



August 12, 1993

WORKING INTEREST OWNERS LISTED ON EXHIBIT "A":

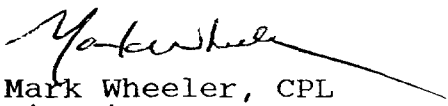
Re: Notification of Combining Production from
W. Corbin Federal Com #13-1 Well,
Corbin Federal "13" A #1 Well, and
Uncle Sam "13" Federal Well #1
W. Corbin Prospect (NM-189)
Lea County, New Mexico

Gentlemen:

Please be advised that this letter shall serve as Maralo's formal notification to you that Maralo has applied with the Bureau of Land Management (BLM) and the Oil Conservation Division (OCD) for approval to combine production from the captioned wells into a single tank battery facility, with separate metering devices so that the apportionment between the federal leases with different royalty rates can be calculated.

Should you have any questions concerning this matter, please feel free to contact us.

Yours very truly,


Mark Wheeler, CPL
District Landman

MW/pjd:N.055

EXHIBIT "A"

WORKING INTEREST OWNERS
WEST CORBIN PROSPECT (NM-189)
Lea County, New Mexico

Maralo Inc.
Five Post Oak Park
Suite 1010
Houston, Texas 77027-3489
Phone: (713)622-5420
Fax: (713)960-1672

Barbara Fasken
303 W. Wall, Suite 1900
Midland, Texas 79701
Phone: (915)687-1777
Fax: (915)687-2509

Browning Oil Company, Inc.
8080 North Central Expressway
Suite 780, LB 41
Dallas, Texas 75206
Attn: Michael G. Starnes
Phone: (214)739-3481
Fax: (214)739-4458

Mizel Resources, a Trust
5801 East 41st Street, Suite 104
Tulsa, Oklahoma 74135
Phone: (918)663-7579
Fax: (918)663-1518

Larry A. Mizel
3600 S. Yosemite, Suite 810
Denver, Colorado 80237
Phone: (303)773-1100
Fax: (303)741-4134

J.T.I. Inc., an Oklahoma Corporation
5801 East 41st Street, Suite 603
Tulsa, Oklahoma 74135
Phone: (918)665-6419
Fax: (918)665-0807

FEE ESTATE

Surface and Minerals:

United States of America
c/o Bureau of Land Management
New Mexico Post Office and
Federal Building
P. O. Box 1449
Santa Fe, NM 87504-1449 ----- All¹

¹Note: The oil and gas rights owned by the United States in the captioned land are subject to Federal Lease NM-0392867 providing for a 12.5% royalty. Refer to lease terms tabulated below.

OVERRIDING ROYALTY INTERESTS
AND PRODUCTION PAYMENTS

PRIOR TO SATISFACTION OF PRODUCTION PAYMENT:²

BEFORE PAYOUT:³

J. Ballantyne Royalty Corp.
2509 Princeton
Midland, TX 79701 ----- 2.50% PP²

Ellwade Corporation
(no address available) ----- 1.25% PP²

H. Brace Wigzell
(no address available) ----- 1.25% PP²

Mobil Producing Texas
& New Mexico Inc.
12450 Greenspoint Drive
Houston, TX 77060-1991
Att: OBO Group, Central Region ----- 7.50% ORR

TOTAL: 12.50%

AFTER PAYOUT³:

J. Ballantyne Royalty Corp.
2509 Princeton
Midland, TX 79701 ----- 2.50% PP²

Ellwade Corporation
(no address available) ----- 1.25% PP²

H. Brace Wigzell
(no address available) ----- 1.25% PP²

Mobil Producing Texas
& New Mexico Inc.
12450 Greenspoint Drive
Houston, TX 77060-1991
Att: OBO Group, Central Region ----- 9.50% ORR

AFTER SATISFACTION OF PRODUCTION PAYMENT:²

BEFORE PAYOUT³:

John Thoma
c/o Maralo Inc.
223 W. Wall, Ste. 900
Midland, Texas 79701 ----- 1.5% x 80% ----- 1.20% ORR

Mobil Producing Texas
& New Mexico Inc.
12450 Greenspoint Drive
Houston, TX 77060-1991
Att: OBO Group, Central Region ----- 7.50% ORR

TOTAL: 8.70%

AFTER PAYOUT³:

John Thoma
c/o Maralo Inc.
223 W. Wall, Ste. 900
Midland, Texas 79701 ----- 1.5% x 78% ----- 1.17% ORR

Mobil Producing Texas
& New Mexico Inc.
12450 Greenspoint Drive
Houston, TX 77060-1991
Att: OBO Group, Central Region ----- 9.50% ORR

TOTAL: 10.67%

OIL AND GAS LEASEHOLD ESTATE

RECORD TITLE:

Mobil Producing Texas
& New Mexico Inc.
12450 Greenspoint Drive
Houston, TX 77060-1991
Att: OBO Group, Central Region ----- All

OPERATING RIGHTS PRIOR TO SATISFACTION OF PRODUCTION PAYMENT:²

BEFORE PAYOUT³:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
Maralo Inc. Five Post Oak Park Suite 1010 Houston, TX 77027-3489 ----- 40% -----	40% x 7/8 <u>less:</u> 40% x 5% PP ² <u>less:</u> 40% x 7.5% ORR (30% NRI)	
Barbara Fasken 303 W. Wall, Ste. 1900 Midland, TX 79701 ----- 25% -----	25% x 7/8 <u>less:</u> 25% x 5% PP ² <u>less:</u> 25% x 7.5% ORR (18.75% NRI)	

Browning Oil Company
8080 N. Central Expressway
Ste. 780, LB 41
Dallas, TX -----

25% ----- 25% x 7/8
less: 25% x 5% PP²
less: 25% x 7.5% ORR
(18.75% NRI)

Mizel Resources, a Trust
5801 E. 41st St., Ste. 104
Tulsa, OK 74135 -----

4.5% ----- 4.5% x 7/8
less: 4.5% x 5% PP²
less: 4.5% x 7.5% ORR
(3.375% NRI)

Larry A. Mizel
3600 Yosemite, Ste. 810
Denver, CO 80237 -----

3% ----- 3% x 7/8
less: 3% x 5% PP²
less: 3% x 7.5% ORR
(2.25% NRI)

J. T. I. Inc.
5801 E. 41st St., Ste. 603
Tulsa, OK 74135 -----

2.5% ----- 2.5% x 7/8
less: 2.5% x 5% PP²
less: 2.5% x 7.5% ORR
(1.875% NRI)

Totals: 100.0% 75.0000%

AFTER PAYOUT³:

Working
Interest

Net Revenue
Interest

Maralo Inc.
Five Post Oak Park
Suite 1010
Houston, TX 77027-3489 -----

40% ----- 40% x 7/8
less: 40% x 5% PP²
less: 40% x 9.5% ORR
(29.2% NRI)

Barbara Fasken
303 W. Wall, Ste. 1900
Midland, TX 79701 -----

25% ----- 25% x 7/8
less: 25% x 5% PP²
less: 25% x 9.5% ORR
(18.25% NRI)

Browning Oil Company
8080 N. Central Expressway
Ste. 780, LB 41
Dallas, TX -----

25% ----- 25% x 7/8
less: 25% x 5% PP²
less: 25% x 9.5% ORR
(18.25% NRI)

Mizel Resources, a Trust
5801 E. 41st St., Ste. 104
Tulsa, OK 74135 -----

4.5% ----- 4.5% x 7/8
less: 4.5% x 5% PP²
less: 4.5% x 9.5% ORR
(3.285% NRI)

Maralo Inc.
June 14, 1993
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Larry A. Mizel
3600 Yosemite, Ste. 810
Denver, CO 80237 ----- 3% ----- 3% x 7/8
less: 3% x 5% PP²
less: 3% x 9.5% ORR
(2.19% NRI)

J. T. I. Inc.
5801 E. 41st St., Ste. 603
Tulsa, OK 74135 ----- 2.5% ----- 2.5% x 7/8
less: 2.5% x 5% PP²
less: 2.5% x 9.5% ORR
(1.825% NRI)

Totals: 100.0% 73.0000%

OPERATING RIGHTS AFTER SATISFACTION OF PRODUCTION PAYMENT:²

BEFORE PAYOUT³:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
Maralo Inc. Five Post Oak Park Suite 1010 Houston, TX 77027-3489 ----- 40% -----	40% x 7/8 <u>less:</u> 40% x 7.5% ORR <u>less:</u> 40% x 1.2% ORR (31.52% NRI)	
Barbara Fasken 303 W. Wall, Ste. 1900 Midland, TX 79701 ----- 25% -----	25% x 7/8 <u>less:</u> 25% x 7.5% ORR <u>less:</u> 25% x 1.2% ORR (19.7% NRI)	
Browning Oil Company 8080 N. Central Expressway Ste. 780, LB 41 Dallas, TX ----- 25% -----	25% x 7/8 <u>less:</u> 25% x 7.5% ORR <u>less:</u> 25% x 1.2% ORR (19.7% NRI)	
Mizel Resources, a Trust 5801 E. 41st St., Ste. 104 Tulsa, OK 74135 ----- 4.5% -----	4.5% x 7/8 <u>less:</u> 4.5% x 7.5% ORR <u>less:</u> 4.5% x 1.2% ORR (3.546% NRI)	
Larry A. Mizel 3600 Yosemite, Ste. 810 Denver, CO 80237 ----- 3% -----	3% x 7/8 <u>less:</u> 3% x 7.5% ORR <u>less:</u> 3% x 1.2% ORR (2.364% NRI)	

J. T. I. Inc. 5801 E. 41st St., Ste. 603 Tulsa, OK 74135	----- 2.5%	----- 2.5% x 7/8 <u>less:</u> 2.5% x 7.5% ORR <u>less:</u> 2.5% x 1.2% ORR <u>(1.97% NRI)</u>
Totals:	100.0%	78.8000%

AFTER PAYOUT³:

	<u>Working Interest</u>	<u>Net Revenue Interest</u>
Maralo Inc. Five Post Oak Park Suite 1010 Houston, TX 77027-3489	----- 40%	----- 40% x 7/8 <u>less:</u> 40% x 9.5% ORR <u>less:</u> 40% x 1.17% ORR (30.732% NRI)
Barbara Fasken 303 W. Wall, Ste. 1900 Midland, TX 79701	----- 25%	----- 25% x 7/8 <u>less:</u> 25% x 9.5% ORR <u>less:</u> 25% x 1.17% ORR (19.2075% NRI)
Browning Oil Company 8080 N. Central Expressway Ste. 780, LB 41 Dallas, TX	----- 25%	----- 25% x 7/8 <u>less:</u> 25% x 9.5% ORR <u>less:</u> 25% x 1.17% ORR (19.2075% NRI)
Mizel Resources, a Trust 5801 E. 41st St., Ste. 104 Tulsa, OK 74135	----- 4.5%	----- 4.5% x 7/8 <u>less:</u> 4.5% x 9.5% ORR <u>less:</u> 4.5% x 1.17% ORR (3.45735% NRI)
Larry A. Mizel 3600 Yosemite, Ste. 810 Denver, CO 80237	----- 3%	----- 3% x 7/8 <u>less:</u> 3% x 9.5% ORR <u>less:</u> 3% x 1.17% ORR (2.3049% NRI)
J. T. I. Inc. 5801 E. 41st St., Ste. 603 Tulsa, OK 74135	----- 2.5%	----- 2.5% x 7/8 <u>less:</u> 2.5% x 9.5% ORR <u>less:</u> 2.5% x 1.17% ORR <u>(1.92075% NRI)</u>
Totals:	100.0%	76.83000%

²Note: The interests credited above to J. Ballantyne Royalty Corp., Ellwade Corporation, and H. Brace