

If a person assigns his contract right transfer 801/1
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VC

April 15, 1992

Mr. Victor Cohen
Premerger Notification Office
Mail Stop: Room 301
Federal Trade Commission
6th & Pennsylvania Avenue, N.W.

16 11 34 1
FEDERAL TRADE
COMMISSION
MERGER NOTIFI
OFFICE

Re: Confirmation of informal interpretation of

This letter will confirm our conversation on April 13, 1992

of several limited partnerships in which one of our clients (the "Client") serves as general partner and several institutional investors for which the Client provides property management services.

Our Client is engaged in the purchase, sale and operation of oil and gas assets for its own account and for the account of certain institutional investors. Some of these institutional investors prefer not to own working interests in oil and gas properties directly and so purchase limited partnership interests in limited partnerships in which our Client serves as general partner. Other institutional investors prefer to own the oil and gas interests directly and the Client, pursuant to contract, identifies properties appropriate for purchase by such investors, negotiates the purchase of the properties, and thereafter manages such properties, on behalf of the investors. Thus, funding for the purchase of

investors, as the case may be. Under the terms of the property management contracts, however, the Client is required to purchase for the account of

Mr. Victor Cohen
April 15, 1992
Page 2

The institutional investors for whom the Client provides property management services are not included in the same "person" as the Client, as that term is used in

serves as general partner.

Our Client has entered into a purchase agreement to purchase certain oil and gas properties from two sellers for an aggregate consideration of approximately [redacted] million. Each of the sellers is included within the same acquired person

will be filed in connection with this separate transaction.

The purchase agreement signed by the Client provides that the Client may assign all or any part of its rights and obligations under this contract to two named institutional investors (or any of their affiliates) or to any affiliate of the Client, which term includes the limited partnerships for which the Client serves as general partner. The Client proposes prior to closing the purchase of the assets to assign all of its interest in the purchase agreement (other than a [redacted] interest valued at approximately [redacted] which it is required to retain under its property management

agreements as permitted assignees. The assignments may be made in varying percentages, but no assignee will become the beneficial owner of more than an interest of approximately [redacted], valued at approximately [redacted] million. (This is true even when the Client's direct retained interest [redacted] is aggregated with the approximately [redacted] interest to be assigned to the limited partnership included within the same

In our conversation you expressed our view that based on the

[REDACTED]

Mr. Victor Cohen
April 15, 1992
Page 3

purchase agreement since neither the Client nor any of the
agencies, who are the acquiring newspaper, would accept

of the circumstances presented to the Staff. If this is not
an accurate reflection of our discussion or the views of the
Staff, please contact me.

As always, the Staff's willingness to assist us in these
matters is most appreciated.

Very truly yours,

[REDACTED]

[REDACTED]