

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 23, 2001

Thomas Cone
Box 778
Jay, OK 74346

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Cone:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

Trilogy is prepared to pay you \$50.00 per net acre for a 6 month lease and a 1/4th royalty. Mr. James Shaw attempted to lease this interest on our behalf in 1997. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options for developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 1/4th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions. I have also included language from our additional provisions of our Operating Agreement. We use a 1982 Model Form Operating Agreement with only slight modifications.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route a check for \$133.50 for your 2.67 net acres. If you decide to join, please return the executed AFE. Thereafter, we will furnish you an Operating Agreement for execution. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Thomas Cone
Box 778
Jay, OK 74346

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

Tom Cone

C. Signature

X 

D. Is delivery address different from item 1? ☐ Agent ☐ Addressee

If YES, enter delivery address below: ☐ Yes ☐ No

1002081411

MAY 30 2001

3. Service Type

☒ Certified Mail ☐ Registered Mail ☐ Express Mail

☐ Insured ☐ Return Receipt for Merchandise

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 23, 2001

Kenneth Cone
P.O. Box 11310
Midland, Texas 79702

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Cone:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

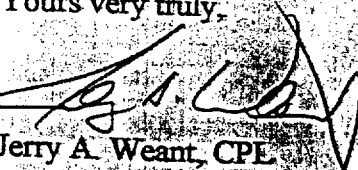
Trilogy is prepared to pay you \$50.00 per net acre for a 6 month lease and a 1/4th royalty. Mr. James Shaw attempted to lease this interest on our behalf in 1997. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options for developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 1/4th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions. I have also included language from our additional provisions of our Operating Agreement. We use a 1982 Model Form Operating Agreement with only slight modifications.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route a check for \$133.50 for your 2.67 net acres. If you decide to join, please return the executed AFE. Thereafter, we will furnish you an Operating Agreement for execution. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPE
President

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kenneth Cone
P.O. Box 11310
Midland, TX. 79702

COMPLETE THIS SECTION ON DELIVERY

A. Received by, (Please Print Clearly) SHAPIRA B. Date of Delivery 5/24/01
C. Signature K Shapira ☐ Agent ☐ Addressee
☒ D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail
☐ Registered

☐ Express Mail
☐ Return Receipt for Merchandise

P.O. Box 7606
Midland, Texas 79708

TRILogy OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 11, 2001

Bobby G. Bales
R.R. 1, Box 308
Sperry, OK 74073

918- Unlisted

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

6/6/01 - Spoke to his wife. She said they were mad
at sisters and would not sign lease.

Dear Mr. Bales:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 45 days.

Trilogy is prepared to pay you \$50.00 per net acre for a 6 month lease and a 3/16th royalty. We have sent several letters requesting a new lease since our previous lease expired. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options for developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office at your earliest convenience. Upon receipt of same, we will route you a check for \$166.50 for your 3.33 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bobby G. Bales
R.R. 1, Box 308
Sperry, OK 74073

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Dorothy Bales B. Date of Delivery 5-14-01
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

P.O. Box 7606
Midland, Texas 79708

John W. Coyle III
119 N. Robinson, Suite 320
Oklahoma City, OK 73102
405-232-1988

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Coyle:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

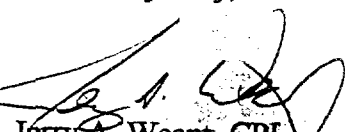
Trilogy is prepared to pay you \$50.00 for a 6 month lease and a 3/16th royalty. We have been taking one (1) year leases for \$50.00 per net mineral acre. In 1997, you were contacted by James H. Shaw, who was leasing on our behalf. We never received a reply. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route you a check for \$50.00 for your 0.666 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

5/18/01 - Spoke to his Secretary. Advised her of letter. He will call back Monday 5/21/01
6/4/01 - Spoke with Secretary - Let message. He was in meeting.
6/6/01 - Spoke with Secretary again. Advised her we had drilling rig coming. We must obtain lease, have him join or we will force pool.

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John W. Coyle III
119 N. Robinson
Suite 320
Oklahoma City, OK 73102

2. Article Number (Copy from service label)

7000 0520 0020 7966 2460

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) *R. Barton* B. Date of Delivery *5/21/01*

C. Signature *R. Barton* ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 22, 2001

John W. Coyle III, Personal Representative
of the Estate of Patrick Coyle
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Coyle:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

Trilogy is prepared to pay you \$50.00 for a 6 month lease and a 3/16th royalty. We have been taking one (1) year leases for \$50.00 per net mineral acre. In 1997, you were contacted by James H. Shaw, who was leasing on our behalf. We never received a reply. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options for developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route a check for \$50.00 for your 0.666 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

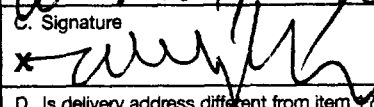
SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John W. Coyle, III, Personal Rep
of Estate of Patrick Coyle
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery
W. M. K. P. K. 5/24/01
C. Signature ☐ Agent
*  ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

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

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 17, 2001

Shannon Coyle Manning
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Ms. Manning:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

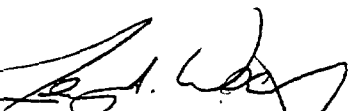
Trilogy is prepared to pay you \$50.00 for a 6 month lease and a 3/16th royalty. We have been taking one (1) year leases for \$50.00 per net mineral acre. In 1997, you were contacted by James H. Shaw, who was leasing on our behalf. We never received a reply. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route you a check for \$50.00 for your 0.333 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Shannon Coyle Manning
119 N. Robinson
Suite 320
Oklahoma City, OK 73102

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Shannon Coyle Manning B. Date of Delivery 5/21/01
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 17, 2001

Michael Coyle
119 N. Robinson, Suite 320
Oklahoma City, OK 73102

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Coyle:

Please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

Trilogy is prepared to pay you \$50.00 for a 6 month lease and a 3/16th royalty. We have been taking one (1) year leases for \$50.00 per net mineral acre. In 1997, you were contacted by James H. Shaw, who was leasing on our behalf. We never received a reply. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options developing their minerals:

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3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route you a check for \$50.00 for your 0.333 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Michael Coyle
119 N. Robinson
Suite 320
Oklahoma City, OK 73102

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) RD BARNES B. Date of Delivery 5/21/01
C. Signature [Signature] ☐ Agent ☐ Addressee
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

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

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

June 1, 2001

Mid-First Bank
501 N.W. Grand Blvd., Suite 300
Oklahoma City, OK 73118

Attn: Debbie Berney

Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Ms. Berney:

Please find enclosed for your review and execution an Oil and Gas Lease covering the Carolyn B. Berry Trust B-1 in the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 15 days.

Trilogy is prepared to pay you \$50.00 per net acre for a 6 month lease and a 3/16th royalty. As an alternative, I have enclosed a copy of our proposed AFE for drilling a well on said lands. The State of New Mexico provides that mineral owners have the following 3 options for developing their minerals:

1. Lease Minerals
2. Participate in the development of the minerals with your interest.
3. Have your minerals subjected to Compulsory Pooling which provides for a 1/8th royalty until a penalty is recouped against said interest. The maximum penalty is cost plus 200%.

As stated above, we are prepared to offer you a short term lease and 3/16th royalty; however, time is of the essence for you to respond to our offer. We are contacting our attorney to commence Compulsory Pooling, because there are some mineral owners who cannot be found. Please give this letter careful consideration and call me if you have questions.

If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route you a check for \$66.50 for your 1.33 net acres. Thank you for your prompt attention to this matter.

Yours very truly,


Jerry A. Weant, CPL
President

6/20/01 - Has Lease

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

June 20, 2001

The Long Trusts
P.O. Box 3096
Kilgore, Texas 75663

Attn: Mr. Larry Long

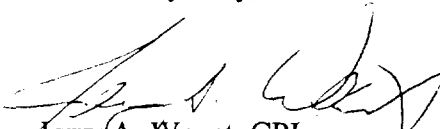
Re: Sapphire #1 Well
2310' FNL & 1650' FEL Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect


Dear Mr. Long:

I have attempted to contact you twice by phone since we agreed to the lease terms. I have yet to receive your reply.

Therefore, please find enclosed for your review an AFE for the captioned well. The well will be drilled to a depth sufficient to test the Abo formation at approximately 8,000 feet. If you elect not to lease, you have the option to participate. We are currently proceeding with a Compulsory Pooling Hearing as I discussed in our original conversation. Whichever alternative you choose, please let me know immediately, and I can have your interest removed from the hearing.

Yours very truly,


Jerry A. Weant, CPL
President

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF RETURN ADDRESS. FOLD AT DOTTED LINE		CERTIFIED MAIL	
			
7000 1530 0004 2429 5152	7000 1530 0004 2429 5152		
U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)			
Postage	\$ 0.34	Postmark Here	
Certified Fee	1.90		
Return Receipt Fee (Endorsement Required)	1.50		
Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$ 3.74		
Sent To <u>The Long Trusts</u>			
Street, Apt. No., or PO Box No. <u>P.O. Box 3096</u>			
City, State, ZIP+4 <u>Kilgore, TX. 75663</u>			
PS Form 3800, May 2000		See Reverse for Instructions	

P.O. Box 7606
Midland, Texas 79708

/RILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

May 23, 2001

The Long Trusts
P.O. Box 3096
Kilgore, Texas 75663

Attn: Mr. Larry Long

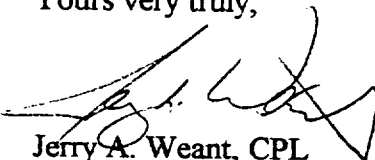
Re: Oil and Gas Lease
NE/4 Section 24,
T-19-S, R-38-E, NMPM,
Lea County, New Mexico
Emerald Prospect

Dear Mr. Long:

As per our conversation, please find enclosed for your review and execution an Oil and Gas Lease covering the captioned lands. Trilogy Operating, Inc. has tentative plans to drill on the subject lands in the next 30 days.

As agreed, Trilogy will pay you \$50.00 per net acre for a 6 month lease and a 1/4th royalty. If the lease is acceptable, please execute it before a Notary Public and return it to our office promptly. Upon receipt of same, we will route a check for \$320.00 for your 6.4 net acres. Thank you for your prompt attention to this matter.

Yours very truly,



Jerry A. Weant, CPL
President

Contested office twice - no return call.