

# BURLINGTON RESOURCES

---

SAN JUAN DIVISION

October 13, 1999

HAND DELIVERED

Mr. Richard P. Corcoran  
Energen Resources Corporation  
2198 Bloomfield Highway  
Farmington, NM 87401

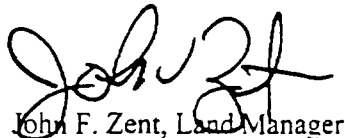
Re: Drilling AFE's  
Brookhaven Com #8  
Brookhaven Com #9  
Brookhaven Com."B" #3B

Dear Rich:

Burlington Oil & Gas Company ("Burlington") has received Energen Resources' ("Energen") transmittal letter of October 11, 1999, advising that Energen elects to "join" in the drilling of the captioned wells under the terms of GLA-46. As previously communicated, Burlington asserts that GLA-46 does not govern the drilling of additional new wells on the subject acreage. The terms of the GLA are so onerous, we would be forced to cancel the wells on economic grounds.

Burlington's meeting with Energen, currently scheduled for Tuesday, October 19, 1999, will be of benefit only if Energen acknowledges that the offered election actually kills the drilling of these three wells. Obviously, Burlington and Energen have much to discuss next week. However, to expedite a final resolution of the issues surrounding GLA-46, Burlington will immediately seek to force pool Energen's interest in the three captioned wells before the New Mexico Oil Conservation Division

Respectfully,



John F. Zent, Land Manager

xc: GLA-46  
J. Strickler  
J. Bemis  
A. Alexander

Undrilled locations excluding the three proposed new-drill wells:

T26N-R7W, Section 24: SE/4 – Fruitland Coal, Mesa Verde, Dakota

T27N-R7W, Section 36: All – Fruitland Coal, Dakota

T30N-R9W, Section 2: NE SE – Dakota

T30N-R10W, Section 2: NE NW – Fruitland Coal

T30N-R10W, Section 16: NW NW – Fruitland Coal

Section 16, NW SW – Fruitland Coal, Pictured Cliffs

Section 16, W/2 SE/4 – Fruitland Coal, Pictured Cliffs

*Dakota is weak, but developed to the south*

T32N-R10W, Section 29: SW/4 – Pictured Cliffs

Section 29: SE/4 – Pictured Cliffs

T31N-R11W, Section 2: SW/4 – Pictured Cliffs, Dakota

Section 16: E/2 – Fruitland Coal

Section 16: NW/4 – Fruitland Coal, Pictured Cliffs, Dakota

T32N-R11W, Section 32: SW/4 – Fruitland Coal, Pictured Cliffs, Dakota

Section 32: SE/4 – Fruitland Coal, Pictured Cliffs, Dakota

T31N-R10W, Section 3: N/2 – Fruitland Coal

Section 4: SW/4 – Fruitland Coal

Section 8: SE/4 – Fruitland Coal

Section 9: NW/4 – Fruitland Coal

Section 13: NW/4 – Fruitland Coal

Section 14: SW NW, SW/4 – Fruitland Coal

Section 15: SE NW – Fruitland Coal

Section 16: E/2 – Fruitland Coal

Section 16: W/2 – Fruitland Coal

Section 17: E/2 – Fruitland Coal

Section 17: W/2 – Fruitland Coal

Section 17: SW/4 – Pictured Cliffs

Section 23: W/2 – Fruitland Coal

Section 32: E/2 – Fruitland Coal

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE