

**Insert**  
**Color Page/Photo**  
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MINERAL OWNERSHIP (AS OF MARCH 17, 1989) COVERING

NE 1/4 AND NE 1/4 SEC 4 SECTION 34, T. 24 S., R. 34 E., NMPM

LEA COUNTY, NEW MEXICO

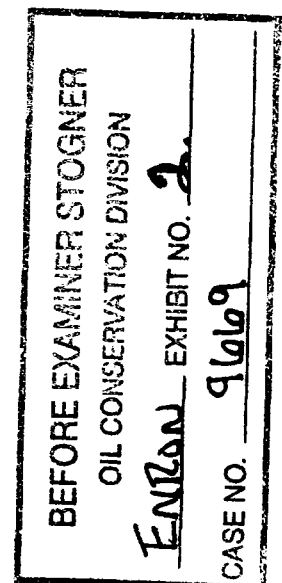
UNLEASED MINERAL OWNER

INTEREST

Richard Lyons Moore	.16666667
Michael Harrison Moore	.16666667
Richard L. Moore, Independent Executor of The Estate of Stephen Scott Moore	.16666667 Leased to J. Hiram Moore (3-7-82 Exp.)
Estate of W. E. Baird, Jr. Willie Margaret Lain Baird, Louise B. Thompson and Kathy Pearson P. O. Box 297 Seminole, Texas 79360	.05000000 .05000000 .05000000
Robert E. Landreth and wife, Donna P. 505 N. Big Spring, Suite 507 Midland, Texas 79701	.17500000
Alan Jochimsen 2402 Cimmaron Midland, Texas 79705	.04375000
Shanee Oil Company Attn: Charles R. Tierce 310 W. Texas, Suite 424 Midland, Texas 79701	.04921875 *
Boley B. Embrey 303 W. Wall 1200 First Republic Bank Tower Midland, Texas 79701	.01640625
David L. Schmidt P. O. Box 1511 Midland, Texas 79702	.03281250
David H. Pace P. O. Box 2136 Midland, Texas 79702	.03281250

TOTAL:

1.00000000



\* Bob L. Bales sold his .01640625 mineral interest to Charles R. Tierce pursuant to conversation with Bales and recordation of mineral deed providing for same.

PROPOSED 160 ACRE NON-STANDARD ATOKA PRORATION UNIT  
SE/4 Section 34, T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

<u>Leasehold Ownership subject to Operating Agreement:</u>	<u>Interest</u>
Enron Oil & Gas Company	.58671704
Enserch Exploration, Inc.	.09843755
Robert E. Landreth	.01797046
Samedan Oil Corporation	<u>.04687500</u>
SUBTOTAL:	.75000000

Unleased Mineral Owners and Leasehold Ownership Not Subject To Operating Agreement:

Richard Lyons Moore	.04166667
Michael Harrison Moore	.04166667
J. Hiram Moore (Leasehold)	.04166667
Willie Margaret Lain Baird,	.01250000
Louise B. Thompson	.01250000
and Kathy Pearson	.01250000
Robert E. Landreth and wife, Donna P.	.04375000
Alan Jochimsen	.01093750
Shanee Oil Company	.01230469
(Charles R. Tierce)	
Boley B. Embrey	.00410156
David L. Schmidt	.00820313
David H. Pace	<u>.00820313</u>
SUBTOTAL:	.2500000
TOTAL:	<u><u>1.00000000</u></u>

PROPOSED 320 ACRE MORROW PRORATION UNIT  
S/2 Section 34, T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

Leasehold Ownership Subject To Operating Agreement:

Working Interest Ownership

Enron Oil & Gas Company	.62773227
Enserch Exploration, Inc.	.06796875
*Leon Jeffcoat, Trustee	.02056305
Robert E. Landreth	.02436093
*Roden Exploration Company	.01718750
Roden Associates, Ltd. and Roden Participants, Ltd.	
Samedan Oil Corporation	<u>.11718750</u>
SUBTOTAL:	87.50000000

\* Leasehold Ownership Only in SW/4 of said Section 34.

Unleased Mineral Owners and Leasehold Ownership Not Subject To Operating Agreement:

Richard Lyons Moore	.02083333
Michael Harrison Moore	.02083333
J. Hiram Moore (Leasehold)	.02083333
Willie Margaret Lain Baird,	.00625000
Louise B. Thompson	.00625000
and Kathy Pearson	.00625000
Robert E. Landreth and wife, Donna P.	.02187500
Alan Jochimsen	.00546875
Shanee Oil Company	.00615234
(Charles R. Tierce)	
Boley B. Embrey	.00205078
David L. Schmidt	.00410156
David H. Pace	<u>.00410156</u>
SUBTOTAL:	.12500000
TOTAL:	<u><u>1.00000000</u></u>

Robert E. Landreth  
OIL AND GAS EXPLORATION

ALL 16 MAY 1989  
C. FEE  
ALL

May 16, 1989

HAND DELIVERED MAY 16, 1989

Mr. Gary Thomas  
Enron Oil & Gas Company  
P.O. Box 2267  
Midland, Texas 79702

BEFORE EXAMINER CATANACH

OIL CONSERVATION DIVISION

ENRON EXHIBIT NO. 3

CASE NO. 9669

RE: Proposed Morrow/Atoka Well  
S/2 Section 34, T-24-S, R-34-E,  
Lea County, New Mexico

Dear Mr. Thomas:

Enron's proposal to drill the captioned well appears to violate two provisions of the Operating Agreement dated January 16, 1984 governing the captioned property. First, it is in conflict with Article XVA in light of the proposal already made by Midland Phoenix Corporation. Second, it negates the participation percentages set out in Exhibit "A" as well as the E/2 - W/2 spacing units which were established and agreed upon by all parties for the orderly development of this section, and therefore cannot be changed without the consent of all parties.

I called Frank Estep, your Division Land Manager, on April 28 to express my opinion regarding the first of these concerns. I also stated that I was willing to try to work out a mutually agreeable compromise. Contrary to Mr. Estep's statement that Enron's well proposal was equitable to all parties, Enron's proposal reduces the combined working interests of myself and Leon Jeffcoat, Trustee from 11.8% under Midland Phoenix's E/2 unit to 6.6% in a S/2 unit. I indicated to Mr. Estep that one possible solution would be for Enron to limit its well proposal to the Morrow only, thereby eliminating the Atoka bank as an objective at the proposed location which stands to materially drain reserves from the closely offsetting Page 3-2 well in which I own a significant revenue interest. I also suggested that there might be other ways to reach a compromise. Mr. Estep said he would discuss this with you and get back in touch with me but never did. My next contact with Enron was a call from Mr. Estep on Monday afternoon, May 8, stating that he had heard from Enron's Santa Fe attorney that I wanted to make some sort of proposal to Enron. Since I had already made Enron a proposal which had not been acknowledged, we made the decision on May 5 to request a postponement of the hearing date, and I so advised Mr. Estep on May 8.

I am very disturbed that Enron feels it can lay aside the written provisions of a contract with its partners because the contract no longer fits Enron's needs. It is obvious that Enron sees a window of opportunity which benefits only one party. Enron stands to see its participation in the Morrow Sinatra reserves double in relation to the competing Page 3-1 well, and increase from the current 5% to 54% in the Atoka Bank reserves which look favorable in the Page 3-2.

ILLEGIBLE

Mr. Gary Thomas  
Enron Oil & Gas Company  
May 16, 1989  
Page 2

After discussing the Operating Agreement provisions with legal counsel, I am again advising Enron that I consider its proposal a breach of the operating agreement. However, in the interest of compromise, I am willing to amend the operating agreement, join in drilling and support Enron's proposal under the following conditions:

1. Enron will carry me for 5.2% working interest and 4.16% net revenue interest through completion of the well, being the difference between my interest in the E/2 proration unit proposed by Midland Phoenix and the S/2 proration unit proposed by Enron. I will join for my remaining approximate 6.6% working interest.
2. Enron agrees to drill the well through at least the Sinatra sand, set a liner through that zone, and attempt completion beginning with the lowermost prospective zone. Once a commercial well is made, production shall continue from that perforated interval until depletion unless offset drainage considerations dictate recompletion to another horizon.

I would also like to meet with you to discuss the technical merits of drilling this well and specifically your evaluation of the reserve potential for the Morrow Sinatra objective.

In light of the pending hearing on May 24, 1989 on the Enron and Midland Phoenix applications and the need to reach a decision with respect to my interest, this matter needs to be resolved as soon as possible.

Yours very truly,



Robert E. Landreth

REL:bk

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

May 17, 1989

Robert Landreth  
Energy Square  
500 N. Big Spring, Suite 507  
Midland, Texas 79701

Dear Mr. Landreth:

This letter is in response to your letter dated May 16, 1989 addressed to Mr. Gary Thomas.

First, Enron Oil & Gas Company does not believe our proposal is in conflict with Article XV.A of the Joint Operating Agreement. We believe the spirit of the Joint Operating Agreement and the language contained therein is relative only to a proposal made by a party to the agreement.

Secondly, Enron has acknowledged your unusual situation, ie., a working interest position and a mineral interest position since our original working interest owners meeting which was held on April 17, 1989. In our various telephone conversations with you regarding the Enron proposal versus the Midland Phoenix proposal, we have always stated that our proposal was more advantageous to the working interest owners with the exception of you because of your unusual situation as both a working interest owner and a mineral interest owner.

Thirdly, you are the only working interest owner which has elected to oppose our position, you are also the only working interest owner with a mineral interest in the E/2 of the Section. Enron has in no way violated any provision of our joint operating agreement with the proposal that has been presented to you. Your proposal to be carried for a 5.2% working interest and a 4.16% net revenue interest through completion of the well being the difference between your interest in the E/2 proration unit and a S/2 proration unit is in no way a compromise.


You are agreeing to our proposal provided we keep you whole as to your interest in the E/2, we assume based on geological consideration, ie, our proposed location is a better location than the location proposed by Midland Phoenix Corporation. It would seem you are willing to lay a side the written provisions of the contract with your partners because the contract no longer fits your needs provided we agree to a proposal more advantageous to you.

Page 2  
Robert Landreth  
May 19, 1989

Enron would still be interesting in sitting down with you and discussing the possibility of purchasing an oil and gas lease covering your mineral interest under the NE/4 of the SE/4 of Section 34. This would allow you to keep your interest in the balance of the E/2 of the Section to do with as you saw fit after we have drilled and completed our proposed well.

Sincerely,

ENRON OIL & GAS COMPANY

  
Frank C. Estep  
Division Landman

FCE/cl



# **ENRON**

## **Oil & Gas Company**

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

HAND DELIVERED

May 23, 1989

Mr. Robert E. Landreth  
and wife, Donna P. Landreth,  
and Mr. Leon Jeffcoat, Trustee  
Energy Square  
500 N. Big Spring, Suite 507  
Midland, Texas 79701

RE: Marshall Prospect  
Purchase Offer  
Section 34, T-24-S, R-34-E, and  
N/2 Section 3, T-25-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

Gentlemen:

Pursuant to the meeting on May 22, 1989 at 3:30 P.M. held in the offices of Enron Oil & Gas Company, this is to confirm and to reiterate Enron's offer to purchase all of your interest in the captioned property as shown on Exhibit "A" attached hereto for a total of \$1,000,000.00. Enron's offer to purchase your interest is subject to Enron's approval of title, verification of your interest to be conveyed and the full execution of a mutually acceptable Assignment and Bill of Sale by & between Robert E. Landreth and wife, Donna P. Landreth, and Leon Jeffcoat, Trustee, and Enron Oil & Gas Company. Said Assignment and Bill of Sale shall include all of your leasehold, working, income, royalty, overriding royalty, mineral and contractual rights interest in the above properties.

Should this offer meet with your approval, then please indicate your acceptance of same in the space provided below and return this letter to Enron oil & Gas Company at the above address.

Page 2

Mr. Robert E. Landreth, and wife  
Donna P. Landreth, and  
Mr. Leon Jeffcoat, Trustee  
May 23, 1989

This offer is valid through June 7th, 1989.

Yours very truly,

ENRON OIL & GAS COMPANY

  
Frank C. Estep  
Division Landman

RMM/cl

Sale Price Agreed to and Accepted  
this \_\_\_\_\_ day of \_\_\_\_\_, 1989.

\_\_\_\_\_  
ROBERT E. LANDRETH

\_\_\_\_\_  
DONNA P. LANDRETH

\_\_\_\_\_  
LEON JEFFCOAT, TRUSTEE

EXHIBIT "A"

Attached to Letter dated May 23, 1989 from Enron Oil & Gas Company to  
Mr. Robert E. Landreth and wife, Donna P. Landreth, and Mr. Leon Jeffcoat, Trustee

PROPERTY	WELL(s)	INTEREST*	
		(Working Interest)	(Income Interest)
W/2 Section 34 T-24-S, R-34-E, NMPM Lea Co., New Mexico	Pitchfork 34 Fed Com #1	7.187749%	9.935100%
E/2 Section 34 T-24-S, R-34-E, NMPM Lea Co., New Mexico	No. well	6.600000%	7.718640%
N/2 Section 3, T-24-S, R-34-E, NMPM Lea Co., New Mexico	Page 3 Com #1 Page 3 Com #2	3.352160%	8.605820%

\* Including, but not limited to, all mineral, leasehold, royalty, overriding royalty, contractual rights, working and income interest.

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

Messrs. Richard Lyons Moore  
Michael Harrison Moore and  
Stephen Scott Moore  
P. O. Box 1733  
Midland, Texas 79702

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

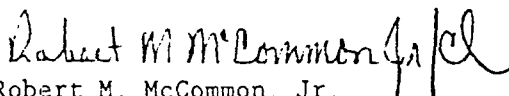
Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY

  
Robert M. McCommon, Jr.  
Project Landman

RMM/cl

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

W. E. Baird, Jr.  
and wife, Margaret C. Baird  
P. O. Box 297  
Seminole, Texas 79360

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY

*Robert M. McCommon Jr.*

Robert M. McCommon, Jr.  
Project Landman

RMM/cl

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

Alan Jochimsen  
2402 Cimmaron  
Midland, Texas 79705

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

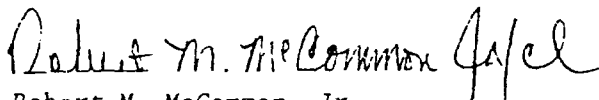
Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.  
Project Landman

RMM/cl

**ENRON**  
**Oil & Gas Company**

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

Mr. Boley Embrey  
303 West Wall - Suite 1200  
Midland, Texas 79701

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

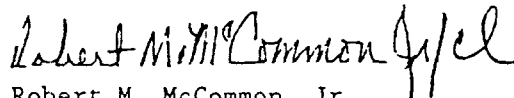
Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.  
Project Landman

RMM/cl

**ENRON**  
**Oil & Gas Company**

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

Bob L. Bales & Beverly A. Bales  
414 W. Texas Street - Suite 308  
Midland, Texas 79701

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

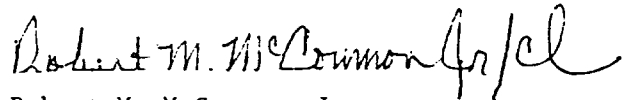
Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.  
Project Landman

RMM/cl



# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

March 16, 1989

Trican Exploration  
306 W. wall, Suite 550  
Midland, Texas 79702

RE: Request For Oil and Gas Lease  
NE/4 and NE/4 SE/4, Section 34,  
T-24-S, R-34-E, N.M.P.M.  
Lea County, New Mexico

Gentlemen:

Enron Oil and Gas Company is interested in acquiring an oil and gas lease covering your mineral interest in the NE/4 and NE/4 SE/4 Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico. If you currently maintain a mineral interest in this property and would be interested in granting us an oil and gas lease covering same, or wish to discuss further, then please contact the undersigned at telephone number (915) 686-3730 or at the above address.

Your cooperation in this matter is appreciated.

Yours very truly,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.  
Project Landman

RMM/cl

**MIDLAND PHOENIX CORPORATION**

HIGHTOWER BUILDING  
600 W. ILLINOIS, SUITE 1002  
MIDLAND, TEXAS 79701  
(915) 687-0457

March 22, 1989

**RECEIVED**

MAR 27 1989

LAND DEPT.

Enron Oil & Gas Company  
P. O. Box 2267  
Midland, Texas 79702  
Attention: Frank Estep

Enserch Exploration, Inc.  
4849 Greenville Ave.  
Dallas, Texas 75206  
Attention: Dave Leaverton

Samedan Oil Corporation  
10 Desta Dr., Suite #240 East  
Midland, Texas 79705  
Attention: Jack E. Anderson

Leon Jeffcoat, Trustee  
310 W. Wall St.  
Midland, Texas 79701

In Re: Well Proposal  
660' FSL & 1980' FEL  
Section 34, T-24-S, R-34-E  
Lea County, New Mexico

Gentlemen:

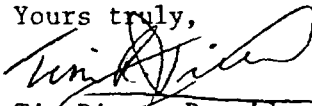
Midland Phoenix Corporation proposes the drilling of a 15,800' Morrow test at the above captioned location, thus being an unorthodox location in an east-half proration unit. We invite you to participate in this joint-venture with your interest as would be calculated for an E/2 proration unit. The estimated dry-hole costs for this test would be \$1,360,000.00 and the estimated completed well costs would be \$1,760,000.00

In lieu of your participating in this joint venture with us, Midland Phoenix would be willing to accept a farmout of your interest with you delivering a 75% net revenue interest with the option to convert your retained override to a 25% working interest after payout, proportionately reduced to your ownership in the E/2 of section 34. A well capable of producing oil and/or gas in commercial quantities would earn 100% of your working interest until payout.

We respectfully request a response to this proposal at your earliest convenience since we would like to spud this well in the very near future. Upon our hearing from you as to your decision, we will forward a formal AFE and a 1982 AAPL Form Operating Agreement for your approval. We understand that your acreage may already be subject to an operating agreement, and if so, we will work with you in any way to expedite this matter, whether it is to cancel your acreage in the E/2 Section 34 subject to the existing agreement and execute a new operating agreement covering the E/2 only or to keep your existing agreement intact and have an overlapping in the E/2 of section 34 with a new agreement.

If you should have any questions regarding this proposal please do not hesitate to contact us. I look forward to hearing from you.

Yours truly,

  
Tim Diecy, President

# ENRON

## Oil & Gas Company

P.O. Box 2267 Midland, Texas 79702 (915) 686-3600

April 28, 1989

WORKING INTEREST PARTNERS:  
See Address List Attached

RE: Marshall Prospect  
Pitchfork Ranch  
Proposed Pitchfork "34" Federal Com #2  
660' FSL & 1980' FEL of Sec. 34, T24S, R34E, NMPM  
Lea County, New Mexico

Gentlemen:

Relative to the captioned, reference is made to that certain Operating Agreement dated January 16, 1984 between Enron Oil & Gas Company (successor in title to HNG Oil Company), as Operator, and Enserch Exploration, Inc., Samedan Oil Corporation and Robert E. Landreth, as Non-Operators, covering all of Section 34, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico; limited from the surface down to the stratigraphic equivalent of 100' below a depth of 15,435'.

In accordance with the terms and provisions of said operating agreement, this is to serve as notice that Enron Oil and Gas Company hereby proposes the drilling of the Pitchfork "34" Federal Com #2 well, a 15,800' Morrow test, to be located 660' FSL and 1980' FSL of Section 34, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico. Enclosed for your review and approval is a copy of Enron Oil & Gas Company's Drilling AFE for the proposed operation. East

Enron further proposes that the above well be drilled on a standard 320 acre proration unit comprised of the South-Half (S/2) of said Section 34 for the Morrow formation and on a non-standard 160 acre proration unit comprised of the Southeast Quarter (SE/4) of said Section 34 for the Atoka Formation. The above well location will therefore be a legal location for the Morrow Formation and an unorthodox location for the Atoka Formation. Furthermore, Enron recognizes the difference in working interest ownership in a south-half (S/2) proration unit versus a southeast-quarter (SE/4) proration unit and acknowledges that a mutually acceptable method to distribute the cost of the proposed operation on an equitable basis must be devised.

BEFORE EXAMINER STOGNER  
OIL CONSERVATION DIVISION

ENRON EXHIBIT NO. 3

CASE NO. 9669

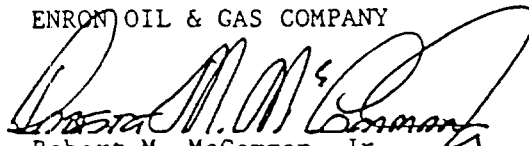
Part of the Enron Group of Energy Companies

Page 2  
Working Interest Owners  
Pitchfork Ranch  
April 28, 1989

Your prompt consideration and an early response to our proposal will be greatly appreciated. Should you have any questions concerning the above, then please contact the undersigned at telephone number (915) 686-3730.

Very truly yours,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.  
Project Landman

RMM/cl

attachment

ADDRESS LIST

Enserch Exploration, Inc.  
4849 Greenville Avenue  
Suite 1200  
Dallas, Texas 75206  
ATTN: Mr. David N. Leaverton

Samedan Oil Corporation  
10 Desta Drive, Suite 240 East  
Midland, Texas 79705  
ATTN: Mr. Jack E. Anderson

Robert E. Landreth and wife, Donna P.  
505 N. Big Spring, Suite 507  
Midland, Texas 79701

Leon Jeffcoat, Trustee  
310 W. Wall, Suite 500  
Midland, Texas 79701

# ENRON Oil & Gas Company

## Drilling AFE

AFE No.	
Enron W.	
Enron AFE Amt (DHC)	See Reverse Side
(CWC)	
Division/District	Midland
AFE Date	04/11/89

### Category

☐ Wildcat  
☒ Development  
☐ Injection

### Type

☒ Drilling  
☒ Completion  
☐ Re-Entry

Lease & Well No. Pitchfork 34 Federal Com. #2	Depth & Formation 15,800 Morrow	Water Depth
Location 660' FSL & 1980' FEL, Section 34, T-24-S, R-34-E		
County & State Lea County, New Mexico	Field Pitchfork Ranch	
Operator Enron Oil & Gas Company	Anticipated Spud Date	
Description of Work		

### Intangible Well Cost (Dollars)

Code	Description	Drilling	Completion	Total
5501	Access, Location & Roads	40,000		40,000
5502	Rig Move	30,000		30,000
5503	Footage Cost \$/Ft			
5504	Day Work Cost 85 days @ \$ 4100	348,500		348,500
5505	Bits, Reamers & Stabilizers	100,000		100,000
5506	Fuel			
5507	Water	8,500	2,000	10,500
5508	Mud & Chemicals	85,000	2,000	87,000
5509	Cementing & Service	52,000	14,000	66,000
5510	Coring			
5511	OH Logging & Testing	52,000		52,000
5512	Mud Logging 70 days @ \$325	22,750		22,750
5513	Perforating		10,000	10,000
5514	Stimulation		10,000	10,000
5515	Transportation	10,000	5,000	15,000
5516	Drilling Overhead	16,450	1,000	17,450
5517	Equipment Rental	30,000	5,000	35,000
5518	Completion Rig 5 days @ 2640		13,200	13,200
5519	Other Drilling Expense	50,000		50,000
5522	Directional Drilling			
5523	Equipment Usage			
5524	Supervision Drig: 85 days @ \$400 Compl: 5 days @ \$400	34,000	2,000	36,000
	Contingencies			
	Total Intangibles	879,200	64,200	943,400

### Tangible Well Cost (Dollars)

Code	Description	Drilling	Completion	Total
5101	'OI * Conductor Casing			
5102	650 'OI 13-3/8 * Surface Casing \$22.75/ft	15,600		15,600
5103	5200 'OI 9-5/8 * Int Csg \$14.40/\$16.49/ft	83,400		83,400
5103	13250 'OI 7 * Intermediate Csg \$10.50/ft	147,500		147,500
5103	1200 'OI 5-1/2 * * Liner \$17.45/ft	20,940		20,940
5104	1950 'OI 3-1/2 * Liner \$8.75/ft		17,063	17,063
5104	'OI * Tie-Back Casing			
5105	'OI * Tubing			
5105	13850 'OI 2-7/8 * Tubing \$8.68/ft		120,218	120,218
5106	Well Head Equipment and Tree	15,100	22,000	37,100
5107	Tanks		8,700	8,700

(Continued on back of AFE)

### Enron Approval

Division					
By	Date	By	Date	By	Date
Mike Searles	4-17-89	Dan L. Morris	4/19/89		
By	Date	By	Date	By	Date
R J D L	17 Apr 89				

### Joint Operator Approval

Firm	By	Title	Date
------	----	-------	------

P 297 005 018

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

★ U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Leon Jeffcoat, Tr.</b>	
Street and No	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P 297 005 016

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

★ U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Samedan Oil corp</b>	
Street and No	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P 297 005 017

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

*Federal Express  
TO ENSTER*

★ U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Robert E. Landreth</b>	
Street and No	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

May 1, 1989

WORKING INTEREST PARTNERS:  
See Address List Attached

RE: Marshall Prospect  
Correct Location  
Pitchfork Ranch  
Proposed Pitchfork "34" Federal Com #2  
660' FSL & 1980' FEL of Sec. 34, T24S, R34E, NMPM  
Lea County, New Mexico

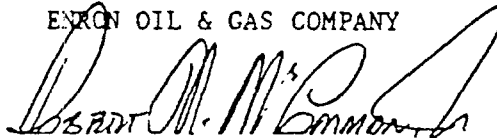
Gentlemen:

Relative to the above, reference is made to Enron's letter to you dated April 28, 1989, a copy of which is enclosed. In the body of Enron's letter the location of the proposed Pitchfork "34" Federal Com #2 is incorrectly described as being 660' FSL and 1980' FSL of Section 34, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico. The correct location of the proposed well is 660' FSL and 1980' FEL of said Section 34, as properly indicated in the "RE:" clause of said letter and on our AFE enclosed with same.

Please make appropriate note of the correct location of the proposed Pitchfork "34" Federal Com #2 well, being 660' FSL and 1980' FEL of Section 34, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico. We look forward to your response to our proposed operation. Should you have any questions, please contact the undersigned at telephone number (915) 686-3730.

Very truly yours,

ENRON OIL & GAS COMPANY



Robert M. McCommon, Jr.

Project Landman

RMM/cl



ADDRESS LIST

Enserch Exploration, Inc.  
4849 Greenville Avenue  
Suite 1200  
Dallas, Texas 75206  
ATTN: Mr. David N. Leaverton

Samedan Oil Corporation  
10 Desta Drive, Suite 240 East  
Midland, Texas 79705  
ATTN: Mr. Jack E. Anderson

Robert E. Landreth and wife, Donna P.  
505 N. Big Spring, Suite 507  
Midland, Texas 79701

Leon Jeffcoat, Trustee  
310 W. Wall, Suite 500  
Midland, Texas 79701

P 297 005 022

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

\* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Leon Jeffcoat, TT</b>	
Street and No.	
P.O. State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P 297,005 020

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

\* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Samedan</b>	
Street and No.	
P.O. State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P 297 005 021

## RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

\* U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to <b>Robert E. Landreth</b>	
Street and No.	
P.O. State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

*Fraser Express*  
*to ENSERCH*

TRANSMITTAL  
HAND DELIVERED DOCUMENTS

Date: 5-2-89

FROM: ENRON OIL & GAS  
508 W. Wall  
Midland, Texas 79702

Sender: Robert M. McCormick Jr  
Delivered by: FNITE WILLIAMS

RECEIVED BY:

Company Name: Midland Phoenix

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Representative-  
Title: \_\_\_\_\_

Time: 1:15 PM 5/2/89

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

May 2, 1989

Midland Phoenix Corporation  
Hightower Building  
600 W. Illinois, Suite 1002  
Midland, Texas 79701

ATTN: MR. TIM DICEY

RE: Marshall Prospect/Pitchfork Ranch  
Proposed Pitchfork "34" Federal Com #2 Well  
660' FSL and 1980' FEL Section 34, T24S, R34E, NMPM  
Lea County, New Mexico

Gentlemen:

According to our information, Midland Phoenix Corporation is a leasehold owner of certain mineral interests in the Northeast Quarter of the Southeast Quarter of Section 34, T-24-S, R-34-E, NMPM, Lea County, New Mexico. Therefore, Enron Oil & Gas Company hereby proposes for your consideration and extends to Midland Phoenix Corporation the opportunity to participate in the drilling of the Pitchfork "34" Federal Com #2 Well, a 15,800' Morrow test to be located 660' FSL and 1980' FEL of Section 34, T-24-S, R-34-E, NMPM, Lea County, New Mexico. Enclosed for review and approval is a copy of Enron Oil & Gas Company's drilling AFE for the proposed operation.

Enron further proposes to drill the above well on a standard 320 acres proration unit for the Morrow Formation comprised of the South-Half (S/2) of said Section 34 and a non-standard 160 acre proration unit for the Atoka Formation comprised of the Southeast Quarter (SE/4) of said Section 34. The above well location will therefore be a legal location for the Morrow Formation and an unorthodox location for the Atoka Formation. Furthermore, Enron recognizes the difference in working interest ownership in a South-Half (S/2) versus a Southeast Quarter (SE/4) proration unit and acknowledges that a mutually acceptable method to distribute the cost of the proposed operation on an equitable basis must be devised. Should Midland Phoenix Corporation desire to join in the drilling of the above well, then your joinder in executing the existing operating agreement, insofar as same covers the applicable proration unit(s), will be requested.

Should Midland Phoenix Corporation not be willing to join in the drilling of the Pitchfork "34" Federal Com #2 as proposed above, then Enron Oil & Gas Company hereby requests a farmout of Midland Phoenix Corporation's leasehold interest in the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of said Section 34. Under the proposed farmout, a producer would earn Enron an Assignment of 100% of Midland Phoenix Corporation's leasehold interest in the

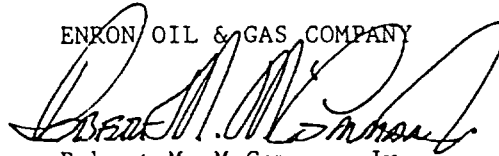
Page 2  
Midland Phoenix Corporation  
May 2, 1989

Northeast Quarter Southeast Quarter (NE/4 SE/4) of Section 34 with Midland Phoenix Corporation reserving an overriding royalty interest equal to the difference between 25% and existing leasehold burdens (the intent is to deliver Enron a 75% net revenue interest), with the option at payout of the initial well to convert said overriding royalty interest to a 25% working interest, all proportionately reduced. The proposed farmout will be subject to the full execution of a mutually acceptable formal farmout agreement between Midland Phoenix Corporation and Enron Oil & Gas Company.

Your earliest consideration and response to our proposal will be appreciated as we plan to spud this well in the near future. Should you have any questions concerning the above, please contact the undersigned at telephone number 686-3730 or at the above address.

Very truly yours,

ENRON OIL & GAS COMPANY

A handwritten signature in black ink, appearing to read "Robert M. McCommon, Jr.", is written over the typed name.

Robert M. McCommon, Jr.  
Project Landman

RMM/cl

TRANSMITTAL  
HAND DELIVERED DOCUMENTS

Date: 5/4/1989

FROM: ENRON OIL & GAS  
508 W. Wall  
Midland, Texas 79702

Sender: Robert McCommon

Delivered by: Juanita Williams

RECEIVED BY:

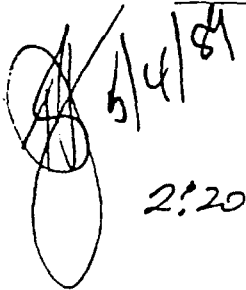
Company Name: Midland Phoenix

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Representative-  
Title: \_\_\_\_\_

Time: 2:20

A handwritten signature, possibly "J. Williams", is written over the date "5/4/89". Below the signature, the time "2:20" is handwritten.

ENR  
Oil & Gas Company

Drilling AFE

AFE No.	
Enron W. I.	
Enron AFE Amt (DHC)	See Reverse Side
(CWC)	
Division/District	Midland
AFE Date	04/11/89

Category

Wildcat  
X Development  
Injection

Type

X Drilling  
X Completion  
Re-Entry

Lease & Well No. Pitchfork 34 Federal Com. #2	Depth & Formation 15,800 Morrow	Water Depth
Location 660' FSL & 1980' FEL, Section 34, T-24-S, R-34-E		
County & State Lea County, New Mexico	Field Pitchfork Ranch	
Operator Enron Oil & Gas Company	Anticipated Spud Date	

Description of Work

Intangible Well Cost (Dollars)

Code	Description	Drilling	Completion	Total
5501	Access, Location & Roads	40,000		40,000
5502	Rig Move	30,000		30,000
5503	Footage Cost \$/Ft			
5504	Day Work Cost 85 days @ \$ 4100	348,500		348,500
5505	Bits, Reamers & Stabilizers	100,000		100,000
5506	Fuel			
5507	Water	8,500	2,000	10,500
5508	Mud & Chemicals	85,000	2,000	87,000
5509	Cementing & Service	52,000	14,000	66,000
5510	Coring			
5511	OH Logging & Testing	52,000		52,000
5512	Mud Logging 70 days @ \$325	22,750		22,750
5513	Perforating		10,000	10,000
5514	Stimulation		10,000	10,000
5515	Transportation	10,000	5,000	15,000
5516	Drilling Overhead	16,450	1,000	17,450
5517	Equipment Rental	30,000	5,000	35,000
5518	Completion Rig 5 days @ 2640		13,200	13,200
5519	Other Drilling Expense	50,000		50,000
5522	Directional Drilling			
5523	Equipment Usage			
5524	Supervision Drlg: 85 days @ \$400 Compl: 5 days @ \$400	34,000	2,000	36,000
	Contingencies			
	Total Intangibles	879,200	64,200	943,400

Tangible Well Cost (Dollars)

Code	Description	Drilling	Completion	Total
5101	'OI * Conductor Casing			
5102	650 'OI 13-3/8 * Surface Casing \$22.75/ft	15,600		15,600
5103	5200 'OI 9-5/8 * Int Csg \$14.40/\$16.49/ft	83,400		83,400
5103	13250 'OI 7 * Intermediate Csg \$10.50/ft	147,500		147,500
5103	1200 'OI 5-1/2 * *Liner \$17.45/ft	20,940		20,940
5104	1950 'OI 3-1/2 *Liner \$8.75/ft		17,063	17,063
5104	'OI * Tie-Back Casing			
5105	'OI * Tubing			
5105	13850 'OI 2-7/8 * Tubing \$8.68/ft		120,218	120,218
5106	Well Head Equipment and Tree	15,100	22,000	37,100
5107	Tanks		8,700	8,700
	(Continued on back of AFE)			

Enron Approval

Division					
By Mike S. [Signature]	Date 4-17-89	By Dan L. Morris	Date 4/19/89	By	Date
By R. J. [Signature]	Date 4/17/89	By	Date	By	Date

Joint Operator Approval

Firm	By	Title	Date
------	----	-------	------

**MIDLAND PHOENIX CORPORATION**

**HIGHTOWER BUILDING  
600 W. ILLINOIS, SUITE 1002  
MIDLAND, TEXAS 79701  
(915) 687-0457**

May 11, 1989

Enron Oil & Gas Company  
P. O. Box 2267  
Midland, Texas 79702

Attn: Mr. Robert M. McCommon, Jr.

Re: Madera 34 Fed. Com. #1  
1980' FSL & 1980' FEL  
Section 34, T-24-S, R-34-E  
Lea County, New Mexico

Gentlemen:

Midland Phoenix Corporation respectfully declines your offer of May 2, 1989 to participate in the drilling of the Pitchfork 34 Federal Com. #2 well, located at a standard location for a S/2 proration unit, and at an unorthodox location for a non-standard SE/4 proration unit, in Section 34, T-24-S, R-34-E, Lea County, New Mexico.

Midland Phoenix Corporation proposes the drilling of a 15,800' Morrow test at the above captioned location, thus being a standard legal location in an east-half proration unit. We invite you to participate in this joint-venture with your interest as would be calculated for an E/2 proration unit. Enclosed for your review and approval is a copy of Midland Phoenix Corporation's drilling AFE for the proposed operation.

In lieu of your participating in this joint venture with us, Midland Phoenix would be willing to accept a farmout of your interest with you delivering a 75% net revenue interest with the option to convert your retained override to a 25% working interest after payout, proportionately reduced to your ownership in E/2 of Section 34. A well capable of producing oil and/or gas in commercial quantities would earn 100% of your working interest until payout.

We respectfully request a response to this proposal at your earliest convenience. Upon our hearing from you as to your decision, we will forward a 1982 AAPL Form Operating Agreement for your approval. We understand that your acreage may already




be subject to an operating agreement, and if so, we will work with you in any way to expedite this matter, whether it is to cancel your acreage in the E/2 Section 34 subject to the existing agreement and execute a new operating agreement covering the E/2 only or to keep your existing agreement intact and have an overlapping in the E/2 of Section 34 with a new agreement.

If you should have any questions regarding this proposal please do not hesitate to contact us.

Very truly yours,

MIDLAND PHOENIX CORPORATION

  
Tim Dicey, President

cc: Enserch Exploration, Inc.  
Attn: Dave Leaverton

Robert E. Landreth

Samedan Oil Corporation  
Attn: Jack E. Anderson

Leon Jeffcoat, Trustee

# MIDLAND PHOENIX CORPORATION

☐ WILDCAT  
☒ DEVELOPMENT  
☐ INJECTION

☒ DRILLING  
☐ COMPLETION  
☐ RE-ENTRY

AFE No. \_\_\_\_\_  
 Midland Phoenix WI \_\_\_\_\_  
 AFE Amount \_\_\_\_\_  
 AFE Date \_\_\_\_\_

Lease & Well No. Madera 34 Fed. Com. # 1	Depth & Formation 15,800' Morrow
Location 1980 FEL and 1980 FSL Section 34, T-24-S, R-34-E	
County & State Lea County, New Mexico	Field Pitchfork Ranch
Operator Midland Phoenix Corporation	Anticipated Spud Date
Description of Work	

## INTANGIBLE WELL COST

CODE	DESCRIPTION	DRILLING	COMPLETION	TOTAL
1001	Access, Location & Roads	30,000	5,000	35,000
1002	Rig Move	30,000		30,000
1003	Footage Cost \$/Ft			
1004	Day Work Cost 70 days @ \$4,300 /day	301,000		301,000
1005	Bits, Reamers & Stabilizers	70,000		70,000
1006	Fuel			
1007	Water	10,000	2,500	12,500
1008	Mud & Chemicals	70,000	3,000	73,000
1009	Cementing & Service	40,000	15,000	55,000
1010	Coring			
1011	OH Logging & Testing	35,000	10,000	45,000
1012	Mud Logging	15,500		15,500
1013	Perforating		10,000	10,000
1014	Stimulation		20,000	20,000
1015	Transportation	25,000	10,000	35,000
1016	Drilling Overhead			
1017	Equipment Rental	35,000	15,000	50,000
1018	Completion Rig 4 days @ \$4,300 /day		17,200	17,200
1019	Other Drilling Expenses			
1020	Directional Drilling			
1021	Equipment Usage			
1022	Supervision	25,000	1,600	26,200
1023	Contingencies	71,650	11,230	82,880
	Total Intangibles	788,150	123,530	911,680

## TANGIBLE WELL COST

CODE	DESCRIPTION			
2001	40' of 20" Conductor Casing	1,000		1,000
2002	600' of 13 3/8" Surface Casing	12,500		12,500
2003	5200' of 9 5/8" Intermediate Casing	78,000		78,000
2004	13300' of 7 5/8" Intermediate Casing	395,000		395,000
2005	1000' of 5 1/2" Liner	15,500		15,500
2006	1800' of 3 1/2" Production Casing	18,600		18,600
2007	" of " Tie-Back Casing			
2008	13000' of 2 7/8" Tubing		124,000	124,000
2009	" of " Tubing			
2010	Well Head Equipment and Tree	26,000	25,000	51,000
2011	Tanks		6,000	6,000
	(Continued on back of AFE)			

## MIDLAND PHOENIX APPROVAL

By:	Date:				
By:	Date:				

## JOINT OPERATOR APPROVAL

Company:	By:	Title:	Date:
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# TANGIBLE WELL COST (Cont.)

CODE	DESCRIPTION	DRILLING	COMPLETION	TOTAL
2012	Flow Lines		3,000	3,000
2013	Valves & Fittings		6,000	6,000
2014	Rods			
2015	Pumping Equipment - Surface			
2016	Production Equipment - Subsurface		10,000	10,000
2017	Engines & Motors			
2018	Heater Treater & Separators		25,000	25,000
2019	Other Equipment			
2020	Buildings			
2021	Metering Equipment		1,000	1,000
2022	Non - Controlable Equipment		1,000	1,000
2023	Liner Equipment	10,000	15,000	25,000
2024	Mudline Suspension Equipment			
2025	Construction		20,000	20,000
2026	Drive Pipe			
2027	Contingencies	53,800	25,460	79,260
	Total Tangibles	591,800	280,060	871,860
	Total Well Cost	1,379,950	403,590	1,783,540

# MIDLAND PHOENIX CORPORATION

HIGHTOWER BUILDING  
600 W. ILLINOIS, SUITE 1002  
MIDLAND, TEXAS 79701  
(915) 687-0457

RECEIVED

MAY 15 1989

LAND DEPT.

May 11, 1989

Enserch Exploration, Inc.  
4849 Greenville Avenue  
Dallas, Texas 75206

Attn: Dave Leaverton

Samedan Oil Corporation  
10 Desta Drive #240 East  
Midland, Texas 79705

Attn: Jack E. Anderson

Leon Jeffcoat, Trustee  
310 W. Wall Street  
Midland, Texas 79701

Re: Madera 34 Fed. Com. #1  
1980' FSL & 1980' FEL  
Section 34, T-24-S, R-34-E  
Lea County, New Mexico

Gentlemen:

Midland Phoenix Corporation proposes the drilling of a 15,800' Morrow test at the above captioned location, thus being a standard legal location in an east-half proration unit. We invite you to participate in this joint-venture with your interest as would be calculated for an E/2 proration unit. Enclosed for your review and approval is a copy of Midland Phoenix Corporation's drilling AFE for the proposed operation.

In lieu of your participating in this joint venture with us, Midland Phoenix would be willing to accept a farmout of your interest with you delivering a 75% net revenue interest with the option to convert your retained override to a 25% working interest after payout, proportionately reduced to your ownership in E/2 of section 34. A well capable of producing oil and/or gas in commercial quantities would earn 100% of your working interest until payout.

We respectfully request a response to this proposal at your earliest convenience. Upon our hearing from you as to your decision, we will forward a 1982 AAPL Form Operating Agreement for your approval. We understand that your acreage may already be subject to an operating agreement, and if so, we will work with you in any way to expedite this matter, whether it is to

cancel your acreage in the E/2 Section 34 subject to the existing agreement and execute a new operating agreement covering the E/2 only or to keep your existing agreement intact and have an overlapping in the E/2 of section 34 with a new agreement.

If you should have any questions regarding this proposal please do not hesitate to contact us.

Very truly yours,

MIDLAND PHOENIX CORPORATION

A handwritten signature in black ink, appearing to read "Tim Dacey", is written over a horizontal line.

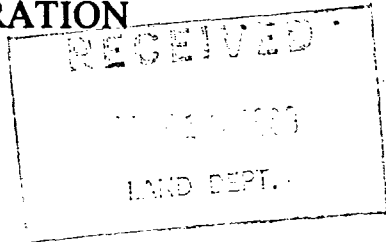
Tim Dacey, President

cc: Enron Oil & Gas Company  
Attn: Robert M. McCommon, Jr.

Robert E. Landreth

**MIDLAND PHOENIX CORPORATION**

HIGHTOWER BUILDING  
600 W. ILLINOIS, SUITE 1002  
MIDLAND, TEXAS 79701  
(915) 687-0457



May 11, 1989

Robert E. Landreth  
505 N. Big Spring  
Suite #507  
Midland, Texas 79701

Re: Madera 34 Fed. Com. #1  
1980' FSL & 1980' FEL  
Section 34, T-24-S, R-34-E  
Lea County, New Mexico

Dear Mr. Landreth,

Midland Phoenix Corporation proposes the drilling of a 15,800' Morrow test at the above captioned location, thus being a standard, legal location in an east-half proration unit. Midland Phoenix recognizes your various interests in the E/2 of Section 34 and invites you to participate in this joint venture with those interests. Enclosed for your review and approval is a copy of Midland Phoenix Corporation's Drilling AFE for the proposed operation.

In lieu of your participating in this joint venture with us, Midland Phoenix would be willing to accept a farmout on your interests with you delivering a 75% net revenue interest with the option to convert your retained override to a 25% working interest after payout, proportionately reduced to your ownership in the E/2 of Section 34. A well capable of producing oil and/or gas in commercial quantities would earn 100% of your interest until payout.

However, on your unleased minerals in the NE/4 & NE/4SE/4 of Section 34, Midland Phoenix would be willing to accept a farmout on the same terms as stated above, except that if you decided to exercise your back-in option, you would convert 1/16 royalty to a 25% working interest, proportionately reduced, thus retaining a 3/16 royalty on the leasehold.

In lieu of farming-out or participating with your unleased minerals, Midland Phoenix would be willing to accept an oil & gas lease from you on the following terms:

- 1.) \$250.00 per net mineral acre
- 2.) 1/4 royalty on production, if established
- 3.) 2 year primary term

Since you are familiar with this area, we respectfully request a response to this proposal at your earliest convenience. Upon hearing from you as to your decision, we will forward a 1982 AAPL Form Operating Agreement for your approval.

If you should have any questions regarding this proposal, please do not hesitate to contact us.

Very truly yours,

MIDLAND PHOENIX CORPORATION



Tim Dicey, President

cc: Enron Oil & Gas company  
Attn: Robert M. McCommon, Jr.

Samedan Oil Corporation

Enserch Exploration, Inc.  
Attn: Dave Leaverton

Leon Jeffcoat, Trustee

# MIDLAND PHOENIX CORPORATION

HIGHTOWER BUILDING  
600 W. ILLINOIS, SUITE 1002  
MIDLAND, TEXAS 79701  
(915) 687-0457

May 17, 1989

Enron Oil & Gas Company  
P. O. Box 2267  
Midland, TX 79702

Attn: Robert M. McCommon, Jr.

Re: Madera 34 Fed. Com. #1  
1980' FSL & 1980' FEL  
Section 34, T-24-S, R-34-E  
Lea County, New Mexico

Gentlemen:

Midland Phoenix Corporation is the owner of certain leasehold interests, farmouts and other commitments totaling 51.5625% W.I. in the E/2 of Section 34, T-24-S, R-34-E, Lea County, New Mexico. As you are well aware of, Midland Phoenix has proposed the drilling of the Madera 34 Fed. Com. #1 in the E/2 of said Section 34. As of this date, Enron Oil & Gas has shown no interest in participating in this joint venture. Likewise, Midland Phoenix has no interest in participating in the Pitchfork 34 Fed. Com. #2 well, proposed by Enron in the S/2 and SE/4 of said Section 34.

In order to settle the obvious ensuing dispute between Enron and Midland Phoenix, pursuant to this matter, Midland Phoenix Corporation proposes to sell their 51.5625% W.I. in the E/2 of Section 34 under the following terms and conditions:

1. A cash consideration of \$200,000.00.
2. Midland Phoenix will be carried for 25% W.I. to casing point, proportionately reduced by 51.5625% in a well drilled at a location mutually agreed upon in the E/2 of Section 34, T-24-S, R-34-E, Lea County, New Mexico. It is the intention herein, that a well must be drilled in the E/2 of Section 34, to a depth of 15,800', on or before 12-31-89.
3. Midland Phoenix Corporation will be designated the operator of said well, through the completion of said well. At which time, if the well is completed as a producer of oil and/or gas, Midland Phoenix will turn over operations to Enron Oil & Gas Company.



Enron Oil & Gas Company  
May 16, 1989  
Page Two

As we are both aware, the rescheduled hearing on this matter before the Oil Conservation Division of the State of New Mexico is May 24, 1989. This offer to sell by Midland Phoenix Corporation will be valid until 5:00 p.m. CDT, Monday, May 22, 1989.

By this offer to sell, it is the intention of Midland Phoenix Corporation to settle this dispute in a manner that is beneficial to all parties involved. We look forward to hearing from you.

Very truly yours,

MIDLAND PHOENIX CORPORATION

A handwritten signature in cursive script, reading "Robert O. Canon".

Robert O. Canon

ROC:dlw

# ENRON

## Oil & Gas Company

P. O. Box 2267 Midland, Texas 79702 (915) 686-3600

May 17, 1989

Midland Phoenix Corporation  
Hightower Building  
600 W. Illinois, Suite 1002  
Midland, Texas 79701

Attn: Robert O. Canon

RE: Proposal dated May 17, 1989  
Section 34-24S-34E, Lea County, New Mexico

Gentlemen:

Enron Oil & Gas Company has reviewed your proposal dated May 17, 1989 wherein you offered to sell your interest in the E/2 of Section 34 for a cash consideration of \$200,000.00 and be carried for a 25% working interest to casing point proportionately reduced to your interest in the E/2 of the Section in a 15,800' Morrow test to be located on an E/2 proration unit.

Enron Oil & Gas Company respectfully declines your offer. A legal location in the E/2 for a Morrow test is in the opinion of Enron not geologically feasible. As you are aware any Morrow test has a great deal of risk and because of this risk our economics will not justify a carried interest to casing point and paying in excess of \$1000 an acre for your interest.

Enron is still very interested in discussing with you either a buy-out of your interest in the NE/4 of the SE/4 or a farmout of your interest under the NE/4 of the SE/4 of Section 34. Of course, any agreement that we are able to work out would be conditioned upon Midland Phoenix agreeing not to oppose us at the May 24th 1989 hearing.

Sincerely,

ENRON OIL & GAS COMPANY



Frank C. Estep  
Division Landman

FCE/cl

MEETINGS AND TELEPHONE CONVERSATIONS  
BETWEEN ENRON OIL & GAS COMPANY AND MIDLAND PHOENIX CORPORATION

DATE	TIME	EVENT
5/15/89	9:10 A.M.	Robert O. Canon with Midland Phoenix called to verify if we received letter dated May 11, 1989 and AFE.
5/15/89	10:30 P.M.	Called Midland Phoenix (R. O. Canon)
5/15/89	4:35 P.M.	Midland Phoenix (R. O. Canon) returned call.
5/15/89	4:40 P.M.	Called Midland Phoenix (R. O. Canon), told him we will review w/Gary and discuss with them Wed. or Thurs. Canon mentioned possibility of Enron buying Midland Phoenix out of Section 34.
5/16/89	2:15 P.M.	Meeting with Midland Phoenix (R. O. Canon).
5/17/89	9:30 A.M.	Meeting with Midland Phoenix (R. O. Canon).
5/17/89	3:00 A.M.	Meeting with Midland Phoenix in their Offices.
5/19/89		Phone conversation with Midland Phoenix (R.O. Canon) twice (2) afternoon.
5/22/89	11:30 A.M.	Telephone Conversation with R. O. Canon
5/22/89	1:40 P.M.	Telephone Conversation with R. O. Canon
5/22/89	4:30 P.M.	Telephone Conversation with R. O. Canon
5/22/89	4:40 P.M.	Meeting with Midland Phoenix (R.O. Canon) in their Offices.
5/22/89	7:30 P.M.	Telephone Conversation with R. O. Canon
5/22/89	9:30 P.M.	Telephone Conversation with R. O. Canon
5/23/89		Scheduled to meet with Midland Phoenix Corp. (R. O. Canon) at 8:30 A.M.

## NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

CASE NO. 9669

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF SANTA FE )

William F. Carr  
WILLIAM F. CARR

Elizabeth L. Zerna  
Notary Public

August 19, 1991

BEFORE EXAMINER STOGNER  
OIL CONSERVATION DIVISION  
ENRON EXHIBIT NO. 4  
CASE NO. 9669

EXHIBIT A

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Attn: Mr. Randy Patterson

Richard Lyons Moore  
Michael Harrison Moore  
Richard L. Moore, Independent  
Executor of the Estate of  
Stephen Scott Moore  
Post Office Box 1733  
Midland, Texas 79702

J. Hiram Moore, Ltd.  
310 W. Wall Street, Suite 404  
Midland, Texas 79701

Willie Margaret Lain Baird  
Louise B. Thompson and  
Kathy Pearson  
Post Office Box 297  
Seminole, Texas 79701

Robert E. Landreth and wife,  
Donna P. Landreth  
505 N. Big Spring, Suite 507  
Midland, Texas 79701

Alan Jochimsen  
2402 Cimmeron  
Midland, Texas 79705

Shanee Oil Company  
310 W. Texas, Suite 424  
Midland, Texas 79701  
Attn: Charles R. Tierce

Boley B. Embrey  
303 W. Wall  
1200 First Republic Bank Tower  
Midland, Texas 79701

David L. Schmidt  
Post Office Box 1511  
Midland, Texas 79702

David H. Pace  
Post Office Box 2136  
Midland, Texas 79702

Midland Phoenix Corporation  
The Hightower Building  
600 W. Illinois, Suite 1002  
Midland, Texas 79701  
Attn: Mr. Tim Dicey, President

Parker Drilling Company  
8 East Third Street  
Tulsa, Oklahoma 74101

Enserch Exploration, Inc.  
4849 Greenville Avenue  
]Suite 1200  
Dallas, Texas 75206  
Attn: Mr. David N. Leaverton

Samedan Oil Corporation  
10 Desta Drive, Suite 240 East  
Midland, Texas 79705  
Attn: Mr. Jack E. Anderson

Leon Jeffcoat, Trustee  
310 W. Wall, Suite 500  
Midland, Texas 79701

Roden Exploration Company  
Roden Associates, Ltd. and  
Roden Participants, Ltd.  
Post Office Box 10909  
Midland, Texas 79702  
Attn: Mr. John W. Isom

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN M. BEMIS  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Attn: Mr. Randy Patterson

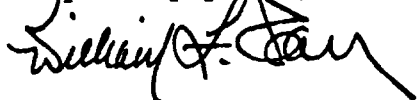
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. Patterson:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 620

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Attn: Randy Patterson Yates Petroleum Corporation	
Street and No. 105 South Fourth Street	
P.O. State and ZIP Code Artesia, NM 88210	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date April 20, 1969	

PS Form 3800, 1968

● **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 boxes for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210	4. Article Number  P 106 676 620
5. Signature - Address  Attn: Mr. Randy Patterson	Type of Service: <input checked="" type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> Express Mail <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent  X	8. Addressee's Address (ONLY if requested and fee paid)
7. Date of Delivery  4/24/69	

PS Form 3811, Mar. 1968 U.S.G.P.O. 1968-212-925 DOMESTIC RETURN RECEIPT



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Richard Lyons Moore  
Michael Harrison Moore  
Richard L. Moore, Independent  
Executor of the Estate of  
Stephen Scott Moore  
Post Office Box 1733  
Midland, Texas 79702

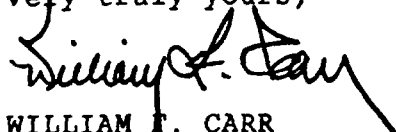
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 621

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Richard Lyons Moore, et al.</b>	
Street and No. <b>Post Office Box 1733</b>	
P.O. State and ZIP Code <b>Midland, Texas 79702</b>	
Postage	\$ <b>1.45</b>
Certified Fee	<b>.85</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<b>.90</b>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	<b>2.20</b>
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

**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 types and check boxes for additional services requested.  
1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: <b>Richard Lyons Moore Michael Harrison Moore Richard L. Moore, Independent Executor of the Estate of Stephen Scott Moore Post Office Box 1733 Midland, Texas 79702</b>		4. Article Number <b>P 106 676 621</b>	
5. Signature - Address <b>X</b>		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 <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature - Agent <b>X</b>		8. Addressee's Address (ONLY if requested and fee paid) <b>PAID</b>	
7. Date of Delivery <b>APR 25 1989</b>		Always obtain signature of addressee or agent and DATE DELIVERED.	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-885 DOMESTIC RETURN RECEIPT

**CAMPBELL & BLACK, P.A.**

**LAWYERS**

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN M. BEMIS  
WILLIAM R. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

J. Hiram Moore, Ltd.  
310 W. Wall Street, Suite 404  
Midland, Texas 79701

Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 622

POSTAGE FOR CERTIFIED MAIL

INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>J. Hiram Moore, Ltd.</b>	
Street and No. <b>310 W. Wall St., Suite 404</b>	
P.O., State and ZIP Code <b>Midland, Texas 79701</b>	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$2.20
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

<p><b>3. Article Addressed to:</b></p> <p><b>J. Hiram Moore, Ltd.</b> <b>310 W. Wall Street, Suite 404</b> <b>Midland, Texas 79701</b></p>		<p><b>4. Article Number</b> P 106 676 622</p>	
<p><b>5. Signature - Address</b> X</p>		<p><b>Type of Service:</b>  <input type="checkbox"/> Registered  <input checked="" type="checkbox"/> Certified  <input type="checkbox"/> Insured  <input type="checkbox"/> COD  <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Express Mail          Always obtain signature of addressee or agent and DATE DELIVERED.       </p>	
<p><b>6. Signature - Agent</b> X <i>[Signature]</i></p>		<p><b>8. Addressee's Address (ONLY if requested and fee paid)</b>  310 WALL ST # 404</p>	
<p><b>7. Date of Delivery</b> APR 24-89</p>			

**BENDER: 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 boxes for additional service(s) requested.  
1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
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POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Willie Margaret Lain Baird,  
Louise B. Thompson and  
Kathy Pearson  
Post Office Box 297  
Seminole, Texas 79701

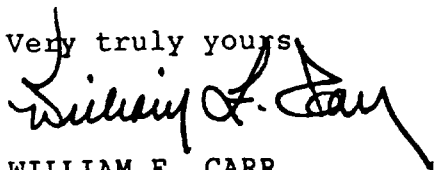
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Ladies:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

NO INSURANCE COVER IS PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

PS Form 3800, June 1985

**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 boxes (or additional service(s) requested).

1. ☒ Show to whom delivered, date, and addressee's address. (Extra charge)

3. Article Addressed to:

Willie Margaret Lain Baird,  
Louise B. Thompson and  
Kathy Pearson  
Post Office Box 297  
Seminole, TX 79701

4. Article Number  
P 106 676 623

Type of Service:

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

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address  
X *Margaret Baird*

6. Signature - Agent  
X

8. Addressee's Address ONLY if requested (and fee paid)  
P.O. Box 297  
Seminole, TX 79701

7. Date of Delivery  
4-25-89

PS Form 3811, Mar. 1982 \* U.S.G.P.O. 1983-212-065

DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN M. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Robert E. Landreth and wife,  
Donna P. Landreth  
505 N. Big Spring, Suite 507  
Midland, Texas 79701

Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. and Mrs. Landreth:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 624

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to Robert E. Landreth and Donna P. Landreth	
Street and No	507
505 N. Big Spring, Suite	
P.O. State and ZIP Code	Midland, TX 79701
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	2.20
Postmark or Date April 20, 1989	

5981 (unf. 3800, 0000) Form 3811, Mar. 1988

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

<p>3. Article Addressed to:</p> <p>Robert E. Landreth and wife, Donna P. Landreth, 505 N. Big Spring, Suite 507 Midland, TX 79701</p>		<p>4. Article Number</p> <p>P 106 676 624</p>	
<p>5. Signature - Address</p> <p>X</p>		<p>Type of Service:</p> <p><input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>6. Signature - Addressee</p> <p>X</p>		<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>7. Date of Delivery</p> <p>4-25-89</p>		<p>8. Addressee's Address (ONLY if requested and fee paid)</p> <p>Same</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 rates and check box(es) for additional service(s) requested.  
1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)



**CAMPBELL & BLACK, P.A.**

**LAWYERS**

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Alan Jochimsen  
2402 Cimmaron  
Midland, Texas 79705

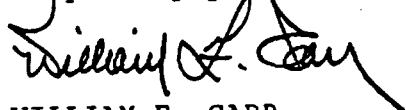
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. Jochimsen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 625

POSTAGE FOR CERTIFIED MAIL  
INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Alan Jochimsen</b>	
Street and No <b>2402 Cimmeron</b>	
P.O. State and ZIP Code <b>Midland, TX 79705</b>	
Postage	\$ <b>.45</b>
Certified Fee	\$ <b>.15</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	\$ <b>.90</b>
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

**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 boxes for additional services requested.

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

3. Article Addressed to:  <b>Alan Jochimsen 2402 Cimmeron Midland, Texas 79705</b>	4. Article Number  <b>P 106 676 625</b>
5. Signature - Address <b>X</b>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <b>X</b>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <b>APR 25 1989</b>	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

**CAMPBELL & BLACK, P.A.**

**LAWYERS**

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

April 20, 1989

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Shanee Oil Company  
310 W. Texas, Suite 424  
Midland, Texas 79701

Attn: Charles R. Tierce

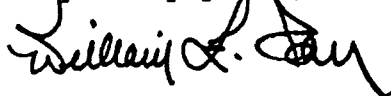
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 626

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to: <b>Attn: Charles R. Tierce</b> <b>Shanee Oil Company</b>	
Street and No. <b>310 W. Texas, Suite 424</b>	
P.O. State and ZIP Code <b>Midland, TX 79701</b>	
Postage	\$ <b>.45</b>
Certified Fee	\$ <b>.85</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<b>1.90</b>
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

**PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 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 boxes for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. (Extra charge)

2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
**Shanee Oil Company**  
**310 W. Texas, Suite 424**  
**Midland, TX 79701**  
**Attn: Charles R. Tierce**

4. Article Number  
**P 106 676 626**

Type of Service:  
☐ Registered  
☒ Certified  
☐ Insured  
☐ COD  
☐ Return Receipt for Merchandise  
☐ Express Mail

5. Signature - Address  
**X**

6. Signature - Agent  
**X** *Charles R. Tierce*

7. Date of Delivery  
**4-25-89**

8. Addressee's Address (ONLY if requested and fee paid)  
**Same**

Always obtain signature of addressee or agent and DATE DELIVERED.

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Boley B. Embrey  
303 W. Wall  
1200 First Republic Bank Tower  
Midland, Texas 79701

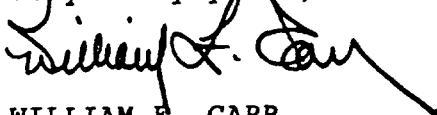
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

● **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 delivering to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.  
 1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:		4. Article Number	
Boley B. Embrey 303 W. Wall 1200 First Republic Bank Tower Midland, TX 79701		P 106 676 627	
5. Signature Address		Type of Service:	
<input checked="" type="checkbox"/> <i>Boley Embrey</i>		<input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured	
6. Signature - Agent		<input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD	
<input checked="" type="checkbox"/>		<input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
7. Date of Delivery		8. Addressee's Address (ONLY if requested and fee paid)	
4-26-89		Always obtain signature of addressee or agent and DATE DELIVERED.	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-885 DOMESTIC RETURN RECEIPT

P-106 676 627

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL  
 (See Reverse)

Sent to	
Boley B. Embrey	
Street and No	
303 W. Wall	
P.O. State and ZIP Code	
Midland, Texas 79701	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	2.20
Postmark or Date	
April 20, 1989	

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

David L. Schmidt  
Post Office Box 1511  
Midland, Texas 79702

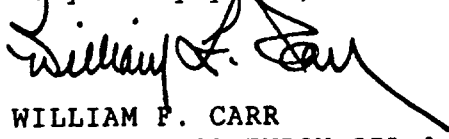
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. Schmidt:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 628

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to David L. Schmidt	
Street and No P. O. Box 1511	
P. O. State and ZIP Code Midland, TX 79702	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date April 20, 1989	

PS Form 3800, June 1985



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

David H. Pace  
Post Office Box 2136  
Midland, Texas 79702

Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. Pace:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 629

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to <b>David H. Pace</b>	
Street and No. <b>Post Office Box 2136</b>	
P.O. State and ZIP Code <b>Midland, TX 79702</b>	
Postage	\$ <b>.45</b>
Certified Fee	<b>.85</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<b>.90</b>
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>April 24, 1989</b>	

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-665 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 tags and check boxes for additional services requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
David H. Pace  
Post Office Box 2136  
Midland, Texas 79702

4. Article Number  
P 106 676 629

Type of Service:  
☒ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address  
*[Signature]*

6. Signature - Agent  
*[Signature]*

7. Date of Delivery  
*[Signature]*

8. Addressee's Address, Date, and Signature  
*[Signature]*  
1989

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
WILLIAM P. SLATTERY  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Midland Phoenix Corporation  
The Hightower Building  
600 W. Illinois, Suite 1002  
Midland, Texas 79701

Attn: Mr. Tim Dicey, President

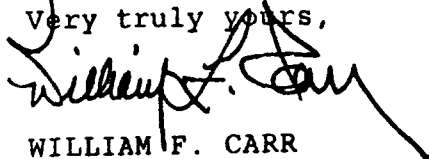
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 630

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Attn: Tim Dicey, Midland Phoenix Corp.</b>	
Street and No <b>600 W. Illinois, Suite 1002</b>	
P.O. State and ZIP Code <b>Midland, Texas 79701</b>	
Postage	\$ <b>.45</b>
Certified Fee	\$ <b>.85</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	\$ <b>.90</b>
Return Receipt showing to whom Date and Address of Delivery	
Other Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

**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 rates and check boxes for additional services requested.  
1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Midland Phoenix Corporation The Hightower Building 600 W. Illinois, Suite 1002 Midland, Texas 79701 Attn: Tim Dicey, President		4. Article Number P 106 676 630	
5. Signature - Address X		Type of Service: <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature - Agent X <i>Tim Dicey</i>		Always obtain signature of addressee or agent and DATE DELIVERED.	
7. Date of Delivery <b>4-25-89</b>		8. Addressee's Address (ONLY if requested and fee paid) <b>600 W. Illinois #1602</b>	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-985 DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
J. SCOTT HALL  
JOHN H. BEMIS  
MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Parker Drilling Company  
8 East Third Street  
Tulsa, Oklahoma 74101

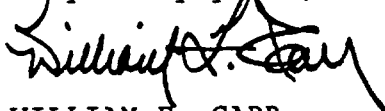
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 617

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Parker Drilling Company</b>	
Street and No. <b>8 East Third Street</b>	
P.O. State and ZIP Code <b>Tulsa, Oklahoma 74101</b>	
Postage	\$ <b>.45</b>
Certified Fee	<b>.85</b>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<b>.90</b>
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ <b>2.20</b>
Postmark or Date <b>Aug. 20, 1989</b>	

PS Form 3800, June 1985

**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 (see and check boxes) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Parker Drilling Company 8 East Third Street Tulsa, Oklahoma 74101	4. Article Number  P 106 676 617
5. Signature - Address <b>X</b>	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 <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <b>X</b> <i>[Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <b>4-25-89</b>	B. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
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PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Enserch Exploration, Inc.  
4849 Greenville Avenue  
Suite 1200  
Dallas, Texas 75206

Attn: Mr. David N. Leaverton

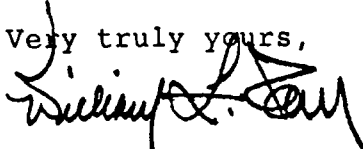
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

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Very truly yours,

  
WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

FOR CERTIFIED MAIL  
 POSTAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL  
 (See Reverse)

Sent to Attn: David N. Leaverton	
Enserch Exploration Inc.	
Street and No	1200
4849 Greenville Ave., Suite	
P O. State and ZIP Code	
Dallas, TX	75206
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date	
April 20, 1989	

PS Form 3800, June 1985

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 boxes for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Enserch Exploration, Inc.  
4849 Greenville Avenue  
Suite 1200  
Dallas, Texas 75206

4. Article Number  
P 106 676 616

Type of Service: ☐ Registered ☐ Insured  
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☐ Express mail ☐ Return Receipt for Merchandise

Always require signature or agent's DATE OF DELIVERY

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6. Signature - Address  
David N. Leaverton  
Signature: *David N. Leaverton*

7. Date of Delivery  
4-24-89

8. Addressee's Address (to be paid for by sender)

9. City and State (to be paid for by sender)

10. ZIP Code (to be paid for by sender)

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CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
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MARTE D. LIGHTSTONE  
PATRICIA A. MATTHEWS

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Samedan Oil Corporation  
10 Desta Drive, Suite 240 East  
Midland, Texas 79705

Attn: Mr. Jack E. Anderson

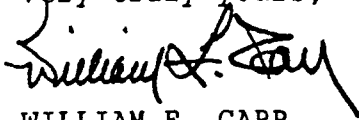
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 615

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Samedan Oil Corporation</b>	
Street and No. <b>10 Desta Drive, Suite 240 E</b>	
P.O., State and ZIP Code <b>Midland, Texas 79705</b>	
Postage	\$ .45
Certified Fee	\$ .85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	\$ .90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

<p><b>SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</b></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 lead and check boxes for additional services requested.</p> <p>1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p><b>3. Article Addressed to:</b></p> <p>Samedan Oil Corporation 10 Desta Drive, Suite 240 East Midland, Texas 79705</p> <p>Attn: Mr. Jack E. Anderson</p>	<p><b>4. Article Number</b></p> <p>P 106 676 615</p> <p>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  <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p><b>5. Signature - Address</b></p> <p><i>[Signature]</i></p>	<p><b>8. Addressee's Address (ONLY if requested and fee paid)</b></p>
<p><b>6. Signature - Agent</b></p> <p><i>[Signature]</i></p>	
<p><b>7. Date of Delivery</b></p> <p><i>4-25-89</i></p>	

CAMPBELL & BLACK, P.A.  
LAWYERS

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SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Leon Jeffcoat, Trustee  
310 W. Wall, Suite 500  
Midland, Texas 79701

Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Dear Mr. Jeffcoat:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 614

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to <b>Leon Jeffcoat, Trustee</b>	
Street and No. <b>310 W. Wall, Suite 500</b>	
P.O., State and ZIP Code <b>Midland, TX 79701</b>	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date <b>April 20, 1989</b>	

PS Form 3800, June 1985

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
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3. Article Addressed to:  <b>Leon Jeffcoat, Trustee 310 W. Wall, Suite 500 Midland, Texas 79701</b>	4. Article Number  <b>P 106 676 614</b>
5. Signature - Address <b>X</b> <i>[Signature]</i>	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 <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)  <i>310 W Wall #1500</i>
7. Date of Delivery <b>4-24</b>	Always obtain signature of addressee or agent and DATE DELIVERED.

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL & BLACK, P.A.

LAWYERS

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TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

April 20, 1989

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Roden Exploration Company  
Roden Associates, Ltd. and  
Roden Participants, Ltd.  
Post Office Box 10909  
Midland, Texas 79702

Attn: Mr. John W. Isom

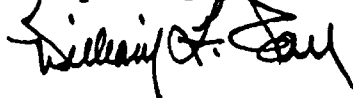
Re: Application of Enron Oil & Gas Company for Compulsory  
Pooling, a Non-Standard Spacing or Proration Unit and an  
Unorthodox Gas Well Location, Lea County, New Mexico

Gentlemen:

This letter is to advise you that Enron Oil & Gas Company has filed an application with the New Mexico Oil Conservation Division seeking an order for the compulsory pooling of a 320-acre standard spacing or proration unit in the Morrow formation comprised of the S/2 of Section 34, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico and compulsory pooling of a 160-acre non-standard spacing or proration unit in the Atoka formation to be comprised of the SE/4 of said Section 34. Enron also seeks approval of this non-standard spacing or proration unit in the Atoka and approval of a non-standard well location in the Atoka formation. A copy of Enron's application is enclosed for your information.

This application has been set for hearing before a Division Examiner on May 10, 1989. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later date.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh  
Enclosure

P-106 676 613

FOR CERTIFIED MAIL  
NO IN-TRANSIT COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to Attn: John W. Isom Roden Exploration Co., et al.	
Street and No P. O. Box 10909	
P.O. State and ZIP Code Midland, TX 79702	
Postage	\$ .45
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.20
Postmark or Date April 20, 1989	

PS Form 3800, June 1985

<p>● <b>SENDER:</b> 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 boxes for additional service(s) requested.</p> <p>1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p>Roden Exploration Co., Roden Associates, Ltd., and Roden Participants, Ltd., Post Office Box 10909 Midland, TX 79702</p>	<p>4. Article Number</p> <p>P 106 676 613</p> <p>Type of Service:</p> <p><input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Addressee</p> <p>Attn: Mr. John W. Isom</p> <p>X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p> <p>MIDLAND, TX 79702</p>
<p>6. Signature - Agent</p> <p>X</p> <p><i>Paul D. Isom</i></p>	
<p>7. Date of Delivery</p> <p>4-24-89</p>	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-885 DOMESTIC RETURN RECEIPT

**ENSERCH  
EXPLORATION** INC

ClayDesta National Bank Bldg.  
Suite 5250  
6 Desta Drive  
Midland, Texas 79705  
915-682-9756

Leonard Kersh  
District Production Manager  
Dane Hendley  
District Petroleum Engineer  
George Faigle  
District Development Geologist  
Sammy Reed  
Production Superintendent  
West Texas/Rocky Mountain District  
Production Division

May 9, 1989

Campbell & Black, P.A.  
P.O. Box 2208  
Santa Fe, New Mexico 87504-2208  
Attn: William F. Carr

Re: Proposed Pitchfork "34" Federal Com #2  
660' FSL & 1980' FEL of Sec. 34, T24S, R34E, NMPM  
Lea County, New Mexico

Enserch Exploration, Inc., hereby supports Enron's proposed application to drill on a standard 320 acre proration unit comprised of the South-Half (S/2) of said Section 34 for the Morrow formation and on a non-standard 160 acre proration unit comprised of the Southeast Quarter (SE/4) of said Section 34 for the Atoka formation. It is Enserch's understanding that this location will be a legal location for the Morrow formation and an unorthodox location for the Atoka formation.

Yours Truly,

  
Leonard Kersh

BEFORE EXAMINER STOGNER	
OIL CONSERVATION DIVISION	
ENRON	EXHIBIT NO. 5
CASE NO.	9669

SAMEDAN OIL CORPORATION  
10 DESTA DRIVE  
SUITE 240 EAST  
MIDLAND, TEXAS 79705  
(915) 688-3560

May 9, 1989

Enron Oil & Gas Company  
P. O. Box 2267  
Midland, TX 79702

ATTN: Robert M. McCommon, Jr.

Re: Proposed Pitchfork "34"  
Federal Com. #2  
660' FSL & 1980' FEL of  
Section 34, T-24-S, R-34-E,  
N.M.P.M., Lea County,  
New Mexico  
SOC #3-1-152 and #3-1-239  
Antelope South Prospect

Gentlemen:

With regard to your letter of April 28, 1989, please be advised that Samedan Oil Corporation (Samedan) will support your proposed test well at the above captioned location subject to the following terms and conditions:

- 1) Under paragraph three of said letter, Enron Oil & Gas Company (Enron) indicates that it recognizes the difference in the working interest in the proposed south-half (S/2) proration unit verses a southeast quarter (SE/4) proration unit. Samedan's support of the Enron proposal is made subject to the proposed mutually acceptable method of cost distribution with regard to well costs (both drilling and producing).
- 2) It is not the intent of Samedan to waive any rights or remedies it may have under the terms of our January 16, 1984 Operating Agreement covering Section 34, T-24-S, R-34-E, N.M.P.M., Lea County, New Mexico by supporting the proposed test well.

Should you have any questions concerning this letter, please feel free to contact me at 684-8491.

Very truly yours,

SAMEDAN OIL CORPORATION

*Joel E. Anderson*



