



## REDWOLF PRODUCTION, INC.

January 4, 2001

New Mexico Oil Conservation Division  
1220 S. St. Francis Dr.  
Santa Fe, NM 87504

Maralex Resources, Inc.  
621 17<sup>th</sup> Street, Suite 1125  
Denver, CO 80293

*Case 12299*

RE: Actual Well Costs  
Bear No. 1  
790' FNL, 1190' FEL  
Section 36, T26N, R13W  
San Juan County, New Mexico

Dear Sirs:

Please find attached actual well costs for the drilling, completion, and pipeline connection of the Bear No. 1 well, located in Section 36, Township 26 North, Range 13 West, San Juan County, New Mexico. As required by Compulsory Pooling Order No. R-11301-B, Redwolf Production, Inc. submits these costs as the actual and reasonable well costs for non-consent penalty determinations.

If you have any questions or need additional data, please give me a call at (505) 326-4125. Thank you for your consideration in this matter.

Sincerely,

*Dana L. Delventhal*

Dana L. Delventhal  
Vice President