



UNIT PETROLEUM COMPANY

A Subsidiary of Unit Corporation

June 19, 2006

Working Interest Owners
(Address List Attached)

**Byers #2 Well
1480' FNL & 1280 FEL
Section 23, T20S-R35E
Lea County, New Mexico**

Gentlemen:

Unit Petroleum Company proposes to drill the captioned Byers #2 well to 13,600 feet to test the Morrow formation.

Attached is an AFE in the amount of \$2,249,500-Drilling Cost and \$989,500-Completion Cost. Please sign the AFE and return to me at your earliest convenience. We would appreciate receiving your response by no later than July 21, 2006.

Please call me should you have a question concerning this proposal.

Sincerely yours,

Fred Schantz
District Landman

Oil Conservation Division

Case No. 13753

Exhibit No. 3

BYERS #2
1480' FNL & 1280' FEL
Section 23, T-20S-R35E
Lea County, New Mexico
- Working Interest Owners -

BTA Oil Producers et al
104 S. Pecos
Midland, TX 79701

BWB Partners I
P.O. Box 51407
Midland, TX 79710-1407

Hayes Land & Production Company
P.O. Box 51407
Midland, TX 79710-1407

M. Brad Bennett
P.O. Box 2062
Midland, TX 79702-2062

Hayes Land Corporation
P.O. Box 51510
Midland, TX 79710-1510