

Voting

Ballots/AFE's to WIOs will be considered approved if:

Note: AFE's under \$100k do not require WIO approval

- CO₂ Study AFE's (see Overhead above) and Tertiary Project AFE's (both pilot and full scale, both primary area and ring area): Largest 2 owners must approve in addition to \$ requirement.

Note: Yates Petroleum's 7 affiliates are defined as a single owner for this purpose. Should these Yates interests be sold a new 2nd largest owner could occur.

- AFE's < \$1M: Largest Owner + 10% remaining WI; Minimum of 77.5%
- AFE's ≥ \$1M and drilling of one or more wells: 85% of the WIO participation

2-23-95

Ron

This is as far as Peyton Yates will go.

- ① CO₂ → Tertiary
- ② Include drilling with > \$1 MILLION
- ③ 84 → 85
- ④ 3% GONE

If you send letter with Exxon version of voting, please change cover letter so others do not get idea that Yates agrees to voting procedure. Also, Yates would send letter to other owners explaining where Yates and Exxon differ and why.

Dave Boneau

02/23/95

15:48

505 748 4585

YATES PET ENG

*** ACTIVITY REPORT ***

TRANSMISSION OK

TX/RX NO.

CONNECTION TEL

CONNECTION ID

START TIME

USAGE TIME

PAGES

RESULT

4715

919156886258

PROD MGMT & TECH

02/23 15:47

00'56

2

OK

TO: RON MAHEW

FROM: DAVE BONEAU

PHONE: 915-688-6258

180 M.P.H.



YATES
PETROLEUM
CORPORATION

DATE: 2/23/95

NUMBER OF PAGES :
(INCLUDING COVER)

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