

Exhibit 9



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROSSELL FIELD OFFICE
2909 West Second Street
Roswell, New Mexico 88201-2019

IN REPLY REFER
NMNM101361X
3180 (06200)

St. Mary Land & Exploration Company
Attention: B. Lynne Ellison
1776 Lincoln Street, Suite 1100
Dallas, TX 80203-1080
Denver, CO
Gentlemen:

FEB 16 1999

Your application of January 11, 1999, filed with the BLM requests the designation of the East Shugart (Delaware) Unit area, embracing 604.12 acres, more or less, Eddy and Lea Counties, New Mexico, as logically subject to secondary recovery operations under the unitization provisions of the Mineral Leasing Act as amended.

Pursuant to unit plan regulations 43 CFR 3180, the land requested as outlined on your plat marked Exhibit A, St. Mary Land & Exploration Company, East Shugart (Delaware) Unit, Eddy and Lea Counties, New Mexico, is hereby designated as a logical unit area and has been assigned No. NMNM101361X. This designation is valid for a period from one year from the date of this letter.

Waterflooding will be limited to the following interval: That interval underlying the Unit Area, the vertical limits of which extend from an upper limit described as the top of the Brushy Canyon Formation of the Delaware Mountain Group to the stratigraphic equivalent of 5600 feet within the Delaware Brushy Canyon Formation as determined by the Geronimo Federal No. 3 well log; the geologic markers having been previously found to occur at 5007 feet and 5600 feet, respectively, in the Geronimo Federal No. 3 well (located 890 feet FNL and 990 feet FEL of Section 24, T. 18 S., R. 31 E., Eddy County, New Mexico) as recorded on the Compensated Neutron Litho Density Log taken on September, 21, 1985.

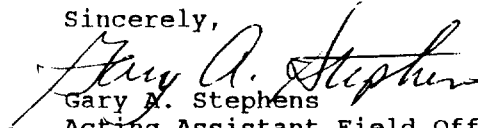
Your basis for allocation of unitized substances and your proposed form of unit agreement are acceptable. Corrections that need to be made to the enclosed Exhibit B are marked in red.

If conditions are such that modification of said standard form is deemed necessary, two copies of the proposed modifications with appropriate justification must be submitted to this office for preliminary approval.

In the absence of any type of land requiring special provisions or any objections not now apparent, a duly executed agreement identical with said form, modified as outline above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to the BLM for final approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the reprint of the aforementioned form. You will also need to submit an initial Plan of Operations and a list of wells showing the old well names and numbers and the new well names and numbers.

Sincerely,

A handwritten signature in cursive script, reading "Gary A. Stephens". The signature is written in dark ink and is positioned above the printed name and title.

Gary A. Stephens
Acting Assistant Field Office Manager,
Lands and Minerals

Enclosure

EAST SHUGART (DELAWARE) UNIT
LEA AND EDDY COUNTIES, NEW MEXICO

EAST SHUGART (DELAWARE) UNIT											
LEA AND EDDY COUNTIES, NEW MEXICO											
TRACT NO.	TRACT NAME	DESCRIPTION OF LAND	ACRES	BASIC ROYALTY		LESSEE OF RECORD	OVERRIDING ROYALTY/CARRIED WORKING INTEREST OWNER AND PERCENTAGE		WORKING INTEREST OWNER AND PERCENTAGE		PARTICIPATION OF TRACT IN UNIT
				SERIAL NO. & EFFECTIVE DATE	OWNER AND PERCENTAGE						
1A	S. Taylor No. 2	T18S, R31E Section 13: SE/4 SE/4 Eddy County, New Mexico	40	NM - 2537 Effective 12/29/98 HBP	United States of America - 12.5%	Harvey E. Yates Co. (42.081804%); Yates Energy Corp. (19.845696%); Explorers Petroleum Corp. (5.56375%); Spiral Inc. (5.56375%); Stelaron Inc. (25%); Heyco Employees, Ltd. (1.90125%)	Global Natural Resources Corporation of Nevada et al		Harvey E. Yates Co. et al - 100%		0.075410%
1B	S. Taylor No. 3	T18S, R31E Section 13: SW/4 SE/4 Eddy County, New Mexico	40	NM - 2537 Effective 12/29/98 HBP	United States of America - 12.5%	Harvey E. Yates Co. (42.081804%); Yates Energy Corp. (19.845696%); Explorers Petroleum Corp. (5.56375%); Spiral Inc. (5.56375%); Stelaron Inc. (25%); Heyco Employees, Ltd. (1.90125%)	Global Natural Resources Corporation of Nevada et al		Harvey E. Yates Co. et al - 100%		0.0166300%
2	Inca Federal	T18S, R32E Section 19: Lots 1 & 2 (NW/2 NW/4) and NE/4 NW/4 Lea County, New Mexico	122.07	NM-9016 Effective 11/14/98 HBP	United States of America - 12.5%	Curry & Thomson (25%); St. Mary Land & Exploration Company et al - 12.5% St. Mary Land & Exploration Company Corp. 50% (45%); Riverhill Energy Co. 25% Corporation (5%); and Germania (25%)			St. Mary Land & Exploration Company et al - 100%		0.2754000%
3A	Conoco No. 1	T18S, R32E Section 18: Lot 4 (SW/4 SW/4) Lea County, New Mexico	41.01	NM - 9017 Effective 11/14/98 HBP	United States of America - 12.5%	Conoco, Inc. 100%	Five States 1994-E, Ltd. - 12.5%		Higgins Trust, Inc. et al - 100%		0.08274000%
3B	Conoco No. 3	T18S, R32E Section 19: Lot 3 (NW/4 SW/4) Lea County, New Mexico	41.04	NM - 9017 Effective 11/14/98 HBP	United State of America - 12.5%	Conoco, Inc. 100%	St. Mary Land & Exploration Company et al - 12.5%		St. Mary Land & Exploration Company et al - 100%		0.05276000%

TRACT NO. *	TRACT NAME	DESCRIPTION OF LAND	ACRES	Effective Date	OWNER AND PERCENTAGE	LESSOR OF RECORD	OVERRIDE ROYALTY/CARRIED WORKING INTEREST OWNER AND PERCENTAGE		PARTICIPATION TRACT IN UNIT
				DATE					
4	Mohawk No. 1	T18S, R32E Section 19: NE/4 SW/4 Lea County, New Mexico	40	NM - 9019 Effective 6/4/45 HBP	United States of America - 12.5%; *Subject to stripper qualification on oil	Gladys Shannon (1%); Elizabeth S. Borggaard (1.21875%); David T. Edwards (1.21875%); Kate N. Edwards (2.4375%); William J. Casey (3.125%); Mildred M. Trammell (3.125%); Trammell Estate (3.125%); Nicholas R. Dupont (20.3125%); E. J. McCurdy Est. (65.0625%)	St. Mary Land & Exploration Company et al - 12.5%	St. Mary Land & Exploration Company et al - 100%	0.02
5A	Geronimo No. 3	T18S, R31E Section 24: NE/4 NE/4 Eddy County, New Mexico	40	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.5%	St. Mary Land & Exploration Company et al - 100%	0.128170
5B	Geronimo No. 4	T18S, R31E Section 24: SE/4 NE/4 Eddy County, New Mexico	40	NM NM-025777 Effective 6/4/51 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.5%	St. Mary Land & Exploration Company et al - 100%	0.080950
5C	Geronimo No. 5	T18S, R31E Section 24: NW/4 NE/4 Eddy County, New Mexico	20	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.125%	St. Mary Land & Exploration Company et al - 100%	0.024510
5D	Geronimo No. 8	T18S, R31E Section 24: NE/4 SE/4 Eddy County, New Mexico	40	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.125%	St. Mary Land & Exploration Company et al - 100%	0.033230
5E	Geronimo No. 9	T18S, R31E Section 24: SW/4 NE/4 Eddy County, New Mexico	40	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.5%	St. Mary Land & Exploration Company et al - 100%	0.070210
5F	Geronimo No. 10	T18S, R31E Section 24: NW/4 SE/4 Eddy County, New Mexico	40	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.5%	St. Mary Land & Exploration Company et al - 100%	0.023580
5G	Geronimo No. 12	T18S, R31E Section 24: Part of the NW/4 NE/4 Eddy County, New Mexico	20	NM NM-025777 Effective 6/4/54 HBP	United States of America - 12.5%	18-31, Inc. 100%	St. Mary Land & Exploration Company et al - 12.125%	St. Mary Land & Exploration Company et al - 100%	0.0269500
6	Jade No. 1	T18S, R32E Section 19: SE/4 NW/4 Lea County, New Mexico	40	NM - 67987 Effective 6/4/67 HBP	United States of America - Oil: Strip Scale 12.5% - 17%; Gas: 12.5%	Intoil, Inc. (50%); St. Mary Land & Exploration Company et al - 1.875%; Mary Land & Exploration Company (45%) and St. Mary Land & Exploration Company (50%) Riverhill Energy Corporation (5%)	St. Mary Land & Exploration Company et al - 1.875%	St. Mary Land & Exploration Company et al - 100%	0.0819800
TOTAL UNIT ACREAGE 604.12 ACRES									