

Application for Approval of  
the Dona Unit,  
Oil Conservation Division  
Department of Energy and Minerals,  
State of New Mexico

EXHIBIT  
SYNOPSIS OF NEGOTIATIONS  
DONA UNIT  
DONA ANA COUNTY  
NEW MEXICO

INTERESTED PARTY: C. Louis Buescher and Jimmie Lou Buescher,  
Husband and Wife

NATURE OF INTEREST: Fee (Mineral Patent)

TRACT: 36 (100 acres - 0.4009% of the Unit)

SUMMARY:

Exxon's Mr. David Willcox contacted Mr. Buescher in early November of 1983 with an offer to lease for \$10.00 per net mineral acre bonus, a 1/8th royalty and a ten year primary term. Mr. Buescher asked for terms Exxon could not accept. Negotiations continued such that on December 27, 1983, Mr. Willcox presented a revised offer and draft to Mr. Buescher (see attached letter). The revised offer increased the bonus to a \$20.00 per net acre.

Mr. Buescher is aware of Exxon's plans to form the Dona Unit. Upon the receipt of preliminary approval by the BLM and the State of New Mexico, he will be presented with copies of the Unit Agreement and Unit Operating Agreement. Should we fail to negotiate a lease, Exxon will offer a farmout proposal to those offered Hunt, SHJR and LL&E or the opportunity to participate.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXXON	EXHIBIT NO. F
CASE NO.	8035
Submitted by	EXXON
Hearing Date	1/4/84

9P  
**EXXON** COMPANY, U.S.A.  
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702

EXPLORATION DEPARTMENT  
SOUTHWESTERN DIVISION

December 27, 1983

Re: Mineral Patent #1130507  
Dona Ana County, New Mexico  
Dona East Prospect

Mr. C. Louis Buescher  
Route 6, Box 107B  
Las Cruces, New Mexico 88001

Dear Mr. Buescher:

I refer to our telephone conversations regarding the above matter and wish to confirm that Exxon is interested in obtaining an oil and gas lease over your Mineral Patent in Dona Ana County, New Mexico.

A records check has indicated that your Mineral Patent covers the following property situated in Dona Ana County.

T-24-S, R-4-W

Section 15: South half of the North half of the Northeast quarter, Southwest quarter of the Northeast quarter and North half of the Northwest quarter of the Southeast quarter containing 100 acres.

The terms which we are offering are as follows:

1. A \$20.00 per net acre lease bonus.
2. A production royalty of 1/8th.
3. \$1.00 per net acre per annum delay rental.
4. A primary lease period of ten (10) years.

I enclose herewith two copies of a lease and a draft for the amount of \$2,000.00.

If the above terms and the lease are acceptable to you, please do the following:

1. Fill in the name of your depository bank and your bank account number in Paragraph 4 of the lease.
2. Both you and your wife sign the lease before a notary public.
3. Have the notary public complete the acknowledgement form and affix his/her seal.
4. Fill in your social security number on Page three (3) of the lease.
5. Place the lease and enclosed draft in the bank for collection.
6. Keep the extra copy of the lease for your records.

Mr. C. Louis Buescher

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December 27, 1983

Thank you for your cooperation in this regard.

Very truly yours,

*Dave Willcox*

David D. Willcox  
Landman

DDW:hl

Enclosures