

**DOYLE HARTMAN**

*Oil Operator*

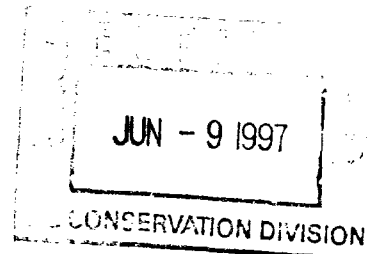
3811 TURTLE CREEK BLVD., SUITE 200  
DALLAS, TEXAS 75219

(214) 520-1800

(214) 520-0811 FAX

**Via FedEx**

June 6, 1997



Mr. Pete Martinez  
Oil/Gas and Minerals Division  
New Mexico State Land Office  
310 Old Santa Fe Trail (87501)  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Re: Payment of Sub-Market Oil Prices  
Myers Langlie Mattix Unit  
Lea County, New Mexico

Dear Mr. Martinez:

Reference is made to our telephone conversation this week wherein you called with certain questions concerning our recent correspondence pertaining to the OXY USA, Inc.-operated Myers Langlie Mattix Unit (MLMU) situated in T-23-S and T-24-S, R-36-E and R-37-E, Lea County, New Mexico.

From our conversation this week, it is obvious that the State Land Office makes a concerted effort to ensure that the State of New Mexico, at all times, receives its fair and equitable share of oil and gas reserves and revenues produced from New Mexico waterflood units. In this regard, please find enclosed herewith a series of letters concerning the payment to us, of sub-market oil prices, for our share of MLMU oil production.

From a careful review of the herein enclosed correspondence, it is highly apparent that the operators of the MLMU, while exerting unilateral control over the marketing of MLMU oil production, have not ensured that MLMU interest owners are paid the "prevailing market price" for MLMU oil production, as is required of the unit operator by the MLMU Unit Agreement.

Since we are not familiar with the MLMU oil pricing that has been received by the State of New Mexico, for its share of MLMU oil production, we are making available to you the herein enclosed correspondence so that the State Land Office will be alerted to the fact that not all MLMU interest

Mr. Pete Martinez  
Oil/Gas and Minerals Division  
New Mexico State Land Office  
June 6, 1997  
Page 2

owners have received the "prevailing market price" for their share of MLMU oil production. We believe, that if carefully reviewed, the herein enclosed correspondence (documenting the payment of sub-market MLMU oil prices to MLMU interest owners) is self-explanatory; however, if you do have any questions, please feel free to contact us.

Very truly yours,

DOYLE HARTMAN, Oil Operator

A handwritten signature in black ink, appearing to read "Doyle Hartman", with a long horizontal stroke extending to the right.

Doyle Hartman

enclosures

rcp/rjr  
wpdocs\corresp.dh\nmood3ml.mu

cc: Ray B. Powell  
Commissioner of Public Lands  
New Mexico State Land Office  
310 Old Santa Fe Trail (87501)  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Jami Bailey, Director  
Oil/Gas and Minerals Division  
New Mexico State Land Office  
310 Old Santa Fe Trail (87501)  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Maurice Lierz, Director  
Royalty Management Division  
New Mexico State Land Office  
310 Old Santa Fe Trail (87501)  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Mr. Pete Martinez  
Oil/Gas and Minerals Division  
New Mexico State Land Office  
June 6, 1997  
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MMS  
Royalty Management Program  
Denver Federal Center, Bldg. 85, Room 212A (80225)  
P.O. Box 17110, MS 3300  
Denver, CO 80217

State of New Mexico  
Taxation and Revenue Department  
1200 St. Francis Dr. (87505)  
P.O. Box 2308  
Santa Fe, NM 87504-2308

William J. LeMay, Director  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Rand Carroll, Division Attorney  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

David R. Catanach, Engineer  
New Mexico Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

Armando Lopez  
Asst. Dist. Manager, Minerals  
United States Geological Survey  
Bureau of Land Management  
1717 W. Second  
Roswell, NM 88201

Dr. Ray R. Irani, Chairman and CEO  
Occidental Petroleum Corporation  
10889 Wilshire Blvd.  
Los Angeles, CA 90024

Mr. Pete Martinez  
Oil/Gas and Minerals Division  
New Mexico State Land Office  
June 6, 1997  
Page 4

Dr. Dale R. Laurance  
President and Senior Operating Officer  
Occidental Petroleum Corporation  
10889 Wilshire Blvd.  
Los Angeles, CA 90024

Donald P. Debrier, Executive V.P. and Senior General Counsel  
Occidental Petroleum Corporation  
10889 Wilshire Blvd.  
Los Angeles, CA 90024

James A. Davidson  
214 W. Texas, Suite 710  
Midland, TX 79701

DOYLE HARTMAN, Oil Operator (Midland)  
Linda Land  
Don Mashburn  
Sheila Potts  
Steve Hartman  
Cindy Brooks

**DOYLE HARTMAN**  
*Oil Operator*  
3811 TURTLE CREEK BLVD., SUITE 730  
DALLAS, TEXAS 75219  
\_\_\_\_\_  
(214) 520-1800  
(214) 520-0811 FAX

**Via Facsimile (915) 682-9719 and Certified Mail**

August 3, 1995

Enron Oil Trading and Transportation Company  
5805 East Highway 80 (79701)  
P.O. Box 1660  
Midland, TX 79702

Attn: John Glidewell  
Area Manager, COA, West Texas and New Mexico

Re: Myers Langlie Mattix Unit  
Lea County, New Mexico

Gentlemen:

On August 6, 1991, Enron Oil Trading and Transportation Company issued corrected Division Order Contracts to Doyle Hartman, Oil Operator corresponding to certain Texaco-operated Myers Langlie Mattix Unit tracts described on the list attached hereto. However, it was brought to my attention today that, notwithstanding Enron's corrected 1991 Division Order Contracts, the production month of March, 1993 was the last month for which we have received payment from Enron for crude oil production corresponding to the Myers Langlie Mattix Unit.

Under paragraph 8, of Enron's 1991 Division Order Contracts between Doyle Hartman, as Seller, and Enron, as Purchaser, the seller is obligated to:

"...give you thirty (30) days prior notice before cancelling or discontinuing any or all of the oil sales being made, or to be made, by each of the hereunder..."

At no time subsequent to our execution of Enron's corrected 1991 Division Order Contracts have we given notice to Enron of our intention to discontinue crude oil sales to Enron and, at no time have we received written notice from Enron of its decision to discontinue such purchases, although, subsequent to March, 1993, we have received some revenue disbursements from Oxy USA, Inc. as

Enron Oil Trading and Transportation Company  
August 3, 1995  
Page 2

to certain undocumented amounts of MLMU production. Contrary to New Mexico Statute 70-2-18, for almost 2-1/2 years, neither Enron nor the operators of the Myers Langlie Mattix Unit have furnished us with an appropriate accounting of our share of crude oil sales from the subject MLMU tracts and therefore, we ask that you immediately inform us by what legal authority has Enron taken it upon itself to discontinue accounting to us for our rightful portion of crude oil proceeds from the MLMU?

Also, being that Enron has ceased to properly account to us for our share of crude oil production from the subject MLMU tracts, you are respectfully requested to promptly furnish us with monthly crude run statements for the MLMU for the period of time of March, 1991 to the present, which requested statements should include the following unit production and revenue data:

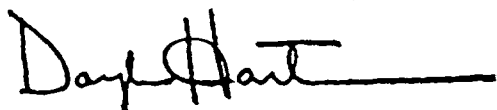
1. Gross MLMU Production
2. Oil Gravity
3. Oil Price
4. Gross Unit Oil Value
5. State Production Tax
6. Net Unit Oil Value

Once we have been furnished with the requested data, we will then be in a better position to independently determine how much money has been improperly withheld from us.

Concerning the considerable disruption to our MLMU oil revenues that was experienced by us in 1991, we are enclosing a copy of Enron's letter to us dated August 15, 1991, wherein Enron pledged its future assistance to prevent such a recurrence. Today, after reviewing Enron's August 15, 1991 letter (copy enclosed), we are amazed that Enron has allowed another serious disruption to occur corresponding to our MLMU oil revenues. Therefore, your prompt attention to this matter is again respectfully requested.

Yours very truly,

DOYLE HARTMAN, Oil Operator



Doyle Hartman

enclosures

Enron Oil Trading and Transportation Company  
August 3, 1995  
Page 3

rcp  
wpdocs\corresp.dh\enron-m1.mu

cc: Bill Harvey, Division Order Analyst  
EOTT  
1300 Post Oak Blvd., Suite 2700 (77056)  
P.O. Box 4666  
Houston, TX 77210-4666  
Via Facsimile (713) 993-5821 and Certified Mail

**Lea County, New Mexico**

Total

i.e., as to Tract 19,  $RRC = 0.1777344 \pm 0.068 \pm 0.0249538 = 0.0003903$ .

# ENRON

## Oil Trading & Transportation Company

West Texas Office  
P. O. Box 10607  
Midland, TX 79702  
(915) 682-3761

August 15, 1991

Doyle Hartman  
P. O. Box 10426  
Midland, Texas 79702

Attention: Mr. Bryan Jones  
Land Manager

RE: Myers Langlie Mattix Unit

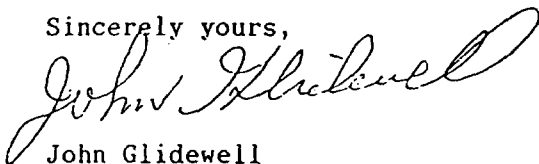
In reference to your letters dated August 6 and August 12, you stated that Enron received a copy of the C-104 from the New Mexico Oil Conservation Department. This is incorrect. Enron received a PL-107 from Texas New Mexico Pipeline based on information provided to them by the C-104 from the NMOCD. The purchaser (Enron) does not receive a copy of the C-104 from the NMOCD. A copy is provided to the transporter (Texas-New Mexico Pipeline) by the NMOCD.

The problems with the Division Orders which were brought to my attention on August 5, 1991 by Carolyn Sebastian have been resolved and the changes reflect that Texaco is the current operator of this Unit. Said Division Orders will be executed by Doyle Hartman and returned to Enron.

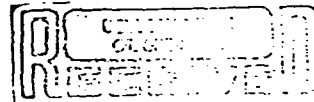
It is further understood that Enron will release money held in suspense for Doyle Hartman by a special check that will be hand delivered today (8-15-91), and that Enron will continue to purchase Doyle Hartman's interest in this unit.

If there are any further problems, questions or correspondence relative to this lease or any other lease in which Enron is involved please call me and I will do everything I can to see that the situation is handled as expediently as possible.

Sincerely yours,



John Glidewell  
District Manager  
Crude Oil Acquisitions



AUG 15 1991

P 894 880 896



## Certified Mail Receipt

No Insurance Coverage Provided

Do not use for International Mail

(See Reverse)

Sent to		JOHN GLIDEWELL
Street & No.		ENRON
P.O. BOX		1660
P.O., State & ZIP Code		MIDLAND, TX 79702
Postage	x	\$ .78
Certified Fee	x	1.10
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered	x	1.10
Return Receipt Showing to Whom, Date, & Address of Delivery		
TOTAL Postage & Fees		\$ 2.98
Postmark or Date		MLMU
		rcp

PS Form 3800, June 1990

Fold at line over top of envelope to the right of the return address.

CERTIFIED

P 894 880 896

MAIL

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

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

3. Article Addressed to: JOHN GLIDEWELL ENRON P.O. BOX 1660 MIDLAND, TX 79702		4. Article Number P 894 880 896
5. Signature — Addressee X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.  8. Addressee's Address (ONLY if requested and fee paid) MLMU
6. Signature — Agent X		
7. Date of Delivery		
		rcp

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using  
Return Receipt Service.

PS Form 3811, Apr. 1989

U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

P 894 880 836

**Certified Mail Receipt**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to		BILL HARVEY EOTT
Street & No.		P.O. BOX 4666
P.O., State & ZIP Code		HOUSTON, TX 77210-4666
Postage	x	\$ .78
Certified Fee	x	1.10
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered	x	1.10
Return Receipt Showing to Whom, Date, & Address of Delivery		
TOTAL Postage & Fees		\$2.98
Postmark or Date		MLMU

PS Form 3800, June 1990

rcp

Fold at line over top of envelope to the right of the return address

**CERTIFIED**

P 894 880 836

**MAIL**

Is your RETURN ADDRESS completed on the reverse side?

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

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

3. Article Addressed to: BILL HARVEY EOTT P.O. BOX 4666 HOUSTON, TX 77210-4666		4. Article Number P 894 880 836
5. Signature — Addressee X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise
6. Signature — Agent X		Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .
7. Date of Delivery		8. Addressee's Address (ONLY if requested and fee paid) MLMU

rcp

Thank you for using  
Return Receipt Service.

(915) 684-4011 Office / 682-7616 Fax

# FAX COVER SHEET

**To:**

NAME <i>John Glidewell</i>	DATE AND TIME OF TRANSMISSION <i>8-3-95</i>
COMPANY <i>Enron</i>	FAX NUMBER <i>682-9719</i>

**From:**

NAME Doyle Hartman

**Reference:**

SUBJECT MLMU

The information contained in this facsimile message is confidential and intended solely for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or unauthorized use of this communication is strictly prohibited. If you have received this facsimile in error, please notify the sender immediately by telephone, and return the facsimile to the sender at the above address via the United States Postal Service.

**Message:**

DOYLE HARTMAN  
Oil Operator  
500 N. Main  
P.O. Box 10426  
MIDLAND, TEXAS 79702  
(915) 684-4011 Office / 682-7616 Fax

## FAX COVER SHEET

To:

NAME <i>Bill Harvey, D.O. Analyst</i>	DATE AND TIME OF TRANSMISSION <i>8-3-95</i>
COMPANY <i>EOTT</i>	FAX NUMBER <i>713/993-5821</i>

From:

NAME <i>Doyle Hartman</i>
------------------------------

Reference:

*CP*

SUBJECT <i>MLMU</i>
------------------------

The information contained in this facsimile message is confidential and intended solely for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or unauthorized use of this communication is strictly prohibited. If you have received this facsimile in error, please notify the sender immediately by telephone, and return the facsimile to the sender at the above address via the United States Postal Service.

Message:

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Page: 1 of 7

# EOTT ENERGY Operating Limited Partnership

P.O. BOX 1660  
5805 E. BUSINESS 20  
MIDLAND, TEXAS 79702 August 8, 1995  
(915) 682-8251

Certified Mail Return Receipt Requested

Mr. Doyle Hartman  
Oil Operator  
P. O. Box 10426  
Midland, TX 79702

Re: Myers Langlie Mattix Unit in Lea County, New Mexico

Dear Mr. Hartman:

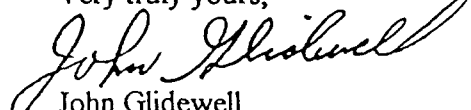
I am in receipt of your letter dated August 3, 1995, addressed to Enron Oil Trading & Transportation Company. Effective January 1, 1993, Enron Oil Trading & Transportation Company changed its name to EOTT Energy Corp. ("EOTT"). Please be advised that EOTT has not been the purchaser of crude oil from the tracts listed on the schedule attached to your letter since March 31, 1993. Effective April 1, 1993, CITGO became the purchaser of production from said tracts.

Since EOTT has not purchased production from your tracts since March, 1993, EOTT does not possess the accounting information requested in your letter, and EOTT has no duty to provide such accounting. You should contact Oxy USA, Inc., and/or CITGO to obtain the information requested in your letter.

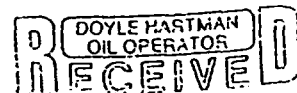
Enclosed is copy of a letter from Texaco Trading and Transportation Inc., to Texas-New Mexico Pipeline Company. This letter was EOTT's first notice that it was no longer the purchaser of production from your tracts.

You said in your letter that you were "amazed that Enron has allowed another serious disruption to occur corresponding to our MLMU oil revenues." Obviously, EOTT does not control the disbursement of proceeds of production that EOTT does not purchase. Likewise, EOTT's division order does not require EOTT to provide you with notice that it is no longer buying production from your tracts when the marketer of that production (Oxy USA, Inc.) unilaterally commences selling such production to another purchaser.

Very truly yours,

  
John Glidewell  
Area Manager

cc: Bill Harvey  
Walter Zimmerman



AUG 10 1995

EOTT ENERGY CORP.  
General Partner

FORM NO. 105-817 (3/94)



Paul E Fowler  
Division Manager  
Texas-New Mexico Division

Texaco Trading and Transportation Inc

Two Greenspoint Plaza Suite 600  
16325 Northchase Boulevard  
Houston TX 77060-5080  
713 875 9311

June 2, 1993

Mr. E. H. Gripp  
Texas-New Mexico Pipeline Company  
P. O. Box 60028  
San Angelo, Texas 76906

Re: Myers Langlie Mattix Unit  
Lea County, New Mexico  
Operated by Texaco Exploration and Production Inc.

Effective April 1, 1993, Oxy USA Inc. designates CITGO as purchaser of interests recently acquired and previously purchased by Enron in the subject unit.

This change affects approximately 1967 BPD which should be run for CITGO's account on Texas-New Mexico Pipeline. The attached exhibit details the changes in purchaser percentages. Please update your records to reflect this change.

Should you have any questions, please contact Jason Staker at (713) 874-2350.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Paul E. Fowler".

Paul E. Fowler

PEF/JS

Attachments

cc: Frank Burek  
John Glidewell - Enron  
Harry Rathermel  
Tom Savage  
Bennett Shelton - CITGO  
Bob Wyatt

**TEXACO EXPLORATION AND PRODUCTION INC. - UNIT OPERATOR**  
**MYERS LANGLIE MATTIX UNIT TRACT ALLOCATION PERCENTAGE**  
**LEA COUNTY, NEW MEXICO**  
**PLDP #0055-2174-0000 -- TTTI LEASE #81635**  
**EFFECTIVE APRIL 1, 1993**

GATHERER: TEXAS/NEW MEXICO PIPELINE

			PURCHASERS			
SUB	TRACT	TRACT ALLOCATION	AMERADA HESS	CITGO	ENRON	TTTI
	1	1.22311		1.22311		
	2	0.59021		0.59021		
	3	4.16521		4.16521		
	6	0.64225		0.64225		
	7	1.07386		1.07386		
	8	0.36086		0.36086		
	10	2.14022		2.14022		
	11	0.33405		0.33405		
	12	2.07257		2.07257		
	13	1.66580		1.6658		
2178	14	1.54385				1.54385
2179	15	4.11596				4.11596
	16	0.40945		0.40945		
	17	1.19564		1.19564		
	18	0.33599		0.33599		
2192	19	2.49538		2.49538		
8020	20	0.15631				0.15631
8021	21	3.08133				3.08133
8022	22	2.00252				2.00252
2189	23	0.30952		0.30952		
2190	24	0.30468		0.30468		
2191	25	0.91715		0.91715		
	26	3.39996		3.39996		
	27	2.63684		2.63684		
	28	2.19345		2.19345		
	29	1.02337		1.02337		
	30	5.63333	5.63333			
	31	0.59616			0.59616	
8032	32	1.22538				1.22538
	33	2.41311		2.41311		
8034	34	2.57678				2.57678
8035	35	0.08931				0.08931
2180	36	0.33124				0.33124
8037	37	0.76162				0.76162
8038	38	0.15657				0.15657
8039	39	0.94333				0.94333
8040	40	2.69658				2.69658
8041	41	0.39002				0.39002
8042	42	0.27833				0.27833
	43	0.26781		0.26781		
	44	1.29114				1.29114
	45	0.02187		0.02187		
	46	0.45346		0.45346		
	47	0.06561		0.06561		
8048	48	0.04581				0.04581
	49	3.29505		3.29505		
	50	1.33259		1.33259		
	51	0.18398		0.18398		
	52	0.67176				0.67176

**TEXACO EXPLORATION AND PRODUCTION INC. - UNIT OPERATOR**  
**MYERS LANGLIE MATTIX UNIT TRACT ALLOCATION PERCENTAGE**  
**LEA COUNTY, NEW MEXICO**  
**PLDP #0055-2174-0000 -- TTTI LEASE #81635**  
**EFFECTIVE APRIL 1, 1993**

GATHERER: TEXAS/NEW MEXICO PIPELINE

			PURCHASERS			
SUB	TRACT	TRACT ALLOCATION	AMERADA HESS	CITGO	ENRON	TTTI
	53	0.31075				0.31075
	54	0.26871		0.26871		
	55	0.23648				0.23648
	56	1.15151		0.44081		0.71070
	57	1.37678				1.37678
	58	0.85761		0.85761		
	59	1.43644		1.43644		
2181	60	1.38687				1.38687
2182	61	1.10778				1.10778
2183	62	2.09278		0.03269		2.06009
	63	2.10707		2.10707		
	64	1.50062		1.50062		
8065	65	1.91167		0.12695		1.78472
	66	4.41344		4.41344		
	68	3.85760				3.85760
8069	69	2.34135				2.34135
	70	0.27581		0.27581		
	71	0.29746		0.29746		
	72	1.85423		1.85423		
	73	0.59021	0.29510	0.29511		
	74	1.06063		1.06063		
8075	75	0.50868				0.50868
	76	0.75123		0.75123		
8077	77	0.18322				0.18322
	79	0.38667		0.38667		
	80	0.71139		0.71139		
8081	81	0.91263		0.04225		0.87038
<b>TOTALS</b>		<b>100.00000</b>	<b>5.92843</b>	<b>54.38217</b>	<b>0.59616</b>	<b>39.09324</b>

prepared by JTS on June 2, 1993

**DOYLE HARTMAN**  
*Oil Operator*  
3811 TURTLE CREEK BLVD., SUITE 730  
DALLAS, TEXAS 75219  

---

(214) 520-1800  
(214) 520-0811 FAX

Via Fax (713) 646-4305 and U.S. Mail

August 11, 1995

Scurlock Permian Corporation  
333 Clay Street, Suite 2900 (77002)  
P.O. Box 4648  
Houston, TX 77210-4648

Attn: John Keffer  
Manager Crude Oil Trading

Re: Designation of Scurlock Permian as DHOO's Crude Oil Purchaser  
Myers Langlie Mattix Unit  
Lea County, New Mexico

Gentlemen:

Reference is made to our phone conversation yesterday that ended at 4:25 p.m., wherein I requested that Scurlock Permian Corporation immediately become the designated purchaser of Doyle Hartman, Oil Operator's 4.145% net revenue share of crude oil production from the OXY USA, Inc.-operated Myers Langlie Mattix Unit waterflood project located in Lea County, New Mexico. From a review of our letter to Enron Oil Trading and Transportation Company (Enron) of August 3, 1995 (copy enclosed), and Enron's reply letter of August 8, 1995 (copy enclosed), as well as my telephone conversation with you yesterday, it should be apparent that starting with the production month of April, 1993, a portion of Doyle Hartman, Oil Operator's Myers Langlie Mattix Unit crude oil has been improperly controlled by OXY USA, Inc. (OXY), without OXY having authority from Doyle Hartman, Oil Operator to take our share of such Myers Langlie Mattix Unit oil production.

In April, 1993, at the time that OXY took improper control of a portion of our Myers Langlie Mattix Unit crude oil production, OXY was not operator of the Myers Langlie Mattix Unit and most certainly was not owner of Hartman's Myers Langlie Mattix Unit oil production. In addition, in mid-1993, Doyle Hartman was involved in negotiations with OXY concerning the trade to OXY of our 4.86% Myers Langlie Mattix Unit leasehold interest in exchange for OXY assigning to us its 160-acre State "N" Eumont lease consisting of the SW/4 Section 2, T-21-S, R-36-E, Lea County,

New Mexico, which negotiations verify that OXY, in 1993, was very aware of our 4.86% Myers Langlie Mattix Unit leasehold ownership. During the subject 1993 trade negotiations, OXY's representatives indicated to our landman, Mr. Alan Smith, that OXY was highly desirous of acquiring our 4.86% Myers Langlie Mattix Unit working interest. However, in late 1993, just prior to OXY acquiring Texaco's Myers Langlie Mattix Unit interest, OXY changed its position as to the acquisition of our Myers Langlie Mattix Unit interest and it is now obvious that OXY decided not to acquire our Myers Langlie Mattix Unit interest because it was obtaining operations of the Myers Langlie Mattix Unit by acquiring Texaco's interest Myers Langlie Mattix Unit interest and also possibly because OXY saw no further economic advantage to holding record title to our 4.86% Myers Langlie Mattix Unit leasehold interest since it had been able, without our permission, to control our Myers Langlie Mattix Unit crude oil production without owning record title.

Moreover, from a review of the summary of Hartman MLMU revenues by purchaser, enclosed herewith, it is also apparent, that since 1993, OXY has failed to pay Doyle Hartman, Oil Operator, and our various royalty owners, a competitive oil price that includes a crude oil price bonus although such price bonuses have been paid in the Permian Basin for approximately the past two years. For this reason, we want to ensure that Scurlock Permian will be paying a competitive oil price as to our Myers Langlie Mattix Unit crude oil production including the payment of a price bonus.

In the event that OXY improperly refuses to allow Scurlock Permian to be designated as Doyle Hartman's official Myers Langlie Mattix Unit crude oil purchaser, you are to inform OXY that, for the following reasons, Scurlock Permian will be purchasing Doyle Hartman, Oil Operator's Myers Langlie Mattix Unit crude oil:

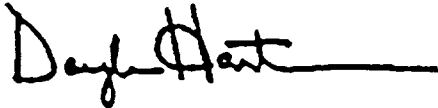
- 1) In April 1993, OXY improperly took control of our Myers Langlie Mattix Unit crude oil without possessing proper authority or record ownership and OXY has no legal authority to attempt to specify which entity is designated as Doyle Hartman, Oil Operator's oil purchaser for the MLMU.
- 2) OXY has failed to pay Doyle Hartman, Oil Operator and our royalty owners a competitive oil price including a crude oil price bonus although such bonuses, for some time, have been common in the Permian Basin, which failure by OXY to pay such bonus renders the ongoing operations of the Myers Langlie Mattix Unit even more non-commercial and further cements

Scurlock Permian Corporation  
August 11, 1995  
Page 3

the October 1, 1993 contractual termination of the Myers Langlie Mattix Unit agreement due to the failure of the Myers Langlie Mattix Unit to produce oil in quantities sufficient to yield revenues in excess of operating expenses.

Yours very truly,

DOYLE HARTMAN, Oil Operator



Doyle Hartman

enclosures (3)

rep  
wpdocs\corresp.dh\scurlock.mjm

cc: Minerals Management Service  
Royalty Management Program  
Reports and Payments Division  
P.O. Box 17110  
Denver, CO 80217-0110

John Glidewell, Area Manager  
COA, West Texas and New Mexico  
EOTT ENERGY Operating Limited Partnership  
5805 E. Business 20  
P.O. Box 1660  
Midland, TX 79702  
Via Certified Mail, Return Receipt Requested

Paul E. Fowler, Division Manager  
Texaco Trading and Transportation Inc.  
16825 Northchase Blvd., Suite 600  
Houston, TX 77060-6986

Scurlock Permian Corporation  
August 11, 1995  
Page 4

R.W. Lanning, Land Department  
Texaco Exploration and Production Inc.  
500 North Loraine (79701)  
P.O. Box 3109  
Midland, TX 79702

Herb Whitney, Manager of Operations  
CITGO Petroleum Corporation  
P.O. Box 3758  
Tulsa, OK 74102  
Via Certified Mail, Return Receipt Requested

Bennett Shelton, Senior Field Representative  
CITGO Petroleum Corporation  
1031 Andrews Hwy.  
Midland, TX 79701  
Via Certified Mail, Return Receipt Requested

Patty Burchett, Marketing Representative  
OXY USA, Inc.  
P.O. Box 300  
Tulsa, OK 74102  
Via Certified Mail, Return Receipt Requested

Charles Pollard, Operations Engineering Supervisor  
OXY USA, Inc.  
6 Desta Drive, Suite 6000 (79705)  
P.O. Box 50250  
Midland, TX 79710-0250  
Hand Delivered

Jon Thoma, Acquisitions and Divestitures  
OXY USA, Inc.  
6 Desta Drive, Suite 6000 (79705)  
P.O. Box 50250  
Midland, TX 79710-0250  
Hand Delivered

Scurlock Permian Corporation  
August 11, 1995  
Page 5

Ed Behm, Manager of Engineering  
OXY USA, Inc.  
6 Desta Drive, Suite 6000 (79705)  
P.O. Box 50250  
Midland, TX 79710-0250  
Hand Delivered

T. Kent Wooley, Senior Landman  
OXY USA, Inc.  
6 Desta Drive, Suite 6000 (79705)  
P.O. Box 50250  
Midland, TX 79710-0250  
Hand Delivered

J.E. Gallegos, Esq.  
Gallegos Law Firm  
460 St. Michaels Drive, Building 300  
Santa Fe, NM 87505

James A. Davidson  
P.O. Box 494  
Midland, TX 79702

TABLE OF ENCLOSURES

1. Doyle Hartman, Oil Operator letter dated August 3, 1995 to John Glidewell, Area Manager of Enron Oil Trading and Transportation Company (Enron) together with Doyle Hartman, Oil Operator Effective Division Order Status Table corresponding to the Myers Langlie Mattix Waterflood Unit, Lea County, New Mexico and copy of Enron letter dated August 15, 1991 from John Glidewell to Doyle Hartman confirming Enron as the officially designated purchaser of a portion of Doyle Hartman's MLMU crude oil production.
2. EOTT ENERGY Operating Limited Partnership (Enron) letter reply dated August 8, 1995 from John Glidewell to Doyle Hartman together with Texaco Trading and Transportation Inc. letter dated June 2, 1993 from Paul E. Fowler to Mr. E.H. Gripp of Texas-New Mexico Pipeline Company and Texaco Exploration and Production Inc. Myers Langlie Mattix Unit Tract Allocation Percentage Table, Effective April 1, 1993 wherein EOTT, in its August 8, 1995 letter, indicated that OXY (and not Enron) was responsible for Hartman's MLMU oil production being controlled by OXY.
3. Doyle Hartman Summary Table of Hartman MLMU Revenue by Purchaser, for period of January 1992 thru June 1995, showing that as early as April, 1993, OXY took control of a portion of Doyle Hartman, Oil Operator's MLMU oil production revenues just after OXY acquired Sirgo's non-operating MLMU working interest ownership.



T. Kent Woolley, CPL  
Senior Landman  
Western Region  
(915) 685-3906  
FAX: (915) 685-5754

*Operating Agreement  
Lyle*

OXY USA INC.

Box 50250, Midland, TX 79710

*sent  
to  
DTH  
CWO  
2-11-94*

February 10, 1994

Doyle Hartman  
P. O. Box 10426  
Midland, Texas 79702

RE: Notice of Successor Operator  
Myers Langlie Mattix Unit  
Lea County, New Mexico

Dear Mr. Hartman:

Effective December 1, 1993, Texaco Exploration and Production Inc. (TEPI) resigned as operator of the Myers Langlie Mattix Unit and subsequently assigned its working interest to OXY USA Inc.

By letter of November 30, 1993, TEPI requested the working interest owners to elect a successor operator.

OXY USA Inc. has balloted the working interest owners in accordance with Section 8 of the Unit Agreement and presently has approval of 91.65755% of said working interest owners. The Unit Agreement only requires three or more working interest owners with an aggregate voting interest of 65% for approval.

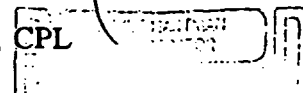
This letter serves as official notification that OXY USA Inc. has assumed the duties and responsibilities of unit operator.

The Commissioner of Public Lands of the State of New Mexico, the Oil Conservation Division of the State of New Mexico and the Bureau of Land Management have been notified of said successor unit operator.

Yours truly,

OXY USA Inc.

T. Kent Woolley, CPL  
Senior Landman



FEB 11 1994

**CITGO Petroleum Corporation**



P.O. Box 3758  
Tulsa OK 74102-3758

July 20, 1995

Doyle Hartman  
Attention: Carolyn Sebastian  
P.O. Box 10426  
Midland, TX 79702

RE: 3050700-026 - Myers Langlie Mattix Unit, Tr. 26

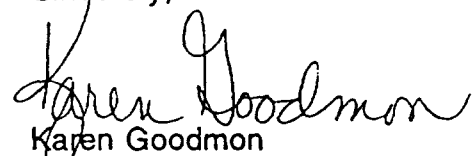
Dear Carolyn:

In reviewing our Suspense Ledger, we find that interests credited to Doyle Hartman are in suspense due to unsigned division orders. Accordingly, please find enclosed our Division Orders for your execution and return to us.

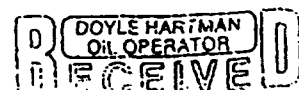
For your information, effective April 1, 1993, we began paying Minerals Management Service a reduced royalty of .0370000. The remainder was divided among the remaining working interest owners. I have included a worksheet that sets out the Gross Working Interest for your records. Also effective April 1, 1993, CITGO began remitting 100% of the proceeds. Prior to April 1, 1993, we were remitting only 50% of the proceeds from this lease. We are currently holding \$32,831.50 in suspense for the royalty and working interests from April 1993 through June 1995.

Please contact me at the number below if you require additional information.

Sincerely,

  
Karen Goodman  
Division Order Analyst  
(918) 495-4230

/keg



JUL 26 1995

MYERS LANGLIE MATTIX UNIT, TR. 26

	NET WI		GROSS WI
1) DOYLE HARTMAN	0.4375000	1	0.5000000
{ HENDRIX	0.2143750	1	0.2450000
2{ KLEIN	0.2143750	1	0.2450000
{ WESTBROOK	0.0087500	1	0.0100000
	0.8750000		1.0000000
1) DOYLE HARTMAN	0.3110350	1	0.3554686
LARRY NERIMYR	0.0068360	1	0.0078126
{ JAMES BURR	0.0034180	1	0.0039063
3{ JAMES DAVIDSON	0.1093750	1	0.1250000
{ JACK FLETCHER	0.0034180	1	0.0039063
{ RUTH SUTTON	0.0034180	1	0.0039063
	0.4375000		0.5000000
4) 2) MYERS	0.3750000	1	0.5000000
PLUS ORRI BURDENS	0.0625000	3	
4) 3) MYERS	0.1196290	1	0.1367189
4) OXY	0.5330082	1	0.6367189
PLUS ORRI BURDENS	0.0241208		
	NET INTEREST		GROSS WI
379120 DOYLE HARTMAN	0.1555175	1	0.3554685
379120 DOYLE HARTMAN	0.1555175	1	SUSPENSE
883555 TEXACO EXPLORATION &	0.0068360	1	0.0078125
999927 OXY USA INC	0.5330082	1	0.6367190
	0.8508792		0.0000000
379120 DOYLE HARTMAN	0.0312812	2	SUSPENSE
607336 MINERALS MANAGEMENT	0.0370000	2	
883555 TEXACO EXPLORATION &	0.0006876	2	
999927 OXY USA INC	0.0560312	2	
	0.1250000		
483260 KIRK RANCH TRUST	0.0144736	3	OXY BURDENS
769299 RUTTER AND WILBANKS C	0.0096472	3	OXY BURDENS
	0.0241208		



OXY USA Inc.  
P.O. Box 300, Tulsa, OK 74102-0300

August 16, 1995

Mr. Randy Adamson  
Texas New Mexico Pipeline Company  
Post Office Box 60028  
San Angelo, TX 76906

RE: MYERS LANGLEIE-MATTIX UNIT  
LEA COUNTY, NEW MEXICO

VIA FAX: 915/947-9012

Dear Randy:

Effective September 1, 1995, Doyle Hartman Oil operator will take-in-kind his interest in the reference unit. Mr. Hartman has designated Scurlock Permian Corporation as their purchaser.

We request that effective September 1 please amend your records to reflect the purchaser's percentage as follows:

Amerada Hess	5.92843%
CITGO	38.45216%
Enron	0.59616%
Texaco TTI	37.11869%
Chevron	12.56396%
Chinook	1.19564%
Scurlock Permian	<u>4.14496%</u>

100.00000%

Thank you for your cooperation in this matter. If more information is needed please let me know.

Very truly yours,

Frank B. Bowen

c: Mr. Doyle Hartman  
Mr. John Keffer -SPC  
Mr. Gary Moore - TTTI  
Mr. Bennett Shelton - CITGO



AUG 18 1995

**DOYLE HARTMAN**  
*Oil Operator*  
3811 TURTLE CREEK BLVD., SUITE 200  
DALLAS, TEXAS 75219  

---

  
(214) 520-1800  
(214) 520-0811 FAX

**CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

April 26, 1996

Texaco Exploration and Production Inc.  
500 N. Loraine  
P.O. Box 3109  
Midland, TX 79702

Attn: Ronald W. Lanning  
Land Department

OXY USA Inc  
6 Desta Drive, Suite 6000  
P.O. Box 50250  
Midland, TX 79710-0250

Attn: T. Kent Wooley  
Senior Landman

Re: Deficient Oil Price  
Myers Langlie Mattix Unit  
Lea County, New Mexico

Gentlemen:

Reference is made to the 4.869% working interest and the 4.145% net revenue interest owned by Doyle Hartman in the Myers Langlie Mattix Unit (MLMU) located in T-23-S and T-24-S, R-36-E and R-37-E, Lea County, New Mexico. Reference is also made to the working interest owned by James A. Davidson in the MLMU.

Paragraph 16 (Allocation of Unitized Substances) of the MLMU Unit Agreement in part reads as follows:

“... Unit Operator, in order to avoid curtailing Unit operations, may sell or otherwise dispose of such production to itself or to others on a day-to-day basis at not less than the prevailing market price in the area for like production, and the account of such Working Interest Owner shall be charged therewith as having received such production....(emphasis added)”

Although oil purchasers had previously been designated (and executed division orders were in place) corresponding to MLMU oil production owned by Doyle Hartman and James A. Davidson, starting

Texaco Exploration and Production Inc.  
OXY USA Inc  
April 26, 1996  
Page 2

no later than 1991, Texaco and/or OXY, for reasons known only to them, caused (or allowed to be caused) the following unsolicited changes in oil purchasers for Hartman's and Davidson's net MLMU oil production:

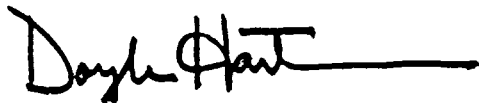
<u>Date</u>	<u>Unsolicited Purchaser Changes</u>
March 1991	Permian to Enron Sun (Oryx) to Enron
April 1993	Enron to OXY
February 1994	Texaco to OXY

While realizing that Texaco and OXY, for operational reasons, may have had the right from time to time to make purchaser changes corresponding to MLMU oil production, both operators, by unilaterally exercising such rights as provided to the operator under Paragraph 16 of the Unit Agreement, also had a clear obligation to ensure that affected unit working interest owners received an oil price "...not less than the prevailing market price..." (emphasis added)".

Notwithstanding the foregoing duty on the part of the MLMU operator, we have now confirmed that prior to September 1, 1995, Doyle Hartman was paid an oil price substantially less than the prevailing market price and that James A. Davidson is still receiving such lower price. Therefore, we hereby place Texaco and OXY on notice that we request that a prompt and full accounting be performed as to our MLMU oil runs and pricing dating at least back to January, 1991. It is our position that Texaco and Oxy (as unit operators) have a final responsibility for ensuring that we are compensated for all price differences between the price paid and the true value of our oil as determined in the usual and ordinary course of trade and competition between sellers and buyers that are equally free to bargain. Obviously, it shall also be expected that corresponding adjustments be made for all royalty owners (including the United States of America) under our various MLMU tracts and as to all production taxes for the applicable leases and production period.

Yours very truly,

DOYLE HARTMAN, Oil Operator



Doyle Hartman

Texaco Exploration and Production Inc.  
OXY USA Inc  
April 26, 1996  
Page 3

enclosures (3)

rcp  
wpdocs\corresp.dh\tex&oxy.mlm

cc: Minerals Management Service  
Royalty Management Program  
P.O. Box 17110  
Denver, CO 80217-0110

State of New Mexico  
Taxation and Revenue Department  
1200 St. Francis Drive (87505)  
P.O. Box 2308  
Santa Fe, NM 87504-2308

Charles Osina, Manager of Revenue  
Texaco Exploration and Production Inc.  
1111 Bagby  
Houston, TX 77002-2543

Paul E. Fowler, Division Manager  
Texaco Trading and Transportation Inc.  
16825 Northchase Blvd., Suite 600  
Houston, TX 77060-6986

Texaco Trading and Transportation, Inc.  
4800 Fournace Avenue (77401-2325)  
P.O. Box 5080  
Bellaire, TX 77024-5080

Patty Burchett, Marketing Representative  
OXY USA Inc  
P.O. Box 300  
Tulsa, OK 74102

Texaco Exploration and Production Inc.  
OXY USA Inc  
April 26, 1996  
Page 4

Herb Whitney, Manager of Crude Oil Operations  
CITGO Petroleum Corporation  
P.O. Box 3758  
Tulsa, OK 74102

Bennett Shelton, Senior Field Representative  
CITGO Petroleum Corporation  
1031 Andrews Hwy.  
Midland, TX 79701

Sirgo Operating, Inc.  
3300 N. A Street, Bldg. 1, Suite 110 (79705)  
P.O. Box 3531  
Midland, TX 79702

Brian M. Sirgo  
P.O. Box 7454  
Midland, TX 79708  
463-27-4918

M.A. Sirgo, III  
P.O. Box 3805  
Midland, TX 79702

John Glidewell, Area Manager, COA, West Texas and New Mexico  
Enron Oil Trading and Transportation Company  
5805 East Highway 80 (79701)  
P.O. Box 1660  
Midland, TX 79702

James V. Derrick, Jr.  
Senior Vice President and General Counsel  
Enron Corporation  
1400 Smith Street (77002)  
P.O. Box 1188  
Houston, TX 77251-1188

Texaco Exploration and Production Inc.  
OXY USA Inc  
April 26, 1996  
Page 5

Bill Harvey, Division Order Analyst  
EOTT  
1330 Post Oak Blvd., Suite 2700 (77056)  
P.O. Box 4666  
Houston, TX 77210-4666

EOTT Energy Operating Limited Partnership  
1330 Post Oak Boulevard, Suite 2700 (77056)  
P.O. Box 4666  
Houston, TX 77210-4666  
Attn: Steve Myers, Vice President, COA and Trading  
Douglas P. Huth, Vice President, Operations  
John Ogden, Director, Crude Oil Administration  
Joyce Ng, Manager, Contract Administration

John Keffer, Manager Crude Oil Trading  
Scurlock Permian Corporation  
333 Clay Street, Suite 2900 (77002)  
P.O. Box 4648  
Houston, TX 77210-4648

Jack Bartels, Director of Marketing  
Scurlock Permian Corporation  
3705 E. Hwy. 158 (79701)  
P.O. Box 3119  
Midland, TX 79702

Sun Refining and Marketing Company  
907 South Detroit (74120)  
P.O. Box 2039  
Tulsa, OK 74102-2039  
Attn: John McWhorter, V.P. and Director of Domestic Crude  
Linda Buckman, Contracts and Division Orders

David R. Smith, Regional Manager  
Sun Company, Inc. (R & M)  
Atrium Center, Suite 400  
1100 W. Louisiana  
Midland, TX 79701

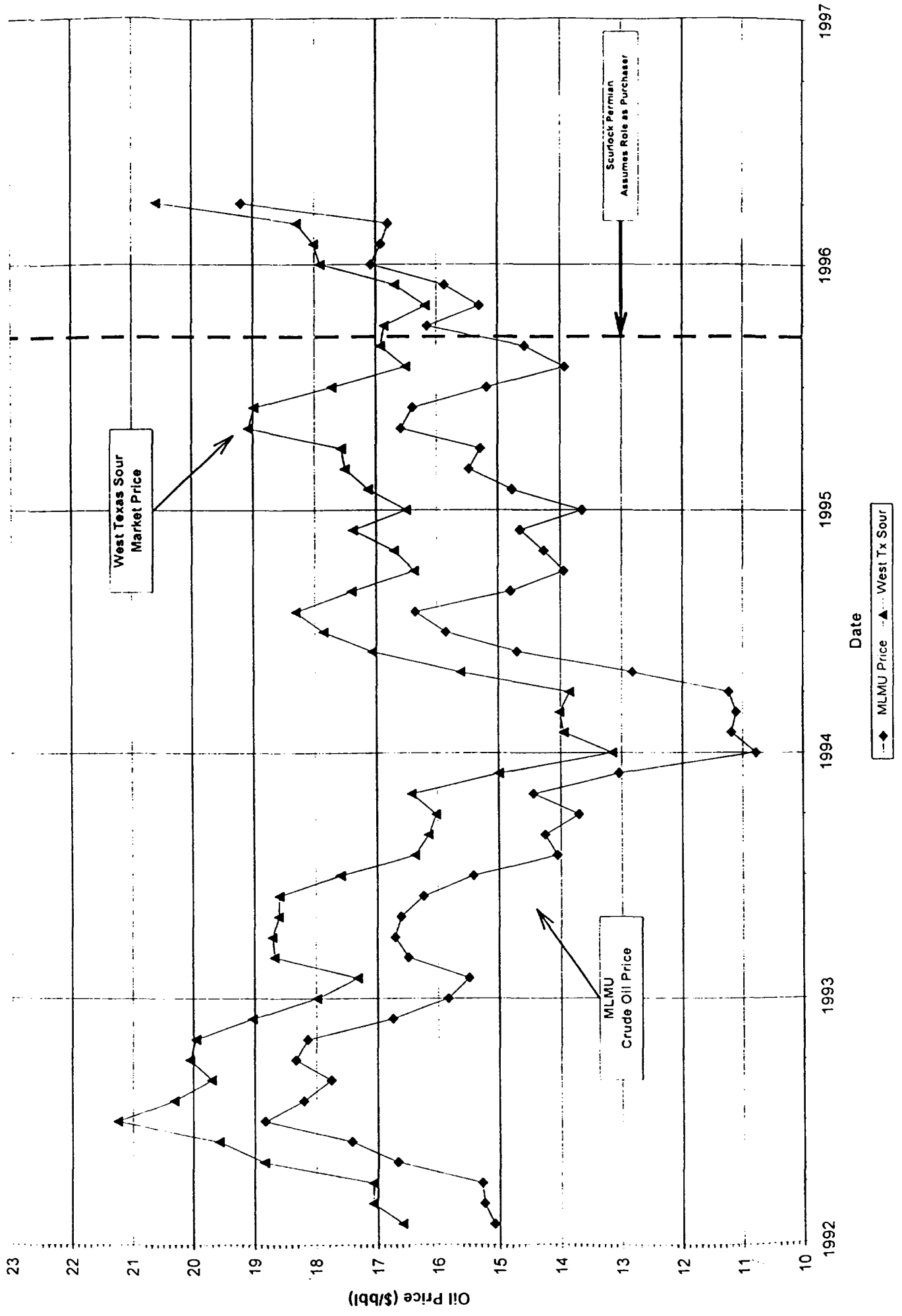
Texaco Exploration and Production Inc.  
OXY USA Inc  
April 26, 1996  
Page 6

James A. Davidson  
214 W. Texas, Suite 710  
Midland, TX 79701

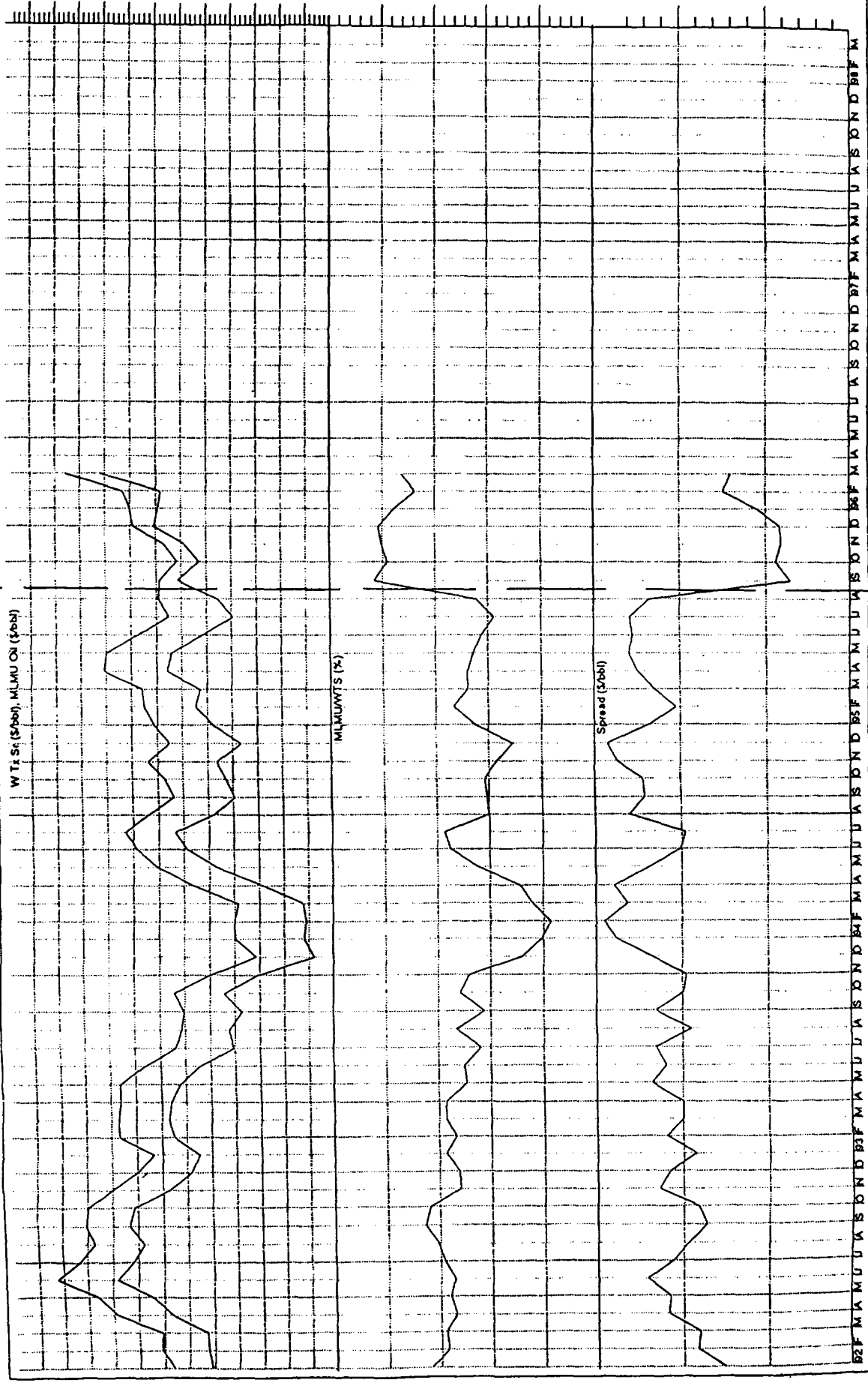
Michael Condon  
Gallegos Law Firm  
460 St. Michaels Drive, Building 300  
Santa Fe, NM 87505

Doyle Hartman, Oil Operator  
Carolyn M. Sebastian, Landman  
Jefferson D. Massey, Controller  
Don L. Mashburn, Engineer  
Steve Hartman, Engineer  
Cindy Brooks, Engineering Tech  
Sheila Potts, Geologist

My Langlie Mattix Unit Crude Oil Price vs. West Texas Sour  
January 1992 thru March 1996



Myers Langlie Matrix Unit Crude Oil Prices vs West T Sour



Example of Unsolicited Purchaser Changes  
DHOO Working Interest  
Myers Langlie Mattix Unit  
January 1992 thru March 1996

PROD DATE	ENRON				TEXACO				CITGO				OXY				SCURLOCK PERMIAN <sup>m</sup>				TOTAL				
	VOLUME	GROSS	PRICE	TAXES	NET	VOLUME	GROSS	PRICE	TAXES	NET	VOLUME	GROSS	PRICE	TAXES	NET	VOLUME	GROSS	PRICE	TAXES	NET	VOLUME	GROSS	PRICE	TAXES	NET
01/92	180.48	2,723.19	15.09	214.00	2,509.19	194.24	2,928.42	15.08	230.13	2,698.29	156.16	2,356.26	15.09	185.16	2,171.10						530.88	8,007.87	15.08	629.29	7,378.58
02/92	188.00	2,865.32	15.24	225.16	2,640.16	202.34	3,084.36	15.24	242.37	2,841.99	162.67	2,480.71	15.25	194.94	2,285.77						611.21	9,430.39	15.24	662.47	7,767.92
03/92	207.79	3,168.81	15.25	249.01	2,919.80	223.63	3,430.83	15.34	269.61	3,161.22	179.79	2,736.04	15.22	215.00	2,521.04						571.97	9,335.68	15.27	733.62	8,602.06
04/92	195.99	3,268.53	16.67	256.69	3,009.84	206.41	3,452.53	16.73	271.32	3,181.21	169.57	2,817.86	16.62	221.43	2,596.43						571.23	9,956.00	16.67	749.44	8,787.48
05/92	195.74	3,414.35	17.44	268.24	3,146.11	206.14	3,596.21	17.45	282.59	3,313.62	169.35	2,947.44	17.40	231.62	2,715.82						571.23	9,956.00	17.43	782.45	9,175.55
06/92	177.31	3,337.87	18.83	262.30	3,075.57	186.74	3,515.72	18.83	276.26	3,239.46	153.42	2,890.68	18.84	227.16	2,683.52						517.47	9,744.27	18.83	765.72	8,978.55
07/92	182.95	3,328.56	18.19	261.57	3,066.99	192.68	3,505.79	18.19	275.50	3,230.29	158.29	2,861.72	18.21	226.22	2,665.50						533.92	9,716.07	18.20	763.29	8,952.78
08/92	185.96	3,302.11	17.76	259.25	3,042.86	195.86	3,478.32	17.76	273.35	3,204.97	160.90	2,858.70	17.77	224.65	2,634.05						542.72	9,639.13	17.76	757.25	8,881.88
09/92	181.05	3,317.77	18.32	261.06	3,056.69	190.69	3,494.55	18.33	275.00	3,219.55	156.65	2,870.74	18.33	225.91	2,644.83						528.39	9,683.06	18.33	761.99	8,921.07
10/92	188.74	3,421.62	18.13	269.26	3,152.36	235.74	4,274.04	18.13	336.34	3,937.70	172.00	3,123.97	18.16	245.84	2,878.13						596.48	10,819.63	18.14	851.44	9,968.19
11/92	182.44	3,054.40	16.74	240.26	2,814.04	216.34	3,622.19	16.74	285.05	3,337.14	157.85	2,646.74	16.77	208.28	2,438.46						566.63	9,323.33	16.75	733.69	8,589.64
12/92	175.72	2,780.38	15.82	218.79	2,561.59	208.37	3,302.20	15.85	259.86	3,042.34	152.04	2,406.93	15.83	189.41	2,217.52						545.73	8,489.51	15.83	688.06	7,801.45
01/93	178.87	2,770.98	15.49	218.06	2,552.84	212.10	3,287.83	15.50	258.73	3,028.10	154.76	2,382.37	15.48	188.28	2,204.35						545.73	8,451.45	15.49	665.06	7,786.39
02/93	163.22	2,690.21	16.48	211.70	2,478.51	193.55	3,190.34	16.48	251.07	2,939.27	141.23	2,330.37	16.50	183.36	2,146.89						498.00	8,210.82	16.49	646.15	7,564.67
03/93	177.16	2,957.79	16.68	232.78	2,725.03	210.09	3,512.60	16.72	276.43	3,236.17	153.30	2,560.42	16.70	201.49	2,358.93						540.57	9,030.81	16.71	710.68	8,320.13
04/93						203.46	3,360.80	16.62	268.04	3,114.76	148.44	2,466.28	16.61	194.08	2,272.20						487.43	8,098.53	16.61	637.30	7,461.23
05/93						191.86	3,113.50	16.23	245.00	2,868.50	140.00	2,273.93	16.24	178.84	2,084.62						459.68	7,463.56	16.24	587.34	6,876.22
06/93						196.97	3,005.77	15.26	238.54	2,769.23	143.72	2,230.12	15.52	175.50	2,054.62						471.91	7,271.98	15.41	572.27	6,699.69
07/93						195.01	2,719.25	13.94	213.98	2,505.27	142.29	2,012.72	14.15	158.39	1,854.33						467.20	6,569.54	14.06	516.97	6,052.57
08/93						192.13	2,717.97	14.15	213.87	2,504.10	140.19	2,009.07	14.33	158.10	1,850.97						460.30	6,561.27	14.25	516.32	6,044.95
09/93						191.37	2,601.26	13.59	204.69	2,396.57	139.64	1,926.07	13.79	150.03	1,776.04						458.47	6,285.85	13.71	493.11	5,792.74
10/93						197.15	2,818.99	14.30	219.58	2,599.41	143.84	2,091.61	14.54	162.93	1,928.68						472.31	6,820.09	14.44	531.24	6,288.85
11/93						182.44	2,356.18	12.91	183.54	2,172.64	133.12	1,749.07	13.14	136.25	1,612.82						437.09	5,702.07	13.05	444.16	5,257.91
12/93						190.32	2,026.26	10.65	157.85	1,868.41	138.87	1,511.41	10.88	117.74	1,393.67						455.97	4,917.70	10.79	383.06	4,534.62
01/94						184.55	2,109.76	11.43	164.35	1,945.41	134.66	1,482.49	11.01	115.49	1,367.00						442.15	4,945.88	11.19	385.28	4,560.60
02/94											125.81	1,397.81	11.11	108.89	1,288.92						413.10	4,589.61	11.11	357.53	4,232.08
03/94						133.40	1,498.54	11.23	116.74	1,381.80	133.40	1,498.54	11.23	116.74	1,381.80						438.01	4,917.81	11.23	383.12	4,534.69
04/94						126.37	1,623.05	12.84	126.43	1,496.62	126.37	1,623.05	12.84	126.43	1,496.62						414.93	5,321.47	12.82	414.51	4,906.96
05/94						135.36	1,894.90	14.66	154.62	1,830.28	135.36	1,894.90	14.66	154.62	1,830.28						444.46	6,533.83	14.70	524.73	6,009.60
06/94						123.42	1,958.64	15.85	152.42	1,804.22	123.42	1,958.64	15.85	152.42	1,804.22						405.23	6,424.35	15.85	500.43	5,923.92
07/94						128.93	2,108.60	16.35	164.25	1,944.35	128.93	2,108.60	16.35	164.25	1,944.35						423.29	6,923.30	16.36	539.30	6,384.00
08/94						152.14	2,251.89	14.80	175.42	2,076.47	152.14	2,251.89	14.80	175.42	2,076.47						499.59	7,393.99	14.80	575.99	6,818.00
09/94						186.63	2,630.46	13.95	204.40	2,426.06	186.63	2,630.46	13.95	204.40	2,426.06						619.10	8,632.96	13.94	670.84	7,962.12
10/94						203.33	2,900.81	14.27	225.42	2,675.49	203.33	2,900.81	14.27	225.42	2,675.49						687.34	9,520.61	14.27	739.82	8,780.79
11/94						180.13	2,636.55	14.64	204.88	2,431.67	180.13	2,636.55	14.64	204.88	2,431.67						591.20	8,639.49	14.65	672.90	7,986.59
12/94						182.20	2,486.90	13.65	193.24	2,293.66	182.20	2,486.90	13.65	193.24	2,293.66						597.96	8,161.62	13.65	634.20	7,527.42
01/95						185.07	2,734.73	14.78	212.51	2,522.22	185.07	2,734.73	14.78	212.51	2,522.22						607.40	8,975.29	14.78	697.44	8,277.85
02/95						174.03	2,690.98	15.46	209.11	2,481.85	174.03	2,690.98	15.46	209.11	2,481.85						571.15	8,831.54	15.46	686.28	8,145.26
03/95						187.66	2,868.26	15.27	222.73	2,645.53	187.66	2,868.26	15.27	222.73	2,645.53						616.44	9,415.59	15.27	731.64	8,683.95
04/95						173.68	2,881.58	16.59	223.92	2,657.66	173.68	2,881.58	16.59	223.92	2,657.66						570.04	9,457.22	16.59	734.88	8,722.34
05/95																									

Working Interest Owners in all Tracts meeting the requirements of paragraphs (a) and (b) have voted in favor of the qualification of such Tract and acceptance of the indemnity agreement.

For the purpose of this paragraph (c), a Working Interest Owner's "voting interest" shall be equal to the ratio (expressed in percent) which its aggregate Phase II Participation in all Tracts qualifying under paragraphs (a) and (b) bears to the total Phase II Participation of all Working Interest Owners in all Tracts qualifying under paragraphs (a) and (b). Upon the qualification of a Tract, the Unit Participation which would have been attributed to the nonsubscribing owners of the Working Interest in such Tract, had they become parties to this agreement and the Unit Operating Agreement, shall be attributed to the Working Interest Owners in such Tract who have become parties to the indemnity agreement, in proportion to their respective Working Interests in the Tract.

**SECTION 16. ALLOCATION OF UNITIZED SUBSTANCES.** All Unitized Substances produced and saved (less, save and except any part of such Unitized Substances used in conformity with good operating practices on unitized land for drilling, operating, camp and other production or development purposes and for pressure maintenance in accordance with a plan of operation approved by the Supervisor and the Commissioner, or unavoidably lost) shall be apportioned among and allocated to the qualified Tracts in accordance with the respective Tract Participations effective hereunder during the respective periods such Unitized Substances were produced, as set forth in the schedule of participation in Exhibit C. The amount of Unitized Substances so allocated to each tract, and only that amount (regardless of whether it be more or less than the amount of the actual production of Unitized Substances from the well or wells, if any, on such Tract), shall, for all intents, uses and purposes, be deemed to have been produced from such Tract.

The Unitized Substances allocated to each such Tract shall be distributed among, or accounted for to, the parties executing, consenting to or ratifying this agreement and entitled to share in the production from such Tract in the same manner, in the same proportions, and upon the same conditions, as they would have participated and shared in the production from such Tracts, or in the proceeds thereof, had this agreement not been entered into, and with the same legal force and effect.

No Tract qualified for participation under this agreement shall be subsequently excluded from participation hereunder on account of depletion of Unitized Substances from said Tract.

If the Working Interest and/or the Royalty Interest in any Tract is divided with respect to separate parcels or portions of such Tract and owned severally by different persons, the Unitized Substances allocated to such Tract shall, in the absence of a recordable instrument executed by the owners of such interest, furnished to Unit Operator and fixing the divisions of ownership, be divided among the owners of interest in such parcels or portions in proportion to the number of surface acres in each parcel or portion.

The Unitized Substances allocated to each Tract shall be delivered in kind to the parties entitled thereto by virtue of the ownership of oil and gas rights therein or by purchase from such owners. Each of the parties entitled thereto shall have the continuing right to receive such production in kind at a common point within the Unit Area and to sell or dispose of the same as it sees fit. Each such party shall have the right to construct, maintain and operate all necessary facilities for that purpose within the Unit Area, provided the same are so constructed, maintained and operated as not to interfere with operations carried on pursuant hereto. Subject to Section 14, Royalty Settlement, hereof, any extra expenditure incurred by Unit Operator by reason of the delivery in kind of any portion of the Unitized Substances shall be borne by the party receiving the same in kind. In the event any Working Interest Owner shall fail to take or otherwise adequately dispose of its proportionate share of the production from the Unitized Formation currently as and when produced, Unit Operator, in order to avoid curtailing Unit operations, may sell or otherwise dispose of such production to itself or to others on a day-to-day basis at not less than the prevailing market price in the area for like production, and the account of such Working Interest Owner shall be charged therewith as having received such production. The net proceeds, if any, of the Unitized Substances so disposed of by Unit Operator shall be paid to the Working Interest Owner of the Tract or Tracts concerned or to a party designated in writing by such Working Interest Owner. Notwithstanding the foregoing, Unit Operator shall not make a sale into interstate commerce of any Working Interest Owner's

share of gas production without first giving such Working Interest Owner sixty (60) days notice of such intended sale.

Any party receiving in kind or separately disposing of all or any part of the Unitized Substances allocated to any Tract, or receiving the proceeds therefrom if the same is sold or purchased by Unit Operator, shall be responsible for the payment of all Royalty due under the lease or leases covering said Tract, and each such party shall hold each other party hereto harmless against all claims, demands and causes of action for Royalty due under the lease or leases covering said Tract.

SECTION 17. BALANCING OF PRODUCTION. Unit Operator shall make a proper and timely gauge of all lease and other tanks located on each committed Tract in order to ascertain the amount of merchantable oil in such tanks, above the pipeline connection, on the effective date hereof. All such oil which is a part of the prior allowable of the well or wells from which the same was produced shall be and remain the property of the Owners entitled thereto as if this agreement had not been entered into and such Owners shall promptly remove same. Any such oil not so removed may be sold by the Unit Operator for the account of such Owners, subject to payment of all Royalties due under the terms and provisions of the applicable lease or leases and other contracts. All oil which is in excess of the prior allowable for the well or wells from which the same was produced shall be regarded and treated the same as Unitized Substances produced after the effective date hereof. If, as of the effective date hereof, any Tract of unitized land is overproduced with respect to the allowable of the well or wells on that Tract and if the amount of such over-production has been sold or otherwise disposed of, such over-production shall be regarded and included as a part of the Unitized Substances produced after the effective date hereof, and the amount thereof charged to such Tract as having been delivered to the parties entitled to Unitized Substances allocated to such Tract.

SECTION 18. ROYALTY SETTLEMENT. The State of New Mexico and the United States of America and all Royalty Owners who, under an existing contract, are entitled to take in kind a share of the Unitized Substances produced from any Tract unitized hereunder, shall hereafter be entitled to take in kind their share of the Unitized Substances allocated to such



Robert D. Hunt  
Asset Team Leader

OXY USA INC.  
Box 50250, Midland, TX 79710

Phone (915) 685-5744  
FAX: (915) 685-5888

May 7, 1996

Doyle Hartman  
200 Turtle Creek Center  
3811 Turtle Creek Boulevard  
Dallas, Texas 75219-4421

James A. Davidson  
P. O. Box 494  
Midland, Texas 79702

Gentlemen:

In response to your letter of April 26, 1996, addressed to both OXY USA and Texaco, as both you and Mr. Davidson are fully aware, OXY USA is contractually bound to CITGO Petroleum Corporation for the oil which it sells from the Myers Langlie Unit.

All working interest owners have been, and still are, free to sell their share of production from the unit. OXY has been doing so (since it assumed operatorship on January 1, 1994) only as an accommodation to certain working interest owners, but certainly not in fulfillment of some 'obligation' or 'duty' under the Unit Agreement. In fact, the clear obligation of OXY under Paragraph 16 of the Unit Agreement is to deliver the oil 'in kind' to the working interest owners for them to sell or dispose of as they choose. It is only when such owners 'fail the take' (or to put it another way, fail to fulfill their obligation to take) that OXY sells such production.

OXY USA does not benefit in any way from such sale, nor do we make the choice to sell the share production of the other working interest owners. Such owners make the choice on their own as to how they will sell their share of production.

I am aware that you are currently selling your share of the production from the unit and Mr. Davidson is certainly free to do so.

In any event, OXY USA respectfully declines to accept the position you take as set forth in your April 26, 1996 letter.

Yours truly,

OXY USA Inc.

Robert D. Hunt  
Asset Team Leader

JCL/bic

**DOYLE HARTMAN**

*Oil Operator*

500 NORTH MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

(915) 682-7616 FAX

**Via Facsimile (915) 685-5888 and U.S. Mail**

April 3, 1997

Robert D. Hunt, Asset Team Leader  
OXY USA, Inc.  
Box 50250  
Midland, Texas 79710

Re: Myers Langlie Mattix Unit  
Lea County, New Mexico

Dear Mr. Hunt:

Reference is made to your letter dated May 7, 1996 (copy enclosed), wherein you stated:

“...OXY USA is contractually bound to CITGO Petroleum Corporation for the oil which it sells from the Myers Langlie Unit (emphasis added).”

In consideration of the fact, that prior to September 1995, Doyle Hartman's share of MLMU oil production was marketed by OXY USA to Citgo Petroleum Corporation, please forward a complete and accurate copy of any and all applicable oil purchase-related contracts and agreements between OXY USA and Citgo Petroleum Corporation, so that we will be in possession of full documentation as to how and why, prior to September, 1995, OXY USA and Citgo Petroleum Corporation priced our MLMU oil production.

In this regard, we are enclosing the following additional documents:

- 1) Letter dated August 8, 1995 from John Glidewell, EOTT Energy Corp. to Doyle Hartman, Oil Operator.
- 2) Letter dated June 2, 1993 from Paul E. Fowler, Texaco Trading and Transportation, Inc. to Mr. E.H. Gripp, Texas-New Mexico Pipeline Company.
- 3) Texaco Exploration and Production Inc. Myers Langlie Mattix Unit Tract Allocation Percentage Table Effective April 1, 1993.

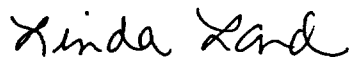
Robert D. Hunt, Asset Team Leader  
OXY USA, Inc.  
April 3, 1997  
Page 2

- 4) Letter dated August 16, 1995 from Frank B. Bowen, OXY USA to Mr. Randy Adamson, Texas-New Mexico Pipeline Company.

Your prompt reply is respectfully requested.

Yours very truly,

DOYLE HARTMAN, Oil Operator



Linda Land  
Controller

enclosures (5)

cc: John Glidewell, District Manager  
Crude Oil Acquisitions  
EOTT  
1011 S. Goode St.  
Midland, TX 79701

Bill Harvey, Division Order Analyst  
EOTT  
1300 Post Oak Blvd., Suite 2700 (77056)  
P.O. Box 4666  
Houston, TX 77210-4666

Paul E. Fowler, Division Manager  
Texaco Trading & Transportation  
16825 Northchase Blvd., Ste. 600  
Houston, TX 77060-6086

Bennett Shelton, Sr. Field Rep.  
Citgo Petroleum Corporation  
1031 Andrews Hwy.  
Midland, TX 79701

Robert D. Hunt, Asset Team Leader  
OXY USA, Inc.  
April 3, 1997  
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Tom Savage  
Texaco Trading & Transportation  
16825 Northchase Blvd., Ste. 600  
Houston, TX 77060-6086

Walter Zimmerman  
EOTT  
1011 S. Goode St.  
Midland, TX 79701

Gary L. Moore, Crude Oil Representative  
Texaco Trading and Transportation  
P.O. Box 60628  
Midland, TX 79711

Frank B. Bowen, Crude Oil Sales  
OXY USA, Inc.  
P.O. Box 300  
Tulsa, OK 74102-0300

MMS  
Royalty Management Program  
P.O. Box 17110, MS 3300  
Denver, CO 80217

Ray B. Powell, Commissioner of Public Lands  
New Mexico State Land Office  
P.O. Box 1147  
Santa Fe, NM 87504

State of New Mexico  
Taxation and Revenue Department  
P.O. Box 2308  
Santa Fe, NM 87504-2308

James A. Davidson  
214 W. Texas, Suite 710  
Midland, TX 79701

Robert D. Hunt, Asset Team Leader  
OXY USA, Inc.  
April 3, 1997  
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Doyle Hartman, Oil Operator, Dallas

Doyle Hartman, Oil Operator, Midland  
Cindy Brooks  
Steve Hartman



Robert D. Hunt  
Asset Team Leader

OXY USA INC.  
Box 50250, Midland, TX 79710

Phone (915) 685-5744  
FAX: (915) 685-5888

May 7, 1996

Doyle Hartman  
200 Turtle Creek Center  
3811 Turtle Creek Boulevard  
Dallas, Texas 75219-4421

James A. Davidson  
P. O. Box 494  
Midland, Texas 79702

Gentlemen:

In response to your letter of April 26, 1996, addressed to both OXY USA and Texaco, as both you and Mr. Davidson are fully aware, OXY USA is contractually bound to CITGO Petroleum Corporation for the oil which it sells from the Myers Langlie Unit.

All working interest owners have been, and still are, free to sell their share of production from the unit. OXY has been doing so (since it assumed operatorship on January 1, 1994) only as an accommodation to certain working interest owners, but certainly not in fulfillment of some 'obligation' or 'duty' under the Unit Agreement. In fact, the clear obligation of OXY under Paragraph 16 of the Unit Agreement is to deliver the oil 'in kind' to the working interest owners for them to sell or dispose of as they choose. It is only when such owners 'fail the take' (or to put it another way, fail to fulfill their obligation to take) that OXY sells such production.

OXY USA does not benefit in any way from such sale, nor do we make the choice to sell the share production of the other working interest owners. Such owners make the choice on their own as to how they will sell their share of production.

I am aware that you are currently selling your share of the production from the unit and Mr. Davidson is certainly free to do so.

In any event, OXY USA respectfully declines to accept the position you take as set forth in your April 26, 1996 letter.

Yours truly,

OXY USA Inc.

Robert D. Hunt  
Asset Team Leader

JCL/bic

# EOTT ENERGY Operating Limited Partnership

P.O. BOX 1660  
5805 E. BUSINESS 20  
MIDLAND, TEXAS 79702 August 8, 1995  
(915) 682-8251

Certified Mail Return Receipt Requested

Mr. Doyle Hartman  
Oil Operator  
P. O. Box 10426  
Midland, TX 79702

Re: Myers Langlie Mattix Unit in Lea County, New Mexico

Dear Mr. Hartman:


I am in receipt of your letter dated August 3, 1995, addressed to Enron Oil Trading & Transportation Company. Effective January 1, 1993, Enron Oil Trading & Transportation Company changed its name to EOTT Energy Corp. ("EOTT"). Please be advised that EOTT has not been the purchaser of crude oil from the tracts listed on the schedule attached to your letter since March 31, 1993. Effective April 1, 1993, CITGO became the purchaser of production from said tracts.

Since EOTT has not purchased production from your tracts since March, 1993, EOTT does not possess the accounting information requested in your letter, and EOTT has no duty to provide such accounting. You should contact Oxy USA, Inc., and/or CITGO to obtain the information requested in your letter.

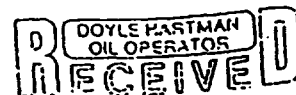
Enclosed is copy of a letter from Texaco Trading and Transportation Inc., to Texas-New Mexico Pipeline Company. This letter was EOTT's first notice that it was no longer the purchaser of production from your tracts.

You said in your letter that you were "amazed that Enron has allowed another serious disruption to occur corresponding to our MLMU oil revenues." Obviously, EOTT does not control the disbursement of proceeds of production that EOTT does not purchase. Likewise, EOTT's division order does not require EOTT to provide you with notice that it is no longer buying production from your tracts when the marketer of that production (Oxy USA, Inc.) unilaterally commences selling such production to another purchaser.

Very truly yours,

  
John Glidewell  
Area Manager

cc: Bill Harvey  
Walter Zimmerman



AUG 10 1995

EOTT ENERGY CORP.  
General Partner

FORM NO. 105-817 (3-94)



Paul E. Fowler  
District Manager  
Texas-New Mexico Division

Texaco Trading and Transportation Inc.

Two Greenspoint Plaza Suite 600  
16325 Northchase Boulevard  
Houston, TX 77060-6000  
713 875 9300

June 2, 1993

Mr. E. H. Gripp  
Texas-New Mexico Pipeline Company  
P. O. Box 60028  
San Angelo, Texas 76906

Re: Myers Langlie Mattix Unit  
Lea County, New Mexico  
Operated by Texaco Exploration and Production Inc.

Effective April 1, 1993, Oxy USA Inc. designates CITGO as purchaser of interests recently acquired and previously purchased by Enron in the subject unit.

This change affects approximately 1967 BPD which should be run for CITGO's account on Texas-New Mexico Pipeline. The attached exhibit details the changes in purchaser percentages. Please update your records to reflect this change.

Should you have any questions, please contact Jason Staker at (713) 874-2350.

Very truly yours,

Paul E. Fowler

PEF/JS

Attachments

cc: Frank Burek  
John Glidewell - Enron  
Harry Rathemel  
Tom Savage  
Bennett Shelton - CITGO  
Bob Wyatt

TEXACO EXPLORATION AND PRODUCTION INC. - UNIT OPERATOR  
MYERS LANGLIE MATTIX UNIT TRACT ALLOCATION PERCENTAGE  
LEA COUNTY, NEW MEXICO  
PLDP #0055-2174-0000 -- TTTI LEASE #81635  
EFFECTIVE APRIL 1, 1993

GATHERER: TEXAS/NEW MEXICO PIPELINE

PURCHASERS:						
SUB	TRACT	TRACT ALLOCATION	AMERADA HESS	CITGO	ENRON	TTTI
	1	1.22311		1.22311		
	2	0.59021		0.59021		
	3	4.16521		4.16521		
	6	0.64225		0.64225		
	7	1.07386		1.07386		
	8	0.36086		0.36086		
	10	2.14022		2.14022		
	11	0.33405		0.33405		
	12	2.07257		2.07257		
	13	1.66580		1.6658		
2178	14	1.54385				1.54385
2179	15	4.11596				4.11596
	16	0.40945		0.40945		
	17	1.19564		1.19564		
	18	0.33599		0.33599		
2192	19	2.49538		2.49538		
8020	20	0.15631				0.15631
8021	21	3.08133				3.08133
8022	22	2.00252				2.00252
2189	23	0.30952		0.30952		
2190	24	0.30468		0.30468		
2191	25	0.91715		0.91715		
	26	3.39996		3.39996		
	27	2.63684		2.63684		
	28	2.19345		2.19345		
	29	1.02337		1.02337		
	30	5.63333	5.63333			
	31	0.59616			0.59616	
8032	32	1.22538				1.22538
	33	2.41311		2.41311		
8034	34	2.57678				2.57678
8035	35	0.08931				0.08931
2180	36	0.33124				0.33124
8037	37	0.76162				0.76162
8038	38	0.15657				0.15657
8039	39	0.94333				0.94333
8040	40	2.69658				2.69658
8041	41	0.39002				0.39002
8042	42	0.27833				0.27833
	43	0.26781		0.26781		
	44	1.29114				1.29114
	45	0.02187		0.02187		
	46	0.45346		0.45346		
	47	0.06561		0.06561		
8048	48	0.04581				0.04581
	49	3.29505		3.29505		
	50	1.33259		1.33259		
	51	0.18398		0.18398		
	52	0.67176				0.67176

TEXACO EXPLORATION AND PRODUCTION INC. - UNIT OPERATOR  
 MYERS LANGLEIE MATTIX UNIT TRACT ALLOCATION PERCENTAGE  
 LEA COUNTY, NEW MEXICO  
 PLDP #0055-2174-0000 -- TITI LEASE #81635  
 EFFECTIVE APRIL 1, 1993

GATHERER: TEXAS/NEW MEXICO PIPELINE

PURCHASERS						
SUB	TRACT	TRACT ALLOCATION	AMERADA HESS	CITGO	ENRON	TITI
	53	0.31075				0.31075
	54	0.26871		0.26871		
	55	0.23648				0.23648
	56	1.15151		0.44081		0.71070
	57	1.37678				1.37678
	58	0.85761		0.85761		
	59	1.43644		1.43644		
2181	60	1.38687				1.38687
2182	61	1.10778				1.10778
2183	62	2.09278		0.03269		2.06009
	63	2.10707		2.10707		
	64	1.50062		1.50062		
8065	65	1.91167		0.12695		1.78472
	66	4.41344		4.41344		
	68	3.85760				3.85760
8069	69	2.34135				2.34135
	70	0.27581		0.27581		
	71	0.29746		0.29746		
	72	1.85423		1.85423		
	73	0.59021	0.29510	0.29511		
	74	1.06063		1.06063		
8075	75	0.50868				0.50868
	76	0.75123		0.75123		
8077	77	0.18322				0.18322
	79	0.38667		0.38667		
	80	0.71139		0.71139		
8081	81	0.91263		0.04225		0.87038
TOTALS		100.00000	5.92843	54.38217	0.59616	39.09324

prepared by JTS on June 2, 1993



OXY USA Inc.  
P.O. Box 300, Tulsa, OK 74102-0300

August 16, 1995

Mr. Randy Adamson  
Texas New Mexico Pipeline Company  
Post Office Box 60028  
San Angelo, TX 76906

RE: MYERS LANGLEIE-MATTIX UNIT  
LEA COUNTY, NEW MEXICO

VIA FAX: 915/944-2721

Dear Randy:

Effective September 1, 1995, Doyle Hartman Oil operator will take-in-kind his interest in the reference unit. Mr. Hartman has designated Scurlock Permian Corporation as their purchaser.

We request that effective September 1 please amend your records to reflect the purchaser's percentage as follows:

Amerada Hess	5.92843%
CITGO	38.45216%
Enron	0.59616%
Texaco TTI	37.11859%
Chevron	12.56396%
Chinook	1.19564%
Scurlock Permian	<u>4.14436%</u>

100.00000%

Thank you for your cooperation in this matter. If more information is needed please let me know.

Very truly yours,

Frank B. Bowen

c: Mr. Doyle Hartman  
Mr. John Keffer -SPC  
Mr. Gary Moore - TTTI  
Mr. Bennett Shelton - CITGO

Oil Operator  
500 N. Main  
P.O. Box 10426  
MIDLAND, TEXAS 79702  
(915) 684-4011 Office / 682-7616 Fax

# FAX COVER SHEET

To:

NAME <i>Robert D. Hunt</i>	DATE AND TIME OF TRANSMISSION <i>4-3-97</i>
COMPANY <i>Okc-U.S.A. Inc.</i>	FAX NUMBER <i>(915) 685-5888</i>

From:

NAME <i>Linda Land, Controller</i>
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Reference:

SUBJECT <i>Myers Longlie Mattie Unit</i>
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Message:

*Letter dated 4-3-97.*

*Hard copy to follow*