

May 3, 1999

Richard P. Shooshan, Trustee of the Shooshan Family Trust 686 East Union Street Pasadena, CA 91101-1820

RE: Compulsory Pooling Case No. 12142

Order No. R-11169 Federal A #1E Well W/2 Section 32-28N-10W San Juan County, New Mexico

Dear Working Interest Owners:

A Compulsory Pooling Application was held before the New Mexico Oil Conservation Division on April 1, 1999, and a copy of the order dated April 28, 1999 is enclosed for your files. As per terms of the order, you shall have 30 days from the date of this letter to tender your share of the drilling cost reflected on the enclosed AFE to Cross Timbers Oil Company (CTOC). Failure to respond within this period will deemed you to elect to go non-consent with your interest in the drilling of this well.

Please let me know if you have any questions concerning our proposal as soon as possible. Feel free to contact me at (817) 870-8454.

Sincerely,

CROSS TIMBERS OIL COMPANY

George & Cox, CPL

Landman

Enclosures

cc: Oil Conservation Division

2040 South Pacheco Street Santa Fe, New Mexico 87505

Attention: Florene Davidson