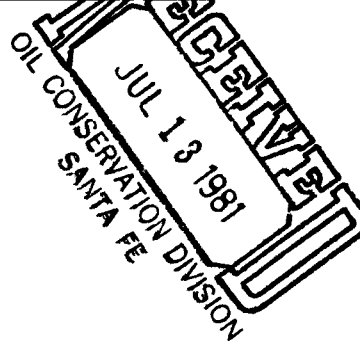




207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558



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

July 29, 1981

*NSL - 1398
Rule 104 F
8-19-81*

Mr. Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87503

Re: Non-Standard Location approval based
on Topography:
McClellan "MB" Federal #3
1100' FNL & 1980' FWL
Section 31-T5s-R25e

*Abo zone
NW/4 delineated*

Dear Sir:

The proposed drillsite for the above captioned well reflects the move out of a deep draw 660 feet from the north line. The Federal agencies would not have approved the orthodox location in the draw, which goes west to east.

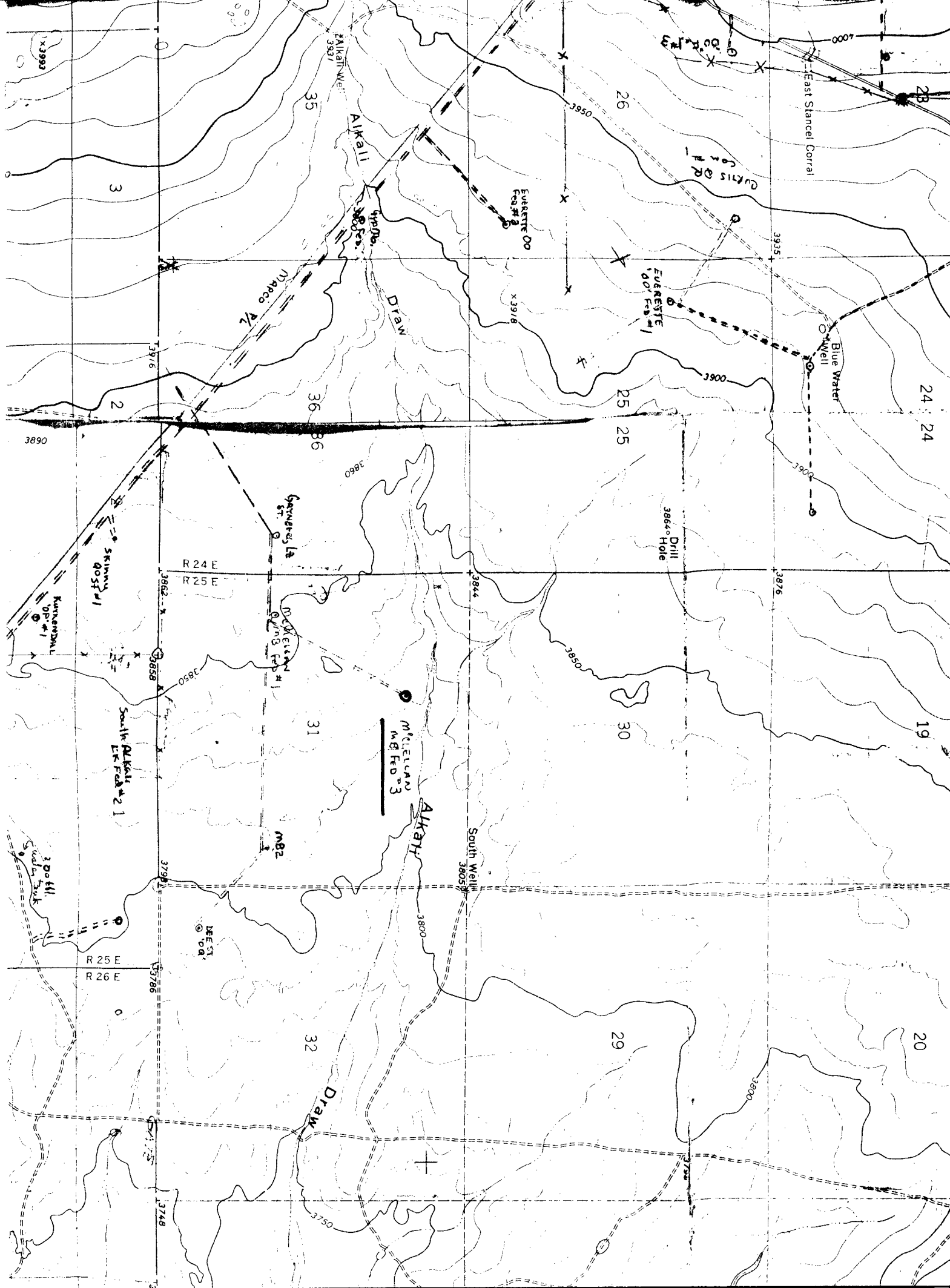
Pursuant to the provision of Rule 104F, we request administrative approval for this unorthodox location based on topography.

Sincerely,

Yates Petroleum Corporation

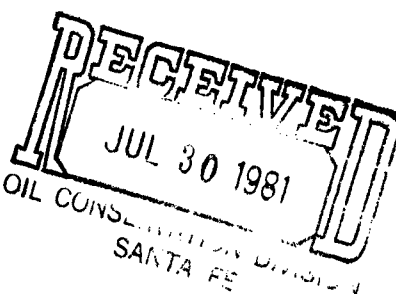
Gliserio Rodriguez
Gliserio "Rod" Rodriguez
Regulatory Manager

GR/rb





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558



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

July 29, 1981

Mr. R. L. Stamets
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: McClellan "MB" Federal #3
Section 31-T5s-R25e

Dear Sir:

As per your letter I am enclosing the information concerning the unorthodox location of this well.

1. Enclosed is a plat showing the ownership of off setting leases.
2. As of today (7-29-81) certified letters have been mailed to owners of the offsetting leases notifying them of our application to drill.
3. Formation for this well is Abo with a dedicated acreage of 160 acres.

Sincerely,

Yates Petroleum Corporation

Cy Cowan
Regulatory Coordinator

CC/rb

[illegible]



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

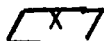
July 14, 1981

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

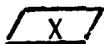
Yates Petroleum Corp.
207 South Fourth Street
Artesia, New Mexico 88210

Re: Application for Non-Standard
Location: McClellan "MB" Federal
Well No. 3, Sec. 31, T-5-S,
R-25-E

We may not process the subject application for non-standard location until the required information or plats checked below (is) (are) submitted.



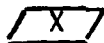
A plat must be submitted clearly showing the ownership of the offsetting leases.



A statement must be submitted that offset owners have been notified of the application by certified mail.



A plat must be submitted fully identifying the topography necessitating the non-standard location.



Other: Please state the formation(s) for which the unorthodox location is sought and show the dedicated acreage.

Very truly yours,

R. L. STAMETS
Technical Support Chief

RLS/dr