

TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Leroy Albright
2016 Smedley Road
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Lot 13, Tract 2**

Dear Mr. Albright:

According to the title records of Eddy County, New Mexico, Marvin Albright, Leroy Albright and the heirs of Annette Cranford are the owners of .42 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

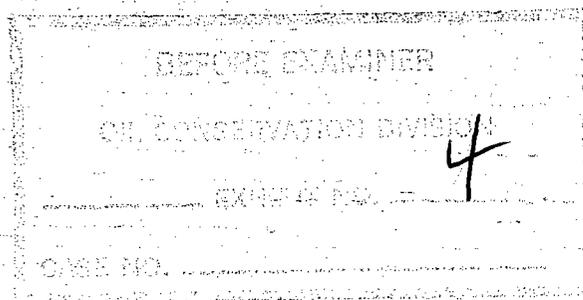
Bonus: \$50.00 for your .42 net acres

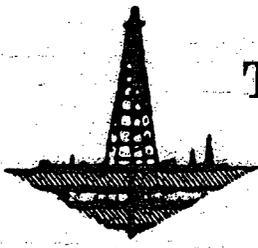
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill





TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
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(830) 438-7198

December 10, 2003

Marvin Albright
1302 South Canal
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Lot 13, Tract 2**

Dear Mr. Albright:

According to the title records of Eddy County, New Mexico, Marvin Albright, Leroy Albright and the heirs of Annette Cranford are the owners of .42 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

Bonus: \$50.00 for your .42 net acres

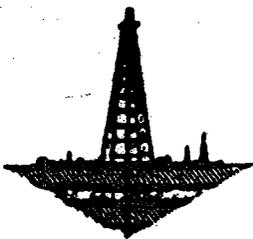
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

A handwritten signature in cursive script that reads "W. Chris Barnhill".

W. Chris Barnhill



TIERRA OIL COMPANY

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

June 25, 2001

Mr. Grady B. Bardwell
P.O. Box 266
Fairacres, NM 88033-0266

Re: Oil and Gas Lease, Township 22 South, Range 26 East, N.M.P.M.
Section 3: East 110 feet of Lot 10, Blk. C., Happy Valley Farms Subdivision

Dear Mr. Bardwell:

Pursuant to my phone discussion with you, I have enclosed an Oil and Gas Lease for you and your family member's mineral rights on the above referenced acreage in Eddy County, New Mexico, which includes the following terms:

Lease Term: 5 year paid-up lease
Lease Royalty: 3/16
Bonus: \$100.00 / acre for your 1.67 acres.

I have enclosed three checks in the amount of \$55.67 with the Lease. Please execute the Lease where indicated on the bottom, include your [REDACTED] and have your signatures notarized on the back of the document. Please forward the Lease to your family members for the same. Return the fully executed lease to me in the envelope provided. Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill
Vice President

TIERRA OIL COMPANY

P.O. BOX 70958
SAN ANTONIO, TX 78270-0958
(800) 438-7100



BROADWAY BANK

SAN ANTONIO, TEXAS
78201-1000

8218

TO THE ORDER OF Grady B. and Ann V. Bardwell

Fifty Five and 67/100

DOLLARS

Grady B. and Ann V. Bardwell
P.O. Box 766
Bartlesville, NM 88033-0766

TIERRA OIL COMPANY

Sec. 3, T22S-R-26E, Eddy Co., NM

SECURITY FEATURES: MICRO PRINT TOP & BOTTOM BORDERS - COLORED PATTERN - ARTIFICIAL WATERMARK - ULTRAVIOLET SENSITIVE - MISSING FEATURE INDICATES A COPY

TIERRA OIL COMPANY

Grady B. and Ann V. Bardwell

Sec. 3, T22S-R-26E, Eddy Co., NM

6/25/2001

8218

55.67

BROADWAY BANK/STAMP SEC. 3, T22S-R-26E, Eddy Co., NM

TIERRA OIL COMPANY
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196



BROADWAY BANK

SAN ANTONIO, TEXAS
88-2193/1140
2900

8219

6/25/2001

TO THE
ORDER OF James G. and Karen Bardwell

\$ **55.67

Fifty-Five and 67/100*****

DOLLARS

James G. and Karen Bardwell

TIERRA OIL COMPANY

WCBald

IO: Sec. 3, T22S-R26E, Eddy Co., NM

SECURITY FEATURES: MICRO PRINT TOP & BOTTOM BORDERS - COLORED PATTERN - ARTIFICIAL WATERMARK ON REVERSE SIDE - MISSING FEATURE INDICATES A COPY

TIERRA OIL COMPANY

James G. and Karen Bardwell

Sec. 3, T22S-R26E, Eddy Co., NM

6/25/2001

8219

55.67

BROADWAY CHECKIN Sec. 3, T22S-R26E, Eddy Co., NM

55.67

TIERRA OIL COMPANY
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196



BROADWAY BANK

SAN ANTONIO, TEXAS
88-2193/1140
2900

8220

6/25/2001

TO THE
ORDER OF Cecilia A. and Allyn Caywood

\$ **55.67

Fifty-Five and 67/100*****

DOLLARS

Cecilia A. and Allyn Caywood

TIERRA OIL COMPANY

IO: Sec. 3, T22S-R26E, Eddy Co., NM

SECURITY FEATURES: MICRO PRINT TOP & BOTTOM BORDERS - COLORED PATTERN - ARTIFICIAL WATERMARK ON REVERSE SIDE - MISSING FEATURE INDICATES A COPY

TIERRA OIL COMPANY

Cecilia A. and Allyn Caywood

Sec. 3, T22S-R26E, Eddy Co., NM

6/25/2001

8220

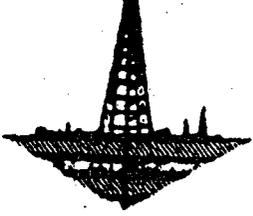
55.67

BROADWAY CHECKIN Sec. 3, T22S-R26E, Eddy Co., NM

55.67

TIERRA OIL COMPANY

Wm. B. Barnhill
- President
Chris Barnhill
Vice-President



P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

February 14, 2001

*all 3 on one lease
mail to*

Mr. Grady B. Bardwell
P.O. Box 266
Fairacres, N.M. 88033-0266

505-524-2581

Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: East 110 feet of Lot 10 Blk. C, Happy Valley Farms Subdivision

Dear Mr. Bardwell:

A. Allyn (husband)

*quit claimed out her interest
Ann V. (wife)*

Karen (wife)

Due to the typographical errors in my previous letter, I wanted to re-submit this letter proposal to you. According to the title records of Eddy County, New Mexico, Grady B. Bardwell, James Grady Bardwell, Cecilia Bardwell and Jo Ann Clay are each a 25% owner in the 1.67 net mineral acres in the above described lands. You have informed me that Jo Ann Clay may no longer have an interest in these mineral rights. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to **\$167.00** for your 1.67 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: 1/8 = ~~12.5%~~ *3/16*

*100⁰⁰/acre = \$55.67 / per person
3/16 royalty*

Bonus: **\$25.00** for your 1.67 net acres

100.00 / acre

If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions. My e-mail address is wcbarnhill@aol.com

4/4/01 - running up info. & trying to get a better offer.

6/12/01 - increased offer to \$100⁰⁰ total bonus + 3/16 royalty

Sincerely,
WCB
W. Chris Barnhill



TERRA OIL COMPANY

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

January 25, 2001

Mr. Grady B. Bardwell
P.O. Box 266
Fairbairn, N.M. 88033-0266

Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3, East 110 feet of Lot 10 Blk. C, Happy Valley Farms Subdivision

Dear Mr. Bardwell:

According to the title records of Eddy County, New Mexico, Grady B. Bardwell, James Grady Bardwell, Cecilia Bardwell and Jo Ann Clay are each a 25% owner in the 1.67 net mineral acres in the above described lands. You have informed me that Jo Ann Clay may no longer have an interest in these mineral rights. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to ~~\$500.00~~ ^{\$167.00} for your ~~5~~ ^{1.67} net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: 1/8 = 12.5%

Bonus: \$10.00 per net acre = \$50.00 for your net mineral acres

If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-297-2645 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate the mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

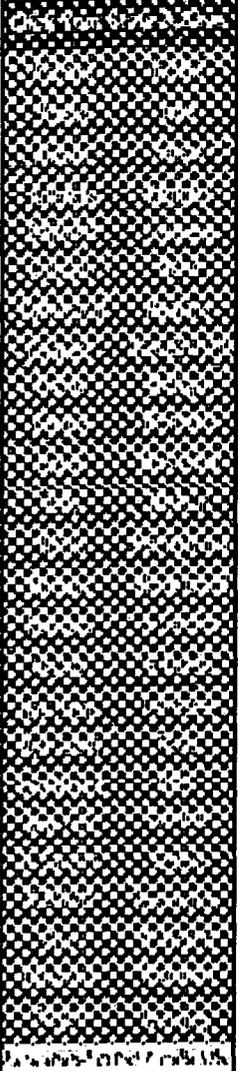
Thank you for your time and consideration in this matter and please give me a call if you have any further questions. My e-mail address is wobarnhill@aol.com

Sincerely,

W. Chris Barnhill

only 1 in 100

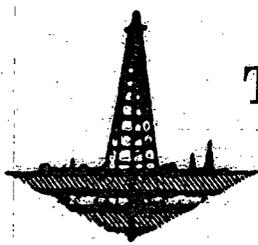
Mortgage Rates
Hit Record Lows!



12/12/03

~~Guerra Bardwell
2336 Fig Ave.
Patterson, CA 95363-9601
(209) 892-3742~~

but she's gone now



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

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December 12, 2003

Roy G. Barton, Jr.
1919 North Turner
Hobbs, NM 88240

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk E of Happy Valley Farms Subdivision, Lot 1**

Dear Mr. Barton:

According to the title records of Eddy County, New Mexico, you are the owner of 2.5 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $1/5 = 20\%$

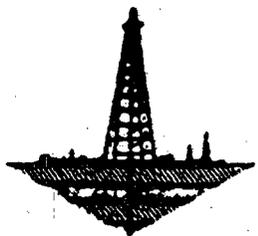
Bonus: \$100.00 per net acre = \$250.00 for your 2.5 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

February 13, 2001

Mr. Roy G. Barton
725 N. Marland Blvd.
Hobbs, N.M. 88240

505-393-5615 n. 505-397-3925

Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3 and 4: Lot 1, Blk E, Happy Valley Farms Subdivision

Dear Mr. Barton:

According to the title records of Eddy County, New Mexico, you are the owner of 2.5 net mineral acres in the above described lands. I am interested in leasing your mineral interest under the following terms and conditions:

Term: 3 years

Royalty: $3/16 = .1875$

Bonus: \$75.00 per net acre = \$187.50 for your 2.5 net acres

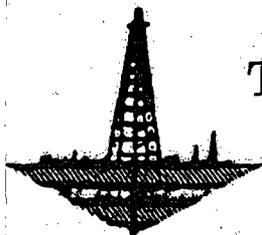
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,


W. Chris Barnhill

2/20/01 - left message for Roy to call me
2/20/01 - Roy called back. Had visit with
Louis Catham & call back.



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 15, 2003

Patricia J. Bramblett
207 South Swigart
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot(s) 11, 13, and 15**

Dear Ms. Bramblett:

According to the title records of Eddy County, New Mexico, you are the owner of 1.35 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

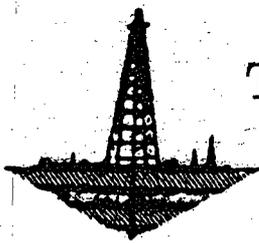
Bonus: \$50.00 for your 1.35 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
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(830) 438-7198

December 10, 2003

Mr. Noely H. Burton, Jr.
4026 Jones Street
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Lot 14, Tract 2**

Dear Mr. Burton:

According to the title records of Eddy County, New Mexico, Noely H. Burton and Darlene Burton are the owners of .36 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

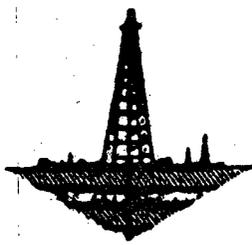
Bonus: \$50.00 for your .36 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

March 6, 2001

Mr. and Mrs. Noley H. Burton, Jr.
4026 Jones St.
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 14, Blk. B, Happy Valley Farms Subdivision**

Dear Mr. and Mrs. Burton:

According to the title records of Eddy County, New Mexico, you are the owner of .3565 mineral acres in the above described lands. I am interested in acquiring an oil and gas lease for your mineral interest. I have secured numerous oil and gas leases in the Happy Valley Farms area and I am trying to conclude our oil and gas leasing efforts. There are several hundred very small mineral interest owners in the Happy Valley Farms area and thus, I have not been able to contact everybody by phone. I have enclosed an oil and gas lease for your mineral interest that contains the following terms and conditions:

Term: 5 years

Royalty: 3/20 = 15%

Bonus: \$25.00 for your mineral interest

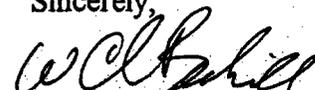
If we drill a successful well, the attached oil and gas lease provides for you to be paid your proportionate share of oil and gas royalty income under the well. If you have any questions regarding the lease, please give me a call at my toll free number 1-888-227-6445.

Please sign the bottom of the lease. Your signature will need to be notarized by a notary public on the back of the lease. I can provide you two options regarding payment; 1) you may send the signed and notarized lease along with the bank draft to my bank for collection and payment. The mailing address of my bank, Broadway Bank, is on the bank draft. 2) to avoid bank service charges, you may send the signed and notarized lease directly to me at the address on this letterhead. Upon my receipt of your lease, I will send payment directly to you.

Thank you for your time and consideration in this matter and please give me a call if you have any questions.

4/4/01 - no life on interest

Sincerely,


W. Chris Barnhill

BANK DRAFT

NOT LATER THAN 10 DAYS AFTER ARRIVAL OF THIS DRAFT AT THE COLLECTING BANK, BUT SUBJECT HOWEVER TO APPROVAL OF TITLE AND VERIFICATION OF INTEREST TO THE LANDS CONVERED BY THE ATTACHED INSTRUMENT:

DATE: March 6, 2001

AMOUNT: \$25.00

Twenty-five and no/100 Dollars

**PAY TO THE ORDER OF: Noley H. and Darlene Burton, Jr.
4206 Jones St.
Carlsbad, NM 88220**

THIS DRAFT IS IN PAYMENT: Lease of all Lessor's Mineral Rights in Section 3 and / or 4, T22S-R26E, Eddy County, New Mexico.

**TO: TIERRA OIL COMPANY
PO BOX 700968
SAN ANTONIO, TX 78270-0968
ATTN: W. CHRIS BARNHILL
(830) 438-7196**

**NOT A CASH ITEM
VOID AFTER 60 DAYS**



W. Chris Barnhill

AT: BROADWAY BANK

DOMESTIC COLLECTION DEPARTMENT, PO BOX 17001, SAN ANTONIO, TX 78217

INSTRUCTIONS

- 1. ENDORSE THIS DRAFT IN THE SPACE PROVIDED FOR BELOW AND FILL-IN YOUR TAX IDENTIFICATION NUMBER NEXT TO YOUR SIGNATURE. WE CANNOT PAY THE DRAFT IF YOU DO NOT PROVIDE US WITH YOUR [REDACTED] NUMBER FOR 1099 REPORTING AT THE END OF THE YEAR.**
- 2. AFTER THE DRAFT HAS BEEN ENDORSED, TAKE BOTH THE MINERAL DEED AND DRAFT TO THE COLLECTIONS DEPARTMENT AT YOUR BANK. YOUR BANK WILL SEND BOTH FOR COLLECTION THROUGH OUR BANK:**

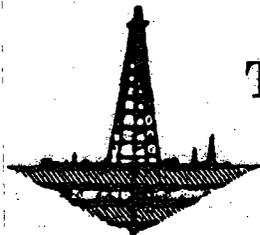
**Broadway Bank
Domestic Collection Department
PO Box 17001
San Antonio, TX 78217**

THIS IS NOT A CHECK AND CANNOT BE DEPOSITED INTO YOUR CHECKING ACCOUNT. IT MUST BE SENT FOR COLLECTION.

ENDORSEMENTS:

By: **Noley H. Burton, Jr.** [REDACTED]

By: **Darlene Burton** [REDACTED]



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
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December 10, 2003

Lynn Collins
215 E. Parker
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 3**

Dear Ms. Collins:

According to the title records of Eddy County, New Mexico, you are the owner of .05 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

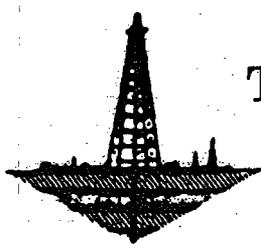
Bonus: \$50.00 for your .05 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

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San Antonio, Texas 78270-0968

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(830) 438-7198

December 10, 2003

Lynn Collins
215 E. Parker
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 1**

Dear Ms. Collins:

According to the title records of Eddy County, New Mexico, you are the owner of .55 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

Bonus: \$50.00 for your .55 net acres

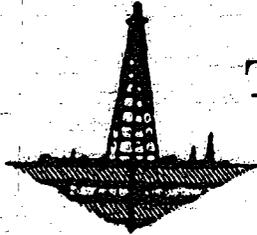
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'W. Chris Barnhill'.

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Gretta L. Cooper
1312 West Thomas Street
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk. B, Happy Valley Farms Subdivision, Lots 1 and 10 in Westview
Subdivision #1**

Dear Ms. Cooper:

Pursuant to my conversation with your son, Thomas Cooper, enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 0.94 gross acres, which is 0.94 net mineral acres. The terms and conditions are as follows:

Lease Term: 3- year paid-up lease
Lease Royalty: 3/20 = 15%
Bonus: \$50.00 / acre = \$47.00 for your 0.94 net acres

I have enclosed a check in the amount of \$47.00 with the Lease. Please sign the Lease at the bottom before a notary, include your [REDACTED] and have your signature notarized on the back of the document where indicated. Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill

TIERRA OIL COMPANY, LLC
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196

 BROADWAY BANK
88-2193/1140

12/10/2003

PAY TO THE
ORDER OF Gretta L. Cooper

\$ **47.00

Forty-Seven and 00/100*****

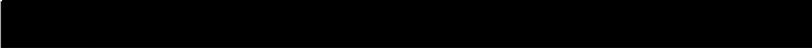
DOLLARS

Gretta L. Cooper
1312 West Thomas Street
Carlsbad, NM 88220

TIERRA OIL COMPANY, LLC



MEMO:
Sec. T22S-R26E, Eddy Co., NM



TIERRA OIL COMPANY, LLC

11065

Gretta L. Cooper

12/10/2003

Sec. 2, T22S-R26E, Eddy Co., NM

47.00

BROADWAY CHECKIN Sec., T22S-R26E, Eddy Co., NM

47.00

FD Security features. Details on back.

12/8/03 - spoke with the Browns, his neighbor.
He is deceased. They will call back w/
their info. if they have it.

12/8/03 daughter - Carla Galloway
505-236-6151
Carlsbad

3017 S Medley Road
Carlsbad, 88220

887-3528-WK
October 31, 2000

best home w/ mortgage
with Carlsbad Retail Bank

Mr. and Mrs. Carl Gene Cosgrove
4026 Jones St.
Carlsbad, NM 88220-2700
505-887-2407

Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 13, Blk. B, Happy Valley Farms

Dear Mr. and Mrs. Cosgrove:

Pursuant to the title records of Eddy County, New Mexico, you are the owner of 2.5752 mineral acres in the above described lands. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to \$257.52 for your 2.5752 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: 1/8 = 12.5%

Bonus: \$10.00 per net acre = \$25.75 for your 2.5752 net acres

If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

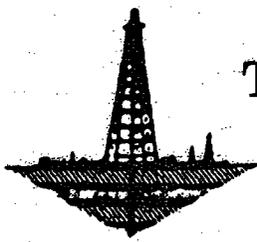
Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

12/14/00 - he was hesitant to do anything.

He will visit with Burton Brown, neighbor across the street, and call me back.

1/11/01 - said he was not interested at all and hung up phone
W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 12, 2003

Kenna Foreman Crnkovic
13429 Highway 281 South
Santo, TX 76472

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk D of Happy Valley Farms Subdivision, Center 1/3 of Lots 2 and 3**

Dear Ms. Crnkovic:

According to the title records of Eddy County, New Mexico, you are the owner of .55 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

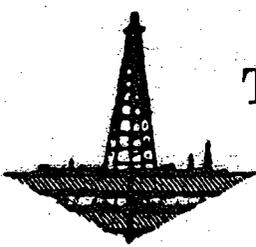
Bonus: \$50.00 for your .55 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 12, 2003

Theda F. Dart
P.O. Box 206
Shallowater, TX 79363

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk D of Happy Valley Farms Subdivision, South 1/3 of Lots 2 and 3**

Dear Ms. Dart:

According to the title records of Eddy County, New Mexico, you are the owner of 1.67 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

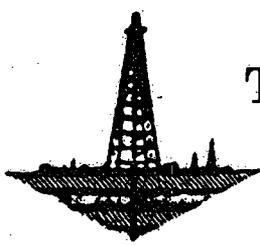
Bonus: \$50.00 per net acre = **\$83.50** for your 1.67 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 12, 2003

Ruth E. Davis
805 Hueco Street
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms Subdivision, First Addition, Lot 16, Tract 1**

Dear Ms. Davis:

According to the title records of Eddy County, New Mexico, you are the owner of 1 net mineral acre in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

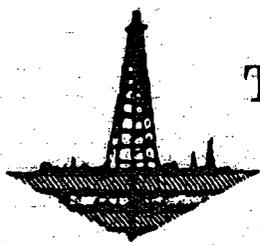
Bonus: \$50.00 per net acre = **\$50.00** for your 1 net acre

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Ruby E. Derington
4301 West Texas
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Worley Subdivision, Lot A-7**

Dear Ms. Derington:

According to the title records of Eddy County, New Mexico, you are the owner of 1.17 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

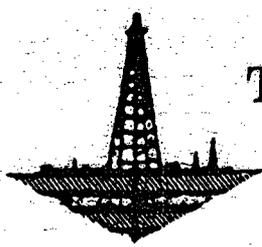
Bonus: \$50.00 per net acre = **\$58.50** for your 1.17 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 8, 2003

Eddy County Commissioners
101 E. Greene
Carlsbad, NM 88220
Attn: Steve Massey

Re: Oil and Gas Lease, Township 22 South, Range 26 East, N.M.P.M.
Sec. 3

Dear Mr. Massey:

Pursuant to our discussion I have enclosed an Oil and Gas Lease for Eddy County's mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 3.81 gross acres, which is 3.81 net mineral acres. The terms and conditions are as follows:

Lease Term: 3- year paid-up lease
Lease Royalty: $3/16 = 18.75\%$
Bonus: \$75.00 per net acre = \$285.75 for your 3.81 net acres.

You will notice on the lease a reference to a Quitclaim Deed recorded at Book 106, Page 199. That Quitclaim Deed was for a road easement, but it probably conveyed the mineral interest to the county as well.

I have enclosed a check in the amount of \$285.75 with the Lease. Please sign the Lease at the bottom before a notary and have your signature **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill
President

TIERRA OIL COMPANY, LLC
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196

BROADWAY BANK
88-2193/1140

12/10/2003

PAY TO THE ORDER OF COUNTY OF EDDY

\$ **285.75

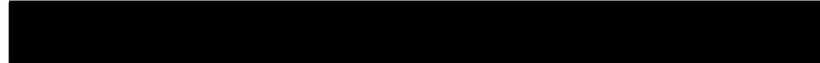
Two Hundred Eighty-Five and 75/100 ***** DOLLARS

COUNTY OF EDDY
101 E. GREENE
CARLSBAD, NM 88220

TIERRA OIL COMPANY, LLC



MEMO: Bonus consideration - Sec. 3, T22S-R26E, Eddy Co., NM



TIERRA OIL COMPANY, LLC
COUNTY OF EDDY

Sec. 3, T22S-R26E, Eddy Co., NM

12/10/2003

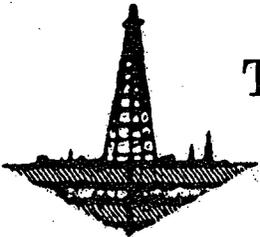
11062
285.75

BROADWAY CHECKIN Bonus consideration - Sec. 3, T22S-R26E, Eddy Co., NM

285.75

Security features. Details on back.

W/ST 100



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

Dec 8
~~August 18, 2003~~

Eddy County Commissioners
101 E. Greene
Carlsbad, NM 88220
Attn: Steve Massey

Re: Oil and Gas I
Sec. 14 3

~~express~~
~~mail~~
Fed. X
this one

26
age 27 East, N.M.P.M.

Dear Mr. Massey:

Pursuant to our ~~agreement~~ I have enclosed an Oil and Gas Lease for Eddy County's mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of ~~3.285~~ gross acres, which is ~~3.285~~ net mineral acres. The terms and conditions are as follows:

- Lease Term: 3- year paid-up lease
- Lease Royalty: 3/16 = 18.75%
- Bonus: \$75.00 per net acre = ~~\$246.38~~ ^{285.75} for your ~~3.285~~ ^{3.81} net acres.

I have enclosed a check in the amount of ~~\$246.38~~ ^{285.75} with the Lease. Please sign the Lease at the bottom before a notary and have your signature **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in this matter.

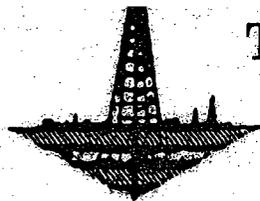
Sincerely,

W. Chris Barnhill
President

You will notice on the lease a reference to a Quitclaim Deed recorded at book 106, page 199. That Quitclaim Deed was for a road easement but it probably conveyed the mineral interest to the county as well.

TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President



P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Mr. and Mrs. Leo Estrada
607 S 11th St.
Carlsbad, N.M. 88220-2938

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 11, Blk. B, Happy Valley Farms Subdivision, Tract 1, Blk. B, Worley
Subdivision**

Dear Mr. and Mrs. Estrada:

Enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 0.1596 gross acres, which is 0.1596 net mineral acres. The terms and conditions are as follows:

Lease Term: 3- year paid-up lease
Lease Royalty: 3/20 = 15%
Bonus: \$50.00 for your mineral interest.

I have enclosed a check in the amount of \$50.00 with the Lease. Please sign the Lease at the bottom before a notary, include your [REDACTED] and have your signatures notarized on the back of the document where indicated. Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill

MR. Estrada:
I have leased
Clarence Rogge.
CHRIS
BARNHILL

TIERRA OIL COMPANY, LLC
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196

 BROADWAY BANK
88-2193/1140

11060

12/9/2003

PAY TO THE ORDER OF Leo B. Estrada, III

\$ **50.00

Fifty and 00/100*****

DOLLARS

Leo B. Estrada, III
607 S 11th St.
Carlsbad, NM 88220-2938

TIERRA OIL COMPANY, LLC



MEMO: Sec. 3, T22S-R26E, Eddy Co., NM



TIERRA OIL COMPANY, LLC

11060

Leo B. Estrada, III

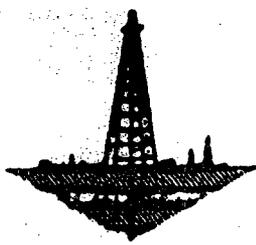
12/9/2003

Sec.3, T22S-R26E, Eddy Co., NM

50.00

BROADWAY CHECKIN Sec. 3, T22S-R26E, Eddy Co., NM

50.00



TIERRA OIL COMPANY

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

March 6, 2001

Mr. and Mrs. Leo Estrada
607 S 11th St.
Carlsbad, N.M. 88220-2938
505-887-7342

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 11, Blk. B, Happy Valley Farms Subdivision, Tract 1, Blk. B, Worley
Subdivision**

Dear Mr. and Mrs. Estrada:

According to the title records of Eddy County, New Mexico, acres in the above described lands. I am interested in acquiring mineral interest. I have secured numerous oil and gas leases in I am trying to conclude our oil and gas leasing efforts. There a mineral interest owners in the Happy Valley Farms area and thu. everybody by phone. I have enclosed an oil and gas lease for yo the following terms and conditions:

*Send lease
w/charges, check
& cover letter*
W. Carlsbad
Mineral
and
ect
that contains

Term: *5 years 3-yr*

Royalty: 3/20 = 15%

Bonus: *50⁰⁰* \$25.00 for your mineral interest

If we drill a successful well, the attached oil and gas lease provides for you to be paid your proportionate share of oil and gas royalty income under the well. If you have any questions regarding the lease, please give me a call at my toll free number 1-888-227-6445.

Please sign the bottom of the lease. Your signature will need to be notarized by a notary public on the back of the lease. I can provide you two options regarding payment; 1) you may send the signed and notarized lease along with the bank draft to my bank for collection and payment. The mailing address of my bank, Broadway Bank, is on the bank draft. 2) to avoid bank service charges, you may send the signed and notarized lease directly to me at the address on this letterhead. Upon my receipt of your lease, I will send payment directly to you.

Thank you for your time and consideration in this matter and please give me a call if you have any questions.

Sincerely,
WCBarnhill
W. Chris Barnhill

BANK DRAFT

NOT LATER THAN 10 DAYS AFTER ARRIVAL OF THIS DRAFT AT THE COLLECTING BANK, BUT SUBJECT HOWEVER TO APPROVAL OF TITLE AND VERIFICATION OF INTEREST TO THE LANDS CONVERED BY THE ATTACHED INSTRUMENT:

DATE: March 6, 2001

AMOUNT: \$25.00

Twenty-five and no/100 Dollars

PAY TO THE ORDER OF:

**Leo B. Estrada, III and Vickie Estrada
607 S. 11th St.
Carlsbad, NM 88220-2938**

THIS DRAFT IS IN PAYMENT: Lease of all Lessor's Mineral Rights in Section 3 and / or 4, T22S-R26E, Eddy County, New Mexico.

**TO: TIERRA OIL COMPANY
PO BOX 700968
SAN ANTONIO, TX 78270-0968
ATTN: W. CHRIS BARNHILL
(830) 438-7196**

**NOT A CASH ITEM
VOID AFTER 60 DAYS**



W. Chris Barnhill

AT: BROADWAY BANK

DOMESTIC COLLECTION DEPARTMENT, PO BOX 17001, SAN ANTONIO, TX 78217

INSTRUCTIONS

1. ENDORSE THIS DRAFT IN THE SPACE PROVIDED FOR BELOW AND FILL-IN YOUR TAX IDENTIFICATION NUMBER NEXT TO YOUR SIGNATURE. **WE CANNOT PAY THE DRAFT IF YOU DO NOT PROVIDE US WITH YOUR [REDACTED] NUMBER FOR 1099 REPORTING AT THE END OF THE YEAR.**
2. AFTER THE DRAFT HAS BEEN ENDORSED, TAKE BOTH THE MINERAL DEED AND DRAFT TO THE COLLECTIONS DEPARTMENT AT YOUR BANK. YOUR BANK WILL SEND BOTH FOR COLLECTION THROUGH OUR BANK:

**Broadway Bank
Domestic Collection Department
PO Box 17001
San Antonio, TX 78217**

THIS IS NOT A CHECK AND CANNOT BE DEPOSITED INTO YOUR CHECKING ACCOUNT. IT MUST BE SENT FOR COLLECTION.

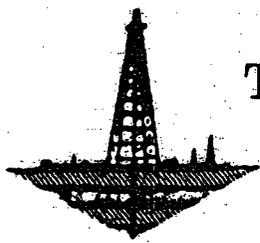
ENDORSEMENTS:

By: **Leo B. Estrada, III**

[REDACTED]

By: **Vickie Estrada**

[REDACTED]



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Carla Galloway
3017 Smedley Road
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 13, Blk B, Happy Valley Farms**

Dear Ms. Galloway:

According to the title records of Eddy County, New Mexico, the heirs of Carl Gene Cosgrove are the owners of 2.57 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/16 = .1875$

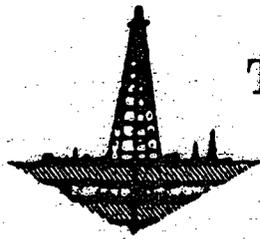
Bonus: \$75.00 per net acre = **\$192.75** for your 2.57 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Bennie P. Grant
P.O. Box 128
Santa Cruz, NM 87562

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 3**

Dear Mr. Grant:

According to the title records of Eddy County, New Mexico, you are the owner of .20 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

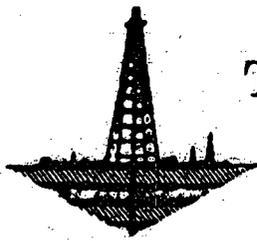
Bonus: \$50.00 for your .20 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Clinton A. Grant
P.O. Box 128
Santa Cruz, NM 87562

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 3**

Dear Mr. Grant:

According to the title records of Eddy County, New Mexico, you are the owner of .10 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

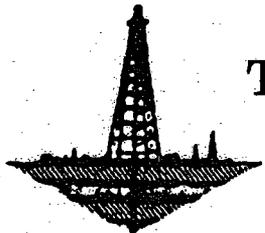
Bonus: \$50.00 for your .10 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Robert L. Graves
109 South Abner
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Worley Subdivision, Lot B-7 and B-8**

Dear Mr. Graves:

According to the title records of Eddy County, New Mexico, Robert L. Graves and Yolanda H. Graves are the owners of .37 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

Bonus: \$50.00 for your .37 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

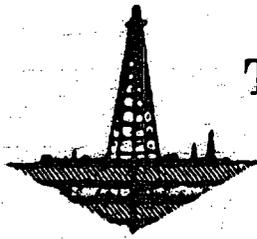
Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill

PHONE CALL

FOR _____	DATE _____	TIME <u>4:30</u> <small>A.M.</small> <small>P.M.</small>
M. _____	<u>Juni Jarvin</u>	
OF _____	<u>Pastor - Happy Valley Prop. Church</u>	
PHONE/ MOBILE <u>505-885-4889</u>	FAX _____	
MESSAGE _____	<input type="checkbox"/>	TELEPHONED
<u>Be there for about 10 min.</u>	<input type="checkbox"/>	RETURNED YOUR CALL
_____	<input checked="" type="checkbox"/>	PLEASE CALL
_____	<input type="checkbox"/>	WILL CALL AGAIN
_____	<input type="checkbox"/>	CAME TO SEE YOU
SIGNED _____	<input type="checkbox"/>	WANTS TO SEE YOU



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Happy Valley Baptist Church
P.O. Box 281
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 12, Blk. B, Happy Valley Farms Subdivision**

Dear Sirs:

Enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 2.0 gross acres, which is 2.0 net mineral acres. The terms and conditions are as follows:

Lease Term:	3- year paid-up lease
Lease Royalty:	3/16 = 18.75%
Bonus:	\$75.00 / acre = \$150.00 for your 2.0 net acres

I have enclosed a check in the amount of \$150.00 with the Lease. Also enclosed is a copy of a letter from your attorney, Jim Haas, approving the Lease. Please sign the Lease at the bottom before a notary and have your signature **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided.

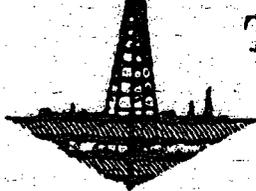
Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill

TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President



P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

12/5/03

To: Jim Haas

From: Chris Barnhill

Re: Happy Valley Baptist Church mineral interest

Jim, in 2002 Edsel and I sold the West Carlsbad Morrow Prospect to Chi Energy. The prospect is located in Sections 3,4,-T22S-R26E, Eddy County. Back in 2001, I made numerous verbal and written attempts to lease the 2 net acres owned by Happy Valley Baptist Church on the subject prospect. Now, Chi is spudding a Morrow well in Section 3 and I am trying to clean up any remaining unleased mineral interest.

Jim Tarvin, the pastor at the church left me a message stating that he is willing to lease but the lease needs to be cleared through you. Attached is a copy of the lease that I am proposing. Terms are \$75.00 per net acre, 3 year term and 3/16 royalty.

Please let me know at your earliest convenience if this lease is ok and I will forward on to the church. Please let me know if you know who has the executive capacity to sign the lease for the church.

Thanks,

Dolly - plz mail
existing lease w/changes
copy of Jim Haas letter
our cover letter +
check for ~~150~~
\$150 =

TIERRA OIL COMPANY
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196

88-2193/1140

12/10/2003

AY TO THE
ORDER OF HAPPY VALLEY BAPTIST CHURCH

\$ **150.00

One Hundred Fifty and 00/100***** DOLLARS

HAPPY VALLEY BAPTIST CHURCH
P.O. BOX 281
CARLSBAD, NM 88220

TIERRA OIL COMPANY, LLC



MEMO: SEC. 3, T22S-R26E, EDDY CO., NM



TIERRA OIL COMPANY, LLC		11064
HAPPY VALLEY BAPTIST CHURCH		
	SEC. 3, T22S-R26E, EDDY CO., NM	12/10/2003
		150.00

BROADWAY CHECKIN	SEC. 3, T22S-R26E, EDDY CO., NM	150.00
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Security features. Details on back.

LOSEE, CARSON & HAAS, P. A.

311 WEST QUAY AVENUE

P. O. BOX 1720

ARTESIA, NEW MEXICO 88211-1720

PHONE (505) 746-3505

FAX (505) 746-6316

JOEL M. CARSON
JANE SHULER GRAY
JAMES E. HAAS

OF COUNSEL
A. J. LOSEE

December 5, 2003

Tierra Oil Company, LLC
P O Box 700968
San Antonio, TX 78270-0968

ATTENTION: Mr. Chris Barnhill

RE: Proposed oil and gas lease from
Happy Baptist Church, dated December 10, 2003
Covering certain lands in Sec. 3, T-22-S, R-26-E, NMPM
Eddy County, New Mexico

Dear Sir:

We have reviewed a copy of the captioned oil and gas lease and make the following comments on same.

The lease form utilized is a standard paid-up lease commonly utilized in Eddy County, New Mexico for fee mineral estate lands. The terms of said lease as to royalty and term are within the parameters of other leases we have reviewed in the south Eddy County area.

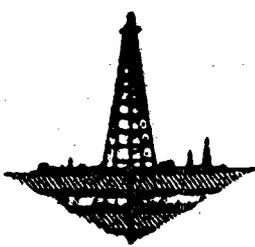
If you need anything further, please advise.

Respectfully yours,

LOSEE, CARSON & HAAS, P.A.


James E. Haas

JEH:bls



TIERRA OIL COMPANY

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

March 6, 2001

*Jim Tarvin - pastor
505-885-4889 - church-evening
505-745-3539 - home*

Happy Valley Baptist Church
P.O. Box 281
Carlsbad, N.M. 88220

505-885-4889
**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 12, Blk. B, Happy Valley Farms Subdivision**

Dear Sirs:

According to the title records of Eddy County, New Mexico, Happy Valley Baptist Church is the owner of 2 mineral acres in the above described lands. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$200.00 per net mineral acre which equates to **\$400.00** for your 2 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: 3/20 = 15%

Bonus: \$20.00 per net acre = **\$40.00** for your 2 net acres

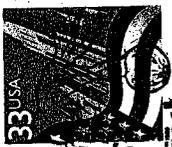
If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

*4/4/01 - rings, no answer
4/6/01 - Willie Reese Miller will try to have someone
at church contact me.
12/2/03 - left message for return call*

Sincerely,

W. Chris Barnhill



HAPPY
"WHO-LIDAYS"
from the
U.S. Postal Service



TIERRA OIL COMPANY
P.O. Box 700968
San Antonio, Texas 78270-0968

SAT 7820X 10:58 11:20 AM 1988 ISS #4

NMMP

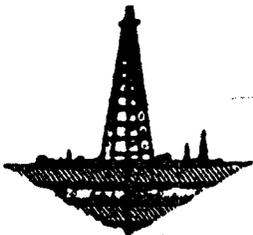
Happy Valley Baptist Church
4103 W. Texas St
Carlsbad, N.M. 88220-2006

P.O. Box 281

(505) 885-4889

- Not Deliverable As Addressed
- Unable To Forward
- Insufficient Address
- Moved, Lost No Address
- Undelivered Refused
- Attempted - Not Known
- No Such Street Vacant
- No Such Number
- No Mail Receipts
- Box Closed - No Order
- Forwarding Order Expired

88220-2006 7820968



TIERRA OIL COMPANY

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

November 20, 2000

Happy Valley Baptist Church
4103 W. Texas St.
Carlsbad, N.M. 88220-2883

505-885-4889

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 12, Blk. B, Happy Valley Farms Subdivision**

Dear Sirs:

According to the title records of Eddy County, New Mexico, Happy Valley Baptist Church is the owner of 2 mineral acres in the above described lands. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to **\$200.00** for your 2 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: $1/8 = 12.5\%$

Bonus: \$10.00 per net acre = **\$20.00** for your 2 net acres

If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

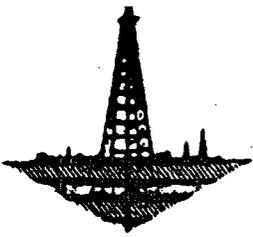
Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

3/5/01 - no answer on machine

*First Baptist Church
(505) 887-1158*

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY

Wm. B. Barnhill
President
V. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

February 12, 2001

Mr. H. David Holt
10145 Monaco
El Paso, TX 79925

Re: Oil and Gas Lease, Township 22 South, Range 26 East, N.M.P.M.
Section 3: Lot 3, Blk. C, Happy Valley Farms Subdivision

Dear Mr. Holt:

Pursuant to my conversation with you, I have enclosed an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico, which include the following terms:

Lease Term: 5 year paid-up lease
Lease Royalty: $1/8 = 12.5\%$
Bonus: \$25.00 for your .7593 net acres

Please call me upon receipt of the Lease so that we may discuss any questions that you may have. I will then forward you a check in the amount of \$25.00. Upon receipt of the check, please execute the Lease where indicated and have your signature notarized on the back of the document. Also include your [REDACTED] Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in the matter.

Sincerely,

W. Chris Barnhill
Vice President

National Change of Address Search

Bookmark this report URL ... <https://voyager.wdia.com/nci/rpts/00/11/20/55/5525/wbke3414/response.html>

The results of your Source #3 Search should be displayed below...

REQUESTED ... 0011201434
 PROCESSED ... 0011201434 (yymmddhhmm)
 REQUEST CODE ... Session # WBKE3414 / Request # 01

** NATIONAL CREDIT INFORMATION NETWORK **
 ** SUBJECT VERIFICATION REPORT **
 REQUESTED ON Monday, November 20th 2000 ... 14:34:41
 REQUEST CODE ... Session # WBKE3414 / Request # 01
 SUBJECT NAME ... ~~HOIT, RUBY~~

*died in 12/99
 son in El Paso
 H. Davis Hoit*

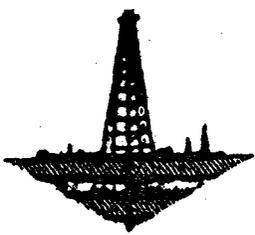
only son
 654
 H. Davis Hoit
 10145 Monaco
 EL PASO, TX 79925

SUBJECT VERIFICATION WITH 10 NEIGHBORS

ADDRESS	DU:	SFDU	DOR:	(505) 887-0744
01. TROTTA ATTILIO T 1033 N EDDY ST			DOR:1995	CARLSBAD NM 88220
01. REED ELIZABE M 1032 N EDDY ST			DOR:1992	(505) 885-1690 CARLSBAD NM 88220
02. NESBIT RYAN 1034 N EDDY ST			DOR:1994	(505) 887-1035 CARLSBAD NM 88220
03. WILSON LINDA J 1031 N EDDY ST			DOR:1999	(505) 887-2653 CARLSBAD NM 88220
04. GERRELLS COLLIN 1036 N EDDY ST				57 (505) 885-5203 NM 88220
05. WILSON LINDA J 1031 N EDDY ST				19 (505) 885-9859 NM 88220
06. MCFARLAND JACK 1037 N EDDY ST				6 (505) 885-5799 NM 88220
07. ROSS WG G 1030 N EDDY ST				9 (505) 885-5797 NM 88220
08. CARTER W 1037 N EDDY ST				5 (505) 887-2155 NM 88220
09. MCKEAN TERRI L 1029 N EDDY ST				1 (505) 887-7139 NM 88220
10. EVANS WILLIAM L 1038 N EDDY ST			DOR:1963	(505) 887-3684 CARLSBAD NM 88220

*Dolly - P13
 re-sent this letter
 to her son, H.
 Davis Hoit*

***** END OF NETWORK TRANSMISSION *****



TIERRA OIL COMPANY

Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

November 21, 2000

Mr. H. Davis Holt
10145 Monaco
El Paso, TX 79925
915-598-2549

Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot ~~2~~ 3, Blk. C, Happy Valley Farms, Beginning at NW Corner of
Lot 3, Blk C, West 105 ft; South 315 ft; East 105 ft;
Dear Mr Holt: North 315 ft to POB

According to the title records of Eddy County, New Mexico, you are the owner of .7593 mineral acres in the above described lands. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to \$75.93 for your .7593 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: 1/8 = 12.5%

Bonus: \$10.00 per net acre = \$7.59 for your .7593 net acres

= gross on lease

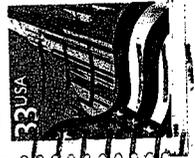
If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill

12/11/00 - left message for return call
12/11 - Re left message back. 8:30 pm
1/10/01 - he will send letter. wants
\$3500 for his interest.
He's dreaming.
send some information letter, etc.



Handwritten initials/signature

TERRA OIL COMPANY
P.O. Box 700968
San Antonio, Texas 78270-0968



- Not Deliverable As Addressed
- Unable To Forward
- Insufficient Address
- Moved, Left No Address
- Unclaimed
- Attempted - No Address
- No Such Street - Not Known
- No Such Number
- No Mail Recipient
- Box Closed - No Order
- Forwarding Order Expired

Ms. Ruby N. Holt
1033 N. Eddy
Carlsbad, NM 88220

88220X516E7040562

October 31, 2000

Ms. Ruby N. Holt
1033 N. Eddy
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lot 2 and 3, Blk. C, Happy Valley Farms**

Dear Ms Holt:

Pursuant to the title records of Eddy County, New Mexico, you are the owner of .7593 mineral acres in the above described lands. I am interested in making you two proposals regarding your mineral interest. One proposal is to purchase your mineral interest. The other proposal is to lease your mineral interest.

Proposal #1: I will purchase your mineral interest for \$100.00 per net mineral acre which equates to \$75.93 for your .7593 net mineral acres.

Proposal #2: I will lease your mineral interest under the following terms and conditions:

Term: 5 years

Royalty: $1/8 = 12.5\%$

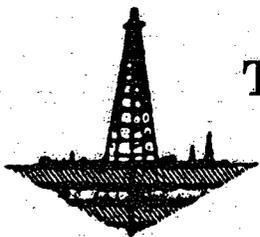
Bonus: \$10.00 per net acre = \$7.59 for your .7593 net acres

If either of these proposals are acceptable to you, please give me a call at my toll free number 1-888-227-6445 so that I can forward the necessary paperwork. I am trying to purchase as much of the mineral interest in Section 3 as possible because there are several hundred different mineral owners in Section 3. I am trying to consolidate that mineral interest. I am willing to pay ten times as much for the purchase of your mineral interest as I would for a lease as evidenced by the above two proposals.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 12, 2003

Mr. EL Latham, Jr.
PO Box 1392
Hobbs, NM 88241-1392

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk E of Happy Valley Farms Subdivision, Lot 1**

Dear Mr. Latham:

According to the title records of Eddy County, New Mexico, E.L. Latham Co. is the owner of 2.5 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 1/5 = 20%

Bonus: \$100.00 per net acre = \$250.00 for your 2.5 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

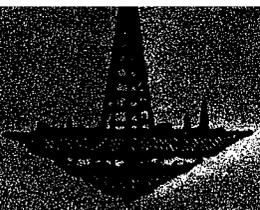
W. Chris Barnhill

PHONE CALL

FOR _____	DATE _____	TIME _____	A.M. P.M.
M _____			
OF <u>E.L. Latham</u>			
PHONE <u>505-393-3574</u>	FAX _____		
MESSAGE _____	<input type="checkbox"/>	TELEPHONED	
<u>In + out - hard to catch</u>	<input checked="" type="checkbox"/>	RETURNED YOUR CALL	
_____	<input type="checkbox"/>	PLEASE CALL	
_____	<input type="checkbox"/>	WILL CALL AGAIN	
_____	<input type="checkbox"/>	CAME TO SEE YOU	
SIGNED _____	<input type="checkbox"/>	WANTS TO SEE YOU	

Adams
1154

TERRA OIL COMPANY



Wm. B. Barnhill
President
W. Chris Barnhill
Vice-President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone
(830) 438-7196
Fax
(830) 438-7198

February 13, 2001

Mr. Louis Latham
3425 N. Vega Drive
Arabis, NM 88240

Re: Mineral interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3 and 4, Lot 1, Block Happy Valley Farms Subdivision

Dear Mr. Latham:

According to the title records of Eddy County, New Mexico, you are the owner of 2.5 net mineral acres in the above described lands. I am interested in leasing your mineral interest under the following terms and conditions:

Term: 3 years

Royalty: $3/16 = 187.5$

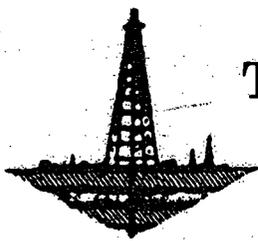
Bonus: 75000 per net acre = 187500 for your 2.5 net acres

If this proposal is acceptable to you, please give me a call at my toll free number 1-888-277-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Mr. Dan Leisle
107 South Happy Valley Road
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk. B, Happy Valley Farms Subdivision, Lot 15, Tract 4**

Dear Mr. Leisle:

Enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 1.130 gross acres, which is 1.130 net mineral acres. The terms and conditions are as follows:

Lease Term: 3- year paid-up lease
Lease Royalty: 3/20 = 15%
Bonus: \$50.00 / acre = \$56.50 for your 1.130 net acres

I have enclosed a check in the amount of \$56.50 with the Lease. Please sign the Lease at the bottom before a notary, include your [REDACTED] and have your signature **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill

TIERRA OIL COMPANY, LLC
P.O. BOX 700968
SAN ANTONIO, TX 78270-0968
(830) 438-7196

 BROADWAY BANK
88-2193/1140

12/10/2003

PAY TO THE
ORDER OF

Dan Leisle

\$ **56.50

Fifty-Six and 50/100*****

DOLLARS

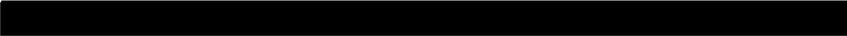
Dan Leisle
107 South Happy Valley Road
Carlsbad, NM 88220

TIERRA OIL COMPANY, LLC



MEMO:

Sec. 3, T22S-R26E, Eddy Co., NM



TIERRA OIL COMPANY, LLC

11063

Dan Leisle

12/10/2003

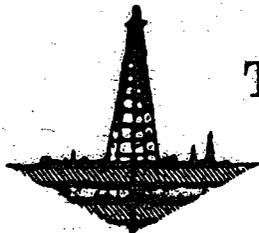
Sec. 3, T22S-R26E, Eddy Co., NM

56.50

BROADWAY CHECKIN Sec. 3, T22S-R26E, Eddy Co., NM

56.50

Security features. Details on back.



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 15, 2003

Oneta F. Marler
103 Carter
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G - First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 2, Lot 3**

Dear Ms. Marler:

According to the title records of Eddy County, New Mexico, you are the owner of .40 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

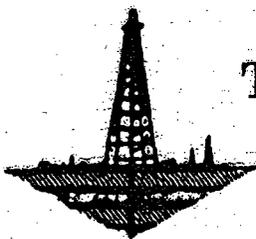
Bonus: \$50.00 for your .40 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 15, 2003

Hilton W. McKinney
9122 Leader
Houston, TX 77036

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 7**

Dear Mr. McKinney:

According to the title records of Eddy County, New Mexico, you are the owner of .40 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

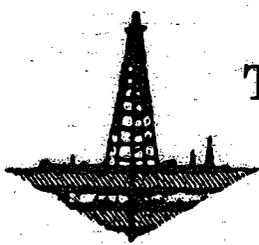
Bonus: \$50.00 for your .40 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 15, 2003

Hilton W. McKinney
9122 Leader
Houston, TX 77036

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G - First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 5**

Dear Mr. McKinney:

According to the title records of Eddy County, New Mexico, you are the owner of .40 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

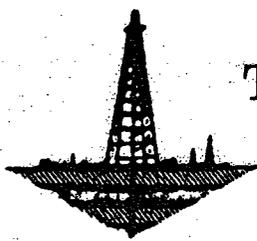
Bonus: \$50.00 for your .40 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Mr. and Mrs. Alvis Mensch
3915 Jones Street
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk. C, Happy Valley Farms Subdivision, replatted as Laney
Subdivision, Lot 3**

Dear Mr. and Mrs. Mensch:

Pursuant to our discussion, enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 0.910 gross acres, which is 0.910 net mineral acres. The terms and conditions are as follows:

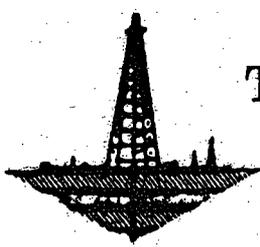
Lease Term: 3- year paid-up lease
Lease Royalty: 3/20 = 15%
Bonus: \$50.00 for your mineral interest.

Should you agree with the terms of the Lease, please sign the document at the bottom before a notary, include your [REDACTED] and have your signatures **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided. Upon receipt of the Lease, I will forward you a check in the amount of \$50.00. Should you have any questions, please call me toll free at 1-888-227-6445.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
(830) 438-7196
Fax:
(830) 438-7198

December 10, 2003

Mr. Stephen Mensch
3915 Jones Street
Carlsbad, N.M. 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk. C, Happy Valley Farms Subdivision, replatted as Laney
Subdivision, Lot 4**

Dear Mr. Mensch:

Pursuant to our discussion, enclosed is an Oil and Gas Lease for your mineral rights on the above referenced acreage in Eddy County, New Mexico. The lease covers your share of 1.090 gross acres, which is 1.090 net mineral acres. The terms and conditions are as follows:

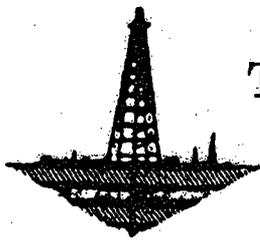
Lease Term: 3- year paid-up lease
Lease Royalty: $3/20 = 15\%$
Bonus: \$50.00 / acre = \$54.50 for your 1.090 net acres

Should you agree with the terms of the Lease, please sign the document at the bottom before a notary, include your [REDACTED] and have your signature **notarized on the back of the document where indicated**. Return the fully executed lease to me in the envelope provided. Upon receipt of the Lease, I will forward you a check in the amount of \$54.50. Should you have any questions, please call me toll free at 1-888-227-6445.

Thank you for your time and consideration in this matter.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

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December 10, 2003

Paulina Morales
3909 Jones Street
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: S/2**

Dear Ms. Morales:

According to the title records of Eddy County, New Mexico, Paulina Morales and Miguel C. Morales are the owners of 1.74 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = .15$

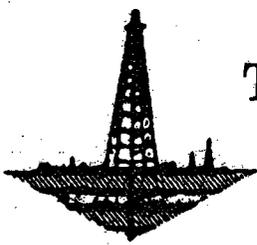
Bonus: \$50.00 per net acre = **\$87.00** for your 1.74 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

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(830) 438-7198

December 12, 2003

Ivana Foreman Morrison
17 Forsyth
Alamogordo, NM 88310

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk D of Happy Valley Farms Subdivision, Center 1/3 of Lots 2 and 3**

Dear Ms. Morrison:

According to the title records of Eddy County, New Mexico, you are the owner of .55 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

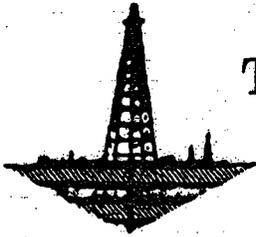
Bonus: \$50.00 for your .55 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

• **W. Chris Barnhill**
President

P.O. Box 700968
San Antonio, Texas 78270-0968

Phone:
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(830) 438-7198

December 12, 2003

Thomas H. Painter
PO Box 1137
Carlsbad, NM 88221

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk D, Blk E of Happy Valley Farms Subdivision,**

Dear Mr. Painter:

According to the title records of Eddy County, New Mexico, you are the owner of 2.88 net mineral acres in the above-described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

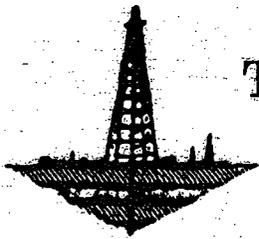
Bonus: \$50.00 per net acre = \$144.00 for your 2.88 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

W. Chris Barnhill
President

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December 15, 2003

Howard E. Plum
4401 West Texas Street
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 2, Lot 2**

Dear Mr. Plum:

According to the title records of Eddy County, New Mexico, you are the owner of 49 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

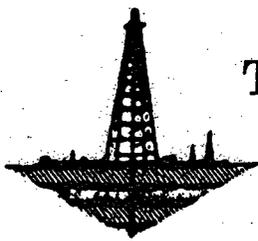
Term: 3 years
Royalty: $3/20 = 15\%$
Bonus: \$50.00 for your 49 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

P.O. Box 700968

San Antonio, Texas 78270-0968

Phone:

(830) 438-7196

Fax:

(830) 438-7198

W. Chris Barnhill
President

December 15, 2003

Mr. and Mrs. Howard E. Plum, Trustees
Of the Plum Family Revocable Living Trust
4401 West Texas Street
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 2, Lot 1**

Dear Mr. and Mr. Plum:

According to the title records of Eddy County, New Mexico, you are the owner of .55 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

Bonus: \$50.00 for your .55 net acres

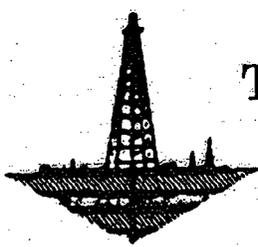
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill

TIERRA OIL COMPANY, LLC



W. Chris Barnhill
President

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San Antonio, Texas 78270-0968

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(830) 438-7196
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December 10, 2003

Juan Rascon
603 Boyd Drive
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Worley Subdivision, Lot B-9, B-10, S/2 of B-11,**

Dear Mr. Rascon:

According to the title records of Eddy County, New Mexico, Juan Rascon and Adela Rascon are the owners of .475 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

Bonus: \$50.00 for your .475 net acres

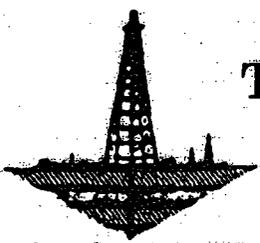
If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Barnhill'. The signature is written in a cursive, flowing style.

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

P.O. Box 700968

San Antonio, Texas 78270-0968

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Fax:

(830) 438-7198

W. Chris Barnhill
President

December 10, 2003

Marion Lee Smith
719 El Alhambra Circle NW
Albuquerque, NM 87107

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G – First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 3**

Dear Mr. Smith:

According to the title records of Eddy County, New Mexico, you are the owner of .05 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

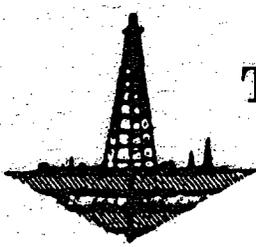
Bonus: \$50.00 for your .05 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



TIERRA OIL COMPANY, LLC

P.O. Box 700968

San Antonio, Texas 78270-0968

December 10, 2003

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Fax:
(830) 438-7198

W. Chris Barnhill
President

Annie M. Thacker
711 North Happy Valley Road
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Blk B of Happy Valley Farms, Worley Subdivision, Lot B-6**

Dear Mrs. Thacker:

According to the title records of Eddy County, New Mexico, you are the owner of .19 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: $3/20 = 15\%$

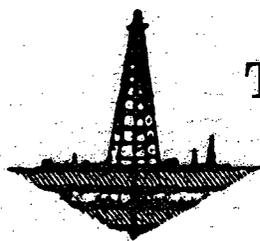
Bonus: \$50.00 for your .19 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill



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W. Chris Barnhill
President

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San Antonio, Texas 78270-0968

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December 15, 2003

Juanita M. Tomsic
109 South Swigart
Carlsbad, NM 88220

**Re: Mineral Interest, Township 22 South, Range 26 East, Eddy County, New Mexico
Section 3: Lots 1 and 2 of Blk G - First Addition to Happy Valley Farms
Subdivision, replatted as Fabian Subdivision Block 1, Lot 9**

Dear Ms. Tomsic:

According to the title records of Eddy County, New Mexico, you are the owner of .40 net mineral acres in the above described lands. I am interested in leasing this mineral interest with an oil and gas lease under the following terms and conditions:

Term: 3 years

Royalty: 3/20 = 15%

Bonus: \$50.00 for your .40 net acres

If this proposal is acceptable to you, please give me a call at my toll free number, 1-888-227-6445 so that I can forward the necessary paperwork.

Thank you for your time and consideration in this matter and please give me a call if you have any further questions.

Sincerely,

W. Chris Barnhill