

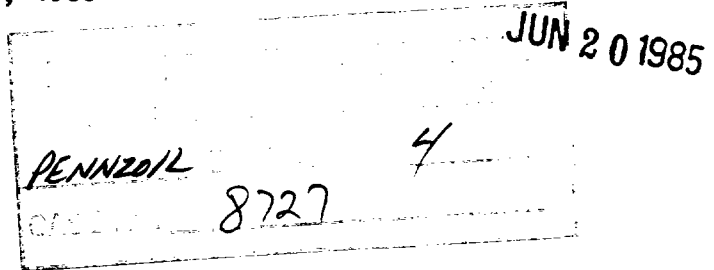
TXO PRODUCTION CORP.

900 WILCO BUILDING
MIDLAND, TEXAS 79701

June 19, 1985

Penzoil Company
P. O. Drawer 1828
Midland, TX 79702

Attention: Mr. Greg Davis ✓



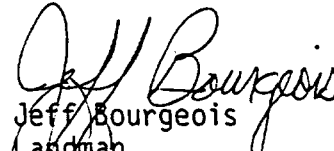
Re: Farmout Option Request
NE/4 Section 4
T-17-S, R-37-E
Lea County, New Mexico

Gentlemen:

In reference to your letter of April 9, 1985 requesting a farmout option covering the captioned lands, please be advised that TXO Production Corp. has reviewed your request and, at this time, respectfully declines your offer.

Thank you for your proposal and should you have any questions, please do not hesitate to contact me.

Very truly yours,


Jeff Bourgeois
Landman

JB/dp