

R35E

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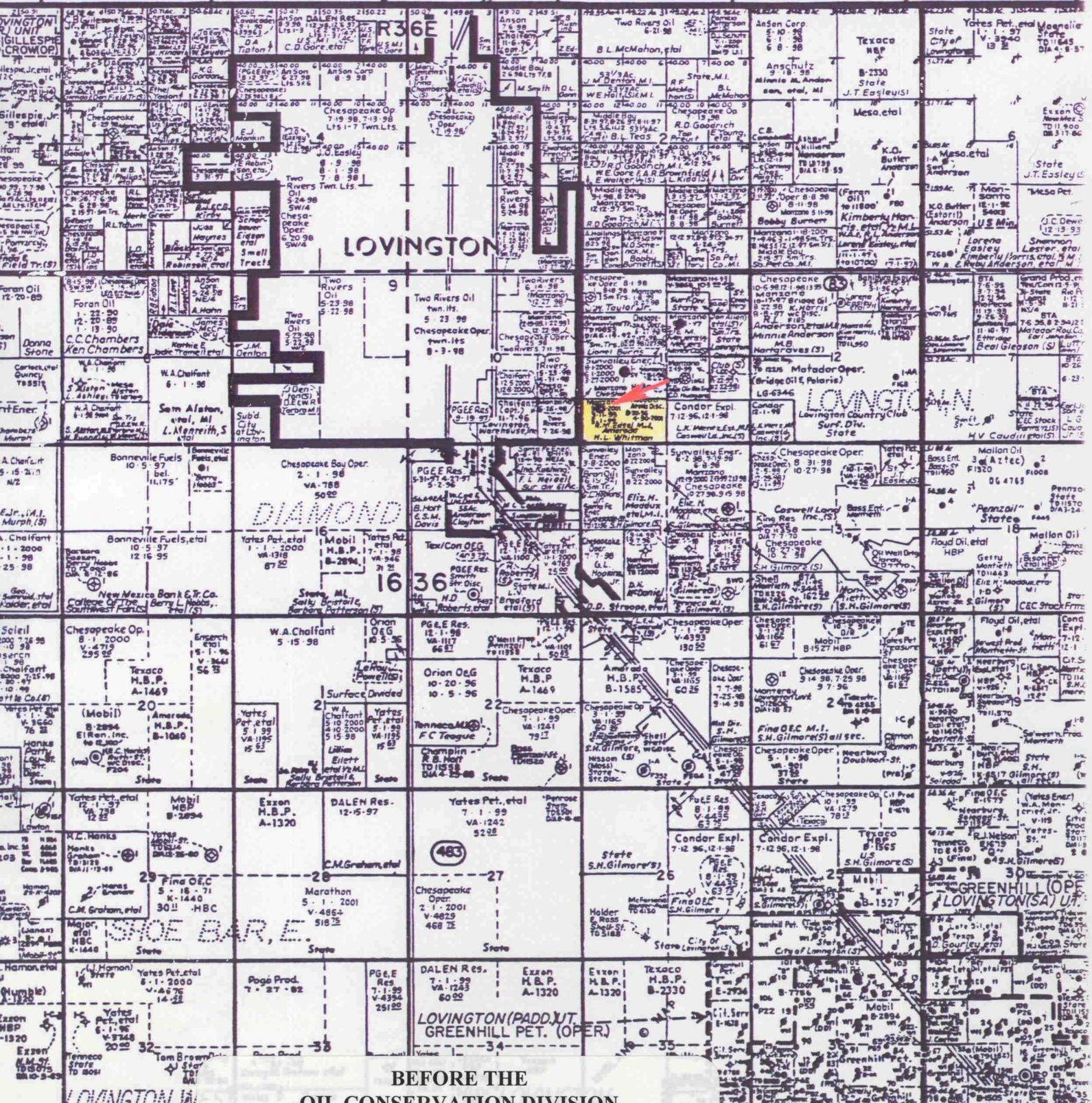
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R36E

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BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 1

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

SUNVALLEY ENERGY CORPORATION
&
MANZANO OIL CORPORATION

LAND PLAT
MANZANO "SV" CHIPSHOT #2

MINERAL LEASEHOLD TAKEOFF
AS OF JANUARY 9, 1997
COVERING LANDS IN
LEA COUNTY, NEW MEXICO
TOWNSHIP 16 SOUTH, RANGE 36 EAST, N.M.P.M.
SECTION 11: S/2SW/4

Containing 80.00 acres, more or less

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Marion Steve Gregory, a single man 1706 Bluebonnet Ave. Denison, TX 75020-5702	1/784	SunValley 3-27-2000
William Newton Gregory, a single man 1706 Bluebonnet Ave. Denison, TX 75020-5702	1/784	SunValley 3-27-2000
Bobby W. Jones, a single man 4601 Del Rio Trail Wichita Falls, TX 76310	11/168	SunValley 3-28-2000
Jimmy Charles Browning, et ux 14311 North Towerglen Loop Houston, TX 77084	1/56	SunValley 4-11-2000
Oscura Resources, Inc., Trustee P.O. Box 59 Roswell, NM 88202-0059	1/112	SunValley 5-25-98
Kay Neely Bateman, sole & separate P.O. Box 276 Forney, TX 75126	1/392	SunValley 4-28-2000
Charles R. Wiggins P.O. Box 866937 Plano, TX 75086 formerly owned by Aubrey O. Butts & Noah Askew	7/192	SunValley 4/29/99 4/24/2000
William C. Bahlburg P.O. Box 10862 Midland, TX 79702 formerly owned by Aubrey O. Butts & Noah Askew	7/192	SunValley 4/29/99 4/24/2000

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Opal L. Butts, a single woman 410 E. 23rd Street, Space #10 Roswell, NM 88201	1/336	SunValley 5-23-2000
Mary Morton Craft, sole & separate Rt. 1, Box 347 Midland, TX 75147	1/392	SunValley 4-28-2000
Herman E. and Catherine Matthews 2216 Arlington Houston, TX 77008	1/784	SunValley 4-24-2000
Wayne E. Matthews, et ux P.O. Box 179 Alba, TX 75412	1/784	SunValley 4-19-2000
Jo Ann Moore, sole and separate 5001 Emerald Lake Drive Ft. Worth, TX 76103	1/280	SunValley 4-24-2000
John Shultz, a single man P.O. Box 203 Alba, TX 75410	1/1176	SunValley 5-23-2000
Steve T. & wife Lynn Matthews #2 Downie Place Austin, TX 78746	1/392	SunValley 7-5-2000
Wanda Smith, a widow P.O. Box 907 Rosamond, CA 93560	1/392	SunValley 6-22-2000
Virgabeth Irions and husband A.B. Cheek 111 Henry IV Trace Mabank, TX 75147	1/1176	SunValley 8-1-2000
June D. Speight, sole and separate P.O. Drawer 1687 Lovington, NM 88260	1/8	SunValley 4-12-98

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Edith Varnon, a widow Rt. 2, Box 397 Emory, TX 75440	1/1176	SunValley 5-24-2000
Pauline Lough, sole and separate 2630 Stevie Mike Drive Midlothian, TX 76065	1/840	SunValley 5-24-2000
Glenda Zimmerman, a widow #11 Kevin Court Mansfield, TX 76063	1/280	SunValley 4-24-2000
Jerry A. Gee and wife Elizabeth G. Gee 2100 Sandalwood Place Gautier, Miss 39553	1/1176	SunValley 6-1-2000
Lucille Shultz, a widow 422 Villa Drive Corpus Christi, TX 78408	1/1176	SunValley 4-24-2000
Donald Lewis Butts, et ux 44 Harkness Street Houston, TX 77076	1/280	SunValley 4-24-2000
Dan Cox, Agent and AIF for Roy V. Cox 200 N. Shelby, Suite 400 Carthage, TX 75633-1800	1/784	SunValley 6-2-2000
Robert P. Holmes, Ind. Exec. for the Est. of Velma E. Holmes, dec'd. 6100 Trail Lake Drive Ft. Worth, TX 76113	1/1176	SunValley 5-24-2000
Wallace E. Mahan, Jr., sole and separate 7933 Pamarack Dublin, CA 94568	3/32	Manzano 6-26-98
Mercantile Trading Corporation 2200 Ross Avenue, Suite 4900 West Dallas, TX 75201	753/6720	Manzano 2-20-96

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Barton L. Ingraham 2830 Calle De Oriente Santa Fe, NM 87505	35% of 5/168	Manzano 3-11-99
Merrill L. Norton P.O. Box 1567 Lovington, NM 88260	.65 x 5/168	Manzano 3-11-99
Doreen Welch 8547 East Arapahoe Rd. J408 Greenwood Village, CO 80112	11/336	Manzano 3-11-99
David A. Lynch, a single man P.O. Box 1904 Lovington, NM 88260	1/3584	Manzano 3-11-99
Ruth Ann Lemmons, sole and separate 1029 Tower Drive Cedar Hill, TX 75104	1/840	Manzano 3-26-2001
Amerada Hess Corporation 500 Dallas Street Houston, TX 77002	1/8	Manzano 4-1-96
Bob Phipps and wife Nayna P. Phipps P.O. Box 3172 West Somerset, KY 42501	91/16,464	Manzano 3-28-99
Robert H. and wife Maxine B. Hannifin P.O. Box 218 Midland, TX 79702	91/16,464	Manzano 3-28-99
Robert Neagle 824 W. Jefferson Avenue Lovington, NM 88260	1/16	Manzano 5-1-99
Freddy Earl Noack 1308 W. Avenue M Lovington, NM 88260	1/336	Manzano 4-29-99

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Mildred Arlene Gee 9449 Briar Forest Apt. #3607 Houston, TX 77063	1/1176	Manzano 3-26-2001
Linda Kay Young 4101 W. Juniper Tucson, AZ 85741	1/896	Manzano 4-30-2001
Estate of Vance O. Schultz, Deceased Rt. 4 Hogenville, KY 42748	1/1176	Manzano 4-30-99
Rodey, Dickason, Sloan, Akin & Robb, P.A. c/o Mr. James C. Ritchie P.O. Box 1888 Albuquerque, NM 87103	5/224	Manzano 1-10-2000
Roylene Klingsmith 804 Bobwhite Drive Frisco, TX 75034	1/1176	Manzano 12-17-2001
Dr. Ralph Butts P.O. Drawer 13 Hurst, TX 76053	1/280	Manzano 4-24-2000
Mrs. Ruth Schup 7200 Karen Ft. Worth, TX 76118	1/280	Manzano 8-1-2001
Ruthie Marie Smith P.O. Box 77 Normanna, TX 78142	1/448	Manzano 4-29-99
Hazel Sinclair Brown P.O. Box 77 Normanna, TX 78142	1/448	Manzano 4-29-99
Betty Ann Voss P.O. Box 77 Normanna, TX 78142	1/448	Manzano 4-29-99

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Brian Cade Cox P.O. Box 342 Cottonwood, AZ 86326	1/3584	Manzano 5-1-99
Duane Leland Cox P.O. Box 342 Cottonwood, AZ 86326	1/3584	Manzano 5-1-99
Timothy Lee Cox P.O. Box 342 Cottonwood, AZ 86326	1/3584	Manzano 5-1-99
David A. Lynch formerly owned by Silvyn Butts Ponder P.O. Box 1904 Lovington, NM 88260-1904	11/336	Unleased
Freda Crawford 2426 McKee Street Orange, TX 77630	1/392	Unleased
Mr. & Mrs. Walter Shields P.O. Box 334 Daingerfield, TX 75738	1/1176	Unleased
Mr. & Mrs. Choice B. Matthews 1000 Remschel Kerrville, TX 78028	1/784	Unleased
Oliver Wayne Butts 610 W. Hubbard, Suite 501 Coeur d'Alene, ID 83814	1/336	Unleased
Eutie Velma Andrew P.O. Box 1143 Karnes City, TX	1/112	Unleased
Alva Hagan 3216 Daniels Street Dallas, TX	1/168	Unleased

Containing 80.00 acres, more or less - (Continued)

<u>MINERAL OWNER</u>	<u>INTEREST</u>	<u>LEASE STATUS</u>
Opal Poovey 510 Drexel El Dorado, AR	1/840	Unleased
L. Wayne Mahan 8400 N. Cactus Hobbs, NM 88241	3/32	Unleased
Estate of Mittie Kerr, deceased Route 3, 402 South Main Quitman, TX 75783	1/1176	Unleased
Estate of James T. Butts, Deceased 880 Tully #21 Houston, TX 77079	1/140	Unleased
Estate of Vernon Rue Evans, Deceased Rt. 1, Box 301 Brenham, TX 77833	1/1176	Unleased
Lawrence T. Cox P.O. Box 271 Solomon, AZ 85551	1/896	Unleased
Rue Paula Mitchell P.O. Box 2452 Globe, AZ 85501	1/896	Unleased

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 2

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

MANZANO OIL CORPORATION
P.O. BOX 2107
ROSWELL, NEW MEXICO 88202-2107

AUTHORIZATION FOR EXPENDITURE

Date: December 16, 1996

Lease/Well "SV" Chipshot #2 Location 1000'FSL & 467'FWL Sec 11, T16S, R36E
 County Lea State NM Prospect Turtle Proposed TD 12,000'
 Objective Zones Strawn Type Well Explor/Oil Est Start Date Feb 1, 1997

<u>Intangible Costs:</u>	Dry Hole	Completion	Total
Surveying.....	\$ 800	\$	\$ 800
Lease Restoration.....	2,000		2,000
Location, Roads & Pit Liner.....	15,000		15,000
Drlg-Footage: Depth <u>12,000'</u> @ <u>\$18.50/ft</u> ...	222,000		222,000
Drilling-Daywork: <u>6 days @ \$4650</u> /day..	27,900		27,900
Completion Rig: <u>15 days @ \$1500</u> /day..		22,500	22,500
Mud Logging: <u>15 days @ \$425</u> /day..	6,400		6,400
Drill Stem Tests: No <u>2</u>	7,000		7,000
Roustabouts, Trucking.....	3,500	5,000	8,500
Mud Chemicals.....	16,000		16,000
Cement & Services - Surface.....	3,300		3,300
- Intermediate.....	13,000		13,000
- Production.....		18,000	18,000
Open Hole Logging & Sidewall Cores.....	10,000		10,000
Tie In Logging & Perforation.....		8,000	8,000
Acidizing & Fracturing.....		8,000	8,000
Tk Batty Install & Electrification.....		5,000	5,000
Engineering & Geological Services.....	4,000	1,000	5,000
Well Supervision.....	3,500	5,500	9,000
Administrative Overhead.....	5,000	2,500	7,500
Rental Tools & Equipment.....	4,000	5,000	9,000
Permits, Title & Damages.....	10,000	3,000	13,000
Water.....	3,000	1,000	4,000
Miscellaneous Contingencies.....	25,000	10,000	35,000
Gross Receipts Tax.....	21,500	5,000	26,500
Total Intangible Costs:	<u>\$402,900</u>	<u>\$ 99,500</u>	<u>\$502,400</u>

Tangible Costs:

<u>Casing:</u>			
Conductor w/surface.....	\$ 2,500	\$	\$ 2,500
Surf - <u>400'</u> of <u>13-3/8"</u> @ <u>\$21.00/ft</u> ..	8,400		8,400
Inter - <u>4500'</u> of <u>8-5/8"</u> @ <u>\$12.50/ft</u> ..	56,300		56,300
Prod - <u>12,000'</u> of <u>5-1/2"</u> @ <u>\$ 6.50/ft</u> ..		78,000	78,000
Tubing - <u>12,800'</u> of <u>2-7/8"</u> @ <u>\$ 2.70/ft</u> ..		34,600	34,600
Wellhead Equipment.....	5,000	2,500	7,500
Sucker Rods.....			
Packer & Sleeves.....		4,000	4,000
Down Hole Pump.....			
Pumping Unit & Prime Mover.....			
Float & Other Equipment.....	2,500	5,000	7,500
Tanks, Flow Lines & Fittings.....		5,000	5,000
Separator/Heater-Treater.....			
Gas Lines & Meters.....		1,000	1,000
Miscellaneous.....	3,000	5,000	8,000
Gross Receipts Tax.....	4,700	8,100	12,800
Total Tangible Costs:	<u>\$ 82,400</u>	<u>\$143,200</u>	<u>\$225,600</u>
Total Well Costs:	<u>\$485,300</u>	<u>\$242,700</u>	<u>\$728,000</u>

IT IS RECOGNIZED THAT THE AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATION SPECIFIED, WHETHER MORE OR LESS THAN THAT SET OUT HEREIN.

MANZANO OIL CORPORATION

COMPANY _____

APPROVED

BY: _____

D.E. Brown

APPROVED

BY: _____

TITLE: Vice President, Engineering

DATE: December 16, 1996

BEFORE THE
OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Case No. 11688 Exhibit No. 3

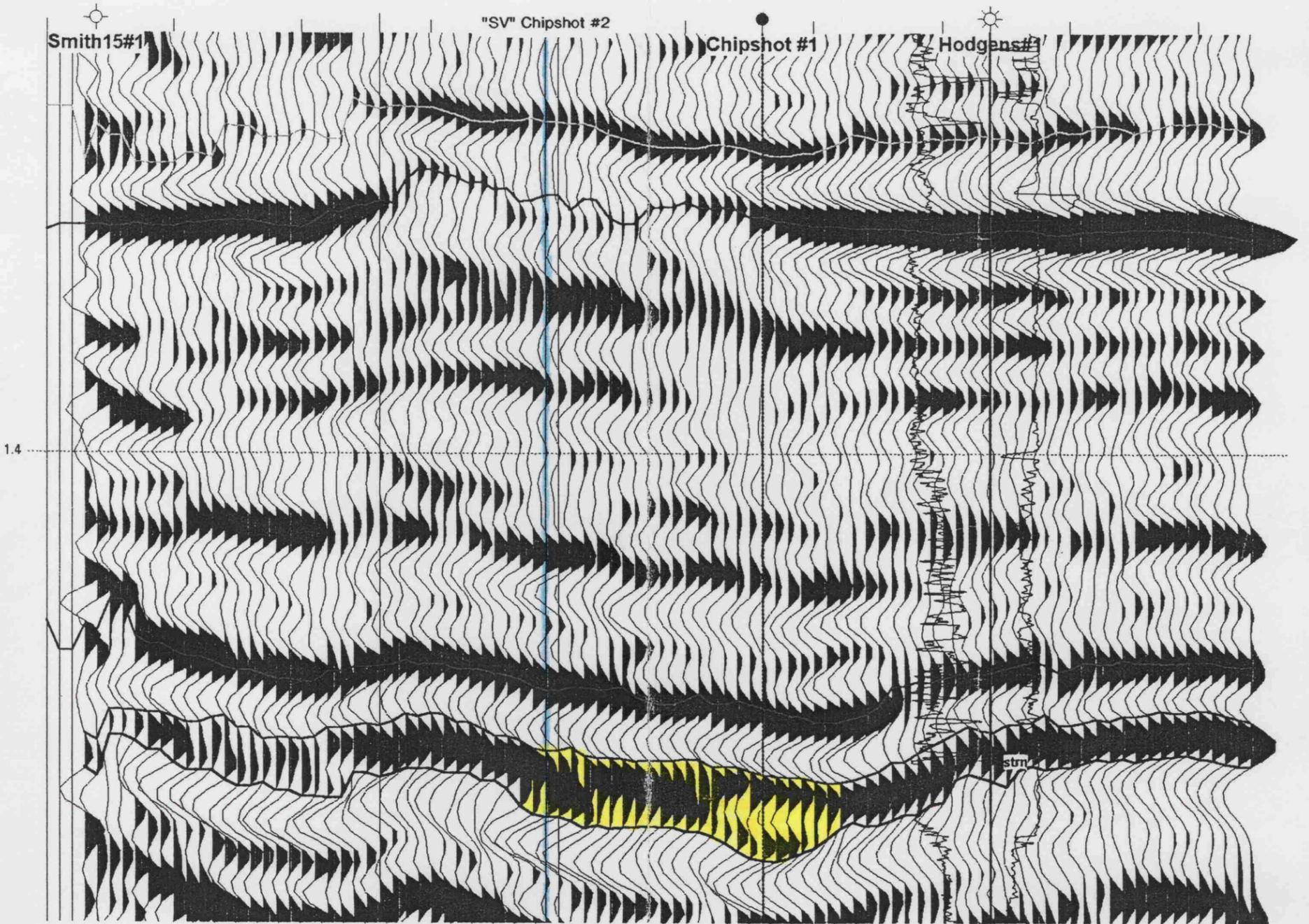
Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

Arbitrary Line
Chipshot #2 56 x 22

A

A'



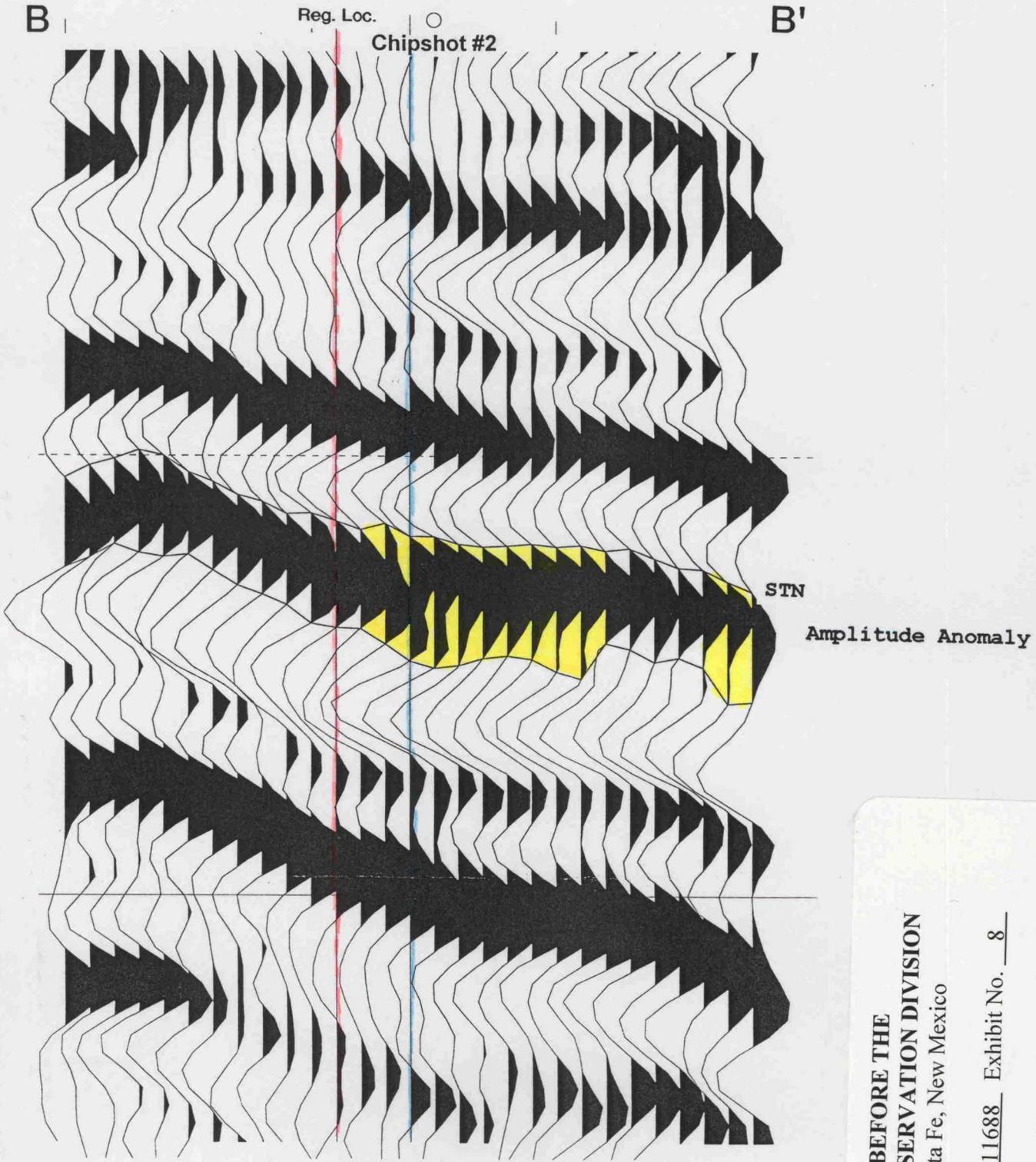
BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 7

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

Arbitrary Line B
Manzano Oil Corp, "SV" Chipshot #2

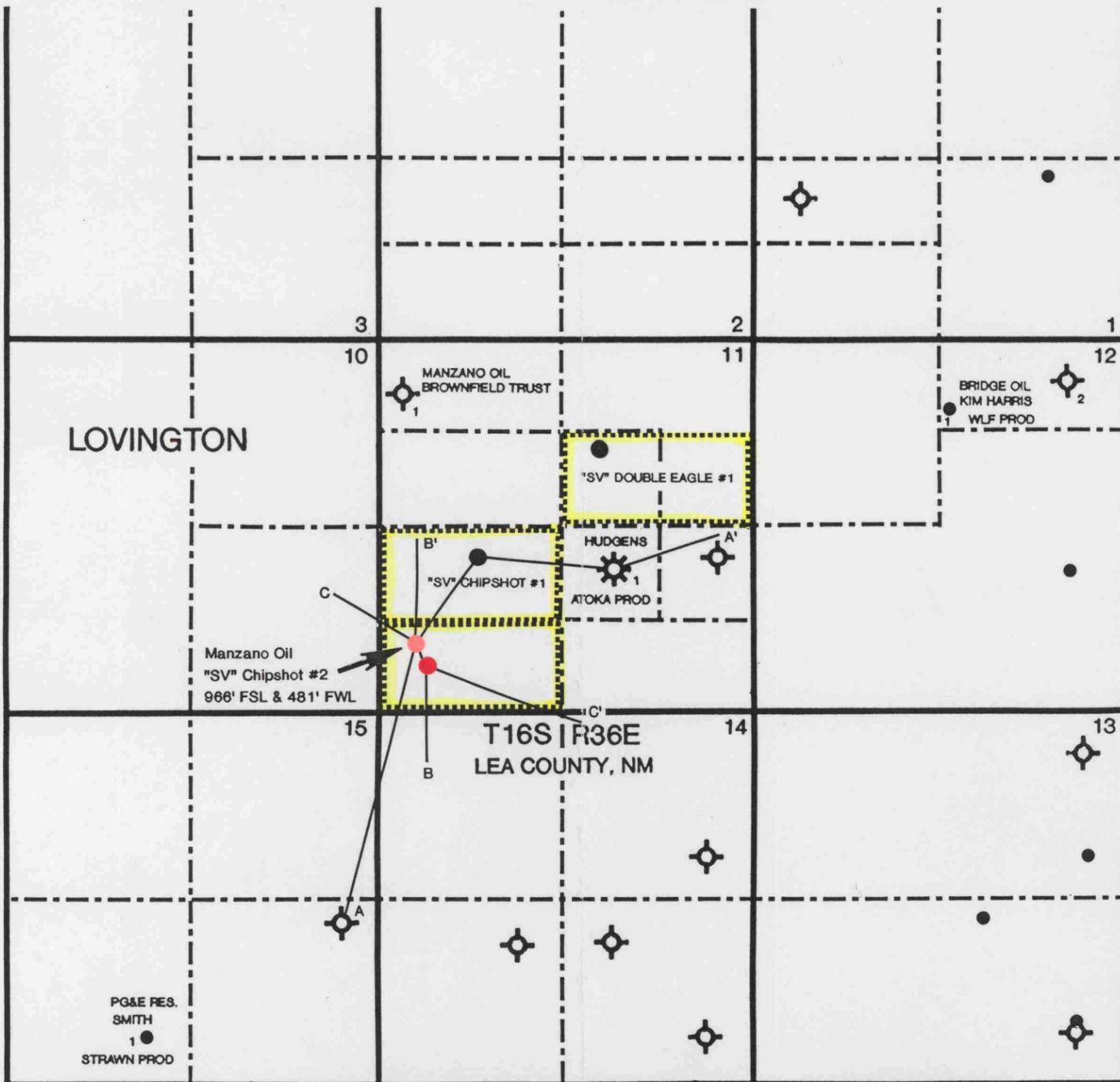


BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 8

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997



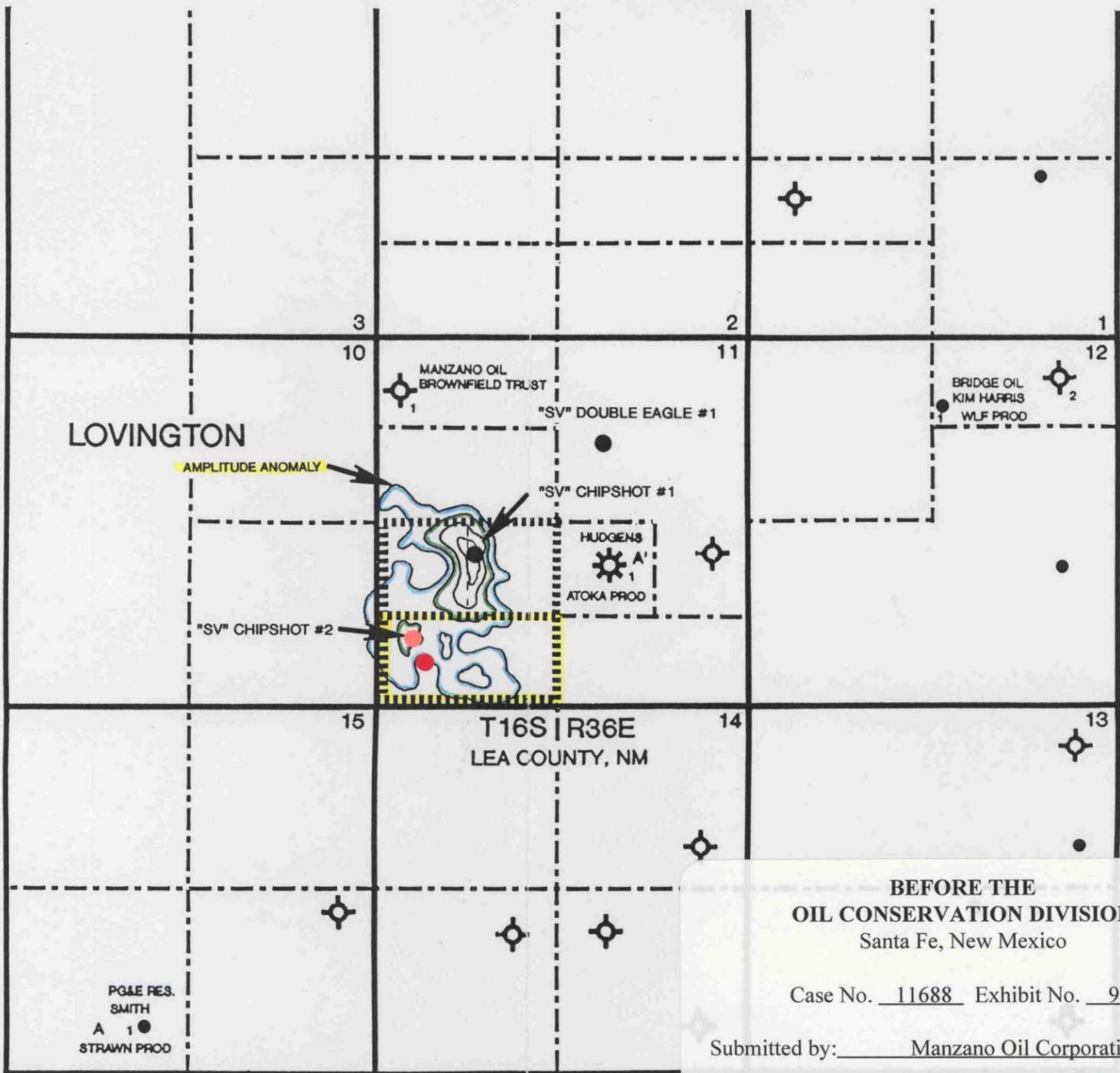
- "SV" CHIPSHOT #2 LOCATION
- REGULAR LOCATION
- ▤ 80 ACRE PRORATION UNIT

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 6

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997



BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 9

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

- "SV" CHIPSHOT #2 LOCATION
- REGULAR LOCATION
- ▤ 80 ACRE PRORATION UNIT

TURTLE PROSPECT

ISOPACH MAP

AMPLITUDE ANOMALY

Arbitrary Line C
Manzano Oil Corp, "SV" Chipshot #2

WOLF CAMP



BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 10

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

December 19, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO ALL AFFECTED INTEREST OWNERS:

Re: Application of Manzano Oil Corporation for Compulsory Pooling and an Unorthodox Well Location, Lea County, New Mexico

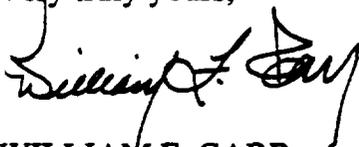
To Whom it May Concern:

This letter is to advise you that Manzano Oil Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests in and under the S/2 SW/4 of Section 11, Township 16, South, Range 36 East, N.M.P.M., Lea County, New Mexico. Manzano Oil Corporation proposes to dedicate the referenced pooled unit to its "SV" Chipshot Well No. 2, at an unorthodox location 1000 feet from the South line and 467 feet from the West line of said Section 11.

This application has been set for hearing before a Division Examiner on January 9, 1997. You are not required to attend this hearing, but as an owner of an interest that may be subject to pooling, or otherwise affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR MANZANO OIL CORPORATION
WFC:mlh

Enc.

cc: Mr. Ken Barbe

EXHIBIT A

Two Rivers Oil Company
Post Office Box 112
Floresville, TX 78114

Silvyn Butts Ponder
1008 Burton Hill Rd., Apt. 126
Ft Worth, TX 76114

Freda Crawford
2426 McKee Street
Orange, TX 77630

Mr. and Mrs. Walter Shields
Post Office Box 334
Daingerfield, TX 75638

Mr. and Mrs. Choice B. Matthews
1000 Remschel
Kerrville, TX 78028

Oliver Wayne Butts
610 W. Hubbard
Suite 501
Coeur D Alene, Idaho 83814

Eutie Velma Andrew
Post Office Box 1143
Karnes City, TX 78118

Alva Hagan
3216 Daniels Street
Dallas, TX 75206

L. Wayne Mahan
8400 N. Cactus
Hobbs, NM 88241

Mr. and Mrs. Noah Askew
General Delivery
Lindreth, NM 89029

Mr. James C. Ritchie
c/o Rodey, Dickason, Sloan,
Akin & Robb, P.A.
Post Office Box 1888
Albuquerque, NM 87103

Estate of Mittie Kerr, Deceased
Rt. 3, 402 South Main
Quitman, TX 75783

Freddy Earl Noack
1308 W. Avenue M
Lovington, NM 88260

Estate of James T. Butt, Deceased
880 Tully #21
Houston, TX 77079

Estate of Vernon Rue Evans, Deceased
Rt. 1, Box 301
Brenham, TX 77833

Estate of Vance O. Schultz, Deceased
Rt. 4
Hogenville, Kentucky 42748

Roylene Klinglesmith
804 Bobwhite Drive
Frisco, TX 75034

Dr. Ralph Butts
Post Office Drawer 13
Hurst, TX 76053

Mrs. Ruth Schup
7200 Karen
Fort Worth, TX 76118

Mildred Arlene Gee
9449 Briar Forest
Apt. #3607
Houston, TX 77063

Ruthie Marie Smith
Post Office Box 77
Normanna, TX 78142

Claude Alvin Brown, Jr.
Post Office Box 77
Normanna, TX 78142

Betty Ann Voss
Post Office Box 77
Normanna, TX 78142

Lawrence T. Cox
Post Office Box 271
Solomon, AZ 85551

Rue Paula Mitchell
Post Office Box 2452
Globe, AZ 85501

Brian Cade Cox
Post Office Box 342
Cottonwood, AZ 86326

Duane Leland Cox
Post Office Box 342
Cottonwood, AZ 86326

Timothy Lee Cox
Post Office Box 342
Cottonwood, AZ 86326

Linda Kay Young
4101 W. Jupiter
Tucson, AZ 85741

Opal Poovey
510 Drexel
El Dorado, AR 71730

Mr. Robert Neagle
824 W. Jefferson
Lovington, NM 88260

Big Three Land Company
Post Office Box 732
Lovington, NM 88260

Mr. and Mrs. John Britton Baker
910 N. Dalmont St.
Hobbs, NM 88240

Thelma Bartholomew
926 Skymeadow Drive
Placentia, CA 92670

E.H. Beardsley, et al.
21 Casa Blanca Estates
Paradise Valley, AZ 85253

Craig S. Beck, Co-Executor of the
Estate of Dorothy L. Beck, Deceased
Post Office Box 79
Tahoe Vista, CA 95732

Mr. and Mrs. George W. Braggs
Post Office Box 1042
Eunice, NM 88231

Mary A. Butler and
Joseph M. Wells
2274 Montemar Avenue
Escondido, CA 92027

Peter J. Campana
1900 S. Cirby Way, #66
Roseville, CA 95661

Caprock Pipe & Supply
Post Office Box 1535
Lovington, NM 88260

Anthony Ray Cortez
108 Tulsa
Hobbs, NM 88240

Shelby Deaderick, et ux.
28462 Acapulco
Mission Viejo, CA 92692

Mary K. Dean
8565 Windy Ridge Trail
Winters, CA 95694

George E. Donnell, et ux.
28444 Alava
Mission Viejo, CA 92692

Betty Evenson, a widow
c/o G. Forest Evenson
3119 Swift Circle
Clovis, CA 95612

Mr. and Mrs. Ernest Fennell
260-N-650-E
Vernal, UT 84078

Rodney Flemmons, et ux.
East Star Route, Box 3C
Lovington, NM 88260

Helen Denny Fossette
5640 South Bend Street
Las Vegas, NV 89122

Walter N.F. Hanson
238 Eagle Lane West
Palmdale, CA 93551

Charlene Hopkins, a widow
Post Office Box 516
Cloudcroft, NM 88317

Mr. and Mrs. Donald L. Lanford
West Star Route, Box 614
Lovington, NM 88260

Ted Littlejohns and
Caroline Littlejohns, Trustees
1405 Thunderbird St.
Bakersfield, CA 93309

Max Lustig, et al.
3750 Hudson Manor Terrace
Bronx, NY 10463

Irene Maertens, et al.
4362 Dean Drive
Ventura, CA 93003

Ojavan Investors, Inc.
6253 Hollywood Blvd., #614
Los Angeles, CA 90028

Gerald K. Pardon
4325 Canterbury Rd.
Riverside, CA 92504

Derek H. Parker
Post Office Box 521
San Bruno, CA 94066

Scott Parker
1001 N. Pecos, #75
Las Vegas, NV 89101

Billy G. Petree, et ux.
Post Office Box 356
Hagerman, NM 88232

Mr. and Mrs. Eddie Robinson
14661 Trader's Path
Orlando, FL 32837

Michael Thomas Robinson
809 E. 5th Street
Roswell, NM 88201

Gary B. Roulston
308 E. Luna
Hobbs, NM 88240

Mr. and Mrs. R.R. Roulston
608 E. Luna
Hobbs, NM 88240

Genee H. Schubert, Trustee
1100 Rose Lane
Hobbs, NM 88240

Mr. and Mrs. Kenneth Shields
Post Office Box 1256
Lovington, NM 88260

Mary Lynn Simkins
419 A. East Commonwealth
Fullerton, CA 92632

Mr. and Mrs. Meredith Smith
Post Office Box 875
Hobbs, NM 88240

Wanda B. Smith
Post Office Box 907
Rosamond, CA 93560

Mr. and Mrs. Ebodio Soto
301 E. Jackson
Lovington, NM 88260

Bill G. and Jack A. Taylor
1106 N. County Club
Carlsbad, NM 88220

Mr. and Mrs. Walter H. Yahn
Post Office Box 2979
Crestline, CA 92325

Estate of Mary Jo Dodson
206 Old Eagle Pass Road
Carrizzo Springs, TX 78834

Madley Dodson Bailey, a/k/a
Madlyn and Madelyn Dodson Bailey,
dealing in her S&SP
Post Office Box 62
Carrizzo Springs, TX 78834

Elva Moad, a single woman
603 West 9th Street
Cisco, TX 76437

River Oaks Trust Company
Trustee of the Louise S. Longcope Tr.
Post Office Box 13120
Houston, TX 77219

C.S. Longcope, dealing in his
sole and separate property
2003 Elizabeth
Brownwood, TX 76801

Harry H. Jung and his wife
Virginia M. Jung
Post Office Box 456
Crosbyton, TX 79322

Nova Jean Marley, dealing in her
sole and separate property
211 S. Farmer
Crosbyton, TX 79322

Carl A. Schellinger and his wife
Gloria Schellinger
Post Office Box 447
Roswell, NM 88202-0447

Chesapeake Operating Inc.
Post Office Box 54525
Oklahoma City, OK 73154

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 5

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Estate of Vernon Rue Evans
Rt. 1, Box 301
Brenham, TX 77833

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Gentlemen:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

You have previously been extended an opportunity to lease your mineral rights by Manzano Oil Corporation and having not reached a lease agreement with you, we now request your participation in the above described well. Your election to participate shall be evidenced by your execution of an AFE and Joint Operating Agreement, naming Manzano as operator, and payment of your proportionate share of the drilling cost.

We would appreciate your notifying us as to your election on or before January 15, 1997 as we anticipate commencing the well in February 1997. Should you respond affirmatively, Manzano will provide a Joint Operating Agreement along with an invoice for your drilling cost.

Thank you for your attention to this matter.

Sincerely,

Kenneth Barbe, Jr.
Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 11688 Exhibit No. 4

Submitted by: Manzano Oil Corporation

Hearing Date: January 23, 1997



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Oliver Wayne Butts
610 W. Hubbard
Suite 501
Coeurd" Alene, ID 83814

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Mr. Butts:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Thank you for your attention to this matter.

Sincerely,

Kenneth Barbe, Jr.

Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Eutie Velma Andrew
P. O. Box 1143
Karnes City, TX

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Andrew:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Sincerely,

Kenneth Barbe, Jr.

Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Alva Hagan
3216 Daniels Street
Dallas, TX 75206

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Mr. Hagan:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Sincerely,

Kenneth Barbe, Jr.
Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Opal Poovey
510 Drexel
El Dorado, AR 71730

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Poovey:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Sincerely,

Kenneth Barbe, Jr.
Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Estate of James T. Butts
880 Tully #21
Houston, TX 77079

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Gentlemen:

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Sincerely,

Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Estate of Mittie Kerr
Route 3, 402 South Main
Quitman, TX 75783

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Gentlemen:

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Kenneth Barbe, Jr.
Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Estate of Choice B. Matthews
1000 Remschel
Kerrville, TX 78028

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Gentlemen:

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Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Duella Shields
P. O. Box 334
Daingerfield, TX 75738

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Shields:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Kenneth Barbe, Jr.
Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Freda Crawford
2426 McKee Street
Orange, TX 77630

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Crawford:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Silvyn Butts Ponder
1008 Burton Hill Rd., Apt. 126
Ft. Worth, TX 76114

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Ponder:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Rue Paula Mitchell
P. O. Box 2452
Globe, AZ 85501

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Ms. Mitchell:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

L. Wayne Mahan
8400 N. Cactus
Hobbs, NM 88241

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Mr. Mahan:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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Kenneth Barbe, Jr.

Enc: AFE dated December 16, 1996



Manzano Oil Corporation

P.O. Box 2107
Roswell, New Mexico 88202-2107
(505) 623-1996
FAX (505) 625-2620

December 16, 1996

Lawrence T. Cox
P. O. Box 271
Solomon, AZ 85551

Re: SW/4 Section 11, 16S-36E
"SV" Chipshot #2
Lea County, New Mexico
Turtle Prospect

Dear Mr. Cox:

We are proposing the drilling of the "SV" Chipshot #2 in the SW/4 of Section 11, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 1000' FSL & 467' FWL and will be drilled to a depth of 12,000' to test the Strawn formation.

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