



VIA EMAIL
sding1216@aol.com

CERTIFIED RETURN RECEIPT REQUESTED
7009 2820 0000 5800 8478

Monday, July 08, 2013

Mr. Stephen D. Ingram
Cavin & Ingram, PA
Post Office Box 1216
Albuquerque, NM 87103-1216

RE: **FRANK A. KING &
PAULA S. ELMORE MATTER**
Township 30 North, Range 11 West, NMPM
Section 19: W/2NW/4SE/4, L/E 1.63 acres
Containing 18.37 acres more or less
San Juan County, New Mexico

Dear Mr. Ingram:

Energen Resources Corporation is interested in acquiring an oil and gas lease from your clients, Frank A. King and Paula S. Elmore covering the referenced lands on the following basic terms and conditions:

Bonus Consideration:	\$1,750.00 per net acre or <u>\$32,147.50</u> total for their 18.37 net acres
Royalty Percentage:	12.50%
Primary Term:	One year from the first day of the month in which they execute the lease
Depths Covered:	All depths owned by them

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Our offer to lease from your clients is contingent upon the following oil and gas lease covering the referenced lands being terminated and no longer in effect:

Lessor:	Frank A. King and Paula S. King, husband and wife
Original Lessee:	Rodney P. Calvin
Lease Date:	August 14, 1972
Recording Information:	Recorded February 02, 1973 in Book 714 at Page 40 in the real estate records of San Juan County, New Mexico

I have enclosed a copy of our lease form for your review. Please contact me at (505) 324-4169 or Bryan.Lewis@energen.com for any questions you have regarding the leasing of their mineral interest.

Sincerely,



Bryan Lewis
District Landman

cc: *Mr. Matt Hutchinson, Esq. Via e mail*
Mr. J. Scott Hall, Esq. Via e mail

Enc. *Energen Oil & Gas Lease Form*

