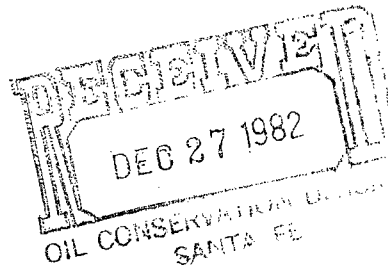




207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



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

December 23, 1982

*NSC 164 F
Rule 104
1-16-83*

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

Re: Crandall "UD" Com #1
2310' FNL and 990' FEL
Sec. 6-T7S-R26E
Chaves County, New Mexico

Abo Gas

Dear Sir:

Yates Petroleum Corporation is proposing to ~~drill the above~~ referenced well. We are requesting administrative approval for this unorthodox location. We are moving this well due to topography. This includes an existing county road, buildings, powerlines and a draw.

Enclosed is a topographical map showing the area and a lease map. All offsetting lease acreage is owned by Yates Petroleum Corporation, excepting acreage owned by Mesa Petroleum and Stevens Oil Co., who have been notified by certified mail of our intentions.

Formations we expect to drill through are: San Andres, Glorieta, Fullerton, Abo. The well will be an abo test.

Thank you for your help in this matter.

Sincerely,

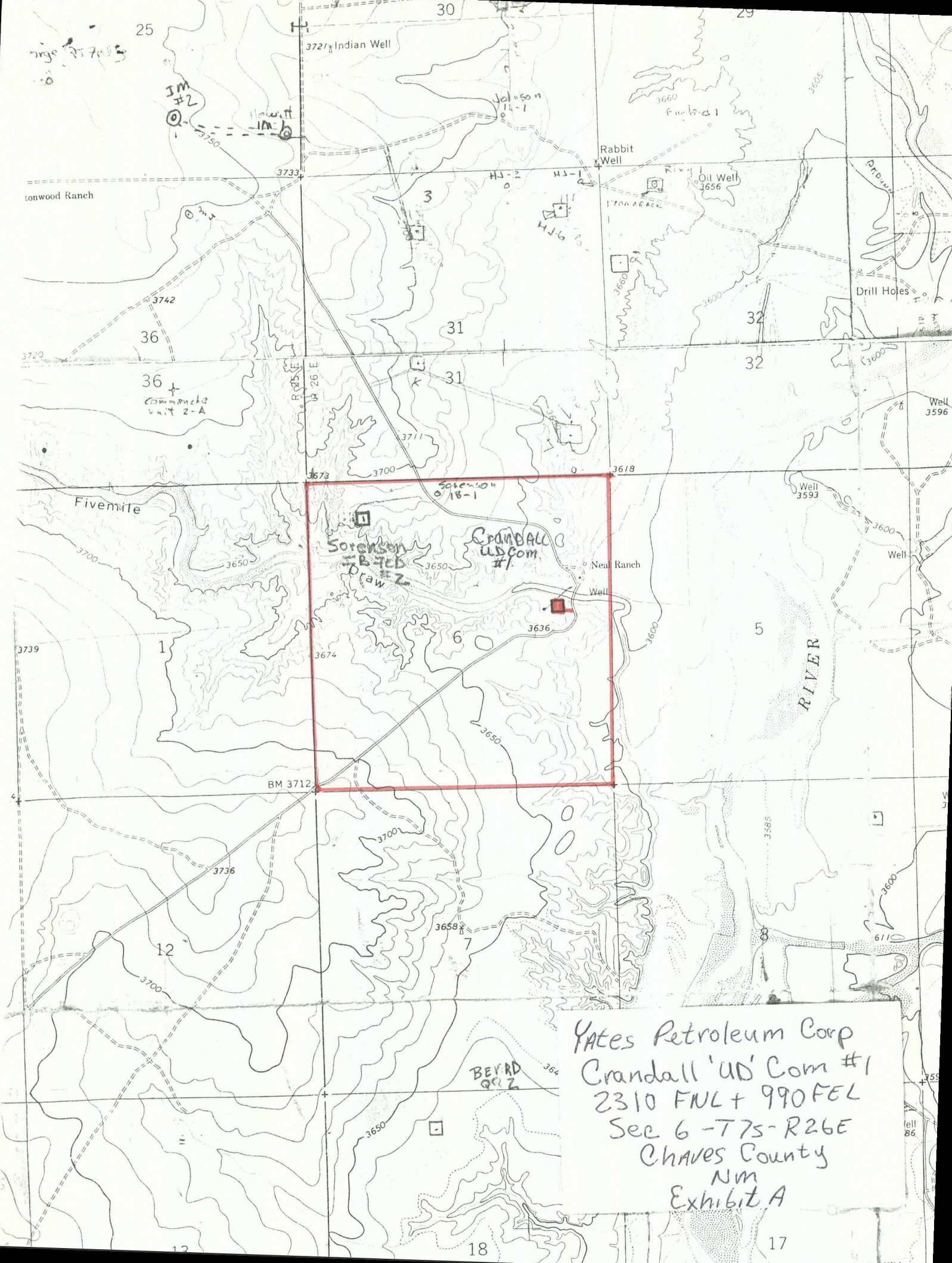
Cy Cowan

Cy Cowan
Regulatory Coordinator
YATES PETROLEUM CORPORATION

CC/dw

enclosures

xc: Mesa Petroleum Corp., Stevens Oil Co.



Yates Petroleum Corp
Crandall 'UD' Com #1
2310 FNL + 990 FEL
Sec 6 - T75-R26E
Chaves County
NM
Exhibit A

[illegible]

P 289 074 092

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO		Hewlett Pack Co.	
STREET AND NO.		Box 2203	
P.O. STATE AND ZIP CODE		Roswell, NM	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE			
SPECIAL DELIVERY		CERTIFIED FEE	
RESTRICTED DELIVERY			
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		12-23-82	

PS Form 3800, Apr. 1976

Chandler US Com #1

P 289 074 093

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO		Mess Petroleum	
STREET AND NO.		1000 Langley Bldg	
P.O. STATE AND ZIP CODE		Midland, TX	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE			
SPECIAL DELIVERY		CERTIFIED FEE	
RESTRICTED DELIVERY			
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		12-23-82	

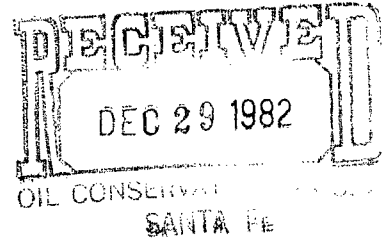
PS Form 3800, Apr. 1976

Chandler US Com #1

STEVENS OPERATING CORPORATION

118 WEST FIRST STREET
P. O. BOX 2203
ROSWELL, NEW MEXICO 88201
505 /622-7273

December 23, 1982



Mr. Richard L. Stamets
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Proposed Unorthodox Location
Yates Petroleum Corporation
Crandall "UD" Com. #1
Sec. 6: T-7-S, R-26-E
Chaves County, New Mexico

Dear Mr. Stamets:

Stevens Operating Corporation presently has under lease the SW/4, Section 5: Township 7 South, Range 26 East, which directly offsets to the southeast the subject well proration unit.

Yates Petroleum Corporation proposes drilling their Crandall "UD" Com. #1 well at an unorthodox location: 2310' FNL & 990' FEL, Section 6, Township 7 South, Range 26 East. Stevens Operating Corporation has no objection to this proposal.

Very truly yours,

STEVENS OPERATING CORPORATION

Wilbur D. Wilson
Exploration Geologist

WDW/clw