

W. B. (Bill) Owen  
116 West First  
Roswell, New Mexico 88201  
(505) 623-8800

July 24, 1986

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

Nearburg EXHIBIT NO. 4

CASE NO. 9570

Doris Jean Underwood  
P. O. Box 264  
Rush Springs, OK 73082

Re: Your 1/2410 or .134 net mineral  
acre interest located in  
Lots 1, 2, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$   
T-17-S, R-37-E, NMPM  
Lea County, New Mexico  
containing 322.28 gross acres  
more or less

Dear Ms. Underwood:

We are attempting to acquire leases from all available mineral owners in certain tracts of land located in this area of Lea County, New Mexico. We hope to acquire enough acreage to continue our exploration plans. Since there is a large number of mineral owners in this area, it will take the cooperation from everyone involved for us to continue drilling in view of the serious downturn in the exploration industry.

To this end, may we offer to lease your acreage. We have enclosed a standard form oil and gas lease providing for a primary term of five years and lessor's royalty of 3/16. The collection draft attached to the lease provides for a total consideration of \$25.00. Based on your net acres and a bonus of \$100 per acre, you would only receive several dollars total consideration. Therefore, we offer to pay you a flat fee of \$25.00 for your granting us a lease.

If this offer meets with your approval you may conclude this matter in the following manner:

1. In front of a Notary Public please sign the lease form exactly as indicated. Ensure that the Notary Public completes the acknowledgement on the reverse side of the lease form and affixes his or her seal.

2. Endorse the reverse side of the collection draft attached to the lease as you would any check you wished to cash and hand the executed oil and gas lease and endorsed draft to the Collection Department of your bank, requesting them to forward the lease and draft to our bank, The United New Mexico Bank at Roswell, for payment. Also, please fill in the name and address of your depository bank in Paragraph 4 at the red check marks.

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3. A complete copy of the lease is included for your files and future reference.

If you have any questions concerning our offer or any of the enclosures, please don't hesitate to give me a call at (505) 623-8800. If we have not heard from you within 30 days, this offer will be deemed to have terminated.

Sincerely,



Bill Owen

BO/cs

Enclosures as noted

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE NEW MEXICO 87504  
(505) 827-5800

Nearburg Producing Company

FLORENE DAVIDSON  
OC Staff Specialist

Other \_\_\_\_\_