OXY

OXY USA INC.
Bcx 300, Tulsa, OK 74102

August 19, 1994

Doyle Hartman
Attention Ms. Carol Farmer
P.O. Box 10426
Midland, TX 79702

Re: Myers Langlie Mattix Unit
      7-3050700-6, Contract # 3730
      Lea Co., NM
      OXY USA Inc. - Operator

Dear Ms. Farmer:

This letter comes as a follow-up and confirmation of our phone call
earlier today. As we discussed, OXY is currently conducting
numerous capital improvement projects on the captioned unit. You
questioned what options Doyle Hartman has regarding participation
in these projects.

Under terms of the Unit Operating Agreement dated January 1, 1993,
working interest owners do not have a non-consent option for such
capital projects. Rather, the agreement provides the following:

1.   Article 3.2.4 states that the operator must seek working
     interest owner approval of any single expenditure in excess of
     $15,000. OXY has done this through the AFE balloting process.

2.   Article 4.3.2 defines "approval" as an affirmative vote of
     three or more owners having a combined interest of at least
     65%. Each AFE project currently being billed by OXY has
     received such approval.   Once approved, the financial
     responsibility for such projects becomes the obligation of
     each working interest owner, regardless of their vote.

3.   Article 17 does provide that a working interest owner may
     withdraw from the unit (and any future obligations) by
     assigning its interest to the other working interest owners.
     However, the assigning of interest does not relieve the owner
     from any obligation incurred prior to the date of execution
     and delivery of the assignment.

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EXHIBIT
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Exhibit G to Motion to Dismiss

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For your convenience, I have attached copies of the Agreement
Articles I have referenced.   I trust this will address the
questions you have raised, but do not hesitate to contact me should
you have further questions.

Sincerely,

Joint Interest Contracts

JC/mw
Attachments

xc: Pat McGee, MID Land (w/attachment)
      Jim Maury, MID Finance   "