



Via Certified/Return Receipt Mail

December 13, 2004

Apollo Exploration, LLC c/o Chris Bright 1415 23rd Street Canyon, Texas 79015

> Re: Townsend #2 Well SE/4NE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

Gentlemen:

Matrix New Mexico Operating Company, LLC proposes the drilling of the Townsend #2 well as a 9,800' Wolfcamp test in the above captioned 40 acre spacing unit. An Authority for Expenditure is enclosed for your review.

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Yours truly,

Fred C. Bryla/ Vice President



5725 Commonwealth Boulevard Sugar Land, Texas 77479 Phone 281-265-1212 Fax 281-265-1778

Via Certified/Return Receipt Mail

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Bronco Projects, LLC c/o George Joseph 35755 Stenzel Rd. Brookshire, Texas 77423

> Re: Townsend #2 Well SE/4NE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

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Gary Greenstreet, LLC c/o Gary Greenstreet 3902 85th Pl Lubbock, Texas 79423

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Jens H. Mortensen, Jr. 12301 Rooth Rd. McAllen, Texas 78504

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Larami, Ltd. c/o George Placke 545 N Upper Broadway #507 Corpus Christi, Texas 78476

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Lindsay Production & Royalties c/o Sidney Lindsay 112 E. Pecan Street, Suite 500 San Antonio, Texas 78205

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Sunlight Exploration, Inc. c/o Chris Bright 1415 23rd Steet Canyon, Texas 79015

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Fred C. Bryla // Vice President



5725 Commonwealth Boulevard Sugar Land, Texas 77479 Phone 281-265-1212 Fax 281-265-1778

Via Certified/Return Receipt Mail

December 13, 2004

Mr. Leroy Townsend 7650 East Vista Drive Scottsdale, AZ 85250

> Re: Townsend #2 Well SE/4NE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

Dear Mr. Townsend:

Matrix New Mexico Operating Company, LLC proposes the drilling of the Townsend #2 well as a 9,800' Wolfcamp test at the above captioned spacing unit. Our records indicate that you own a 0.555556% mineral ownership in the E/2 Section 10-13S-38E under the proposed well. Our records further indicate that Matrix New Mexico Holdings, LLC, through its representative, Mr. Randy Watts, has made several written offers to lease your minerals in this area without success. As an unleased mineral owner in the land set forth above, you have the right to participate directly in the drilling of the proposed well by paying your prorata share of the actual well drilling, completion, and operating costs.

If you desire to participate in the drilling of the above well, please execute and return one copy of the enclosed Authority For Expenditure so indicating your election. Upon receipt of your election to participate, an Operating Agreement will be sent to you for your acceptance and you will be invoiced for your share of the anticipated well cost (\$5,526.17). If you do not wish to participate in the cost of drilling of this well, Matrix will be willing to lease your minerals under the terms previously provided (providing to you a royalty, without any cost obligation). If you have any questions concerning the enclosed, or wish to lease your minerals, please feel free to contact Randy Watts at 505-622-5300.

Yours truly,

Fred C. Bryla Vice President

Enclosures

cc: Randy Watts





Via Certified/Return Receipt Mail

December 13, 2004

WFV Partnership c/o Terry Wynn P.O. Box 64953 Lubbock, Texas 79464

> Re: Townsend #2 Well SE/4NE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

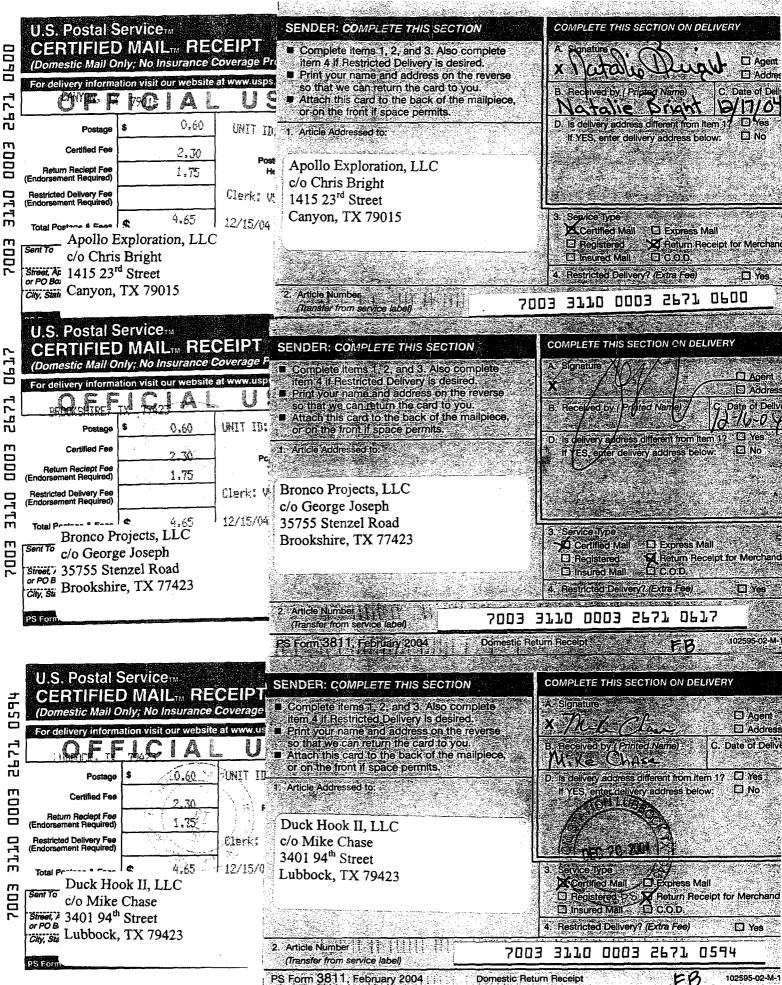
Gentlemen:

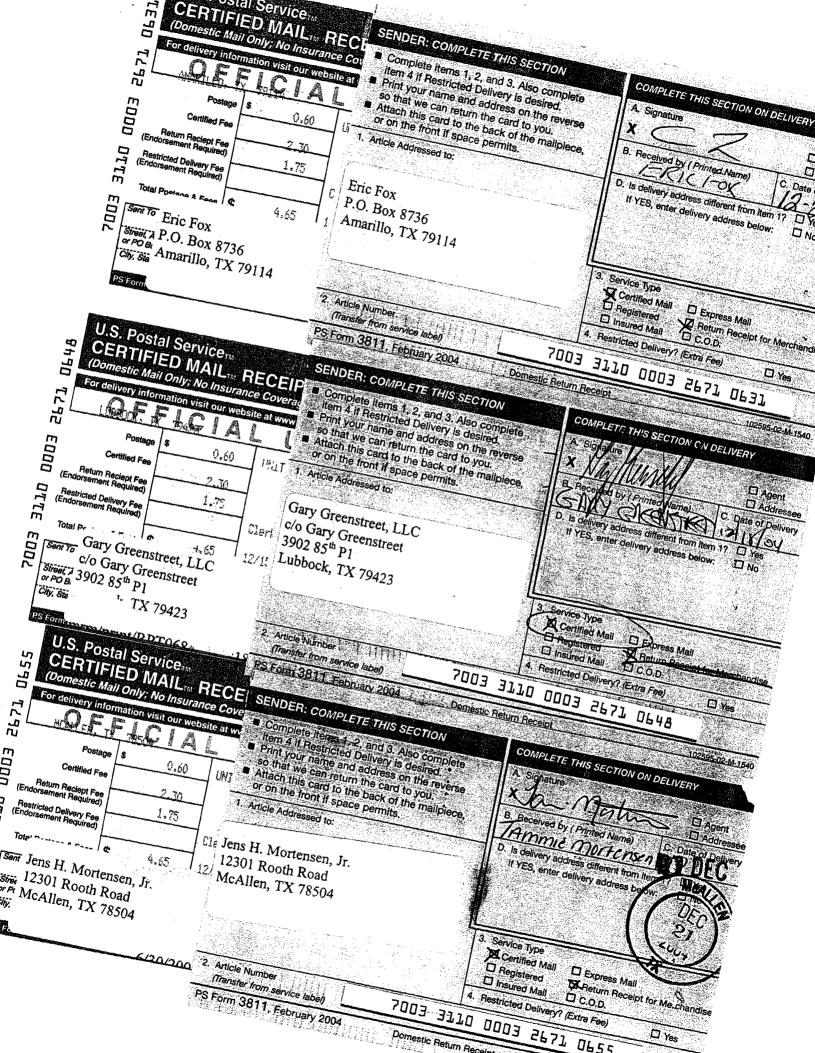
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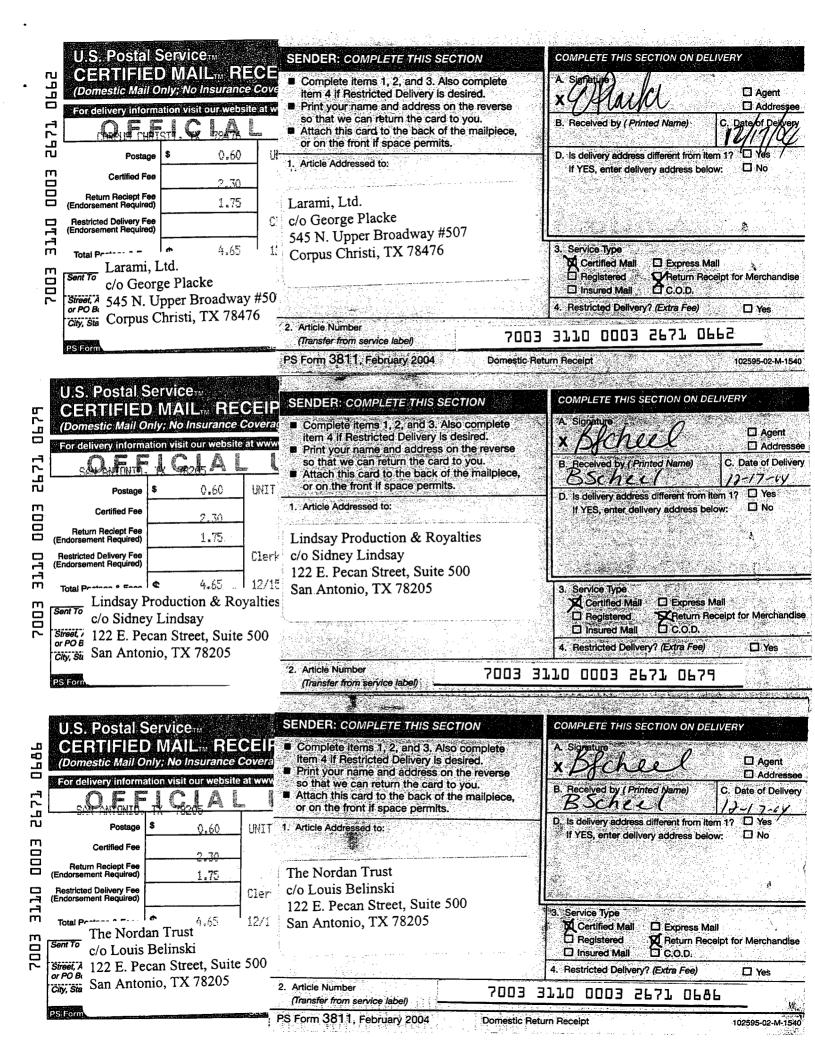
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U.S. Postal Servic CERTIFIED MA		SENDER: COMPLETE THIS SECTION	I COMPLETE THIS SECTION ON DELIVERY
(Domestic Mail Only; No		Complete items 1, 2, and 3. Also com item 4 if Restricted Delivery is desired	
For delivery information vis	it our website at a	Print your name and address on the n	everse
	arx 1 750076	so that we can return the card to you. ■ Attach this card to the back of the ma	
Postage \$	0.60	or on the front if space permits.	D. Is delivery address different from item 1? Yes, If YES, enter delivery address below:
Certified Fee	2.30		If YES, enter delivery address below:
(Endorsement Required)	1.75	OGI, Ltd.	
Restricted Delivery Fee (Endorsement Required)		c/o George Placke 545 N. Upper Broadway #507	
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or PO Bo Corpus Christi	•		4. Restricted Delivery? (Extra Fee)
City, Stat		2. Article Number	7003 3110 0003 2671 0693
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(Domestic Mail Only; No Ir		E Complete items 1, 2, and 3. Also com	plete A Siegeture
For delivery information visit of	our website at ww	Print your name and address on the re	everse
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Certified Fee	2.30	1. Article Addressed to:	If YES, enter delivery address below: No
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Restricted Delivery Fee (Endorsement Required)	Lie	c/o Chris Bright 1415 23 rd Street	
Total Pot Sunlight Explor		Canyon, TX 79015	3. Service Type
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or PO Box Canyon, TX 79			Insured Mall C.O.D. A. Restricted Delivery? (Extra Fee)
City, State		2. Article Number	
PS Form 3800, June 2002	See	(Transfer from service label)	7003 3110 0003 2671 0709
J.S. Postal Service		PS Form 3811 February 2004	Domestic Return Receipt
CERTIFIED MAIL™		SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Domestic Mail Only; No Insu or delivery information visit our		Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.	
		Print your name and address on the rev so that we can return the card to you.	verse Difference Addr B. Received by (Printed Name) C. Date of De
Postage \$	0.60 UNT	Attach this card to the back of the mail or on the front if space permits.	ipiece, 12/20
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m To Mr. Leroy Townse	• •		3. Service Type
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	U.S. Postal Service CERTIFIED MAIL (Domestic Mail Only; No Insurance Covera For delivery information visit our website at www			SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
1 0723			Covera	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. 	A. signature X. Agent Addressee C. Date of Delivery	
7003 2110 0003 267	Postage	\$ 0.60		1. Article Addressed to: WFV Partnership c/o Terry Wynn P.O. Box 64953	D. Is deivery address different from item 1? VITXES, after delivery address below: No	
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	Sent To C/O Terry	artnership y Wynn	l <u>12/1</u>		3 Service Type 24 Certified Mall □ Express Mall □ Registered 54 Return Receipt for Merchandise	
	1	O. Box 64953 Ibbock, TX 79464			Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes	
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Via Certified/Return Receipt Mail

December 14, 2004

Ms. Lynda Townsend Chesapeake Energy Corporation P.O. Box 18496 Oklahoma City, OK 73154-0496

> Re: Townsend #3 Well NE/4SE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

Gentlemen:

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Fred C. Bryla^{ν} Vice President

Enclosures

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No.'s 13419 & 13420 Exhibit No. 3 Submitted by: <u>Matrix New Mexico Holdings, L.L.C.</u> Hearing Date: February 17, 2005



5725 Commonwealth Boulevard Sugar Land, Texas 77479 Phone 281-265-1212 Fax 281-265-1778

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MATRIX

PRODUCTION

COMPANY

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Yours truly,

Fred C. Bryla Vice President



5725 Commonwealth Boulevard Sugar Land, Texas 77479 Phone 281-265-1212 Fax 281-265-1778

Via Certified/Return Receipt Mail

December 14, 2004

Mr. Leroy Townsend 7650 East Vista Drive Scottsdale, AZ 85250

> Re: Townsend #3 Well NE/4SE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

Dear Mr. Townsend:

Matrix New Mexico Operating Company, LLC proposes the drilling of the Townsend #3 well as a 9,800' Wolfcamp test at the above captioned spacing unit. Our records indicate that you own a 0.555556% mineral ownership in the E/2 Section 10-13S-38E under the proposed well. Our records further indicate that Matrix New Mexico Holdings, LLC, through its representative, Mr. Randy Watts, has made several written offers to lease your minerals in this area without success. As an unleased mineral owner in the land set forth above, you have the right to participate directly in the drilling of the proposed well by paying your prorate share of the actual well drilling, completion, and operating costs.

If you desire to participate in the drilling of the above well, please execute and return one copy of the enclosed Authority For Expenditure so indicating your election. Upon receipt of your election to participate, an Operating Agreement will be sent to you for your acceptance and you will be invoiced for your share of the anticipated well cost (\$5,526.17). If you do not wish to participate in the cost of drilling of this well, Matrix will be willing to lease your minerals under the terms previously provided (providing to you a royalty, without any cost obligation). If you have any questions concerning the enclosed, or wish to lease your minerals, please feel free to contact Randy Watts at 505-622-5300.

Yours truly,

Fred C. Bryla

Vice President

Enclosures

cc: Randy Watts





Via Certified/Return Receipt Mail

December 14, 2004

WFV Partnership c/o Terry Wynn P.O. Box 64953 Lubbock, Texas 79464

> Re: Townsend #3 Well NE/4SE/4 Section 10 Township 13 South, Range 38 East Lea County, New Mexico

Gentlemen:

Matrix New Mexico Operating Company, LLC proposes the drilling of the Townsend #3 well as a 9,800' Wolfcamp test in the above captioned 40 acre spacing unit. An Authority for Expenditure is enclosed for your review.

If you desire to participate in the drilling of the above well, please execute and return one copy of the enclosed AFE so indicating your election. Upon receipt of your election to participate, an Operating Agreement will be sent to you for your review and acceptance. If you do not wish to participate in the drilling of this well, Matrix will consider acquiring your interest under mutually acceptable terms. Please do not hesitate to call if you have any questions concerning the enclosed.

Yours truly,

Fred C. Bryla Vice President

