

**BURLINGTON
RESOURCES**

SAN JUAN DIVISION

RECEIVED

SEP 19 1997

LAND ADMINISTRATION

September 15, 1997

CERTIFIED-RETURN RECEIPT REQUESTED

Total Minatome Corp.
Attn: Ms. Deborah Gilchrist
2 Houston Center, Suite 2000
909 Fannin
Houston, TX 77210-4326

RE: Compulsory Pooling Order R-10878
Marcotte #2 Well
All of Sec. 8, T31N, R10W
639.78 Acre Unit
San Juan County, New Mexico

Dear Ms. Gilchrist:

Please reference our past correspondence on the captioned well. As you are aware Burlington Resources Oil & Gas Company (Burlington) filed with the New Mexico Oil Conservation Division for compulsory pooling of the drilling unit for said well. After hearing the matter, the Oil Conservation Division has now issued order R-10878 (dated September 12, 1997) a copy of which is enclosed, pooling the acreage and interests necessary for drilling.

Burlington, pursuant to the terms of the enclosed order, is hereby notifying Loyal Moore Trust / Total Minatome Corp. of its right to participate in the well pursuant to this order. For your review, I am enclosing a copy of the itemized estimated well and facility costs, and the Authority for Expenditure.

Burlington does however realize that Loyal Moore Trust / Total Minatome Corp. is now working towards voluntary joinder pursuant to the terms of a mutually acceptable Operating Agreement. Since this is the most desirable method of joinder for all parties involved, we will continue, during the thirty (30) day decision period imposed on you by the order, to work toward that end. If such an agreement is timely reached, we will either make application to vacate the Order or dismiss you from the Order.

If however you elect to participate or Farmout in the well pursuant to the terms of the order you should do the following:



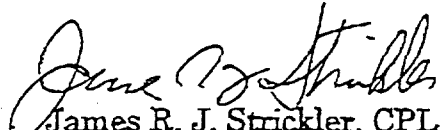
1. Evidence your election to participate by reviewing the estimated well costs and executing the enclosed Authority for Expenditure.
2. Execute the previously forwarded Operating Agreement dated April 1, 1997, and forward the signature pages to the undersigned.
3. Prepay your 4.6522% share of the \$107,791.00 total estimated completed well costs. The prepayment should be in the form of a cashiers check or certified bank check.
4. Or execute the previously forwarded Farmout Agreement dated June 16, 1997, and forward the signature pages to the undersigned.

The executed authority for Expenditure and the prepayment of well costs must be returned to Burlington at the letterhead address within thirty (30) days of your receipt of this letter.

If you do not voluntarily join the well within the thirty (30) day period or if we do not receive your joinder pursuant to the referenced order within the thirty (30) day period, it will be assumed that you have elected not to participate in the well. Burlington under the terms of the order has the right to drill the well and recover your pro-rata share of reasonable well costs from production. Burlington will also be allowed to recover an additional two hundred percent (200%) of reasonable well costs as a charge for bearing risk of drilling the well.

I look forward to hearing from you on this matter. If you have any questions or require further information, please advise.

Sincerely,


James R. J. Strickler, CPL
Senior Staff Landman
(505) 326-9756

JRS:dg

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