

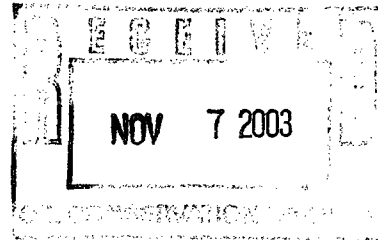
**JAMES BRUCE**  
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87504

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SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)  
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jamesbruc@aol.com



November 6, 2003

Via Fax and U.S. Mail

William V. Jones, Jr.  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Re: Unit Petroleum Company/Case No. 13124

Dear Mr. Jones:

Your letter of November 3, 2003 is not acceptable. Unit notified the proper parties of the hearing. If not, then the un-notified interest owners will not be subject to the pooling order. That is the only consequence. However, it is NOT a reason for delaying issuance of an order. Certainly the order will be binding on BTA and Brad Bennett, who were notified of the hearing.

The testimony at hearing was not that BTA merely represents many interest owners. It was that, under BTA's agreements with these owners, BTA has the right to make well elections for all owners. Thus, notice to the other interest owners is unnecessary. Attached as Exhibit A is a telephone note of a call from D. Michael Fankhouser (Vice-President of Unit) to Robert Crawford (General Counsel of BTA), in which Mr. Crawford advised Unit that BTA is attorney-in-fact for its partners. Attached as Exhibit B is a letter from Unit to BTA, which asked for BTA to notify Unit if it did not have power of attorney for its partners. **BTA entered an appearance in this case, and did not testify otherwise.**

This situation has occurred before: In Case Nos. 12407<sup>1</sup> and 12449, BTA and its partners were notified of a well proposal, and BTA responded that it had the authority to act on behalf of its working interest partners. See Exhibit C. Order No. R-11451 pooled the well unit.

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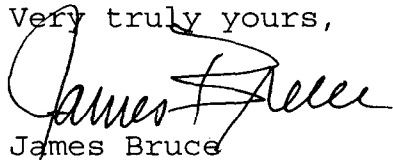
<sup>1</sup>Case No. 12407 was dismissed, while Case No. 12449 proceeded to hearing.

If Unit did not properly notify an interest owner, Unit can seek to amend the pooling order to pool additional parties. This has been done numerous times. Most recently I did it in Case No. 13043 (reopened), on behalf of Nadel and Gussman Permian, L.L.C. And, if additional notice is required, pooling can be done after the well is commenced or drilled. **Commission Order No. R-11700-B.**

Unit needs an order immediately, so it can give an election notice to BTA and Brad Bennett before it commences drilling.

Please call if you would like to discuss this issue.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce".

James Bruce

Attorney for Unit Petroleum Company

cc: Lori Wrotenbery (via fax)  
David K. Brooks (via fax)

**BTA GROUPS I, II, AND III ASSIGNEES***alby*

Alby Associates

Lloyd Alpern Trust

Bernard E. Alpern Trust

Blank Living Investment Trust dated July 24, 1989

Jane C. Gottschalk

James R. Currie

Robert Davenport *m.*

Thurston Dean, M.D.

Forman Energy Corp.

Morgan Guarantee Trust Co. of New York, Trustee for Gerald N. Frank FBO Peter Frank

Morgan Guaranty Trust Co., Trustee for Gerald Frank FBO Lynn Brettmann

Ann M. Gallop

Karlene Beal Garber, Trustee of Karlene Beal Garber Trust

Harlan Richard Garber, Trustee of Harlan Richard Garber Living Trust

Barbara G. Gilbert, Trustee of Barbara G. Gilbert 1997 Rev. Trust

Salvatore Giordano, Sr.

Stanley Glickman

Patricia M. Booth

Jonathan Gould

Judson Gould

Elena J. Atlas

L. Keith Steiner, III

Dorothy S. Schott *N.A.*

Bank of America, Trustee for Trust No. 1430-1-09

Bank of America, Trustee for Trust No. 1430-2-09

Bank of America, Trustee for Trust No. 1430-3-09

Bank of America, Trustee for Trust No. 1430-4-09

Bank of America, Trustee for Trust No. 1430-5-09

Oxnard Investors

Roger P. Palma

William Spiegelman

Scharffenbarger Living Trust

Patricia A. Shea Ryan

Victor L. Anfuso & Kathy Anfuso, Trustees of Family Trust *under Agreement dated Feb. 16, 1995*

William Andrew Shea &amp; Francis Scott Shea, Trustees UWO May Nora Shea FBO William A.

Shea, Jr.

Robert G. Stone

Pamela Stone

Gary R. Stone

Mary R. Stone

Robert J. Strassenburg & Thomas Strassenburgh, Trustees *of Robert J. Strassenburg, II Living Trust*

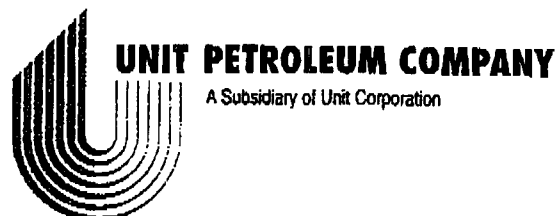
Trobough Properties

Elizabeth Wolff

Morris Radmin & Babbett S. Goldman, Co-Trustees *w w of Lisa B. Wolff, FBO**Eva Lind*

*Bob Crawford*  
*BTA*  
*advised that BTA*  
*has power of atty.*  
*for all et al -*  
*DWA*  
*5/12/03*

EXHIBIT A



May 29, 2003

CERTIFIED MAIL

BTA Oil Producers  
BTA Assignees (See attached)  
104 South Pecos  
Midland, TX 79701

Attn: Bob Crawford

Re: West Osudo Morrow Prospect  
Byers #1  
E/2 Section 23-T20S-R35E  
Lea County, New Mexico

Dear Mr. Crawford:

Unit Petroleum Company ("Unit") hereby proposes drilling the Byers #1 well to test the Morrow formation at approximately 13,500 feet to form a standard 320 acre gas spacing and proration unit. The location of the proposed well is 2100' FSL and 1600' FEL of Section 23-T20S-R35E, Lea County, New Mexico.

Enclosed are two copies of Unit's AFE/Cost Estimate for the drilling and completion of this well. If you wish to participate in the proposed test, please return a copy of the executed AFE to our office. An Operating Agreement with Unit named as operator will be forwarded to you for the appropriate signature.

[ We have been advised that BTA Oil Producers has power of attorney for all of the owners shown on the attachment. Please advise if this is incorrect. ]

If you have any questions, please contact me at 918 477-4535.

Very truly yours,

UNIT PETROLEUM COMPANY

*Bobbie Thompson*

Bobbie Thompson  
Landman

Enclosures

EXHIBIT B





PARTNERS  
CARLTON BEAL, JR.  
BARRY BEAL  
SPENCER BEAL  
KELLY BEAL  
BARRY BEAL, JR.  
STUART BEAL  
ROBERT DAVENPORT, JR.

**BTA OIL PRODUCERS**

104 SOUTH PECOS  
MIDLAND, TEXAS 79701

915-682-3753  
FAX 915-683-0311

**GULF COAST DISTRICT**  
TWO GREENSPPOINT PLAZA  
16825 NORTHCHASE DRIVE, STE. 680  
HOUSTON, TEXAS 77060  
PH. 281-872-5022 FAX 281-872-5054

**ROCKY MOUNTAIN DISTRICT**  
600. 17TH STREET, STE. 2230 SOUTH  
DENVER, CO 80202  
PH. 303-534-4404 FAX 303-534-4661

May 8, 2000

Certified Return Receipt  
Z 445 245 812

In re: Proposed Paloma Blanco 18  
Federal COM #1 well  
Section 18-23S-34E  
Lea County, New Mexico  
BTA 7909 JV-P Bell Lake, I

Southwestern Energy Production Company  
2350 N. Sam Houston Pkwy E., Ste. 300  
Houston, Texas 77032

Attn: Mr. S. G. Thompson

Gentlemen:

We have this date received your numerous letters addressed to our Partners and Investors concerning the captioned well.

We are not exactly sure why these were sent, since in the Assignment dated February 1, 1985, recorded in Book 380, page 490 of the Lea County Official Public Records, said Assignment is made subject to "(b) terms and provisions of Joint Operating Agreement dated November 22, 1978 between Bernard E. Alpern, et al, as Non-Operators and BTA Oil Producers, as Operator;". Since BTA was named Operator, we represent all of the Partners and Investors as shown in said Assignment.

You should have already received our May 5, 2000 letter whereby BTA has advised you of its decision, and said decision is on behalf of all of its Partners and Investors.

Should you have any questions concerning this matter, please do not hesitate to contact the undersigned.

Yours truly,

C. Robert Crawford  
Land/Legal Manager for  
BTA Oil Producers, Operator

CRC/mrl

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EXHIBIT C