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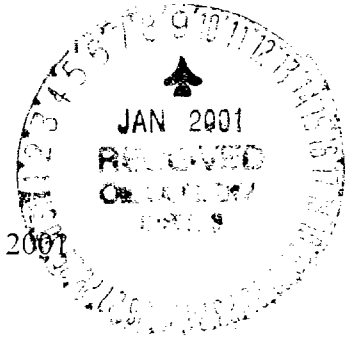
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*R-11462*  
COLEMAN OIL & GAS, INC.

Oil Conservation Division  
1000 Rio Brazos Rd.  
Aztec, N.M. 87410

*ms.* January 8, 2001



Re: Notification of Farmout Agreement--OCD Case No. 12485

Gentlemen:

Pursuant to the above listed Case requirement, Coleman Oil & Gas, Inc. is notifying the Oil Conservation Division/Commission that we have secured a Farmout Agreement with Koch Exploration Company. We plan to proceed with permitting and drilling our pilot wells in T24N, R10W, San Juan County, New Mexico. The BLM has been contacted as well. Thank-you.

Sincerely,

G. Chris Coleman  
Vice-President