SAN JUAN DIVISION

October 13, 1999

HAND DELIVERED

Mr. Richard P. Corcoran Energen Resources Corporation 2198 Bloomfield Highway Farmington, NM 87401

Re:

Drilling AFE's

Brookhaven Com #8 Brookhaven Com #9 Brookhaven Com."B" #3B

Dear Rich:

Burlington Oil & Gas Company ("Burlington") has received Energen Resources' ("Energen") transmittal letter of October 11, 1999, advising that Energen elects to "join" in the drilling of the captioned wells under the terms of GLA-46. As previously communicated, Burlington asserts that GLA-46 does not govern the drilling of additional new wells on the subject acreage. The terms of the GLA are so onerous, we would be forced to cancel the wells on economic grounds.

Burlington's meeting with Energen, currently scheduled for Tuesday, October 19, 1999, will be of benefit only if Energen acknowledges that the offered election actually kills the drilling of these three wells. Obviously, Burlington and Energen have much to discuss next week. However, to expedite a final resolution of the issues surrounding GLA-46, Burlington will immediately seek to force pool Energen's interest in the three captioned wells before the New Mexico Oil Conservation Division

Respectfully,

John F. Zent, Land Manage

xc:

GLA-46

J. Strickler

J. Bemis

A. Alexander