

PARTNERS
CARLTON BEAL
CARLTON BEAL,JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL

BTA OIL PRODUCERS

104 SOUTH PECOS MIDLAND, TEXAS 79701-9988 AC 915-682-3753

September 11, 1984

In re: BTA 8212 JV-P Lynch

SW/4 Section 24, T-20-S, R-34-E,

Lea County, New Mexico

Union Oil Company of California P. O. Box 671 500 N. Marienfeld Midland, Texas 79701

Attention: Mr. Robert Lockhart

Gentlemen:

BTA Oil Producers hereby requests a farmout of your interest in the captioned acreage on the following terms and provisions:

- 1. BTA will drill a 13,600' Morrow test at a location of its choice in said Section 24.
- 2. Union will elect either to participate in the well with its 50% WI or farmout. Should Union elect to farmout, Union and BTA would enter into a farmout agreement whereby BTA would earn 100% WI with a 70% NRI in Union's acreage included in the proration unit established for this test well.
- 3. Should BTA be unable to drill the subject well due to circumstances beyond its control, any agreement covering same shall be void in its entirety without penalty to either party.
- 4. Should your Farmout Agreement contain a prior written consent provision relative to assignments thereunder, we request that same not be applicable to the Internal Partners, Management Group, Investors and Assignees of any Conveyance of Production Payment of BTA; however, all responsibilities, liabilities and obligations under the Farmout Agreement and any Assignment earned thereunder will remain in BTA Oil Producers.

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5. We are assuming that your products are unencumbered.

We respectfully request your favorable response to this request by September 28, 1984, and subject to BTA's acceptance of your formal agreement.

Your assistance in this matter will be sincerely appreciated.

Regards,

C. R. PEARSON

Manager Exploration & Development

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For BTA 011 Producers

WJF/jss