

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: _____

DISAPPROVED BY: Claudio A. Arce

ABSTAINED BY: _____

PRINT/TYPE NAME: E. RANDALL HUDSON III

COMPANY: HUDSON + HUDSON

DATE: 4/4/91

Marathon 10
10341

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

F. H. HUDSON
HUDSON TRUSTEES
HUDSON TRUST
DELMAR LEWIS

MOORE + SHELTON

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, 79702. 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.

APPROVED BY: _____

DISAPPROVED BY: E. Randall Hudson III

ABSTAINED BY: _____

PRINT/TYPE NAME: E. RANDALL HUDSON III

COMPANY: HUDSON + HUDSON

DATE: 4/4/91

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

<u>F.H. HUDSON</u>	<u>MOORE + SHELTON</u>
<u>HUDSON TRUSTEES</u>	_____
<u>HUDSON TRUST</u>	_____
<u>DELMAR LEWIS</u>	_____

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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:

E. RANDALL HUDSON III

DISAPPROVED BY: _____

ABSTAINED BY: _____

PRINT/TYPE NAME:

E. RANDALL HUDSON III

COMPANY:

HUDSON + HUDSON

DATE:

4/4/91

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

F.H. HUDSONHUDSON TRUSTEESHUDSON TRUSTDELMAR LEWISMOORE + SHELTON

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