

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

400 WEST ILLINOIS, SUITE 1400, MIDLAND, TEXAS 79701-4310 | P.O. BOX 2796, 79702-2796 | 915 687-0011 | FAX 915 687-1735

FRANK N. CREMER
MEMBER TEXAS, NEW MEXICO AND COLORADO BARS

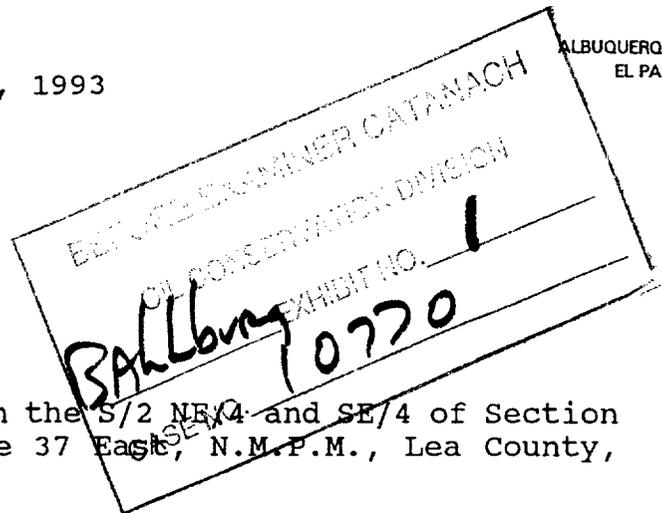
July 6, 1993

ALBUQUERQUE
EL PASO

Bahlburg Exploration
14874 Landmark Blvd., Suite 216
Dallas, TX 75240

Attn: Mr. William C. Bahlburg

Re: Ownership of the royalties in the S/2 NE/4 and SE/4 of Section 26, Township 13 South, Range 37 East, N.M.P.M., Lea County, New Mexico



Gentlemen:

Reference is made to our Original Drilling Title Opinion dated October 22, 1990 and our Original Division Order Title Opinion dated May 6, 1993, addressed to you, covering the S/2 NW/4 and SW/4 of Section 25, Township 13 South, Range 37 East, N.M.P.M., Lea County, New Mexico. You have asked that we confirm that the oil, gas and other minerals in, on and under and that may be produced from the S/2 NE/4 and SE/4 of Section 26 are owned by the same parties in the same proportions as the oil, gas and other minerals in, on and under and that may be produced from the S/2 NW/4 and SW/4 of Section 25. For this purpose, we have examined the following:

- (a) Copy of Original Drilling Title Opinion dated November 12, 1986, prepared by Stubbeman, McRae, Sealy, Laughlin & Browder, Inc., addressed to BTA Oil Producers, based upon the prior title opinions and abstract described therein, covering the S/2 NW/4 and SW/4 of Section 25, and the S/2 NE/4 and SE/4 of Section 26, from inception of the records to November 10, 1986 at 2:40 p.m.; and
- (b) All of the instruments pertaining to the S/2 NE/4 and SE/4 of Section 26 which have been recorded in the Office of the County Clerk of Lea County, New Mexico, from November 10, 1986 at 2:40 p.m. to June 18, 1993 at 5:00 p.m., as reflected by the indices of Elliott & Waldron Title and Abstract Co., Inc.

Based upon examination of the foregoing, we find that the ownership of the oil, gas and other minerals underlying the S/2 NE/4 and SE/4 of Section 26 is identical to the ownership of the oil, gas and other minerals underlying the S/2 NW/4 and SW/4 of Section 25. We note, however, that although we did not examine title to the oil and gas leasehold estate in the S/2 NE/4 and SE/4 of Section 26, it appears that the currently effective oil and gas

Bahlburg Exploration
July 6, 1993
Page 2

lease covering said land provides for a royalty of 3/16 on oil and gas, whereas the currently effective oil and gas lease covering the S/2 NW/4 and SW/4 of Section 25 provides for a royalty of 1/5 on oil and gas. This means that the mineral owners will receive a greater percentage of total production from the S/2 NW/4 and SW/4 of Section 25 than they will from the S/2 NE/4 and SE/4 of Section 26.

If you have any questions or comments or if we can be of further service to you in this matter, please call.

Very truly yours,

KEMP, SMITH, DUNCAN & HAMMOND, P.C.

By: _____



Frank N. Cremer

FNC:lf

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

400 WEST ILLINOIS, SUITE 1400, MIDLAND, TEXAS 79701-4310 | P.O. BOX 2796, 79702-2796 | 915 687-0011 | FAX 915 687-1735

JAMES R. FULLER
MEMBER TEXAS, NEW MEXICO AND OKLAHOMA BARS

ALBUQUERQUE
EL PASO

May 6, 1993

ORIGINAL DIVISION ORDER TITLE OPINION

Bahlburg Exploration
14875 Landmark Blvd., Suite 216
Dallas, Texas 75240

Attention: Mr. William C. Bahlburg

Re: Your No. 1 Lowe "25" Well situated on the following-described
land situated in Lea County, New Mexico:

Township 13 South, Range 37 East, N.M.P.M.
Section 25: S/2 NW/4 and SW/4

containing 240 acres, more or less.

Gentlemen:

At your request, we have examined the following:

MATERIALS EXAMINED

Prior Title Opinion

Copy of our Original Drilling Title Opinion dated October 22, 1990, addressed to you, based upon the prior title opinion described therein and an examination of the records in the Office of the County Clerk of Lea County, New Mexico, which together covered captioned land from inception of the records to October 1, 1990 at 7:00 a.m.

Examination of the Records

We have examined the records in the Office of the County Clerk of Lea County, New Mexico, pertaining to captioned land from October 1, 1990 at 7:00 a.m. to April 30, 1993 at 7:00 a.m., based upon the indices of Elliott & Waldron Title & Abstract Co., Inc.

Instruments

Copies of Assignment Nos. 2 through 15, described below.

OWNERSHIP OF PRODUCTION

Based upon examination of the foregoing and subject to the title requirements hereinafter made, we find the oil and gas produced and saved from captioned land to be owned as follows:

Minerals:

Brady M. Lowe and Odell L. Lowe, Co-Trustees
of the following-named trusts created under
the Will of H. L. Lowe, Deceased:

The H. L. Lowe Trust for M. Dion Lowe . . . . .	.0040000
The H. L. Lowe Trust for Debra Lowe Finn . . . . .	.0040000

The H. L. Lowe Trust for Larry K. Lowe . . . . .	.0040000
The H. L. Lowe Trust for Loretta D. Lowe . . . . .	.0040000
The H. L. Lowe Trust for Shana Lowe Conine . . . . .	.0040000
The H. L. Lowe Trust for Haley Lowe . . . . .	.0013333
The H. L. Lowe Trust for Kelly Lowe . . . . .	.0013333
The H. L. Lowe Trust for Lauren Lowe . . . . .	.0013334
The H. L. Lowe Trust for Vivian Lowe Anselmi . . . . .	.0026667
The H. L. Lowe Trust for Ronny P. Lowe . . . . .	.0026667
The H. L. Lowe Trust for Kay Lowe Hughes . . . . .	.0026666
The H. L. Lowe Trust for Teddy L. Hartley . . . . .	.0040000
The H. L. Lowe Trust for Robert T. Hartley . . . . .	.0040000
Robert Thomas Hartley, as his separate property . . . . .	.0200000
Teddy Lowe Hartley, as his separate property . . . . .	.0200000
Ronny P. Lowe, as his separate property . . . . .	.0100000
Vivian Lowe Anselmi, as her separate property . . . . .	.0100000
Kay Lowe Hughes, as her separate property . . . . .	.0100000
Coy S. Lowe, as his separate property . . . . .	.0100000
Larry K. Lowe, as his separate property . . . . .	.0200000
Loretta D. Lowe, as her separate property . . . . .	.0200000
Shana Lowe Conine, as her separate property . . . . .	.0200000
The Heirs of Daryl L. Lowe, Deceased0200000

Overriding Royalty Interest:

William C. Bahlburg0500000
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Working Interests:

Bahlburg Exploration2135625
Robert T. Hartley1125000
Retrust Oil & Gas Corporation . . . . .	.0900000
Caprock Pipe & Supply Company . . . . .	.0600000
Etta Dean Nathanson . . . . .	.0600000
Norton Drilling Company . . . . .	.0450000
Teddy Lowe Hartley . . . . .	.0375000
Robert W. Henderson . . . . .	.0300000
National Drilling Company . . . . .	.0234375
Petroven 1992-A Program . . . . .	.0225000

Pine Valley Petroleum Corporation . . . . .	.0180000
McDonald Marketing & Operating Company . . . . .	.0120000
Petroven Inc. . . . .	.0120000
Richard D. Grumbling . . . . .	.0075000
Thomas W. Taylor . . . . .	.0060000

EXISTING OIL AND GAS LEASE

Date: April 12, 1992.

Recorded: Book 475, page 835, Oil and Gas Records.

Lessor: Odell L. Lowe, Co-Trustees under the Will of H. L. Lowe; Odell L. Lowe and John F. Maner, Domiciliary Foreign Co-Personal Representatives of the Estate of Daryl L. Lowe; Robert Thomas Hartley; Teddy Lowe Hartley; Ronny P. Lowe; Kay Lowe Hughes; Coy S. Lowe, Individually and as Attorney-in-Fact for Vivian Lowe Anselmi; Larry K. Lowe, Individually and as Attorney-in-Fact for Loretta D. Lowe; and Shana Lowe Conine.

Lessee: Bahlburg Exploration.

Land Covered: Captioned land.

Interest Covered: All interest in captioned land.

Primary Term: One (1) year from date.

Royalties: 1/5 on oil and gas.

Shut-in Gas Well Royalties: Shut-in gas well royalties in an amount equal to the annual rentals payable under the lease are payable on or before 90 days after the date the well is shut in, and annually thereafter, to the parties who would be entitled to receive the royalties which would be paid if the well were in fact producing, or to the credit of such parties in the depository bank designated below.

Delay Rentals: None; this is a paid-up lease.

Depository: First National Bank, Lubbock, Texas.

Pooling Provision: Lessee is authorized to pool the leased premises into units not to exceed the standard proration unit fixed by law or by the New Mexico Oil Conservation Commission or by other lawful authority for the pool or area in which the land is situated, plus a tolerance of 10%.

Lease Form: Producer's 88 - (Producer's Revised 1967) (New Mexico) Form 342-U; printed and for sale by Hall-Poorbaugh Press, Inc., Roswell, NM.

Unusual Provisions: Paragraph 12 provides that statements in Paragraph 4 relating to the payment of delay rentals are inserted in the lease solely for the payment of shut-in gas well royalties as provided in Paragraph 3.

Paragraph 13 provides that the lease will terminate two years after the expiration of the primary term as to all lands covered thereby, except as to each well capable of producing oil or gas in paying quantities, together with the proration unit allocated thereto as of the date of such termination. If, at the expiration of said two-year period, Lessee is engaged in operations for drilling or reworking any well on the leased premises or any lands pooled therewith, this lease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than 60 consecutive days.

Paragraph 14 provides that Lessee shall have the option to extend the lease for an additional period of two years from the expiration of the primary term or, if the lease has been maintained in force beyond the primary term, Lessee shall have the option to extend the lease for an additional period of two years from the date that the lease would have otherwise expired, by paying or tendering to Lessor or to the credit of Lessor in the depository bank designated in the lease on or before the date the lease would otherwise expire, an additional bonus equal to the sum of \$100.00 per net mineral acre that is not then included within a producing proration unit.

ASSIGNMENTS

1. By Assignment of Overriding Royalty Interest dated February 11, 1993, effective as of June 1, 1992, recorded in Book 566, page 791, Miscellaneous Records, Bahlburg Exploration assigned an overriding royalty interest equal to 5.0% of the oil and gas produced and saved from captioned land by virtue of the lease analyzed above to William C. Bahlburg.

2. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 15% interest in the lease analyzed above to Robert T. Hartley. The interest assigned herein shall bear its proportionate share of all royalties and overriding royalties existing or created prior to the date hereof. This assignment is subject to that certain unrecorded A.A.P.L. Form 610-1989 Model Form Operating Agreement dated November 1, 1992, by and between Assignor and all non-operating working interest owners, and by executing this assignment, Assignee is hereby deemed to have executed and agreed to the terms and provisions of said Operating Agreement. This assignment is also subject to that certain unrecorded Working Interest Participation Agreement dated November 1, 1992, by and between Assignor and Assignee.

3. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 12% interest in the lease analyzed above to Retrurst Oil & Gas Corporation. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

4. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 8% interest in the lease analyzed above to Caprock Pipe & Supply Company. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

5. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 6% interest in the lease analyzed above to Etta Dean Nathanson. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

6. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 6% interest in the lease analyzed above to Norton Drilling Company. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

7. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 5% interest in the lease analyzed above to Teddy Lowe Hartley. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

8. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 4% interest in the lease analyzed above to Robert W. Henderson. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

9. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 3.125% interest in the lease analyzed above to National Drilling Company. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

10. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 3% interest in the lease analyzed above to Petroven 1992-A Program. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

11. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 2.4% interest in the lease analyzed above to Pine Valley Petroleum Corporation. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

12. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 1.6% interest in the lease analyzed above to McDonald Marketing & Operating Company.

This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

13. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 1.6% interest in the lease analyzed above to Petroven, Inc. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

14. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided 1% interest in the lease analyzed above to Richard D. Grumbling. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

15. By Partial Assignment of Oil and Gas Leases dated April 20, 1993, effective as of March 1, 1993, not yet recorded, Bahlburg Exploration, Inc. assigned an undivided .8% interest in the lease analyzed above to Thomas W. Taylor. This assignment contains the same terms and provisions and is subject to the same agreements as those described in Assignment No. 2, above.

PATENT INFORMATION

Captioned land was patented to William P. Yopp by the United States of America by Patent No. 337620, dated May 27, 1914, recorded in Book 2, page 280, Deed Records.

EASEMENTS

This opinion does not cover surface easements.

ENCUMBRANCES

None.

TAXES

Nothing furnished.

TITLE REQUIREMENTS

1.

As noted above, nothing has been furnished regarding the current status of ad valorem taxes assessed against captioned land.

REQUIREMENT: Submit for examination tax certificates covering captioned land from all taxing authorities having jurisdiction.

2.

We have examined the following oil and gas leases, the primary terms of which have expired, but which have not been released of record:

- (a) Dated January 15, 1951, recorded in Book 91, page 110, Oil and Gas Records, from H. L. Lowe, et al, as Lessors, to J. W. Dennison, as Lessee, covering the SE/4 of

Section 26 and the SW/4 of Section 25, for a primary term of five (5) years. This lease is currently owned of record by Forest Oil Corporation, Cabot Carbon Company, Atlantic Richfield Company and Chevron U.S.A. Inc.

- (b) Dated October 15, 1986, recorded in Book 404, page 907, Oil and Gas Records, from Odell L. Lowe, et al, as Lessors, to W. Wayne Gill, as Lessee, covering the S/2 NW/4 and SW/4 of Section 25, and the S/2 NE/4 and SE/4 of Section 26, for a primary term of three (3) years. This lease is now owned by Bahlburg Exploration, insofar as it covers captioned land, and by BTA Oil Producers, insofar as it covers the SE/4 and S/2 NE/4 of Section 26.
- (c) Dated April 12, 1990, recorded in Book 452, page 360, Oil and Gas Records, from Brady M. Lowe, et al, as Lessors, to Bahlburg Exploration, as Lessee, covering captioned land, for a primary term of one (1) year.

REQUIREMENT: Submit for examination releases of each of the above-described oil and gas leases or, in the alternative, submit for examination a detailed affidavit of non-production and non-development containing facts sufficient to show that there has been no operations or production from the land covered thereby, or land pooled therewith, which would serve to maintain either of the above-described leases in effect.

3.

We have credited an undivided 1/10 mineral interest in captioned land to the Heirs of Daryl L. Lowe. Daryl L. Lowe died in 1983, and apparently was survived by three minor children, Haley Lowe, Kelly Lowe and Lauren Lowe; however, we have seen nothing to indicate whether he was survived by a wife. The lease analyzed above has been executed by Odell L. Lowe and John F. Maner, Domiciliary Co-Personal Representatives of the Estate of Daryl L. Lowe.

REQUIREMENTS: (a) Submit for examination an affidavit of heirship for Daryl L. Lowe, which indicates whether he was survived by a wife.

(b) Submit for examination copies of any administration proceedings or proceedings to determine the heirship of Daryl L. Lowe which have been conducted in New Mexico.

4.

Paragraph 12 of the lease analyzed above provides that statements in Paragraph 4 regarding payment of delay rentals are inserted solely for the purpose of paying shut-in gas well royalties under the terms of Paragraph 3. However, the space provided in Paragraph 4 for the amount of delay rentals payable thereunder has been left blank. As a result, it is impossible to determine the amount of the shut-in gas well payment which will be necessary to maintain the lease in effect in the event you decide to shut in a gas well.

REQUIREMENT: The lease analyzed above should be amended so as to provide a dollar amount for the payment of shut-in gas well royalties payable under the terms of the lease.

5.

The author of the prior title opinion upon which our Original Drilling Title Opinion dated October 22, 1990, was based credited Brady M. Lowe and Odell L. Lowe, as Co-Trustees of the trusts created under the Will of H. L. Lowe, Deceased, with the ownership of the interests more particularly described in the ownership portion of this opinion. The lease analyzed above was executed by Odell L. Lowe, as Trustee of said trusts. We have not examined the instrument or instruments which evidence the manner in which Odell L. Lowe became the sole trustee of said trusts.

REQUIREMENT: Submit for examination the instrument or instruments which evidence the manner in which Odell L. Lowe became the sole trustee of the various trusts created under the Will of H. L. Lowe, Deceased.

6.

The lease analyzed above was executed by Coy S. Lowe, as Attorney-in-Fact for Vivian Lowe Anselmi. By Revocation of Power of Attorney dated August 31, 1990, recorded in Book 532, page 226, Miscellaneous Records, Vivian Lowe Anselmi revoked the power of attorney that she had granted to Coy S. Lowe on June 24, 1974. By Power of Attorney dated August 13, 1990, recorded in Book 532, page 228, Miscellaneous Records, Vivian Lowe Anselmi granted a universal power of attorney to Kay Lowe Atcheson, which has not be revoked of record. Furthermore, we find no instrument of record whereby Vivian Lowe Anselmi re-appointed Coy S. Lowe as her attorney-in-fact with the authority to execute the lease analyzed above.

REQUIREMENT: Submit for examination the instrument whereby Vivian Lowe Anselmi re-appointed Coy S. Lowe as her attorney-in-fact with the authority to execute the lease analyzed above. If no such instrument exists, you should have Vivian Lowe Anselmi ratify the lease analyzed above or, in the alternative, you should have Kay Lowe Atcheson ratify said lease in her capacity as attorney-in-fact for Vivian Lowe Anselmi.

7.

We have examined a Supplemental and Amended Deed of Trust, Mortgage, Assignment, Security Agreement and Financing Statement dated July 26, 1990, recorded in Book 551, page 41, Mortgage Records, from Caswel Minerals II, Ltd., as Mortgagor, to NCNB Texas National Bank, as Mortgagee, securing the payment of a promissory note dated July 26, 1990, in the original principal sum of \$2,145,100.00, due three years from date. This instrument was executed in renewal and extension of a Deed of Trust, Mortgage, Assignment, Security Agreement and Financing Statement dated July 28, 1987, recorded in Book 505, page 687, Mortgage Records. The interest covered by the Deed of Trust is a production payment owned by the mortgagor equal to \$2,200,000.00, payable out of production from captioned land and the N/2 SE/4 and SE/4 of Section 26, pursuant to the terms of an Oil and Gas Lease dated October 15, 1986, recorded in Book 404, page 907, Oil and Gas Records (the lease described in Requirement No. 1(b), above). Inasmuch as this lease has expired as to captioned land, the production payment is no longer payable out of production from captioned land, and captioned land should not have been included in the exhibit to the above-referenced supplemental deed of trust.

REQUIREMENT: Submit for examination a release of the above-referenced Supplemental and Amended Deed of Trust, Mortgage, Assignment, Security Agreement and Financing Statement, insofar as it covers captioned land.

8.

Assignment Nos. 2 through 15, described above, have not been filed for record in Lea County, New Mexico.

REQUIREMENT: Submit for examination recorded copies of Assignment Nos. 2 through 15, described above.

9.

Assignment Nos. 2 through 15, described above, are subject to the following agreements, copies of which we have not examined:

- (a) Operating Agreement dated November 1, 1992, by and between Bahlburg Exploration, Inc. and all non-operating working interest owners in the lease analyzed above; and
- (b) Working Interest Participation Agreement dated November 1, 1992, by and between Bahlburg Exploration, Inc. and the respective assignees in Assignment Nos. 2 through 15.

REQUIREMENT: Submit for examination copies of the above-described agreements.

Respectfully submitted,

KEMP, SMITH, DUNCAN & HAMMOND, P.C.

By: *Rusty Fuller*
Rusty Fuller

RF:pb

STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

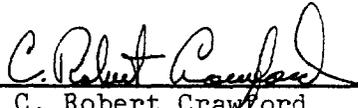
This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

BTA OIL PRODUCERS

By: 
Name: WILLIAM C. BAHLBURG
Title: PRESIDENT

By: 
Name: C. Robert Crawford
Title: Land/Legal Manager


TEDDY LOWE HARTLEY


ROBERT T. HARTLEY

ROBERT W. HENDERSON

THOMAS W. TAYLOR

ETTA DEAN NATHANSON

RICHARD D. GRUMBLING

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

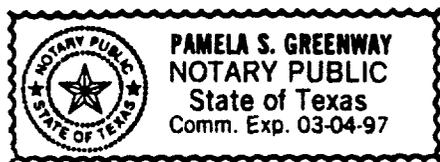
PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

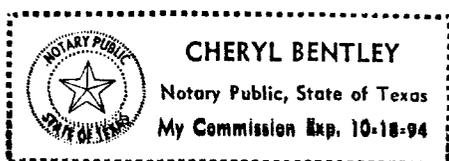
This instrument was acknowledged before me on this 8th day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.



Pamela S. Greenway
NOTARY PUBLIC - State of Texas
Print Name: Pamela S. Greenway
My Commission Expires: 3.4.97

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

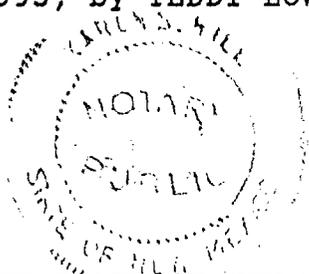
This instrument was acknowledged before me on this 9th day of July, 1993, by C. ROBERT CRAWFORD, the Land/Legal Manager of BTA OIL PRODUCERS, a partnership, on behalf of said partnership.



Cheryl Bentley
NOTARY PUBLIC - State of Texas
Print Name: Cheryl Bentley
My Commission Expires: 10-18-94

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

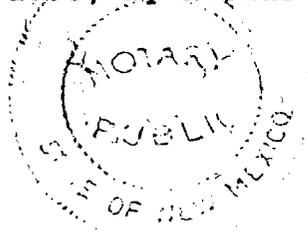
This instrument was acknowledged before me on this 7th day of July, 1993, by TEDDY LOWE HARTLEY.



Karen S Hill
NOTARY PUBLIC - State of New Mexico
Print Name: KAREN S. HILL
My Commission Expires: 4-27-97

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this 17th day of July, 1993, by ROBERT T. HARTLEY.



Karen S Hill
NOTARY PUBLIC - State of New Mexico
Print Name: KAREN S. HILL
My Commission Expires: 4-27-97

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT W. HENDERSON.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by THOMAS W. TAYLOR.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by ETTA DEAN NATHANSON.

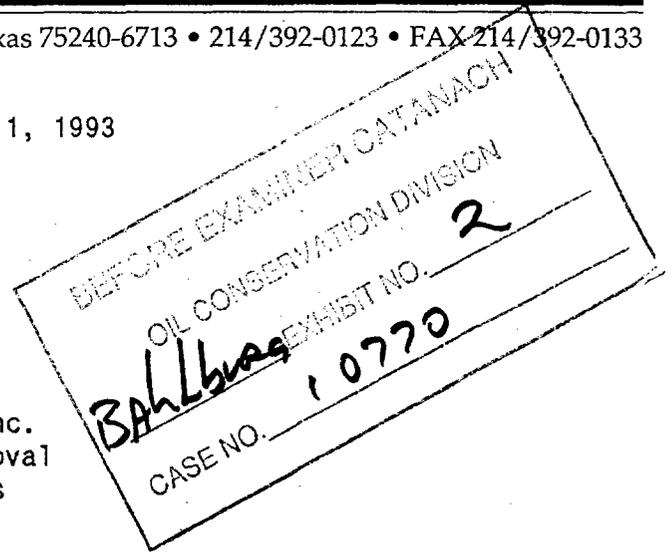
NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____



July 1, 1993

BTA Oil Producers
104 S. Pecos
Midland, TX 79701
Attn: Mr. Robert Crawford

RE: NMOCD Case 10770
Application of Bahlburg Exploration, Inc.
to Amend Division Order R-8989 for approval
of various unorthodox locations for its
Lowe "25" Well No.1 (Unit M)
Section 25, T13S, R37E
Lea County, New Mexico



Dear Mr. Crawford:

Bahlburg Exploration, Inc. has made application to the New Mexico Oil Conservation Division to permit its existing Lowe "25" Well No.1 to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location 990 feet FSL and 50 Feet FWL (Unit M) of Section 25, T13S, R37E, NMPM, Lea County, New Mexico. This case is set for hearing on July 15, 1993.

Our information is that BTA Oil Producers is the operator of the S/2 NE/4 and SE/4 of Section 26, T13S, R37E, NMPM, Lea County, New Mexico, the direct and diagonally offsetting spacing units towards which the Lowe "25" No.1 well is encroaching.

Bahlburg Exploration, Inc. respectfully requests a waiver of objection from BTA Oil Producers for this well regarding its unorthodox location and encroachment so that it may be completed and produced in any formation without penalty.

Very truly yours,

BAHLBURG EXPLORATION, INC.

William C. Bahlburg

BTA Oil Producers hereby
WAIVES OBJECTION to this application.

By:
C. Robert Crawford
Title: Land/Legal Manager

Date: July 9, 1993



July 1, 1993

Mr. Joseph V. Hughes, Jr.
P.O. Box 50787
Midland, TX 79710

RE: NMOCD Case 10770
Application of Bahlburg Exploration, Inc.
to Amend Division Order R-8989 for approval
of various unorthodox locations for its
Lowe "25" Well No.1 (Unit M)
Section 25, T13S, R37E
Lea County, New Mexico

Dear Mr. Hughes:

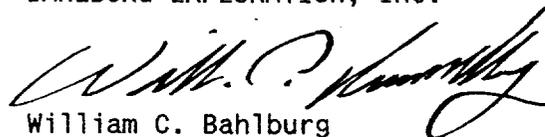
Bahlburg Exploration, Inc. has made application to the New Mexico Oil Conservation Division to permit its existing Lowe "25" Well No.1 to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location 990 feet FSL and 50 Feet FWL (Unit M) of Section 25, T13S, R37E, NMPM, Lea County, New Mexico. This case is set for hearing on July 15, 1993.

Our information is that you are the owner of a 2.8875% of 8/8ths Overriding Royalty Interest in the S/2 NE/4 and SE/4 of Section 26, T13S, R37E, NMPM, Lea County, New Mexico, the direct and diagonally offsetting spacing units towards which the Lowe "25" No.1 well is encroaching.

Bahlburg Exploration, Inc. respectfully requests a waiver of objection from you for this well regarding its unorthodox location and encroachment so that it may be completed and produced in any formation without penalty.

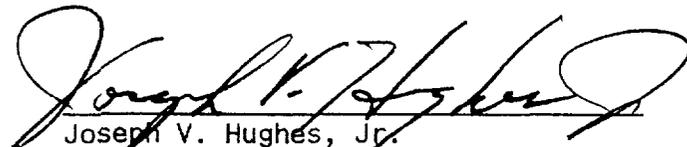
Very truly yours,

BAHLBURG EXPLORATION, INC.



William C. Bahlburg

I hereby WAIVE OBJECTION to this application.



Joseph V. Hughes, Jr.

Date: 7-6-93



July 1, 1993

Mr. William C. Bahlburg
14875 Landmark Blvd., Suite 216
Dallas, TX 75240

RE: NMOCD Case 10770
Application of Bahlburg Exploration, Inc.
to Amend Division Order R-8989 for approval
of various unorthodox locations for its
Lowe "25" Well No.1 (Unit M)
Section 25, T13S, R37E
Lea County, New Mexico

Dear Mr. Bahlburg:

Bahlburg Exploration, Inc. has made application to the New Mexico Oil Conservation Division to permit its existing Lowe "25" Well No.1 to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location 990 feet FSL and 50 Feet FWL (Unit M) of Section 25, T13S, R37E, NMPM, Lea County, New Mexico. This case is set for hearing on July 15, 1993.

Our information is that you are the owner of a 2.1125% of 8/8ths Overriding Royalty Interest in the S/2 NE/4 and SE/4 of Section 26, T13S, R37E, NMPM, Lea County, New Mexico, the direct and diagonally offsetting spacing units towards which the Lowe "25" No.1 well is encroaching.

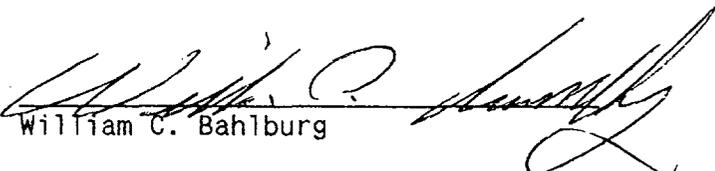
Bahlburg Exploration, Inc. respectfully requests a waiver of objection from you for this well regarding its unorthodox location and encroachment so that it may be completed and produced in any formation without penalty.

Very truly yours,

BAHLBURG EXPLORATION, INC.


William C. Bahlburg

I hereby WAIVE OBJECTION to this application.


William C. Bahlburg

BEI

BAHLBURG EXPLORATION INC.

14875 Landmark Boulevard • Suite 216 • Dallas • Texas 75240-6713 • 214/392-0123 • FAX 214/392-0133

July 1, 1993

Manzano Oil Corporation
P.O. Box 2107
Roswell, New Mexico 88202
Attn: Mr. Ken Barbe, Jr.

RE: NMOCD Case 10770
Application of Bahlburg Exploration, Inc.
to Amend Division Order R-8989 for approval
of various unorthodox locations for its
Lowe "25" Well No.1 (Unit M)
Section 25, T13S, R37E
Lea County, New Mexico

Dear Mr. Barbe:

Bahlburg Exploration, Inc. has made application to the New Mexico Oil Conservation Division to permit its existing Lowe "25" Well No.1 to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location 990 feet FSL and 50 Feet FWL (Unit M) of Section 25, T13S, R37E, NMPM, Lea County, New Mexico. This case is set for hearing on July 15, 1993.

Our information is that Manzano Oil Corporation is the owner of a 1.25% of 8/8ths Overriding Royalty Interest in the S/2 NE/4 and SE/4 of Section 26, T13S, R37E, NMPM, Lea County, New Mexico, the direct and diagonally offsetting spacing units towards which the Lowe "25" No.1 well is encroaching.

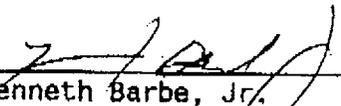
Bahlburg Exploration, Inc. respectfully requests a waiver of objection from Manzano Oil Corporation for this well regarding its unorthodox location and encroachment so that it may be completed and produced in any formation without penalty.

Very truly yours,

BAHLBURG EXPLORATION, INC.


William C. Bahlburg

Manzano Oil Corporation hereby
WAIVES OBJECTION to this application.

By: 
Kenneth Barbe, Jr.
Title: Vice President
Date: July 6, 1993

BEFORE EXAMINER CATANACH
 OIL CONSERVATION DIVISION
 Bahlburg EXHIBIT NO. 3
 10770

STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
 COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

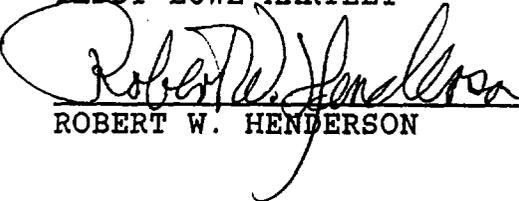
EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

 By: _____
 Name: _____
 Title: _____

BTA OIL PRODUCERS

 By: _____
 Name: _____
 Title: _____

 TEDDY LOWE HARTLEY


 ROBERT W. HENDERSON

 ROBERT T. HARTLEY

 THOMAS W. TAYLOR

 ETTA DEAN NATHANSON

 RICHARD D. GRUMLING

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by TEDDY LOWE HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT T. HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 7th day of July, 1993, by ROBERT W. HENDERSON.



CARMEN HUDSON
Notary Public State of Texas
My Commission Expires 11/20/96

Carmen Hudson

NOTARY PUBLIC - State of Texas
Print Name: CARMEN HUDSON
My Commission Expires: 11/20/96

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by THOMAS W. TAYLOR.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by ETTA DEAN NATHANSON.

NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____

STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

BTA OIL PRODUCERS

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

TEDDY LOWE HARTLEY

ROBERT T. HARTLEY

ROBERT W. HENDERSON

Thomas W Taylor

THOMAS W. TAYLOR

ETTA DEAN NATHANSON

RICHARD D. GRUMLING

STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

By: _____
Name: _____
Title: _____

BTA OIL PRODUCERS

By: _____
Name: _____
Title: _____

TEDDY LOWE HARTLEY

ROBERT T. HARTLEY

ROBERT W. HENDERSON

THOMAS W. TAYLOR

Etta Dean Nathanson

ETTA DEAN NATHANSON

RICHARD D. GRUMLING

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by TEDDY LOWE HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT T. HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT W. HENDERSON.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 7th day of July, 1993, by THOMAS W. TAYLOR.



CARMEN HUDSON
Notary Public State of Texas
My Commission 11/20/96
Expires

Carmen Hudson

NOTARY PUBLIC - State of Texas
Print Name: CARMEN HUDSON
My Commission Expires: 11/20/96

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by ETTA DEAN NATHANSON.

NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____

STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

By: _____
Name: _____
Title: _____

BTA OIL PRODUCERS

By: _____
Name: _____
Title: _____

TEDDY LOWE HARTLEY

ROBERT T. HARTLEY

ROBERT W. HENDERSON

THOMAS W. TAYLOR



ETTA DEAN NATHANSON

RICHARD D. GRUMBLING

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by TEDDY LOWE HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF CURRY }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT T. HARTLEY.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by ROBERT W. HENDERSON.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by THOMAS W. TAYLOR.

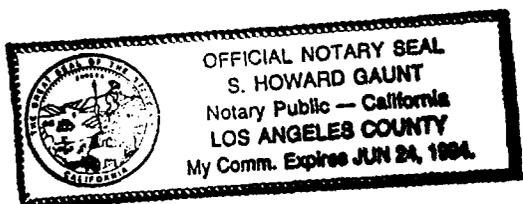
NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this 7TH day of July, 1993, by ETTA DEAN NATHANSON.

[Handwritten Signature]

NOTARY PUBLIC - State of California
Print Name: HOWARD GAUNT
My Commission Expires: 6/24/94



STIPULATION AND CROSS-CONVEYANCE OF INTEREST

STATE OF NEW MEXICO }
 }
COUNTY OF LEA }

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, undersigned parties own interest in the William C. Bahlburg and/or Bahlburg Exploration, Inc. No.1 Lowe "25" Well located 900 ft. FSL and 50 ft. FWL of Section 25, T-13-S, R-37-E, N.M.P.M., Lea County, New Mexico (API# 30-025-30702); and

WHEREAS, the working interest owners of the No.1 Lowe "25" well desire to convey a 5.0% of 8/8ths overriding royalty interest to BTA Oil Producers in all formations above the Devonian formation, restricted and limited to the No.1 Lowe "25" wellbore, as full and complete compensation to BTA Oil Producers for the unorthodox nature of the No.1 Lowe "25" wellbore location; and

WHEREAS, BTA Oil Producers has agreed to waive any and all objection to the application of William C. Bahlburg and/or Bahlburg Exploration, Inc. to the New Mexico Oil Conservation Division to permit the No.1 Lowe "25" Well to be recompleted and produced in any formation above the Devonian formation at its unorthodox well location and has agreed to support said application;

WHEREAS, undersigned desire to stipulate, cross-convey and agree to their respective net revenue interest entitlement to production from the No.1 Lowe "25" Well specifically restricted and limited to the existing wellbore and further restricted and limited to those producing zones or formations occurring above the Devonian formation and above a depth of 12,070 ft in said wellbore;

NOW, THEREFORE, for the sum of Ten Dollars (\$10.00) and other valuable consideration, each of the undersigned parties do hereby stipulate, cross-convey and agree, each with the other, that their respective net revenue interests for the purposes of payment of production from the No.1 Lowe "25" well, limited and restricted as described hereinabove, are as set forth on Exhibit "A", attached hereto and made a part hereof, and each of the undersigned further agrees to execute an appropriate Division Order crediting such owner with the indicated interest.

This Stipulation and Cross-Conveyance of Interest is to be effective July 1, 1993 and is executed in multiple counterparts each of which shall be considered an original hereof. William C. Bahlburg and/or Bahlburg Exploration, Inc., as Operator, is authorized to accumulate the executed counterpart pages hereof, detach signature pages as appropriate, and compile one complete Stipulation and Cross-Conveyance of Interest.

EXECUTED and EFFECTIVE this the 1st day of July, 1993.

BAHLBURG EXPLORATION, INC.

By: _____
Name: _____
Title: _____

BTA OIL PRODUCERS

By: _____
Name: _____
Title: _____

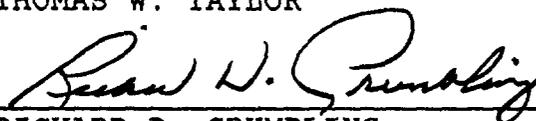
TEDDY LOWE HARTLEY

ROBERT T. HARTLEY

ROBERT W. HENDERSON

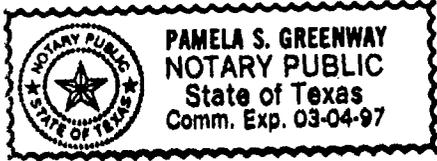
THOMAS W. TAYLOR

ETTA DEAN NATHANSON


RICHARD D. GRUMLING

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 10th day of July, 1993, by RICHARD D. GRUMBLING.



Pamela S. Greenway
NOTARY PUBLIC - State of Texas
Print Name: Pamela S. Greenway
My Commission Expires: 3.4.97

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this _____ day of July, 1993, by M. E. McDonald, the President of McDONALD MARKETING & OPERATING CO., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF LEA }

This instrument was acknowledged before me on this _____ day of July, 1993, by Lionel R. Burns, the President of CAPROCK PIPE & SUPPLY COMPANY, a Corporation, on behalf of said Corporation.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

This instrument was acknowledged before me on this _____ day of July, 1993, by Sherman H. Norton, Jr., the President of NORTON DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Robert W. Henderson, the President of RETRUST OIL & GAS CORPORATION, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: M.E. McDonald
Name: M. E. McDONALD
Title: President

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by RICHARD D. GRUMBLING.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this 6th day of July, 1993, by M. E. McDonald, the President of McDONALD MARKETING & OPERATING CO., a corporation, on behalf of said corporation.



Juanita M. Young

NOTARY PUBLIC - State of Texas
Print Name: JUANITA M. YOUNG
My Commission Expires: 12-04-96

THE STATE OF NEW MEXICO }
COUNTY OF LEA }

This instrument was acknowledged before me on this _____ day of July, 1993, by Lionel R. Burns, the President of CAPROCK PIPE & SUPPLY COMPANY, a Corporation, on behalf of said Corporation.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

This instrument was acknowledged before me on this _____ day of July, 1993, by Sherman H. Norton, Jr., the President of NORTON DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Robert W. Henderson, the President of RETRUST OIL & GAS CORPORATION, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: *Lionel D. Burns*
Name: Lionel D. Burns
Title: Pres

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by RICHARD D. GRUMBLING.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this _____ day of July, 1993, by M. E. McDonald, the President of McDONALD MARKETING & OPERATING CO., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF LEA }

This instrument was acknowledged before me on this 7 day of July, 1993, by Lionel R. Burns, the President of CAPROCK PIPE & SUPPLY COMPANY, a Corporation, on behalf of said Corporation.



NOTARY PUBLIC - State of New Mexico
Print Name: Linda J. Harris
My Commission Expires: 10-14-96

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

This instrument was acknowledged before me on this _____ day of July, 1993, by Sherman H. Norton, Jr., the President of NORTON DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Robert W. Henderson, the President of RETRUST OIL & GAS CORPORATION, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: Sherman H. Norman
Name: SHERMAN H. NORMAN JR
Title: PRESIDENT

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by RICHARD D. GRUMBLING.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this _____ day of July, 1993, by M. E. McDonald, the President of McDONALD MARKETING & OPERATING CO., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

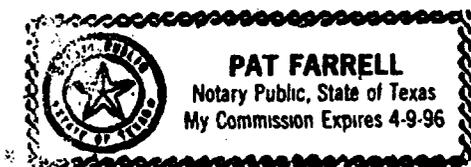
THE STATE OF NEW MEXICO }
COUNTY OF LEA }

This instrument was acknowledged before me on this _____ day of July, 1993, by Lionel R. Burns, the President of CAPROCK PIPE & SUPPLY COMPANY, a Corporation, on behalf of said Corporation.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

This instrument was acknowledged before me on this 6th day of July, 1993, by Sherman H. Norton, Jr., the President of NORTON DRILLING COMPANY, a corporation, on behalf of said corporation.



Pat Farrell

NOTARY PUBLIC - State of Texas
Print Name: PAT FARRELL
My Commission Expires: 4-9-96

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Robert W. Henderson, the President of RETRUST OIL & GAS CORPORATION, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: Robert W. Henderson
Name: ROBERT W. HENDERSON
Title: PRESIDENT

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this ____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this ____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by RICHARD D. GRUMBLING.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this _____ day of July, 1993, by M. E. McDonald, the President of McDONALD MARKETING & OPERATING CO., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF NEW MEXICO }
COUNTY OF LEA }

This instrument was acknowledged before me on this _____ day of July, 1993, by Lionel R. Burns, the President of CAPROCK PIPE & SUPPLY COMPANY, a Corporation, on behalf of said Corporation.

NOTARY PUBLIC - State of New Mexico
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF LUBBOCK }

This instrument was acknowledged before me on this _____ day of July, 1993, by Sherman H. Norton, Jr., the President of NORTON DRILLING COMPANY, a corporation, on behalf of said corporation.

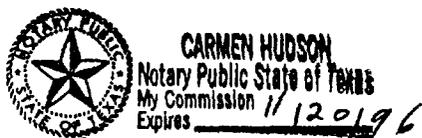
NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 7th day of July, 1993, by Robert W. Henderson, the President of RETRUST OIL & GAS CORPORATION, a corporation, on behalf of said corporation.

Carmen Hudson

NOTARY PUBLIC - State of Texas
Print Name: CARMEN HUDSON
My Commission Expires: 11/20/96



MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: Francis D. Holt
Name: FRANCIS D. HOLT
Title: PRESIDENT

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

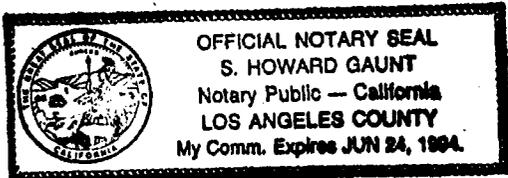
THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this 7 day of July, 1993, by Frank D. Holt, the President of UNITED INDUSTRIAL GAS, INC., a corporation, on behalf of said corporation.



S. Howard Gaunt
NOTARY PUBLIC - State of California
Print Name: HOWARD GAUNT
My Commission Expires: 6/24/94

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Wheeler M. Sears, the President of NATIONAL DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the Managing Partner of PETROVEN 1992-A PROGRAM, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the President of PETROVEN, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David D. Crockett, the Managing Partner of HENSON-CROCKETT EQUITY PARTNERSHIP, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: Wheeler M. Sears
Name: Wheeler M. Sears
Title: President

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

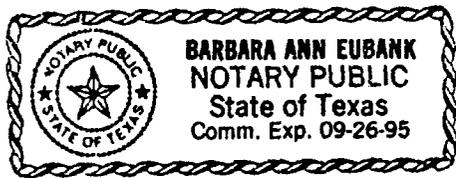
THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by Frank D. Holt, the President of UNITED INDUSTRIAL GAS, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 6 day of July, 1993, by Wheeler M. Sears, the President of NATIONAL DRILLING COMPANY, a corporation, on behalf of said corporation.



Barbara Ann Eubank

NOTARY PUBLIC - State of Texas
Print Name: BARBARA ANN EUBANK
My Commission Expires: 9-26-95

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the Managing Partner of PETROVEN 1992-A PROGRAM, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the President of PETROVEN, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David D. Crockett, the Managing Partner of HENSON-CROCKETT EQUITY PARTNERSHIP, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

McDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: David H. Cherry
Name: David H. Cherry
Title: President

By: David H. Cherry
Name: David H. Cherry
Title: President

HENSON-CROCKETT EQUITY PARTNERSHIP.

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by Frank D. Holt, the President of UNITED INDUSTRIAL GAS, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____

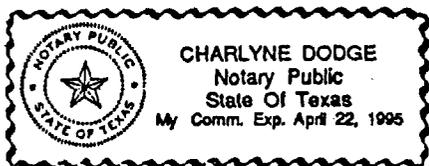
THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Wheeler M. Sears, the President of NATIONAL DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 6th day of July, 1993, by David L. Cherry, the Managing Partner of PETROVEN 1992-A PROGRAM, a partnership, on behalf of said partnership.

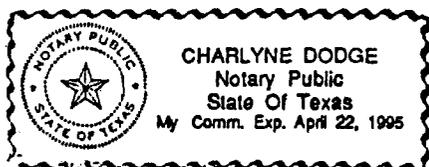


Charlyne Dodge

NOTARY PUBLIC - State of Texas
Print Name: Charlyne Dodge
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 6th day of July, 1993, by David L. Cherry, the President of PETROVEN, INC., a corporation, on behalf of said corporation.



Charlyne Dodge

NOTARY PUBLIC - State of Texas
Print Name: Charlyne Dodge
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David D. Crockett, the Managing Partner of HENSON-CROCKETT EQUITY PARTNERSHIP, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP

PINE VALLEY PETROLEUM CORPORATION

By: 
Name: David D. Crockett
Title: Managing General Partner

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }

This instrument was acknowledged before me on this _____ day of July, 1993, by Frank D. Holt, the President of UNITED INDUSTRIAL GAS, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of California
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by Wheeler M. Sears, the President of NATIONAL DRILLING COMPANY, a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the Managing Partner of PETROVEN 1992-A PROGRAM, a partnership, on behalf of said partnership.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by David L. Cherry, the President of PETROVEN, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this 7th day of July, 1993, by David D. Crockett, the Managing Partner of HENSON-CROCKETT EQUITY PARTNERSHIP, a partnership, on behalf of said partnership.



Tina M. Stokes

NOTARY PUBLIC - State of Texas
Print Name: Tina M. Stokes
My Commission Expires: 3/13/96

MCDONALD MARKETING & OPERATING CO.

CAPROCK PIPE & SUPPLY COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTON DRILLING COMPANY

RETRUST OIL & GAS CORPORATION

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

UNITED INDUSTRIAL GAS, INC.

NATIONAL DRILLING COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PETROVEN 1992-A PROGRAM

PETROVEN, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HENSON-CROCKETT EQUITY PARTNERSHIP.

PINE VALLEY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

By: *A. D. Henderson*
Name: A. D. Henderson
Title: Pres

THE STATE OF TEXAS }
COUNTY OF DALLAS }

This instrument was acknowledged before me on this _____ day of July, 1993, by William C. Bahlburg, the President of BAHLBURG EXPLORATION, INC., a corporation, on behalf of said corporation.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

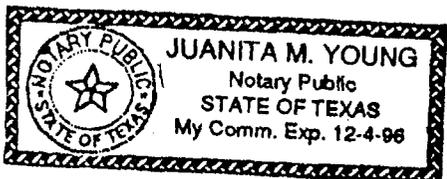
THE STATE OF TEXAS }
COUNTY OF MIDLAND }

This instrument was acknowledged before me on this _____ day of July, 1993, by _____, the _____ of BTA OIL PRODUCERS, a _____, on behalf of said _____.

NOTARY PUBLIC - State of Texas
Print Name: _____
My Commission Expires: _____

THE STATE OF TEXAS }
COUNTY OF ANDERSON }

This instrument was acknowledged before me on this 6th day of July, 1993, by A. D. Henderson, the President of PINE VALLEY PETROLEUM CORPORATION, a corporation, on behalf of said corporation.



Juanita M. Young
NOTARY PUBLIC - State of Texas
Print Name: JUANITA M. YOUNG
My Commission Expires: 12-04-96

EXHIBIT "A"

Attached to and made a part of that certain Stipulation and Cross-Conveyance of Interest dated effective July 1, 1993 by and between Bahlburg Exploration, Inc. et al. and dealing with the No.1 Lowe "25" well.

<u>INTEREST OWNERS:</u>	<u>REVENUE INTEREST</u>	<u>TYPE</u>
BTA Oil Producers	.0500000	ORRI
Bahlburg Exploration, Inc.	.1363250	WI
Teddy Lowe Hartley	.0350000	WI
Robert T. Hartley	.1050000	WI
Robert W. Henderson	.0280000	WI
Thomas W. Taylor	.0056000	WI
Etta Dean Nathanson	.0560000	WI
Richard D. Grumbling	.0070000	WI
McDonald Operating & Marketing Co.	.0112000	WI
Caprock Pipe & Supply Company	.0560000	WI
Norton Drilling Company	.0420000	WI
Retrust Oil & Gas Corporation	.0840000	WI
United Industrial Gas, Inc.	.0350000	WI
National Drilling Company	.0218750	WI
Petroven 1992-A Program	.0420000	WI
Petroven, Inc.	.0112000	WI
Henson-Crockett Equity Partnership	.0070000	WI
Pine Valley Petroleum Corporation	.0168000	WI

TOTAL NET REVENUE INTEREST	.7500000	