



file

MIDLAND DISTRICT. BRIERCROFT SAVINGS BUILDING • (915) 682-7316
MAILING ADDRESS: P O. DRAWER 1828 MIDLAND. TEXAS 79702-1828

August 30, 1985

Working Interest Owners Address List Attached

Re: B. E. Shipp Estate #1
W/2 NE/4 of Section 4-17S-37E
Lea County, New Mexico

Gentlemen:

Pennzoil Company proposes to drill an 11,500' Strawn test at a legal location 1980' FNL & 1980' FEL of Section 4-T17S-R37E, Lea County, New Mexico. A copy of our AFE is enclosed for your review.

We respectfully request you support this test by electing one (1) of the following options:

- 1. Participate as to your interest in the drilling of the proposed test well.
- 2. Farmout your interest in the W/2 NE/4 of Section 4-T17S-R37E. Upon completion of the test well as a producer of oil and/or gas, Pennzoil would earn a 75% N.R.I. lease in the proration unit assigned to said well, limited to 100' below total depth drilled. You would retain a 1/3 back-in option at payout.
- 3. Grant Pennzoil a six (6) month lease providing for no bonus consideration and 1/4 royalty.

Should you elect to participate, please return a signed copy of the enclosed AFE to the undersigned. An operating agreement will then be sent for your execution.

Your prompt attention of our proposal will be appreciated.

Very truly yours,

Greg Davis Landman

GD/mk

enclosures

Working Interest Owners

B. E. Shipp Estate #1

The Superior Oil Company P. O. Box 633 Midland, Texas 79702 Attn: K. M. Johnston

TXO Production Corp. 900 Wilco Building Midland, Texas 79701 Attn: Jeff Bourgeois

Apcot-Finadel Joint Venture, a general partnership P. O. Box 2159 Dallas, Texas 75221

Shell Western E&P Inc. P. O. Box 831 Houston, Texas 77001 Attn: Terry Enders

Atlantic Richfield Company P. O. Box 1610 Midland, Texas 79702 Attn: Mike Snyder

Texaco Producing, Inc. P. O. Box 3109 Midland, Texas 79702 Attn: E. H. Watkins

J. H. Van Zant, II 1730 Commerce Building 307 West 7th Fort Worth, Texas 76102

Jeanne Van Zant Sanders Suite 508, Sinclair Building 106 W. Fifth Street Fort Worth, Texas 76102

J. R. McGinley, Jr. Lanroy, Inc. Cleroy, Inc. P. O. Box 3405 Tulsa, Oklahoma 74101

Sohio Petroleum Company Two Lincoln Centre -5420 LBJ Freeway Suite #1000/LB 03 Dallas, Texas 75240 Attn: Don Leonhart Page 3 August 30, 1985

Working Interest Owners

B. E. Shipp Estate #1

Black Bear Oil & Gas Corp. 505 North Big Spring Suite 404 Midland, Texas 79701 Attn: Jim R. Leeton

Max W. Coll II, James N. Coll, Charles H. Coll and Jon F. Coll P. O. Box 1818 Roswell, New Mexico 88201

Harry A. Miller, Jr. 600 First National Bank Building Midland, Texas 79701

Harry A. Miller III 2403 Ben White Blvd. Austin, TX 78704

Margaret Ann Miller Carrico 406 Farley Trail Austin, Texas 78746

E. B. White, Jr. P. O. Box 2052 Midland, Texas 79702

Rebel Oil Company
P. O. Drawer 309
Hobbs, New Mexico 88240
Attn: Ellie Spear

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