

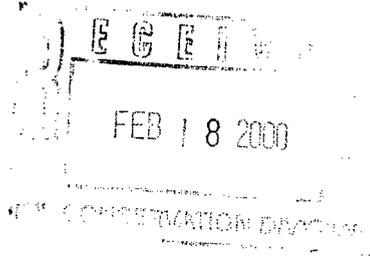
JAMES BRUCE

ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)



February 16, 2000

Via Fax and U.S. Mail

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Application of Manzano Oil Corporation for administrative approval of an unorthodox oil well location:

Cayuma Well No. 1-A
3580 feet FSL & 990 feet FWL
Lots 12 and 13 of Irregular Section 1, Township 16
South, Range 36 East, NMPM
Lea County, New Mexico

Dear Mr. Stogner:

Enclosed are waivers to the unorthodox location, signed by the offset lessees.

Very truly yours,


James Bruce
Attorney for Manzano
Oil Corporation



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1998
FAX (505) 625-2620

January 12, 2000

Mark A. Chapman
P.O. Box 450
Sealy, TX 77474

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Cayuma #1 ^B
Lots 11 & 12 Section 1, T-16-S, R-36-E
Lea County, New Mexico

Gentlemen:

Manzano Oil Corporation has filed a permit to re-enter the Cayuma #1 well with the New Mexico Oil Conservation Division (OCD). The well will be drilled to a sub-surface depth of 11,800' to test the Strawn Formation and is within one (1) mile proximity of the OCD designated Northeast Lovington Pennsylvanian Pool. The field rules provide for an 80 acre spacing unit with the well located within 150 feet of the center of a governmental quarter-quarter section or lot. Our proposed location of 3580' FSL & 990' FWL of Section 1, T-16-S, R-36-E, which is unorthodox, must be granted an exception to the spacing rules.

A positive response from you will eliminate the necessity to conduct a full OCD hearing on this matter thereby expediting our effort. However, if you object to the proposed location, your written expression of opposition must be filed with the OCD within twenty (20) days from the date this notice was mailed. Therefore, we request you waive objection to the re-entry of the Cayuma #1 well at the proposed location and evidence your acceptance by executing and returning a copy of this letter to my attention at the above address.

Very truly yours,

Debbi Jeffers

AGREED to and ACCEPTED this 7 day of February, 2000.

MARK A. CHAPMAN

By:
Controller

**BRISTOL
RESOURCES**

Corporation

February 3, 2000

6655 South Lewis
Suite 200
Tulsa, Oklahoma 74136
(918) 492-7900
FAX (918) 492-7944

Ms. Debbie Jeffers
Manzano Oil Corporation
P. O. Box 2107
Roswell, NM 88202-2107

**RE: Cayuma #1
Lots 11 & 12
Section 1-T16S-R36E
Lea County, New Mexico**

Dear Ms. Jeffers:

This letter is to confirm our telephone conversation of Tuesday, February 1, 2000. Bristol Resources Corporation ("Bristol") plugged and abandoned the one well we operated near the referenced location several years ago. Consequently, we have no basis to protest or waive objection to your proposed re-entry.

Good luck on your proposed deepening!

Sincerely,

BRISTOL RESOURCES CORPORATION



Ralph W. Everett
Senior Staff Engineer

RWE:jab
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