

Memo

DATE: November 29, 2001
Via facsimile 505/393-0720 3 pages including this cover memo

TO: Nelda Morgan w/NMOCD

FROM: Bonnie Husband

SUBJECT: U D Sawyer #1 – API 30-025-03627

"Change of Operator" Form C104 transferred the UD Sawyer SWD from Penroc to Saga effective 1-1-97 in error. Please note the "Assignment, Bill of Sale and Conveyance", page 1 and page 14 does not list any lease/acreage in Sec. 33 as being assigned to Saga, therefore the UD Sawyer was not assigned to Saga. This well is outside the Crossroads Unit and is not owned by Saga. Please review the following 2 pages and advise how this well can be deleted from Saga's list of operated properties. It has been mentioned in some conversations that Lewis Cattle Co was the owner of the SWD, and Penroc never owned the SWD? Lewis Cattle Co sold the ranch to Joe Ed Williams a couple years ago. I have no other information, but have talked to Williams and inquired if they knew anything about ownership of the SWD. Williams is looking through their records.

11-2-7

9. W

3/52/02 Per Bonnie
same Saga Att.
Looking into