

**MBOE Oil and Gas Limited Partnership**

4925 Greenville Avenue, Suite 965

Dallas, Texas 75206

214-373-0318

214-373-6710 Fax

April 25, 2000

RE: Horizon Natural Resources, Inc. – Seller

MBOE – Purchaser

Wells: Aberdeen #4-1

Beck #4-16

Catron, H.E. #1-19

T. Cornwell #1-20

Gaffney, C.R. #3-21

Heim-Nakvinda #1-17

Lynn #1-10

Bernice Mills #1-20

Sarah Seyller #3-9

Verna #1-10

Marie Wright #1-12

Oklahoma

Aberdeen #5-21

Beck #7-16

Catron, H.E. #2-19

T. Cornwell #2-20

Hammond, Sarah #2-16

Heim, John A. #2-17

Margaret #1-3

Henry E. Nakvinda #1-17

Sigl #1-19 (Miss)

Waswo #1-4

Beck #2-16

Carol #1-16

Cooley #1-9

Florence #1-15

Hammond, Sarah #4-16

Lowery #21-22

India Maxwell #1-20

Nakvinda-Libecayt #1-18

Sigl #1-19 (PRUE)

Winter #1A-19

Ladies and Gentlemen:

MBOE Oil and Gas Limited Partnership purchased the interest previously owned by Horizon Natural Resources, Inc. in the referenced properties and effective with March 2000 gas sales will disburse the oil and gas revenues.

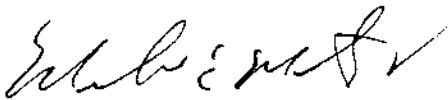
Please execute the enclosed division order(s) at your earliest convenience and return to our office.

If you have any questions, please call Eddy Dreyer at (214) 265-7101.

Sincerely,

MBOE OIL AND GAS LIMITED PARTNERSHIP

MBOE, Inc., General Partner



Michael E. Montgomery  
President

MEM/kdr

Attachments

**MBOE Oil and Gas Limited Partnership**  
4925 Greenville Ave., Suite 965  
Dallas, TX 75206  
214-373-0318

#### INSTRUCTIONS TO ALL INTEREST OWNERS

If your name and interest is correctly shown:

1. Please sign your name exactly as shown on the Oil and/or Gas Division Order.
2. Have your signature witnessed.
3. If your name has changed due to marriage or divorce, execute the Oil and/or Gas Division Order using the name to which you have changed, and furnish a copy of the marriage certificate or divorce decree.
4. If signing for a corporation, signature must be attested, corporate seal affixed, and title of signatory party reflected.
5. If signed by an agent, attorney-in-fact, guardian or any party other than the named interest owner, a certified copy of the power of attorney or other evidence of such party's right to sign must be furnished.
6. If signing for a partnership, all partners must sign, if signing for a limited partnership, the general partner must sign. A certified copy of the instrument giving said partners authority to sign must be furnished.
7. Type or print your correct mailing address.
8. Your correct Tax Identification Number or Social Security Number must be furnished. Should you fail to provide your correct Tax Identification Number or Social Security Number, the law provides that we withhold 31% of all production proceeds due you. You may also be subject to a further penalty levied by the Internal Revenue Service.
9. Return one copy in the enclosed self-addressed envelope.
10. Please do not detach the Exhibit attached to the Oil and/or Gas Division Order.
11. The Oil and/or Gas Division Order SHOULD NOT BE ALTERED IN ANY WAY except to correct spelling errors, unless accompanied by appropriate documentary evidence to support the change.

MISCELLANEOUS INCOME FOR 2000  
\*\*\*\*\* Payer's Name and Address \*\*\*\*\*  
MBOE OIL AND GAS LIMITED PTSHP  
4925 GREENVILLE AVE., #900  
  
DALLAS TX 75206  
214 265-7101  
Payer's EIN Recipient's Id Num  
75-2768153 546-34-9595

This is IMPORTANT TAX INFORMATION  
and is being furnished to the IRS.  
If you are required to file a  
return, a negligence penalty or  
other sanction may be imposed on  
you if this income is taxable and  
the IRS determines that it has not  
been reported.  
\*\*\* Account: 0MBOE-REV-OLIRIC \*\*\*

\*\*\*\*\* Recipient's Name and Address \*\*\*\*\* Box 2 Royalties:  
1,006.05  
  
RICHARD L. OLIVER  
31050 QUAIL HOLLOW CIRCLE  
HOMELAND CA 92548-9594

INSTRUCTIONS FOR RECIPIENT  
Certain amounts shown on this form may be subject to self-employment tax  
computed on Schedule SE (Form 1040). See Pub. 533, Self-Employment Tax,  
for more information on amounts considered self-employment income.  
Since no income or social security and Medicare taxes were withheld by the  
payer, you may have to make estimated tax payments if you are still receiving  
these payments. See Form 1040-ES, Estimated Tax for Individuals.  
If you are an individual, report the taxable amounts shown above on your  
tax return, as explained below. (Other taxpayers, such as fiduciaries or part-  
nerships, report the amounts on the corresponding lines of your tax return.)  
  
BOXES 1 AND 2. - Report on Schedule E (Form 1040).

The following are totals from all of the checks paid to you during the calendar  
year 2000. Only the Gross amount is reported in the above 1099 totals, the  
other amounts are provided to assist you in your reconciliation.

YTD CHECK TOTALS:

Gross	Taxes	W/H Tax	Other	Net
1,006.05	72.40	0.00	0.00	933.65

**INDEMNIFYING  
OIL AND/OR GAS DIVISION ORDER**

TO: **MBOE Oil and Gas Limited Partnership**  
P. O. Box 600490  
Dallas, TX 75360-0490

THE UNDERSIGNED, AND EACH OF US, CERTIFY AND GUARANTEE THAT THEY ARE THE LEGAL OWNERS OF THE INTERESTS SET OUT BELOW OPPOSITE THEIR NAMES IN THE GAS PRODUCED FROM OR ALLOCATED TO THE UNIT OR LEASE DESCRIBED AS FOLLOWS:

**LEASE OR UNIT:** Sarah Seyller #3

**DESCRIPTION:** NE/4 SE/4 SW/4 Section 9, Township 15 North, Range 4 West

**COUNTY/STATE:** Logan County, Oklahoma

**OPERATOR:** Horizon Natural Gas Company  
P. O. Box 700958  
Tulsa, Oklahoma 74170-0958

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FOR DIVISION OF INTEREST SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

The undersigned certifies the ownership of the decimal interest in production or proceeds as described herein payable by MBOE Oil and Gas Limited Partnership.

MBOE Oil and Gas Limited Partnership shall be notified, in writing, of any change in ownership, decimal interest, or payment address. All such changes shall be effective the first day of the month following receipt of such notice.

MBOE Oil and Gas Limited Partnership is authorized to withhold payment pending resolution of a title dispute or adverse claim asserted regarding the interest in production claimed herein by the undersigned. The undersigned agrees to indemnify and reimburse Payor any amount attributable to an interest to which the undersigned is not entitled.

MBOE Oil and Gas Limited Partnership may accrue proceeds until the total amount equals \$25.00 before disbursement or until December 31 of each year, whichever occurs first.

The Division Order does not amend any lease or operating agreement between the undersigned or the lessee or operator or any other contracts for the purchase of oil and gas.

In addition to the terms and conditions of this Division Order, the undersigned and the Payor may have certain statutory rights under the laws of the state in which the property is located.

**Special Clause: By execution of this Division Order, the undersigned agrees to indemnify and hold MBOE Oil and Gas Limited Partnership harmless for their reliance upon information provided by the prior operator.**

Signatures of Witnesses

Owners Sign Below  
(Enter Mailing Address)

Social Security Number or  
Taxpayer I.D. Number

\_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Owner No.	Credit to	Type	Decimal Interest	Inflated Interest
ALLOLE	ALLEN, OLEN C.	O	0.01562500	
BLEJOE	BLEHM, JOEL	R	0.12500000	
GROPHY	GOSS LIVING TRUST, PHYLLIS	R	0.00781250	
MBOE	MBOE OIL & GAS LTD PARTNERSHIP	W	0.79687500	
OLINOR	OLIVER, NORMAN L.	R	0.02343750	
OLIRIC	OLIVER, RICHARD L.	R	0.02343750	
TORGEO	TORRES, GEORGE	R	0.00781250	

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214-373-0318  
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September 11, 2000

Dear Oklahoma Interest Owner:

On June 5, 2000, the Governor of the state of Oklahoma signed into law Senate Bill 1048. This law requires remitters of oil and gas royalty payments to withhold 6.75% of payments to non-Oklahoma residents for the gross value of oil and gas production in the state of Oklahoma. MBOE Oil and Gas Limited Partnership, as remitter must deduct the withholding tax from all such royalty payments made on or after October 1, 2000.

You may claim an exemption from the withholding requirement if you are a resident of Oklahoma. Please complete the attached form and return it to MBOE Oil and Gas Limited Partnership on or before October 1, 2000 if you are claiming an exemption from state income tax withholding as an Oklahoma resident. You must check one of the boxes indicating under which OTC Rule 710:50-3-36 provision you are claiming residency.

Please note that MBOE Oil and Gas Limited Partnership will begin withholding 6.75% from royalty and overriding royalty payments (Owner Gross Value on MBOE Oil and Gas Limited Partnership detail) made to you subject to this law effective October 1, 2000 if we have not received the attached form timely. Once MBOE Oil and Gas Limited Partnership has withheld state income tax from your royalty check, we will not issue refunds.

As an Oklahoma income taxpayer, you will be required to file a state income tax return for the year 2000 in order to obtain a refund in the event that your tax liability is less than the amounts withheld. MBOE Oil and Gas Limited Partnership will mail to you on or before January 31, 2001 an IRS form 1099-MISC indicating the amount of Oklahoma State income tax withheld during 2000. Please consult your tax advisor or contact the Oklahoma Tax Commission at (405) 521-3160 or on the Internet at [www.oktax.state.ok.us](http://www.oktax.state.ok.us) for information on which tax form(s) you will need to file.

Please contact Eddye Dreyer at (214) 265-7101 if you have any questions.

Sincerely,



Eddye Dreyer  
Accounting

ED/acf

MOORE PETROLEUM INVESTMENT CORP.  
710 HEATHERHILL DRIVE  
NORMAN, OK. 73072

November 28, 2000

RE: Moore Pet. Invest. Corp.  
Lexie #1-9 Well  
SW/4 of 9-15N-4W  
Logan Co., Ok.

The enclosed check is your amount of a gross production tax rebate from the Oklahoma Tax Commission (OTC). The OTC implemented this rebate plan for qualified wells to refund 6/7 of the gross production from inception (6/2/99) on the well. This is to be paid to interest owners, inclusive of mineral royalty, overriding royalty and working interest.

The amount of the check is for your net interest in the Lexie # 1-9 well. There will be another rebate check, which will be paid after the filing with the OTC, being probably late next summer to fall of 2001. Be sure to have a wonderful holiday.

Sincerely,



Hal Moore, Pres. MPIC

*Norman's check,*

*I had one address for the both of you  
I am sending each of you a check.*

*Thanks,  
Hal Moore*

*(I trust we can still find the other.)*