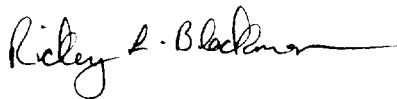
Dear Sir:

The above employee maintains the following four plans, the benefits of which are paid solely from the general assets of the employer, primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees:

1. Supplemental Retirement Pension Bridge Agreement (individual agreement)
Number of participants: 1
2. Restoration Retirement Plan for Employees of King Ranch, Inc.
Number of participants: 12
3. 401(k) Savings Restoration Plan for Employees of King Ranch, Inc.
Number of participants: 12
4. Executive Severance Plan (individual agreements)
Number of participants: 6

If you would like additional information concerning any of the plans, or copies of the same, please contact the undersigned.

Very truly yours,



Rickey L. Blackman
Human Resources Manager

RLB/ve