

ROBERT L. BAYLESS, PRODUCER LLC

OIL & GAS PRODUCER

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January 28, 1999

Certified Mail - Return Receipt Requested

TO: All Interested Parties Entitled To Notice

RE: Application for Downhole Commingling
Robert L. Bayless
Juhan #1
1650' FNL and 1800' FEL
Section 29, T30N R12W
San Juan County, New Mexico

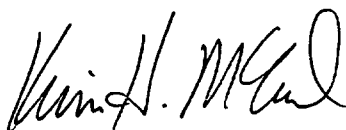
Gentlemen:

Attached you will find Robert L. Bayless' Application to Downhole Commingle the Pictured Cliffs and Fruitland Coal formations in the Juhan #1 well referenced above. Notice of this application is being sent to you in fulfillment of New Mexico Oil Conservation Division Rules requiring notification to all offset operators as well as working, royalty, and overriding royalty interest owners of this well.

As an party whose interest may be affected by this application, Robert L. Bayless is notifying you of your right to support or oppose this action to the New Mexico Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505-6429. Your participation in this case must be noted within 20 days of receipt of this notice. Failure to respond within this time frame may preclude you from any involvement in this application at a later date.

If you have any questions concerning this application, please contact me at the above letterhead address.

Sincerely,



Kevin H. McCord
Petroleum Engineer

Attachments