HERBALY PETROLEUM CORP.

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Mr. David S. Guzy Chief, Rules and Publications Staff Minerals Management Service Royalty Management Program P.O. Box 25165, M.S. 3021 Denver, Colorado 80225

Ladies and gentlemen;

I support the rules proposed by MMS for accounting and auditing relief for marginal oil and gas properties published in the Federal Register on January 21, 1999. The proposed rules would enable both the government and industry to reduce paperwork on marginal properties. This will be particularly helpful to very small operators who operate a large number of marginal properties. While the paperwork reduction may seem small, keeping stripper wells alive is basically a process of making lots and lots of very small cost reductions.

Yours truly,

HERBALY PETROLEUM CORP.

David L. Herbaly

David L. Herbaly Vice President

cc: Ms. Carla Wilson, IPAMS