

**McElvain Oil & Gas Properties, Inc.**

1050 17<sup>TH</sup> STREET, SUITE 1800  
DENVER, COLORADO 80265

MONA L. BINION, CPL  
LAND MANAGER  
e-mail [monab@mcelvainoilandgas.com](mailto:monab@mcelvainoilandgas.com)

TELEPHONE 303-893-0933 EXT.306  
FAX 303-893-0914  
Cellular 303-809-2058

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

November 10, 2000

D. J. Simmons Co. LP  
1009 Ridgeway Pl  
Farmington, NM 87401

Benson-Montin-Greer Drilling Corporation  
501 Airport Drive  
Farmington, New Mexico 87401-2466

3TEC Energy Corp.  
Two Shell Plaza, 777 Walker, Suite 2400  
Houston, Texas 77002

Re: Re-Entry Proposal  
Wynona #1 Well  
Township 25 North, Range 3 West  
Section 25: SW/4  
Rio Arriba County, New Mexico

Gentlemen:

McElvain Oil & Gas Properties, Inc., as sole general partner and Operator in behalf of T. H. McElvain Oil & Gas Limited Partnership ("McElvain") hereby proposes to re-enter an oil and gas well which has been previously plugged and abandoned formerly known as the Wynonana #1 Well located SE/4SW/4 of Section 25, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, in order to attempt a completion of the Mesaverde formation therein for the production of oil and gas from the S/2 of said Section 25 as the dedicated proration unit.

The estimated cost to complete the well, as proposed, is \$364,150, which is detailed on the enclosed McElvain Authority for Expenditure dated September 6, 2000. Pursuant to McElvain's review of the records, the ownership of the dedicated proration unit to be as follows:

T.H. McElvain Oil & GAS Limited Partnership	50.00%
D. J. Simmons Co. LP	25.00%
Benson-Montin-Greer Drilling Corporation	12.50%
3TEC Energy Corp.	12.50%

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 12635 Exhibit No. 4  
Submitted by:  
McElvain Oil & Gas Properties, Inc.  
Hearing Date: May 17, 2001

D. J. Simmons Co. LP  
November 10, 2000  
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An Opinion of Title is being ordered to cover the proration unit and an Operating Agreement to govern operations across the dedicated proration unit is being prepared using AAPL Model form 610-1982 revised and will be transmitted to you for review and execution in the very near future.

We request that you review the enclosed proposal and indicate your election regarding participation and execute the enclosed Election Page in the space provided and return one copy to this office at your earliest possible convenience. If your election is to participate, we ask that you also execute the enclosed Authorization for Expenditure and return one copy to this office along with your executed Election Page. Telefax copies of the executed documents will be accepted at:

**McElvain Oil & Gas Properties, Inc.**  
**(303) 893-0914**  
**Attention: Mona L. Binion**

provided that original copies are delivered promptly thereafter.

McElvain is an active operator in this area and is currently drilling and completing new wells and re-entering and re-completing old wells as an effort to explore and develop the Mesaverde formation. At this point we have under contract rig(s) and equipment which are adequate to perform the proposed operation, however, this equipment must be kept active in order to maintain contract rights for their use. The proposed re-entry described herein is scheduled in this program to commence prior to year-end 2000 and in light of the circumstances and in order to avoid additional delays which could arise from weather conditions or sensitive surface restrictions, we respectfully request that you review and respond to this proposal at your earliest possible convenience.

If you have any questions concerning this proposal, please feel free to contact the undersigned. We look forward to hearing from you soon.

Very truly yours,

**McElvain Oil & Gas Properties, Inc.**

Mona L. Binion, CPL  
Land Manager

MLB/idi

Encls.

**ELECTION PAGE**  
**Re-Entry – Mesaverde Completion**  
**Wyonona #1 Well**  
**November 10, 2000**

\_\_\_\_\_ YES, I/We do hereby elect to participate in the proposed re-entry and Mesaverde formation recompletion in the oil and gas well located in the SE/4SW/4 of Section 25, Township 25 North, Range 3 West, Rio Arriba County, New Mexico formerly known as the Wynona #1.

\_\_\_\_\_ NO, I/We do hereby elect NOT to participate in the proposed re-entry and Mesaverde formation recompletion in the oil and gas well located in the SE/4SW/4 of Section 25, Township 25 North, Range 3 West, Rio Arriba County, New Mexico formerly known as the Wynona #1. As an alternative to participation, I/We hereby offer support to McElvain and the participating parties hereunder the following:

*(Please select one of the following if your election is NOT to participate)*

\_\_\_\_\_ I/We hereby offer to farmout my/our working interest in the proposed well on mutually acceptable terms to be negotiated among the parties and, therefore, request a proposal of terms from McElvain; OR,

\_\_\_\_\_ I/We hereby offer to sell my/our interest in the proposed well as an alternative to participation and hereby request a proposal of sale terms from McElvain; OR,

\_\_\_\_\_ I/We hereby offer to execute a mutually acceptable Operating Agreement which shall reflect and election against my/our working interest as a non-participating, non-drilling party subject to the penalty provisions contained therein.

..



is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

D.J. SIMMONS CO. LP  
1009 RIDGEWAY PL  
FARMINGTON, NM 87401

4a. Article Number

Z 152 933 700

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

7. Date of Delivery

11/14/00

5. Received By: (Print Name)

MARY JOSIE

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

Thank you for using Return Receipt Service.

PS Form 3811, December 1994

102595-97-8-0179

Domestic Return Receipt

PS Form 3800, April 1995

Z 152 933 700

US Postal Service  
**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to

D.J. SIMMONS CO. LP  
Street & N 1009 RIDGEWAY PL  
FARMINGTON, NM 87401  
Post Office, State, & ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

3TEC ENERGY CORP.  
TWO SHELL PLAZA, 777 WALKER, SUITE 2400  
HOUSTON, TX 77002

4a. Article Number

2152 933 626

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

7. Date of Delivery

11/14/00

5. Received By: (Print Name)

Julie Elskes

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

Julie Elskes

Thank you for using Return Receipt Service.

Z 152 933 626

US Postal Service  
**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	3TEC ENERGY CORP. TWO SHELL PLAZA, 777 WALKER, SUITE 2400 HOUSTON, TX 77002 Post Office, State, & ZIP Code
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Z 152 933 689

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail. (See reverse)

Sent **HENSON-MONTIN-GREER DRILLING**

**CORPORATION**

Street & Number **501 AIRPORT DRIVE**

**FARMINGTON, NM 87401-2466**

Post Office, State, & Zip Code

Postage	<i>Revised</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	<i>None</i>
Restricted Delivery Fee	<i>None</i>
Return Receipt Showing to Whom & Date Delivered	<i>Address</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800 April 1995

MC ELVAIN OIL & GAS PROPERTIES, INC.  
INDEPENDENCE PLAZA  
1050 17TH STREET • SUITE 1800  
DENVER, COLORADO 80265

- Forwarding Order
- and ...
- ...
- ...
- ...
- ...

~~Benson-Montin Greer Drilling Corp.  
501 Airport Drive  
Farmington, NM 87401-2466~~

