3101 N. Pecos St. 79705

PURVIS OPERATING CO.

P. O. Box 51990 Midland, Texas 79710-1990 Phone (432) 682-7346 Fax (432) 683-9584 e-mail: <u>land@purvisop.com</u>

CERTIFIED MAIL: 7003 1680 0006 6360 1586

August 28, 2006 - typo - actually Sant on 1/3/07

Flo Scott Brown 8610 Miami Ave. Lubbock, TX 79423

RE: Oil Rock State Fee Unit, E/2 of Section, 6, E/2 of Section 7, All of Section 8 & All of Section 17, T-15-S, R-35-E, Lea County, NM

Dear Ms. Brown:

As you may know, in New Mexico Exploratory Units like the one we were trying to form are completely voluntary and in order for Purvis Operating Co, (Purvis), to be able to create the Oil Rock State Fee Unit we must have all of the interest owners in the unit ratify the unit. Because a few owners decided not to join the unit, we are forced to abandon our efforts to create said unit and pursue drilling our leasehold acreage as we deem most prudent to protect the interests of Purvis and its partners.

We hereby respectfully make this final attempt to lease the unleased mineral owners in the E/2 of Section 7 and all of Section 17. We offer \$110/net acre for a 3 year primary term lease having a 3/16 royalty, which is the maximum bonus and royalty we have granted to any of the other mineral owners in these two tracts. I have enclosed the lease form we have used to lease the 741+ acres we have leased thus far for your signature.

If you wish to join in the drilling of any wells in the acreage captioned above, please sign below and an Operating Agreement will be mailed to you. Purvis' first well is proposed in the NE/4 of Section 7, T-15-S, R-35-E. That well is a Mississippian test, and the E /2 of Section 7 will be dedicated to the well. An AFE for said well is attached for your signature if you would like to join in the drilling of that well.

Thank you. If you have any questions, please contact Jim Purvis or me at the number or e-mail address listed above.

Sincerely,

532-

D. Briggs Donaldson, CPL, CPLTA, CDOA

I would like to become a working interest partner in the unit area and have enclosed an executed AFE.

OR

I would like to grant a lease for my mineral interest within the unit area, and have enclosed an executed lease.

		Oil Conservation Division
Signature	Date	Case No.
		Exhibit No.

\Land\c\My Documents\wells\Papalotes - Oil Rock\Unit\Unit Off - Unleased Owners Final Offer.doc

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CERTIFIED MAIL: 7003 1680 0006 6360 1524

August 28, 2006

Douglas Koch P.O. Box 540244 Houston, TX 77254

RE: Oil Rock State Fee Unit, E/2 of Section, 6, E/2 of Section 7, All of Section 8 & All of Section 17, T-15-S, R-35-E, Lea County, NM

1/3/07

Dear Mr. Koch:

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