

**CONCHO EXPLORATION INC.**

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0962

January 15, 2004

Mr. Roy Glen Fox  
394 Purdue Lane  
Weatherford, Texas 76085

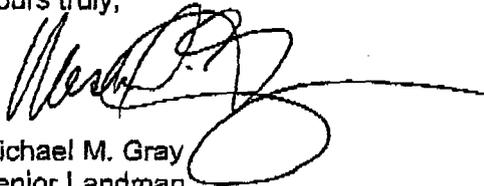
Harris 3-C #1 Well  
Township 13 South, Range 38 East  
Section 3: 1980' FNL & 1650' FWL  
Lea County, New Mexico  
Enerstar South Prospect  
Files #711319 & #301141-04

Dear Mr. Fox:

Concho Exploration Inc. proposes the drilling of the Harris 3-C #1 Well as a 9,800' Abo/Wolfcamp well at the captioned location. An Authority For Expenditure is enclosed for your review.

If you desire to participate in the drilling of our well, please execute and return one copy of the enclosed Authority For Expenditure indicating your election to participate. Please also complete and return the enclosed Geological Well Requirements Schedule or furnish us with your own Geological Requirements Letter. If you elect to participate in the well, an Operating Agreement will be sent to you for your review and execution. If you do not want to participate in the drilling of this well, Concho will consider acquiring your interest under mutually acceptable terms. If you have any questions please contact me at the letterhead address and phone number.

Yours truly,



Michael M. Gray  
Senior Landman

enclosure  
MMG/ff:enerstarco(81)

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No.13247 Exhibit No. 4  
Submitted By:  
*Chesapeake Inc.*  
Hearing Date: April 15, 2004

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

REMAILED 2/11/04 TO CORRECTED ADDRESS.

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0665

January 15, 2004

Matrix New Mexico Holdings, LLC  
1650 Highway 6 South, Suite 120  
Sugar Land, Texas 77478-4921

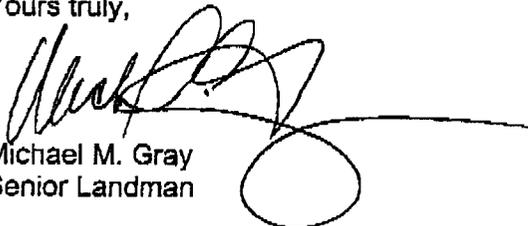
**Harris 3-C #1 Well**  
**Township 13 South, Range 38 East**  
**Section 3: 1980' FNL & 1650' FWL**  
**Lea County, New Mexico**  
**Enerstar South Prospect**  
**Files #711319 & #301141-04**

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Yours truly,

  
Michael M. Gray  
Senior Landman

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7002 3150 0005 0459 0894*

January 15, 2004

Mr. Robert E. Landreth  
505 N. Big Spring, Suite 507  
Midland, Texas 79701

**Harris 3-C #1 Well**  
**Township 13 South, Range 38 East**  
**Section 3: 1980' FNL & 1650' FWL**  
**Lea County, New Mexico**  
**Enerstar South Prospect**  
**Files #711319 & #301141-04**

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Michael M. Gray  
Senior Landman

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Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7002 3150 0005 0459 0900*

January 15, 2004

Allante Joint Venture  
500 West Texas, Suite 1000  
Midland, Texas 79701

**Harris 3-C #1 Well**  
**Township 13 South, Range 38 East**  
**Section 3: 1980' FNL & 1650' FWL**  
**Lea County, New Mexico**  
**Enerstar South Prospect**  
**Files #711319 & #301141-04**

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Michael M. Gray  
Senior Landman

## CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7002 3150 0005 0459 0931*

January 15, 2004

Fasken Land and Minerals Ltd.  
303 W. Wall, Suite 1900  
Midland, Texas 79701

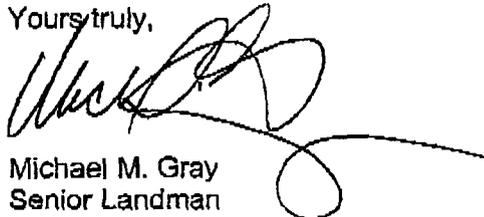
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550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7002 3150 0005 0459 0924*

January 15, 2004

Hallwood Energy Partners LP  
4610 S. Ulster Street, Suite 200  
Denver, Colorado 80237

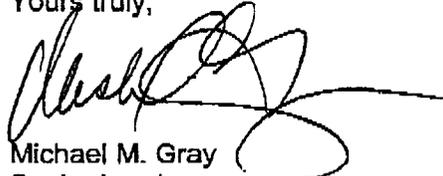
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**Enerstar South Prospect**  
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Senior Landman

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Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7003 1680 0006 6280 4995*

February 11, 2004

H E P Partners, L.P.  
500 West Illinois  
Midland, Texas 79701

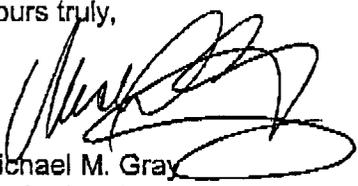
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550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0917

January 15, 2004

E M Nominee Partnership Co.  
P. O. Box 37811  
Denver, Colorado 80237

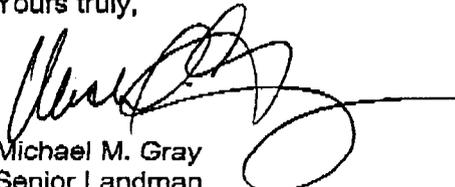
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Yours truly,

  
Michael M. Gray  
Senior Landman

enclosure  
MMG/tf.enerstarso(85)

*Resent 2/11/04 to  
HEP Partners L.P.*

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail*

January 15, 2004

To the Working Interest Owners shown on the attached Exhibit "A"

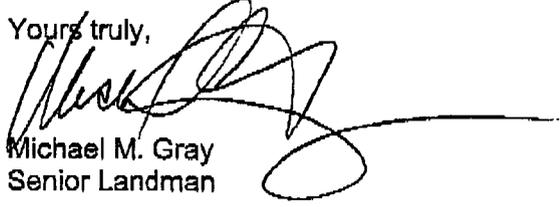
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**Enerstar South Prospect**  
**Files #711319 & #301141-04**

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Please indicate whether or not you desire to participate in this well by marking the appropriate space below, and if you elect to participate, by executing and returning one copy of this letter along with an executed copy of the enclosed AFE. Please also complete and return the enclosed Geological Well Requirements Schedule or furnish us with your own Geological Requirements Letter.

The working interests set forth on Exhibit "A" represent our analysis of the leasehold ownership under the location. The Title Opinion will be distributed to you upon receipt. We expect the Title Opinion to be completed in February.

Yours truly,  
  
Michael M. Gray  
Senior Landman

Claude C. Arnold Working Interest Oil  
& Gas Properties, LLC

\_\_\_\_\_ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed an executed Authority For Expenditure.

\_\_\_\_\_ Will NOT participate in the drilling of the Harris 3-C #1 Well.

By: \_\_\_\_\_  
Printed Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail*

January 15, 2004

To the Working Interest Owners shown on the attached Exhibit "A"

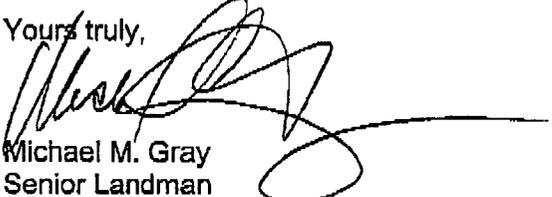
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Yours truly,  
  
Michael M. Gray  
Senior Landman

Blake Arnold Working Interest Oil  
& Gas Properties, LLC

\_\_\_\_\_ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed  
an executed Authority For Expenditure.

\_\_\_\_\_ Will NOT participate in the drilling of the Harris 3-C #1 Well.

By: \_\_\_\_\_  
Printed Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit "A"****Harris 3-C #1 Well  
(New Drill Proposal)  
Enerstar South Prospect****Township 13 South, Range 38 East  
Section 3: 1980' FNL & 1650' FWL  
Lea County, New Mexico****Working Interest Owner****Working Interest**

Claude C. Arnold Working Interest Oil & Gas Properties, LLC 4323 NW 63 <sup>rd</sup> Street, Suite 200 Oklahoma City, OK 73116	8.19616%
Blake Arnold Working Interest Oil & Gas Properties, LLC 4323 NW 63 <sup>rd</sup> Street, Suite 200 Oklahoma City, OK 73116	2.04904%
Tropical Minerals, Inc. P.O. Box 20671 Oklahoma City, OK 73156-0671	0.68301%
Monarch Resources, LLC P. O. Box 1197 Oklahoma City, OK 73102-9998	0.68301%
Enerstar Resources O&G, LLC P. O. Box 606 Carlsbad, NM 88211	7.17164%
Rehoboth, Inc. 2600 W. Coffee Creek Road Edmond, OK 73003	2.04904%
J. Durwood Pate Trust 3625 Goodger Oklahoma City, OK 73112	0.68301%
James D. Pate, Jr. Trust dated 8-8-86 3625 Goodger Oklahoma City, OK 73112	0.68301%
Joe H. Pate Trust 3625 Goodger Oklahoma City, OK 73112	0.68301%
Larry Fenity 2301 Brookside Avenue Edmond, OK 73034	0.68301%
David C. Story 1816 Rising Star Lane Edmond, OK 73034	0.34151%

Exhibit "A" (Continued)  
Harris 3-C #1 Well (New Drill Proposal)

**Working Interest Owner**

**Working Interest**

H. J. Freede, Inc.  
430 NW 13<sup>th</sup> Street  
Oklahoma City, OK 73103

5.46411%

Cardinal River Farm, Inc.  
5100 Wisteria Drive  
Oklahoma City, OK 73142

1.70753%

Bob Blundell, Jr.  
P. O. Box 386  
Carlsbad, NM 88221

4.78109%

Discovery Exploration  
410 North Main  
Midland, TX 79701

11.95273%

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

*Via Certified/Return Receipt Mail #7003 1680 0006 6280 4971*

February 10, 2004

Mr. Stanley J. Dimsha  
1919 West Jefferson Avenue  
Lovington, New Mexico 88260.

Harris 3-C #1 Well  
Township 13 South, Range 38 East  
Section 3: 1980' FNL & 1650' FWL  
Lea County, New Mexico  
Enerstar South Prospect  
Files #711319 & #301141-04

Dear Mr. Dimsha:

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The Title Opinion will be distributed to you upon receipt; we expect it to be completed soon.

Yours truly,  
  
Michael M. Gray  
Senior Landman

**Stanley J. Dimsha**

\_\_\_\_\_ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed an executed Authority For Expenditure.

\_\_\_\_\_ Will **NOT** participate in the drilling of the Harris 3-C #1 Well.

By: \_\_\_\_\_  
Stanley J. Dimsha  
Date: \_\_\_\_\_

# CONCHO EXPLORATION INC.

Fasken Center, Tower II  
550 W. Texas Ave., Ste. 1300  
Midland, Texas 79701

(432) 683-7443  
FAX 683-7441

Via Certified/Return Receipt Mail #7003 1680 0006 6280 4988

February 10, 2004

J. P. H. Oil Producers, Inc.  
P. O. Box 585  
Lovington, New Mexico 88260

RECEIVED  
FEB 23 2004  
MAILROOM

Harris 3-C #1 Well  
Township 13 South, Range 38 East  
Section 3: 1980' FNL & 1650' FWL  
Lea County, New Mexico  
Enerstar South Prospect  
Files #711319 & #301141-04

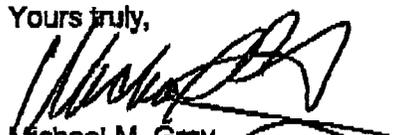
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Yours truly,

  
Michael M. Gray  
Senior Landman

J. P. H. Oil Producers, Inc.

Will participate in the drilling of the Harris 3-C #1 Well and have enclosed an executed Authority For Expenditure.

Will **NOT** participate in the drilling of the Harris 3-C #1 Well.

By:   
Printed Name/Title: Jimmy Hodge, President  
Date: 2-14-04