

CONCHO RESOURCES INC.

Suite 410
110 W. Louisiana
Midland, Texas 79701

(915) 683-7443
FAX 683-7441

November 9, 1999

Dear Interest Owner and Purchaser:

Re: Notification of Application of Concho Resources Inc. for Administrative Approval
For Lease Commingling and Off Lease Sales and Measurement of Gas
Production
Lonetree 14 State No. 1 Well
Sec. 14, T-21S, R-27E, Eddy County, New Mexico

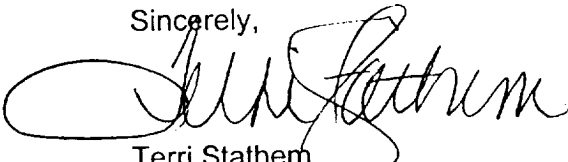
Concho Resources Inc. is requesting your approval for off lease measurement and sales and surface commingling of gas production from the Lonetree '14' State No. 1 well. The common sales meter for said wells is located in Unit K, Section 13, T-21S, R-27E in Eddy County, New Mexico.

The working interest and the royalty interests are not common in the two wells therefore; production from each well will be metered separately at the well before being commingled.

A copy of our application to the NMOCD is enclosed for your review. If you have any objection to this request, it is necessary for you to file a written objection within twenty (20) days of November 9, 1999 with NMOCD. If you have no objections to this proposal it is not necessary for you to file anything.

Should you have any questions please feel free to call Jim Blount, Engineer or me at (915) 683-7443.

Sincerely,



Terri Stathem
Production Analyst

ATTACHMENT IV