

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0962

January 15, 2004

Mr. Roy Glen Fox
394 Purdue Lane
Weatherford, Texas 76085

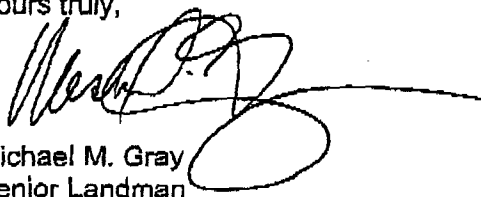
Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

Dear Mr. Fox:

Concho Exploration Inc. proposes the drilling of the Harris 3-C #1 Well as a 9,800' Abo/Wolfcamp well at the captioned location. An Authority For Expenditure is enclosed for your review.

If you desire to participate in the drilling of our well, please execute and return one copy of the enclosed Authority For Expenditure indicating your election to participate. Please also complete and return the enclosed Geological Well Requirements Schedule or furnish us with your own Geological Requirements Letter. If you elect to participate in the well, an Operating Agreement will be sent to you for your review and execution. If you do not want to participate in the drilling of this well, Concho will consider acquiring your interest under mutually acceptable terms. If you have any questions please contact me at the letterhead address and phone number.

Yours truly,


Michael M. Gray
Senior Landman

enclosure
MMG/tf:enerstarco(81)

BEFORE THE
OIL CONSERVATION DIVISION
Case No.13247 Exhibit No. 4
Submitted By:
Chesapeake Inc.
Hearing Date: April 15, 2004

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

REMAILED 2/11/04 TO CORRECTED ADDRESS.

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0665

January 15, 2004

Matrix New Mexico Holdings, LLC
1650 Highway 6 South, Suite 120
Sugar Land, Texas 77478-4921

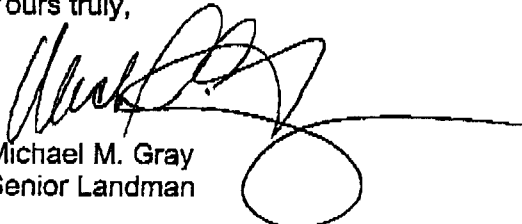
Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
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Yours truly,



Michael M. Gray
Senior Landman

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
Fax 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0894

January 15, 2004

Mr. Robert E. Landreth
505 N. Big Spring, Suite 507
Midland, Texas 79701

Harris 3-C #1 Well

**Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04**

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Senior Landman

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Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0900

January 15, 2004

Allante Joint Venture
500 West Texas, Suite 1000
Midland, Texas 79701

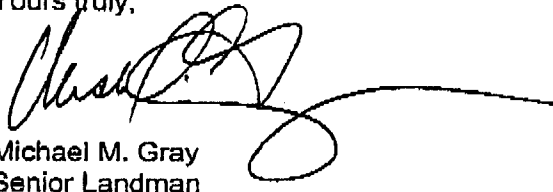
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Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

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Senior Landman

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550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0931

January 15, 2004

Fasken Land and Minerals Ltd.
303 W. Wall, Suite 1900
Midland, Texas 79701

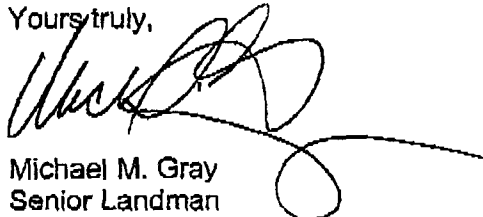
Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
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Files #711319 & #301141-04

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Michael M. Gray
Senior Landman

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0924

January 15, 2004

Hallwood Energy Partners LP
4610 S. Ulster Street, Suite 200
Denver, Colorado 80237

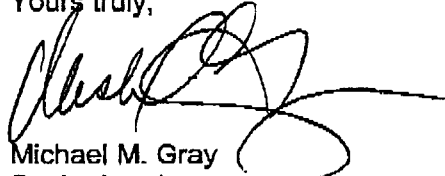
Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

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Michael M. Gray
Senior Landman

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7003 1680 0006 6280 4995

February 11, 2004

H E P Partners, L.P.
500 West Illinois
Midland, Texas 79701

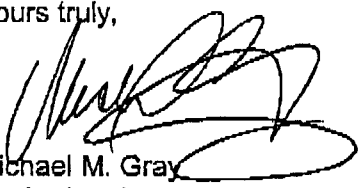
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Michael M. Gray
Senior Landman

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7002 3150 0005 0459 0917

January 15, 2004

E M Nominee Partnership Co.
P. O. Box 37811
Denver, Colorado 80237

Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

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Yours truly,



Michael M. Gray
Senior Landman

enclosure
MMG/tf:enerstarso(85)

*Resent 2/11/04 to
HEP Partners L.P.*

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail

January 15, 2004

To the Working Interest Owners shown on the attached Exhibit "A"

Harris 3-C #1 Well

**Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04**

Dear Working Interest Owner:

Concho Exploration Inc. proposes the drilling of the Harris 3-C #1 Well as a 9,800' Abo/Wolfcamp test at the captioned location. An Authority For Expenditure estimating the cost of this proposed well is enclosed. Your interest in this well and the related leases is subject to an Operating Agreement dated April 1, 2002.

Please indicate whether or not you desire to participate in this well by marking the appropriate space below, and if you elect to participate, by executing and returning one copy of this letter along with an executed copy of the enclosed AFE. Please also complete and return the enclosed Geological Well Requirements Schedule or furnish us with your own Geological Requirements Letter.

The working interests set forth on Exhibit "A" represent our analysis of the leasehold ownership under the location. The Title Opinion will be distributed to you upon receipt. We expect the Title Opinion to be completed in February.

Yours truly,


Michael M. Gray
Senior Landman

Claude C. Arnold Working Interest Oil
& Gas Properties, LLC

_____ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed
an executed Authority For Expenditure.

_____ Will NOT participate in the drilling of the Harris 3-C #1 Well.

By: _____
Printed Name/Title: _____
Date: _____

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail

January 15, 2004

To the Working Interest Owners shown on the attached Exhibit "A"

Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

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Yours truly,


Michael M. Gray
Senior Landman

Blake Arnold Working Interest Oil
& Gas Properties, LLC

_____ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed
an executed Authority For Expenditure.

_____ Will NOT participate in the drilling of the Harris 3-C #1 Well.

By: _____
Printed Name/Title: _____
Date: _____

Exhibit "A"**Harris 3-C #1 Well
(New Drill Proposal)
Enerstar South Prospect****Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico****Working Interest Owner****Working Interest**

Claude C. Arnold Working Interest Oil & Gas Properties, LLC
4323 NW 63rd Street, Suite 200
Oklahoma City, OK 73116

8.19616%

Blake Arnold Working Interest Oil & Gas Properties, LLC
4323 NW 63rd Street, Suite 200
Oklahoma City, OK 73116

2.04904%

Tropical Minerals, Inc.
P.O. Box 20671
Oklahoma City, OK 73156-0671

0.68301%

Monarch Resources, LLC
P. O. Box 1197
Oklahoma City, OK 73102-9998

0.68301%

Enerstar Resources O&G, LLC
P. O. Box 606
Carlsbad, NM 88211

7.17164%

Rehoboth, Inc.
2600 W. Coffee Creek Road
Edmond, OK 73003

2.04904%

J. Durwood Pate Trust
3625 Goodger
Oklahoma City, OK 73112

0.68301%

James D. Pate, Jr. Trust dated 8-8-86
3625 Goodger
Oklahoma City, OK 73112

0.68301%

Joe H. Pate Trust
3625 Goodger
Oklahoma City, OK 73112

0.68301%

Larry Fenity
2301 Brookside Avenue
Edmond, OK 73034

0.68301%

David C. Story
1816 Rising Star Lane
Edmond, OK 73034

0.34151%

Exhibit "A" (Continued)
Harris 3-C #1 Well (New Drill Proposal)

Working Interest Owner

H. J. Freede, Inc.
430 NW 13th Street
Oklahoma City, OK 73103

Cardinal River Farm, Inc.
5100 Wisteria Drive
Oklahoma City, OK 73142

Bob Blundell, Jr.
P. O. Box 386
Carlsbad, NM 88221

Discovery Exploration
410 North Main
Midland, TX 79701

Working Interest

5.46411%

1.70753%

4.78109%

11.95273%

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
Fax 683-7441

Via Certified/Return Receipt Mail #7003 1680 0006 6280 4971

February 10, 2004

Mr. Stanley J. Dimsha
1919 West Jefferson Avenue
Lovington, New Mexico 88260.

Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

Dear Mr. Dimsha:

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Yours truly,


Michael M. Gray
Senior Landman

Stanley J. Dimsha

_____ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed an executed Authority For Expenditure.

_____ Will **NOT** participate in the drilling of the Harris 3-C #1 Well.

By: _____
Stanley J. Dimsha
Date: _____

enclosure
MMG/tf:enerstarsouth(103)

CONCHO EXPLORATION INC.

Fasken Center, Tower II
550 W. Texas Ave., Ste. 1300
Midland, Texas 79701

(432) 683-7443
FAX 683-7441

Via Certified/Return Receipt Mail #7003 1680 0006 6280 4988

February 10, 2004

J. P. H. Oil Producers, Inc.
P. O. Box 585
Lovington, New Mexico 88260

RECEIVED
FEB 23 2004
MAILROOM

Harris 3-C #1 Well
Township 13 South, Range 38 East
Section 3: 1980' FNL & 1650' FWL
Lea County, New Mexico
Enerstar South Prospect
Files #711319 & #301141-04

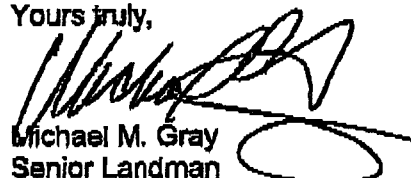
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Michael M. Gray
Senior Landman

J. P. H. Oil Producers, Inc.

☒ Will participate in the drilling of the Harris 3-C #1 Well and have enclosed an executed Authority For Expenditure.

☐ Will **NOT** participate in the drilling of the Harris 3-C #1 Well.

By: 
Printed Name/Title: Jimmy Hodge, President
Date: 2-14-04