



/ 3297

PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

August 20, 2004

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118

Attn: Mr. Chuck Moran

Re: Final Approval
Barracuda State Exploratory Unit
Chaves County, New Mexico

Dear Mr. Moran:

Yates Petroleum Corporation has delivered to the State Land Office its application for final approval of the Barracuda State Exploratory Unit Agreement, Chaves County, New Mexico. The application delivered contains the well records, ratifications, filing fees, and complies with all conditions of the Commissioner's preliminary approval letter of June 22, 2004.

Please be advised that the Commissioner of Public Lands hereby grants final approval to the Barracuda State Exploratory Unit Agreement. The effective date of your agreement is August 20, 2004.

It is our understanding that all tracts are committed to the unit agreement.

Enclosed are (5) Certificates of Approval.

Your \$150.00 filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas & Minerals Division
(505) 827-5744

PL/JB/pm

pc: Commissioner's File
Reader File,
O&G-Santa Fe, Attn: Mr. Roy Johnson
TRD-Attn: Mr. Valdean Severson
RMD-Attn: Mr. Kurt Mcfall
William F. Carr

RECEIVED

EXPLORATORY

UNIT NAME: BARRACUDA STATE EXPLORATORY UNIT AUG 24 2004
OPERATOR: YATES PETROLEUM CORPORATION
COUNTY: CHAVES

OIL CONSERVATION
DIVISION

DATE	OCC CASE NO.	TOTAL	STATE	FEDERAL	INDIAN	SEGREGATION	TERM
APPROVED	OCC ORDER NO.	ACREAGE			FEE	CLAUSE	
EFFECTIVE	CASE NO. 13297	3196.32	3196.32	0	0	STRICT	5 YEARS
08/20/2004	ORDER NO. R-12186						SO LONG AS

APPROVALS

SLO--08-20-2004
OCD--08-09-2004

TOWNSHIP 10 SOUTH, RANGE 27 EAST

SECTION 4: Lots 1, 2, 3, 4, S/2N/2, S/2
SECTION 5: Lots 1, 2, 3, 4, S/2N/2, S/2
SECTION 8: All
SECTION 9: All
SECTION 17: All

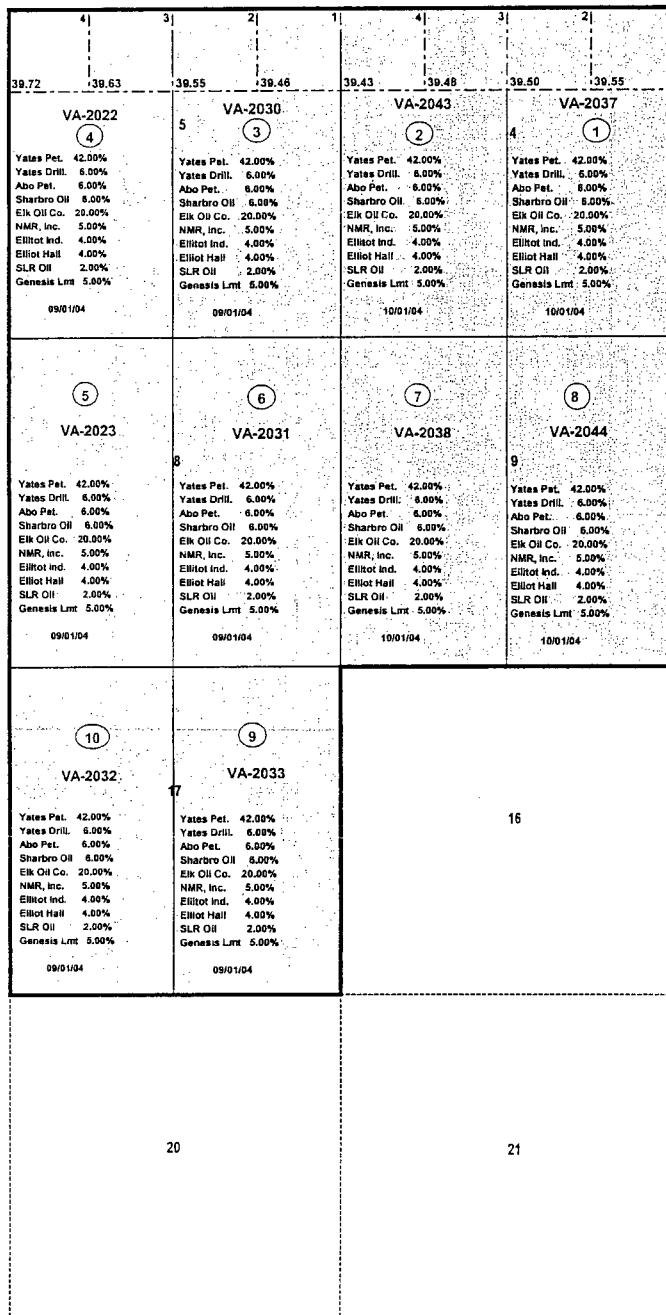
EXHIBIT "A"

Yates Petroleum Corporation

Barracuda State Unit Area

Chaves County, New Mexico

R27E



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1
0
S

Indicates Unit Area

Scale 2 1/4 inches = 1 mile

State Lands

Exhibit B
Barracuda State Unit Area
Chaves County
New Mexico

Tract No.	Description of Land	No. of Acres	Lease Serial No.	Lease Expiration Date	Basic Royalty and Ownership Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest Owner and Percentage	%	In Trust Burdened By ORRI
1	Township 10 South, Range 27 East Sec. 4: Lots 1 (NE/4NE/4), 2 (NW/4NE/4), S/2NE/4, SE/4 (E/2)	319.05	VA-2037	10/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation Yates Drilling Company Abco Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025% .0025%	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%
2	Township 10 South, Range 27 East Sec. 4: Lots 3 (NE/4NW/4), 4 (NW/4NW/4), S/2NW/4, SW/4 (W/2)	318.91	VA-2043	10/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation Yates Drilling Company Abco Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025% .0025%	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%
3	Township 10 South, Range 27 East Sec. 5: Lots 1 (NE/4NE/4), 2 (NW/4NE/4), S/2NE/4, SE/4 (E/2)	319.01	VA-2030	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation Yates Drilling Company Abco Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025% .0025%	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%
4	Township 10 South, Range 27 East Sec. 5: Lots 3 (NE/4NW/4), 4 (NW/4NW/4), S/2NW/4, SW/4 (W/2)	319.35	VA-2022	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation Yates Drilling Company Abco Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025% .0025%	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%

Exhibit B
Barracuda State Unit Area
Chaves County
New Mexico

Tract No.	Description of Land	No. of Acres	Lease Serial No.	Lease Expiration Date	Basic Royalty and Ownership Percentage	Lessee of Record	%	Overriding Royalty and Percentage	%	Working Interest Owner and Percentage	%	In "care Buried By ORRI"
5	Township 10 South, Range 27 East Section 8: W/2	320.00	VA-2023	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Joseph J. Kelly J. Michael Kelly Coltie Limited Partnership LP Mary Ann Twilly NMR, Inc. Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025%	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%	*
6	Township 10 South, Range 27 East Section 8: E/2	320.00	VA-2031	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Joseph J. Kelly J. Michael Kelly Coltie Limited Partnership LP Mary Ann Twilly NMR, Inc. Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025%	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%	*
7	Township 10 South, Range 27 East Section 9: W/2	320.00	VA-2038	10/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Joseph J. Kelly J. Michael Kelly Coltie Limited Partnership LP Mary Ann Twilly NMR, Inc. Genesis Limited Partnership	.004% .004% .004% .004% .0025% .0025%	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%	*
8	Township 10 South, Range 27 East Section 9: E/2	320.00	VA-2044	10/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Joseph J. Kelly J. Michael Kelly Coltie Limited Partnership LP Mary Ann Twilly NMR, Inc. Genesis Limited Partnership	.75% .75% .75% .75% .50% .50%	Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Shabro Oil Ltd. Co. Eik Oil Company NMR, Inc. Elliott Industries Limited Partnership Elliott-Hall Company Limited Partnership SLR Oil & Gas Investments, LLC Genesis Limited Partnership	42.0000000% 6.0000000% 6.0000000% 6.0000000% 20.0000000% 5.0000000% 4.0000000% 4.0000000% 2.0000000% 5.0000000%	*

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Tract No.	Description of Land	No. of Acres	Lease Serial No.	Lease Expiration Date	Basic Royalty and Ownership Percentage	Lessee of Record	Overriding Royalty and Percentage	Working Interest Owner and Percentage	Interest Burdened By ORRI
9	Township 10 South, Range 27 East, Section 17: E/2	320.00	VA-2033	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation 42.0000000% Yates Drilling Company 6.0000000% Abo Petroleum Corporation 6.0000000% Shabro Oil Ltd. Co. 6.0000000% Eik Oil Company 20.0000000% NMR, Inc. 5.0000000% Elliott Industries Limited Partnership 4.0000000% Elliott-Hill Company Limited Partnership 2.0000000% SLR Oil & Gas Investments, LLC 5.0000000% Genesis Limited Partnership	*
10	Township 10 South, Range 27 East, Section 17: W/2	320.00	VA-2032	09/01/04	State of NM: 12.50%	Yates Petroleum Corporation	100.00%	Yates Petroleum Corporation 42.0000000% Yates Drilling Company 6.0000000% Abo Petroleum Corporation 6.0000000% Shabro Oil Ltd. Co. 6.0000000% Eik Oil Company 20.0000000% NMR, Inc. 5.0000000% Elliott Industries Limited Partnership 4.0000000% Elliott-Hill Company Limited Partnership 2.0000000% SLR Oil & Gas Investments, LLC 5.0000000% Genesis Limited Partnership	*

10 Tracts - State 3,196.32 acres or 100%