

Release Date: June 6, 1988

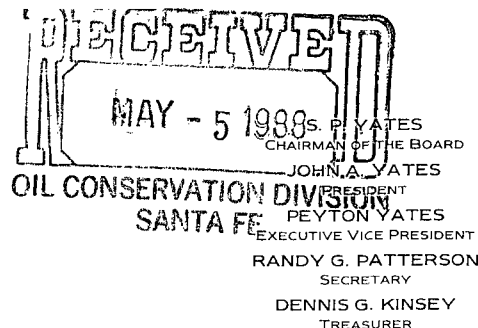
MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

May 2, 1988



New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

ATTENTION: Mr. William LeMay

RE: Desert Rose Unit #1
1780' FNL and 660' FEL of
Section 11-T9S-R26E
Chaves County, New Mexico

*For Ranch Pre-Permian Gas
Pool 320-Acre spacing
E/2 Sec 11.*

Gentlemen:

Yates Petroleum Corporation respectfully requests administrative approval for the non-standard location as provided for under NMOCD Rule 104F.

On July 10, 1987, we filed an Application for Permit to Drill the captioned well with the New Mexico Oil Conservation Division in Artesia, New Mexico, as a 5200' Abo well with 160 acre spacing. This was approved on July 16, 1987. On August 19, 1987, we filed a Sundry Notice with the Oil Conservation Division asking for permission to take the well to a total depth of 6500' Mississippian with 320 acre spacing. This was approved on August 26, 1987. This made the well unorthodox.

Enclosed please find a copy of the lease map showing the area, a topographic map of the area and a survey plat.

We respectfully ask for your expeditious approval of this application, as this well is completed and ready for production.

If you have any questions concerning this matter, please do not hesitate to contact us.

Thank you.

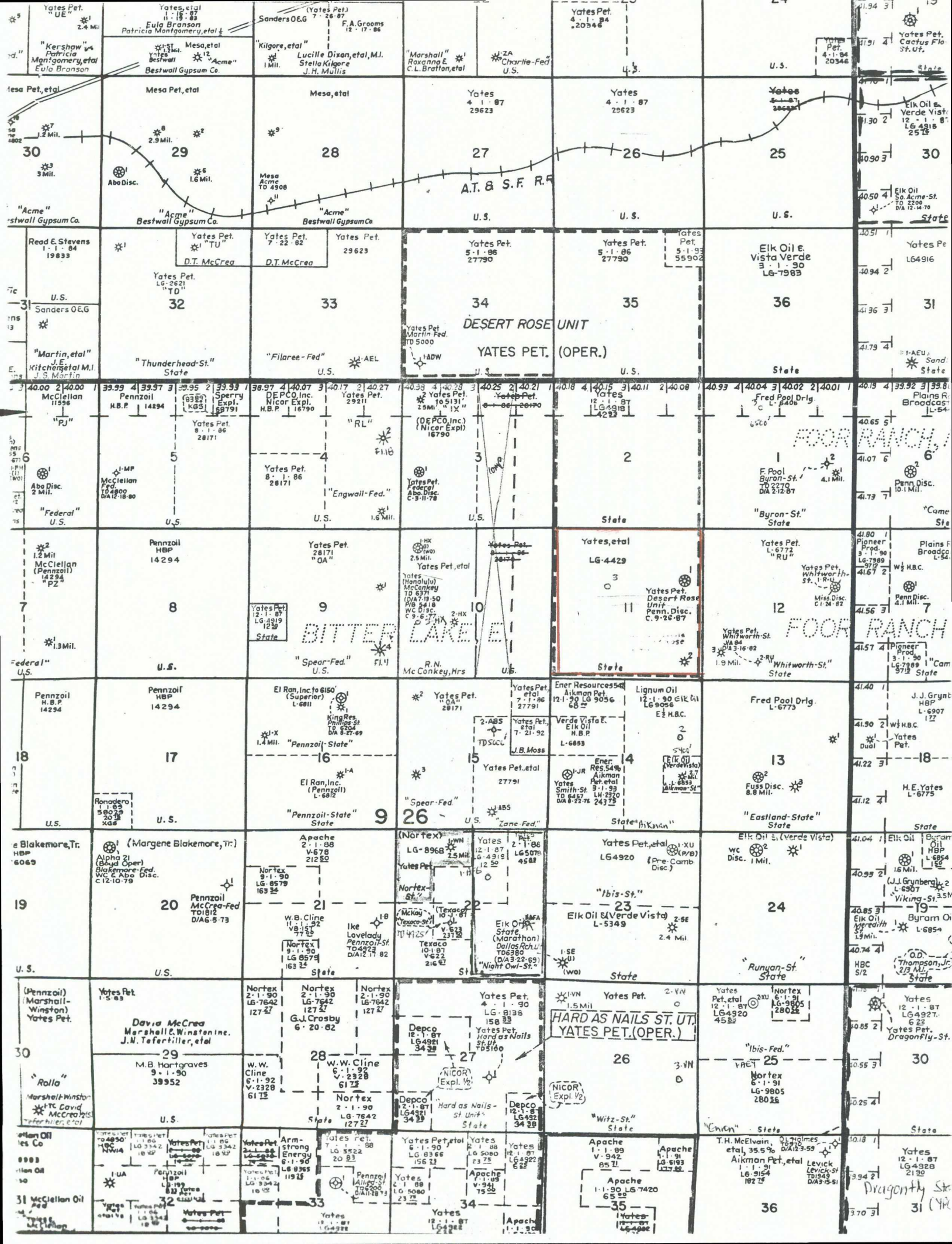
Very truly yours,

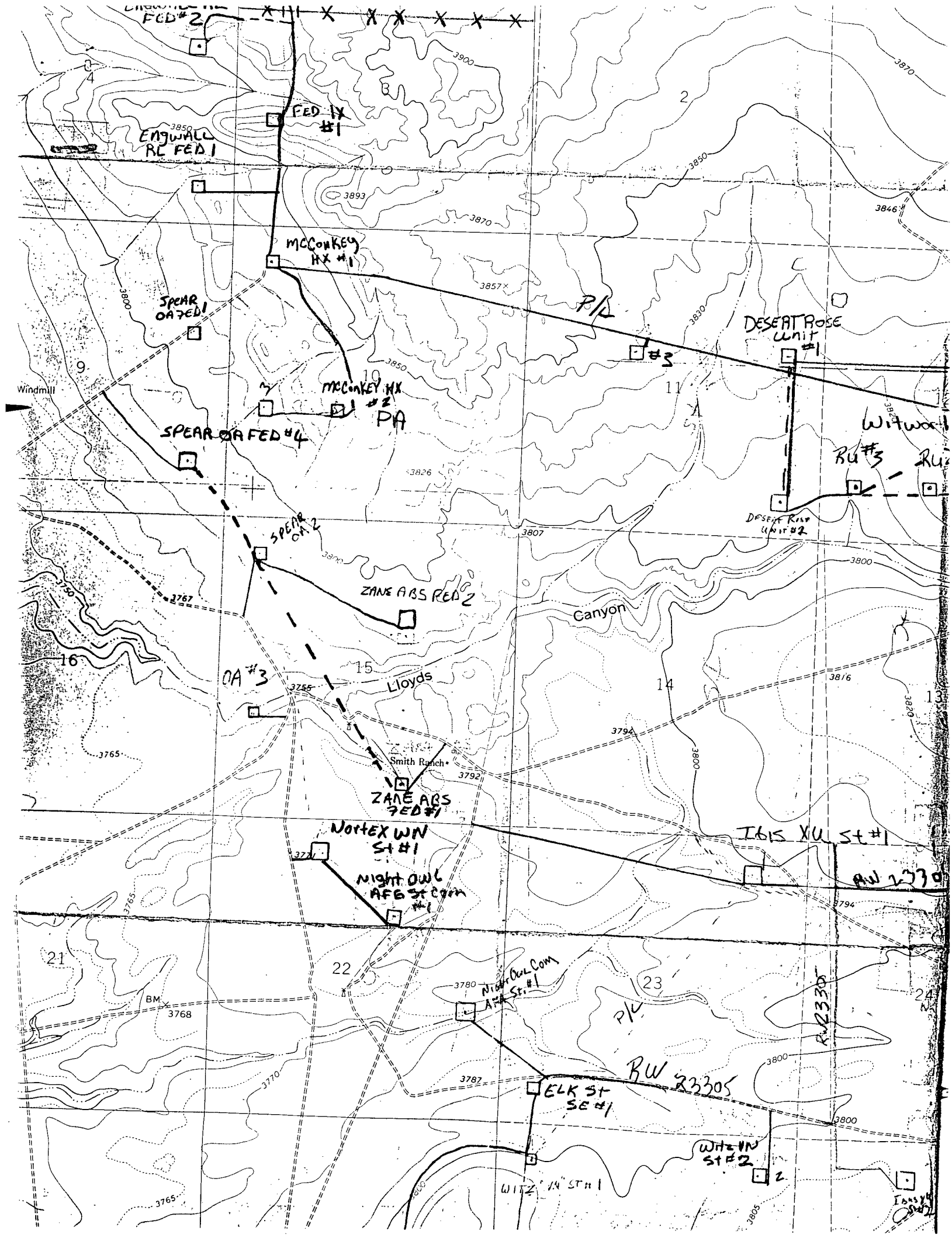
YATES PETROLEUM CORPORATION

Kathy H. Colbert
Kathy H. Colbert
Landman

KHC:rj

Enclosures





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.

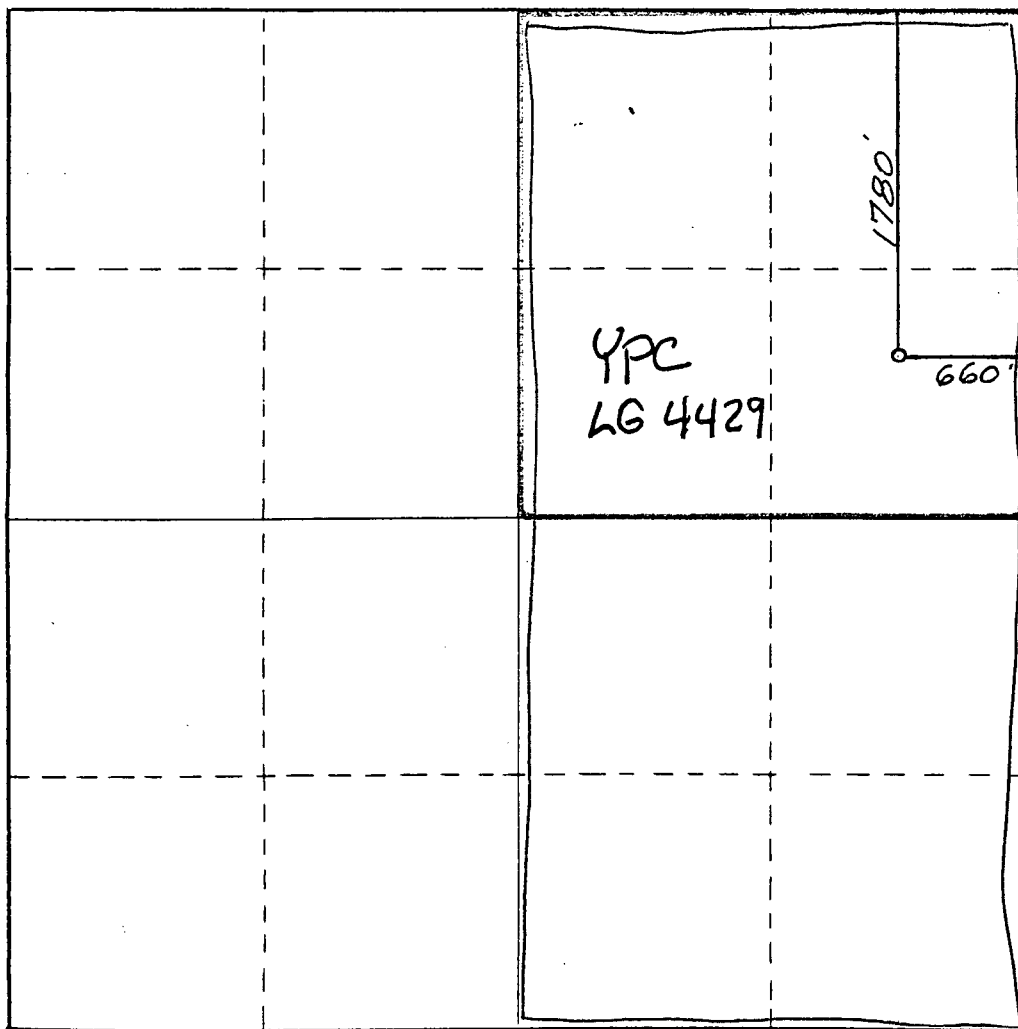
Operator YATES PETROLEUM CORPORATION			Lease Desert Rose Unit		Well No. 1
Unit Letter H	Section 11	Township 9 South	Range 26 East	County Chaves	
Actual Footage Location of Well: 1780 feet from the North line and 660 feet from the East line					
Ground Level Elev. 3824.	Producing Formation ABO		Pool Pecos Slope ABO		Dedicated Acreage: 160 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 Unitized**

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.



CERTIFICATION

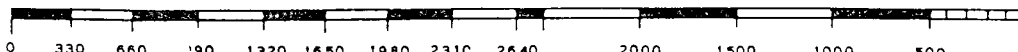
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Cy Cowan
Name **CY COWAN**
Position **Permit Agent**
Company **Yates Petroleum Corp**
Date **7-13-87**

I hereby certify the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and the same is true and correct to the best of my knowledge and belief.
DAN R. REDDY
REGISTERED PROFESSIONAL ENGINEER
NEW MEXICO
5412

Date Surveyed
July 9, 1987
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
NM PE&LS NO. 5412



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TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

May 9, 1988

Certified Mail
Return Receipt Requested

TO: OFFSET OPERATORS
ADDRESSEE LIST ATTACHED

Re: Desert Rose Unit #1
1780' FNL & 660' FEL
Section 11, T9S-R26E
Chaves County, New Mexico

Gentlemen:

As per the attached letter to the Oil Conservation Division, Yates Petroleum Corporation has requested administrative approval of the captioned nonstandard location. If you have any objections to our request as set out in said letter, please notify the New Mexico Oil Conservation Division within twenty days.

Please contact us should you have any questions.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION


Kathy H. Colbert
Landman

KHC/mw

Enclosure

OFFSET OPERATORS
OF
DESERT ROSE UNIT #1

Elk Oil Company
Security National Bank Building
Roswell, New Mexico 88201
ATTN Joe Kelly

Fred Pool Drilling
P. O. Box 1393
Roswell, New Mexico 88201

Aikman Oil Corporation
1190 One First City Center
500 West Texas
Midland, Texas 79701

Energy Reserves
c/o BHP Petroleum (Americas) I
5613 DTC Parkway, Ste. 600
Englewood, Colorado 80111

P-564 128 878

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P-564 128 879

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

P-564 128 881

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 153-506

PS Form 3800, June 1985

Sent to Energy Resources	
Street and No.	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

U.S.G.P.O. 153-506

PS Form 3800, June 1985

Sent to Aikman Oil Corporation	
Street and No. 1190 One First City Center	
P.O., State and ZIP Code 500 West Texas Midland, TX 79701	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

U.S.G.P.O. 153-506

PS Form 3800, June 1985

Sent to Elk Oil Company	
Street and No. Security Nat'l Bank Bldg.	
P.O., State and ZIP Code Roswell, NM 88201	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P-564 128 880

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

(See Reverse)

Sent to Fred Pool Drilling	
Street and No. P.O. Box 1393	
P.O., State and ZIP Code Roswell, NM 88201	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

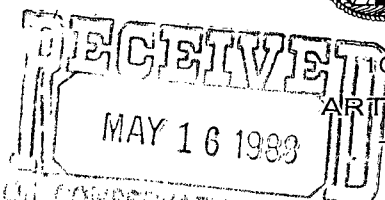
U.S.G.P.O. 153-506

PS Form 3800, June 1985

<p>SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>1. <u>Space on the reverse side. Failure to do this will prevent this return receipt from being returned to you. The return receipt fee will provide you the name of the person to whom the return receipt should be sent.</u></p> <p>2. <u>Restrictive Delivery</u></p> <p>3. <u>Extra charge</u></p>		<p>4. Article Number</p> <p><u>p 564 128 881</u></p>	
<p>Article Addressed to:</p> <p><u>Elk Oil Company</u></p> <p><u>Security National Bank Building</u></p> <p><u>Roswell, New Mexico 88201</u></p>		<p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail</p>	
<p>5. Signature - Addressee</p> <p><u>[Signature]</u></p>		<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>6. Signature - Agent</p> <p><u>[Signature]</u></p>		<p>8. Addressee's Address (<u>ONLY if requested and fee paid</u>)</p> <p><u>Desert Rose</u></p>	
<p>7. Date of Delivery</p> <p><u>5-10-88</u></p>		<p>DOMESTIC RETURN RECEIPT</p>	

<p>SENDER: Complete and 4. put your address in the "RETURN TO" Space on the back of this card. The return label fee will provide insurance services are available.</p> <p>Put your address in the "RETURN TO" Space on the back of this card. The return label fee will provide insurance services are available.</p>		<p>1. <input type="checkbox"/> Show to whom <u>†(Extra charge)†</u></p>	
<p>2. Article Addressed to: Aikman Oil Corporation 1190 One First City Center 500 West Texas Midland, Texas 79701</p>		<p>3. Article Number <u>p 564 128 879</u></p>	
<p>5. Signature Addressee <u>X W. L. Cook</u></p>		<p>Type of Service: <input checked="" type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail</p>	
<p>6. Signature - Agent <u>X</u></p>		<p>Always obtain signature of addressee or agent and <u>DATE DELIVERED</u>.</p>	
<p>7. Date of Delivery <u>3-10</u></p>		<p>8. Addressee's Address (<u>ONLY if requested and fee paid</u>) Desert Rose</p>	
<p>PS Form 3811, Mar. 1987</p>		<p>* U.S.G.P.O. 1987-178-268</p>	
		<p>DOMESTIC RETURN RECEIPT</p>	

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1912 - 1985
FRANK W. YATES
1936 - 1986



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TELEPHONE (505) 748-1471
May 13, 1988
OIL CONSERVATION DIVISION
SANTA FE

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PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: David Catanack

Re: Desert Rose Unit #1
1780' FNL and 660' FEL
Section 11, T9S-R26E
Chaves County, New Mexico

Gentlemen:

As per our letter of May 2, 1988 and subsequent telephone conversation concerning the captioned well, enclosed is a copy of our certified letter to all off-set operators. We have also enclosed a copy of the returned certified receipts verifying the operators actually received notice.

Please advise should you require anything further before processing our request for administrative approval for this non-standard location.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Kathy H. Colbert
Kathy H. Colbert
Landman

KHC/mw

Enclosures