

RIO PECOS CORPORATION

110 WEST LOUISIANA, SUITE 460

MIDLAND, TEXAS 79701

(915) 687-0127

- LAND -

SCOTT E. WILSON

ROGER T. ELLIOTT

- GEOLOGY -

MARK D. WILSON

TODD M. WILSON

HEATHER WILSON ECHOLS

August 21, 1985

Frances J. Weller Trust  
Weller Energy, Inc.  
132 Green Avenue  
Madison, New Jersey 07940

Re: Cedar Lake Prospect  
Township 17 South, Range 30 East, NMPM  
Section 26: W/2  
Eddy County, New Mexico

Gentlemen:

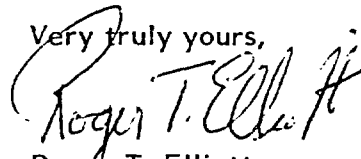
Please find enclosed a copy of my letter dated August 20, 1985, whereby we offered two separate farmout trades to Anadarko in lieu of their participation in the captioned prospect.

Rio Pecos Corporation hereby offers you the same farmout terms as described in the enclosed letter. The only change would be the substitution of your name and your appropriate working interest in lieu of Anadarko's.

If you have any questions, please contact the undersigned at 1-915-687-0127.

Thank you.

Very truly yours,

  
Roger T. Elliott  
Landman

RTE/sh

Enc.

BEFORE EXAMINER STOGNER OIL CONSERVATION DIVISION	
8/28/85	EXHIBIT NO. 5
CASE NO.	8688

Francis J. Weller Jr.  
132 Green Avenue  
Madison, New Jersey 07940

August 16, 1985

Mr. W. Thomas Kellahin  
Kellahin and Kellahin, Attorneys at Law  
El Patio--117 North Guadalupe  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265

Re: Rio Pecos, Morrow test well  
W/2 Section 26, Township 17 South, Range 30 East, NMPM

Dear Mr. Kellahin:

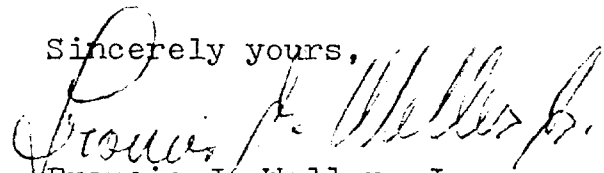
Weller Energy Inc. (Francis J. Weller Trust) for years has worked closely with Dan Kernaghan at Anadarko Production Company on working interests we own jointly with them.

At this time I am uncertain of Anadarko's decision regarding the proposed Rio Pecos test. Nevertheless, Weller Energy and the Weller Trust, with combined interests of 2.343750%, are agreeable to a farm-out of our interests to the Rio Pecos Corporation at the same 40% back-in working interest accorded Belnorth Corporation.

If this is agreeable to your client, please forward all relevant documentation to me at the above address.

Thanks for your cooperation.

Sincerely yours,

  
Francis J. Weller, Jr.  
President, Weller Energy/Trust