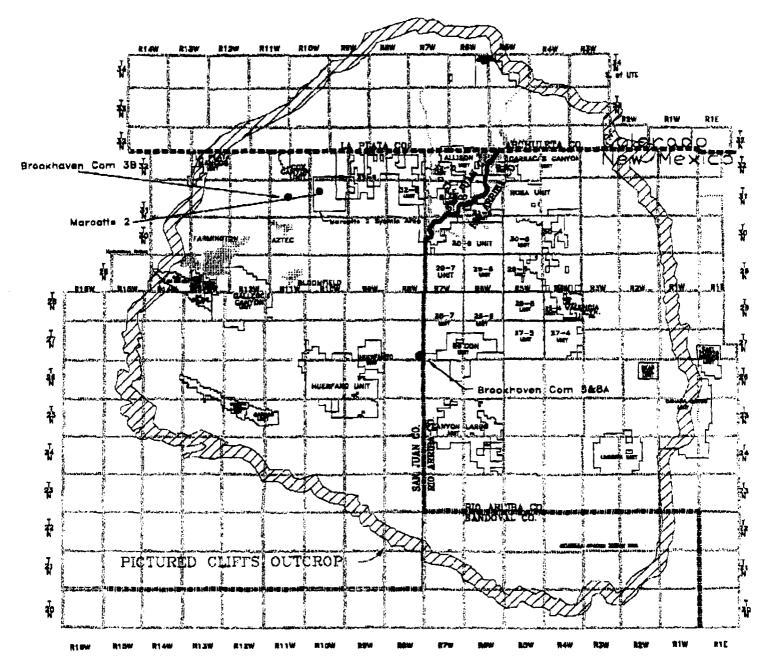
SAN JUAN BASIN LOCATION MAP



Chronology of Events Brookhaven Com B #3B E/2 Section 16, T31N, R11W San Juan County, New Mexico

DATE	EVENT
December 14, 1998	Burlington mails letter with election ballot proposing the Brookhaven Com B #3B
	as Mesaverde new drill to all working interest owners in proposed well. Attached
	to proposal letter is Burlington's AFE and cost estimate.
December 28, 1998	Burlington receives Cheryl L. Potenziani's election ballot to participate in the
	proposed well.
January 15, 1999	Burlington receives Energen Resouces MAQ Inc's election ballot to participate in
	the proposed well under the terms of GLA-46. We advise that GLA-46 does not
	govern the drilling of additional new wells.
May 18, 1999	Burlington mails out a new Operating Agreement dated February 1, 1999 to all
	GLA-46 working interest owners.
September 15, 1999	Burlington mails second request letter with election ballot once again proposing the
	Brookhaven Com B #3B as Mesaverde new drill to all working interest owners in
	proposed well. Attached to proposal letter is Burlington's AFE and new Joint
	Operating Agreement dated February 1, 1999, covering proposed proration unit of
	proposed well.
September 30, 1999	Burlington receives Cheryl L. Potenziani's election ballot to participate in the
	proposed well.
October 11, 1999	Burlington receives a letter and signed ballot from Energen Resources MAQ Inc
	electing to join in the drilling of the Brookhaven Com #8, #9 and the Brookhaven
	Com #3B wells subject to the terms of the Operating Agreement dated November
	27, 1951, as amended.
October 13, 1999	Burlington mails a letter to Energen Resources acknowledging our receipt of their
	letter of October 11, 1999, wherein they elect to join in the drilling of the
	Brookhaven Com #8, #9 and the Brookhaven Com B #3B wells under the terms of
	GLA-46. We advise that GLA-46 does not govern the drilling of additional new
	wells.
October 18, 1999	Burlington receives a letter dated October 14, 1999 from Westport Oil & Gas
	Company, Inc, indicating that they were in receipt of AFE's covering the
	Brookhaven Com #8, #9 and the Brookhaven Com B #3B wells and that they
0.4.1	would participate under the terms of GLA-46.
October 26, 1999	NationsBank as agent for eight (8) working interest owners (see list of owners below) electric to be carried in the proposed well under the terms of GLA 46
	below) elects to be carried in the proposed well under the terms of GLA-46
L	agreement dated November 27, 1951.

~

<u>NationsBank Group</u> F.A. & H.B. Cronican Revocable Trust Herbert R. Briggs William C. Briggs C. Fred Luthy, Jr. WWR Enterprises Marcia Berger Carolyn Nielsen Sedberry Cyrene L. Inman

December 14, 1998

WORKING INTEREST OWNERS DETAILED ON ATTACHED SHEET

RE: <u>New Drill Proposal</u> Brookhaven Com B 3B Mesaverde New Drill NESE Sec. 16 T31N, R11W (E/2 Unit) San Juan County, New Mexico

Ladies and Gentlemen:

Burlington Resources Oil & Gas Company proposes the drilling and completion of the above referenced Mesaverde well, located in the NESE of Sec. 16, T31N, R11W. This pr ject will be performed at a total estimated cost of \$386,488.00 to be borne by the working interest owners detailed below:

Name	Wor' ing Interest	Cost Share of AFE
Burlington Resources	5(.927120%	\$ 196,827
Energen Resources	31.872960%	\$ 138,645
Dacresa Group	<u>1: .199920%</u>	<u>\$ 51,016</u>
TOTAL	10 .000000%	\$ 386,488

Please indicate your approval of the above well proposal by signing and returning a copy of this letter ballot and AFE on or before thirty (30) days from your receipt. If you should have any questions concerning land me at (505) 326-9756.

Sincerely,

James R. J. Strickler, CPL Senior St. ff Landman

JRS:dg Newdrills'98 Enclosures xc: NM-387A (Well File)

> Agreed to and accepted this _____ day of _____, 199___. We a gree to bear our proportionate share of the actual costs to drill and complete the Mesaverde formation of the Brookhaven Com B #3B Well

Compa	ny:		
Name:			
Title:_			

BROOKHAVEN COM B 3B NEW DRILL WORKING INTEREST OWNERS

Energen Resources MAQ, Inc. Attn: Rich Corcoran 2198 Bloomfield Hwy. Farmington, NM 87401

Marcia Berger WWR Enterprises Inc. Carolyn Nielson Sedberry Herbert R. Briggs William C. Briggs Cronican FA & HB Trust Cyrene L. Inman C. Fred Luthy, Jr. c/o NationsBank, N.A. Trust Minerals P.O. Box 2546 Fort Worth, TX 76113-2546

Cheryla Potenzian /

P.O. Box 36600, Station D Albuquerque, NM 87176

Roger B. Nielson 6424 Belton El Paso, TX 79912

		UUUUUUIL	Cesti
· BURLINGTON RESOURCES			
SAN JUAN DIVISION	December 14, 1998	JAN	1 5 1999
WORKING INTEREST OWNERS		AND DI	PARTMEN

DETAILED ON ATTACHED SHEET

> New Drill Proposal Brookhaven Com B 3B Mesaverde New Drill NESE Scc. 16 T31N, R11W (E/2 Unit) San Juan County, New Mexico

Ladies and Gentlemen:

Burlington Resources Oil & Gas Company proposes the drilling and completion of the above referenced Mesaverde well, located in the NESE of Sec. 16, T31N, R11W. This project will be performed at a total estimated cost of \$386,481.00 to be borne by the working interest owners detailed below:

RE:

Name		Working Interest	Cost Share of AFE
Burlington Resources		50.927120%	\$ 196,827
Energen Resources		35.872960%	\$ 138,645
Dacresa Group		13.199920%	<u>\$</u> 51,016
	TOTAL	100.00000%	\$ 386,488

Please indicate your approval of the above well proposal by signing and returning a copy of this letter ballot and AFE on or before thirty (30) days from your receipt. If you should have any questions concerning land me at (505) 326-9756.

Sincerely, James R. J. Strick ler. CPL Senior Staff Landman

JRS:dg Newdrills'98 Enclosures XC: NM-387A (Well File)

/A (wai me)	par	rticipate		
Agreed to and accepted this	day of	, 199	•	
We agree to bear our properties				
complete the Mesaverde formati	ion of the Brookl	haven Com B #3B	Well subject to the	
terms of the November	27,1951 Oper	rating Agree	ment and all applica	ble
terms of the November sumplements and amendme Company:	Nº RESOU	RCES MA	AD JAIG OF	
Name: CHARLES	E. SAL	TZER		
Title: VICE PRESI	DENT	EXPLORA	TON	



SAN JUAN DIVISION

May 18, 1999

GLA-46 Working Interest Owners (detailed on attached sheet)

RE:

: Proposed Operating Agreement Dated February 1, 1999 San Juan County, New Mexico

Ladies and Gentlemen:

Enclosed for your review and execution is a new Joint Operating Agreement dated February 1, 1999 which is intended to replace the original Farmout Agreement Contract dated November 27, 1951 by and between Brookhaven Oil Company and San Juan Production Company. Said Contract and amendments thereto, are hereinafter referred to as "Agreement". Burlington feels the Agreement is inadequate in terms of cost allocations between paties, the contractual right to develop and does not provide for a mutually agreeable solution for development of new wells. Burlington, as Operator under the Agreement, is desirous of drilling five (5) Mesaverde infill wells involving lands subject to the Agreement.

As you are aware, Burlington believes that this Agreement provides for the drilling of eighteen (18) Mesaverde wells, four per year, which obligation Burlington's predecessor long ago satisfied. Burlington's predecessor upon satisfaction of the earning provision of the Agreement, earned an assignment covering an undivided fifty percent interest in the contract lands as to all depths. In essence any new well proposed must be handled by amendment or by mutual agreement of the parties. We currently have five Mesaverde infill wells proposed to various Agreement owners who wish to be carried under the original earning provision (it is Burlington's 1 osition that this provision applies by mutual agreement only) and allows the non-operators to be carried by Burlington. Burlington would then retain (50%) of production and recovering 100% of the non-operators share of costs (based upon mutually acceptable authority for expenditure) out of 50% of the nonoperators share of production without any penalty. Burlington is unwilling to accommodate the non-operators under the original earning provision due to simple This new Operating Agreement allows for the future development of economics. Agreement lands in an orderly fashion and on a fair and equitable basis.

It is our hope that the owners under the Agreement recognize the economic, mechanical and reservoir risks involved in drilling wells in the San Juan Basin and also recognize the value of developing these lands to add additional reserves to replace the old or depleting production. If, for some reason you decide not to pursue the development of these properties in an economic manner for all concerned parties please consider selling your interest to Burlington. Please let us know of your desire to sell and we will furnish you

.

GLA-46 May 18, 1999 Page 2.

with a fair and reasonable offer. Absent your approval of the new Joint Operating Agreement, Burlington is left with two options on handling future wells proposed on these properties (1) cancel the projects; (2) Force Pool the interest at the New Mexico Oil & Gas Commission, which is a costly and time consuming process for all concerned.

For your information, please be advised that Burlington and Amoco Production Company have executed the proposed Joint Operating Agreement, which accounts for approximately 78% of the Agreement owners.

Please review the proposed Joint Operating Agreement fully and offer any comments or suggestions to me at your earliest convenience. If everything meets with your approval please sign and return the signature page to the under igned within thirty (30) days of your receipt.

Thank you very much for your consideration and if you should have any questions please call me at (505) 326-9756.

Very truly yours,

James R.J. Strickler, CPL

Senior Staff Landman

JRS:dg GLA-46 letter

WORKING INTEREST OWNERS GLA-46

1

Amoco Production Company P.O. Box 800 Denver, CO 80201

Energen Resources Attn: Rich Corcoran 2198 Bloomfield Highway Farmington, NM 87401

Westport Oil and Gas Company, Inc. Attn: David Dix 410 Seventeenth Street, Suite 2300 Denver, CO 80202-4436

George William Umbach 2620 S. Maryland Pkwy. #496 Las Vegas, NV 89109

Robert Warren Umbach P.O. Box 5310 Farmington, NM 87499

Lowell White Family Trust c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Walter A. Steele c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113 Estate of G. W. Hannett c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

T. G. Cornish c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Patricia Hueter c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Mary Emily Voller c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

A. T. Hannett c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

William C. Briggs
c/o Nations Bank, N.A. Agent
Private Clients Group
Professional Services Division
Attn: Ed DiRe
P.O. Box 2546
Ft. Worth, TX 76113

Herbert R. Briggs c/o Nations Bank, N.A. Agent Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

F.A & H.B. Cronican Rev. Trust c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

C. Fred Luthy Jr. c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

WWR Enterprises c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Marcia Berger c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Carolyn Sedberry c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113 Cyren Inman Trust c/o Nations Bank, N.A. Agent Private Clients Group Professional Services Division Attn: Ed DiRe P.O. Box 2546 Ft. Worth, TX 76113

Roger B. Nielsen 6424 Belton El Paso, TX 79912

Cheryl L. Potenziani P.O. Box 36600, Station D Albuquerque, NM 87176

Cross Timbers Oil Company Attn: Mr. Win Ryan 810 Houston Street, Suite 2000 Ft. Worth, TX 76102-6298



SAN JUAN DIVISION CERTIFIED MAIL-Return Receipt Requested

September 15, 1999

WORKING INTEREST OWNERS ON ATTACHED SHEET

RE:

: <u>SECOND REQUEST-NEW DRILL PROPOSAL</u>

Brookhaven Com B #3B (Mesaverde) NE SE Sec. 16, T31N, R11W (E/2 Unit) San Juan County, New Mexico

Ladies and Gentlemen:

Burlington Resources Oil & Gas Company proposes the drilling and completion of the referenced Mesaverde well (proposed depth: 5,600'), which was originally proposed on December 14, 1998. This project has a total estimated cost of \$386,488.00 to be borne by the working interest owners detailed below:

Name	Working Interest	Cost Share of AFE
Burlington Resources	50.927120%	\$196,827
Energen Resources	24.752346%	\$95,665
Dacresa Group c/o Bank of America	10.394707%	\$40,1 74
We stport Oil & Gas Company	11.120620%	\$42,980
Ch ryl L. Potenziani	.92670 2%	\$3,582
Ro, er B. Nielsen	<u>1.878502%</u>	\$7,260
Total:	<u>100.00000%</u>	\$386,488

The blanket operating agreement dated February 1, 1999, proposed on May 18, 1999 is enclosed for your review and approval. Please let us know if you wish to limit this Operating Agreement to the subject drill block lands. A revised Exhibit "A" shall be forwarded to you upon request.

Please indicate your approval of the above well proposal by signing and returning a copy of this letter ballot, AFE, and one (1) executed signature page for the Operating Agreement dated February 1, 1999, on or before September 30, 1999. If you should have any questions concerning our proposal, please call me at (505) 326-9756.

Sincerely. mes R. J. 'trickler, Senior Staf Landman

JRS/ci Enclosures xc: NM-387A (Well file)

> Agreed to and accepted this ______ day of ______, 1999. We agree to bear our proportionate share of the actual costs to drill and complete the Mesaverde formation in the Brookhaven Com B #3B well.

Company:		
Name:		
Title:		

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

Z 554 656 916

US Postal Service Receipt for Certified Mail nsurance Coverage Provided. not use for International Mail (See reverse) Sent to

Energen Resources MAQ, Inc. Attn: Rich Corcoran 2198 Bloomfield Highway Farmington, NM 87401

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	Special Delivery Fee	-	
2	Restricted Delivery Fee		
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April	Return Receipt Showing to Whom, Date, & Addressee's Address		
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<u>ନ</u>	Brookhaven Com B #3]	в	
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 SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered. 		I also wish to rea following service extra fee): 1.	es (for an ee's Address ed Delivery
3. Article Addressed to: Energen Resources MAQ, Inc. Attn: Rich Corcoran 2198 Bloomfield Highway Farmington, NM 87401	4a. Article N 255 4b. Service Register Express Return Re 7. Date of D 9. 1	4 (056 C Type ed Mail ceipt for Merchandise	Certified Insured COD
5 Received By: (Print Name) 6. Signature: (Addressee & Agent) X PS Form 3811, December 1994	8. Addresse and fee is	e's Address (Only s paid) Domestic Reti	

Z 554 656 918

US Postal Service **Receipt for Certified Mail** No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to Marcia Berger, et al c/o Bank of America Attn: Ed Di Re P.O. Box 25546 Fort Worth, TX 76113-2546 Certified Fee Special Delivery Fee Restricted Delivery Fee 1995 Return Receipt Showing to Whom & Date Delivered April Return Receipt Showing to Whom. Date, & Addressee's Address 3800. TOTAL Postage & Fees \$ Postmark or Date Form 9-16-99 Brookhaven Com #8 Brookhaven Com #9 S khaven Com B #3B ~ ~

 SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article The Return Receipt will show to whom the article was delivered and delivered. 	e does not le number.	I also wish to rec following service extra fee): 1.	s (for an ee's Address d Delivery
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Z 554 656 921

US Postal Service Sent to

Cross Timbers Oil Company Attn: Vaughn Vennerberg 810 Houston Street, Suite 2000 Fort Worth, TX 76102-6298

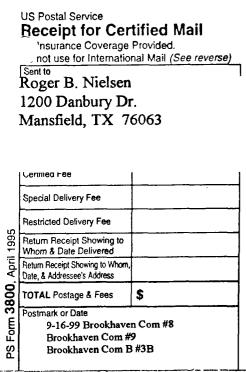
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щ	Brookhaven Com #9	
S	Brookhaven Com B	#3B

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ADDRESS completed on	3. Article Addressed to: Cross Timbers Oil Company Attn: Vaughn Vennerberg 810 Houston Street, Suite 2000 Fort Worth, TX 76102-6298	Express Mail Insu Return Receipt for Merchandise COI T. Date of Delivery		ter for fee.
s your BETURN	5. Received By: (Print Name) 6. Signature: (Addresses or Agent) X PS Form 3811, December 1994 10	8. Addressee's Address (Only if requested and fee is paid)		

Z 554 656 917

V A	US Postal Service Receipt for Cert No Insurance Coverage Do not use for Internation Sent to Westport Oil & Ga Attn: Kent Davis	Provided. hal Mail (See reverse) as Company	n the reverse side?	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article The Return Receipt will show to whom the article was delivered and delivered.	e does not e number.	I also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.
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	Ceranea ree		comp	Attn: Kent Davis 410 Seventeenth Streat, Ste 2300	4b. Service	-
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995	Restricted Delivery Fee Return Receipt Showing to		ADDRE		7. Date of D	ceipt for Merchandise COD 9 elivery 5 20-99 7
, April 1	Whom & Date Delivered Return Receipt Showing to Whom, Date, & Addressee's Address		8.	5. Received By: (Print Name)	8. Addresse and fee is	e's Address (Only if requested ; paid)
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PS Form 36	Postmark or Date 9-16-99 Brookhaven Co Brookhaven Com #9 Brookhaven Com B #3E		ls yo	X PS Form 3811 , December 1994 102	2595-98-8-022 9	Domestic Return Receipt

Z 554 656 920



the reverse side?	SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we card to you. • Attach this form to the front of the mailpiece, or on the back if space permit. • Write "Return Receipt Requested" on the mailpiece below the article The Return Receipt will show to whom the article was delivered.	I also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.		
ADDRESS completed on	3. Article Addressed to: Roger B. Nielsen 1200 Danbury Dr. Mansfield, TX 76063	4a. Article Number Z 554 656 930 4b. Service Type Begistered X Certifie Express Mail Insure Return Receipt for Merchandise COD 7. Date of Delivery $9-29-49$		
Is your RETURN	5. Received By: (Print Name) 6. Signature (Addressee or Agent) X PS Form 3611 , December 1994	8. Addressee's Address (Only if requeste and fee is paid) 102595-98-8-0229 Domestic Return Rece		

Z 554 656 919

US Postal Service Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to Cheryl L. Potenziani P.O. Box 36600, Station D Albuquerque, NM 87176

PS Form 3800	Postmark or Date 9-16-99 Brookhaven Com #8 Brookhaven Com #9 Brookhaven Com B #3B		
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April 1995	Return Receipt Showing to Whom & Date Delivered		
	Restricted Delivery Fee		
	Special Delivery Fee		
	Certified Fee		

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8. Address to Address (Only i requested and fee is paid 000
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October 11, 1999

CERTIFIED MAIL

Mr. James Strickler Burlington Resources PO Box 4289 Farmington, NM 87499-4289

OGT I 3 1999

RE: Drilling AFEs Brookhaven Com #9 Brookhaven Com #8 Brookhaven Com B #3B San Juan County, New Mexico

Dear James:

Reference is made to three drilling proposals each dated September 15, 1999, which provide for the drilling of the Brookhaven Com #9, Brookhaven Com #8, and the Brookhaven Com B #3B wells.

Energen Resources Corporation (Energen) has tentatively scheduled a meeting with Burlington Resources for October 18, 1999 to discuss the status of GLA-46. Until an agreement that changes or eliminates the terms of GLA-46 has been reached, Energen will continue to honor the provisions of said agreement.

This is to confirm that Energen Resources Corporation hereby elects to join in drilling the three wells in question under the terms of GLA-46, dated November 27, 1951, as amended.

Thank you for your consideration in this matter. We look forward to resolving the issues surrounding GLA-46.

Sincerely,

Richard Corcoran District Landman

RC/tm



SAN JUAN DIVISION CERTIFIED MAIL-Return Receipt Requested

September 15, 1999

WORKING INTEREST OWNERS ON ATTACHED SHEET

RE:

SECOND REQUEST-NEW DRILL PROPOSAL

Brookhaven Com B #3B (Mesaverde) NE SE Sec. 16, T31N, R11W (E/2 Unit) San Juan County, New Mexico

Ladies and Gentlemen:

Burlington Resources Oil & Gas Company proposes the drilling and completion of the referenced Mesaverde well (proposed depth: 5,600'), which was originally proposed on December 14, 1998. This project has a total estimated cost of \$386,488.00 to be borne by the working interest owners detailed below:

Name	Working Interest	Cost Share of AFE
Burlington Resources	50.927120%	\$196,827
Energen Resources	24.752346 %	\$95,665
Dacresa Group c/o Bank of America	10.394707%	\$40,174
Westport Oil & Gas Company	11.120620%	\$42,980
Cheryl L. Potenziani	.92670 2%	\$3,582
Roger B. Nielsen	1.878502%	<u>\$7,260</u>
Total:	100.000000%	\$386,488

The blanket operating agreement dated February 1, 1999, proposed on May 18, 1999 is enclosed for your review and approval. Please let us know if you wish to limit this Operating Agreement to the subject drill block lands. A revised Exhibit "A" shall be forwarded to you upon request.

Please indicate your approval of the above well proposal by signing and returning a copy of this letter ballot, AFE, and one (1) executed signature page for the Operating Agreement dated February 1, 1999, on or before September 30, 1999. If you should have any questions concerning our proposal, please call me at (505), 326-9756.

	Sincerely,		TT/
K	Jumes R. J. Strick	F CFL	all a
\bigcirc	Senior Staff Land		

JRS/cl Enclosures xc: NM-387A (Well file)

Agreed to and accepted this <u>llth</u> day of <u>October</u> We agree to bear our proportionate share of the actual costs to drill a	
the Brookhaven Com B#3B well* Company: ENERGEN RESOURCES CORPORATION	We agree to participate in drilling and completing the Brookhaven Com
Name:	B #3B well subject to the terms of that certain Operating Agreement
Title:General Manager - San Juan Basin	dated November 27, 1951, as amended.



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,

xc:

GLA-46 J. Strickler J. Bemis A. Alexander

3535 East 30th St., 87402-8801, P.O. Box 4289, Farmington, New Mexico 87499-4289, Telephone 505-326-9700, Fax 505-326-9833

.



WESTPORT OIL AND GAS COMPANY, INC.

410 Seventeenth Street #2300 Denver Colorado 80202-4436 Telephone: 303 573 5404 Fax: 303 573 5609

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October 14, 1999

Burlington Resources P.O. Box 4289 Farmington, New Mexico 87449-4289 Attn: James R. J. Strickler, CPL

RE: AFE's Brookhaven Com #8 Brookhaven Com B#3B Brookhaven Com #9 San Juan County, New Mexico

Dear Mr. Strickler:

Westport Oil and Gas Company, Inc. (Westport) is in receipt of AFE's covering the drilling and completion of the three (3) referenced wells. Please be advised that Westport would participate in the drilling of these wells but we believe the operative agreement to be the GLA-46 agreement dated November 27, 1951 by and between Brookhaven Oil Company and San Juan Production Company. As you know the Farmout Agreement caps the amount of expenditures which can be billed to Westport.

Should you have a different interpretation of this agreement please let me know.

Very truly yours,

David R. Dix Land Manager

DRD/cac

cc: Paul Rote Energen





Bank of America Private Bank Oil and Gas Management TX1-497-04-07 PO Box 2546 Fort Worth, TX 76113-2546

Teł 817.390.6161 Fax 817.390.6494

October 26, 1999

Burlington Resources San Juan Division Mr. James Strickler, CPL P.O. Box 4289 Farmington, New Mexico 87499-4289

RE: Brookhaven Com # B #3B (Mesaverde) NE SE Sec 16-31N-11W (E/2 Unit)) San Juan County, New Mexico

Dear Mr. Strickler,

Bank of America, N.A., as agent/Trustee for the following Working Interest Owners, elects to be carried in the above well under the terms of the GLA-46 agreement Dated November 27, 1951.

F.A. & H.B. Cronican Rev. Tr. Herbert R. Briggs William C. Briggs C. Fred Luthy Jr. WWR Enterprises Marcia Berger Carolyn Sedberry Cyrene Inman Bank of America, N.A., Trustee

Please provide us with copies of the drilling reports and payout statements at the above letterhead address.

If I can be of assistance you can reach me at 817 390-6762.

Yours truly,

Ed DiRe,

Vice President

cc: Cathy Rugen Janet Cunningham Shena Hutto