

SOMMER, FOX, UDALL, OTHMER & HARDWICK, P.A.

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ROBERT E. FOX  
(1916-1995)

June 15, 2001

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Energen Resources Corporation  
605 21<sup>st</sup> Street North  
Birmingham, Alabama 35203-2707

Re: Well #: 3132032A - Martinez 1  
Meter No.: 37069  
Lease No.: 931001  
Analyst: Joy Martin  
Field: Tapacito Pictured Cliffs (Pro Gas)  
County: Rio Arriba  
State: New Mexico  
Owner: Joseph A. Sommer 1714

Gentlemen:

During June of 2001 I received your Statements of Gas Imbalances for the months beginning November of 1997 and ending March 2001. They culminate in a cumulative imbalance at the end of March of 2001 of a minus 2,182 MCF's, whatever that may mean.

Each of your monthly Statements of Gas Imbalance concludes with the caution that "Agreement with statement is assumed, unless otherwise notified...and is assumed correct unless Energen Resources is notified by you within 30 days."

I have also received an Invoice for the month of April, 2001, dated 5/15/01, purporting to show that for the month of April of 2001 I owe Energen Resources Corporation \$63.56, and a Statement dated 4/30/01 showing I owe Energen Resources Corporation as my share of operating expenses an accumulated total of \$2,700.30, beginning with a 9/15/97 invoice and ending with a 5/15/01 invoice.

I am of the opinion that the foregoing statements may be an attempt to establish what is generally known as an "account stated," intended to relieve Energen Resources Corporation of the necessity of actually establishing that these are true records and that it is the owner of the amount of the deficiency or indebtedness claimed in each of these statements. Furthermore, I have had no opportunity to verify, nor have I verified, that the figures in the statements are accurate, what may

NMOCD CASE #13957  
ENERGEN RESOURCES  
EXHIBIT

SOMMER, FOX, UDALL, OTHMER & HARDWICK, P.A.

Energen Resources Corporation  
ATTORNEYS AT LAW

June 15, 2001

Page 2

be asserted grounds of my liability, or that Energen Resources is owed any liabilities that may have been accrued in favor of predecessor operators; etc. All records of transactions have been in the hands of the predecessor operators or subsequently in the possession and control of Energen Resources Corporation, as the transactions took place.

During these many months of operation of the well by Energen Resources Corporation and its predecessor operators I have derived no income despite the great increase in the price of natural gas. Yet you seek to charge me for operating a gas well that nets no production and therefore no income to me.

Insofar as I am concerned, if you are not producing any income for me from Martinez Well No. 1, prudence and common sense would demand that it be shut down. There is no justification for charging me the expense of operations that are resulting in no income. If the Martinez Well No. 1 is in fact producing gas, someone who is getting the gas should pay for its production.

I am also outraged by your attempt to charge for Energen's and its predecessors' "Fixed Producing Ovhd," which appears to represent nearly 90% of the \$2700.30. Even if I were receiving the gas produced from Martinez No. 1 and the operating costs of Martinez No. 1 has been approximately ten percent (10%) of \$2700.30, a charge of nine times that ten percent for so-called "Fixed Producing Ovhd." would certainly be a major and indefensible SCAM.

Through the years I have patiently sought from time to time an explanation of why I should pay the cost of non-production of Martinez Well No. 1 and the cost of general overhead for the production by other wells. My inquiries have never been answered.

In conclusion, please be advised that I do not agree to nor do I accept as correct any of the Statements, including that for an imbalance. If the Statements had in fact been correct, ownership of an interest in the gas well as operated (or not operated!) by your company and its predecessors would constitute, not an asset, but a liability of which I would long since have divested myself.

Sincerely yours,

*Joseph A. Sommer*  
Joseph A. Sommer

U.S. Postal Service  
CERTIFIED MAIL RECEIPT  
Domestic Mail Only; No Insurance Coverage Provided

OFFICIAL USE

Postage	\$ .34	Postmark Here
Certified Fee	1.90	
Return Receipt Fee (endorsement Required)	1.50	
Delivery Fee (endorsement Required)		
Total Postage & Fees	\$ 3.74	

IT TO  
*Energen Resources*  
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*05 21st St. N*  
City, State, ZIP+4  
*Sumner, Ala 35203*