



Petroleum, Inc.



P.O. Box 10507 • Midland, Texas 79702

September 22, 1983

Euriah Exploration, Inc.
1604 W. Front St.
Midland, Texas 79701

Attn: Glenn Cope

Re: Ammex Melva #1
SE/4 SE/4 Sec.28 (23/28)

Dear Mr. Cope,

Enclosed for your signature are the following:

- Authority For Expenditure (AFE)
- Joint Operating Agreement (JOA)
- Extra signature page for JOA

Please indicate your desire to participate in the well by executing and returning to the above letterhead address one copy of the AFE and extra signature page for the JOA.

Due to the shortage of certain materials it has become necessary to inventory some items prior to drilling a well to insure availability. Also, due to the high cost of money most vendors are requiring thirty (30) day payment.

For these reasons it is necessary to pre-bill you for your share of drilling and completion cost as reflected in the AFE. If the well should prove dry and no completion is attempted any overpayment will be refunded. If cost of drilling and completion is lower than AFE, any excess money will be applied to LOE or refunded as you desire. We generally pre-bill about thirty days prior to spud.

Yours very truly,

AMMEX PETROLEUM, INC.

Vince Johnson
Vice President

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encl.

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
Ammex	EXHIBIT NO. 1
CASE NO.	8048