

December 19, 2002

VIA FACSIMILE 505-476-3462 DEC 2 0

New Mexico Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87504

Attention: Will Jones

RE: Application for Surface Commingling

Gentlemen:

To further aid in the approval to surface commingle the AAO Federal Lease. The Pool will be the Red Lake; Glorietta Yeso, NE and the pool code is 96836. No value will be lost if production is commingled.

Thank you for your assistance with this Application. Please do not hesitate to contact me should you need further information or have any further questions.

Sincerøly,

Dean Chumbley Land Department

DC/mm Enclosures