



Via Certified Mail Return Receipt Requested

May 1, 2013

Name
Address

Re: Oil and Gas Lease with OXY USA WTP Limited Partnership (“*Oxy*”) (the “*Lease*”).

Dear _____:

Our records indicate that Oxy is the current owner of the Lease located in Eddy County, New Mexico. As you are most likely aware, it has become common in the area to utilize horizontal drilling technology as a method of recovering the greatest amount of oil and gas possible. Oxy would like to utilize such drilling methods on your Lease to maximize the amount of oil and gas produced from your Lease, which in turn will increase the amount of royalty you receive.

However, the pooling terms of the Lease restrict Oxy’s ability to pool the sufficient amount of acreage necessary for horizontal drilling, as it currently restricts the size of pooled units for an oil well to 40 acres. In order to utilize horizontal drilling technology, Oxy requests an amendment to the pooling provision of the Lease. Oxy requests that the pooling provision of the Lease be deleted in its entirety and replaced with the following:

“Lessee is hereby granted the right and power, from time to time, to pool or combine this lease, the land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas. Units pooled hereunder shall not exceed the proration and spacing unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which said land is situated, plus a tolerance of 10%. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations upon and production from the land described in this lease. There shall be allocated to the land covered by this lease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this lease. Any pooled unit designated by lessee, as provided herein, may be dissolved by lessee at any time after the completion of a dry hole or the cessation of production on said unit.”

If you are agreeable to the amendment to the pooling provision of the Lease, please execute this letter promptly and send it back to Oxy no later than **May 20, 2013** in the enclosed self-addressed stamped envelope.

Should you have any questions regarding this amendment, please contact Wesley Robertson at 713-366-5022 or Wesley_robertson@oxy.com.

Sincerely,

Oxy USA Inc.

Wesley Robertson
Land Negotiator

Name

By: _____
Name

Date: _____