KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

117 NORTH GUADALUPE

POST OFFICE BOX 2263

BANTA FR. NEW MEXICO 87504-2265

October 28, 1997

TELEPHONE (505) 982-4285 TRLEFAX (506) 982-2047

W. THOMAS KELLAHINE

"NEW MEXICO BOARD OF LEGAL ERECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCESSOIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

VIA FACSIMILE (505) 989-9857

Scott Hall, Esq.
Miller Law Firm
P. O. Box 1986
Santa Fe, New Mexico 87501

Re:

NMOCD Case 11809 (Order R-10878)

Marcotte Well No. 2

Dear Mr. Hall:

I am responding to your letter dated October 16, 1997 in which you advised that Total Minatome Corporation ("Minatome") was tendering to Burlington Resources Oil & Gas Company ("Burlington") its check in the amount of \$107,791.00 "pursuant to the terms of decretal paragraph 4 of Order R-10878", but doing so "under protest and without prejudice to any rights, claims or defenses which it may assert" at the denovo hearing of this matter or before any court, and "once Burlington receives Total's payment. Total requests it be provided with all well data...." on the Marcotte Well No. 2.

These conditions which Minatome placed upon its attempted tender of payment create serious doubts about whether Minatome has properly and timely elected to participate pursuant to the compulsory pooling order.

Please be advised that while Order R-10878 does not require that Burlington provide Minatome with the requested data, I will recommend to Burlington that it furnish certain of the data provided Minatome participates in this well under the proper confidentiality agreements and without conditional joinder.

Therefore, I have directed Burlington to not accept this payment and to not provide Minatome with Burlington's proprietary and confidential data until such time as these and all other issues involved in this case have been resolved. Burlington will return Minatome's check to them pending final resolution of this matter.

W. Thomas Kellahin

cc: Bur ington Resources
Attn: Alan Alexander



MILLER, STRATVERT & TORGERSON, P.A.

LAW OFFICES

RANNE B. MILLER ALAN C. TORGERSON ALICE TOMLINSON LORENZ GREGORY W. CHASE ALAN KONRAD LYMAN G SANDY STEPHEN M. WILLIAMS STEPHAN M. VIDMAR ROBERT C. GUTIERREZ SETH V. BINGHAM MICHAEL H. HOSES JAMES B. COLLINS TIMOTHY R. BRIGGS RUDGLPH LUCERO DEAN G. CONSTANTINE DEBORAH A. SOLOVE LAWRENCE R. WHITE SHARON P. GROSS VIRGINIA ANDERMAN MARTE D. LIGHTSTONE JOHN R. FUNK J. SCOTT HALL

THOMAS R. MACK TERRI L. SAUER JOEL T. NEWTON JUDITH K. NAKAMURA THOMAS M. DOMME DAVID H. THOMAS III C. BRIAN CHARLTON JEFFREY E. JONES MANUEL I. ARRIETA RALPH WM. RICHARDS LEONARD D. SANCHEZ ROBIN A. GOBLE DANA M. KYLE KIRK R. ALLEN RUTH M. FUESS JAMES B. GREEN KYLE M. FINCH KATHERINE W. HALL FRED SCHILLER

ALBUQUERQUE, N.M.

500 MARQUETTE N.W., SUITE 1100 POST OFFICE BOX 25687 ALBUQUERQUE, N.M. 87125-0687 TELEPHONE: 1505) 842-1950 FAX: (505) 243-4408

FARMINGTON, N.M.

300 WEST ARRINGTON POST OFFICE BOX 869 FARMINGTON, N.M. 87499-0869 TELEPHONE: (SOS) 326-4521 FAX: (SOS) 325-5474 LAS CRUCES, N.M.

500 SOUTH MAIN, SUITE 600 POST OFFICE BOX 1209 LAS CRUCES, N.M. 88004-1209 TELEPHONE: (505) 523-2481 FAX: (505) 526-2215

SANTA FE, N.M.

:50 WASHINGTON AVENUE, SUITE 300 POST OFFICE BOX :986 SANTA FE, N.M. 87501-1986 TELEPHONE: (505) 989-9614 FAX: (505) 989-9857

October 16, 1997

PLEASE REPLY TO SANTA FE

WILLIAM K. STRATVERT, COUNSEL PAUL W. ROBINSON, COUNSEL

W. Thomas Kellahin, Esq. Kellahin & Kellahin P.O. Box 2265 Santa Fe. New Mexico 87504-2265

BY HAND DELIVERY

Re: NMOCD Case No. 11809 (De Novo); Application of Burlington Resources Oil and Gas Company for Compulsory Pooling, San Juan County, New Mexico; NMOCD Order No. R-10878 (Marcotte No. 2; Sec. 8, T-31-N, R-10-W, NMPM)

Dear Mr. Kellahin:

By separate correspondence dated today, Total Minatome Corporation's check No. 0152220 in the amount of \$107,791.00 is being sent by express courier to Alan Alexander at Burlington's Farmington area office. Total's check for its share of estimated well costs for Burlington's Marcotte No. 2 well is tendered pursuant to the terms of decretal paragraph 4 of Order R-10878. Total tenders payment for its share of well costs under protest and without prejudice to any rights, claims or defenses which it may assert in the de novo proceeding pending before the New Mexico Oil Conservation or any court of competent jurisdiction.

Once Burlington receives Total's payment for its share of estimated well costs, Total requests it be provided with all well data at the earliest opportunity, including drilling data, regulatory, completion and production data, geological/engineering data and other access and information referenced on the attached Well Information Requirements form. In addition, Total would like to obtain copies of the suite of open-hole logs which we understand Burlington has on the Marcotte No. 2. Please advise when Total may expect to receive the requested information and materials.

