



**KERR-MCGEE CORPORATION**

110 N. MARIENFELD, SUITE 200 • MIDLAND, TEXAS 79701

April 8, 1991

PHONE

915 688 1000

Marathon Oil Company  
P. O. Box 522  
Midland, Texas 79702

Re: Proposed Tomano WF Unit  
Sections 10 & 11, T18S, R31E  
Eddy County, New Mexico

Gentlemen:

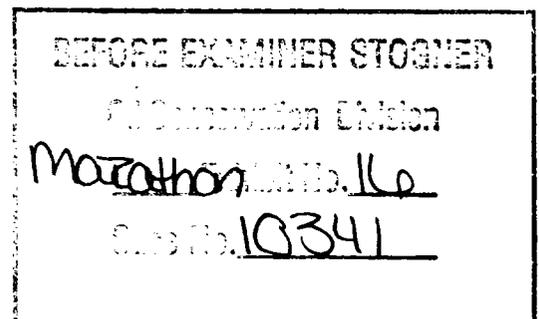
Pursuant to your letter dated April 3, 1991, we are enclosing the three executed letter ballots. Kerr-McGee Corporation approved Ballot 1B, with the stipulation that if this is not the ballot accepted by a consensus of the working interest owners, we will not be able to commit our interest to the proposed waterflood unit.

Yours very truly,

KERR-MCGEE CORPORATION

Byron H. Greaves  
Manager, Production

BHG/jai  
Enclosures



BALLOT 1A

ESTABLISHMENT OF A PRE-UNIT VOTING PROCEDURE  
PROPOSED TAMANO (BSSC) UNIT  
EDDY COUNTY, NEW MEXICO

April 3, 1991

Proposal: In order to establish a voting procedure to govern pre-unitization matters regarding the proposed Tamano (BSSC) Unit in Eddy County, New Mexico, the voting percentage of each Working Interest Owner will be the sum of said owner's working interest in the proposed unit's surface acreage multiplied by 0.5 and divided by the total proposed unit acreage plus said owner's working interest in each usable wellbore within the proposed unit acreage multiplied by 0.5 and divided by the total number of wells. Attachment 4 summarizes each Working Interest Owner's voting percentage based on this formula. The proposed unit area is Section 11, Township 18 South, Range 31 East, Eddy County, New Mexico and the southeast quarter and the south half of the northeast quarter of Section 10, Township 18 South, Range 31 East, Eddy County, New Mexico. Approval representing 85 percent of the voting percentage will be required to form a consensus.

APPROVED BY: ~~Byron H. Greaves~~

DISAPPROVED BY: Byron H. Greaves

ABSTAINED BY: \_\_\_\_\_

PRINT/TYPE NAME: Byron H. Greaves

COMPANY: KERR-MCGEE CORPORATION

DATE: April 8, 1991

Please indicate any companies, in addition to your own, that you are representing.

_____	_____
_____	_____
_____	_____
_____	_____

Please return this ballot to Marathon Oil Company's office in Midland, Texas by 4:30 CDT on Monday, April 8, 1991. Marathon's address is P. O. Box 552, Midland, Texas, 75702. Street Address: 125 West Missouri, Midland, Texas, 79701. Panafax number: (915) 687-8287.



BALLOT 1B

ESTABLISHMENT OF A PRE-UNIT VOTING PROCEDURE  
PROPOSED TAMANO (BSSC) UNIT  
EDDY COUNTY, NEW MEXICO

April 3, 1991

Proposal: In order to establish a voting procedure to govern pre-unitization matters regarding the proposed Tamano (BSSC) Unit in Eddy County, New Mexico, the voting percentage of each Working Interest Owner will be the sum of said owner's working interest in the proposed unit's surface acreage multiplied by 0.5 and divided by the total proposed unit acreage plus said owner's working interest in each usable wellbore within the proposed unit acreage multiplied by 0.5 and divided by the total number of wells.. Attachment 4 summarizes each Working Interest Owner's voting percentage based on this formula. The proposed unit area is Section 11, Township 18 South, Range 31 East, Eddy County, New Mexico and the southeast quarter and the south half of the northeast quarter of Section 10, Township 18 South, Range 31 East, Eddy County, New Mexico. Approval representing 75 percent of the voting percentage plus two parties in addition to Marathon Oil Company and the Hudson Group if the combined voting interest of Marathon and the Hudson Group is a majority. Kerr-McGee Corporation hereby stipulates that if Ballot 1B is not the winning Ballot, Kerr-McGee Corporation will withdraw from further negotiations and will not commit its interest nor that of the companies it represents

APPROVED BY: Byron H. Greaves to the unit.

DISAPPROVED BY: \_\_\_\_\_

ABSTAINED BY: \_\_\_\_\_

PRINT/TYPE NAME: Byron H. Greaves

COMPANY: KERR-MCGEE CORPORATION

DATE: April 8, 1991

Please indicate any companies, in addition to your own, that you are representing.

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BALLOT 1C

ESTABLISHMENT OF A PRE-UNIT VOTING PROCEDURE  
PROPOSED TAMANO (BSSC) UNIT  
EDDY COUNTY, NEW MEXICO

April 3, 1991

Proposal: In order to establish a voting procedure to govern pre-unitization matters regarding the proposed Tamano (BSSC) Unit in Eddy County, New Mexico, the voting percentage of each Working Interest Owner will be the sum of the products of said owner's working interest in each well within the proposed unit area multiplied by the volume of oil produced from each respective well between October 1, 1990 and March 31, 1991, divided by the total oil production from the proposed unit area for the same six month period. Attachment 5 summarizes each Working Interest Owner's voting percentage based on this formula. The proposed unit area is Section 11, Township 18 South, Range 31 East, Eddy County, New Mexico and the southeast quarter and the south half of the northeast quarter of Section 10, Township 18 South, Range 31 East, Eddy County, New Mexico. Approval representing 75 percent of the voting percentage with agreement from at least three parties will be required to form a consensus.

APPROVED BY: \_\_\_\_\_

DISAPPROVED BY: Byron H. Greaves

ABSTAINED BY: \_\_\_\_\_

PRINT/TYPE NAME: Byron H. Greaves

COMPANY: KERR-MCGEE CORPORATION

DATE: April 8, 1991

Please indicate any companies, in addition to your own, that you are representing.

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