

SAN JUAN RESOURCES, INC.

JERRY McHUGH, Jr.

February 14, 2005

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

RE: **Tecumseh #1E Well**
1455' FSL, 1225' FWL, Unit L,
Section 18: T30N, R11W,
San Juan County, New Mexico
Case No. 13391, Force Pooling Order R-11926-A

RECEIVED
FEB 23 2005
OIL CONSERVATION
DIVISION

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 # 13391, Force Pooling Order R-11926-A. 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

Well proposals sent out to the addressees on this sheet, 2-14-05. Tecumseh #1E well. Section 18: SW, T30N, R11W. San Juan Cty, NM

All mailings went out certified mail, return receipt. Well prop letter and AFE are attached. Per Case No. 13391 and Order No R-11926-A, dated Feb 3, 2005

Steven and Elizabeth McManus
3605 Rosedale Avenue
Dallas, TX 75205

St. Francis Xavier Church
ATTN: Sheldon Moore
524 9th Street
Wilmette, IL 60091

Raymond A. Townley
532 Avonwood Road
Haverford, PA 19041-1603

St. Johns Parish in the Town of
Lewisboro
ATTN: Stephen Maltby
P.O. Box 224
South Salem, NY 10590

Murray Shields
551 Fifth Avenue, Suite 1920
New York, NY 10176-0001

Charles T. Zoaral
230 Park Avenue
New York, NY 10169-0005

Gilbert MacKay
551 Fifth Avenue, Suite 1920
New York, NY 10176-0001

John C. Simpson, Jr. c/o
J. Simpson
404 Cheswick Pl
Bryn Mawr, PA 19010-1251

George A. Mosley
42307 N. Newport Hwy
Elk, WA 99009

Gustave Simons
515 Madison Avenue
New York, NY 10022

W.B & L.
c/o Arthur B. Willis
900 Wilshire
Los Angeles, CA 90017-4701

Mary Gwendolyn Mosley
P.O. Box 9201
Brooks, OR 97305

O. Leonard & Leona M. Mosley
P.O. Box 4401
Rozet, WY 82727

Fred H. Gowen
551 Fifth Avenue, Suite 1920
New York, NY 10176-0001

Bob L. Mosley
P.O. Box 1653
Aztec, NM 87410

Michael Silverman
2100 McKinney Ave., #707
Dallas, TX 75201

Betty A. Nelms
PO Box 737
Newport, WA 99156-0737

Arthur Levey
45 East End Avenue
New York, NY 10028-7953

H. A. Arnold
460 Park Avenue
New York, NY 10022-1906

James H. Reedy
45 Brewster Road
Scarsdale, NY 10583-3001

Church of the Redeemer
ATTN: Cynthia Sweigert
5700 Forbes Avenue
Pittsburgh, PA 15127-1526

Raymond S. Page, Jr.
Mill Creek Terrance
Gladwyne, PA 19035-1544

February 14, 2005

POOLED WORKING INTEREST OWNERS
SEE ATTACHED ADDRESS LIST

RE: **Tecumseh #1E Well**
1455'FSL, 1225' FWL, Unit L,
Section 18: T30N, R11W,
San Juan County, New Mexico
Case No. 13391, Force Pooling Order R-11926-A

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 \$648,454 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-A, 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-A, 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-A, (Page 6, ¶ 8) 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.

Jerry McHugh, Jr.
PRESIDENT

_____ (Name)

_____ 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