

ROBERT L. BAYLESS, PRODUCER

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

January 22, 2001

Ms. Lori Wrotenbery, Director
**NEW MEXICO OIL
CONSERVATION DIVISION**
2040 S. Pacheco Street
Santa Fe, NM 87505

RE: NMOCD Case No. 12557
REQUEST FOR CONTINUANCE of
Application for Compulsory Pooling
Robert L. Bayless, Operator
Hun Nop Pi # 2 Well
W/2 Sec. 19-T26N-R8W
San Juan County, NM

Dear Ms. Wrotenbery:

Due to continued medical concerns in the immediate family of Mr. Bayless, we respectfully request a continuance of NMOCD Case No. 12557. We further request that such Case be rescheduled for hearing on February 22nd, 2001.

Should you have any questions, I may be contacted at (505) 564-7806.

Yours truly,



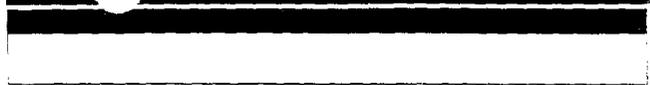
Paul Hall, CPL/ESA
Land Manager

cc: Non-committed working interest owners

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

7099 3400 0124 9430



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Restricted Delivery Fee (Endorsement Required)		
Tot:		
Recip	WILLIAM R. ANDERSON	
Street	2139 ELMWOOD AVENUE	
City	WILMETTE, IL 60091	

ROBERT L. BAYLESS, PRODUCER

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

January 9, 2001

Ms. Lori Wrotenbery, Director
**NEW MEXICO OIL
CONSERVATION DIVISION**
2040 S. Pacheco Street
Santa Fe, NM 87505

RE: NMOCD Case No. 12557
REQUEST FOR CONTINUANCE of
Application for Compulsory Pooling
Robert L. Bayless, Operator
Hun Nop Pi # 2 Well
W/2 Sec. 19-T26N-R8W
San Juan County, NM

Dear Ms. Wrotenbery:

We wish to reconfirm the continuance of NMOCD Case No. 12557. The scheduled Case is now set for hearing on January 25th, 2001.

Should you have any questions, I may be contacted at (505) 564-7806.

Yours truly,



Paul Hall, CPL/ESA
Land Manager

cc: Non-committed working interest owners

NAME	CERTIFIED2
JAMES H. ANDERSON 2713 107TH SE BEAUX ARTS, WA 98004	7099 3400 0018 4212 9904
WILLIAM R. ANDERSON 2139 ELMWOOD AVENUE WILMETTE, IL 60091	7099 3400 0018 4212 9898
ESTATE OF DOROTHY DeGOLYER ARNOLD % DOUGLAS DeGOLYER ARNOLD 638 MORENO ROAD PENN VALLEY, PA 19077	7099 3400 0018 4212 9881
BARBARA ANN McCONNELL BRUSS McCONNELL LLC 67428 OAK LEAF MONTROSE, CO 81401	7099 3400 0018 4212 9874
ELLA NORA ANDERSON DENNY 7379 SE 71ST STREET MERCER ISLAND, WA 98040	7099 3400 0018 4212 9867
MS. JANET WOOLDRIDGE DEVON ENERGY CORP. 20 N. BROADWAY AVENUE, SUITE 1500 OKLAHOMA CITY, OK 73102	7099 3400 0018 4212 9850
MS. EVA WHITEN HALL ENERGY CO. , LLC 101 PARK AVENUE, SUITE 1010 OKLAHOMA CITY, OK 73102	7099 3400 0018 4212 9843
BARBARA IRENE McCONNELL TESTAMENTARY TRUST 67428 OAK LEAF MONTROSE, CO 81401	7099 3400 0018 4212 9836
ESTATE OF VIRGINIA DeGOLYER MAXSON % MARY MAXSON THOMPSON 555 REPUBLIC DR, SUITE 200 PLANO, TX 75074	7099 3400 0018 4212 9829
MARJORIE ANDERSON PELTO P. O. BOX 10701 BAINBRIDGE ISLAND, WA 98110	7099 3400 0018 4212 9812
MR. J. E. GALLEGOS GALLEGOS LAW FIRM. A PROFESSIONAL CORPORATION 460 ST. MICHAELS DRIVE, BUILDING 300 SANTA FE, NM 887505	7099 3400 0018 4212 9805
	Notification of new hearing date. Sent 1/9/01

ROBERT L. BAYLESS, PRODUCER

P. O. BOX 163
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

December 15, 2000

Ms. Lori Wrotenbery, Director
NEW MEXICO OIL
CONSERVATION DIVISION
2040 S. Pacheco Street
Santa Fe, NM 87505

RE: NMOCD Case No. 12557
REQUEST FOR CONTINUANCE of
Application for Compulsory Pooling
Robert L. Bayless, Operator
Hun Nop Pi # 2 Well
W/2 Sec. 19-T26N-R8W
San Juan County, NM

Dear Ms. Wrotenbery:

Due to a medical emergency in the immediate family of Mr. Bayless, we respectfully request a continuance of NMOCD Case No. 12557. We further request that such Case be rescheduled for hearing on January 25th, 2001.

Should you have any questions, I may be contacted at (505) 564-7806.

Yours truly,



Paul Hall, CPL/ESA
Land Manager

cc: Non-committed working interest owners

ROBERT L. BAYLESS, PRODUCER

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

November 29, 2000

CERTIFIED MAIL 7000 0600 0025 2409 1840

WILLIAM R. ANDERSON
2139 ELMWOOD AVENUE
WILMETTE, IL 60091

RE: Application for Compulsory Pooling
Robert L. Bayless, Operator
Hun Nop Pi # 2 Well
W/2 Sec. 19-T26N-R8W
San Juan County, NM

Dear Mr. Anderson:

The purpose of this letter is to provide written notice pursuant to the Rules and Regulations of the New Mexico Oil Conservation Division ("NMOCD") that Robert L. Bayless ("Bayless") has filed an application with the NMOCD requesting the issuance of an Order force pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the W/2 of Section 19, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, forming a 320.04 acre gas spacing and proration unit for the Basin Dakota pool to be dedicated to the Hun Nop Pi # 2 Well and completed in the Basin Dakota pool. Bayless also requests that the order designate Bayless as operator of the Well, and that it provide for the recovery by the joining working interest owners of the costs of drilling, completing, equipping and operating the Well, together with a reasonable charge for risk involved in drilling and completing the Well. In addition, Bayless requests that the Order establish a reasonable charge for supervision of the Well during the drilling and production stages.

Bayless has requested the application be placed on the on the December 21st, 2000, docket of the NMOCD for hearing. You may appear at the hearing to record any protest or objection you may have with respect to the subject matter of the application. For your information, the Rules and Regulations of the NMOCD require that each participant in an NMOCD hearing file a Pre-Hearing Statement on or before the Friday next preceding the date of the hearing.

Please advise if you have any questions.

Yours truly,

Paul Hall, CPL/ESA
Land Manager

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 0600 0025 2409 1840

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Postage	\$
Certified Fee	
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Restricted Delivery Fee (Endorsement Required)	

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Total P	WILLIAM R. ANDERSON
Recipie.	2139 ELMWOOD AVENUE
Street, A	WILMETTE, IL 60091
City, Sta	

ROBERT L. BAYLESS, PRODUCER LLC

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

October 11, 2000

Mr. William R. Anderson
2139 Elmwood Avenue
Wilmette, IL 60091

RE: Bayless' HUN NOP PI # 2 Well
San Juan County, New Mexico

Dear Mr. Anderson:

Robert L. Bayless, Producer LLC, proposes to drill a Well to a depth of 6,650 feet to test the Dakota formation at a legal location in the NW/4 of Section 19, Township 26 North, Range 8 West, San Juan County, New Mexico. Our records indicate that you own an undivided 2.2222 percent leasehold interest or 7.1120 net acres in the proposed W/2 proration unit for this Well.

We have enclosed Bayless' AFE covering the subject Well for your review. We expect this to be a marginal well, but feel it will reach payout with a modest opportunity for a return on our investment.

As an alternative to participating in the subject Well, Bayless proposes to purchase your leasehold interest for \$100.00 per net mineral acre or a total of \$711.20. Such assignment would be; 1) limited to those depths below the base of the Pictured Cliffs formation, and 2) subject to existing leasehold burdens of record. I have also enclosed three copies of an Assignment of Oil and Gas Mining Leases for your consideration.

Please sign and return to my attention at the above address either the AFE if you wish to participate or return two executed and acknowledged copies of the Assignment if you wish to sell. If you do decide to sell and upon return of the Assignments, I will direct Bayless' check for \$711.20 to your attention upon receiving such Assignments.

We request your early review and response to either participation or selling your working interest under the proposed Well. Should you have any questions, I can be contacted at (505) 564-7806.

Yours truly,

Paul Hall, CPL/ESA
Land Manager

ASSIGNMENT OF OIL AND GAS MINING LEASES

KNOW ALL MEN BY THESE PRESENTS, that William R. Anderson, with a mailing address of 2139 Elmwood Avenue, Wilmette, IL 60091 ("Assignor"), for Ten Dollars (\$10.00) and other good and valuable consideration the receipt of which is hereby acknowledged by Assignor, Assignor does hereby transfer, grant, bargain, sell, convey and assign to Robert L. Bayless, Producer LLC, whose address is P. O. Box 168, Farmington, NM 87499 ("Assignee"), all of Assignor's right, title and interest in the Oil and Gas Mining Leases ("Leases") more particularly described on Exhibit "A" attached hereto insofar and only insofar as said Leases cover and affect the lands more particularly described on said Exhibit "A."

TO HAVE AND TO HOLD, said Leases with all and singular the rights, privileges and appurtenances thereunder or otherwise belonging to said Assignee, its heirs, successors and assigns forever.

EXECUTED AND DELIVERED this _____ of _____, 2000, but effective for all purposes the 1st day of September, 2000.

ASSIGNOR:

WILLIAM R. ANDERSON

STATE OF ILLINOIS §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2000, by William R. Anderson, for the purposes herein above.

My Commission Expires:

Notary Public

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN ASSIGNMENT OF OIL AND GAS MINING LEASES, EFFECTIVE AUGUST 31ST, 2000, BETWEEN WILLIAM R. ANDERSON AND ROBERT L. BAYLESS, PRODUCER LLC.

LEASES AND LANDS SUBJECT TO THIS ASSIGNMENT:

Lessor: BIA Contract # 14-20-603-774
Lessee: Benson & Montin
Recordation: Book 266 at Page 111
Date: November 12, 1954
Description: TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPPM
Section 19: Lots 1, 2, E/2NW/4,
containing 159.81 acres, more or less,
and limited to all depths below the base
of the Pictured Cliffs formation,
San Juan County, New Mexico.

Lessor: BIA Contract # 14-20-603-773
Lessee: Benson & Montin
Recordation: Book 266 at Page 112
Date: November 12, 1954
Description: TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPPM
Section 19: Lots 3, 4, E/2SW/4,
containing 160.23 acres, more or less,
and limited to all depths below the base
of the Pictured Cliffs formation,
San Juan County, New Mexico.

ROBERT L. BAYLESS, PRODUCER LLC

AUTHORITY FOR EXPENDITURE

LEASE NAME:	Hun - Nop - Pi	WELL NUMBER:	2	LOCATION:	NW/4 Section 19-T26N-R8W
FIELD:	Basin Dakota	COUNTY:	San Juan	STATE:	New Mexico
TYPE WELL:	Gas	TOTAL DEPTH:	6650	DATE:	9/5/00
OPERATOR:	Robert L. Bayless	PREPARED BY:	prmb	FILE:	c:\msoffice\excel\ale\HunNopPi#2.xls

DRILLING INTANGIBLES					DRY HOLE	COMPLETED
3-04	PERMITTING	(STAKING,DAMAGES,ARCHAEOLOGY,PAPERWORK)	-	-	\$5,000	\$5,000
3-06	DIRTWORK	(LOCATION,PITS,ROADS)	-	-	4,000	4,000
3-08	DRILLING	FOOTAGE:	6650 FEET @	\$21.00 / FOOT -	139,650	139,650
3-08	DRILLING	DAYWORK:	2 DAYS @	\$5,800.00 / DAY -	11,600	11,600
3-26	CEMENTING	SURFACE:	-	-	3,000	3,000
3-65	CEMENTING	PLUGGING:	-	-	4,000	4,000
3-60	LOGGING	PRODUCTION:	-	-	6,500	6,500
3-18	MUD AND MATERIALS		-	-	5,000	5,000
3-09	DRILL BITS		-	-	0	0
3-15	WATER & WATER HAULING		-	-	3,500	3,500
3-61	WELL TESTING	(DST,CORING,ETC)	-	-	0	0
3-63	WELL TESTING	(MUD LOGGING & WELLSITE GEOLOGIST)	-	-	1,000	1,000
3-53	SUPERVISION	(ENG,GEO,LEGAL)	10 DAYS @	\$400.00 / DAY -	4,000	4,000
3-27	TRUCKING		-	-	1,000	1,000
3-11	MISC. LABOR		-	-	2,500	2,500
3-67	MISC. INTANGIBLES		-	-	2,000	2,000
3-57	ADMINISTRATIVE OVERHEAD		10 DAYS @	\$300.00 / DAY -	3,000	3,000
	CONTINGENCY		5 %	-	9,788	9,588
TOTAL DRILLING INTANGIBLES:					\$205,538	\$201,338

DRILLING TANGIBLES					DRY HOLE	COMPLETED
3-22	SURFACE CASING	250 FEET TYPE:	8 5/8" 24.0 #/ft	@ \$9.80 / FOOT -	\$2,450	\$2,450
4-24	WELLHEAD EQUIPMENT	(WELLHEADS,VALVES,FITTINGS,ETC.)	-	-	750	750
	CONTINGENCY		5 %	-	160	160
TOTAL DRILLING TANGIBLES:					\$3,360	\$3,360

COMPLETION INTANGIBLES					DRY HOLE	COMPLETED
4-21	CASING CREW	PRODUCTION:	-	-	-	\$2,500
4-26	CEMENTING	PRODUCTION:	-	-	-	9,500
4-08	COMPLETION UNIT		7 DAYS @	\$2,100.00 / DAY -	-	14,700
4-60	WIRELINE	(PERFORATING AND LOGGING)	-	-	-	8,000
4-62	STIMULATION	(ACIDIZING AND FRACTURING)	-	-	-	70,000
5-53	SUPERVISION	(ENG,GEO)	7 DAYS @	\$400.00 / DAY -	-	2,800
4-15	WATER	(PURCHASE AND HAULING):	-	-	-	8,000
5-06	DIRTWORK	(LOCATION CLEANUP)	-	-	-	2,500
4-27	TRUCKING		-	-	-	4,000
4-16	RENTALS		-	-	-	2,500
5-11	MISC. LABOR	(WELL HOOKUP)	-	-	-	10,000
3-67	MISC. INTANGIBLES		-	-	-	2,000
5-57	ADMINISTRATIVE OVERHEAD		7 DAYS @	\$300.00 / DAY -	-	2,100
	CONTINGENCY		5 %	-	-	6,330
TOTAL COMPLETION INTANGIBLES:					\$0	\$144,930

COMPLETION TANGIBLES					DRY HOLE	COMPLETED
4-22	LONGSTRING CASING	6650 FEET TYPE:	4 1/2" 11.60 #/ft	@ \$6.25 / FOOT -	-	41,563
4-29	TUBING	6650 FEET TYPE:	2 3/8" 4.7 #/ft	@ \$2.25 / FOOT -	-	14,963
5-40	VALVES, PIPING, AND FITTINGS		-	-	-	8,000
4-24	WELLHEAD EQUIPMENT	(WELLHEADS,VALVES,FITTINGS,ETC.)	-	-	-	2,500
5-39	PIPELINE	0 FEET TYPE:	2 INCH	@ \$5.50 / FOOT -	-	0
5-42	METER RUN		-	-	-	0
5-33	PRODUCTION UNIT		-	-	-	10,000
5-34	DEHYDRATOR		-	-	-	10,000
5-37	PRODUCTION TANK		-	-	-	5,500
5-38	NOISE ABATEMENT		-	-	-	0
5-67	MISC. EQUIPMENT	(FENCES,CULVERTS,ETC)	-	-	-	3,500
	CONTINGENCY		5 %	-	-	2,723
TOTAL COMPLETION TANGIBLES:					\$0	\$98,748
TOTAL WELL COST:					\$208,898	\$448,376

APPROVALS:	BY	DATE	Working Interest	OWNER SHARE	DRY HOLE	COMPLETED
ROBERT L. BAYLESS, PRODUCER LLC, et al.			97.7778%	\$204,255	\$438,412	
WILLIAM R. ANDERSON			2.2222%	\$4,642	\$9,964	
			100.0000%	\$208,898	\$448,376	

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	

Postmark
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Recipient: Mr. William R. Anderson
 Street: 2139 Elmwood Avenue
 City, St: Wilmette, IL 60091

PS Form See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. William R. Anderson
 2139 Elmwood Avenue
 Wilmette, IL 60091

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

- A. Received by (Please Print Clearly) *Andrea LF Anderson* B. Date of Delivery *10-13-01*
- C. Signature *X Andrea LF Anderson* Agent Addressee
- D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

ROBERT L. BAYLESS, PRODUCER LLC

P. O. BOX 168
FARMINGTON, NM 87499

FAX NO.
(505) 326-6911

OFFICE NO.
(505) 326-2659

September 1, 2000

Mr. William R. Anderson
2139 Elmwood Avenue
Wilmette, IL 60091

RE: Bayless' AFE
HUN NOP PI # 2 Well
San Juan County, New Mexico

Dear Mr. Anderson:

Robert L. Bayless, Producer LLC proposes to drill a Well to test the Dakota formation, estimated at a depth of 6,650 feet, at a legal location in the NW/4 of Section 19, Township 26 North, Range 8 West, San Juan County, New Mexico. Our records indicate that you own an undivided 2.2222 percent leasehold interest or 6.6675 net acres in the proposed W/2 proration unit for this Well.

We have enclosed Bayless' Authority for Expenditure covering the subject Well for your review. We expect this to be a marginal well, but feel it will reach payout with a modest opportunity for a return on our investment.

As an alternative to participating in the subject Well, Bayless proposes to purchase your leasehold interest for \$100.00 per net mineral acre assigned to Bayless. Such assignment would be; 1) limited to those depths below the base of the Pictured Cliffs formation, 2) subject to existing leasehold burdens of record, and 3) subject to approval of form by Bayless.

The rig availability in the San Juan Basin is limited, but it appears that a rig will become available in the near future. Therefore, we ask for your early review and response to our request for participation or support in the drilling of this Well.

Should you have any questions, I can be contacted at (505) 564-7806.

Yours truly,

Paul Hall, CPL/ESA
Land Manager

ROBERT L. BAYLESS, PRODUCER LLC

AUTHORITY FOR EXPENDITURE

LEASE NAME:	Hun - Nop - Pi	WELL NUMBER:	2	LOCATION:	NW/4 Section 19-T26N-R8W
FIELD:	Basin Dakota	COUNTY:	San Juan	STATE:	New Mexico
TYPE WELL:	Gas	TOTAL DEPTH:	6650	DATE:	9/5/00
OPERATOR:	Robert L. Bayless	PREPARED BY:	pmb	FILE:	c:\msoffice\excel\afe\HunNopPi#2.xls

					DRY HOLE	COMPLETED
DRILLING INTANGIBLES						
3-04	PERMITTING	(STAKING, DAMAGES, ARCHAEOLOGY, PAPERWORK)	-	-	\$5,000	\$5,000
3-06	DIRTWORK	(LOCATION, PITS, ROADS)	-	-	4,000	4,000
3-08	DRILLING	FOOTAGE:	6650 FEET @	\$21.00 / FOOT -	139,650	139,650
3-08	DRILLING	DAYWORK:	2 DAYS @	\$5,800.00 / DAY -	11,600	11,600
3-26	CEMENTING	SURFACE:	-	-	3,000	3,000
3-65	CEMENTING	PLUGGING:	-	-	4,000	4,000
3-60	LOGGING	PRODUCTION:	-	-	6,500	6,500
3-18	MUD AND MATERIALS		-	-	5,000	5,000
3-09	DRILL BITS		-	-	0	0
3-15	WATER & WATER HAULING		-	-	3,500	3,500
3-61	WELL TESTING	(DST, CORING, ETC)	-	-	0	0
3-63	WELL TESTING	(MUD LOGGING & WELLSITE GEOLOGIST)	-	-	1,000	1,000
3-53	SUPERVISION	(ENG, GEO, LEGAL)	10 DAYS @	\$400.00 / DAY -	4,000	4,000
3-27	TRUCKING		-	-	1,000	1,000
3-11	MISC. LABOR		-	-	2,500	2,500
3-67	MISC. INTANGIBLES		-	-	2,000	2,000
3-57	ADMINISTRATIVE OVERHEAD		10 DAYS @	\$300.00 / DAY -	3,000	3,000
	CONTINGENCY		5 %	-	9,788	9,588
TOTAL DRILLING INTANGIBLES:					\$205,538	\$201,338

DRILLING TANGIBLES						
3-22	SURFACE CASING	250 FEET TYPE:	8 5/8" 24.0 #/ft @	\$9.80 / FOOT -	\$2,450	\$2,450
4-24	WELLHEAD EQUIPMENT	(WELLHEADS, VALVES, FITTINGS, ETC.)	-	-	750	750
	CONTINGENCY		5 %	-	160	160
TOTAL DRILLING TANGIBLES:					\$3,360	\$3,360

COMPLETION INTANGIBLES						
4-21	CASING CREW	PRODUCTION:	-	-	-	\$2,500
4-26	CEMENTING	PRODUCTION:	-	-	-	9,500
4-08	COMPLETION UNIT		7 DAYS @	\$2,100.00 / DAY -	-	14,700
4-60	WIRELINE	(PERFORATING AND LOGGING)	-	-	-	8,000
4-62	STIMULATION	(ACIDIZING AND FRACTURING)	-	-	-	70,000
5-53	SUPERVISION	(ENG, GEO)	7 DAYS @	\$400.00 / DAY -	-	2,800
4-15	WATER	(PURCHASE AND HAULING):	-	-	-	8,000
5-06	DIRTWORK	(LOCATION CLEANUP)	-	-	-	2,500
4-27	TRUCKING		-	-	-	4,000
4-16	RENTALS		-	-	-	2,500
5-11	MISC. LABOR	(WELL HOOKUP)	-	-	-	10,000
3-67	MISC. INTANGIBLES		-	-	-	2,000
5-57	ADMINISTRATIVE OVERHEAD		7 DAYS @	\$300.00 / DAY -	-	2,100
	CONTINGENCY		5 %	-	-	6,330
TOTAL COMPLETION INTANGIBLES:					\$0	\$144,930

COMPLETION TANGIBLES						
4-22	LONGSTRING CASING	6650 FEET TYPE:	4 1/2" 11.60 #/ft @	\$6.25 / FOOT -	-	41,563
4-29	TUBING	6650 FEET TYPE:	2 3/8" 4.7 #/ft @	\$2.25 / FOOT -	-	14,963
5-40	VALVES, PIPING, AND FITTINGS		-	-	-	8,000
4-24	WELLHEAD EQUIPMENT	(WELLHEADS, VALVES, FITTINGS, ETC.)	-	-	-	2,500
5-39	PIPELINE	0 FEET TYPE:	2 INCH @	\$5.50 / FOOT -	-	0
5-42	METER RUN		-	-	-	0
5-33	PRODUCTION UNIT		-	-	-	10,000
5-34	DEHYDRATOR		-	-	-	10,000
5-37	PRODUCTION TANK		-	-	-	5,500
5-38	NOISE ABATEMENT		-	-	-	0
5-67	MISC. EQUIPMENT	(FENCES, CULVERTS, ETC.)	-	-	-	3,500
	CONTINGENCY		5 %	-	-	2,723
TOTAL COMPLETION TANGIBLES:					\$0	\$98,748
TOTAL WELL COST:					\$208,898	\$448,376

APPROVALS:	BY	DATE	Working Interest	OWNER SHARE	DRY HOLE	COMPLETED
ROBERT L. BAYLESS, PRODUCER LLC, et al.			97.7778%		\$204,255	\$438,412
WILLIAM R. ANDERSON			2.2222%		\$4,642	\$9,964
			100.0000%		\$208,898	\$448,376

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Article Sent To:

7099 3220 0002 8979 3071

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Name (Please Print) **Mr. William R. Anderson**
 Street, Apt **2139 Elmwood Avenue**
 City, State **Wilmette, IL 60091**

PS Form 3800, October 1995 Edition

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. William R. Anderson
2139 Elmwood Avenue
Wilmette, IL 60091

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **Andrea Anderson** B. Date of Delivery

C. Signature Agent
X Andrea Anderson Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)

7099 3220 0002 8979 3071
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BENSON-MONTIN-GREER DRILLING CORP.

June 23, 2000

Mr. William R. Anderson
2139 Elmwood Avenue
Wilmette, IL 60091

Dear Mr. Anderson:

The Pacific Bank's Trust Department made an assignment to us of oil and gas interests owned by Martin Anderson where the bank was trustee under Martin Anderson's will. We are wondering if you are now the trustee for Martin Anderson. We now propose to drill another well and we show Mr. Anderson's interest was 10%.

We estimate the well will cost \$400,000 to \$500,000 and the Anderson trust has the right to participate in this well to the extent of its 10% interest.

We have an operator who is willing to acquire this interest and participate in drilling the well but only if he can acquire the lease without any overrides or reversionary interests. He is willing to pay \$100 an acre which for Mr. Anderson's 10% interest in 320 acres would be \$3,200.

If the estate would prefer to maintain its interest in the well, let us know and we will send you an AFE and Operating Agreement, etc. If the estate elects to sell the lease, let us know and we will prepare assignments.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

By: 
Albert R. Greer, President

ARG/tp