



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

Samuel Glenn Thompson
Senior Exploration Landman

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 618-4700 FAX: (281) 618-4757

July 24, 2000

VIA CERTIFIED MAIL

Potential Working Interest Owners

Re: Well Proposal – Big Bluff "31" State Com #1
N/2 Section 31-17S-28E
Eddy County, New Mexico

Gentlemen:


Southwestern Energy Production Company ("SWN") proposes the drilling of a 10,200' Morrow Test at a legal location 660' FEL and 660' FNL of Section 31-17S-28E. The proposed unit would be the N/2 of Section 31.

You will find enclosed our AFE reflecting a dry hole cost of \$592,500 and a completed well cost of \$884,500. If you elect to participate, please sign and return one copy of the AFE at your earliest opportunity.

In the event you would rather farmout, SWN offers you an ORRI equal to the difference between existing lease burdens and 18.75%, with the option to convert your retained ORRI to a 25% WI after payout.

If you need any further information, please do not hesitate to contact the undersigned landman.

Respectfully,


S. G. Thompson

OIL CONSERVATION DIVISION

CASE NUMBER 12500

EXHIBIT 4



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 818-4700 FAX: (281) 618-4757

Samuel Glenn Thompson
Staff Landman-Exploration

January 5, 2001

CERTIFIED MAIL

WORKING INTEREST OWNERS

**Re: Well Proposal-SWN Big Bluff"31" State Com #1
1980' FWL & 1980' FNL
N/2 Section 31-17S-28E
Eddy County, New Mexico**

Ladies and Gentlemen:

On July 24, 2000 SWN proposed the captioned well in the NE/NE of captioned section but the well has not been drilled. SWN's latest geologic interpretation suggests that the best location is 1980' FWL and 1980' FNL of Section 31-17S-28E and Southwestern hereby proposes a 10,200' Morrow Test at the captioned location.

You will find enclosed SWN's revised AFE and page 4 of the Model Form Operating Agreement dated September 15, 2000. If you elect to participate please execute and return one copy of the AFE and obviously your approval would be subject to a mutually acceptable Operating Agreement which will be provided as requested.

If you need further information please contact the undersigned landman.

Respectfully,


SGThompson

enclosures



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2350 N. Sam Houston Parkway East
Suite 300
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(281) 618-4700 FAX: (281) 618-4757

Samuel Glenn Thompson
Staff Landman-Exploration

February 8, 2001

WORKING INTEREST OWNERS

**Re: Big Bluff "31" State Com #1
1980' FWL & 1980' FNL
N/2 Sec 31-17S-28E
Eddy County, NM**

Gentlemen:

You will find enclosed the latest AFE and Operating Agreement relative to the drilling of the captioned well. The Exhibit A has been changed to reflect the changes.

Please review, sign and return one copy of the AFE and OA together with your geological requirement sheet. If you need further information please contact the undersigned landman at your earliest opportunity.

Respectfully,

SGThompson