



EXHIBIT "A"

CERTIFIED MAIL
7005 1820 0002 8596 5312

September 10, 2007

Steven Mayer Mizel
c/o Kaufman Alsberg & Co.
20 Broad Street
27th Floor
New York, NY 10005

Re: **Paid Up Oil and Gas Lease Offer**
Township 32 North, Range 6 West, N.M.P.M.
Section 22: NW/4
160.00 gross acres
San Juan County, New Mexico

Dear Mr. Mizel:

Energen Resources Corporation ("Energen") proposes to horizontally drill and complete the San Juan 32-5 Unit 115S Fruitland Coal well in the W/2 of Section 22, T32N, R6W, San Juan County, New Mexico. This well is being proposed as a result of Energen's success in completing wells in the area in this manner.

Currently, the San Juan County, New Mexico records shows that you own an undivided one-sixteenth (1/16th), or 10.00 net mineral acres in the above described unleased lands. Energen hereby offers to lease your oil and gas mineral interest under a Paid Up Oil and Gas Lease with the following terms: \$50.00 per net mineral acre bonus consideration, five (5) year term, and a one-eighth (1/8) royalty.

Please find enclosed herein an original and one (1) copy of the Paid Up Oil and Gas Lease. If you find the offer to lease acceptable, please execute the Oil and Gas Lease where indicated exactly as your name appears thereon before a Notary Public and return the original executed and notarized Paid Up Oil and Gas Lease to me in the self-addressed stamped envelope provided for your convenience herein. The copy may be retained for your files.

Upon receipt of the properly executed lease, Energen will forward a check to you for \$500.00 in payment for the lease.

Should you have any questions or comments, please do not hesitate to give me a call at 505-326-6162. Your prompt attention to this matter will be sincerely appreciated.

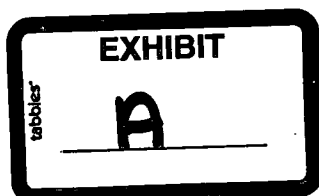
Very truly yours,

David Poage
District Landman

Encls: As stated above

DP/mt

Energen Resources Corporation, an Energen Company 2198 Bloomfield Highway, Farmington, New Mexico 87401 505.325.6800



U.S. Postal Service SM	
CERTIFIED MAIL TM RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
To:	7005 1820 0002 8596 5312
Sent	Steven Mayer Mizel
Street or P.O. Box	c/o Kaufman Alsberg & Co.
City	20 Broad Street, 27th Floor
	New York, NY 10005
Postmark Here	9/10/07

Resent to
New Address on 9-25-07
see Attached Return
Receipt # 7005-1820-0002-
8596-6258

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Palmetto Partners, L.P.
c/o Steven Mayer Mizel
Raines & Fischer
535 5th Avenue, 25th Floor
New York, NY 10017

2. Article Number

(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

S. Mayer

☐ Agent
☐ Addressee

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7005 1820 0002 8596 6258



CERTIFIED MAIL
7007 1490 0000 5397 3212

March 17, 2008

Palmetto Partners, L.P.
c/o Raines & Fischer
535 5th Avenue, 25th Floor
New York, NY 10017

RE: **REQUEST FOR JOINDER**
San Juan 32-5 Unit #115 Well
Township 32 North, Range 6 West, N.M.P.M.
Section 22: W/2
San Juan County, New Mexico

Gentlemen:

Energen Resources Corporation ("Energen") plans to drill the referenced well and attempt a horizontal completion in the Fruitland Coal formation. This well is being proposed as a result of Energen's success in completing wells in the area in this manner.

Energen has previously attempted to acquire an oil and gas lease covering your mineral ownership under the above referenced land. However, this effort to date has been unsuccessful. Since Energen has been unable to acquire an oil and gas lease, you are hereby given the right to participate in the well referenced above for your proportionate interest.

If you agree to participate in the drilling and completing of said well and pay your proportionate share of the estimated costs, please sign the AUTHORITY FOR EXPENDITURE (AFE) enclosed herein and return along with your signed election. Additionally, should you elect to participate in the well for your proportionate interest you will be required to execute an AAPL 1982 Model Form Operating Agreement containing a non-consent clause of 300% and fixed overhead operating rates of \$5,700.00 per month for drilling overhead and \$575.00 per month for producing overhead. You will also be required to execute a Communitization Agreement pooling your interest to the proposed spacing unit.

If you do not agree to participate then Energen will proceed to pool your interests under the compulsory pooling provisions of the regulations issued by the New Mexico Oil Conservation Division (NMOCD).

Please be advised that your response is due within thirty days from the receipt of this proposal letter.

If you have any questions or comments, please contact the undersigned at 505-324-4133.

Sincerely,



David M. Poage
District Landman

Enclosures

The undersigned agrees to participate and pay its proportionate share of the costs and expenses of the San Juan 32-5 Unit # 115 well and to execute the proposed Operating Agreement and Communitization Agreements.

Dated this _____ day of _____, 2008.

By: _____
Palmetto Partners, L.P.



CERTIFIED MAIL
7007 1490 0000 5397 3281

April 11, 2008

Palmetto Partners L. P.
C/O Raines & Fischer
535 Fifth Avenue, 25th Floor
New York, NY 10017

RE: **NEW DRILL PROPOSAL**
San Juan 32-5 Unit Com 115 – Fruitland Coal
Energen's AFE No. SJ08-28
Section 22, T32N, R6W
Rio Arriba County/San Juan County, New Mexico

Dear Working Interest Owner:

Energen Resources Corporation ("Energen"), as Operator, proposes to horizontally drill, complete and equip the referenced well. The location, estimated cost and ownership of the well are as follows:

Well Name/Location	Formation	AFE Est Cost	Working Interest Owners	GW%
San Juan 32-5 Unit Com 115 Section 22, T32N, R6W Dedicated Spacing Unit: W/2 320.00 acres, more or less Surface Location: SESE, 120' FSL & 120' FEL Bottom Hole Location: NWNW, 660' FNL & 660' FWL	Fruitland Coal	\$2,482,010	Energen Resources Corporation Andrew Witten Elizabeth J. Witten Judith Witten Palmetto Partners LP Yosemite Creek Oil and Gas LLLP	68.750000% 8.333334% 8.333333% 8.333333% 3.125000% 3.125000%

Enclosed is the AFE cost estimate sheet for your review and concurrence. Also enclosed for your review and signature is an AAPL Form 610-1982 Model Form Operating Agreement dated April 1, 2008 that covers the referenced acreage.

If you are in accordance, please execute one copy of the AFE cost estimate sheet as well as the signature page to the Operating Agreement and return as soon as possible to the attention of Mae Tsosie at the letterhead address. Please note that your response is due within thirty days from the receipt of this proposal letter.

For ownership related questions, please contact the undersigned at 505-324-4133 or for technical questions, please contact Nathan Smith, Drilling Engineer at 505-324-4151. Thank you!

Sincerely,

David Poage
District Landman

Enclosures

DP:mt
Well File: San Juan 32-5 Unit Com 115 (FTC)

Energen Resources Corporation, an Energen Company 2010 Afton Place, Farmington, New Mexico 87401 505.325.6800

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1. Article Addressed to:

Palmetto Partners LP
C/O Raines & Fischer
535 Fifth Avenue, 25th Floor
New York, NY 10017

San Juan 32-5 Unit Com 115 – FTC AFE/JOA

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent
☐ Addressee

B. Received by (Printed Name)
C. Date of Delivery
4/18/08

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.