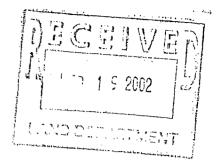
SOMMER, UDALL & HARDWICK, P.A.

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February 13, 2002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Energen Resources Corporation 605 Richard Arrington Jr. Blvd. N Birmingham, Alabama 35203-2707

Re:

Well #: 3132032A - Martinez #1 Meter No.: 37069 Lease No.: 931001 Analyst: Joy Martin Field: Tapacito Pictured Cliffs (Pro Gas) Rio Arriba County: New Mexico State: Joseph A. Sommer 1714 Owner:

Gentlemen:

Reference is made to my letter dated June15, 2001, sent to you by certified mail, return receipt requested, and received by you on June 21, 2001 in which I stated that I do not agree that the monthly Statements of Gas Imbalance and Invoices totaling at that time \$2,700.00 were correct for the reasons given in that letter. A copy of that letter is enclosed.

Reference is also made to my letter dated July 11, 2001, sent to you by Certified Mail, Return Receipt Requested, and received by you on July 23, 2001, in which I reiterated that I do not agree that the monthly statements of Gas Imbalance and Invoices were correct. A copy of that letter is also enclosed.

Despite my protestations in those letters, you continued to send me Statements of Imbalances and Invoices (totaling as of December, 2001, \$3,250.65), with the remark that "Agreement with this statement is assumed unless otherwise notified."

I have by these letters already notified you of my disagreement lest you claim the benefit of an account stated. I am now writing to request, if not to demand, that some explanation be given as to the questions that follow.

As a preliminary matter, let me inform you of the circumstances of my not having some of the documents that might have a bearing on these matters.

Sommer, Fox, Udall, Othmer & Hardwick, P.A. Attorneys at law

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Many years ago and before Mr. Thomas F. McKenna left private practice to became a Justice of the Supreme Court of New Mexico, he and I, as partners, received from Jose Maria Martinez an undivided 16 2/3rds interest in the minerals in Rio Arriba County New Mexico, in which is located what is designated on your records as Well #313232A - Martinez #1. Mr. McKenna retained all the records on this matter and, as he is deceased, I have no way of obtaining them unless they happen to be filed of record in the office of the County Clerk of Rio Arriba County, New Mexico, located in Tierra Amarillo. Our 16 2/3% interest in the minerals as partners was divided equally into interests of 0.08 1/3. When these interests were leased to Energen's predecessors in title, I do not recall whether we retained an overriding royalty, although the retention of an overriding royalty might be the reason that Mr. McKenna is now shown on your records as having a greater gas imbalance than I; that is a difference of 4708 mcf's. And that brings me to my first question.

- 1. If Mr. McKenna's estate or his heirs and I have equal interests in the gas produced from Martinez #1, why is there now a difference between our two interests?
- 2. <u>As was asked in my previous correspondence, why, when the owners of Martinez #1</u> are already being invoiced for the cost of that well's operation, are we at the same time being billed for the operator's "fixed producing overhead"?
- 3. By what means have you arrived at a "fixed producing overhead" in contrast to the specific operating expenses of Martinez #1, which billing breaks such expenses down into company labor, company supervision, field office, vehicles, ad valorem taxes? Of what does it consist?

I am at a loss to know how the total cost of producing the gas from Martinez #1 compares to the revenue derived from such production, so as to compare that cost with industry standards, or to know whether your so-called costs, when they include "fixed production overhead" make it economically feasible to operate Martinez #1 at all.

I understand that as the total pocket of gas to be produced from Martinez #1 is being depleted, of which I own .08 1/3, you are taking and selling my 8 1/3% and charging me for producing it, crediting me with an imbalance, and, when the total of the gas has been depleted by you, as continued production will eventually do, I will simply have a book imbalance, which will be worthless. If this is not true, I would like to know wherein this scenario is in error.

4. Why do I have to pay for your producing and selling gas in return for a paper entry that shows that in the future I am entitled to receive so many mcf's from a pocket which may well be completely depleted?

SOMMER, FOX, UDALL, OTHMER & HARDWICK, P.A. ATTORNEYS AT LAW

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- 5. If you claim that you are producing solely from your share of the total gas, why should I have to pay for your production?
- 6. Assuming that in the future there were remaining in the pocket of gas my 8 1/3%, and I then want to produce my 8 ½%; i.e., the number of mcf's to which I am entitled, do you pay for my producing it, as I am now paying to produce your share of gas?
- 7. If, looking at the entire picture, I am ending up with a paper entry of so many mcf's, which may or may not be in the ground, and I pay all your invoices, now \$3,250.69, and Energen is another Enron, how am I made whole?

In my previous letters I raised some of these questions, and I may as well have been shoveling sand against the tide since you proceeded as if no doubts had ever been raised. <u>This time I want a reply</u>.

Please see that this third letter does not, as the other two apparently have end up in your circular file, or shredded in accordance with some Enron policy.

Sincerely. taseph a Sommer

Joseph A. Sommer

JAS:mp Enclosures