

PENNZOIL PLACE • P. O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-4000

October 16, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

M. Dion Lowe 2306 Cypress Point West Austin, Texas 78746 BEFORE EXAMINER CATANACH
CIL CONSERVATION DIVISION

- EXHIBIT NO. .

13

Re:

#1 M. H. Medlin

S/2 NW/4 of Section 14,

T16S - R37E

Lea County, New Mexico

Dear Mr. Lowe:

Pennzoil Company hereby proposes to drill a 12,200' Strawn-Atoka test at a legal location 1980' FNL and 660' FWL of Section 14, T16S-R37E, by January 1, 1988. A copy of our AFE is enclosed for your review.

The Oil and Gas Records of Lea County, New Mexico indicate that you own an undivided and unleased 5.06007% of a 1/48th mineral interest in the S/2 NW/4 of Section 14-16S-37E, and the same interest in the N/2 NW/4, N/2 SW/4 of Section 14, T16S-R37E and the NE/4, N/2 SE/4 of Section 15-16S-37E.

We hereby request that you either participate in our proposed well or lease your interest in the S/2 NW/4 of Section 14-16S-37E and the N/2 NW/4, N/2 SW/4 of Section 14, T16S-R37E and the NE/4, N/2 SE/4 of Section 15-16S-37E to Pennzoil for a bonus consideration of \$100.00 for a one (1) year lease providing for 1/4 royalty and a 180 day continuous drilling program.

Should you elect to participate, please return an executed copy of the enclosed AFE. Upon our receipt of same, an A.A.P.L. Form 610-1982 Model Form Operating Agreement will be forwarded to you for your review and execution.

Please be advised that due to Pennzoil's lease expirations in January of 1988, we plan to make application to compulsory pool the S/2 NW/4 of Section 14-16S-37E on the next available Commission docket.

Your prompt consideration of our proposal will be appeciated. Should you have any questions, please feel free to contact me at 713/546-6195.

Yours very truly,

PENNZOIL COMPANY

Greg Davis

Land Specialist

GD:jt Enclosure

See	
SENDER: Complete items 1 and 2 when additional and 4	erse side. Failure to do this will prevent this will provide you the name of the person
1. D Show to whom delivered, date, and addressee's add	(s) requested, ss. 2. D Restricted Delivery 1 (Extra charge)
M. Dion Lowe	4. Article Number P-757-967-743
4. Dion Lowe 2306 Cypress Point West Austin, Texas 78746	Type of Service: ☐ Registered ☐ Insured ☐ Certified → ☐ COD ☐ Express Mail
	Always obtain signature of addressee or agent and DATE DELIVERED.
Signature Addressee 1961 20 87	8. Addressee's Address (ONLY if requested and fee paid)
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