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This material may be subject to the provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934.  
May 26, 1983

Federal Express

Dana Abrahamsen, Esq,  
Federal Trade Commission  
Sixth Street at Pennsylvania Avenue NW  
Room 313  
Washington, DC 20580

MAY 21 10 24 AM '83

FEDERAL TRADE  
COMMISSION  
PREMERGER NOTIFICATION  
OFFICE

Re: Hart-Scott-Rodino Antitrust  
Improvements Act of 1976,  
as amended (the "HSR Act")

Dear Dana:

This will confirm our several recent telephone conversations regarding the use of partnerships as a vehicle to acquire voting securities.

A partnership is its own ultimate parent entity ("UPE") and there is no group concept under the HSR Act, as there is, for example, under Section 13 of the Securities Act of 1934. Therefore, the voting securities of an issuer held by each of a partnership and its general and/or limited partners will not be aggregated for any purpose under the HSR Act. This is true, providing the requisite business purpose exists, even if (a) the partnership acquires such voting securities at a time when its partners are prohibited from doing so themselves without filing a premerger notification form and observing the waiting period; (b) the partners infuse funds into the partnership to acquire such voting securities and (c) the partnership is formed to acquire such voting securities.

A partnership with assets of less than \$10,000,000 as at the time of its latest regularly prepared balance sheet is exempt from complying with the filing and waiting period requirements of the HSR Act and a newly formed partnership has, as at the date of formation, no regularly prepared balance sheet. There is no specific time at which a UPE must prepare a balance sheet, but an UPE may not fail to prepare a balance sheet in order to perpetuate its status as an exempt entity.

*please prepare  
one before  
response*

Dana Abrahamsen, Esq.  
May 26, 1983  
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As a result of the foregoing, and until it is required to have a regularly prepared balance sheet showing assets in excess of \$10,000,000, a partnership which (a) is newly formed and funded with, for example, \$100,000,000 in cash and/or unconditional obligations of its partners to contribute cash to its capital, is exempt from complying with the filing and waiting period requirements of the HSR Act and (b) has assets of less than \$10,000,000 as at the date of its latest regularly prepared balance sheet and is funded with, for example, an additional \$100,000,000 in cash and/or unconditional obligations of its partners (old and new) to contribute cash to its capital, is likewise exempt from complying with the filing and waiting period requirements of the HSR Act.

100% is  
not in  
the eye

In addition, any combination of the scenarios of the preceding paragraphs will cause a result consistent with the results described in those paragraphs.

The absence of a legitimate business purpose will render unavailable to the UPE the benefits described herein. However, there exists a broad range of legitimate business purposes which may be available to an UPE whose purpose is not solely to avoid the application of the HSR Act, including a desire (a) to achieve certain tax results and/or (b) to obtain additional funds (whether existing in, or obtainable by, the partnership or partnerships) and/or the participation of additional investors (whether on the same or different terms as other investors).

As you may recall, in the past, I have discussed various aspects of the HSR Act with you and other attorneys at the FTC. Certain of the conclusions contained in this letter are based upon one or more of those conversations and the related correspondence and this letter is intended to supplement rather than supercede them.

Thank you again for your time and your help.

Very truly yours,

A large, dark, irregularly shaped redacted area covering the signature and name of the sender.

Exhibit B

[REDACTED]

Gentlemen:

1. Offer. For the Purchase Price and subject to the terms and conditions hereafter set forth, [REDACTED] hereby offers to purchase from [REDACTED] with effect at 7:00 a.m.

1.1 An undivided 32.0% of the interest of [REDACTED] in and under that certain Joint Venture Agreement dated effective June 1, 1982, between [REDACTED] (SOC [REDACTED]), insofar as the [REDACTED] covers those oil and gas leases and related interests within the states of [REDACTED] identified on Annex 1 hereto, within the area shown on Annex 2 hereto.

1.2 An undivided 32.0% of the interest of [REDACTED] in the oil and gas leases and related interests identified on Annex 1 together with 32.0% of the interest of Quaser in any oil and gas leases and related interests not described on Annex 1, but covering lands within the area identified on Annex 2.

1.3 An undivided 32.0% of the interest of [REDACTED] in and to any oil and gas leases and related interests acquired by [REDACTED] pursuant to the [REDACTED] within the area identified on Annex 2.

[REDACTED]

The interests for which this offer is made are hereafter referred to collectively as the Properties.

2. Purchase Price. The Purchase Price for the Properties is [REDACTED]

3. Closing. If this offer is accepted by [REDACTED] the Closing of the sale and purchase of the Properties will be held in the offices of [REDACTED] at 10:00 a.m. MST on (i) December 16, 1983 or (ii) the fifth business day following the expiration of the thirty-day waiting period (and any additional period resulting from a request for additional materials from the Federal Trade Commission or the Department of Justice) following the filing by [REDACTED] of the Notification and Report of this transaction under the Hart-Scott-Rodino Anti-Trust Improvement Act of 1976, whichever of (i) or (ii) is later.

3.1 At Closing [REDACTED] will deliver to [REDACTED]

(a) Executed assignments, bills of sale and other instruments required to transfer the Properties to [REDACTED] with effect at 7:00 a.m. on December 15, 1983, subject to the representations and warranties hereafter set forth; provided that individual assignments of state and United States leases may be delivered within 30 days after Closing.

(b) Waivers of all preferential rights to purchase held by third parties and enforceable against the Properties, together with any third party consents required for the transfer of the Properties to [REDACTED] under the terms of oil and gas leases or other instruments affecting the Properties.

(c) Copies of all (i) seismic data relating to the Properties and proprietary to [REDACTED] and (ii) seismic data relating to the Properties delivered prior to Closing to [REDACTED] under the [REDACTED] together with the agreement of [REDACTED] and of [REDACTED] to the effect that [REDACTED] may participate, to the extent of 32.0% of the interest of [REDACTED] in the proceeds of the sale or trade of such data.

(d) Written statements from [REDACTED] and from [REDACTED] that upon the completion of the sale and purchase of the Properties, [REDACTED] will be recognized as having acquired 32.0% of the rights of [REDACTED] under the [REDACTED] subject

[REDACTED]

to its assumption of 32.0% of the obligations of [REDACTED] thereunder, in respect of the leases described on Annex 1, within the area identified on Annex 2.

3.2 At Closing [REDACTED] will deliver to [REDACTED]

(a) The Purchase Price in good [REDACTED] funds.

(b) The written agreement of [REDACTED] that the Properties are acquired by [REDACTED] subject to all of the unexecuted terms and provisions of the [REDACTED] and that [REDACTED] accepts and agrees to assume and be bound by the unexecuted terms and provisions of the [REDACTED] including, without in any way limiting the generality of such acceptance, the definitions; the designation of [REDACTED] as operator and its authority as such; the existence and authority of the Information Committee, (without any representation or assurance by [REDACTED] will be entitled to a representative upon the Information Committee, provided that if [REDACTED] is denied membership on the Information Committee [REDACTED] agrees to make the position of [REDACTED] known on any matter brought before the Committee); the obligation under Section 5.04 of the [REDACTED] to disclose to [REDACTED] on a continuing basis any well data, seismic line data, gravity surveys and other geophysical data relating to the Properties acquired after December 1, 1983 by [REDACTED] (but not including any such data and information in [REDACTED] possession on [REDACTED] the earning rights of [REDACTED] including the agreement of [REDACTED] to contribute its proportionate share of each interest earned by [REDACTED]; the existence and validity of the area of mutual interest provisions of Section 8.04 of the [REDACTED] the tax partnership provisions of Article IX of the [REDACTED] the confidentiality requirements of Section 11.06 of the [REDACTED] and the limitations on assignment of Section 11.12 of the [REDACTED]

3.3 [REDACTED] agree to execute and deliver each to the other such further instruments (including individual assignments of state and United States leases), certificates and other documents as may, subsequent to Closing, be required or desirable fully to effectuate the sale and purchase of the Properties. They further agree promptly following acceptance of this offer by [REDACTED] to make such filings as may be required to comply with the Hart-Scott-Rodino Anti-Trust Improvement Act of 1976, if applicable.

[REDACTED]

4. Conditions to the Offer:

4.1 Adjustment of Percentage.

(a) [REDACTED] represents but does not warrant, expressly or by implication, that the total of its net oil and gas leasehold acre interests in the leases described on Annex 1 is not less than [REDACTED] net leasehold acres, before giving effect to any interests to which [REDACTED] may be or become entitled under the [REDACTED]. [REDACTED] agrees to make available to [REDACTED] for examination in [REDACTED] office, its applicable lease, contract and other files without representation, however, as to the accuracy of any third party statements or opinions appearing therein. [REDACTED] will have until [REDACTED] in which to notify [REDACTED] that the total net oil and gas leasehold acre interest of [REDACTED] in the leases described on Annex 1 is less than [REDACTED] acres. (Any interest assigned to [REDACTED] which [REDACTED] may be entitled to assignment under the [REDACTED] will for all purposes under this Section 4.1 be deemed to be owned by [REDACTED].) If [REDACTED] does not so notify [REDACTED] within such period, it will be conclusively presumed that [REDACTED]'s total net oil and gas leasehold acre interest in the leases described on Annex 1 at closing is not less than [REDACTED]. Any such notice will set forth [REDACTED] computation of [REDACTED] total net oil and gas leasehold acre interest in the leases described on Annex 1 and the basis for any reduction of [REDACTED] total net oil and gas leasehold acres below [REDACTED]. If [REDACTED] does not agree with the total net acre computation set forth in [REDACTED] notice, the parties will in good faith attempt to reach an agreed amount before Closing, failing in which, for the purposes of the following subsection 4.1(b), the total acreage set forth in [REDACTED] notice will control.

(b) If the total net oil and gas leasehold acre interest of [REDACTED], established by agreement or, failing agreement, by [REDACTED] as provided in subsection 4.1(a), is less than [REDACTED] the percentage of [REDACTED] interest in the leases described in Annex 1 to be assigned to [REDACTED] at Closing will increase to that percentage of the total net oil and gas leasehold acre interest of [REDACTED] so established which will result in a transfer to [REDACTED] at closing of [REDACTED] net oil and gas leasehold acres out of the interest of [REDACTED] in the leases described in Annex 1. In such event, all references in this letter to 32% will be deemed amended to such increased percentage.

[REDACTED]

4.2 Approval of Agreements. Within ten days after the date of [REDACTED] acceptance of this offer, [REDACTED] will designate to [REDACTED] any agreements relating to the Properties to which Quasar is a party, which are known to [REDACTED] and were not contained in the files of [REDACTED] made available to [REDACTED] for examination under Section 4.1(a) and will afford [REDACTED] the opportunity to examine all such agreements in the [REDACTED]. On or before [REDACTED], [REDACTED] may, by written notice to [REDACTED] elect not to proceed to Closing and terminate the agreement to purchase and sell the Properties, if it determines that the terms and provisions of any agreement to which [REDACTED] is a party relating to the Properties, whether or not contained in [REDACTED] files or designated by [REDACTED], materially affect the value of the Properties and in its notice specifies to [REDACTED] the basis for such determination. Failure to notify [REDACTED] within such period will constitute the conclusive acceptance by [REDACTED] of the terms and provisions of all such agreements.

5. Representations and Warranties by [REDACTED]  
[REDACTED] represents and warrants in respect of the Properties as follows:

5.1 That at Closing all claims, costs, expenses and liabilities with respect to the Properties attributable to any act or operation prior to the date of Closing will have been paid and discharged or will be paid or discharged by [REDACTED], without recourse to [REDACTED]

5.2 That the oil and gas leases relating to the Properties are and will be at Closing in full force and effect, free of leasehold or other defects known to [REDACTED] subject to terminations, expirations and relinquishments in the ordinary course of business prior to Closing and that [REDACTED] will warrant title to the Properties but only against parties claiming by, through or under [REDACTED] and not otherwise (but expressly excepting from any warranty any claim of interest by [REDACTED] under the [REDACTED])

5.3 That the Properties are not subject to royalty, overriding royalty, production payment or other non-operating leasehold burdens in excess of 22.5% (proportionately reduced) and that no burdens on the Properties will be created by [REDACTED] subsequent to the date of this offer.

[REDACTED]

5.4 That to the knowledge of [REDACTED] Properties are subject to no litigation or adverse claims other than those set forth on Annex 3, attached hereto. [REDACTED] will afford [REDACTED] the opportunity to examine all pleadings, discovery and other documents relating to the actions described on Annex 3 in [REDACTED] office. [REDACTED] will have the right to elect not to proceed to Closing and terminate any agreement to purchase the Properties, if [REDACTED] notifies [REDACTED] in writing, on or before [REDACTED] that in its opinion the existence of such litigation adversely affects or may adversely affect the value of the Properties. Failure so to notify [REDACTED] within such period and elect to terminate any agreement resulting from this offer will constitute conclusively the acceptance by [REDACTED] of any adverse result to the Properties which may arise out of the ultimate disposition of such litigation.

5.5 That the Properties, at Closing, will be free and clear of all obligations or restrictions associated with any limited partnership for which [REDACTED] or any affiliate of [REDACTED] acts as the general partner, notwithstanding that certain of the Properties will include interests presently owned by such limited partnerships or some of them.

5.6 That prior to Closing [REDACTED] will exercise its best efforts to maintain the oil and gas leasehold and related interests comprising the Properties and will make no disposition or encumbrance of any such interest except subject to the rights of [REDACTED] hereunder. (After Closing such leasehold and related interests will be maintained as provided in the [REDACTED])

6. Exploration Agreement on Relinquished [REDACTED] Interests. The [REDACTED] provides in Section 7.01 that under the circumstances set forth therein [REDACTED] may relinquish to [REDACTED] certain interests in lieu of drilling an Exploratory well. [REDACTED] will enter into an appropriate agreement as to their respective rights and interests in the event of any such relinquishment by [REDACTED] provided, however, that a failure to reach such agreement prior to Closing will not affect the obligation of [REDACTED] to sell and deliver and [REDACTED] to purchase and pay for, the Properties at Closing.

7. Copies of Files. After Closing [REDACTED] will, at [REDACTED] request, copy and reproduce all files and other

[REDACTED]

records of [REDACTED] relating to the Properties, for the account of [REDACTED] and without cost obligation to [REDACTED]

8. Taxes. Ad valorem taxes on leases and equipment and gross proceeds or other taxes on or measured by production, affecting the Properties, will be prorated to the date of Closing and appropriate adjustments will be made between the parties upon the receipt of tax statements relating to such taxes, whether received before or after Closing.

If this offer meets with your acceptance, please so indicate in the space provided below, returning one copy for our files. This offer will remain open for 48 hours from the time of receipt by you. After such time the offer will be considered as withdrawn.

Sincerely yours,

[REDACTED]

[REDACTED]

[REDACTED]

Exhibit C

MEMORANDUM  
OF CALL

J

INFO

[REDACTED]

- PLEASE CALL THE PHONE NO. \_\_\_\_\_
- WILL CALL AGAIN  IS DESIRING TO SEE YOU
- RETURNED YOUR CALL  SPOKE AN APPROPRIATE MESSAGE

[REDACTED]

*interviewed on 4/79  
J. S. of J. S. Co.  
- J. S. (78) 8*

DATE: D. 3-26 3:10

[Redacted] 5/2/64  
[Redacted]

Signing of affidavits  
of title

Trust will be filing

3 individuals <sup>names</sup>  
4 as separate entities

2 being firm name of atty

3rd will file separately  
separate trust

to avoid [Redacted] trust  
to avoid [Redacted] trust  
[Redacted] will be [Redacted]  
do  
[Redacted] firm to [Redacted]  
of the trust [Redacted] - [Redacted]  
to [Redacted] of [Redacted]  
trust.

5/20/53

[Redacted]

[Redacted]

802.31

Letter to [unclear]  
& [unclear]

Answer to B-

10/22

Ch 13 1/14

Transfer of [unclear]  
[unclear]

Received [Redacted]  
[unclear]  
[unclear]  
[unclear]

5-20/53



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As per to \_\_\_\_\_  
\_\_\_\_\_ - library

\_\_\_\_\_

\_\_\_\_\_

Conf

5/27/53



Client is buying stock  
of 2 subsidiaries  
at 100% - incl. 100%  
+ 2nd 100%  
stock purchased K +  
no allocation

Reportable regarding of  
Client for 1953  
- believe it is 3/15/54

400,000 K + 100%

Provisionally held

I need for 33<sup>1/3</sup> - 100% client  
no interest. C.R.

[Redacted] 5/27/83

5(R) - 1977. Assume

Admissions since 1977  
de branch of piece of  
S+L's - debts not  
entire.

I had her to estimate  
revenue & mileage in  
- S+L - per month  
estimate

and not accept for last year

Info.

5/27/53



Client is individual  
setting up a corp to  
buy a sub of Exxon -  
in purchase

A - is 55,000 in capital  
Receiving 12 PM from  
a client bank on day  
of closing.

Client individual to U.F.E.

Client is in business

I advised in past  
Client will believe 15 PM  
no firm record

[Redacted]

Copy & affidavit

properly included

properly included -  
to the [unclear] the [unclear]  
of the [unclear] [unclear] per  
of the [unclear]

1

1773

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Francis P. ...  
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Item 9  
Instructions  
Settlement each 4 digit code  
re

5/31/81 form discussion joint  
Ventures -

we discuss in more recent  
form deliberate

We checked old form  
draft + language  
disappeared - no  
reason given.

I advise [redacted] that  
revelation is an result  
to item 9 (which form  
would require as to 4 digit  
S/C in area of intended  
operations of JV) + no  
substantive change of form  
to form [redacted] in meeting 5/31/81  
form -