

PENNZOIL PLACE • P. O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

October 16, 1987

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Clodette Maner, as Guardian of the Estate of Haley Lowe 3424 61st Street Lubbock, Texas 79413

SEFORT.	EXAMINER	CATANACH
OIL CO	NOLRYATION	NGIZIVIG I

Re: #1 M. H. Medlin S/2 NW/4 of Section 14, T16S - R37E Lea County, New Mexico

Dear Ms. Lowe:

Pennzoil Company hereby proposes to drill a 12,200' Strawn-Atoka test at a legal location 1980' FNL and 660' FWL of Section 14, T16S-R37E, by January 1, 1988. A copy of our AFE is enclosed for your review.

The Oil and Gas Records of Lea County, New Mexico indicate that you, as Guardian of the Estate of Haley Lowe, own an undivided and unleased 2.34326% of a 1/48th mineral interest in the S/2 NW/4 of Section 14-16S-37E, and the same interest in the N/2 NW/4, N/2 SW/4 of Section 14, T16S-R37E and the NE/4, N/2 SE/4 of Section 15-16S-37E.

We hereby request that you either participate in our proposed well or lease your interest in the S/2 NW/4 of Section 14-16S-37E and the N/2 NW/4, N/2 SW/4 of Section 14, T16S-R37E and the NE/4, N/2 SE/4 of Section 15-16S-37E to Pennzoil for a bonus consideration of \$100.00 for a one (1) year lease providing for 1/4 royalty and a 180 day continuous drilling program.

Should you elect to participate, please return an executed copy of the enclosed AFE. Upon our receipt of same, an A.A.P.L. Form 610-1982 Model Form Operating Agreement will be forwarded to you for your review and execution.

Please be advised that due to Pennzoil's lease expirations in January of 1988, we plan to make application to compulsory pool the S/2 NW/4 of Section 14-16S-37E on the next available Commission docket.

Your prompt consideration of our proposal will be appeciated. Should you have any questions, please feel free to contact me at 713/546-6195.

Yours very truly,

PENNZOIL COMPANY

Land Specialist

GD: it Enclosure

SENDER: Complete items 1 and 2 when additional see and 4.  Put your address in the "RETURN TO" Space on the rever card from being returned to you. The return receipt fee delivered to and the date of delivery. For additional fees the postmaster for fees and check box(es) for additional service(1). Show to whom delivered, date, and addressee's address t(Extra charge)†  3. Article Addressed to:  Clodette Maner, as Guardian of the Estate of HaleyLowe 3424 61st Street  Lubbock, Texas 79413	se side. Failure to do this will prevent this will provide you the name of the person re following services are available. Consult s) requested.  2.   Restricted Delivery  † (Extra charge)†
21124 1,15T Street	4. Article Number P-757-967-748  Type of Service: I Registered I Insured
1 1-1-00 LIVAS 14413	☐ Express Mail
Lubbooden of the	Always obtain signature of addresse or agent and DATE DELIVERED.
5. Signature — Addressee  X V Addressee  K. Signature — Agent  X  7. Date of Delivery	8. Addressee's Address (ONLY if requested and fee paid)

AFE Title or Location Name (25)  2 5 1 6 1 4 0 7 4 3 8 9 3 7 Mr, Hr, M.E.D.L.I.N. #, 1 D,C.&.E.  COMPANY Pennzoil Company Western  Western  OPERATOR Pennzoil Company PROJECT DESCRIPTION Drill, complete and equip. a 12,200' Strawn oil well located 1980' FNL & 660' FWL of section 14, T16S, R37E  Page 1 Triple  AFE Title or Location Name (25)  Mr, Hr, M.E.D.L.I.N. #, 1 D,C.&.E.  DISTRICT 36  VINDEVELOPED LEASE NO. NE Lovington COUNTY OR PARISH Lea NM  PROPOSED FORMATION Strawn  Deepen	ORM 25	-117(1)	А	UTHORI		OR EX	(PENDI	TURE			(	DATE	1	PAGE	
2   1   6   1   0   7   4   3   8   9   3   7	• Co. De	Co. Dept. Play No. AFE No. AFE T							10/16/87 1 OF 2  AFE Title or Location Name (25)						
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PROJECT DESCRIPTION   DETERMINED   PROPOSED PORMATION			NO. I												
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CONTRACT DRILLING    DORILLING   Styre   Styre		<del></del>													
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TOTAL CONTRACT DAY WORK	TR/				ING			4,	.000 /day	490				8,000	
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COGING AND SIDE WALL CORING	<del></del>					50/da	y		<u> </u>	+			·		
TOOL RENTAL INCLUDING SMALL DIAMETER DRILL PIPE				ING						478				29,000	
TESTING TUBULAR GOODS	<del></del>		LIDING SH	ALL DIAM	ETER DRU	, DIDE	<u> </u>			+		5.000		<del></del> -	
STIMULATION TREATMENT				ALL DIAM	ETER DRIL	LFIFE									
OTHER SPECIAL WELL SERVICES   Includes 60' core   494   16,000   16,000   16,000										+			7 500	7.50	
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12,200   5-1/2   17	ASIN	1	(	Ţ						<del></del>	1				
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Penna	zoil	Company			West	ern		1	36	<u>-</u>
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PERAT		III NO. I				NE Lovi			STATE	
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12,20	00' S	trawn oi	1 well lo	cated 198	0' FNL &					
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