UnitSource Incorporated

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October 28, 1999

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CERTIFIED MAIL
Return Receipt Requested

TO: All Interest Owners in the West Lovington Strawn Unit, as Expanded Lea County, New Mexico

Ladies and Gentlemen:

Enclosed is a copy of an application for expansion of the West Lovington Strawn Unit, filed with the New Mexico Oil Conservation Division. This matter is scheduled to be heard at 8:15 a.m. on Thursday, November 18, 1999, at the Division's offices at 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Matters that may be considered include amendments to Section 13 of the Unit Agreement and Article 10.4 of the West Lovington Strawn Unit Operating Agreement.

The Unit Operator's records indicate that you own an interest in the area encompassed within the expansion approved by the Division Order No. R-10864-A. Since that order was issued, the proposed unit boundaries have changed, as indicated in the enclosed application. As an interest owner within the unit area, you have the right to appear at the hearing and participate in the case. Failure to appear at the hearing will preclude you from contesting this matter at a later date.

Sincerely,

UNITSOURCE INCORPORATED

Paul S. Conner, CPI

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