



**Chevron U.S.A. Inc.**  
P.O. Box 670, Hobbs, NM 88240

R. C. Anderson  
Division Manager  
Production Department  
Hobbs Division

BEFORE EXAMINATION OIL COMMISSION DIVISION <i>Chevron</i> EUNICE UNIT 14 CASE NO. <u>10059-61</u>
--

Hobbs, New Mexico  
February 28, 1990

BASIS OF ADMISSION PROPOSAL  
FOR EXPANSION OF THE EXISTING  
EUNICE MONUMENT SOUTH UNIT  
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNERS  
Eunice Monument South Unit  
Eunice Monument South Unit Expansion  
(Address List Attached)

Gentlemen:

Attached for your consideration is an additional copy of the Notice of Proposed Expansion that was presented to the Working Interest Owners on February 27, 1990 at the Eunice Monument South Unit Working Interest Owners' meeting, and an amendment to the Notice of Proposed Expansion. The proposed 3,000-acre Eunice Monument South Unit Expansion Area will be incorporated into the existing Eunice Monument South Unit with the following "Basis of Admission."

- 1) An Investment Adjustment (buy-in) for acquisition of an interest in the existing Eunice Monument South Unit's water injection plant, a portion of a main injection trunk line, the water disposal and supply wells and related equipment and facilities previously constructed to serve the existing unit area (see attachment).
- 2) A procedure to apportion future Capital Expenditures on the common injection system as described in (1) above.
- 3) A sharing plan for Operating Expenses on the common injection system as described in (1) above.

Please review the attached ballot and indicate your approval or disapproval of the expansion plan and return your ballot by March 23, 1990.

If you have any questions concerning this matter, please contact Jimmy Dolan at (505) 393-4121.

Yours very truly,

  
R. C. ANDERSON

To: Working Interest Owners of  
the Eunice Monument South  
Unit and Working Interest  
Owners of the Proposed  
Eunice Monument West Unit  
Study Area.

Re: Ballot for Expansion  
of the Eunice Monu-  
ment South Unit Area.

BALLOT

Gentlemen:

Chevron, as operator of the Eunice Monument South Unit (EMSU), requests your vote to expand the EMSU to incorporate the Eunice Monument West Unit Study Area (EMWU) into the EMSU under the terms of the attached Ballot Proposal, and Amendment to Notice of Expansion with reference to the attached Notice of Expansion and its attachment A (Interest of Parties) and Exhibit A (for Expansion Area "B" and for Unit Area "A")

\_\_\_\_\_ For Expansion of the Eunice Monument South Unit

\_\_\_\_\_ Against Expansion of the Eunice Monument South Unit

Company: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

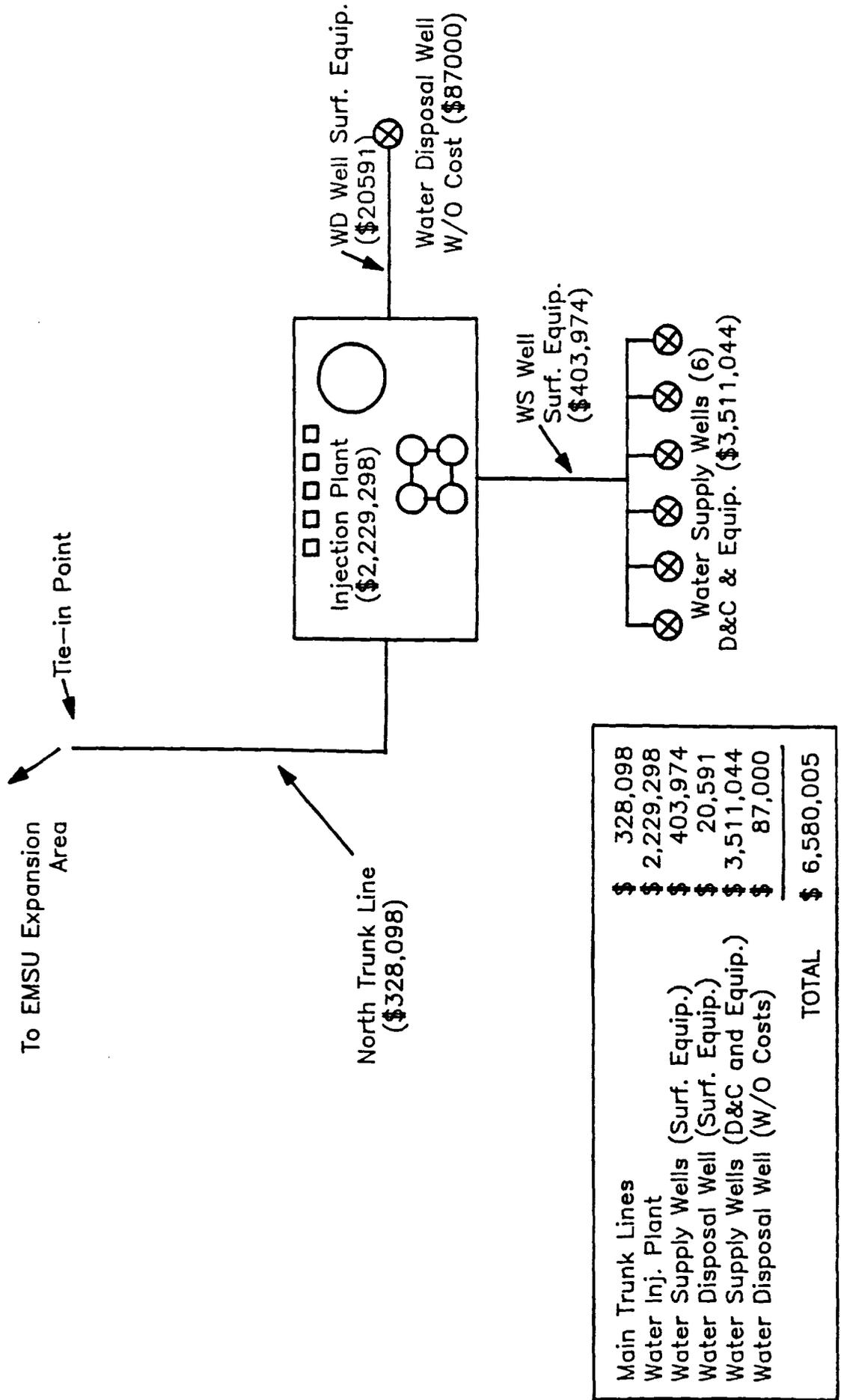
Please return by March 23, 1990 to:

Chevron U.S.A. Inc.  
P.O. Box 670  
Hobbs, New Mexico 88240  
Attn: Jimmy Dolan

\* A vote by a common EMSU/EMSU Expansion Working Interest Owner represents the respective working interest in each area (EMSU/EMSU Expansion).

JDD/sad 03020/05

INVESTMENT ADJUSTMENT  
COST BASIS



Main Trunk Lines	\$	328,098
Water Inj. Plant	\$	2,229,298
Water Supply Wells (Surf. Equip.)	\$	403,974
Water Disposal Well (Surf. Equip.)	\$	20,591
Water Supply Wells (D&C and Equip.)	\$	3,511,044
Water Disposal Well (W/O Costs)	\$	87,000
<b>TOTAL</b>	<b>\$</b>	<b>6,580,005</b>

Amerada Hess Corporation  
D. W. (David) Brubaker  
P.O. Box 2040  
Tulsa, Oklahoma 74102

Koch Exploration Company  
Jim Whisnand  
P. O. Box 2256  
Wichita, Kansas 67201

Texaco Inc.  
Joint Operations Manager  
P. O. Box 3109  
Midland, Texas 79702

Arco Oil & Gas Company  
Dan Dodd  
P.O. Box 1610  
Midland, Texas 79702

Wiser Oil Company  
700 Petroleum Building  
Wichita Falls, Texas 76301

James A. Gibbs  
Five States 1988-A, Ltd.  
1106 One Energy Square  
4925 Greenville Avenue  
Dallas, Texas 75206

Thomas B. Catron III, Trustee  
P.O. Box 788  
Santa Fe, New Mexico 87501

John S. Catron  
Thomas B. Catron III  
Catron, Catron & Sawtell  
P. O. Box 788  
Santa Fe, New Mexico 87504

Conoco, Inc.  
Joint Interest Operations  
P. O. Box 460  
Hobbs, New Mexico 88240

Five States Limited - 1987  
1106 One Energy Square  
4925 Greenville Avenue  
Dallas, Texas 75206

Carl R. Pfluger  
2133 Office Park Drive  
San Angelo, Texas 76904

Bruin Energy, Ltd.  
Angelo Mazzone, President  
Suite 200  
21011 Ventura Blvd.  
Woodland Hills, CA 91364

First National Bank  
William E. Perdeu Trust  
105 North Main  
Wichita, Kansas 67202

Shell Western E & P Inc.  
W.F.N. Kelldorf  
Room 4432 Woodcreek  
P. O. Box 576  
Houston, Texas 77001

Carpenter Oil & Gas Co.  
ATTN: Martha Sjostrom  
P. O. Box 27205  
Richmond, Virginia 23261

Amoco Production Company U.S.A.  
Dursion Production Manager West  
P.O. Box 3092  
Houston, Texas 77253

Fred Turner, Jr. Trust  
Mr. Ray Floyd  
P. O. Box 910  
Midland, Texas 79702

Exxon Company U.S.A.  
Donna Littlefield  
P. O. Box 1700  
Midland, Texas 79702

Energy Production Corporation  
613 Glen Lakes Tower  
9400 N. Central Expressway  
Dallas, Texas 75231

Amerada Hess Corporation  
P. O. Box 2040  
Tulsa, OK 74102  
Attn: Mr. J. C. Hefley

Texaco Producing, Inc.  
P. O. Box 3109  
Midland, TX 79702  
Attn: Mr. Robert Solburg

Amoco Production Company  
P. O. Box 3092  
Houston, TX 77253  
Attn: Mr. J. C. Allen

Texaco USA  
500 North Loraine  
Midland, Texas 79701  
Attn: Mr. S. G. Snyder

ARCO Oil and Gas Company  
P. O. Box 1610  
Midland, TX 79702  
Attn: Mr. D. C. Dodd  
Mr. J. A. Nicholson

Chevron U.S.A., Inc.  
P. O. Box 670  
Hobbs, NM 88240  
Attn: Mr. J. C. Prindle

Chevron U.S.A., Inc.  
P. O. Box 1635  
Houston, TX 77251  
Attn: Mr. R. M. Vaden

Conoco, Inc.  
P. O. Box 460  
Hobbs, NM 88240  
Attn: Mr. D. W. Johnson

Shell Western E&P Inc.  
P. O. Box 576  
Houston, TX 77001  
Attn: Mr. J. H. Smitherman

NOTICE OF PROPOSED EXPANSION

The working interest owners of the proposed Eunice Monument West Unit Study Area have applied to Chevron, as operator of the Eunice Monument South Unit, for expansion of the Eunice Monument South Unit (EMSU) to include the Eunice Monument West Unit (EMWU) Study Area.

The proposed expansion area is shown on the attached plat as Exhibit "A", and titled Eunice Monument South Unit Expansion Area B, and encompasses the following lands:

Township 20 South, Range 36 East, N.M.P.M., Lea County, New Mexico

- Section 10: E/2E/2
- Section 11: W/2, W/2NE/4, SE/4
- Section 13: W/2, S/2SE/4
- Section 14: All
- Section 15: NE/4NE/4
- Section 23: All
- Section 24: N/2, SW/4, W/2SE/4

The expansion area encompasses 3,000 acres, more or less, and it is proposed that until such time as the working interest owners agree to consolidate facilities and operations under the terms of the unit and unit operating agreement (and receive the consent of the Authorized Officer, Land Commissioner, and Oil Conservation Commission), the original Unit Area (Area A) and the above unit expansion Area (Area B) will be operated as separate entities under a common unit and unit operating agreement.

If approved, the proposed expansion will be completed under the terms of Section 4 (unit expansion) and Section 32 (Nonjoinder and Subsequent Joinder) of the Unit Agreement and in compliance of the Statutory Unitization Act of the State of New Mexico (Section 70-7-9 NMSA, 1978).

Chevron proposes that the EMSU working interest owners consider the expansion to include the Eunice Monument West Unit Study Area, based upon the following:

BASIS OF ADMISSION

- 1) Common Injection System -

The working interest owners in the proposed expansion area B (EMWU) will pay to the owners of the existing unit Area A (EMSU) an agreed upon investment adjustment for acquisition of an interest in the existing

Eunice Monument South Unit's (1) water injection plant (2) a portion of a main injection trunk line, (3) the water supply wells, (4) the water disposal well and (5) the related equipment and facilities previously constructed for the injection system to serve the existing and expansion unit areas. The basis for the investment adjustment was derived from actual costs associated with purchasing and installing the equipment. The resultant actual cost is \$6,580,005. The investment adjustment, which will be based upon the date of first water delivery to the Expansion area (EMWU) will be calculated using the units of production method where:

- A = EMSU Depreciation 01-01-1987 thru 12-31-1989 = \$2,393,583.62
- B = Additional depreciation from 01-01-1990 to initial EMWU water delivery  
= Calculated DD&A/BOEG \* BOEG (EMSU) to initial EMWU water delivery  
where BOEG = Bbls. of oil equivalent gas where 6 mcf gas = 1 Bbl. oil
- C = Gross EMSU Project Capital Expenditures prior to initial EMWU water delivery

$$\text{Depreciation Factor for Water Injection System Base Cost} \\ = 1 - [(A + B)/C]$$

The injection system value was proportioned between the existing unit (EMSU) and expansion area (EMWU) based upon a 82.76% EMSU and 17.24% EMWU prorata share. Utilizing the above depreciation factor and 17.24% prorated share for the expansion area (EMWU), yields the following Investment Adjustment acquisition equation for the expansion area (EMWU) buy-in:

$$\text{EMWU Investment Adjustment} = \$6,580,005 * \text{Depreciation Factor} * .1724$$

An example of the above Investment Adjustment Calculation is as follows:

- \* Assume First EMWU water delivery is on 1-1-91
- \* 1987-1989 Depreciation Expense = \$2,393,583.62
- \* 1990 production = 487200 BO & 1938317 mcfg; BOEG = 810252.8
- \* 1990 DD&A/BOEG = \$1.05/BOEG
- \* 1990 Depreciation Expense = \$850,765.48
- \* Cumulative Gross Project Expenditures thru 12-31-90 = \$50,000,000
- \* Depreciation Factor =  $1 - [(2,393,583.62 + 850,765.48)/50,000,000]$   
= .93511
- \* Depreciated EMSU Injection System Value as of 1-1-91  
= \$6,580,005 \* .93511 = \$6,153,048.33
- \* EMWU Prorata Share = 17.24%
- \* EMWU Investment Adjustment =  $6,153,048.33 * .1724$   
= \$1,060,785.53

2) Capital Costs -

All direct capital costs necessary to implement the secondary recovery operations for the expansion area B (EMWU) will be borne by working interest owners of the expansion area at no cost to the existing unit.

3) Common Investment -

Future capital expenditures on the common injection system, as set forth in number 1 above, will be proportionally shared with 17.24% allocated to the expansion area (EMWU) and 82.76% allocated to the EMSU; with the following exception:

- ° capital expenditures which benefit only one area (either EMSU or EMWU) will be borne solely (100%) by the area (either EMSU or EMWU) which initiated the expenditure.

4) Expenses & Operating Costs -

All expense and operating costs for the expansion area (EMWU) that are not related to the common injection system will be maintained separately from the costs and expenses of the existing unit area. All expenses and operating costs for the common injection system set forth in number 1 above, will be shared proportionally between the existing unit area and the expansion area based on the percentage of monthly injection and monthly water supplied to the existing unit area and expansion area. Monthly operating expenses on the common injection system will be proportioned based on the following direct measurement approach:

Injection Facility Monthly Expenses \*  $\frac{\text{Monthly Water Injection to an Area}}{\text{Total Monthly Injection to both areas}}$

+ Water Supply Well Monthly Expenses \*  $\frac{\text{Monthly Water Supply to an Area}}{\text{Total Monthly Water Supplied to both areas}}$

5) Development -

Plans of development, AFE's, budgets, and actual development costs for secondary and tertiary recovery operations in the expansion area (EMWU) shall be maintained separate from the existing unit area.

6) Production & Proceeds -

All production from the expansion area (EMWU) shall be held separate from the existing unit area and will be accounted for, sold, and allocated back to the tracts within the expansion area based upon the tract participation established for the expansion area.

#### PARTICIPATION TO BE ASSIGNED WITHIN THE ENLARGED AREA

Unless changed by agreement and vote of the working interest owners and approval of the Authorized officer, Land Commissioner, and Oil Conservation Commission prior to commencing tertiary operations, participation within the expansion area (EMWU) and existing area (EMSU) will be held separate, and each such area will be treated as a separate entity. The tract participation shall remain unchanged for the existing unit area, and production and costs allocations will continue to be made to the owners of the existing area on the same basis as they were before expansion.

Unless modified as stated above, participation in the expansion area (EMWU) will be separately determined based upon the existing EMSU participation formula. By treating these as separate entities, each area's tract participation will total 100%. Ownership interests in the existing unit and in the expansion area is shown on attachment A.

#### REQUIREMENTS FOR EXPANSION

Ballots approving unit expansion will be presented at the working interest owners meeting. If sufficient approval is received for expansion, Chevron will begin expansion procedures on behalf of EMSU and EMWU working interest owners.

ATTACHMENT A

INTEREST OF PARTIES BY AREA

UNIT AREA A

EXISTING AREA (EMSU) - 14,189.84 acres

AMERADA HESS CORP.	.013146200
EXXON COMPANY U.S.A.	.053926600
SHELL WESTERN E&P INC.	.067604000
WISER OIL CO.	.001059400
KOCH EXPLORATION CO.	.003297500
TURNER, FRED W. JR. ESTATE	.000871800
CATRON, T.R. 222 TRUSTEE	.000181500
FIVE STATES LIMITED - 1987	.002394692
BRUIN ENERGY LTD	.005338319
FIVE STATES 1988-A, LTD	.003011120
TEXACO PRODUCING INC.	.073133700
AMOCO PRODUCTION CO.	.083840800
ARCO OIL & GAS CO	.204690800
PFLUGER, CARL	.000580000
CONOCO INC.	.094164900
CATRON, JS & TB	.000181500
PERDEW, WILLIAM E TRUST	.000171900
CARPENTER OIL & GAS CO.	.002101900
ENERGY PRODUCTION CORP.	.007273169
CHEVRON U.S.A. INC.	<u>.383030200</u>
TOTAL	1.000000000

UNIT AREA B

EXPANSION AREA (EMWU) - 3,000 acres

AMOCO PRODUCTION CO.	.305419332
ARCO OIL & GAS CO.	.293999073
CHEVRON U.S.A. INC.	.193976604
CONOCO INC.	.138312840
SHELL WESTERN E&P INC	.044693929
AMERADA HESS CORP.	.017168789
TEXACO PRODUCING INC.	<u>.006429433</u>
TOTAL	1.000000000



# R 36 E

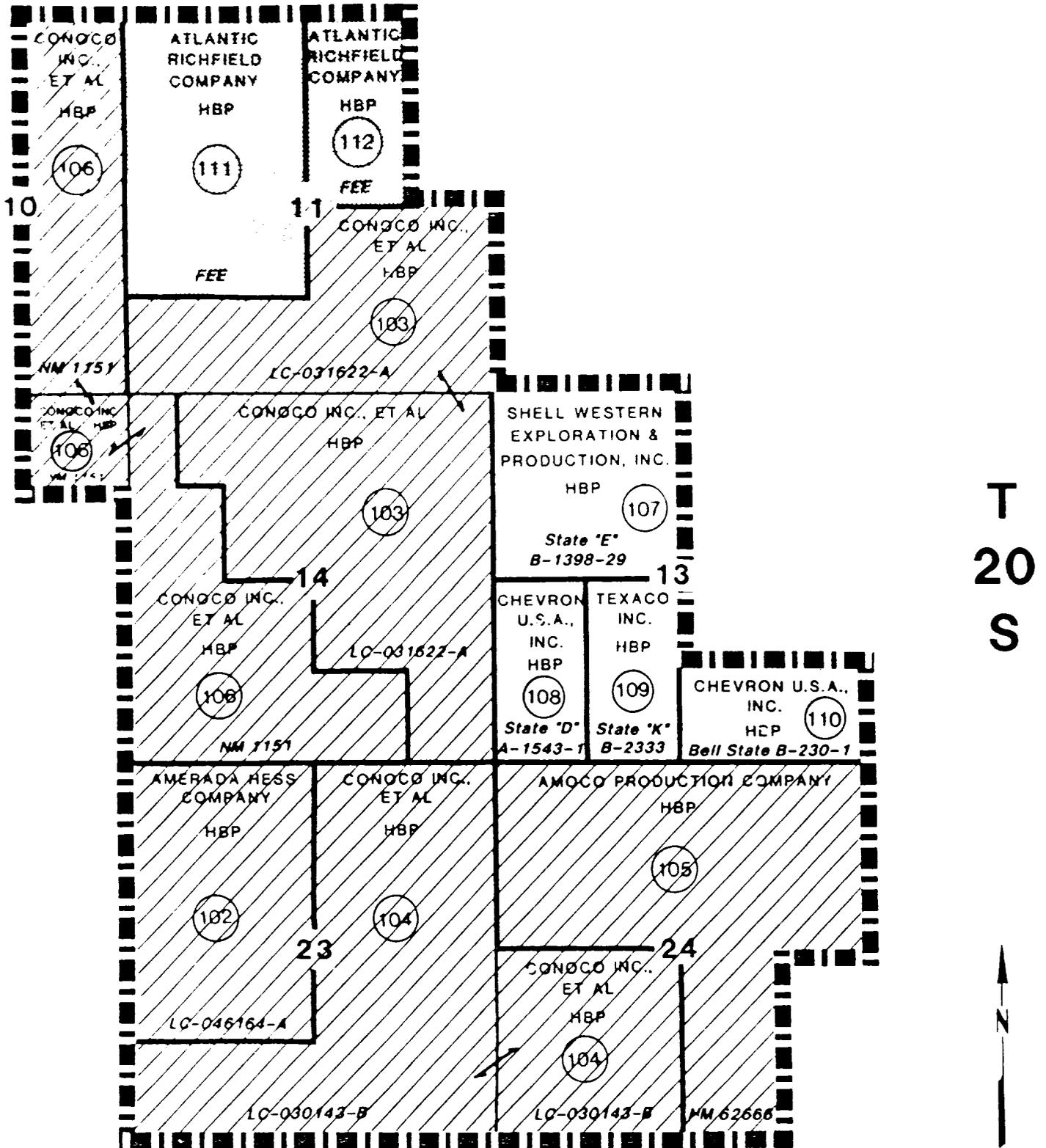
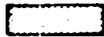


EXHIBIT "A"

## EUNICE MONUMENT SOUTH UNIT EXPANSION AREA "B"

LEA CO., NEW MEXICO  
UNIT EFFECTIVE 2-1-85  
EXPANDED/REV. 9-1-90

CHEVRON U.S.A. INC.  
HOUSTON, TEXAS

	ACREAGE	PERCENTAGE
	FEDERAL LANDS	2280 76.00
	STATE LANDS	400 13.33
	PATENTED LANDS	320 10.87
	TOTAL	3000 100.00

 UNIT OUTLINE       TRACT NUMBER



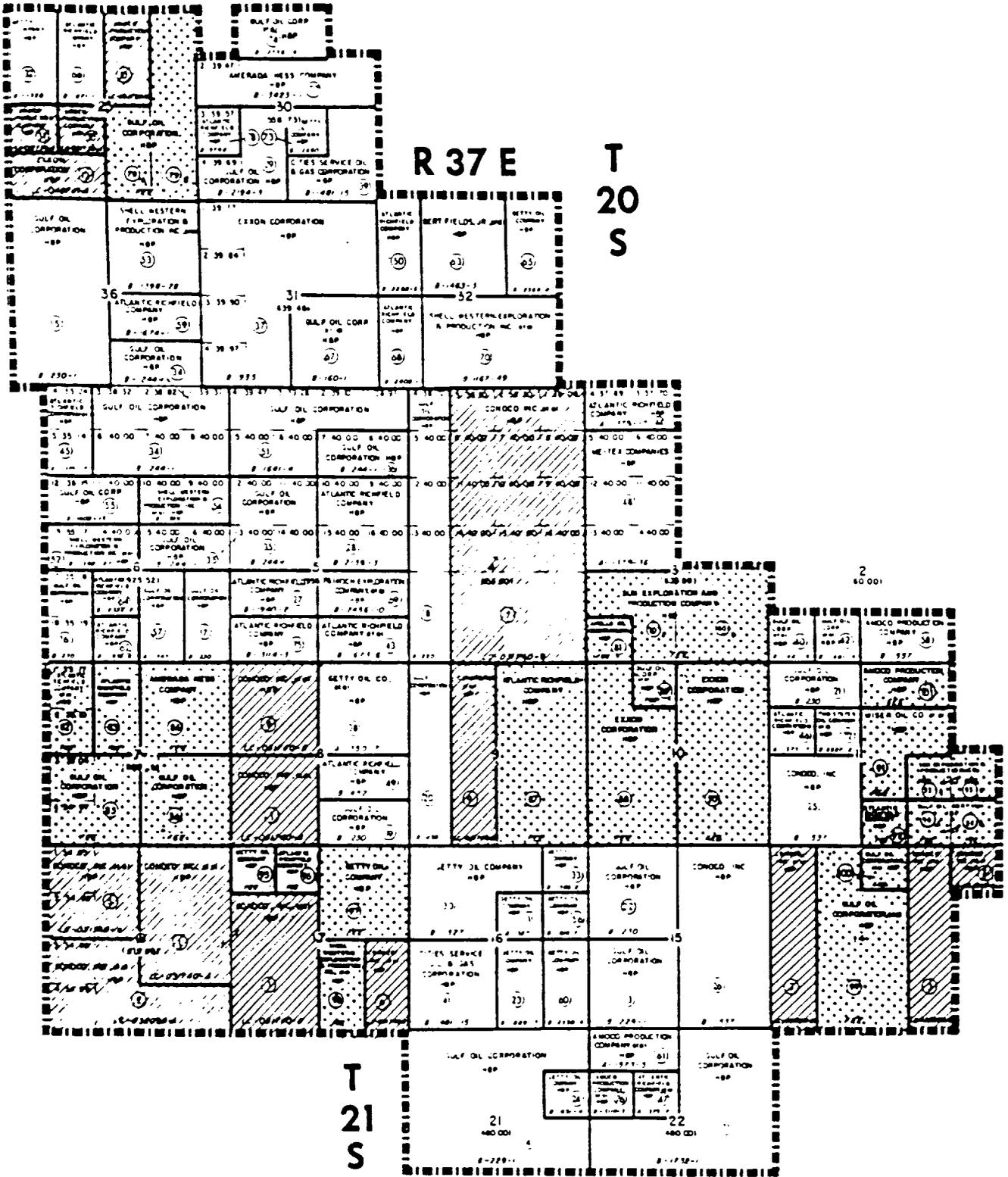
NOTE: UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS PLAT CONTAIN 640.00 ACRES

R 36 E

T 20 S

R 37 E

T 20 S



12  
10 00  
T 21 S  
13  
10 00

R 36 E

EXHIBIT "A"

**EUNICE MONUMENT  
SOUTH  
UNIT AREA "A"**

	ACREAGE	PERCENTAGE
	FEDERAL LANDS	2,734.76 9.27 %
	STATE LANDS	8,274.80 58.32 %
	PATENTED LANDS	3,180.28 22.41 %
	TOTAL	4,189.84 100.00 %

UNIT OUTLINE      TRACT NUMBER

LEA COUNTY, NEW MEXICO  
UNIT EFFECTIVE 2-1-85

Rev. 10-4-84  
Rev. 2-1-85

SCALE IN FEET  
NOTE: UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS MAP CONTAIN 640.00 ACRES

**CHEVRON U.S.A. INC.**  
HOUSTON, TEXAS

AMENDMENT TO NOTICE OF PROPOSED EXPANSION

EUNICE MONUMENT SOUTH UNIT EXPANSION  
BASIS OF ADMISSION

Following discussions at the February 27, 1990 Working Interest Owners' meeting in Hobbs, New Mexico, these amendments are to be incorporated into the Notice of Proposed Expansion:

1. Under the Basis of Admission, item one, Common Injection System, the following revision shall apply:

Paragraph one, last sentence - In lieu of determining the amount of investment adjustment at the date of first water delivery, it is anticipated that first water delivery will be in early 1991 and therefore the investment adjustment of 1,060,785.53, as shown in the Notice of Proposed Expansion, shall be adopted as the fixed cost for said investment adjustment.

2. Under the Basis of Admission, item three, Common Investment, the following shall be substituted for and replace the entire item:

3. Capital Expenditures - Common Injection System

Future capital expenditures, as prescribed by the Internal Revenue Service Rules and Regulations then in effect, on the common injection system described above will be proportionately shared with 17.24% allocated to the expansion area and 82.76% allocated to the existing area; with the following exception:

Capital expenditures which benefit only one area (either expansion or existing area) will be borne solely (100%) by the area (either expansion or existing or existing area) which initiated the expenditure.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Amerada Hess Corp. P.O. Box 2040 Subsag OK 74102</i>	4. Article Number <i>P175 167161</i>
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
<i>J.C. Kelley</i>	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
5. Signature - Addressee <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b> <i>Carlos Lawrence</i>	
7. Date of Delivery <b>MAR 12 1990</b>	

PS Form 3811, Apr. 1989

\* U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Amco Production Co. Box 3092 Houston, TX 77253</i>	4. Article Number <i>P175 167 162</i>
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
<i>J.C. Allen</i>	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
5. Signature - Addressee <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b> <i>[Signature]</i>	
7. Date of Delivery <b>MAR 14 1990</b>	

PS Form 3811, Apr. 1989

\* U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Arco Oil + Gas Co. Box 1610 Midland, TX 79702</i>	4. Article Number <i>P175 167 163</i>
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
<i>D.C. Dodd - G.A. Nicholson</i>	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
5. Signature - Addressee <b>X</b> <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b>	
7. Date of Delivery <b>MAR 9 1990</b>	

PS Form 3811, Apr. 1989

\* U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

Postmark	Postage	Special	Product	Package	Street and No.	City	State	Zip
					5009. Kottline	Midland	TX	79701

RECEIPT  
 P 175 167 164

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: *Thomas B. Catron III, Justice*  
*Box 788*  
*Santa Fe, NM 87501*

4. Article Number: *P175 167 165*

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee: *[Signature]*  
 X

6. Signature - Agent: *[Signature]*  
 X

Date of Delivery: \_\_\_\_\_

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989 \*U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT



**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: *Five States Limited -1987*  
*1106 One Energy Square*  
*4925 Greenville Ave.*  
*Dallas, TX 75206*

4. Article Number: *P175 167 166*

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee: \_\_\_\_\_  
 X

6. Signature - Agent: *[Signature]*  
 X

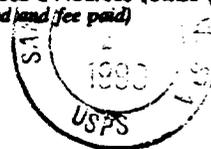
8. Addressee's Address (ONLY if requested and fee paid)

P 175 167 179

Registered Mail  
 Registered Mail + Insured  
 P 175 167 179  
 Richmond, VA 23261

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address.      2.  Restricted Delivery (Extra charge)

3. Article Addressed to: William Carl Pfluger 2657 Vista Del Arroyo San Angelo, Tx. 76904	4. Article Number P 175 167 190
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .
5. Signature - Address X <i>W. Pfluger</i>	8. Addressee's Address (ONLY if requested and fee paid) 
6. Signature - Agent X	
7. Date of Delivery	

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address.      2.  Restricted Delivery (Extra charge)

3. Article Addressed to: A. Lee Pfluger Child Trust 1215 W. Ave D San Angelo, Tx. 76901	4. Article Number P 175 167 191
	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>Robert Holt</i>	
7. Date of Delivery 4-3-90	

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge)      2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Five States 1988-A, Ltd. 1106 One Energy Square 4925 Greenville Ave. Dallas, TX 75206</i>	4. Article Number <i>P175 167 176</i>
5. Signature - Addressee <i>James A. Gibbs</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <i>D. Pfeiffer</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <i>3-12-90</i>	8. Addressee's Address (ONLY if requested and fee paid)

**DATE DELIVERED**  
 MAR 12 1990  
 DALLAS, TEXAS  
 USA  
 USPS

PS Form 3811, Apr. 1989      \* U.S.G.P.O. 1989-238-815      DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

TO: (Name of Addressee)	TO: (Address of Addressee)	TO: (City, State, and Zip)	TO: (Country)
FROM: (Name of Sender)	FROM: (Address of Sender)	FROM: (City, State, and Zip)	FROM: (Country)
DATE OF DELIVERY	DATE OF DELIVERY	DATE OF DELIVERY	DATE OF DELIVERY

*Paul Pfeiffer  
Box 460  
Dallas, TX 75240*

P 175 167 177

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge)      2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Quin Energy Ltd. Suite 2000 21011 Ventura Blvd. Woodland Hills, CA 91364</i>	4. Article Number <i>P175 167 178</i>
5. Signature - Addressee <i>X</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <i>X [Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <i>2 3/2</i>	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989      \* U.S.G.P.O. 1989-238-815      DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Shell Box 576 Houston, TX 77001</i>	4. Article Number: <i>P175 167 173</i>
5. Signature - Addressee: <i>W.F.N. Keldorf - Room 4432 710 Woodchuck</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent: <i>[Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery: <i>MAR 14 1990</i>	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989      \*U.S.G.P.O. 1989-238-815      DOMESTIC RETURN RECEIPT

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1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Fred Surrey, Jr. Trust Ray Floyd Box 910 Midland, TX 79702</i>	4. Article Number: <i>P175 167 174</i>
5. Signature - Addressee: <i>X</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent: <i>X [Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery: <i>3-9-90</i>	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989      \*U.S.G.P.O. 1989-238-815      DOMESTIC RETURN RECEIPT

PS Form 3800, June 1985

Postmark or Date	POSTAGE PAID	PERMIT NO.	CITY	STATE	ZIP

*Energy Production #413  
9400 Central Expressway  
Dallas, TX 75231*

P 175 167 175

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Miser Oil Company 700 Petroleum Bldg. Mickita Falls, W: 76301</i>	4. Article Number <i>P175 167 170</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee <i>X [Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X</i>	
7. Date of Delivery <i>3-13-90</i>	

PS Form 3811, Apr. 1989 \*U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Catron, Catron + Sawtell Box 788 Santa Fe, NM 87504 John S. Catron</i>	4. Article Number <i>P175 167 171</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee <i>X [Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid) 
6. Signature - Agent <i>X</i>	
7. Date of Delivery	

PS Form 3811, Apr. 1989 \*U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

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1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Carl R. Pfluger 2133 Office Park Drive San Angelo, TX 76904</i>	4. Article Number <i>P175 167 172</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee <i>X [Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X [Signature]</i>	
7. Date of Delivery <i>3/8/90</i>	

PS Form 3811, Apr. 1989 \*U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

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1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>First National Bank William E. Perdue Trust 105 North Main Wichita, Kansas 67202</i>	4. Article Number <i>P175 167 167</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .	
5. Signature - Addressee <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b> <i>[Signature]</i>	
7. Date of Delivery <i>3-9-90</i>	

PS Form 3811, Apr. 1989 \* U.S.G.P.O. 1989-238-815 **DOMESTIC RETURN RECEIPT**

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1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Exxon Company U.S.A. Box 1700 Midland, TX 79702 Donna Littlefield</i>	4. Article Number <i>P175 167 168</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .	
5. Signature - Addressee <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b> <i>[Signature]</i>	
7. Date of Delivery <i>MAR 9 1990</i>	

PS Form 3811, Apr. 1989 \* U.S.G.P.O. 1989-238-815 **DOMESTIC RETURN RECEIPT**

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
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1.  Show to whom delivered, date, and addressee's address. (Extra charge) 2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Koch Exploration Co. Box 2256 Wichita, Kansas 67201 Jim Whisnand</i>	4. Article Number <i>P175 167 169</i>
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .	
5. Signature - Addressee <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b> <i>[Signature]</i>	
7. Date of Delivery <i>MAR 20 1990</i>	

PS Form 3811, Apr. 1989 \* U.S.G.P.O. 1989-238-815 **DOMESTIC RETURN RECEIPT**

PROPOSED EUNICE MONUMENT SOUTH UNIT EXPANSION

BALLOT TALLY

Effective 4-16-90

EUNICE MONUMENT SOUTH UNIT WORKING INTEREST OWNERS	Working Interest	VOTE		TALLY	
		FOR	AGAINST	WI FOR	WI AGAINST
Amerada Hess Corp.	0.013146200				
Exxon Company, U.S.A.	0.053926600	x		0.053926600	
Shell Western E & P Inc.	0.067604000	x		0.067604000	
Wiser Oil Co.	0.001059400	x		0.001059400	
Koch Exploration Co.	0.003297500				
Turner Fred W Jr. Estate	0.000871800				
Catron T R 222 Trustee	0.000181500				
Five States Limited - 1987	0.002394692	x		0.002394692	
Bruin Energy LTD	0.005338319	x		0.005338319	
Five States 1988-A, LTD	0.003011120	x		0.003011120	
Texaco Producing Inc.	0.073133700				
Amoco Production Co.	0.083840800	x		0.083840800	
Arco Oil & Gas Co.	0.204690800	x		0.204690800	
A. Lee Pfluger Child Trust	0.000290000	x		0.000290000	
William Carl Pfluger	0.000290000	x		0.000290000	
Conoco Inc.	0.094164900	x		0.094164900	
Catron J S & T B	0.000181500				
Perdue William E Trust	0.000171900				
Carpenter Oil & Gas Co.	0.002101900	x		0.002101900	
Energy Production Corp.	0.007273169	x		0.007273169	
Chevron U.S.A. Inc.	0.383030200	x		0.383030200	
TOTALS	1.000000000	14	0	0.909015900	0.000000000

ENSU EXPANSION (ENWU) WORKING INTEREST OWNERS		VOTE		TALLY	
		FOR	AGAINST	WI FOR	WI AGAINST
Amerada Hess Corp.	0.017168789				
Amoco Production Co.	0.305419332	x		0.305419332	
Arco Oil & Gas Co.	0.293999073	x		0.293999073	
Chevron U.S.A. Inc.	0.193976604	x		0.193976604	
Conoco Inc.	0.138312841	x		0.138312841	
Shell Western E & P Inc.	0.044693929	x		0.044693929	
Texaco Producing Inc.	0.006429433				
TOTALS	1.000000000	5	0	0.976401778	0.000000000

Absence of indication in FOR / AGAINST column represents no reply as of "Effective Date" above.