

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

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

August 2, 1989

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

Attention: Mr. William LeMay

Re: Non-Standard Location
Mildred "XD" Federal #2
460' FNL & 1880' FWL of
Section 33-T7S-R23E
Chaves County, New Mexico

Gentlemen:

Yates Petroleum Corporation requests administrative approval for this non-standard location as provided for under New Mexico Oil Conservation Division Rule 104F.

The reason for requesting this non-standard location is topographic. Our preferred location was 660' FNL and 1980' FWL but this fell in Bajillo Draw. We were unable to find a place to put a standard location in the NW/4 of Section 33. The only spot where we feel that we can build a location is 460' FNL and 1880' FWL. Therefore, Yates is requesting that this location be approved due to the topography of this area. Richard Hill, Bureau of Land Management in Roswell, has been to this location and is in agreement that this is our best chance to build a location.

Enclosed please find a copy of the lease map showing offset operators, a topographic map of the area, a survey plat and copies of the certification slip showing where the offset operators have been notified. Offset Operator has been notified of our intentions, by certified mail, via a Xerox copy of this letter. Yates Petroleum Corporation has the other off-setting leases.

Formations we expect to drill through are: San Andres, Glorietta, Yeso and the Abo.

New Mexico Oil Conservation Division
August 2, 1989

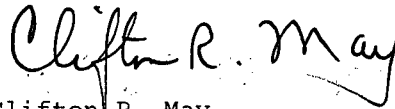
Page 2

If you have any questions concerning the matter, please do not hesitate to call us.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

A handwritten signature in cursive script that reads "Clifton R. May". The signature is written in dark ink and is positioned above the printed name and title.

Clifton R. May
Permit Agent

CRM/mw

Enclosures

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



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ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

Received

AUG 4 1989

Land
Dept.

S. P. YATES
CHAIRMAN OF THE BOARD
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TREASURER

August 2, 1989

Mesa Operating Limited Partnership
P. O. Box 2009
Amarillo, Texas 79189-2009

Attention: Mr. Mark Seale

Re: Non-Standard Location for
Mildred "XD" Federal #2
460' FNL & 1880' FWL
Sec. 33, T7S-R23E
Chaves County, New Mexico

Gentlemen:

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Clifton R. May, and one (1) copy to New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Mesa Operating Limited Partnership has no objections to the non-standard location for the captioned well.

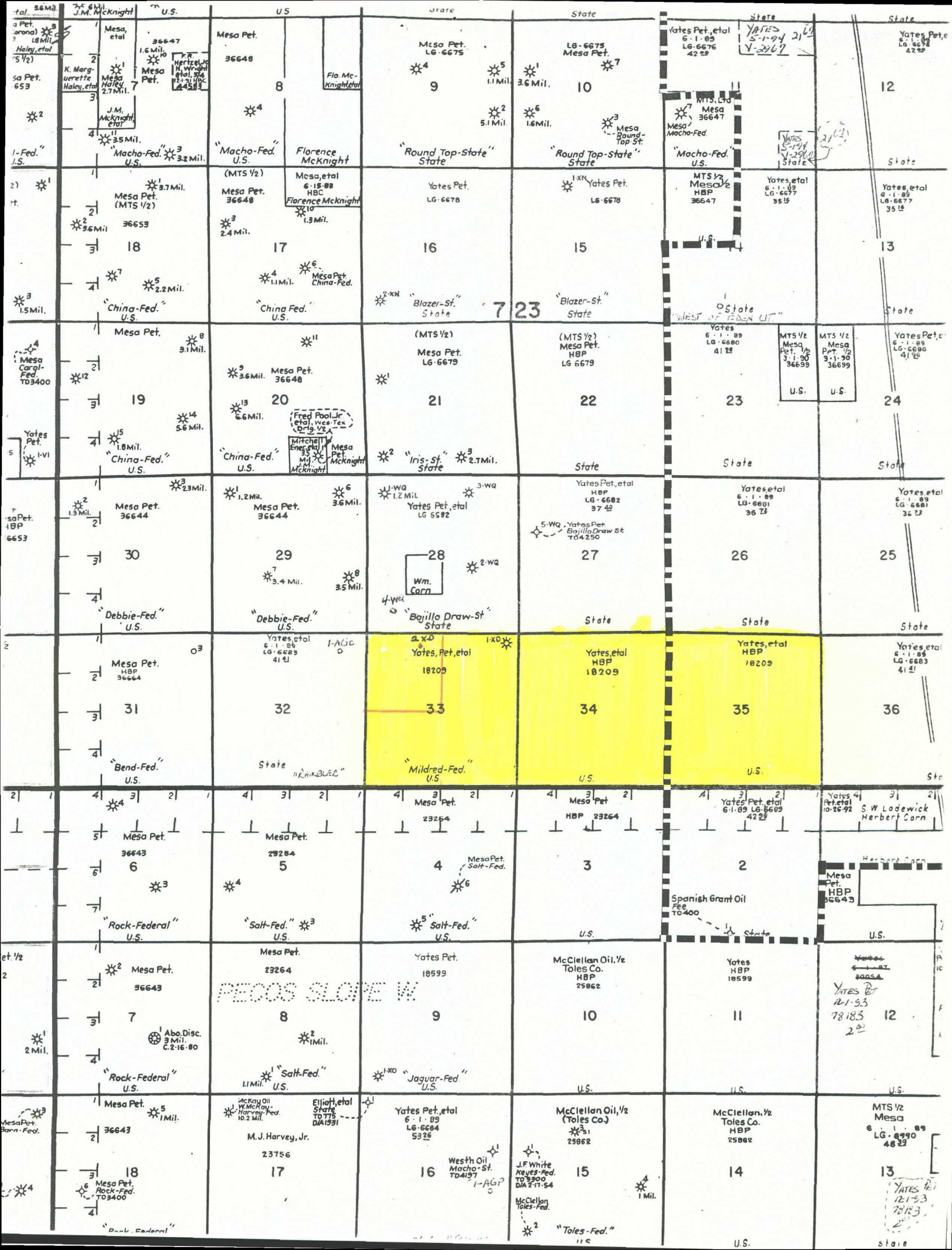
Mark W. Seale
Name
Landman
Title
8/9/89
Date

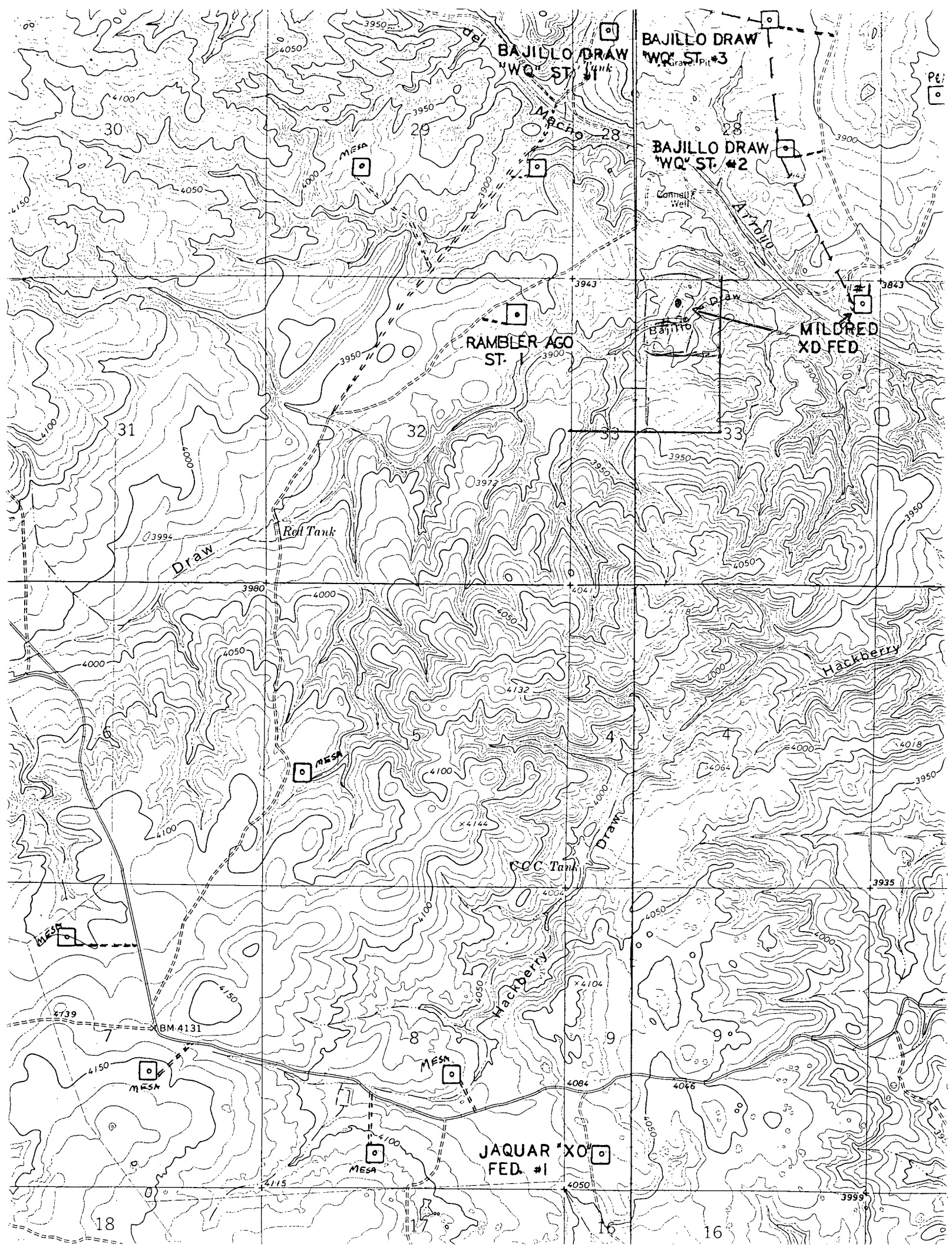
MILDRED "XD" FEDERAL #2
460' FNL and 1880' FWL of
SECTION 33-T7S-R23E
CHAVES COUNTY, NEW MEXICO

OFFSET OPERATORS:

MESA OPERATING LIMITED PARTNERSHIP
P. O. BOX 2009
AMARILLO, TEXAS 79189-2009
MR. MARK SEALE

YATES PETROLEUM CORPORATION HAS THE OTHER OFFSETTING LEASES.





Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

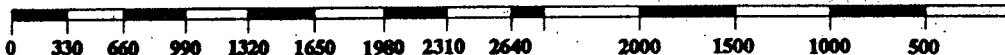
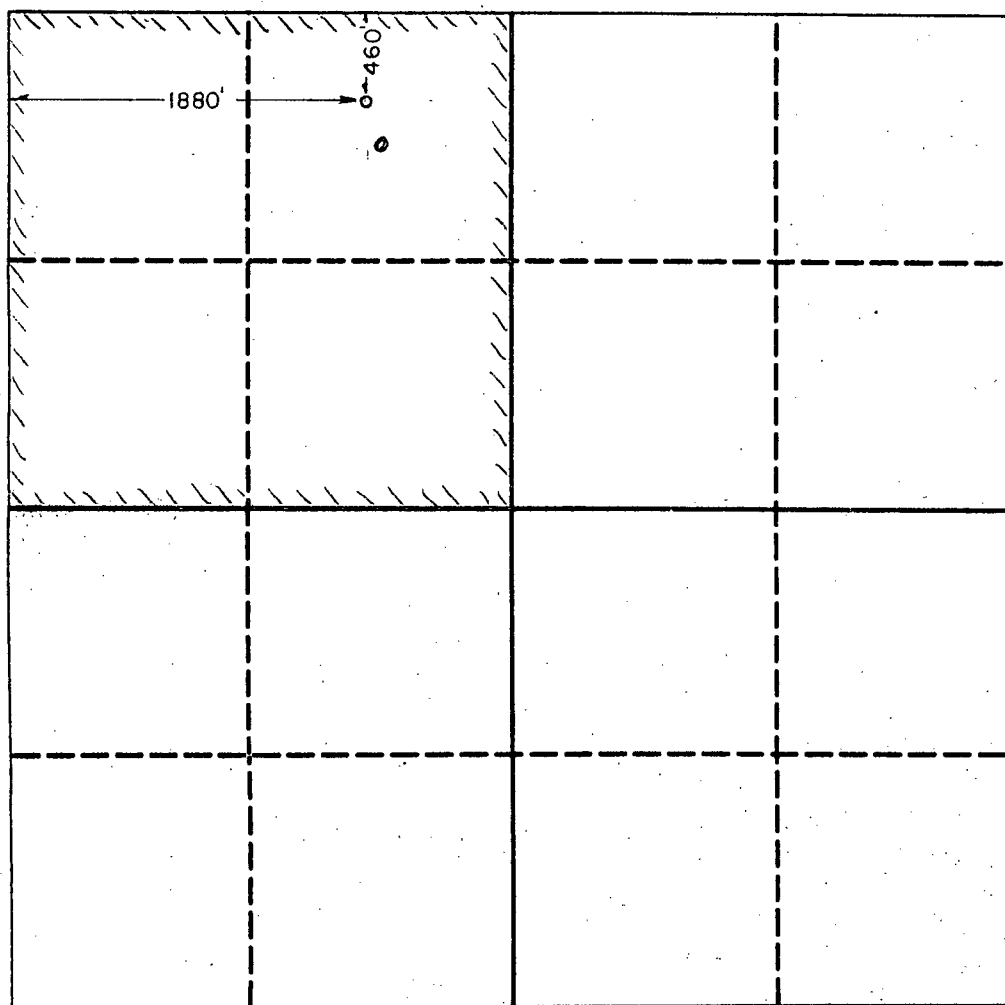
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease MILDRED "XD" FEDERAL		Well No. 2
Unit Letter C	Section 33	Township 7 South	Range 23 East	County Chaves	
Actual Footage Location of Well: 460 feet from the North line and 1880 feet from the West line					
Ground level Elev. 3861.0	Producing Formation Abo		Pool WEST PECOS SLOPE Abo	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Clifton R. May
Printed Name
CLIFTON R. MAY
Position
PERMIT AGENT
Company
YATES PETROLEUM CORPORATION
Date
8-2-89

SURVEYOR CERTIFICATION

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
Signature of Professional Surveyor
HERSCHEL L. JONES
3640
Certificate No. 3640

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN
TO



Print Sender's name, address, and ZIP Code in the space below.

YATES PETROLEUM CORPORATION

105 South Fourth Street

Artesia, NM 88210

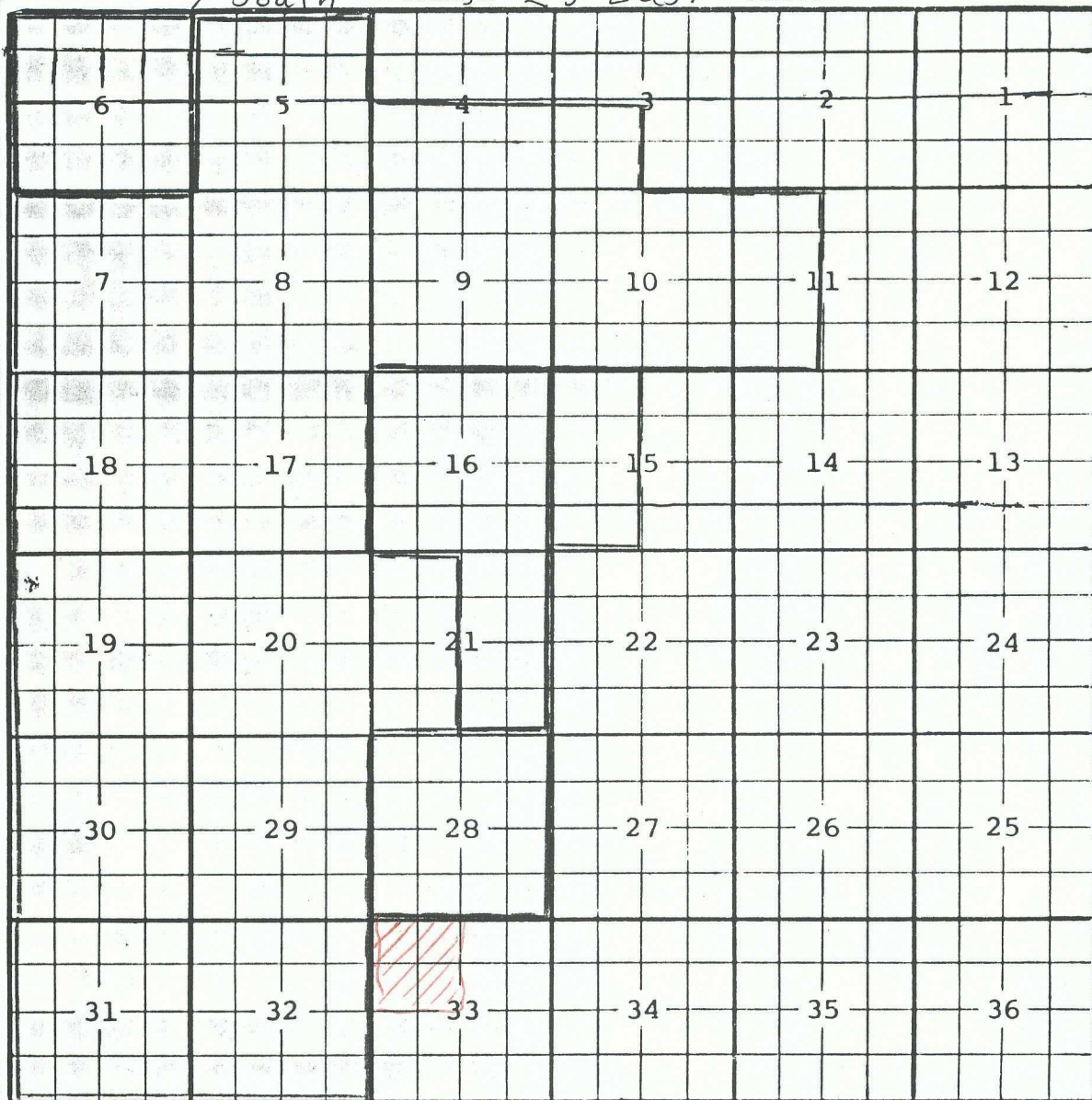


**PENALTY FOR PRIVATE
USE, \$300**

RE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE
RE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE
RE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE
RE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE	REMOVE TO EXPOSE ADHESIVE

County Chaves Pool West Pecos Slope - Abo Gas

TOWNSHIP 7 South Range 23 East NMPM



Ext: $\frac{5}{8}$ Sec. 3, $\frac{1}{2}$ Sec. 4, All Sec. 5, All Secs. 7 through 10, $\frac{1}{2}$ Sec. 11,
All Secs. 17 through 20, $\frac{1}{2}$ Sec. 21, All Secs. 29 through 32 (R-7131, 11-30-82)
Ext: All Sec. 16, $\frac{1}{2}$ Sec. 21 (R-7248, 3-30-83)
Ext: All Sec. 6, All Sec. 28 (R-7322, 8-1-83) Ext: $\frac{1}{2}$ Sec. 15 (R-7351, 9-19-83)