



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

March 7, 1997

**CERTIFIED MAIL &
RETURN RECEIPT REQUESTED**

Mr. Lee Scarborough
ARCO Permian
P. O. Box 1610
Midland, Texas 79702-1610

Re: W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Marathon hereby amends our well proposal dated December 12, 1996 for the captioned well by changing the location of the well to 1,000' FNL and 950' FEL which is an unorthodox location. Enclosed is a new AFE with the revised location. All other terms of our proposal remain unchanged.

Since you are an offsetting owner to the north of this location we enclose a waiver letter addressed to the New Mexico Oil Conservation Division. If you still are unopposed to this location, please sign this letter and return it to me at your earliest convenience.

Marathon has contracted a rig to spud this well on or about May 1, 1997. If you still don't plan to participate in this well, please forward an agreement for the trade you have chosen in lieu of participation.

If you have any questions, please call me.

Sincerely,

Tim Robertson, CPL
Advanced Landman

TBR:hr
Enclosure

SENDER: <ul style="list-style-type: none">Complete items 1 and/or 2 for additional services.Complete items 3, 4a, and 4b.Print your name and address on the reverse of this form so that we can return this card to you.Attach this form to the front of the mailpiece, or on the back if space does not permit.Write "Return Receipt Requested" on the mailpiece below the article number.The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: Mr. Lee Scarborough ARCO Permian P. O. Box 1610 Midland, TX 79702-1610		4a. Article Number P 268 436 197	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery MAR 10 1997	
5. Received By: (Print Name) 		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X			

Thank you for using Return Receipt Service.



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Telephone 915/682-1626

March 7, 1997

**CERTIFIED MAIL &
RETURN RECEIPT REQUESTED**

Mr. Rusty Waters
Louis Dreyfus Natural Gas Corporation
1400 Quail Springs Parkway, Suite 600
Oklahoma City, Oklahoma 73134

Re: W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Marathon hereby amends our well proposal dated December 12, 1996 for the captioned well by changing the location of the well to 1,000' FNL and 950' FEL which is an unorthodox location. Enclosed is a new AFE with the revised location. All other terms of our proposal remain unchanged.

Since you are an offsetting owner to the north of this location we enclose a waiver letter addressed to the New Mexico Oil Conservation Division. If you still are unopposed to this location, please sign this letter and return it to me at your earliest convenience.

Marathon has contracted a rig to spud this well on or about May 1, 1997. If you still don't plan to participate in this well, please forward an agreement for the trade you have chosen in lieu of participation.

If you have any questions, please call me.

Sincerely,

Tim Robertson, CPL
Advanced Landman

TBR:hr
Enclosure

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3. Article Addressed to: Mr. Rusty Waters Louis Dreyfus Natural Gas Corp. 1400 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134		4a. Article Number P 268 436 196	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery 3/10	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature (Addressee or Agent) 			

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Telephone 915/682-1626

March 7, 1997

**CERTIFIED MAIL &
RETURN RECEIPT REQUESTED**

Mr. Robert Bullock
Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Re: W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Marathon hereby amends our well proposal dated December 12, 1996 for the captioned well by changing the location of the well to 1,000' FNL and 950' FEL which is an unorthodox location. Enclosed is a new AFE with the revised location. All other terms of our proposal remain unchanged.

Since you are an offsetting owner to the north of this location we enclose a waiver letter addressed to the New Mexico Oil Conservation Division. If you still are unopposed to this location, please sign this letter and return it to me at your earliest convenience.

Marathon has contracted a rig to spud this well on or about May 1, 1997. If you still plan to participate in this well, please sign and return the AFE and we will forward an operating agreement to you.

If you have any questions, please call me.

Sincerely,

Tim Robertson, CPL
Advanced Landman

TBR:hr
Enclosure

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I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Robert Bullock
Yates Petroleum Corp.
105 South 4th Street
Artesia, NM 88210

4a. Article Number

P 268-436-209

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

3.10.97

5. Received By: (Print Name)

6. Signature (Addressee or Agent)*

8. Addressee's Address (Only if requested and fee is paid)



P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

March 7, 1997

**CERTIFIED MAIL &
RETURN RECEIPT REQUESTED**

Mr. Doug Laufer, CPL
Exxon Company, USA
P. O. Box 1600
Midland, Texas 79702-1600

Re: W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Marathon hereby amends our well proposal dated December 12, 1996 for the captioned well by changing the location of the well to 1,000' FNL and 950' FEL which is an unorthodox location. Enclosed is a new AFE with the revised location. All other terms of our proposal remain unchanged.

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Tim Robertson, CPL
Advanced Landman

TBR:hr
Enclosure

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3. Article Addressed to: Mr. Doug Laufer, CPL Exxon Company, USA P O Box 1600 Midland, TX 79702-1600		4a. Article Number P-268-436-207	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> CCD	
		7. Date of Delivery MAR 10 1997	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X [Signature]			

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P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

March 7, 1997

**CERTIFIED MAIL &
RETURN RECEIPT REQUESTED**

Mr. Ken Gray, CPL
Devon Energy Corporation
20 N. Broadway, Suite 1500
Oklahoma City, Oklahoma 73102

Re: W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E
Eddy County, New Mexico

Gentlemen:

Marathon hereby amends our well proposal dated December 12, 1996 for the captioned well by changing the location of the well to 1,000' FNL and 950' FEL which is an unorthodox location. Enclosed is a new AFE with the revised location. All other terms of our proposal remain unchanged.

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If you have any questions, please call me.

Sincerely,

Tim Robertson, CPL
Advanced Landman

TBR:hr
Enclosure

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I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Mr. Ken Gray, CPL
Devon Energy Corp.
20 N. Broadway, Suite 1500
Oklahoma City, OK 73102

4a. Article Number
P 268-436-208

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

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Midland, TX 79702-0552
Telephone 915/682-1626

March 7, 1997

Mr. Michael Stogner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Unorthodox Location Drilling Permit
W. B. Travis "15" State Com #1
E/2 Section 15, T-18-S, R-28-E, NMPM
Eddy County, New Mexico

Gentlemen:

Yates Petroleum, Inc., as offset operator or offset lessee or unleased mineral owner, has been advised of Marathon Oil Company's intent to drill the referenced well at a location 1,000' FNL and 950' FEL of Section 15, T-18-S, R-28-E, Eddy County, New Mexico.

This letter is to advise that Yates Petroleum, Inc. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application for an unorthodox location drilling permit.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Tim Robertson'.

Tim Robertson, CPL
Advanced Landman

TBR:hr

YATES PETROLEUM, INC.

By: _____
Date signed: _____

Region	Mid-Continent	Total Depth	10,800
Field	Travis	Drilling Days	35
Lease	W. B. Travis "15" State Com #1	Compl Days	10
Location	1000' FNL. & 950' FEL, Sec. 15, T18S-R28E, Eddy County, NM	AFF#	665296

Source	Quantity		Feature	Cond	A
DRILLING COSTS - TANGIBLE					
			Drive Pipe	81-7	
Purchase			Conductor Pipe- 20",PE	81-8	
Purchase	575		Surface Pipe- 13-3/8",48#,11-40,8rd,STC	81-9	\$9,000
Purchase	2700		Casing, Int. String No. 1- 9-5/8"	81-11	\$30,000
			Casing, Intermediate String No. 2	81-12	
			Drilling Liner	81-19	
			Drilling Liner Hanger and Tieback Equipment	81-22	
Purchase			Drilling Wellhead Equipment	81-80	\$4,500
Purchase			Miscellaneous Materials	81-217	\$1,000
			TOTAL DRILLING - TANGIBLE		\$44,500
DRILLING COSTS - INTANGIBLE					
Contract			Surveying, Location & Access	81-2	\$500
Contract			Well Location & Access	81-5	\$15,000
Contract			Daywork Drlg. - \$5650/24 hour day incl. Fuel	81-36	\$27,500
Contract	11500		Footage Basis Drlg.- Dry Hole Drilling	81-37	\$230,000
			Turnkey Drilling	81-38	
			Drilling Rig Mob/Demob	81-39	
Contract			Blowout Prevention Equipment	81-41	
			Drill Pipe & Collars	81-44	
			Drilling & Service Tools	81-45	
			Drilling Services	81-50	
			Snubbing Units, Company	81-62	
			Snubbing Units, Contract	81-68	
Contract			Mud System/Solids Control	81-40	\$4,000
Contract			Mud and Mud Services	81-71	\$25,000
			Bits	81-69	
			Stabilizers, Hole Openers, Underreamers	81-70	
			Oil	81-72	
			Grease	81-72	
			Fuel, Diesel (Not furnished by Contractor)	81-74	
Contract			Water	81-336	\$12,000
Contract			Casing Tools and Services	81-90	\$9,000
Contract			Cement and Cementing Service	81-91	\$25,000
Contract			Logging Services, Open Hole	81-93	\$30,000
			Logging Services, Cased Hole	81-94	
Contract			Mud Logging	81-95	\$10,000
Contract			Inspection, Pipe & Casing	81-97	\$3,500
			Directional Services	81-101	
			Coring	81-102	
Contract			Formation Testing, Open Hole	81-104	\$4,500
			Formation Testing, Cased Hole	81-105	
			Well Control Services	81-120	
Contract			Trucking/Transportation, Other	81-126	\$5,500
Contract			Well Test Equipment	81-127	\$2,500
			Fishing Tools and Services	81-133	
			Abandoning Tools and Services	81-136	
			Sidetracking, Milling Sections, Whipstocks	81-185	
Contract			Miscellaneous Materials	81-217	\$3,500
Contract			Contract Labor, Welding	81-233	\$1,000
Contract			Contract Labor, Other- \$400/24 hour day	81-237	\$15,000
Contract			Contract Services, Living Qtrs - \$100/day	81-243	\$3,500
			Contract Services, Other	81-266	
Contract			Hydrogen Sulfide Testing- \$150/day	81-320	\$4,000
			Spill Control Equipment	81-454	
Contract			Computer Hardware- \$25/day	81-568	\$800
Contract			Commo, Field- \$50/day	81-658	\$1,800
			Regulatory Compliance	81-685	
MOC			Company Labor & Burden- \$375/day	81-750	\$13,000
			Overhead	81-770	
			Indirect Expense	81-779	
			TOTAL DRILLING - INTANGIBLE		\$446,600
			TOTAL DRILLING COSTS		\$491,100

Region	Mid-Continent	Total Depth	10,800
Field	Travis	Drilling Days	35
Lease	W. B. Travis "15" State Com #1	Compl Days	10
Location	1000' FNL. & 950' FEL., Sec. 15, T18S-R28E, Eddy County, NM	AFE#	665296

Source	Quantity	Feature	Cond	A
COMPLETION COST - TANGIBLE				
Purchase	10600	Production Casing	82-15	\$75,000
		Production Liner	82-18	
		Production Liner Hanger & Tieback Equipment	82-21	
Purchase	10600	Tubing - 2 3/8" O.D., 4.7#, L-80	82-23	\$36,000
		Wellhead Equipment (Drilling)	82-80	\$4,500
Purchase		Christmas Tree	82-87	\$9,000
Purchase		Packers	82-137	\$6,000
		Rod Pump	82-143	
		Electric Submersible Pump	82-149	
		Completion Wellhead Equipment	82-167	
TOTAL COMPLETION - TANGIBLE				\$130,500
COMPLETION COST - INTANGIBLE				
Contract		Location and Access	82-1	\$1,500
		Drilling Rig During Completion	82-34	\$11,000
Contract		Blowout Preventer	82-41	\$1,500
		Tools - Drilling & Service	82-45	
		Rig, Completion	82-48	
		Workover Units, Company	82-55	
Contract		Workover Units, Contract	82-56	\$7,500
		Snubbing Units, Company	82-62	
		Coiled Tubing Service Units, Contract	82-67	
		Snubbing Units, Contract	82-68	
		Underreamers, Stabilizers, Hole Openers	82-70	
		Lubricants	82-72	
		Fuel, Diesel	82-74	
		Casing Tools & Services- Longstring	82-90	
		Cement & Cementing Services- Longstring	82-91	\$15,000
		Logging Services, Open Hole Wells	82-93	
Contract		Logging Services, Cased Hole Wells	82-94	\$3,500
Contract		Tubular Inspection, Testing & Cleaning	82-96	\$7,000
Contract		Formation Testing	82-103	\$3,000
Contract		Formation Treating	82-113	\$4,000
Contract		Transportation, Other	82-126	\$3,500
Contract		Test Equipment - Well Testing	82-127	\$7,500
		Fishing Tools and Services	82-133	
Contract		Completion and Packer Fluids	82-180	\$1,000
Contract		Perforating	82-182	\$16,000
Contract		Wireline Services	82-183	\$1,500
		Sidetracking, Milling Sections, Whipstocks	82-185	
Contract		Miscellaneous Materials	82-217	\$3,500
Contract		Miscellaneous Services	82-218	\$7,000
Contract		Contract Labor, Laborer	82-234	\$3,000
Contract		Contract Services, Other	82-240	\$7,400
Contract		Treating Chemicals, Other	82-291	\$1,000
Contract		Salt Water Disposal & Trans Fees	82-371	\$1,000
Contract		Rental Tools & Equip.	82-585	\$4,300
		Communications - Field	82-658	
		Regulatory Compliance	82-685	
MOC		Company Labor & Burden	82-750	\$3,800
		Overhead	82-770	
		Indirect Expense	82-779	\$3,000
TOTAL COMPLETION - INTANGIBLE				\$117,500
TOTAL COMPLETION COSTS				\$248,000

Region	Mid-Continent	Total Depth	10,800
Field	Travis	Drilling Days	35
Lease	W. B. Travis "15" State Com #1	Compl Days	10
Location	1000' FNL. & 950' FEL., Sec. 15, T18S-R28E, Eddy County, NM	AFE#	665296

Source	Quantity	Feature	Cond	A
FACILITY COSTS				
Purchase	Line Pipe	83-27		\$1,500
Purchase	Transportation, Other	83-126		\$2,500
	Pumping Unit	83-141		
	Pumping Equipment - Rod Pump	83-143		
	Flowing/Plunger Lift Equipment	83-146		
	Submersible Pump - Electric Panel	83-149		
	Submersible Pump - Hydraulic	83-152		
	Gas Lift Equipment	83-155		
	Pumps	83-158		
Purchase	Tanks	83-170		\$10,000
Purchase	Metering Equipment	83-190		\$4,000
	Instrumentation	83-194		
	Electrical Equipment, Other	83-201		
Purchase	Valves	83-205		\$2,500
Purchase	Miscellaneous Materials	83-217		\$10,000
	Contract Labor, Electrical	83-229		
Contract	Contract Labor, Welding	83-233		\$1,000
Contract	Contract Labor, Other	83-237		\$4,000
Contract	Contract Services, Other	83-240		\$2,000
	Compressor Installation	83-365		
Purchase	Dehydration	83-376		\$10,000
	Crude Oil Treaters	83-378		
Purchase	Separator	83-380		\$10,000
	Vapor Recovery Units	83-386		
	Free Water Knockouts	83-388		
	Regulatory Compliance (Includes Permitting)	83-685		
MOC	Company Labor & Burden	83-750		\$2,000
TOTAL FACILITY COSTS				\$59,500
SUMMARY OF GROSS COSTS				
Total Drilling				\$491,100
Total Completion				\$248,000
Total Surface Equipment				\$59,500
GRAND TOTAL GROSS COSTS				\$798,600
SUMMARY OF NET COSTS				
Total Drilling				\$0
Total Completion				\$0
Total Surface Equipment				\$0
GRAND TOTAL NET COSTS				\$0
TOTAL TANGIBLE COSTS				\$234,500
TOTAL INTANGIBLE COSTS				\$564,100
TANGIBLE PERCENT OF TOTAL				29.4%

Participants Approval: { }

Name of Company -

Title -

Date -