



ROBERT M. EDSSEL

Oil & Gas Exploration & Development

August 2, 1985

To: Scott #1 Working Interest Owners
(See Attached)

Re: Scott #1 Well
East Caudill Prospect
Lea County, New Mexico

Dear Sirs:

By telegram dated July 17, 1985 we advised each of you that we were reviewing the issue of reassignment to Scott/Late of certain acreage within our captioned prospect in light of our learning about the recent establishment of 80 acre proration units for the "N. E. Caudill Wolfcamp Pool". After analyzing the information provided us concerning the new field rules, we are of the opinion that Scott/Late are due a reassignment as to all acreage requested by them in their letter dated June 31, 1985 to Robert M. Edsel, save and except 80 acres around our Scott #1 well being NW/4 SW/4, Section 1, T-15-S, R-36-E, Lea County, New Mexico.

I am advising Messrs. Scott/Late by telephone and copy of this letter of our position in this regard. Please feel free to contact us if you wish to discuss this matter in greater detail.

Very truly yours,

James H. Edsel

James H. Edsel
Exploration Manager

JHE:ls

cc: Wilton E. Scott
Frank M. Late

EXPLORATION
CLERK
DATE
CASE NO. 8678

SCOTT #1 WELL
LEA COUNTY, NEW MEXICO
WORKING INTEREST OWNERS

Robert M. Edsel
4200 Thanksgiving Tower
Dallas, Texas 75201

Mr. Joseph V. Hughes, Jr.
5956 Sherry Lane, Suite 1040
Lock Box 1040
Dallas, Texas 75225

Indrex, Inc.
Attn: Mr. Frank L. Brooks
One Memorial Place
7633 East 63rd Place, Suite 500
Tulsa, Oklahoma 74133

Mr. Joseph V. Hughes, Jr., Partnership
5956 Sherry Lane, Suite 1040
Lock Box 1040
Dallas, Texas 75225

Mr. Burr A. Silver
Olympic Exploration &
Production Co.
Midtown Plaza, 330 West Gray
Norman, Oklahoma 73069

Mr. William C. Bahlburg
Bahlburg Exploration
14875 Landmark Boulevard, Suite 216
Dallas, Texas 75240

Union Texas Petroleum Corp.
Attention: Mr. Don Dow
4000 North Big Springs, Suite 500
Midland, Texas 79705

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Mr. Wilton E. Scott
1100 Milam Building, Suite 4460
Houston, Texas 77002

Mr. Joseph V. Hughes, Jr.
5956 Sherry Lane, Suite 1040
Lock Box 1040
Dallas, Texas 75225

Mr. Frank M. Late
Meadow Building
5646 Milton, Suite 800
Dallas, Texas 75206

Mr. Knox Davis
Union Texas Petroleum Corporation
4000 North Big Spring Street
Suite 500
Midland, Texas 79705