

LEWIS B. BURLESON, INC.
OIL & GAS PROPERTIES

LEWIS B. BURLESON
PRESIDENT

STEVEN L. BURLESON
VICE-PRESIDENT

WAYNE JARVIS
SUPERINTENDENT

June 14, 2001

Dorthea B. Prentiss Trust

Prentiss Estate
Attention: Terry F. Scott
26838 I-45 North
PMB 291
Spring, Texas 77386

Re: **Cooper B Lease**
N/2N/2, Section 14, T-23-S, R-36-E
LEA COUNTY, New Mexico

Gentlemen:

The Prentiss Trust was a working interest owner in the above referenced lease that was originally drilled by R. Olsen. Subsequently this lease went to Sun, Doyle Hartman, Meridian, and finally D.M.S. Oil Company. D.M.S. plugged out all the remaining wells on this lease. A few of the leases are still HBP to the remaining working interest owners.

We purchased D.M.S.'s share of these leases for \$500. Upon obtaining all of the well files in this area we show that the Prentiss Trust had a 3.6% (now ~~.0036~~ WI, ~~.0031~~ NRWI) interest in the area. We would like to offer you \$150 to purchase this working interest which is no longer producing.

We would be happy to draw up the paperwork or we could use your form of assignment, whichever you prefer. The proposed date of this sale would be July 1, 2001.

If you have any questions or comments regarding this matter, please call Steven L. Burleson at 915/683-4747.

Before THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 12839 Exhibit No. 3
Submitted by: Lewis Burleson, Inc.
Hearing Date: March 21, 2002

Yours truly,

Steven L. Burleson

SLB/skb

F:\wp51\doc\cooperbprentissstrust.doc

86.111196 NR1
Actual NR1
75
.027
.004
.031
WI
.036
NR1
.036

I'd agree to sell for \$150, based on retaining an override equal to the difference between existing bonuses and 25% reduced to our wt. Feel free to draft up the assignment.
Thanks,
Jerry

LEWIS B. BURLESON, INC.
OIL & GAS PROPERTIES

Sent 10-11-01

LEWIS B. BURLESON
PRESIDENT
STEVEN L. BURLESON
VICE-PRESIDENT
WAYNE JARVIS
SUPERINTENDENT

October 11, 2001

Re-Sent 11-26-01
Re-Sent 1-14-02

Dorthea B. Prentiss Trust
Attention: Terry F. Scott
26838 I-45 North
PMB 291
Spring, Texas 77386

2nd Request

November 26, 2001

If you are still in agreement with this, please execute and send as soon as possible. If not, please give me a call!

Re: Cooper B Lease
N/2N/2, Section 14, T-24-S, R-36-E
LEA COUNTY, New Mexico

Steven Burleson

Dear Terry,

Enclosed is the Assignment and Bill of Sale for the above referenced lease, with the appropriate changes you requested. If it is satisfactory, we have enclosed a draft that you may take to the bank, or if you'd like, fax us a signature page so we may send you a check.

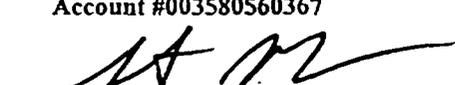
Sorry it has taken so long in getting back with you, but there are a lot of owners in this lease.

Sincerely,



Steven L. Burleson
Vice-President

Collection Draft
BANK OF AMERICA
P.O. Box 1599 Midland, Tx 79702-1599

Midland, Texas	October 1, 2001	No. _____
Place	Date	
Thirty (30) days after <u>Sight</u> and subject to approval of title		
Pay to the order of <u>Dorthea B. Prentiss Trust, Attn: Terry F. Scott, 26838 I-45</u>		
<u>North, PMB 291, Spring, Texas 77386</u>		\$ <u>150.00</u>
One hundred fifty and 00/100		Dollars
Without Exchange		
For: <u>Oil and Gas Lease N/2 of NE/4 & NE/4 of NW/4, Section 14, T-24-S, R-36-E, Lea County, New Mexico</u>		
Not a Cash Item		
To: Lewis B. Burleson, Inc.	Account #003580560367	
P.O. Box 2479		
Midland, Texas 79702		

LEWIS B. BURLESON, INC.
OIL & GAS PROPERTIES

LEWIS B. BURLESON
PRESIDENT
STEVEN L. BURLESON
VICE-PRESIDENT
WAYNE JARVIS
SUPERINTENDENT

January 4, 2002

Dorthea B. Prentiss Estate
Attention: Terry F. Scott
26838 I-45 North
PMB 291
Spring, Texas 77386

Re: Cooper B Lease
N/2N/2, Section 14, T-24-S, R-36-E
LEA COUNTY, New Mexico

Dear Sir:

It appears, upon reviewing our files, the Prentiss Estate had a 4.6% WI in this area. As per our earlier telephone conversation, we'd like to offer you \$150 to purchase your remaining interest in these leases subject to an override of the difference between existing burdens and 75% NRI.

If this is not acceptable to you then you could join in the drilling of a new well in this area. Enclosed is an AFE for \$258,275, your 2.1% share WI would be approximately \$5,424.

We expect this well to produce initially at a rate of 150 MCF per day and accumulative 250,000 MCF of reserves.

Since we find no Operating Agreement in our files, you would have to execute a COPAS form agreement with \$350 per well overhead charges, 300% non-consent penalty and \$2000 developmental drilling overhead.

If we do not hear from you in 21 days, we will force pool this interest.

Yours truly,



Steven L. Burleson
Vice-President

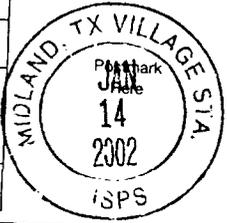
SLB/jt

7001 0320 0003 9742 7137

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Dorthea B. Prentiss Estate, Terry Scott

Postage	\$.34
Certified Fee	2.10
Return Receipt Fee (Endorsement Required)	1.50
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 3.94



Sent To
 Terry Scott c/o Dorthea B. Prentiss Est.
 Street, Apt. No. or PO Box No. 26838 I-45 N PMB 291
 City, State, ZIP+4 Spring, TX 77386

PS Form 3800, January 2001 See Reverse for Instructions

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):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Dorthea B. Prentiss Estate
 Attn: Terry F. Scott
 26838 I-45 North
 PMB 291
 Spring, TX 77386

4a. Article Number
7001 0320 0003 9742 7137

4b. Service Type

Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
1-17-02

5. Received By: (Print Name)
Arvin Kay

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

6. Signature (Addressee or Agent)
X Arvin Kay

Thank you for using Return Receipt Service.