

LOGRO CORPORATION

Oil and Gas Exploration and Production

February 10, 1995

Certified Mail

Mr. S. P. Yates
105 S. 4th St.
Artesia, NM 88210

Attn.: Doug Hurlbut

Re: **Well Proposal**
S/2 Section 34,
T17S-R29E
Eddy County, NM
Cooper Prospect

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 11218 Exhibit No. 1
Submitted By:
Naumann Oil & Gas
Hearing Date: April 6, 1995

Gentlemen:

Logro Corporation hereby respectfully requests the participation of S. P. Yates ("Yates") in the drilling of a 11,200' Morrow test to be located at a lawful location in the SW/4 of the captioned Section 34. The well is expected to cost \$614,900 as detailed on the attached AFE. In the alternative, Logro Corporation would entertain a farmout of Yates' interest under the following general terms :

1. Within 180 days of formal contract, Logro will drill or cause to be drilled a 10,600' Morrow test at a lawful location upon the captioned lands.
2. Upon successful completion of the test, Logro will earn an assignment of 100% of Yates' interest in the spacing unit for the well from the base of the deepest currently producing formation to the base of the Morrow formation.
3. Logro will have the option to continuously develop the farmout acreage under a 180 day development program.
4. Yates will retain an overriding royalty equal to the difference between 25% and existing lease burdens.
5. All interests are subject to proportionate reduction.
6. The only penalty for failure of Logro to timely commence the above described test shall be the forfeiture of the right to earn any acreage hereunder.

Inasmuch as we face a lease expiration, we look forward to your prompt and favorable consideration of this proposal which replaces our proposal of August 22, 1994. If you have any questions, please do not hesitate to call.

Very truly yours,

David N. Frye, CPL

DNF/sbp/95111

P.O Box 261324 • Plano, Texas 75026-1324 • (214) 964-0608 • Fax (214) 964-3319

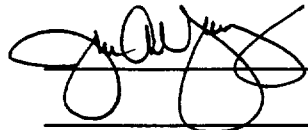
LOGRO CORPORATION AUTHORIZATION FOR EXPENDITURE

WELL NAME: Cooper #1
FIELD NAME: Empire Morrow
COUNTY: Eddy
STATE: New Mexico
AFE NO. : NM010336

PROPOSED DEPTH: 11,200'
LOCATION: SW/4
SECTION: 34
TOWNSHIP, RANGE: 17s, 29e

ITEM DESCRIPTION	COST TO CASING	COMPLETION	TOTAL
201 Roads, Location, Damages, Permits	7,000	0	7,000
202 Drilling-Footage 11,200 ft. at \$ 17.00 /ft	190,400	0	190,400
203 Drilling Daywork 4 days at \$ 4,500 /day	18,000	0	18,000
204 Comp Daywork 6 days at \$ 2,500 /day	0	15,000	15,000
205 Cementing Seivices, Cement & Accessories	10,000	14,500	24,500
206 Mud, Chemicals, Water	30,000	0	30,000
207 Fuel	7,000	2,000	9,000
208 Testing	3,500	0	3,500
209 Logging & Wireline	15,200	6,000	21,200
210 Perforating & Stimulation	0	22,000	22,000
211 Rental Equipment/Tools	6,000	4,000	10,000
212 Mud Logging/Geological Services	3,900	0	3,900
213 Bits	0	0	0
214 Transportation/Freight	5,000	5,000	10,000
215 Supervision	15,750	4,950	20,700
216 Company Labor/Supervision	0	0	0
217 Overhead/Fixed Rate	7,500	1,500	9,000
218 Contingencies/Miscellaneous	15,963	3,748	19,710
Total Intangible	\$ 335,213	\$ 78,698	\$ 413,910
402 Surface Casing 700 ft. at \$ 20.00 /ft	14,000	0	14,000
403 Intermediate Casing 2,900 ft. at \$ 10.50 /ft	30,450	0	30,450
404 Protective Casing ft. at \$ /ft	0	0	0
405 Production Casing 11,200 ft. at \$ 7.20 /ft	0	80,640	80,640
406 Tubing 11,100 ft. at \$ 3.00 /ft	0	33,300	33,300
407 Wellhead	4,000	3,600	7,600
408 Sub-Surface Well Equipment	0	6,000	6,000
409 Tanks	0	5,000	5,000
410 Surface Equipment	0	15,000	15,000
411 Construction	0	9,000	9,000
412 Artificial Lift	0	0	0
Total Tangible	\$ 48,450	\$ 152,540	\$ 200,990
Total Costs	\$ 383,663	\$ 231,238	\$ 614,900

Approved By: _____



Date: _____

WI Company: _____

WI, %: _____

WI Approved By: _____

Date: _____

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

Consult postmaster for fee.

Mr S.P. Yates
105 S. 4th St.
Artesia, NM 88210
Hfr Doug Hundbut

P 028 425 535

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

0-12-1

5. Signature (Addressee) _____
6. Signature (Agent) _____

8. Addressee's Address (Only if requested and fee is paid)

☆U.S. GPO: 1983-352-714

DOMESTIC RETURN RECEIPT

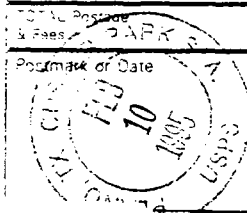


UNITED STATES
DEPARTMENT OF AGRICULTURE

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to Mr. S. P. Yates	
Street and No. 105 S. 4th St.	
P. O. State and ZIP Code Artesia, N.M. 88210	
Postage	\$
Insured Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$

PS Form 3800, June 1991



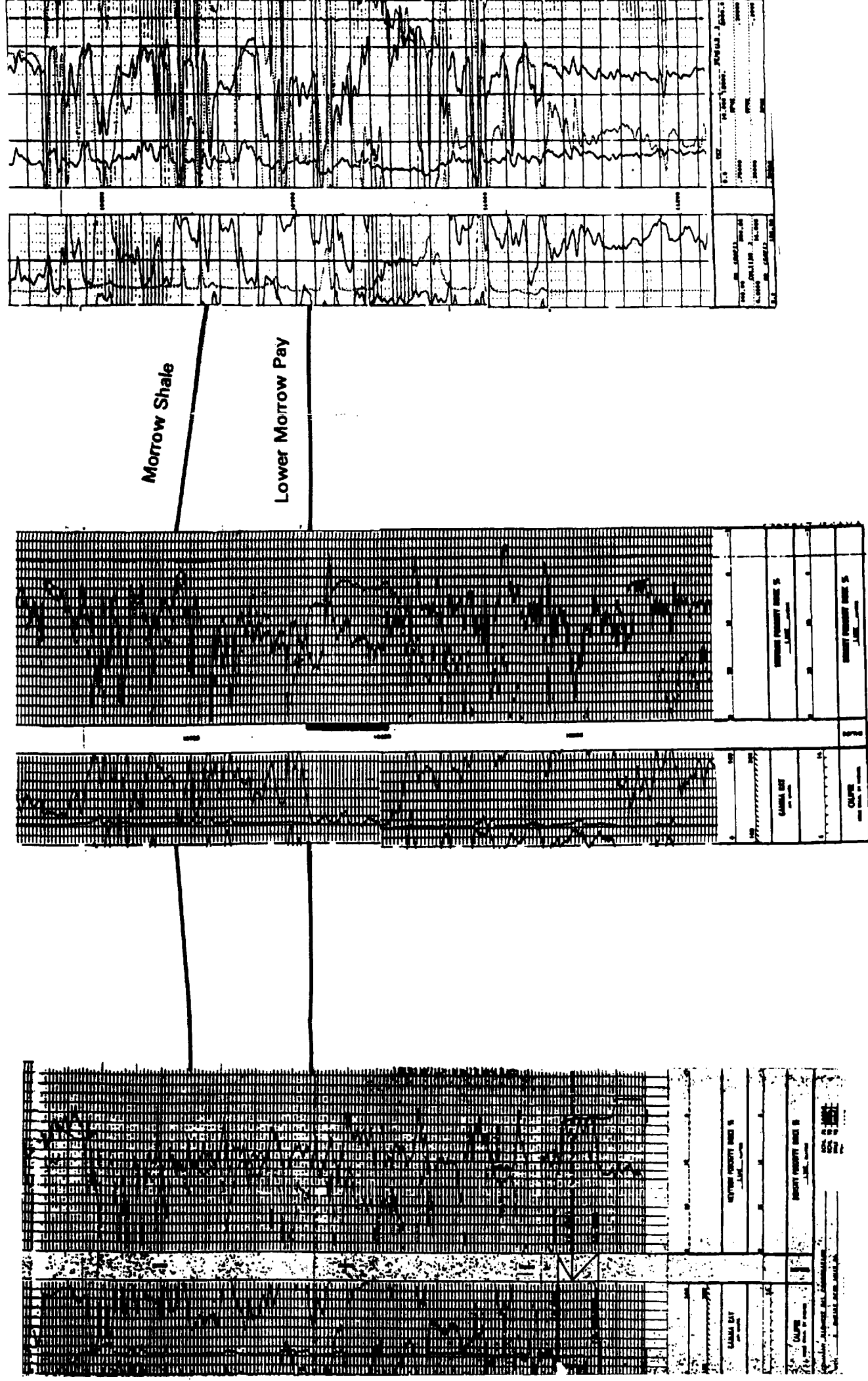
A

South Empire Deep Unit 4
Section 32G-T17S-R29E

Federal "33" Com #1
Section 33C-T17S-R29E

Jackson Federal #1
Section 35C-T17S-R29E

A'



NAUMANN OIL AND GAS, INC.
Eddy County, New Mexico

CROSS SECTION A-A'

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 11218 Exhibit No. 3
Submitted By:
Naumann Oil & Gas
Hearing Date: April 6, 1995

J.A. Young

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 11218 Exhibit No. **4**
Submitted By:
Naumann Oil & Gas
Hearing Date: April 6, 1995

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION
FOR THE PURPOSE OF CONSIDERING:

CASE NO. 11218


Application of Naumann Oil & Gas, Inc.
for Compulsory Pooling and an Unorthodox
Gas Well Location, Cooper Well No. 1,
Eddy County, New Mexico.

**CERTIFICATE OF MAILING
AND
COMPLIANCE WITH ORDER R-8054**

W. Thomas Kellahin, attorney in fact and authorized representative of Naumann Oil & Gas Inc., states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 23rd day of February, 1995 ~~and the 7th day of March~~ **OK**, I caused to be sent, by certified mail return receipt requested, notice of this hearing and a copy of the application for the referenced case along with the cover letter, at least twenty days prior to the hearing set for April 6, 1995, to the parties shown in the application as evidenced by the attached copies of receipt cards, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.


W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me on this 5th day of April, 1995.


Notary Public

My Commission Expires: June 15th, 1998

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
• Complete items 1 and/or 2 for additional services.
• Complete items 3, and 4a & b.
• Print your name and address on the reverse of this form so that we can return this card to you.
• Attach this form to the front of the mailpiece, or on the back if space does not permit.
• We will deliver your mailpiece on the date indicated below.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Marathon Oil Company
POB 552
Midland, TX 79702-0552
Attn: Tom Lowry

4a. Article Number
321 036 751

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
FEB 23 1995

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 321 036 751



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to:

Marathon Oil Company
POB 552
Midland, TX 79702-0552
Attn: Tom Lowry

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom	

1991

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
• Complete items 1 and/or 2 for additional services.
• Complete items 3, and 4a & b.
• Print your name and address on the reverse of this form so that we can return this card to you.
• Attach this form to the front of the mailpiece, or on the back if space does not permit.
• We will deliver your mailpiece on the date indicated below.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Kerr McGee Corporation
POB 25861
Oklahoma City, OK 73125

4a. Article Number
321 036 749

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
FEB 23 1995

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 321 036 749



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to:

Kerr McGee Corporation
POB 25861
Oklahoma City, OK 73125

Special Delivery Fee	
Restricted Delivery Fee	

P 321 036 748



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to:

Conoco Oil Company
Midland Division
10 Desta Drive West
Midland TX 79705
Attn: Jerry Hoover

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

800, June 1991

Naumann/Cooper1(03/16/95)
February 23, 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
• Complete items 1 and/or 2 for additional services.
• Complete items 3, and 4a & b.
• Print your name and address on the reverse of this form so that we can return this card to you.
• Attach this form to the front of the mailpiece, or on the back if space does not permit.
• We will deliver your mailpiece on the date indicated below.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Conoco Oil Company
Midland Division
10 Desta Drive West
Midland TX 79705
Attn: Jerry Hoover

4a. Article Number
321 036 748

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
2-27-95

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
• Complete items 1 and/or 2 for additional services.
• Complete items 3, and 4a & b.
• Print your name and address on the reverse of this form so that we can return it to you.
• Write the return receipt number and the date delivered.

Naumann/Cooper1(03/16/95)
February 23, 1995

Article number and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Christine Thompson
6915 Baltimore Drive
Dallas, TX 75205

4a. Article Number
321 036 753

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
2-27-95

5. Signature (Addressee)
Christine Thompson

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 321 036 753



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to
Christine Thompson
6915 Baltimore Drive
Dallas, TX 75205

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing	

Is your RETURN ADDRESS completed on the reverse side?

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Naumann/Cooper1(03/16/95)
February 23, 1995

Article number and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Central Resources, Inc.
2600 Mellon Center
1775 Sherman St.
Denver, CO 80203

4a. Article Number
321 036 754

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
2-27-95

5. Signature (Addressee)
Central Resources, Inc.

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 321 036 754



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to
Central Resources, Inc.
2600 Mellon Center
1775 Sherman St.
Denver, CO 80203

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing	

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
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• Complete items 3, and 4a & b.
• Print your name and address on the reverse of this form so that we can return it to you.
• Write the return receipt number and the date delivered.

Naumann/Cooper1(03/16/95)
February 23, 1995

Article number and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Louis Dreyfus Holdings, Inc.
1400 Quail Springs Parkway, #600
Oklahoma City, OK 73134

4a. Article Number
321 036 752

4b. Service Type
☒ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
2-27-95

5. Signature (Addressee)
Louis Dreyfus Holdings, Inc.

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 321 036 752



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to
Louis Dreyfus Holdings, Inc.
1400 Quail Springs Parkway, #600
Oklahoma City, OK 73134

Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Naumann/Cooper1(03/16/95)
February 23, 1995

Naumann/Cooper1 (03/16/95)
February 23, 1995

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

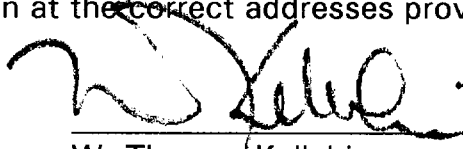
IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION
FOR THE PURPOSE OF CONSIDERING:

CASE NO. 11218

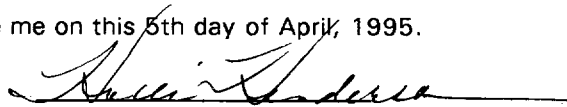
Application of Naumann Oil & Gas, Inc.
for Compulsory Pooling and an Unorthodox
Gas Well Location, Cooper Well No. 1,
Eddy County, New Mexico.

**SUPPLEMENTAL CERTIFICATE OF MAILING
AND
COMPLIANCE WITH ORDER R-8054**

W. Thomas Kellahin, attorney in fact and authorized representative of Naumann Oil & Gas Inc., states that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on the 7th day of March, 1995, I caused to be sent, by Federal Express Mail, notice of this hearing and a copy of the application for the referenced case along with the cover letter, at least twenty days prior to the hearing set for April 6, 1995, to the parties shown in the application as evidenced by the attached copies of Airbill tracking number 8918966103 and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.


W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me on this 5th day of April, 1995.


Notary Public

My Commission Expires: June 15th, 1998

SENDER'S COPY
DROP OFF YOUR PACKAGE AND SAVE

Company: HENDERSON KELLAHIN (505-992-4232) Department/Floor No. 5 Company: SP YATES Department/Floor No. 1

Street Address: 117 GUADALUPE City: SANTA FE State: NM ZIP Required: 87501

City: ARTESIA State: NM ZIP Required: 87210

YOUR INTERNAL BILLING REFERENCE INFORMATION (optional) (First 24 characters will appear on invoice.)

PAYMENT: ☒ Bill Sender ☐ Bill Recipient's FedEx Acct. No. ☐ Bill 3rd Party FedEx Acct. No. ☐ Bill Credit Card

City: ARTESIA State: NM ZIP Required: 87210

SERVICES (Check only one box)

11 ☐ OTHER PACKAGING 51 ☐ OTHER PACKAGING

12 ☐ FEDEX LETTER 52 ☐ FEDEX LETTER*

13 ☐ FEDEX PAK* 53 ☐ FEDEX PAK*

14 ☐ FEDEX BOX 54 ☐ FEDEX BOX

15 ☐ FEDEX TUBE 55 ☐ FEDEX TUBE

30 ☐ ECONOMY** 46 ☐ GOVT LETTER

31 ☐ ECONOMY** 47 ☐ GOVT LETTER

32 ☐ ECONOMY** 48 ☐ GOVT PACKAGE

70 ☐ OVERNIGHT FREIGHT** 80 ☐ TWO-DAY FREIGHT**

DELIVERY AND SPECIAL HANDLING (Check services required)

1 ☐ HOLD AT FEDEX LOCATION WEEKDAY (Fill in Section H)

2 ☐ DELIVER WEEKDAY

31 ☐ HOLD AT FEDEX LOCATION SATURDAY (Fill in Section H)

3 ☐ DELIVER SATURDAY (Extra charge) (Not available to all locations)

9 ☐ SATURDAY PICK-UP (Extra charge)

4 ☐ DANGEROUS GOODS (Extra charge)

5 ☐ DRY ICE (Dangerous Goods Shipper's Declaration not required)

12 ☐ HOLIDAY DELIVERY (if offered) (Extra charge)

SERVICE CONDITIONS, DECLARED VALUE AND LIMIT OF LIABILITY

Use of this airbill constitutes your agreement to the service conditions in our current Service Guide, available upon request. See back of sender's copy of this airbill for information. Service conditions may vary for Government Overnight Service. See U.S. Government Service Guide for details.

We will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, and document your actual loss for a timely claim. Limitations found in the current Federal Express Service Guide apply. Your right to recover from Federal Express for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the declared value specified to the left. Recovery cannot exceed actual documented loss. The maximum Declared Value for FedEx Letter and FedEx Pak packages is \$500.

In the event of uninsured delivery, Federal Express will at your request and with some limitations refund all transportation charges paid. See Service Guide for further information.

Sender authorizes Federal Express to deliver this shipment without obtaining a delivery signature and shall indemnify and hold harmless Federal Express from any claims resulting therefrom.

Release Signature: [Signature]

Federal Express Use

Base Charges

Declared Value Charge

Other 1

Other 2

Total Charges

REVISION DATE 12/92

PART #137204 FXEM 12/93

FORMAT #158

© 1992-93 FEDEX

PRINTED IN U.S.A.

SENDER'S COPY
DROP OFF YOUR PACKAGE AND SAVE

SENDER'S FEDERAL EXPRESS ACCOUNT NUMBER: 1002-0914-0 Date: 3/1/95

From (Your Name) Please Print: HENDERSON KELLAHIN Your Phone Number (Very Important): (505) 992-4232 To (Recipient's Name) Please Print: SP YATES Recipient's Phone Number (Very Important): (505) 992-4232

Company: HENDERSON KELLAHIN Department/Floor No. 5 Company: SP YATES Department/Floor No. 1

Street Address: 117 GUADALUPE City: SANTA FE State: NM ZIP Required: 87501

City: ARTESIA State: NM ZIP Required: 87210

YOUR INTERNAL BILLING REFERENCE INFORMATION (optional) (First 24 characters will appear on invoice.)

PAYMENT: ☒ Bill Sender ☐ Bill Recipient's FedEx Acct. No. ☐ Bill 3rd Party FedEx Acct. No. ☐ Bill Credit Card

City: ARTESIA State: NM ZIP Required: 87210

SERVICES (Check only one box)

11 ☐ OTHER PACKAGING 51 ☐ OTHER PACKAGING

12 ☐ FEDEX LETTER 52 ☐ FEDEX LETTER*

13 ☐ FEDEX PAK* 53 ☐ FEDEX PAK*

14 ☐ FEDEX BOX 54 ☐ FEDEX BOX

15 ☐ FEDEX TUBE 55 ☐ FEDEX TUBE

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31 ☐ ECONOMY** 47 ☐ GOVT LETTER

32 ☐ ECONOMY** 48 ☐ GOVT PACKAGE

70 ☐ OVERNIGHT FREIGHT** 80 ☐ TWO-DAY FREIGHT**

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2 ☐ DELIVER WEEKDAY

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We will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, and document your actual loss for a timely claim. Limitations found in the current Federal Express Service Guide apply. Your right to recover from Federal Express for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the declared value specified to the left. Recovery cannot exceed actual documented loss. The maximum Declared Value for FedEx Letter and FedEx Pak packages is \$500.

In the event of uninsured delivery, Federal Express will at your request and with some limitations refund all transportation charges paid. See Service Guide for further information.

Sender authorizes Federal Express to deliver this shipment without obtaining a delivery signature and shall indemnify and hold harmless Federal Express from any claims resulting therefrom.

Release Signature: [Signature]

Federal Express Use

Base Charges

Declared Value Charge

Other 1

Other 2

Total Charges

REVISION DATE 12/92

PART #137204 FXEM 12/93

FORMAT #158

© 1992-93 FEDEX

PRINTED IN U.S.A.

TRACKING NOS REFERENCE	SENDER'S NAME AND ADDRESS	RECIPIENT INFORMATION AND PROOF OF DELIVERY	PACKAGES & WEIGHT	SERVICES
8918966114	HOUY HENDERSON KELLAHIN & KELLAHIN 117 GUADALUPE SANTA FE, NM 87501	SP YATES 104 S FOURTH ST ARTESIA, NM 88210 AM DELIVERED: 03/08/95 10:47 SIGNED: J. GRIGGS	1/ NA	PRIORITY LTR
NAU/COOPER 06812362	1 SHIPPED 03/07/95			
8918966103	H HENDERSON KELLAHIN & KELLAHIN 117 GUADALUPE SANTA FE, NM 87501	DOUG HURLBUT YATES DRILLING COMPANY 105 S FOURTH ST ARTESIA, NM 88210 AM DELIVERED: 03/08/95 10:47 SIGNED: J. GRIGGS	1/ NA	PRIORITY LTR
NAU/COOPER 06812457	1 SHIPPED 03/07/95			

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**LouisDreyfus
Natural Gas**

March 10, 1995

VIA FAX/MAIL

Kellahin and Kellahin
117 North Guadalupe
Santa Fe, New Mexico 87504-2265

Attn: Mr. W. Thomas Kellahin

RE: Cooper Well No. 1
S/2 Section 34-17S-29E
Eddy County, New Mexico


Dear Mr. Kellahin:

Per my conversation with your office this date concerning the application of Naumann Oil and Gas, Inc. for Compulsory Pooling, and an Unorthodox Gas Well Location in the subject section, we wish to advise you that Louis Dreyfus Natural Gas Corp. will not protest Naumann's Unorthodox Gas Well Location, if Naumann will agree not to protest an a well to be drilled 1330' FEL for a unit in the N/2 or NE/4 of Section 4-18S-29E, Eddy County, New Mexico.

Please sign and return one copy of this letter to the undersigned if Naumann is in agreement with our proposal.

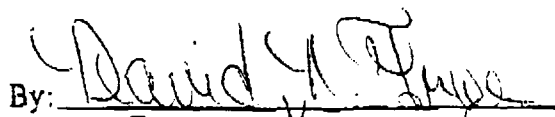
Sincerely Yours,

LOUIS DREYFUS NATURAL GAS CORP.


Carol Myers
District Landman

AGREED AND ACCEPTED THIS 15th DAY OF MARCH, 1995.

NAUMAN OIL & GAS, INC.

By: 
Title: agent

