

DOYLE HARTMAN

Oil Operator

500 NORTH MAIN
P.O. BOX 10426
MIDLAND, TEXAS 79702

(915) 684-4011
(915) 682-7616 FAX

Via Facsimile (281) 552-1200 and FedEx

August 10, 2000

Occidental Permian Ltd Partnership (Successor-in-Interest to Altura Energy Ltd)
580 Westlake Park Blvd. (77079)
P.O. Box 4294
Houston, TX 77210-4294

Attn: William C. Irons, Land Manager
Bill Roby, Asset Manager
Patrick Oenbring, President

Re: Ownership of Operating Rights
(surface to base of Queen)
Courtland Myers "C" No. 1 (formerly South Mattix Unit No. 35)
1650' FNL and 1650' FWL
Section 15, T-24-S, R-37-E
Lea County, New Mexico

API No. 30-025-26353
Federal Lease No. LC-032450(B)

Gentlemen:

Reference is made to page J of the herein enclosed August 7, 2000 issue of the *New Mexico Statehouse Reporting Service* (Vol 37 - No. 18).

On page J, under the category "OLD WELLS RECOMPLETED..." can be found notice of Altura Energy Ltd's (Altura's) recent recompletion of the Courtland Myers "C" No. 1 well (formerly South Mattix Unit No. 35 well) located 1650' FNL and 1650' FWL (F), Section 15, T-24-S, R-37-E, Lea County, New Mexico. As reported on page J, the subject well has been plugged back, using two bridge plugs, to 4000', and recompleted as a Langlie Mattix Queen gas producer, from 3165' to 3220'. Corresponding to the recompletion work performed by Altura, please find enclosed BLM Form 3160-4 dated January 27, 2000, NMOCD Form C-104 dated January 28, 2000, and NMOCD Form C-102 dated November 30, 1999.

Occidental Permian Ltd Partnership

August 10, 2000

Page 2

Moreover, and most importantly, in regard to the oil and gas leasehold ownership corresponding to the new Courtland Myers "C" Federal No. 1 completion interval, please be advised that Federal Lease LC-032450(B), as to the rights from the surface of the earth to the base of the Queen formation, in Section 15, T-24-S, R-37-E, was assigned by Amoco Production Company to Doyle Hartman, effective July 31, 1996, and is not owned by Occidental Permian Ltd Partnership.

For documentation of our ownership (from surface to the base of the Queen formation) corresponding to the NW/4 and NE/4SW/4 Section 15, T-24-S, R-37-E, Lea County, New Mexico, please refer to both your lease Title Opinion covering Federal Lease LC-032450(B), as well as to the herein enclosed copy of that certain recorded *Assignment and Bill of Sale*, from Amoco Production Company, Assignor, to Doyle Hartman, Assignee, that was recorded in Book 744, page 126, Lea County, New Mexico Records, at 11:48 A.M., on August 19, 1996.

As additional documentation of our ownership of the subject 200-acre tract and rights, please also find enclosed herewith a copy of that certain Federal *Transfer of Operating Rights*, from Amoco Production Company, Transferor, to Doyle Hartman, Transferee, effective July 31, 1996, which was approved by the BLM effective October 1, 1996, and by the Land Law Assistant Fluids Adjudication Team on November 29, 1996.

From a careful review of both your lease Title Opinion for Federal Lease LC-032450(B), and the herein enclosed ownership documents, it should be highly apparent that the Courtland Myers "C" Federal No. 1 well is completed on oil and gas rights that have been owned by Doyle Hartman and James A. Davidson, since July 31, 1996. Consequently, recognizing that Occidental Permian Ltd clearly does not own the productive Langlie Mattix Queen rights, as to the 200 acres consisting of the NW/4 and NE/4SW/4 Section 15, T-24-S, R-37-E, the most obvious resolution, of Occidental Permian's lack of Queen ownership, would be for Occidental Permian Ltd to prepare, for our execution, a conveyance into Doyle Hartman and James A. Davidson, of the plugged-back and recompleted Courtland Myers "C" No. 1 wellbore, with the ownership split between Doyle Hartman and James A. Davidson being as follows:

Doyle Hartman
500 N. Main (79701)
P.O. Box 10426
Midland, TX 79702
(WI = 87.5%)

James A. Davidson
214 W. Texas, Suite 710 (79701)
P.O. Box 494
Midland, TX 79701
(WI = 12.5%)

In addition, we respectfully request that a fully executed C-104 (designating Doyle Hartman as the new operator of the Courtland Myers "C" Federal No. 1 well) be furnished, for filing, by us, with the NMOCD.

Occidental Permian Ltd Partnership

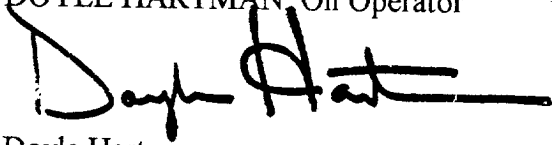
August 10, 2000

Page 3

In consideration of the fact that time is of the essence, please let us immediately hear from you regarding this matter.

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

rcs

wpdocs\corresp\altura-courtland-myers

cc: BP Amoco Corporation

501 Westlake Park Blvd. (77079)

P.O. Box 3092

Houston, TX 77253

Attn: Sir John Brown, President

Bryan Wilkes, Permian Basin Unit Manager

W.R. "Bill" Dukes, Land Manager, W. Texas and New Mexico

Katy Galassini, Chief, Lease Maintenance Unit

Bureau of Land Management

1474 Rodeo Road (87505)

P.O. Box 27115

Santa Fe, NM 87502-7115

Bureau of Land Management

2909 W. Second

Roswell, NM 88201

Attn: Leslie Cone, District Manager

Armando Lopez, Asst. District Manager

David Glass, Petroleum Engineer

Occidental Permian Ltd Partnership
August 10, 2000
Page 4

Richard L. Manus, Area Manager
Bureau of Land Management
Carlsbad Resource Area Headquarters
620 E. Green St.
Carlsbad, NM 88220

Angie Medina-Jones, Legal Instrument Examiner
Bureau of Land Management (NM 010)
435 Montano Rd. NE
Albuquerque, NM 87107-4535

Chris Williams, Supervisor
New Mexico Oil Conservation Division
District I
1625 French Drive
Hobbs, NM 88240

Occidental Permian Ltd Partnership
580 Westlake Park Blvd. (77079)
P.O. Box 4294
Houston, TX 77210-4294
Attn: J.H. Posey, President of Altura
Mark Stephens, Business Analyst (SG)

Bruce Williams
Sid Richardson Carbon and Gasoline Co.
201 Main Street, Suite 3000
Ft. Worth, TX 76102-3105

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

DOYLE HARTMAN, Oil Operator (Dallas)

DOYLE HARTMAN, Oil Operator (Jal Field Office)

DOYLE HARTMAN, Oil Operator (Midland)