

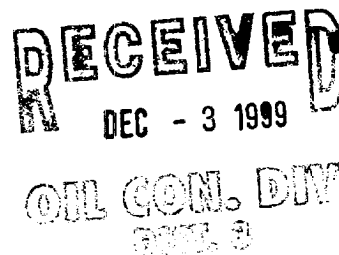


COLEMAN OIL & GAS, INC.

December 3, 1999

State of New Mexico
Energy, Mineral and Natural Resources Department
Oil Conservation Division, District III
1000 Rio Brazos Rd.
Aztec, NM 87410

RE: Federal 11 #3R
Basin Fruitland Coal/Kutz Pictured Cliffs, W.
I, Sec. 11, T28N, R13W
San Juan County, NM



Gentlemen:

Coleman Oil & Gas, Inc. is in the process of completing the captioned well. We will finish completing the well next week and would like to have the gas meter installed on location during the testing process in order to conserve natural resources and prevent venting of the test gas. El Paso Natural Gas requires an approved C-104 in order to begin meter installation.

Coleman Oil & Gas, Inc. respectfully request approval of the enclosed C-104 on a temporary basis in order to complete the installation of the gas meter to conserve natural resources. We will submit another C-104 with complete test information as soon as the well testing is finished.

Sincerely,

Michael T. Hanson
Engineer