

# MIDWEST OIL CORPORATION

1500 WILCO BUILDING

MIDLAND, TEXAS 79701

November 1, 1973

BEFORE EXPLORATION
OIL COMPANY
Getty
5119
Vick
28 Nov 73

Getty Oil Company  
P. O. Box 1231  
Midland, Texas 79701

Attention: Mr. Wade L. Vick

Re: Proposed Stock Unit  
21S-33E (Our L-10485)  
LEA COUNTY, NEW MEXICO

Gentlemen:

We have reviewed your letter of October 18, 1973, in which you proposed the formation of a nine-section unit for the drilling of a 14,500' Morrow test. This is to advise that Midwest cannot recommend participating in this unit, however we will be agreeable to a farmout of our 240-acre tract. In farming out to the unit Midwest would retain a 1/16 of 8/8 overriding royalty interest with the option to convert the override to a 50% working interest after payout of the test well. Both the override and the working interest would, of course, be proportionately reduced to Midwest's net interest in the unit. On subsequent wells Midwest would then take part to the extent of one-half of this interest under the terms of a satisfactory joint operating agreement.

If this farmout offer is acceptable, please let us know and also please advise the manner in which you wish to handle this farmout trade. We would be agreeable to having the terms of our farmout incorporated in the joint operating agreement.

Very truly yours,

MIDWEST OIL CORPORATION

  
Tom Coleman  
District Landman

TC/rs

cc: Attached Mailing List