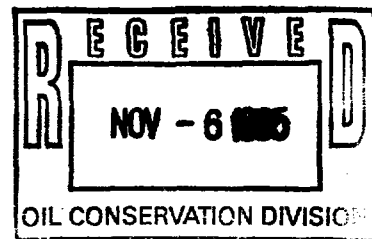


November 2, 1995

Mr. Rand Carroll, Att'y At-Law
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Yates Petroleum Corp.
Application for Spacing Hearing-- 11/2-11/3/95
Roswell. N.M.

Dear Sir,

I appreciate your return call of Nov. 1, 1995 and respectfully request your due consideration to decline the above noted hearing.

I am enclosing a letter from Mr. Stinson Daniels (J. W. Daniels) protesting this procedure.

Also enclosed are the individual letter (copies) as addressed to Mr. Daniels and to Betty J. Moats re the above hearing.

Re the Yates letters signed by Mecca Mauritsen, you will note both letters are similar but not the same.

Our letter describes the area as TWPs 5,6,7,8,9. Daniels letter says TWPS 4,5,6,7,8. Ranges are stated on our letter as 21,22, & 23 East. Ranges on Mr. Daniels letter state 24,25,26, & 27 east. I trust these are duly noted by you.

Furthermore, the totals noted in Yates letter are different. As noted on our letter the proposed area contains approximately 92,480 acres. Mr. Daniels letter noted the area contains approximately 199,000 acres.

The differences I have pointed lead me to believe someone is directly lying for a purpose.

I feel this entire procedure should be permanently TABLED due to misinformation.

We feel there is no need to add additional well allocations in this area due to the amounts of surface damages incurred that are impossible to repair in a reasonable time.

Regarding surface damages, I shall be happy to show current surface conditions from ~~XXXX~~ other wells that have not regained their use as of today.

We hereby advise you that we will not approve of the Yates request and will not accept the approval of same.

Sincerely,

Betty J. Moats
Betty J. Moats
C. Stuart Moats
C. Stuart Moats

P. O. Box 847
Roswell, N.M. 88202-0847
Moats Livestock and Property LLC

to: Mr. Rand Carroll, Atty-at-Law (Continued)

Please be advised that there are at least 2 other neighbors that have not received notices from Yates Petroleum Inc.

Jerry Don Martin
Charlie Martin.

I am certain there are others which I have not contacted.

C. Stuart Moats



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS CORRECTION REQUESTED

Betty Jean Moats
PO Box 847
Roswell, NM 88201

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

October 10, 1995

TO: Interest Owners in the West Pecos Slope-Abo Gas Pool Area

Gentlemen:

Yates Petroleum Corporation hereby notifies you that it has filed an application at the New Mexico Oil Conservation Division seeking the adoption of Special Pool Rules and Regulations for the West Pecos Slope-Abo Pool including provisions authorizing the drilling of an optional additional well on each spacing and proration unit, and other provisions necessary to implement infill drilling in this pool. The West Pecos Slope-Abo Gas Pool currently comprises approximately 92,480 acres in all or portions of Townships 5, 6, 7, 8, and 9 South, Ranges 21, 22, and 23 East.

This case has been set for hearing before a Division Examiner on November 2, 1995 in the City Council Chambers on the Second Floor of the Roswell City Hall, 425 North Richardson Street, Roswell, New Mexico 88201.

At the November 2, 1995 Examiner Hearing, Yates will also review the geologic and engineering data acquired from its Pilot Infill Drilling Program in the portions of the Pecos Slope-Abo Gas Pool which it has operated pursuant to Division Order Nos. R-9976 and R-9976-A entered in Case Nos. 10793, 10981 and 11004.

You are not required to attend this hearing, but as the owner of an interest which may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record could preclude you from challenging the matter at a later date.

Parties appearing in cases before the Division have been requested to file a Prehearing Statement substantially in the form prescribed by the Oil Conservation Division Memorandum 2-90. Prehearing Statements should be filed by 4:00 p.m. on the Friday before a scheduled hearing.

Time of Hearing?
Place to file Prehearing Statement?

Very truly yours,

YATES PETROLEUM CORPORATION

Mecca Mauritsen

Mecca Mauritsen
Landman



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS CORRECTION REQUESTED

J.W. Daniels
C/O Stenson Daniels
PO Box 1111
Dunlap Route
Roswell, NM 88201

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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October 10, 1995

TO: Interest Owners in the Pecos Slope-Abo Gas Pool Area

Gentlemen:

Yates Petroleum Corporation hereby notifies you that it has filed an application at the New Mexico Oil Conservation Division seeking the adoption of Special Pool Rules and Regulations for the Pecos Slope-Abo Pool including provisions authorizing the drilling of an optional additional well on each spacing and proration unit, and other provisions necessary to implement infill drilling in this pool. The Pecos Slope-Abo Gas Pool currently comprises approximately 199,000 acres in all or portions of Townships 4, 5, 6, 7, and 8 South, Ranges 24, 25, 26, and 27 East.

This case has been set for hearing before a Division Examiner on November 2, 1995 in the City Council Chambers on the Second Floor of the Roswell City Hall, 425 North Richardson Street, Roswell, New Mexico 88201.

At the November 2, 1995 Examiner Hearing, Yates will also review the geologic and engineering data acquired from its Pilot Infill Drilling Program in the portions of the Pecos Slope-Abo Gas Pool which it has operated pursuant to Division Order Nos. R-9976 and R-9976-A entered in Case Nos. 10793, 10981 and 11004.

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Very truly yours,

YATES PETROLEUM CORPORATION

Mecca Mauritsen

Mecca Mauritsen
Landman