

Maralo, Inc.
Surface Commingling of Gas Production
Bilbrey 34 Federal and Prohibition Federal Unit Leases

The actual commercial value of such commingled production will not be less than the sum of the values of the production from each common source of supply.

Notice of intent to commingle production from the separate leases was sent by certified mail on January 8, 1999, to the Working Interest Owners (see attached).

Please contact Phillip Smith, Operations Manager or Dorothea Logan at (915) 684-7441 if further is required.

For information purposes not related to the above request, Maralo, Inc. is in the process of changing it's name from Maralo, Inc. to Maralo, LLC effective January 1, 1999. This is being completed by following New Mexico State Corporation Commission guidelines, along with notification and clearances from New Mexico regulatory agencies, and in accordance with BLM bond filing requirements. This is a name change only. The OGRID number, all addresses, phone numbers, tax and revenue information, etc. will remain the same.

Sincerely,



Dorothea Logan
Regulatory Analyst

Enclosures

cc: OCD/Hobbs
BLM/Roswell