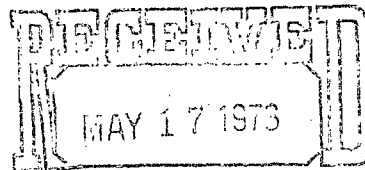




YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210

May 16, 1973



OIL CONSERVATION COMM.
Santa Fe

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL - 602
104 F
well location

RE: Non-Standard Gas ~~Unit~~, Deepening
of the Sasha Federal CA #1, Wildcat,
Eddy County, New Mexico

Dear Mr. Porter:

Federal Land

104 F
Application is hereby submitted for administrative approval of an exception to Rule 104(B)I to deepen an abandoned oil well test. The Sasha Federal CA #1 was drilled in November 1971 and temporarily abandoned at 2341' after failing to encounter oil or gas in the San Andres formation. It is proposed now to drill to the top of the Chester Lime at an estimated depth of 8200' and test intermediate formations.

The Sasha well is located on a Federal Oil and Gas lease approximately four (4) miles west of Artesia. Yates Petroleum is the sole offset operator and waives objection to the unorthodox location. An Ownership map and Dedication plat is attached hereto showing Operator's interests. The South half-section will be dedicated to a Pennsylvanian Gas Unit.

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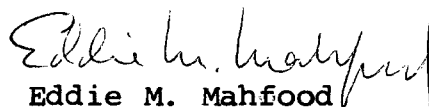
May 16, 1973

Mr. A. L. Porter, Jr.

A gas well completion is anticipated. The economic risk factor is great, and deepening of this old hole will result in a savings of approximately 35% on the cost of a new Morrow test well. Therefore granting this unorthodox location will allow an incentive to explore for new gas reserves, or the conservation of natural resources and prevent economic waste.

Yours very truly,

YATES PETROLEUM CORPORATION


Eddie M. Mahfood
Petroleum Engineer

EMM/jg
Attachments

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

MAY 17 1973

Operator Yates Petroleum Corporation			Lease Sasha Federal		Well-No. CONSERVATION COMM. 1
Unit Letter O	Section 9	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 330 feet from the South line and 1750 feet from the East line					
Ground Level Elev: 3571' GL	Producing Formation		Pool Wildcat	Dedicated Acreage: 320 Acres	

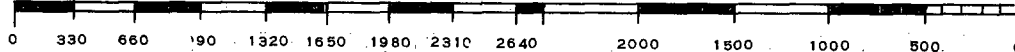
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation To be communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

		R 25 E	
T 17 S	Yates Pet. NM 0163567	Yates Pet.	
		U. S.	J. R. Norris



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Eddie M. Mahfood

Name

Eddie M. Mahfood

Position

Engineer

Company

Yates Petroleum Corp.

Date

7-23-71

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

July 17, 1971

Registered Professional Engineer and/or Land Surveyor

Eddie M. Mahfood

Certificate No.

4605

ARTSIA