

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713
Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245
Fax (505) 827-5766



**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724
Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744
Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793
Fax (505) 827-5711

January 24, 2000

Falcon Creek Resources, Inc.
621 Seventeenth Street, Suite 1800
Denver, Colorado 80293-0621

Attention: Mr. Lynn D. Becker

Re: West Teas (Yates-Seven Rivers) Secondary Recovery Unit
Lea County, New Mexico

This office has reviewed the unexecuted copy of unit agreement, which you have submitted for the proposed West Teas (Yates-Seven Rivers) Unit Area, Lea County, New Mexico. It is our understanding that fresh water will not be used in the waterflood operations.

This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division and approval by the Bureau of Land Management. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.
4. A copy of the Unit Operating Agreement.
5. A copy of your Initial Plan of Operation.
6. A re-designation of well names and numbers.
7. The filing fee for a unit agreement is \$30.00 dollars for every section of partial section thereof. Please submit a \$120.00 filing fee.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 12331 and 12332 Exhibit No. 6

Submitted by:

Falcon Creek Resources, Inc.

Hearing Date: February 17, 2000

"WE WORK FOR EDUCATION"

310 Old Santa Fe Trail, P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Falcon Creek Resources, Inc.
January 24, 2000
Page 2

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS



BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/pm

pc: Reader File
OCD-Attention: Roy Johnson
BLM-Roswell, Attention Mr. Armando Lopez



LTR



Job separation sheet

Ratifications

West Teas Unit, Lea County, NM

By Tract as of

February 16, 2000

Tract No.	Owner Name	Int. Type	Tract WI	Tract NRI	Voting Percentage	Executed Joinder/ Ratification
1A.	Falcon Creek Resources, Inc.	WI	100.000000%	80.000000%	100.000000%	100.000000%
1B.	Falcon Creek Resources, Inc.	WI	100.000000%	75.000000%	100.000000%	100.000000%
2A.	Falcon Creek Resources, Inc.	WI	100.000000%	75.000000%	100.000000%	100.000000%
2B.	Falcon Creek Resources, Inc.	WI	94.116471%	70.587353%	94.116471%	94.116471%
2B.	PATCO, Ltd.	WI	2.500000%	1.875000%		
2B.	Sid Cowan	WI	2.383529%	1.787647%	2.383529%	2.383529%
2B.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	96.500000%	96.500000%
2C.	Falcon Creek Resources, Inc.	WI	94.605871%	70.954403%	94.605871%	94.605871%
2C.	Sid Cowan	WI	2.228000%	1.671000%	2.228000%	2.228000%
2C.	Charles McNeese	WI	2.000000%	1.500000%		
2C.	Sheehy & Richardson	WI	1.166129%	0.874597%		
			100.000000%	75.000000%	96.833871%	96.833871%
2D.	Falcon Creek Resources, Inc.	WI	94.500000%	70.875000%	94.500000%	94.500000%
2D.	PATCO, Ltd.	WI	2.500000%	1.875000%		
2D.	Sid Cowan	WI	2.000000%	1.500000%	2.000000%	2.000000%
2D.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	96.500000%	96.500000%
2E.	Falcon Creek Resources, Inc.	WI	88.316213%	66.237160%	88.316213%	88.316213%
2E.	Kenneth English	WI	10.000000%	7.500000%		
2E.	Sheehy & Richardson	WI	1.000000%	0.750000%		
2E.	Sid Cowan	WI	0.683787%	0.512840%	0.683787%	0.683787%
			100.000000%	75.000000%	89.000000%	89.000000%
2F.	Falcon Creek Resources, Inc.	WI	94.250000%	70.687500%	94.250000%	94.250000%
2F.	PATCO, Ltd.	WI	2.500000%	1.875000%		
2F.	Sid Cowan	WI	2.000000%	1.500000%	2.000000%	2.000000%
2F.	Sheehy & Richardson	WI	1.250000%	0.937500%		
			100.000000%	75.000000%	96.250000%	96.250000%
2G.	Falcon Creek Resources, Inc.	WI	97.000000%	72.750000%	97.000000%	97.000000%
2G.	Sid Cowan	WI	2.000000%	1.500000%	2.000000%	2.000000%
2G.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	99.000000%	99.000000%
3.	Falcon Creek Resources, Inc.	WI	97.000000%	72.750000%	97.000000%	97.000000%
3.	Sid Cowan	WI	2.000000%	1.500000%	2.000000%	2.000000%
3.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	99.000000%	99.000000%
4.	Falcon Creek Resources, Inc.	WI	100.000000%	75.000000%	100.000000%	100.000000%
5A.	Falcon Creek Resources, Inc.	WI	97.000000%	72.750000%	97.000000%	97.000000%
5A.	Sid Cowan	WI	2.000000%	1.500000%	2.000000%	2.000000%
5A.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	99.000000%	99.000000%
5B.	Falcon Creek Resources, Inc.	WI	100.000000%	83.333330%	100.000000%	100.000000%
5C.	Falcon Creek Resources, Inc.	WI	100.000000%	83.333330%	100.000000%	100.000000%
6A.	Falcon Creek Resources, Inc.	WI	96.924030%	72.693023%	96.924030%	96.924030%
6A.	Sid Cowan	WI	2.075970%	1.556978%	2.075970%	2.075970%
6A.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	99.000000%	99.000000%
6B.	Falcon Creek Resources, Inc.	WI	96.909405%	72.682054%	96.909405%	96.909405%
6B.	Sid Cowan	WI	2.090595%	1.567946%	2.090595%	2.090595%
6B.	Sheehy & Richardson	WI	1.000000%	0.750000%		
			100.000000%	75.000000%	99.000000%	99.000000%
7.	Falcon Creek Resources, Inc.	WI	100.000000%	87.500000%	100.000000%	100.000000%

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 12331 and 12332 Exhibit No. 7
Submitted by:
Falcon Creek Resources, Inc.
Hearing Date: February 17, 2000