

Manzano Oil Corporation

P.O. Box 2107

Roswell, New Mexico 88202-2107

(505) 623-1996 FAX (505) 625-2620

November 10, 1998

Certified Mail

Return Receipt Requested

Francisco Navarrette 450 Williams Buffalo, WY 82834

Re:

Quarry #1 Well

Lot 15 Section 3, 16S-36E Lea County, New Mexico

Dear Mr. Navarrette:

We are proposing the drilling of the Quarry #1 well in Lot 15 of Section 3, T-16-S, R-36-E, Lea County, New Mexico. The legal location for the well is 3526' FSL and 2095' FEL and will be drilled to a depth of 11,800' 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 Oil Corporation 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 December 3, 1998 as we anticipate commencing the well around that date. 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, and let me know if you should have any questions in this regard.

Sincerely,

Debbi Jeffers

Encl: AFE dated September 1, 1998

| is your <u>RETURN ADDRESS</u> completed on the reverse side? | SENDER: 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 mallpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mallpiece 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. Addressee's Address 2. Restricted Delivery Consult postmaster for fee. | | Thank you for using Return Receipt Service. |
|--|--|-----------------------------|--|--------------|---|
| | 3. Article Addressed to: | 4a. Article Number | | | Rec |
| | The state of the s | P 382 741 567 | | | Ē |
| | Francisco Navarrette | | b. Service Type | | Zeti |
| | 450 Williams Buffalo, WY 82834 | ☐ Registered ☐ Express Mail | | XX Certified | ng 1 |
| | Bulla10, w1 02034 | • | ceipt for Merchandise | ndise 🗆 COD | |
| | | 7. Date of Delivery | | | ģ |
| | | | NOV 13 1998 3 | | |
| | fael Navarrette and fee is | | e's Address (Only if requested s paid) | | Thank |
| | 6. Signature: (Addressee or Agent) X Xakuel Vavarre 10 | | | | • |
| | PS Form 3611 , December 1994 | 2595-97-B-0179 | Domestic Ret | urn Receipt | |
| ٠ | Postmark or Date E O C C C C C C C C C C C C | | | | |