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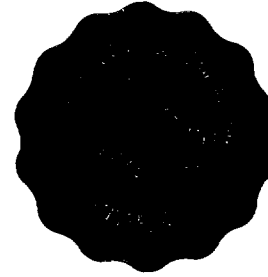
MAY 17 2003

OIL CONSERVATION
DIVISION

SAN JUAN RESOURCES, INC.

JERRY McHUGH, Jr.

May 13, 2003



State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: **Tecumseh #1 Well**
1975' FSL, 1480' FEL, Unit J,
Section 18: T30N, R11W,
San Juan County, New Mexico
Case No. 12992, Force Pooling Order R-11926

Ladies and Gentlemen:

Enclosed please find the letter we sent to the "Pooled Working Interest" owners in the above-captioned well. This pertains to Case # 12992, Force Pooling Order R-11926. The address list is attached indicating all the interest owners to which the letters were mailed. We sent all letters certified, return receipt. Unleased mineral owners were sent the same letter. We included a copy of the order in each mailing. (Order copy is not included in this letter)

I have attached a copy of the AFE we included in the mailing to each pooled working interest owner and each mineral owner.

This requirement is satisfied per your stipulations of the order.

Very Truly Yours,
SAN JUAN RESOURCES, INC.

Jerry McHugh, Jr.

Enclosures as indicated

cc: Kellahin & Kellahin

1499 Blake Street, #7K
Denver, CO 80202 U.S.A.

Tel: 303.573.6333
Fax: 303.573.6444
email: jmchugh@sanjuanbasin.com

SAN JUAN RESOURCES, INC.

JERRY McHUGH, Jr.

April 16, 2003

POOLED WORKING INTEREST OWNERS
SEE ATTACHED ADDRESS LIST

RE: **Tecumseh #1 Well**
1975' FSL, 1480' FEL, Unit J,
Section 18: T30N, R11W,
San Juan County, New Mexico
Case No. 12992, Force Pooling Order R-11926

Dear Pooled Working Interest Owner:

San Juan Resources of Colorado, Inc. hereby proposes to drill and complete the captioned well as a 326.5 acre Mesaverde/Dakota well. The total cost of the Proposal is estimated to be \$604,425 and is further described in the attached Authority for Expenditure (AFE). Also enclosed is a copy of the order from the State of New Mexico Oil Conservation Division. Per Order number R-11926, we are offering you the choice of prepaying your share to participate in the drilling and completion of the well.

Per Order number R-11926, please evidence your election whether or not to participate in the costs of the Proposal by marking the corresponding space below. If you do wish to participate, sign in the appropriate spot, return this letter, **and include certified funds or a cashier's check in the full amount of your interest payable to San Juan Resources, Inc.**

The language per Order number R-11926, (Page 4, ¶ 7) is restated here: "Within 30 days from the date the schedule of estimated well costs is furnished, any pooled working interest owner shall have the right to pay its share of the estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated wells costs as provided above shall remain liable for operating costs but shall not be liable for risk charges. Pooled working interest owners who elect not to pay their share of estimated wells costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners." Keep in mind that the 30 day clock stops running at the conclusion of the 30 day period. If we do not hear from you we will consider you a non-consent working interest owner.

Thank you for your attention to this proposal.

Very Truly Yours,
SAN JUAN RESOURCES, INC.

COPY

Jerry McHugh, Jr.
PRESIDENT

_____ We elect **TO** participate in the costs of the above-described Proposal (A cashier's check or certified funds are enclosed).

_____ We elect **NOT TO** participate in the costs of the above-described Proposal

1499 Blake Street, #7K
Denver, CO 80202 U.S.A.

Tel: 303.573.6333
Fax: 303.573.6444
email: jmchugh@sanjuanbasin.com

TECUMSEH PROSPECT
T30N-R11W, NMPM
Section 18: S/2
San Juan County, New Mexico
Pooled Working Interest Owners List

Party	Working Interest	Party	Working Interest
James H. Reedy 45 Brewster Road Scarsdale, N Y 10583-3001	6.36910%	John C. Simpson, Jr. c/o J. Simpson 404 Cheswick Pl Bryn Mawr, PA 19010-1251	0.79614%
H. A. Arnold 460 Park Avenue New York, NY 10022-1906	2.38841%	Raymond A. Townley 532 Avonwood Road Haverford, PA 19041-1603	0.39820%
St. Francis Xavier Church 524 9 th Street Wilmette, Illinois 60091	0.79614%	W.B & L. 900 Wilshire Los Angeles, CA 90017-4701	1.59228%
Church of the Redeemer 5700 Forbes Avenue Pittsburg, PA 15127-1526	0.79614%	Charles T. Zaoral 230 Park Avenue New York, NY 10169-0005	0.79614%
St. John Parish in the Town of Lewisboro P.O. Box 224 South Salem, NY 10590	0.79614%	Raymond S. Page, Jr. Mill Creek Terrance Gladwyne PA 19035-1544	0.79614%
Roy R. Coffin 2 Penn Center Plaza Pittsburg, PA 15276-0102	0.59691%	Peter B. Ruffin 753 Forest Hills Dr WILMINGTON, NC 28403	0.79614%
Mr. Fred H. Gowan 551 Fifth Avenue, Suite 1920 New York, NY	1.59228%	Murray Shields 551 Fifth Avenue, Suite 1920 New York, NY 10176-0001	0.79614%
Muriel E. Hyland 1100 Brooklawn Drive Los Angeles, CA 90077-3509	0.79614%	Gustave Simons 515 Madison Avenue New York, NY 10022	0.79614%
Arthur Levey 45 East End Avenue New York, NY 10028-7953	0.39280%	Steven & Elizabeth McManus 3605 Rosedale Avenue Dallas, TX 75205	15.90467%
Gilbert MacKay 551 Fifth Avenue, Suite 1920 New York, NY 10176-0001	1.59228%	M McManus Worcester, MA	
Paul E. Niedringhaus c/o Niedringhaus William W 1518 Walnut St Philadelphia, PA 19102-3419	0.19897%		
Stanley de J. Osborne Lazard Freres 30 Rockefeller Plaza New York, NY 10020	0.79614%		

TECUMSEH PROSPECT
T30N-R11W, NMPM
Section 18: S/2
San Juan County, New Mexico
Minerals Owners List
Pooled Working Interest Owners List

Party	Mineral Interest
O. Leonard Mosley, & Leona M. P.O. Box 4401 Gillette, WY 82727	1.00470%
George A. Mosley & Janet R. 42307 N. Newport Hwy. Elk, WA 99009	1.00470%
Bob L. Mosley 701 E. Zia P.O. Box 1653 Aztec, NM 87410	1.00470%
Mary Gwendolyn Mosley P.O. Box 18432 Salem, OR 97305	1.00470%
Betty A. Nelms 258 6th Street Idaho Falls, ID 83401	1.00470%

 TECUMSEH NO 1
 BASIN DAKOTA
 T30N-11W SEC 18 SE/4
 DAKOTA TEST TD 70' BELOW BASAL KD SAND
 DUQL COMPLETION DAKOTA-MESAVERDE

 AFE #: *****
 COUNTY: SAN JUAN *****
 DATE: *****
 STATE: *****
 November 6, 2002 *****
 NEW MEXICO *****

*** DRILLING INTANGIBLES ***					
	6576 FT @ \$18.80 /FT AND 1 DAYS @	\$6,720 PER DAY			
### STAKE LOCATION, PERMITS, DAMAGES					\$3,250
### LOCATION ROADS, LEASE RESTORATION					\$5,000
### RIG MOBILIZATION/DENOBILIZATION					\$4,000
### FOOTAGE DRILLED					\$130,349
### FUEL, LUBRICANTS, POWER					
### BITS					
### WATER AND/OR WATER WELL					\$8,000
### DRILLING MUD / ADDITIVES					\$6,000
### CEMENT AND CEMENTING SERVICES					\$5,000
### TRANSPORTATION - DRILLING					
### CONTRACT SERVICES & CONTRACT LABOR; WELDING & CASING CREW					
### CORING					
### DRILL STEM TESTING					
### OPEN HOLE LOGGING					\$15,000
### MUD LOGGING	\$4,000		GEOLOGICAL SERVICES		\$4,000
### ENGINEERING SUPERVISION AND THIRD PARTY SERVICES					\$4,500
### P&A & ENVIRONMENTAL CONCERNS					\$1,500
### MISC. EQUIPMENT & SUPPLIES - DRILLING					
### DRILL PIPE & COLLAR INSPECTIO					
### CONTINGENCIES & TAXES	10%				\$18,660
### OVERHEAD					\$1,280

*** SUBTOTAL DRILLING INTANGIBLES ***					\$206,539

***	DRILLING TANGIBLES	***
###	SURFACE CASING	\$4,000
###	INTERMEDIATE CASING	
###	CASING ACCESSORIES - DRILLING	\$2,500
###	CASING HEAD	
###	MISCELLANEOUS	
***	SUBTOTAL DRILLING TANGIBLES	***
		\$6,500
###		
###		
###		
###	TOTAL DRY HOLE COST	****
		\$213,039

QUOL: COMPLETION DAKOTA - MESAVENDE

DATE: _____
STATE: _____

November 6, 2002
NEW MEXICO

*** COMPLETION INTANGIBLES

OVERHEAD	/day	\$2,091
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*** SUBTOTAL. COMPLETION INTANGIBLES ***

*** COMPLETION TANGIBLES

COMPRESSORS

*** CUP TOTAL COMPLETION TRANSDUCER ***

\$391,386

 TECUMSEH NO 1
 BASIN DAKOTA
 T30N-11W SEC 18 SE/4
 DAKOTA TEST TD 70' BELOW BASAL KD SAND
 DUOL COMPLETION DAKOTA-MESAVERDE

 AFE #: *****
 COUNTY: SAN JUAN *****
 DATE: *****
 STATE: *****
 November 6, 2002 *****
 NEW MEXICO *****

WORKING INTEREST OWNER

 OWNER
 INTEREST

 SAN JUAN RESOURCES
 BY ----- DATE

OWNER
 INTEREST

TOTAL DRILLING INTANGIBLES \$206,539
 TOTAL DRILLING TANGIBLES \$6,500
 =====

BY ----- DATE TOTAL DRY HOLE COST \$213,039

OWNER
 INTEREST

 TOTAL COMPLETION INTANGIBLES \$296,561
 TOTAL COMPLETION TANGIBLES \$94,825
 =====

BY ----- DATE TOTAL COMPLETION COST \$391,386

 TOTAL WELL COST

 \$604,425
