

WILSON & ELLIOTT

OIL AND GAS EXPLORATION

3907 CRESTGATE

MIDLAND, TEXAS 79707

-LAND-

ROGER T. ELLIOTT

OFFICE: 915/687-0127

HOME: 915/694-0069

-GEOLOGY-

TODD M. WILSON

915/684-3937

Certified Mail

TO: WORKING INTEREST OWNERS
(See Attached Addressee List)

RE: Morrow Test
Township 20 South, Range 33 East, NMPM
Section 13: N/2
Lea County, New Mexico

DATE: March 28, 1991

Gentlemen:

Collins & Ware, Anadarko Petroleum Corporation, and Wilson & Elliott propose to drill a 13,850-foot Morrow test to be located in the NW/4 NE/4 of Section 13, T20S-R33E. The N/2 of Section 13 shall be the designated proration unit for Pennsylvanian gas production. Our estimated dryhole cost is \$ 672,400, and completed producer is estimated at \$ 1,069,180.

By virtue of your working interest ownership via the Mahaffey Deep Working Interest Unit Operating Agreement dated 3-15-62, covering the SW/4 NW/4 of Section 13, each of you would have a proportionately reduced working interest in our proposed test well proration unit described in Exhibit "A" attached hereto.

The well proposed herein is subject to that certain Operating Agreement dated March 15, 1962, as amended. Refer to Paragraph 12, "Operations By Less Than All Parties" (this is a 1956 agreement form). You shall have thirty (30) days from receipt of this proposal to notify Collins & Ware, Inc., of your election to join in the drilling of the test well; and, in lieu of going non-consent, we request that you either sell your interest or farmout your interest on the same basis as Scope Energy Resources, Inc., whereby delivering a 75% net revenue interest before payout, convertible to a 20% backin working interest after payout.

I will be forwarding to each of you the Teas Operating Agreement for your execution. The parties to the March 15, 1962 Operating Agreement shall designate Collins & Ware, Inc., as Operator covering the SW/4 NW/4 of Section 13 only, and, as long as the SW/4 NW/4 acreage is dedicated to the established 320-acre proration unit. At the expiration of the Teas Operating Agreement, the SW/4 NW/4

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
COLLINS & WARE	EXHIBIT NO. <u>4</u>
CASE NO.	<u>10299</u>

WORKING INTEREST OWNERS

Page -2-

March 28, 1991

shall automatically revert back to the terms and conditions of that certain Operating Agreement dated March 13, 1962.


Should you elect to join in the drilling of the proposed well, please so indicate by executing the enclosed AFE and returning one copy to the undersigned.

Please notify us if you elect to farmout and we shall prepare the formal Farmout Agreement for your execution.

Please call should you have any questions.

Very truly yours,

WILSON & ELLIOTT


Roger T. Elliott
Largman

RTE/sh

Attachment

WORKING INTEREST OWNERS

Six Shooter "13" Federal No. 1
Lea County, New Mexico

Ms. Glenna V. Anderson
1737 Antigua Way
Newport Beach, CA 92660

Mr. A. W. Dugan
1415 Louisiana, Suite 3100
Houston, TX 77002

Ms. Grace Margaret Eads
4367 Deerpark Court
Westlake Village, CA 91361

Ellwood Oil Company
4001 Pembroke
Odessa, TX 79762
Attn: Mr. Frank Hulse, III

Ms. Betty F. Hayes
605 Southern Building
Washington, D.C. 20005

Hondo Oil & Gas Company
P. O. Box 2208
Roswell, NM 88202
Attn: Mr. Ricky D. Raindl

Culbertson Management Trust
P. O. Box 2918
Midland, TX 79702

Ms. Carol Day
1007 Sylvan Meadows Drive
Modesto, CA 95356


Mr. Fred T. Newcomb
6834 Varie!, No. 28
Canoga Park, CA 91303

Ms. Barbara Hart
P. O. Box 1209
Gualala, CA 95445

Mr. William W. Saunders
606 Ridgemont
San Antonio, TX 78209

Estate of Shirley Stubbs
36 Bryan Court
Danville, CA 94526
Attn: Ms. Judy J. Flick

Grace Petroleum Corporation
Broadway Executive Park
6501 North Broadway
Oklahoma City, OK 73116-8298
Attn: Mr. Randy Upchurch

Sent to MR. A. W. DUGAN	
Newspaper No. 1415 Louisiana, Suite 3100	
P.O. State and ZIP Code Houston, TX 77002	
Postage	\$.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postpaid and Paid	\$ 2.52
Postmark or Date of Issue 	

P 954 386 096
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

<p>SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery.</p>	
<p>3. Article Addressed to:</p> <p>GRACE M. EADS 4367 Deerpark Court Westlake Village, CA 91361</p>	<p>4. Article Number</p> <p>P 954 386 097</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail</p>
<p>5. Signature — Addressee</p> <p>X <i>Grace M. Eads</i></p>	<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>6. Signature — Agent</p> <p>X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>7. Date of Delivery</p> <p><i>April 2 - 1991</i></p>	<p>94</p>

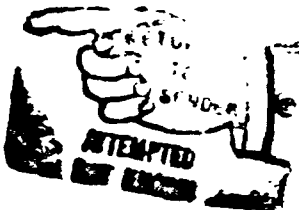
SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery.	
3. Article Addressed to: ELLWOOD OIL COMPANY ATTN: Frank Hulse, III 4001 Pembroke Odessa, TX 79762	4. Article Number P 954 386 098 Type of Service: <input checked="" type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input checked="" type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD
Always obtain signature of addressee or agent and DATE DELIVERED .	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>[Signature]</i>	
7. Date of Delivery 4-1-91	

PECOS CORPORATION

P 954 386 099

OIL & GAS PROSPECTS
110 WEST LOUISIANA SUITE 210
MIDLAND, TEXAS 79701

MAIL



252

AU
519-T

MS. BETTY F. HAYES
605 Southern Building
Washington, D.C. 20005

RETURN RECEIPT
REQUESTED



SENDER: Complete Items 1 and 2 when additional services are desired, and complete Items 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address.	2. <input type="checkbox"/> Restricted Delivery.
3. Article Addressed to: MR. WILLIAM W. SAUNDERS 606 Ridgemont San Antonio, TX 78209	4. Article Number P 954 386 105 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X <i>William W. Saunders</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 4-7-91	

PS Form 3811, Feb. 1986 DOMESTIC RETURN RECEIPT

SENDER: Complete Items 1 and 2 when additional services are desired, and complete Items 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address.	2. <input type="checkbox"/> Restricted Delivery.
3. Article Addressed to: CULBERTSON MANAGEMENT TRUST P. O. Box 2918 Midland, TX 79702	4. Article Number P 954 386 101 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>Linda Ayers</i>	
7. Date of Delivery APR - 4 1991	

PS Form 3811, Feb. 1986 DOMESTIC RETURN RECEIPT

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Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address.	2. <input type="checkbox"/> Restricted Delivery.
3. Article Addressed to: MS. CAROL DAY 1007 Sylvan Meadows Dr. Modesto, CA 95356	4. Article Number P 954 386 102 Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X <i>Carol Day</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent	

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3. Article Addressed to: MR. FRED T. NEWCOMB 6834 Variel, No. 28 Canoga Park, CA 91303	4. Article Number P 954 386 103 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>[Signature]</i>	
7. Date of Delivery 4-4-91	

PS Form 3811, Feb. 1986 DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to: MS. BARBARA HART P. O. Box 1209 Guadalupe, CA 95445	4. Article Number P 954 386 104 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>[Signature]</i>	
7. Date of Delivery	

PS Form 3811, Feb. 1986 DOMESTIC RETURN RECEIPT

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3. Article Addressed to: ESTATE OF SHIRLEY STUBBS ATTN: Judy J. Flick 36 Bryan Court Danville, CA 94526	4. Article Number P 954 386 106 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>[Signature]</i>	
7. Date of Delivery 4-3-91	

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery.

3. Article Addressed to: GRACE PETROLEUM CORPORATION ATTN: Randy Upchurch 6501 No. Broadway Oklahoma City, OK 73116-8298	4. Article Number P 954 386 107 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input checked="" type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid) 
6. Signature — Agent X <i>alphors</i>	
7. Date of Delivery	

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3. Article Addressed to: P. MDO OIL & GAS COMPANY ATTN: Ricky D. Raindl P. O. Box 2208 Roswell, NM 88202	4. Article Number P 954 386 100 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent X <i>TR Brown</i>	
7. Date of Delivery 4.1.91	

PS Form 3811, Feb. 1986 DOMESTIC RETURN RECEIPT