

Academic Component Institutions
The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Brownsville
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas - Pan American
The University of Texas of the Permian Basin
The University of Texas at San Antonio
Institute of Texas Cultures
The University of Texas at Tyler



Health Component Institutions
The University of Texas Southwestern Medical Center at Dallas
The University of Texas Medical Branch at Galveston
The University of Texas Health Science Center at Houston
The University of Texas Health Science Center at San Antonio
The University of Texas M.D. Anderson Cancer Center
The University of Texas Health Center at Tyler

THE UNIVERSITY OF TEXAS SYSTEM

P. O. BOX 579 AUSTIN, TEXAS 78767-0579

Bryce Bales, CPA
Manager

University Lands Accounting Office
(512) 499-4700
fax (512) 499-4792
Fax Number Effective April 1, 1998
fax (512) 494-3528

September 9, 1999

Attn: Barbara M. Hayes
Abraxas Petroleum Corporation
P. O. Box 701007
San Antonio, TX 78270-1007

RE: **UT Lease #58206: E/2 Section 33, Block 16, Ward County, Texas, 321.30 acres,**
UT Lease #66588: W/2 Section 33, Block 16, Ward County, Texas, 321.30 acres,
7211 JV-S Block 16 No. 2 well, Block 16 (Devonian) field, RRC #59149

Dear Ms. Hayes:

Receipt is acknowledged of your letter dated August 10, 1999 with shut-in royalty payment in the amount of \$2,400.00, check #27614, and shut-in certificate.

Approval has been granted to your shut-in request and this lease remains in full force and effect from July 1, 1999 through midnight June 30, 2000. If this well goes on line prior to that date, both this office and that of University Lands - Oil, Gas and Mineral Interest, P.O. Box 553, Midland, Texas 79702, should be informed of that fact. If this well remains shut-in on June 30, 2000, and this lease is not held by other production by that date, this office should receive a second shut-in request and royalty payment prior to the expiration of this first shut-in, otherwise, the lease will automatically terminate.

Should you have any questions or need additional information, please contact Georgia Pruitt at (512) 499-4712 or via e-mail at gpruitt@utsystem.edu.

Sincerely,

Bryce Bales, CPA
Manager

BB/krh
(2000-012)

cc: James Holtzclaw, Mineral Lease Specialist, University Lands - West Texas Operations



ABRAXAS PETROLEUM CORPORATION

www.abraxaspetroleum.com

August 10, 1999

VIA LONE STAR OVERNIGHT

The University of Texas System
University Lands Accounting Office
702 W. Colorado, Suite 300
Austin, Texas 78701

Re: APC Lease No. 420815
UT Lease No. 58206
between State of Texas, Lessor, and Humble Oil & Refining Company, Lessee
covering Tract 30, E/2 of Section 33, Block 16
University Lands, Ward County, Texas

APC Lease No. 420793
UT Lease No. 66588
between State of Texas, Lessor, and BTA Oil Producers, Lessee
covering Tract 50, W/2 of Section 33, Block 16
University Lands, Ward County, Texas

Sir or Madam:

In accordance with ¶2(b) of the above referenced leases, please find enclosed a check in the amount of \$2,400 as the shut-in gas well royalty payment for a period of one (1) year beginning July 1, 1999.

Should you have any questions, please feel free to call.

Sincerely,

Barbara M. Hayes
Manager of Marketing & Land Administration

:bmh
Enclosures

OFFICIAL

ULAO

AUG 09 '99

AUG 11 '99

POSTMARK

RECEIVED

096667

		VENDOR	CHECK DATE	027614
			08-10-99	
INVOICE NUMBER	INVOICE DATE		DISCOUNT TAKEN	AMOUNT PAID
		SHUT-IN ROYALTY PAYMENTS LEASE NO. 58206 - TRACT 30,E/2 SECTION 33, BLOCK 16, UNIVERSITY LANDS, WARD COUNTY, TEXAS	OFFICIAL AUG 09 '99	U LAO AUG 11 '99
		LEASE NO. 66588 - TRACT 50, W/2 SECTION 33, BLOCK 16, UNIVERSITY LANDS, WARD COUNTY, TEXAS	POSTMARK 096667	RECEIVED \$2,400.00

ABRAXAS PETROLEUM CORPORATION • SAN ANTONIO, TEXAS 78270-1007

ABRAXAS		INTERNATIONAL BANK OF COMMERCE SAN ANTONIO, TEXAS		027614
ABRAXAS PETROLEUM CORPORATION P.O. Box 701007 • San Antonio, Texas 78270-1007		096667	30-1328/1140	CHECK NO.
*****\$2,400 DOLLARS AND 00 CENTS				
		OFFICIAL	U LAO	AMOUNT
		AUG 09 '99	08-10-99	*****\$2,400.00
PAY TO THE ORDER OF		THE UNIVERSITY OF TEXAS SYSTEM UNIVERSITY LANDS ACCOUNTING OFFICE P.O. BOX 579 AUSTIN TEXAS 78767	RECEIVED	ABRAXAS PETROLEUM CORPORATION <i>Chris Willyford</i>

⑈027614⑈ ⑆114013284⑆ 0062235⑈01

Board for Lease of University Lands Shut-In Certificate

LEASE NO.	PART of SECTION	SECTION	BLOCK	ACRES	COUNTY
58206	E/2	23	16	921.3	Ward

Operator Name: Abraxas Petroleum Corporation Attention: Stephen T. Wendel
 Mailing Address: P.O. Box 701007 Delivery Address: 500 N. Loop 1604 E., Ste. 100
 City, State, Zip: San Antonio, Texas 78270 City, State, Zip: San Antonio, Texas 78232
 Phone Number: (210) 490-4788 E-Mail Address: swendel@abraxaspetroleum.com

The undersigned, a working interest owner of the above-described lease, hereby tenders the sum of \$1,200 as a shut-in royalty payment as described in said lease.

Well Name	Well No.	RRC No.	Field Name	Well Classification
JVS 7211	*2	059149	Block 16 (Devonian)	Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/>

I represent and certify that the following statements are true and correct:

This well is capable of producing oil and gas in paying quantities.

This well was shut-in on (Date) June 11, 1999 Initial SW

OIL: There were (Number) _____ potential Bbls/day, and _____ MCF/day of casinghead gas

GAS: There were (Number) 8 potential MCF/day of gas well gas

Distance to nearest pipeline: 0' Nearest purchaser: KOCH Price per MCF or Bbl. offered: 99% of

Do suitable production facilities for this well exist? Yes No
 If "No", state why and identify any existing production facilities: Koch w. TA basket Index less \$07

Does a suitable market exist? Yes No.
 If "No", state why: Due to the temporary increase in line pressure by the gas gathering system. The line pressure is expected to be reduced in October, 99.

Attached is the corresponding (G-1W-2) completion report for this well.

Stephen T. Wendel
Signature

Stephen T. Wendel
Name - Please type or print

Abraxas Petroleum Corporation
For (Company Name) - Please type or print

Vice President, Land & Marketing
Title

August 24, 1999
Date

P.O. Box 701007
Address

San Antonio, Texas 78270

Board for Lease of University Lands Shut-In Certificate

LEASE NO.	PART of SECTION	SECTION	BLOCK	ACRES	COUNTY
66588	W/2	33	16	321.5	Ward

Operator Name: Abraxas Petroleum Corporation Attention: Stephen T. Wendel
 Mailing Address: P.O. Box 701007 Delivery Address: 500 N Loop 1604 E., Ste. 100
 City, State, Zip: San Antonio, Texas 78270 City, State, Zip: San Antonio, Texas 78232
 Phone Number: (210) 490-4788 E-Mail Address: swendel@abraxaspetro.com

The undersigned, a working interest owner of the above described lease, hereby tenders the sum of \$1,200 as a shut-in royalty payment as described in said lease.

Well Name	Well No.	RRC No.	Field Name	Well Classification
JV5 7211	#2	059149	Block 16 (Devonian)	Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/>

I represent and certify that the following statements are true and correct:

This well is capable of producing oil and gas in paying quantities.

This well was shut-in on (Date) June 11, 1999 Initial SW

OIL: There were (Number) _____ potential Bbls/day, and _____ MCF/day of casinghead gas

GAS: There were (Number) 8 potential MCF/day of gas well gas

Distance to nearest pipeline: 0' Nearest purchaser: KOCH Price per MCF or Bbl. offered: 99% of

Do suitable production facilities for this well exist? Yes No
 If "No", state why and identify any existing production facilities: Koch w. Tk Docket Index less \$07

Does a suitable market exist? Yes No
 If "No", state why: Due to the temporary increase in line pressure by the gas gathering system. The line pressure is expected to be reduced in October, 99.

Attached is the corresponding (G-1/W-2) completion report for this well.

Stephen T. Wendel
Signature

Stephen T. Wendel
Name - Please type or print

Abraxas Petroleum Corporation
For (Company Name) - Please type or print

Vice President, Land & Marketing
Title

August 24, 1999
Date

P.O. Box 701007
Address

San Antonio, Texas 78270

Pruitt, Georgia

From: Holtzclaw, James
Sent: Friday, August 27, 1999 10:32 AM
To: Pruitt, Georgia
Subject: Shut in royalty

I recommend that shut in royalty for Lease 66588 and 58206 be accepted. These two leases make up the 7201 JV-S Block 16 Gas Unit. There is no drainage from any other wells. This is a temporary situation, as the gatherer is increasing line pressure for a short period of time. We will receive \$2,400 in shut in royalty, and this will allow the unit to remain in effect.