

CONFIDENTIAL

DATE 12-15-83

CONFIDENTIAL  
Release Date \_\_\_\_\_

REDBIRD OIL CO. 1-12 847  
SE NW 12-8S-23W YUMA CO.



**ORGANIZATION REPORT**

Full Name of the Company, Organization, or Individual

Redbird Oil Company

Post Office Address (Box or Street Address)

5731 E. Edgemont, Scottsdale, Arizona

Plan of Organization (State whether organization is a corporation, joint stock association, firm or partnership, or individual)

Corporation

Purpose of Organization (State type of business in which engaged)

oil and gas exploration

If a reorganization, give name and address of previous organization.

If a foreign corporation, give (1) State where incorporated	(2) Name and post office address of state agent	(3) Date of permit to do business in state
Principal Officers or Partners (if partnership) NAME	TITLE	POST OFFICE ADDRESS
<u>Joseph Fauli</u>	<u>Chairman</u>	<u>112 Ash Way, San Rafael California 94903</u>
<u>Deidra Sanchez</u>	<u>President</u>	<u>5731 E. Edgemont Scottsdale, Arizona 85257</u>

DIRECTORS NAME	POST OFFICE ADDRESS
<u>Joseph Fauli</u>	<u>112 Ash Way, San Rafael, CA 94903</u>
<u>Deidra Sanchez</u>	<u>5731 E. Edgemont, Scottsdale, AZ 85257</u>

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the President of the Redbird Oil (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Deidra Sanchez  
Signature

Oct. 26, 1983  
Date

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Organization Report  
File One Copy  
Form No. 1

**APPLICATION FOR PERMIT TO DRILL OR RE-ENTER**

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR <p align="center">REDBIRD OIL COMPANY</p>		
Address	City	State
5731 E. Edgemont	Scottsdale	Arizona
Drilling Contractor <i>GREAT AMERICAN LAND &amp; CATTLE CO.</i>		
Address <i>2098 EAST 3900 SOUTH SALT LAKE CITY, UT</i>		
DESCRIPTION OF WELL AND LEASE		
Federal, State or Indian Lease Number, or if fee lease, name of lessor Arizona State #13-86383	Well number 1-12	Elevation (ground) 135'
Nearest distance from proposed location to property or lease line: <p align="right">330 feet</p>	Distance from proposed location to nearest drilling, completed or applied—for well on the same lease: <p align="center">none feet</p>	
Number of acres in lease: <p align="center">1,825.90</p>	Number of wells on lease, including this well, completed in or drilling to this reservoir: <p align="center">none</p>	
If lease, purchased with one or more wells drilled, from whom purchased: <p align="center">na</p>		
Well location (give footage from section lines) <i>2210</i> 890'S of NL 330' W of EL	Section—township—range or block and survey 12 T8S R23W GSL	Dedication (Comply with Rule 105) 80ac E 1/2 NE 1/4
Field and reservoir (if wildcat, so state) wildcat	County Imperial	
Distance in miles, and direction from nearest town or post office 4 miles northeast of Yuma, Arizona		
Proposed depth: 4500'	Rotary or cable tools rotary	Approx. date work will start November 3, 1983
Bond Status Amount \$5000.00	Organization Report On file ; Or attached <input checked="" type="checkbox"/>	Filing Fee of \$25.00 Attached <input checked="" type="checkbox"/>
Remarks:		
<p>CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>chairman</u> of the <u>Redbird Oil</u> (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.</p>		
<p><i>Joseph F. ...</i> Signature</p> <p><u>10/26/83</u> Date</p>		
Permit Number: <u>847</u>	STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Application to Drill or Re-enter File Two Copies	
Approval Date: <u>10/27/83</u>		
Approved By: <u>R. G. Ytana</u>		
<p>Notice: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.</p>		
Form No. 3		

- Operator shall outline the dedicated acreage for *both* oil and gas wells on the plat.
- A registered professional engineer or land surveyor registered in the State of Arizona or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES \_\_\_\_\_ NO X .
- If the answer to question four is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES \_\_\_\_\_ NO X . If answer is "yes," Type of Consolidation \_\_\_\_\_
- If the answer to question four is "no," list all the owners and their respective interests below:

Owner <b>Marshall &amp; Winston Inc.</b>	Land Description
under "Farmout Agreement" Operator becomes 100% interest owner in dedicated acreage with the drilling of well	
	<p align="center"><b>CERTIFICATION</b></p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p align="center">see attached survey</p> <p>Name <b>Joseph Faull</b></p> <p>Position <b>Chairman</b></p> <p>Company <b>Redbird Oil Co.</b></p> <p>Date <b>October 26, 1983</b></p>
	<p>I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p align="center">see attached survey</p> <p>Date Surveyed <b>10/3/83</b></p> <p>Registered Professional Engineer and/or Land Surveyor <b>Thomas A. Yowell</b></p> <p>Certificate No. <b>6022</b></p>

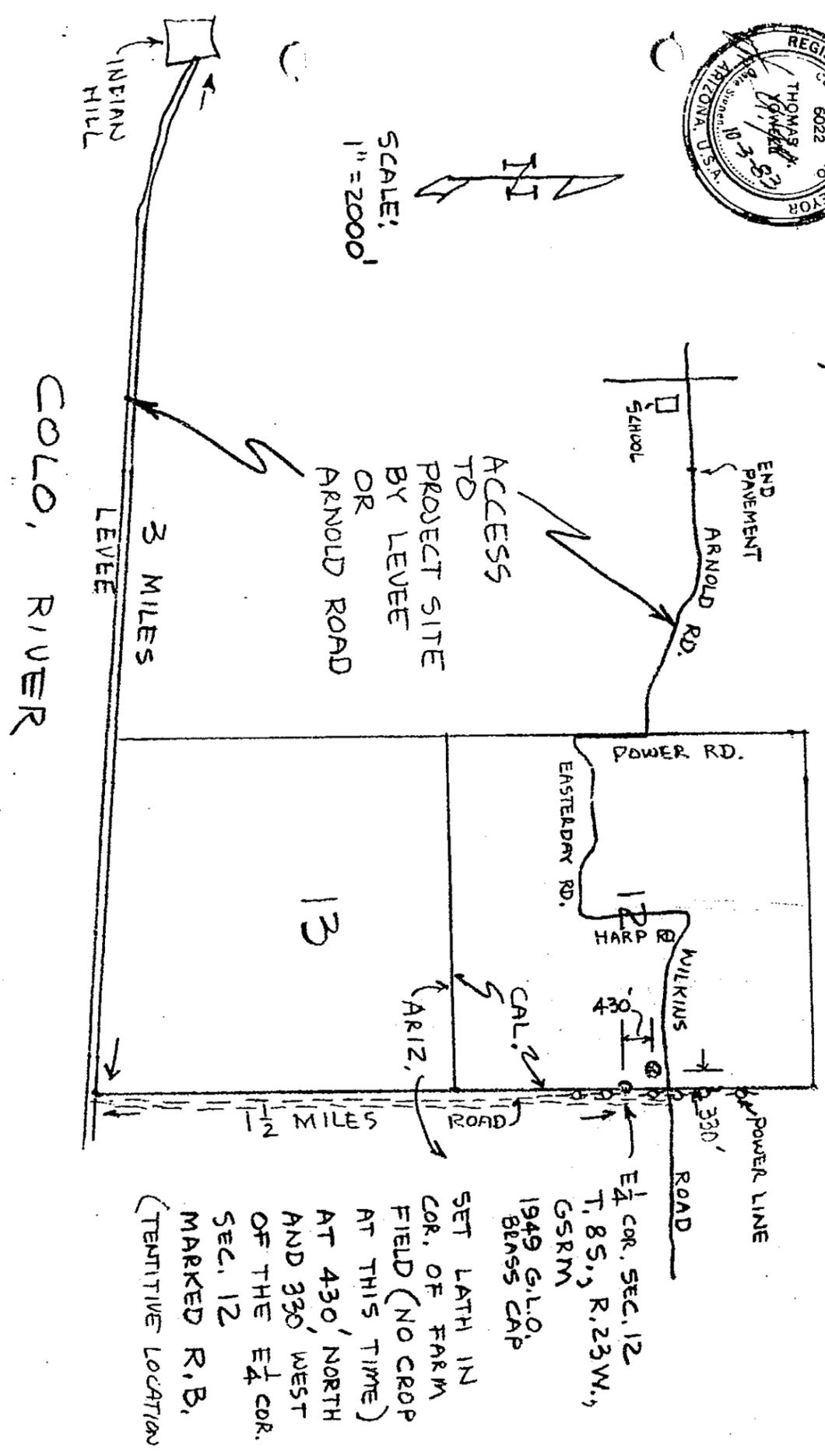
PROPOSED CASING PROGRAM							
Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
7"	26#	K-55	surface	500'	500' to surface		

WE WERE IN THE MIDDLE OF SEC. 7  
 STATEMENT  
 SURVEY CREW 2 HR - \$100.00

THOMAS A. YOWELL  
 P.O. BOX 4249  
 YUMA, AZ, 85364



RED BIRD OIL CO.  
 SCOTTSDALE, ARIZ.





# PERMIT TO DRILL

This constitutes the permission and authority from the  
OIL AND GAS CONSERVATION COMMISSION,  
STATE OF ARIZONA,

To: REDBIRD OIL COMPANY  
(OPERATOR)

to drill a well to be known as

1-12 STATE  
(WELL NAME)

located 2210' FNL & 330' FWL

Section 12 Township 8S Range 23W, YUMA County, Arizona.

The E 1/2 of NE 1/4 of said

Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this 27th day of OCTOBER, 19 83.

**OIL AND GAS CONSERVATION COMMISSION**

By [Signature]

EXECUTIVE DIRECTOR

Enforcement Director

PERMIT 00847

RECEIPT NO. 2458

A.P.I. NO. 02-027-20036

State of Arizona  
Oil & Gas Conservation Commission  
Permit to Drill

FORM NO. 27

October 28, 1983

Mr. Joseph Faull  
Redbird Oil Company  
5731 East Edgemont  
Scottsdale, AZ 85257

Re: 1-12 State, State Permit 847

Dear Mr. Faull:

Enclosed are the approved Application for Permit to Drill, Permit to Drill, receipt and Report on Proposed Operations.

If we may be of further assistance, please advise.

Sincerely,

R. A. Ybarra  
Enforcement Director

/kb

Enclosures

BANK TRNSIT NO.	\$ CHECKS	\$ CASH	NET	DATE	NAME	DESCRIPTION	RECEIVED BY
71-2 1231	25.00			10/20/83	Rehired Oil Co.	Permit # 847	KA

IF (ENCIRCLED) INDICATES CASH RETURNED FOR ADJUSTMENT TO NET AMOUNT OF ACTUAL PAYMENT

INVALID SIGNATURE

2458

OIL AND GAS CONSERVATION COMMISSION  
 STATE OF ARIZONA  
 1645 WEST JEFFERSON, SUITE 420  
 PHOENIX, ARIZONA 85007

*Kate Bando*  
 SIGNATURE

RETAIN THIS RECEIPT FOR YOUR RECORDS

CASHIERS CHECK

35236

91-2/1221

DATE OCTOBER 26, 1983

Valley National Bank of Arizona  
56TH ST., THOMAS RD. OFFICE  
PHOENIX, ARIZONA

FOR REDBIRD OIL CO DS

PAY TO THE ORDER OF

VALLEY NATIONAL BANK \$5000 AND 00 CTS

\*\*\*\*\*5000.00\*\*\*\*\*  
VOID IF ALTERED

\*\*\*\*\*5000.00\*\*\*\*\*  
VOID IF ALTERED

*[Signature]*  
AUTHORIZED SIGNATURE

td/1.25

1522000241

000352368 1122000241

(MBP 6-83)



100-0021 REV. (7-78) MP

STATE OF ARIZONA  
OIL AND GAS CONSERVATION COMMISSION

PERMIT 847

**REPORT ON PROPOSED OPERATIONS**

Redbird Oil Company  
5731 E. Edgemont  
Scottsdale, AZ 85257

Phoenix, ARIZONA  
October 27, 1983

Your proposal to drill well 1-12 State  
A.P.I. No. 02-027-20036, Section 12, T. 8S, R. 23W, G&SR B. & M.  
field, NE Yuma area, pool,  
Yuma County, dated 10/26/83, received 10/26/83 has been examined in conjunction with records  
filed in this office.

NOTE: Arizona State Lease No. 13-86383 is located in Imperial County on the California side of the Arizona-California state boundary.

THE PROPOSAL IS APPROVED PROVIDED:

1. The operator shall obtain all necessary permits and approvals required by all applicable laws and regulations prior to commencement of drilling operations.
2. Drilling mud consistent with sound drilling practices shall be used at all times. Quantities of drilling mud materials sufficient to insure well control shall be maintained readily accessible for immediate use at all times.
3. The well is cased and cemented by the displacement method in such a manner as to protect all zones that contain oil, gas, or fresh water, and to provide well control during drilling operations.
4. Blowout prevention equipment shall be installed, used, maintained, and tested in a manner necessary to assure well control throughout the drilling, completion, or abandonment of the well.
5. Samples of all cores and cuttings, taken at maximum intervals of ten feet, shall be shipped or mailed, charges prepaid to:
  - a. Oil & Gas Conservation Commission, Phoenix office.
  - b. Bureau of Geology & Mineral Technology, University of Arizona, 845 N. Park, Tucson, AZ 85719.
6. The status of completed drilling operations (Form 25) shall be completed and filed with the Commission on a timely basis.

BOND \_\_\_\_\_

A. K. DOSS, Executive Director

By \_\_\_\_\_  
Enforcement Director

**A copy of this report and the proposal must be posted at the well site prior to commencing operations.**

**Records for work done under this permit are due within 30 days after the work has been completed or the operations have been suspended.**

STATE OF ARIZONA  
OIL AND GAS CONSERVATION COMMISSION

PERMIT 847

**REPORT ON PROPOSED OPERATIONS**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, ARIZONA

Your \_\_\_\_\_ proposal to \_\_\_\_\_ well \_\_\_\_\_  
A.P.I. No. \_\_\_\_\_, Section \_\_\_\_\_, T. \_\_\_\_\_, R. \_\_\_\_\_, B. & M.,  
\_\_\_\_\_ field, \_\_\_\_\_ area, \_\_\_\_\_ pool,  
\_\_\_\_\_ County, dated \_\_\_\_\_, received \_\_\_\_\_ has been examined in conjunction with records  
filed in this office.

7. THIS COMMISSION SHALL BE NOTIFIED:

- a. Immediately when drilling operations commence.
- b. To witness the running and cementing (displacement method) of the 7" casing.
- c. To inspect the installed blowout prevention equipment prior to drilling below the shoe of the 7" casing at 500'.

BOND Cash Bond (\$5,000.00)

A. K. DOSS, Executive Director

By R. A. Yfana  
Enforcement Director

A copy of this report and the proposal must be posted at the well site prior to commencing operations.

Records for work done under this permit are due within 30 days after the work has been completed or the operations have been suspended.

July 19, 1983

Redbird Oil Co.  
2939 North 67th Place  
Scottsdale, Arizona 85251

Re: State of Arizona Lease  
No. 13-86383  
Yuma County, Arizona

Gentlemen:

The following letter sets forth the terms and conditions of an agreement between Marshall & Winston, Inc. (hereinafter referred to as "Farmor") and Redbird Oil Co. (hereinafter referred to as "Farmee"). In consideration of the benefits to accrue to the parties hereto and the covenants and obligations to be kept by Farmee, it is hereby mutually agreed as follows:

I. FARMOUT ACREAGE

Farmor represents without warranty of title of any kind or character, either express or implied that it owns that certain oil and gas lease dated April 18, 1983, between The State of Arizona, as lessor and Jeffrey L. Keim, as lessee, insofar as and only insofar as said lease covers the area depicted in yellow on the plat attached hereto as Exhibit "A" and further described by reference to section, township and range on Exhibit "B" attached hereto all in Yuma County, Arizona, hereinafter referred to as the "Farmout Acreage".

II. TEST WELL

In the event Farmee commences or causes to be commenced on or before November 1, 1983 the actual drilling of a "test well" at a legal location of Farmee's choice in the Farmout Acreage and continually prosecutes such drilling in a diligent and prompt manner to a depth of at least 4,000 feet subsurface, Farmee shall have earned, upon compliance with the requirements of Paragraph IV, the Farmout Acreage as provided for in Paragraph IV, provided however, that if the "test well" is completed as a producer of oil and/or gas in commercial quantities at a depth of less than 4,000 feet subsurface,

Farmee shall have earned, upon compliance with the requirements of Paragraph IV, the Farmout Acreage from the surface to a depth of 100 feet below the depth of the completed well. The drilling of such "test well" shall be at no cost, risk or expense to Farmor."

III. SUBSTITUTE TEST WELL

If a formation and/or some other condition is encountered while drilling of said "test well" which renders further drilling by ordinary tools and methods impracticable, Farmee shall have the right at its option for a period of 30 days from the abandonment of the "test well" to commence actual drilling of a "substitute well" in the Farmout Acreage at a legal location of Farmee's choice. Said "substitute well" shall be drilled to the same depth and in the same manner as provided in Paragraph II, for the "test well". The "substitute well", if drilled shall replace the "test well" and all reference herein made to the "test well" shall apply to the "substitute well".

IV. EARNING

Upon written request within 30 days after completion of said "test well" as a producer of oil and/or gas in commercial quantities and upon Farmee's strict compliance with all the terms and conditions hereof, Farmor agrees to assign to Farmee all of its leasehold interest in and to the Farmout Acreage but only from the surface to a depth of 100 feet below total depth drilled in the "test well". Any assignment earned hereunder will be without warranty of title, be it expressed or implied.

Any assignment made to Farmee under the terms of this letter agreement shall provide that in the event Farmee should elect to surrender, let expire, abandon or release (by failure to pay rentals or otherwise) all or any part of Farmee's rights in the Farmout Acreage, or any part thereof, Farmee shall notify Farmor not less than ninety (90) days in advance of such surrender, expiration, abandonment, or release, and if requested within thirty (30) days to do so by Farmor, Farmee shall immediately re-assign to Farmor all such rights previously conveyed to Farmee under the terms of this letter. If production from any lease covered hereby ceases at any time during the primary term thereof, and Farmee or any assignee of Farmee's is then operating such lease, Farmee shall promptly notify Farmor in writing thereof within sixty (60) days.

V. TESTING AND WELL INFORMATION

Farmee agrees to keep an accurate log of each well, to drill the same in a good faith effort to discover oil and/or gas, and to test adequately all oil and gas shows encountered. Farmee agrees to run resistivity and porosity or density logs that are compatible with Farmee's mud system from total depth to the base of the surface pipe and to use a competent hydrocarbon detection and analysis unit from the base of the surface pipe to total depth. Farmee will furnish to Farmor the information set forth on Exhibit "C" attached hereto.

VI. ASSIGNMENT

It is expressly understood that the terms of this agreement shall be binding upon the parties hereto, their heirs, successors and assigns, provided, however, that this agreement shall not be assigned by Farmee without first obtaining Farmor's written consent thereto, which consent shall not be unreasonably withheld.

VII. INDEMNITY AND APPLICATION OF LAWS

All operations which may be conducted by Farmee hereunder, whether drilling or otherwise, shall be conducted at Farmee's risk and cost and Farmor shall not be subject to any obligation or liability whatsoever in connection therewith unless otherwise specifically provided herein. Farmee agrees to indemnify and save Farmor free, clear, and harmless from any claim, demand, or lien asserted by any person or persons therefor arising from Farmee's operations and activities on the Farmout Acreage, and to promptly pay all bills for labor and other items as they occur. Nothing herein shall be construed to create a partnership, a joint venture, an association, a trust, a mining partnership, or other entity, nor to constitute Farmee the agent of Farmor.

VIII. CURATIVE WORK

Farmor shall not be obligated to perform any curative work with respect to titles involved in the Farmout Acreage or furnish any abstracts or other material other than such contract or title papers as Farmor now has in its possession; however, any curative work accomplished by Farmee shall inure to the benefit of Farmor and Farmor shall promptly be furnished copies of any instruments and/or legal opinions obtained by Farmee in connection with the "Farmout Acreage".

IX.

LEASE PAYMENTS

Farmor shall not allow or cause the state lease encompassing the Farmout Acreage to be cancelled or become subject to cancellation during the term of this letter agreement. Farmee shall pay all rentals and amounts due to the State of Arizona or to others under the state lease until an assignment of the Farmout Acreage to the Farmee has been made and approved by the State Land Department. Any fee charged by the State Land Department for such an assignment shall be paid one-half by Farmor and one-half by Farmee.

X.

ACCEPTANCE

This Farmout Letter Agreement shall not be binding upon Farmor until Farmee has evidenced its acceptance in the space provided below and returned a fully executed copy to the letterhead address above within 20 days from farmout letter date. If you fail to execute and return the agreement in a timely manner, Farmor shall have the option to declare this letter null and void.

XI.

QUALIFICATION OF FARMOR

Upon the execution of this letter agreement, the Farmor shall commence and prosecute diligently before the Arizona State Corporation Commission the steps required to authorize Farmor to conduct business in Arizona.

Very truly yours,

MARSHALL & WINSTON, INC.

By

  
WILLIAM S. MARSHALL,  
President

AGREED TO AND ACCEPTED  
this 27 day of July,  
1983:

REDBIRD OIL CO.

By

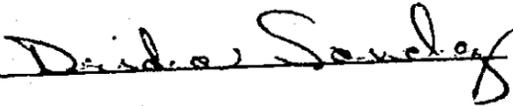
  
President



EXHIBIT "B"  
to  
Farmout Agreement dated July 11, 1983  
between Marshall & Winston, Inc. and  
Redbird Oil Co.

	<u>Acres</u>
<u>Section 1, T-8-S, R-23-W:</u>	
SW/4	160.00
Lot 9	18.28
Lot 10	18.66
S/2 NE/4	80.00
River	87.17
	<u>364.11</u>
<u>Section 2, T-8-S, R-23-W:</u>	
Lot 6	24.59
Lot 7	25.55
Lot 8	34.67
River	55.59
	<u>140.40</u>
<u>Section 11, T-8-S, R-23-W:</u>	
Lot 5	48.41
Lot 6	52.51
	<u>101.02</u>
<u>Section 12, T-8-S, R-23-W:</u>	
NE/4	160.00
N/2 SW/4	80.00
SE/4 SW/4	40.00
Lot 4	33.17
	<u>313.17</u>
Total Acreage:	918.70

All of the above land is in Yuma County, Arizona.

EXHIBIT "C"

to

Farmout Agreement dated July 11, 1983  
between Marshall & Winston, Inc. and  
Redbird Oil Co.

Re: Redbird #1, State of Arizona

Marshall & Winston, Inc., requests the following information on the  
referenced well:

1. Daily drilling reports called or mailed to Marshall & Winston, Inc.,  
(915) 684-6373 or Suite 310, West Tower, #10 Desta Drive, Midland,  
Texas 79705.
2. One (1) copy (ies) of all forms filed with State or Federal  
agencies.
3. One (1) copy (ies) of field prints and Two (2) copy (ies)  
of final prints of all logs run.
4. One (1) copy (ies) of all drill stem test charts and reports.
5. One (1) copy (ies) of preliminary and final prints of all core  
analyses, and one set of chips on each foot cored.
6. One (1) copy (ies) of daily prints of any mud logging reports,  
mailed to the above address.
7. One (1) copy (ies) of any fluid or gas analyses run.
8. Notification of all coring, testing, and logging operations.

MARSHALL & WINSTON, INC.

George Watters  
915-684-6373 Office  
915-687-2713 Home

October 12, 1983

Marshall & Winston, Inc.  
West Tower - Suite 310  
10 Desta Drive  
Midland, Texas 79705

RE: State of Arizona Lease  
No. 13-86383  
Yuma County, Arizona

Gentlemen:

This letter sets forth the following amendments to the terms and conditions of that letter agreement dated July 19, 1983 (hereinafter referred to as the "Farmout Agreement") between Marshall & Winston, Inc. (hereinafter referred to as "Farmor") and Redbird Oil Co. (hereinafter referred to as "Farmee"). In consideration of the benefits to accrue to the parties hereto and the covenants and obligations to be kept by Farmee, it is mutually agreed that the said Farmout Agreement is hereby amended as follows:

1. Paragraph II of said Farmout Agreement is hereby amended to read:

"II. TEST WELL

In the event Farmee commences or causes to be commenced on or before January 1, 1984 the actual drilling of a "test well" at a legal location of Farmee's choice in the Farmout Acreage and prosecutes such drilling in a diligent and prompt manner, Farmee shall have earned, upon compliance with the requirements of Paragraph IV, the Farmout Acreage as follows:

A. If the test well is drilled to a depth of at least 3,000 feet subsurface and is completed as a producer of oil and/or gas in commercial quantities from any depth of 3,000 feet subsurface or less, Farmee shall have earned all depths of the Farmout acreage.

B. If the test well is drilled to a depth of less than 3,000 feet subsurface and is completed as a producer of oil and/or gas in commercial quantities from any depth, Farmee shall have earned the Farmout Acreage from the surface to a depth of 100 feet below the depth of the completed well; provided, however, that Farmee shall have the right within one hundred eighty days after completion of the test well to deepen the test well to 3,000 feet subsurface and, in the event Farmee deepens the test well to at least 3,000 feet subsurface, Farmee shall have earned all depths of the Farmout Acreage.

During the course of drilling before reaching the depth of 3,000 feet subsurface, Farmee shall have the right to suspend drilling operations from time to time for a total period not to exceed ninety days for any reason or for a total period not to exceed one hundred twenty days for reasons attributable to governmentally caused delays. The drilling of such "test well" shall be at no cost, risk or expense to Farmor".

2. The period of time provided for in Paragraph III of said Farmout Agreement within which Farmee may commence actual drilling of a "substitute well" is hereby increased from thirty (30) days to ninety (90) days.

3. The first paragraph of Paragraph IV of said Farmout Agreement is hereby amended to read:

"IV. EARNING

Upon written request within 30 days after completion or later deepening (as provided for in Paragraph II.B.) of said "test well" as a producer of oil and/or gas in commercial quantities and upon Farmee's strict compliance with all the terms and conditions hereof, Farmor agrees to assign to Farmee all of its leasehold interest in and to the Farmout Acreage but only from the surface to a depth of 100 feet below total depth less than 3,000 feet drilled in the "test well" or to all depths of the Farmout acreage if the test well is drilled to a depth of at least 3,000 feet. Any assignment earned hereunder will be without warranty of title, be it expressed or implied.

4. Paragraph IX of said Farmout Agreement is hereby amended to read:

"IX. LEASE PAYMENTS

Farmor shall not allow or cause the state lease encompassing the Farmout Acreage to be cancelled or become subject to cancellation during the term of this letter agreement. Farmor shall pay all rentals and amounts due to the State of Arizona or to others under the state lease until an assignment of the Farmout Acreage to the Farmee has been made and approved by the State Land Department. Any fee charged by the State Land Department for such an assignment shall be paid one-half by Farmor and one-half by Farmee."

All other provisions of the July 19, 1983 Farmout Agreement not amended herein shall remain in full force and effect.

Very truly yours,

REDBIRD OIL CO.

By *Darwin Sandy*

President

AGREED TO AND ACCEPTED  
this 4 day of October,  
1983:

MARSHALL & WINSTON, INC.

By *Wm. M. ...*

President

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 12<sup>th</sup> day of October, 1983, there personally appeared before me, a Notary Public, Deidra Sanchez, President, who acknowledged to me that he executed the foregoing instrument on behalf of Redbird Oil Co.

Norma Garcia  
Notary Public

My Commission expires:  
My Commission Expires Feb. 28, 1985

STATE OF TEXAS )  
 ) ss.  
County of Midland )

On this 18th day of October, 1983, there personally appeared before me, a Notary Public, William S. Marshall, President, who acknowledged to me that he executed the foregoing instrument on behalf of Marshall & Winston, Inc.

Donna E. Upfold  
Notary Public Donna E. Upfold

My Commission expires:  
4-30-85