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December 19, 1996

Mr. Michael E. Stogner Energy, Minerals and Natural Resources Department Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Re: New Mexico Oil Conservation Division
Case No. 11651
Hawkins "GY" No. 4 Well
Township 18 South, Range 26 East, NMPM
Section 27: N/2

Eddy County, New Mexico

Dear Mr. Stogner:

At the Examiner Hearing held on December 5, 1996, Yates Petroleum Corporation presented evidence in Case No. 11651 on its Application for Compulsory Pooling of the captioned lands. You may recall that Yates requested the opportunity to supplement the record with copies of additional correspondence to the unleased mineral owners, the Judgment entered in the 1958 quiet title lawsuit covering S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M., and a list of the parties with unknown addresses or who Yates was unable to find. We are submitting with this letter the following:

- 1. Yates Petroleum Corporation's Exhibit 3-A, which is the additional correspondence Yates sent to the owners of unleased mineral interests in S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M. At the top of this correspondence are letters to Louise Truett, Mrs. Fay Thorne, Carol Leroy Marable, Valerie Marable, Susie H. Marable, Elizabeth Agnes Henderson and J. W. Marable, Jr. These parties hold record title to mineral interests in S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M., but Yates' letters to them were returned unclaimed. The other letters in Exhibit 3-A are earlier correspondence which Yates sent to those mineral owners who could be located. Later correspondence to these parties appears in Exhibit 3, which was admitted into evidence at the hearing.
- 2. Yates Petroleum Corporation's Exhibit 3-B consists of the following:
 - (a) Judgment and Decree entered on October 27, 1958, in the District Court of Eddy County, New Mexico, Cause No. 17439, styled *Pearl W. Braden, et al, v. Jack White, et al,* in which the court quieted title to the minerals underlying S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M.;

- (b) Receipt filed November 7, 1958, in the same quiet title lawsuit;
- (c) Report of Trustee filed December 22, 1958, in the quiet title lawsuit, stating the names of the various owners of the mineral interest in S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M.;
- (d) Order Approving Trustee's Report, and Confirming Sale entered December 22, 1958, in the same quiet title action; and
- (e) Ownership schedule tracing the title to the minerals underlying S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M., beginning with the status of title according to the Court Order dated October 27, 1958, and showing the changes in ownership since that time.
- 3. Yates Petroleum Corporation's Exhibit 3-C is a list of the parties who Yates was unable to locate in their efforts to obtain oil and gas leases covering mineral interests in S/2 SE/4 NW/4 Section 27, Township 18 South, Range 26 East, N.M.P.M. Some of these parties have last known addresses, and, as noted in Paragraph 1 above, the correspondence to those parties with last known addresses was returned to Yates.

I did not prepare an affidavit by Robert Bullock establishing the authenticity of the these exhibits but would be happy to do so if you feel such an affidavit would be appropriate. Yates Petroleum Corporation moves the admission into evidence of its Exhibits 3-A, 3-B and 3-C, and respectfully requests favorable consideration of its Application for Compulsory Pooling.

Please contact me if you should need any further information or documentation prior to considering the evidence submitted in this case.

Very truly yours,

David R. Vandiver

DRV:pvw Enclosures

cc: Mr. Rob Bullock