

## NEW MEXICO OIL CONSERVATION COMMISSION

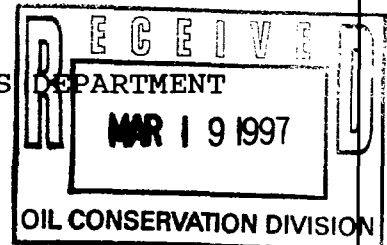
EXAMINER HEARINGSANTA FE, NEW MEXICO

Hearing Date

MARCH 6, 1997Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
David Percy	ARCO Permian	Midland
Lee Scarborough	ARCO Permian	Midland
Michael Sherr	URS	Santa Fe
Robert Moore	Mentmore Oil	Midland
Paul Hader	NewBorne Oil Co.	Midland
Bill Oliver	David P. T.	Roswell
Phil Hoff	David P. T.	"
W. Kelbini	Kelbini Oil Co.	Santa Fe
Ed McLaglin	URS Petroleum	Denver
Gene Bailey	Doyle Hartman	Santa Fe
STEVE SACERMAN	BLM	SANTA FE
James Bruce		SF

STATE OF NEW MEXICO  
 ENERGY, MINERALS AND NATURAL RESOURCES  
 OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING CALLED BY )  
 THE OIL CONSERVATION DIVISION FOR THE )  
 PURPOSE OF CONSIDERING: )

CASE NO. 11,738

APPLICATION OF YATES PETROLEUM )  
 CORPORATION FOR COMPULSORY POOLING, )  
 DIRECTIONAL DRILLING AND UNORTHODOX )  
 LOCATION, LEA COUNTY, NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

March 6th, 1997

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, MICHAEL E. STOGNER, Hearing Examiner, on Thursday, March 6th, 1997, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

\* \* \*

## I N D E X

March 6th, 1997  
Examiner Hearing  
CASE NO. 11,738

	PAGE
EXHIBITS	3
APPEARANCES	3
APPLICANT'S WITNESSES:	
<u>BILL OWEN</u> (Landman)	
Direct Examination by Mr. Carr	6
Examination by Examiner Stogner	15
<u>EDSEL NEFF</u> (Geologist)	
Direct Examination by Mr. Carr	22
Examination by Examiner Stogner	28
REPORTER'S CERTIFICATE	34

\* \* \*

## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	9	14
Exhibit 2	10	14
Exhibit 3	12	14
Exhibit 4	13	14
Exhibit 5	13	14
Exhibit 6	14	14
Exhibit 7	23	28
Exhibit 8	24	28
Exhibit 9	25	28
Exhibit 10	26	28

\* \* \*

## A P P E A R A N C E S

## FOR THE DIVISION:

RAND L. CARROLL  
 Attorney at Law  
 Legal Counsel to the Division  
 2040 South Pacheco  
 Santa Fe, New Mexico 87505

## FOR THE APPLICANT:

CAMPBELL, CARR, BERGE and SHERIDAN, P.A.  
 Suite 1 - 110 N. Guadalupe  
 P.O. Box 2208  
 Santa Fe, New Mexico 87504-2208  
 By: WILLIAM F. CARR

\* \* \*

1                   WHEREUPON, the following proceedings were had at

2                   8:15 a.m.:

3                   EXAMINER STOGNER: I will open today's hearing  
4                   for Docket Number 7-97. Please note today's date,  
5                   Thursday, March 6th, 1997. I'm Michael Stogner, appointed  
6                   Hearing Examiner for today's cases.

7                   At this time I will call first case, Number  
8                   11,738.

9                   MR. CARROLL: Application of Yates Petroleum  
10                  Corporation for compulsory pooling, directional drilling  
11                  and unorthodox location, Lea County, New Mexico.

12                  EXAMINER STOGNER: Call for appearances.

13                  MR. CARR: May it please the Examiner, my name is  
14                  William F. Carr with the Santa Fe law firm Campbell, Carr,  
15                  Berge and Sheridan.

16                  We represent Yates Petroleum Corporation in this  
17                  matter, and I have two witnesses.

18                  EXAMINER STOGNER: Any other appearances?

19                  Will both witnesses please stand to be sworn at  
20                  this time?

21                  (Thereupon, the witnesses were sworn.)

22                  MR. CARR: May it please the Examiner, initially  
23                  I'd like to note that a letter has been sent to the  
24                  Division and to me concerning this Application by the  
25                  attorneys for the interests of Leonardo Anderson and Laura

1 Geraldine Anderson Hill, in which they have protested the  
2 Application on the grounds that Yates is seeking to drill  
3 from this current location into neighboring pools.

4 I would like to note first of all that our  
5 evidence will show that that is an incorrect statement.  
6 And furthermore, as we get into the land testimony, we have  
7 received letters from Leonardo Anderson and Laura Geraldine  
8 Anderson Hill, both of which indicate a desire to be pooled  
9 in this matter.

10 So that is our response to the letter from their  
11 attorneys from Palm Springs, California.

12 And at this time I would call our land witness,  
13 Mr. Bill Owen.

14 EXAMINER STOGNER: That letter that you referred  
15 to is in the file, dated February 25th, 1997. Is that the  
16 one you're referring to?

17 MR. CARR: Yes, sir, it is.

18 EXAMINER STOGNER: That came to my attention, I  
19 believe?

20 MR. CARR: Yes. And it is challenging whether or  
21 not we're in the Undesignated Townsend-Morrow Gas Pool, and  
22 I have confirmed that, in fact, we are.

23 EXAMINER STOGNER: Okay, that letter is made part  
24 of the record.

25 Mr. Carr, you may continue.

1                                    BILL OWEN,

2        the witness herein, after having been first duly sworn upon  
3        his oath, was examined and testified as follows:

4                                    DIRECT EXAMINATION

5        BY MR. CARR:

6                Q.     Would you state your name for the record, please?

7                A.     Bill Owen.

8                Q.     Where do you reside?

9                A.     Roswell, New Mexico.

10              Q.     By whom are you employed?

11              A.     David Petroleum.

12              Q.     And what is your position with David Petroleum?

13              A.     Land manager.

14              Q.     Could you explain to the Examiner the  
15        relationship in this case between David Petroleum and Yates  
16        Petroleum Corporation?

17              A.     In this particular case, David Petroleum had  
18        acquired a number of fee leases in this general area, and  
19        we approached Yates Petroleum since they owned a state  
20        lease in the southeast quarter of our Section 11 of  
21        Township 16 South, Range 35 East, and we agreed to put our  
22        interests together to try to go out and drill a well.

23              Q.     Today in this hearing, are you representing both  
24        David Petroleum and Yates Petroleum Corporation?

25              A.     Yes, I am.

1 Q. And have the parties agreed that it will be  
2 appropriate for Yates Petroleum Corporation to, in fact, be  
3 the operator of the well?

4 A. Yes.

5 Q. Have you previously testified before this  
6 Division?

7 A. Yes.

8 Q. At the time of that testimony, were your  
9 credentials as an expert in petroleum land matters accepted  
10 and made a matter of record?

11 A. Yes.

12 Q. Are you familiar with the Application filed in  
13 this case?

14 A. Yes.

15 Q. And are you knowledgeable about the status and  
16 ownership of the lands in the area surrounding the proposed  
17 well?

18 A. Yes.

19 MR. CARR: Are the witness's qualifications  
20 acceptable?

21 EXAMINER STOGNER: They are.

22 Q. (By Mr. Carr) Mr. Owen, would you initially  
23 review for the Examiner what it is that you are seeking in  
24 this case?

25 A. We're seeking a force pooling of certain small



1 interests that are yet to have a specific deal negotiated  
2 with, and also the pooling of certain lands in the west  
3 half of Section 11. They specifically would be in the  
4 Morrow formation, the west half of the section, 320-acre  
5 spacing unit. For a possible Strawn location would be the  
6 northwest quarter of the section. For a -- also a possible  
7 Strawn location would be an 80-acre spacing for the east  
8 half of the northwest quarter, and a possible Wolfcamp  
9 location at the southeast of the northwest quarter for a  
10 40-acre spacing.

11 Q. Are you also seeking authority to directionally  
12 drill the subject well?

13 A. Yes, we are. We plan to re-enter a well that's  
14 located 1980 feet from the north and west lines and  
15 directionally drill that location north by approximately  
16 330 feet to a bottomhole location of approximately 1980  
17 feet from the west line and 1650 feet from the north line.

18 Q. This well could be bottomed at an unorthodox  
19 location; is that correct?

20 A. Yes, sir, it's possible. Most likely, the case  
21 will be that we will not be unorthodox. However, there is  
22 a possibility of drift with the location, and so we are  
23 asking for an unorthodox approval.

24 Q. The bottomhole target location is 1650 from the  
25 north line and 1980 from the west; is that correct?

1 A. That's correct.

2 Q. And that target is, in fact, a standard location?

3 A. Yes, that's correct.

4 Q. You're seeking authority to bottom that well  
5 within 50 feet of that point?

6 A. That's correct.

7 Q. And if the well should drift further to the  
8 north, you could be unorthodox by as much as 50 feet to the  
9 north?

10 A. Yes, that's correct.

11 Q. Have you prepared exhibits for presentation in  
12 this case?

13 A. Yes, I have.

14 Q. Let's go to what has been marked as Yates  
15 Petroleum Corporation Exhibit Number 1. Would you identify  
16 that and review that for the Examiner, please?

17 A. Exhibit Number 1 is a land map again highlighting  
18 our Section 11, specifically, which is the west half of  
19 Section 11 that's been highlighted, of Township 16 South,  
20 Range 35 East. It highlights the 320 acres that would be  
21 the proposed proration unit for a Morrow proration unit.

22 Q. This location, the bottomhole location, also  
23 could be unorthodox in the Strawn; is that correct?

24 A. Yes, it's possible.

25 Q. And there are special pool rules in effect for

1 the Strawn in this area; is that right?

2 A. Yes, you are required to be within 150 feet from  
3 the center of a quarter-quarter section.

4 Q. So in the Strawn you would be at an unorthodox  
5 location?

6 A. Yes.

7 Q. Let's go to Exhibit Number 2. Can you review  
8 that, please?

9 A. Exhibit Number 2 is an outline of the west half  
10 of Section 11 that shows again where the surface location  
11 would be, marked with a dryhole indicator and with a red  
12 dot, a red circle, which would be the bottomhole location.

13 It shows in the lower portion of this outline the  
14 working interest owners who have all agreed on this  
15 particular location and agreed to move forward with the  
16 drilling of it. There is a space between that set of  
17 names, and the lower portion of names is the separate set  
18 of names that we are currently negotiating with or have  
19 agreed to be force pooled.

20 Q. And those are also working interest owners,  
21 correct?

22 A. Yes, they have undivided mineral interest in a  
23 portion of the west half, not all of it but just a portion  
24 of it.

25 Q. You're currently in negotiations with most of

1 those individuals; is that correct?

2 A. With three of them we are. We feel very  
3 confident we'll have a deal worked out, just within a  
4 matter of days with three of them. And then the other  
5 three, it's a different situation.

6 Q. Which three are you optimistic about obtaining a  
7 voluntary agreement?

8 A. Mr. Clay Johnson, who is the first individual  
9 listed, and then the bottom two interests, Harle, Inc., and  
10 Larry Hunnicutt.

11 Q. What is the status of negotiations with Mr.  
12 Johnson?

13 A. Mr. Johnson, we talked with him just a couple of  
14 days ago, and he indicated he would get back with me on  
15 Friday, as far as what he intended to do with the  
16 particular interest.

17 Q. The interest owners that may be subject to  
18 pooling are Leonardo Anderson and Laura Hill; is that  
19 correct?

20 A. That's correct. Both of those individuals have  
21 had the opportunity to lease or to join. They have made  
22 the decision, and by so doing, with one of our later  
23 exhibits, you will see that they have both indicated they  
24 request on their part to be force-pooled.

25 Q. What about Bobby Ann Dow Logan?

1           A.    We have not been able to locate this Logan  
2 interest.  We started a little over a year ago, wrote a  
3 letter, had the letter returned to us, made numerous phone  
4 calls, checked the county records again for any other type  
5 leasehold information that would pertaining to that  
6 interest.  We were unsuccessful in doing so.

7                   Subsequent to that, we also had her Social  
8 Security Number run through a private professional locator  
9 service to see if they could locate the individual, doing a  
10 Social Security check, and were also unsuccessful in that  
11 effort.

12           Q.    At this time, Mr. Owen, what percent of the  
13 working interest is voluntarily committed to this well?

14           A.    Oh, a little over 98 percent.  It's 98.181215  
15 percent.  And we expect that to be over 99 percent when you  
16 take into consideration the status of these other three  
17 interests that we expect to have a deal worked out with.

18           Q.    Can you identify for me what has been marked as  
19 Exhibit Number 3?

20           A.    Exhibit Number 3 are the papers I indicated  
21 earlier that we've received from the Hill interest and from  
22 the Anderson interest, wherein they have requested to be  
23 force-pooled.  And again, the third page on that particular  
24 exhibit just identifies one of the certified letters that  
25 we had sent out.

1 Q. What are the primary objectives in this well?

2 A. Primary objectives are the Strawn formation and  
3 the Morrow formation.

4 Q. Can you identify what has been marked as Yates  
5 Exhibit Number 4?

6 A. Exhibit Number 4 is an authority for expenditure,  
7 prepared by Yates Petroleum, estimating the cost for a dry  
8 hole to be \$444,400, and a completed well would be  
9 \$842,900.

10 Q. Are these costs in line with what are incurred by  
11 operators in this area for similar wells?

12 A. Yes.

13 Q. Have you made an estimate of the overhead and  
14 administrative costs to be incurred while drilling a well  
15 and also while producing it if, in fact, it is successful?

16 A. Yes, while drilling would be \$5400 a month and  
17 while producing would be \$540 a month.

18 Q. And what is the source of these figures?

19 A. The Ernst and Young survey, 1995.

20 Q. And do you recommend that these figures be  
21 incorporated into the order that results from today's  
22 hearing?

23 A. Yes.

24 Q. Is Exhibit Number 5 an affidavit confirming that  
25 notice of today's hearing has been provided to all those

1 who will be subject to pooling in accordance with OCD  
2 rules?

3 A. Yes.

4 Q. And Yates Petroleum Corporation seeks to be  
5 designated operator of the proposed well?

6 A. Yes.

7 Q. Were Exhibits 1 through 6 either -- And what is  
8 Exhibit Number 6?

9 A. Exhibit Number 6 is two separate waivers received  
10 from Amerind Oil and from UMC Petroleum, who are offset  
11 operators to the northeast and northwest, whereas they have  
12 waived any objection to our possible unorthodox location.

13 Q. And these are the only operators who would be  
14 affected by the unorthodox location?

15 A. Yes.

16 Q. Were Exhibits 1 through 6 either prepared by you  
17 or compiled at your direction?

18 A. Yes.

19 MR. CARR: At this time, Mr. Stogner, we would  
20 move the admission into evidence of Yates Petroleum  
21 Corporation Exhibits 1 through 6.

22 EXAMINER STOGNER: Exhibits 1 through 6 will be  
23 admitted into evidence.

24 MR. CARR: And that concludes my direct  
25 examination of Mr. Owen.

## EXAMINATION

BY EXAMINER STOGNER:

Q. Mr. Owen, Exhibit Number 2 now, this is the 320-acre interest shown in this particular exhibit; is that correct?

A. Yes, sir.

Q. Okay. How would that differ if it was 80 acres?

A. The ownership?

Q. Yes, and the percentages.

A. The percentages in the big picture, Mr. Examiner, would remain very close to what they are. The top portion of the owners are all working interest owners who have currently signed a joint operating agreement and are prepared to move forward with the drilling, regardless of what the spacing unit would be.

Mr. Clay Johnson's interest is -- his only leasehold interest in this tract of land is in the northwest-northwest quarter. You can see that. It's kind of separated through the little hatchmarks there.

So unless he signs the joint operating agreement, if he wanted to stay in the pool category, his interest would only apply to a west-half proration unit or to a 160-acre spacing unit. If it was reduced to an 80 or a 40, his interest would not be affected.

The lower five interests there, the Anderson



1 interest, the Hill, Logan, Harle and Hunnicutt, all those  
2 interests are only in the 120 acres, the L-shaped 120 acres  
3 to the -- that's in the northwest quarter, being the east  
4 half of the northwest and the southwest of the northwest.

5 Q. Okay. In Exhibit Number 3, second page, there's  
6 a letter to Leonardo Anderson, and that's dated May 30th,  
7 and that's the only documentation that I show on the  
8 exhibits, unless I'm maybe missing something here, about  
9 written correspondence of any kind, trying to get some sort  
10 of an agreement or a lease on the other five, with the  
11 exception of -- What? I guess the Logan interest couldn't  
12 be found or anything? Is this the only documentation that  
13 you have?

14 A. Yes, sir, pertaining to the Anderson interest,  
15 that's correct. We had had several phone calls with the  
16 Andersons, when Mr. Anderson finally indicated that he  
17 would just prefer to have his interest force-pooled. He  
18 has gone through that process before, and for his  
19 particular situation, he prefers, I guess, to have his  
20 interest pooled.

21 Q. Now, does he also talk for the Hill?

22 A. No, that's the first page of that exhibit,  
23 whereas Judith Chinello, who is conservator for Laura  
24 Geraldine Anderson Hill, has made that decision.

25 They are, of course, a family interest, and the

1 difference in the dates of the two instruments is,  
2 basically, our first letter from the Hills apparently has  
3 been misfiled, so we contacted them just the other day to  
4 have them execute a newer letter requesting to be pooled,  
5 which they have obviously done.

6 Q. Okay. Now, when was Mr. Johnson first notified  
7 of --

8 A. Clay Johnson?

9 Q. Yes.

10 A. Mr. Johnson, we weren't even aware that he had  
11 the interest on this tract until approximately a month ago.

12 Of course, he has been put on notice for the  
13 hearing, he has received an AFE from Yates Petroleum, and I  
14 have talked with him as recent as just several days ago.  
15 He said he just had been busy, he'd been out of town a lot,  
16 he couldn't remember actually taking the lease. And he  
17 indicated that he was out of town, actually, when I talked  
18 to him, he would be back in town he would look at it and  
19 give me a call tomorrow.

20 So we're scheduled to talk again tomorrow. And I  
21 told him that we intended to move forward with our hearing,  
22 but we'd be more than happy to work anything out with him  
23 that we could.

24 Q. The first notification of Mr. Johnson was at the  
25 same time that you filed this Application; is that what I'm

1 hearing?

2 A. That's correct. Mr. Johnson apparently had  
3 leased this interest sometime in the middle part of 1996.  
4 We have checked the records and have found no indication.  
5 We called county records to inquire of that lease.

6 We had leased from -- What happened, Mr.  
7 Examiner, he had leased one small interest in the northwest  
8 northwest quarter from a -- one member of a family that we  
9 had leased from the other majority interests of members of  
10 that family. He leased a four-acre mineral interest up  
11 there.

12 When we went to try to lease from this  
13 individual, he indicated that he had leased to another  
14 person. He didn't recall the individual's name. We had  
15 checked several times with the county records, trying to  
16 find out who that individual was so we could talk with him,  
17 and we were unable to determine that a lease had ever been  
18 placed of record until about a month ago, when at that  
19 point we began our communication with Mr. Johnson.

20 Mr. Johnson, keep in mind, Mr. Examiner, is not a  
21 mineral owner. He is a leasehold owner.

22 Q. Okay. How about the Harle and the Hunnicutt  
23 interests? When were they first notified?

24 A. Oh, we contacted them, again, many months ago,  
25 probably, again, back in that same time frame, back in the

1 summer of 1996, when we were still putting this prospect  
2 together.

3 Q. Do you have a copy of that letter?

4 A. No, sir, I don't.

5 Both of those individuals are formerly from  
6 Roswell. We've talked to them on the phone. Both of them  
7 have indicated that when we got very close to drilling,  
8 that they would be more than happy to either sign an AFE  
9 and drill with us or lease their interest to us or give us  
10 some sort of farmout.

11 So we have no concerns that either of them will  
12 have any problem with moving forward with the drilling of  
13 the well, and certainly anticipate both of them will join  
14 in the drilling of the well.

15 Q. Do you have in your possession in your office  
16 copies of those correspondences?

17 A. With Hunnicutt and Harle?

18 Q. Yes.

19 A. No, sir.

20 Q. You only talked to them over the phone?

21 A. Yes, sir.

22 Q. So the first written communication is their  
23 notification of this compulsory pooling?

24 A. Yes, sir.

25 Q. Do you feel that's a prudent thing to do, is

1    notify them of a compulsory pooling at the same time you're  
2    trying to get them to join?

3            A.    Well, if we were dealing with people that we did  
4    not know or had no prior experience with, I would say  
5    probably the answer to your question would be no.

6            But in this particular case, both of these  
7    individuals, as I mentioned, are from Roswell. I know both  
8    of these individuals personally. So there has been no  
9    problem with any type of conversation or negotiations with  
10   them.

11           That's, from our perspective, not unusual at all,  
12   from the standpoint of when our company has been contacted  
13   by somebody we know, if we have a very, very small  
14   interest, it would not be unusual for us just to tell them  
15   that when you guys get ready to drill, let us know and  
16   we'll be glad to work something out with you, either join  
17   in your well or farm our interest out to you. And that in  
18   essence is what's taken place with the Hunnicutt and Harle  
19   interest.

20           But certainly if it was with an unknown entity  
21   and somebody we had not had any prior dealings with, we  
22   would have had normal communication with them through  
23   written correspondence.

24           EXAMINER STOGNER: Mr. Carr, I continued one  
25   about a month ago that was very similar to this where the

1 parties didn't, in my opinion, do a prudent effort of  
2 trying to get a voluntary agreement, which this is what  
3 it's appearing like in this particular instance.

4 MR. CARR: Well, you know, we could provide to  
5 you a letter signed by the representatives of Hunnicutt and  
6 Harle, I'm sure, that would confirm that they have been  
7 aware of this and talking with David Petroleum since mid-  
8 1996 and that they were aware of the hearing and confirm  
9 the conversations that Mr. Owen has represented to you.

10 EXAMINER STOGNER: If it appears, as what Mr.  
11 Owen is saying, that the Harle and the Hunnicutt and the  
12 Johnson interest are essentially flanged up, is what I'm  
13 hearing from you -- other than the Logan and Hill interest,  
14 of course, that still needs to be force pooled.

15 MR. CARR: Logan and Hill would have to be. It  
16 appears that the other three are probably going to be in,  
17 voluntarily.

18 THE WITNESS: Well, the Hill and the Anderson  
19 interests are the two that have requested to be pooled, and  
20 the Logan interest is the one that we have not been able to  
21 locate.

22 EXAMINER STOGNER: Mr. Carr, I'm going to allow  
23 you to go ahead and continue with this case, and I will  
24 make my decision, rather than continue this matter for  
25 another 30 days.

1 MR. CARR: Okay. And I think it might be  
2 appropriate, Mr. Stogner, just to be sure the record is  
3 complete, that following the hearing a letter come from  
4 Harle and Hunnicutt. And also I think it would be  
5 appropriate to confirm the date the Johnson interest was of  
6 record and discoverable, and I think we should provide  
7 those for the record.

8 EXAMINER STOGNER: Okay.

9 MR. CARR: And that concludes my direct of Mr.  
10 Owen.

11 EXAMINER STOGNER: I have no other questions.

12 MR. CARR: And at this time I would call Mr.  
13 Edsel Neff.

14 EDSEL NEFF, JR.,  
15 the witness herein, after having been first duly sworn upon  
16 his oath, was examined and testified as follows:

17 DIRECT EXAMINATION

18 BY MR. CARR:

19 Q. Would you state your name for the record, please?

20 A. Edsel Neff.

21 Q. Where do you reside?

22 A. Roswell, New Mexico.

23 Q. By whom are you employed?

24 A. David Petroleum.

25 Q. And what is your position with David Petroleum?

1 A. Petroleum geologist.

2 Q. Mr. Neff, have you previously testified before  
3 this Division?

4 A. Yes, I have.

5 Q. At the time of that testimony, were your  
6 credentials as a petroleum geologist accepted and made a  
7 matter of record?

8 A. Yes, sir, they were.

9 Q. Are you familiar with the Application filed in  
10 this case?

11 A. Yes, sir.

12 Q. Have you made a geological study of the area  
13 which is the subject of this Application?

14 A. Yes, I have.

15 Q. And are you prepared to share the results of that  
16 study with Mr. Stogner?

17 A. Yes.

18 MR. CARR: Are the witness's qualifications  
19 acceptable?

20 EXAMINER STOGNER: They are.

21 Q. (By Mr. Carr) Let's go to what has been marked  
22 as Yates Petroleum Corporation Exhibit Number 7, and Mr.  
23 Neff, if you could first explain what this is and exactly  
24 how it was constructed and then review it for Mr. Stogner.

25 A. This is a Strawn time map. First of all, we shot



1 a 3-D in the area, Yates Petroleum and a couple other  
2 parties. This is from a result of a 3-D survey that we  
3 shot. It's a Strawn-time map, on top of the Strawn.

4 As you can see, the color chart on the right  
5 shows an increase in time as you go from top to bottom.  
6 That also is an increase in depth on the Strawn.

7 You'll see that the Strawn depths from west to  
8 east, which also, like I say, is an increase in depth.

9 On this structure map, I've also got labeled the  
10 re-entry, the bottomhole location, which is 330 foot to the  
11 north, and I've also got marked an A-A' seismic. It's  
12 going to be a cross-section, a couple cross-sections I'll  
13 show you as we go through the testimony.

14 Q. Now let's go to Exhibit Number 8. Can you  
15 identify this, please?

16 A. This is a seismic cross-section, labeled A-A' on  
17 the structure map, and basically that's just -- this is  
18 just wiggle-trace data, and I wanted to show the top of the  
19 Strawn, the Atoka, the Mississippian, the re-entry where  
20 the bottomhole location is going to be positioned, and the  
21 measured depth and true vertical depth.

22 Q. And basically, this exhibit simply shows the  
23 picks for each of the formations that are the --

24 A. Right.

25 Q. -- subject primary areas of interest in this

1 Application?

2 A. Right, this is a normal wiggle data that you  
3 interpret.

4 Q. Let's keep that in front of us and move to  
5 Exhibit Number 9, and using Exhibit Number 9, could you  
6 review the information you have obtained from your seismic?

7 A. This is an amplitude map, and it's also the  
8 result of a 3-D survey. It's directly related to velocity.  
9 And what I mean by that is that this original data set has  
10 been converted through inversion to give us velocity data.  
11 As you'll see on the right, these are velocities. 26,000  
12 all the way -- at the very top, down to 14,000, early  
13 15,000.

14 And what we've found is that velocities, through  
15 inversion, you can interpret porosity.

16 And what we've done is, you can see the Strawn,  
17 Atoka and Mississippian are again labeled, the re-entry is  
18 labeled along with the bottomhole location, and just notice  
19 that at the bottomhole location we've got a decrease in  
20 velocities which we're interpreting to be porosity in the  
21 Strawn. We drop from 19,000 feet per second to  
22 approximately 17,000, and we're interpreting that decrease  
23 in velocity to be porosity, and that's the reason we're  
24 recommending that we should kick this well 330 feet to the  
25 north, to see if we can hit this porosity pod.

1 Q. Let's go to Exhibit Number 10. What is this?

2 A. This is a schematic proposal from DIG, out of  
3 Midland, to kick this well off, to Yates -- It's to Yates  
4 Petroleum.

5 Q. What is DIG?

6 A. DIG is a directional survey company that drills  
7 horizontal and deviated wells. We've used them quite  
8 often.

9 Q. Let's go to the second page of the exhibit. Can  
10 you review for Mr. Stogner how you propose to actually  
11 drill the well?

12 A. Okay, this is a schematic that they proposed to  
13 us, basically showing the deviation, maximum deviation,  
14 which is going to be six degrees. At TD it's got the  
15 measured depth, true vertical depth. And the kickoff  
16 point, which is at 7500 at the top of the page.

17 Q. And when you intersect the Strawn and the Morrow  
18 formation, you actually will be drilling a vertical hole at  
19 that time; is that right?

20 A. That's true.

21 Q. Are you prepared to make a recommendation to the  
22 Examiner concerning the risk that should be assessed  
23 against interest owners who now voluntarily participate in  
24 the well?

25 A. Yes, I am.

1 Q. And what would that penalty be?

2 A. 200 percent.

3 Q. And what do you base this penalty on?

4 A. Well, I base it on the Strawn. There are some  
5 wells that aren't commercial in the area, as Section 2 is.  
6 UMC just drilled a well, just recently in Section 2 that  
7 doesn't appear to be economic.

8 There's a dry hole on the structure map to the  
9 east of our map, a Strawn dry hole. And the Morrow is a  
10 rank wildcat.

11 Q. How close is the nearest Morrow production?

12 A. Over a mile south.

13 Q. Do you believe there is a chance that a well  
14 drilled at this location could, in fact, be noncommercial?

15 A. I do.

16 Q. Will Yates be running a directional survey on the  
17 well after it's completed?

18 A. Right, we'll know exactly where the well is,  
19 borehole is.

20 Q. Will copies of this survey be provided to the Oil  
21 Conservation Division?

22 A. They will.

23 Q. In your opinion, will granting this Application  
24 and the drilling of the proposed well be in the best  
25 interest of conservation, the prevention of waste and the

1 protection of correlative rights?

2 A. Yes, I do.

3 Q. And how soon does Yates plan to spud the well?

4 A. Probably within the next three months.

5 Q. Mr. Neff, were Exhibits 7 through 10 prepared by  
6 you or compiled at your direction?

7 A. Yes, they were.

8 MR. CARR: At this time, Mr. Stogner, we would  
9 move the admission into evidence of Yates Petroleum  
10 Corporation Exhibits 7 through 10.

11 EXAMINER STOGNER: Exhibits 7 through 10 will be  
12 admitted into evidence.

13 MR. CARR: That concludes my direct examination  
14 of Mr. Neff.

15 EXAMINATION

16 BY EXAMINER STOGNER:

17 Q. Mr. Neff, what can you tell me about this  
18 wellbore?

19 A. The wellbore is an original TD. It was drilled  
20 by Lusk; it's Shell Oil Lusk Number 3. It's 1980 north and  
21 west in Section 11. It was originally drilled to 10,781  
22 and was plugged back to 10,725.

23 Q. Any production?

24 A. It was a Wolfcamp producer.

25 Q. Wolfcamp?

1           A.    Yes, sir.

2           Q.    Did it test the Strawn?

3           A.    No, sir, we lack about 700 feet getting to the  
4   Strawn. They TD'd at 10,781, and the Strawn is around  
5   11,300, 11,400, so they -- NDE.

6           Q.    When was it plugged and abandoned?

7           A.    I don't know. I don't have a date. Quite a few  
8   years back, I'm sure.

9           Q.    Do you know what the present casing string -- Is  
10   the production casing still intact?

11          A.    This well -- Now, I'm taking this from memory,  
12   because I had an engineer do some work for us years ago,  
13   and Yates has taken ahold on this, but I think they've ran  
14   4500, 4600 feet of intermediate. Of course, they ran the  
15   production string down to TD. They shut the production  
16   string off, I think, around 8000 feet.

17                   And what we're going to do is go in that window  
18   from 4600 feet, approximately, I think, to 8000 feet and  
19   kick this well off.

20          Q.    What size was the production string?

21          A.    5 1/2, I believe.

22          Q.    So this is going to be a slimhole directional  
23   drill?

24          A.    Well, no. No, what we'll do is, we'll go into  
25   the intermediate casing, okay, which is undisturbed, go

1 into it, go beneath the intermediate casing 7500 feet, go  
2 out beside the open hole that shut the casing off and go  
3 right down beside this well.

4 Q. Oh, okay.

5 A. So it should be relatively easy.

6 Q. You've heard that before too, I'm sure.

7 A. Yes, I have.

8 Q. Okay. What size of production string do you  
9 propose to put back in it? 5 1/2?

10 A. We'll probably run 5 1/2.

11 Q. Just for reference, let's see, you said the top  
12 of the Strawn could be found at about 11,300 to 11,400,  
13 something like that?

14 A. Right, we're anticipating the Strawn at about  
15 11,350 in this proposed well, something like that.

16 Q. How about the top of the Atoka?

17 A. Approximately 11,537, 11,550.

18 Q. And the top of the Morrow?

19 A. About 12,135, something like that, TD 12,237,  
20 12,250, true vertical depth.

21 Q. Now, when you were referring back to Exhibit  
22 Number 9, you were talking about the porosity pod --

23 A. Right.

24 Q. -- that you feel is in the Strawn?

25 A. Right.

1           Q.    Now, when I look at that exhibit, do I look for  
2   the discoloration or the fact that it has a little -- a  
3   little bit thicker in that particular portion?

4           A.    It's hard to tell because these are copies, but  
5   you see the green coming through there, through the  
6   location?

7           Q.    Uh-huh.

8           A.    That's the decrease in velocity. We've got  
9   19,000 -- 1963 velocity is down to about 1728. And this  
10   decrease in velocity, if you'll look to the right and to  
11   the left, you'll see the blue, the blue to dark blue.

12          Q.    Yeah.

13          A.    Well, that's interpreted to be a dense low-energy  
14   mudstone, as opposed to -- We're hoping that this low  
15   velocity here is going to be a phylloid algal buildup,  
16   indicating porosity.

17          Q.    Well now, refer back to Exhibit Number 1.  
18   There's some other wellbores within the northwest quarter  
19   of this section. Did any of them penetrate the Strawn?

20          A.    No, the only well in Section -- the only well  
21   in -- Let me see here. No, those are all Wolfcamp wells.

22                The only well that penetrated the Strawn on that  
23   structure map that you've got is the well to the east, that  
24   dry hole to the east, which has a minus 7422 subsea. The  
25   rest are the Townsend Wolfcamp producers.



1           Q.    Was this well plugged and abandoned because it  
2 became uneconomical in the Townsend Wolfcamp?

3           A.    Right.

4           Q.    Right.  So you don't anticipate completing in the  
5 Townsend Wolfcamp?

6           A.    No.

7           EXAMINER STOGNER:  I have no other questions of  
8 this witness, Mr. Carr.

9           MR. CARR:  That concludes our presentation in  
10 this case, Mr. Stogner.

11          EXAMINER STOGNER:  Mr. Carr, in this last witness  
12 here, he said they do not anticipate to start drilling this  
13 well until about the next two to three months.

14          I'm going to continue this matter to the April  
15 6th hearing [sic] for the precedence, i.e., there's no  
16 written communications.  I expect others to come in, and I  
17 expect --

18          MR. CARR:  What we'll do, what we'll do, with  
19 your permission, is, at that time we'll present -- one, we  
20 will either -- we can advise you, I hope, at that time that  
21 everyone else is in.  But in any event, we will provide  
22 letters that will confirm to you, signed by Harle and  
23 Hunnicutt, when the initial contacts were and confirming  
24 that they've been aware of this and are going to either  
25 participate or farm out.

1 EXAMINER STOGNER: And I'm going to direct you  
2 and also your client to any future correspondence  
3 concerning this between now and April 6th, that we be cc'd  
4 that, to be made part of the record in this particular  
5 matter.

6 MR. CARR: Absolutely.

7 EXAMINER STOGNER: Does anybody else have  
8 anything further in Case Number 11,738?

9 Then this matter will be continued to April 6th,  
10 at which time it will be taken under advisement.

11 (Thereupon, these proceedings were concluded at  
12 8:54 a.m.)

13 \* \* \*

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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 11738,  
heard by me on 6 March 1947.  
Michael E. Stogner, Examiner  
Oil Conservation Division

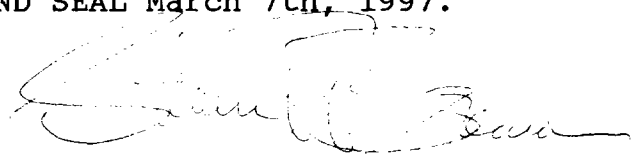
## CERTIFICATE OF REPORTER

STATE OF NEW MEXICO    )  
                                  )   ss.  
COUNTY OF SANTA FE    )

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL March 7th, 1997.



STEVEN T. BRENNER  
CCR No. 7

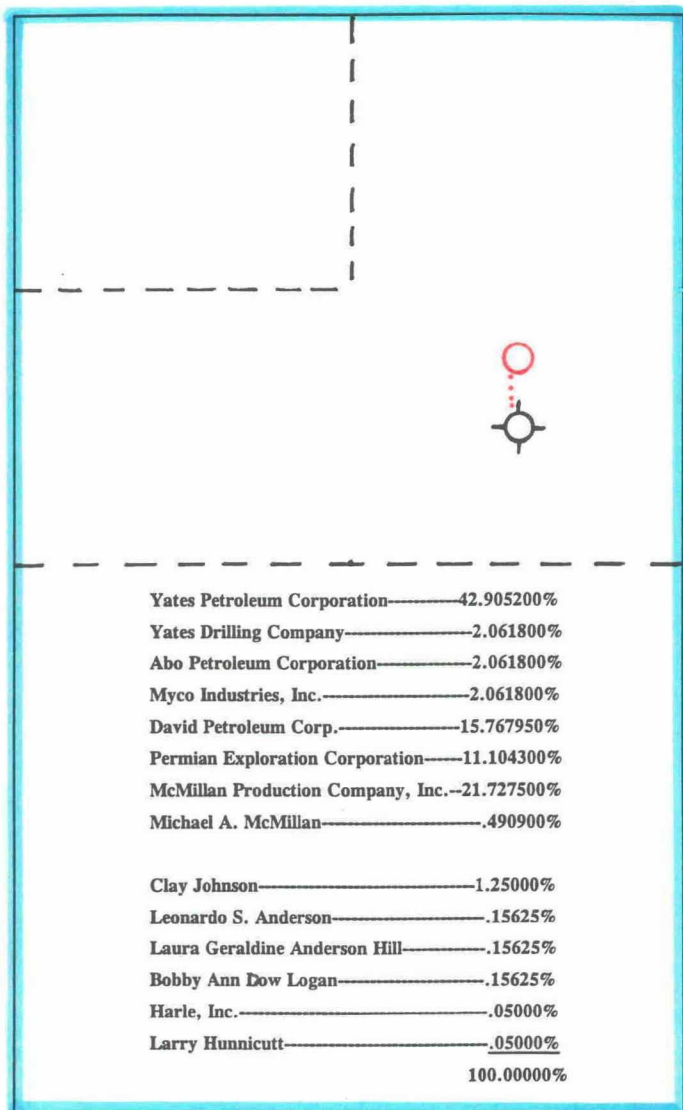
My commission expires: October 14, 1998





**YATES PETROLEUM CORPORATION  
SHELL LUSK ANB#1**

**Surface Location: 1980' FNL AND 1980' FWL  
Bottom Hole Location: 1650' FNL AND 1980' FWL  
W/2 Section 11, T-16-S, R-35-E  
Lea County, New Mexico**



**BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico**

Case No. 11738 Exhibit No. 2

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

FEB-27-1997 15:29 FROM PXC LDM

TO

18189574961 P.01

February 27, 1997

Hurst-Chinello-Mendell  
P. O. Box 1449  
La Canada, CA 91012-5449

Attention: Judith Chinello, Conservator for  
Laura Geraldine Anderson Hill

Re: Mineral Interest  
T-16-S, R-35-E, NMPM  
Section 11: E/2NW/4, SW/4NW/4  
Lea County, New Mexico  
Gross Acres: 120  
Net Acres: .5

Dear Ms. Chinello:

Last year I had several conversations with David Knight regarding the Laura Geraldine Anderson Hill interest. Mr. Knight indicated that Ms. Hill had a desire to be force-pooled in the above referenced tract.

We believe that Ms. Hill signed a letter similar to the one Mr. Anderson signed (copy enclosed). David Petroleum has not been able to locate that letter in our files.

David Petroleum is in a position to move forward with its exploration plans. Please check Ms. Hill's choice below and fax it back to our office at your earliest convenience. The options are as follows:

1. \_\_\_\_\_ Lease your interest.
2. \_\_\_\_\_ Participate as to your proportionate share in the cost of drilling the well.
3. XX \_\_\_\_\_ Have your interest force-pooled.

Please feel free to give me a call if you would like to discuss this matter further.

Sincerely,

Edward N. David  
Landman

Judith Chinello, Conservator for  
Laura Geraldine Anderson Hill

Date: February 28, 1997

BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 3

Submitted by: Yates Petroleum Corporation

dpc

May 30, 1996

**CERTIFIED MAIL-**  
**RETURN RECEIPT REQUESTED**

Mr. Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Re: Mineral Interest  
T-16-S, R-35-E, NMFM  
Section 11: E/2NW/4, SW/4NW/4  
Lea County, New Mexico  
Gross Acres: 120  
Net Acres : .5

Dear Mr. Anderson:

I have had several conversations with David Knight regarding the Laura Geraldine Anderson Hill interest. Mr. Knight has indicated that Ms. Hill prefers David Petroleum Corp. to force pool her interest in the above-referenced tract.

We would like to know what you prefer so David Petroleum Corp. can move forward with its exploration plans. Please check your choice below, sign, date and return one copy of this letter in the enclosed self-addressed, stamped envelope. The options are as follows:

1. \_\_\_\_\_ Lease your interest.
2. \_\_\_\_\_ Participate as to your proportionate share in the cost of drilling the well.
3. ✓ \_\_\_\_\_ Have your interest force pooled.

Please feel free to give me a call if you would like to discuss this matter further.

Leonardo S. Anderson Jr.  
Leonardo S. Anderson, Jr.

6/4/96  
Date

Sincerely,

Edward N. David

Edward N. David  
Landman

**DAVID PETROLEUM CORP.**  
EDWARD N. DAVID, VICE PRESIDENT  
Professional Landman  
Off. 505/622-8850  
Fax: 505/623-1801  
Res. 505/624-0558  
116 West First  
Roswell, New Mexico 88201

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

**3. Article Addressed to:**

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA  
90275

**4a. Article Number**

Z 372 521 259

**4b. Service Type**

- ☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

**7. Date of Delivery**

Feb 22/96

**5. Signature (Addressee)**

*Dina Foster*

**6. Signature (Agent)**

**8. Addressee's Address (Only if requested and fee is paid)**

PS Form 3811, December 1991

U.S. GPO: 1993-352-714

**DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.





108 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

**AUTHORITY FOR EXPENDITURE**  
NEW DRILLING, RECOMPLETION & RE-ENTRY

AFE NO. 97-042-0  
AFE DATE 2/12/97

AFE Type:	Well Objective:	Well Type:
<input type="checkbox"/> New Drilling	<input type="checkbox"/> Oil	<input type="checkbox"/> Development
<input type="checkbox"/> Recompletion	<input checked="" type="checkbox"/> Gas	<input checked="" type="checkbox"/> Exploratory
<input checked="" type="checkbox"/> Re-entry	<input type="checkbox"/> Injector	

AFE STATUS:

<input checked="" type="checkbox"/>	Original
<input type="checkbox"/>	Revised
<input type="checkbox"/>	Final

LEASE NAME	Shell Lusk ANB #1	PROJ'D DEPTH	12,250' TVD, 12300' MD
COUNTY	Lea	STATE	NM
FIELD		HORIZON	Mississippian
LOCATION	Surface loc. 1980' FNL & FWL, Bottom Hole Loc. 1650' FNL & 1980' FWL Sec 11 T16S R35E		
DIVISION CODE	100	DIVISION NAME	Oil & Gas Division
DISTRICT CODE		DISTRICT NAME	
BRANCH CODE		BRANCH NAME	

PROGNOSIS: Propose to re-enter this well, clean-out to stub of 5 1/2" csg. @ 8000', and set kick-off plug at 7500' (with a pulling unit. Move in drilling rig, Kick off and directionally drill new hole to a loc. 330' to the North and a TVD of 12250'.

INTANGIBLE DRILLING COSTS:

		DRY HOLE	COMP'D WELL
920-100	Staking, Permit & Legal Fees	3,500	3,500
920-110	Location, Right-of-Way	15,000	15,000
920-120	Drilling, Footage		
920-130	Drilling, Daywork 23 days @ \$6000/day + \$35000 mob & demob	183,400	183,400
920-140	Drilling Water, Fasline Rental	16,000	16,000
920-150	Drilling Mud & Additives	28,000	28,000
920-160	Mud Logging Unit, Sample Bags	12,000	12,000
920-170	Cementing - Surface Casing		
920-180	Drill Stem Testing, OHT No DST,S		
920-190	Electric Logs & Tape Copies	24,000	24,000
920-200	Tools & Equip. Rntl., Trkg. & Welding	55,000	55,000
920-210	Supervision & Overhead	32,000	32,000
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase	53,000	53,000
920-350	Cementing - Production Casing		35,000
920-410	Completion Unit - Swabbing	15,000	35,000
920-420	Water for Completion		5,000
920-430	Mud & Additives for Completion		5,000
920-440	Cementing - Completion		12,000
920-450	Elec. Logs, Testing, Etc. - Completion		10,000
920-460	Tools & Equip. Rental, Etc. - Completion		33,000
920-470	Stimulation for Completion		45,000
920-480	Supervision & O/H - Completion		6,000
920-490	Additional LOC Charges - Completion		1,000
920-510	Bits, Tools & Supplies - Completion		2,000
920-500	Contingency for Completion		
TOTAL INTANGIBLE DRILLING COSTS		436,900	610,900

INTANGIBLE EQUIPMENT COSTS:

930-010	Christmas Tree & Wellhead	7,500	18,000
930-020	Casing 5 1/2" @ 12,300'		95,000
930-030	Tubing 2 7/8" @ 12,100'		39,000
930-040	Packer & Special Equipment		
940-010	Pumping Equipment		
940-020	Storage Facilities		20,000
940-030	Separation Equip., Flowlines, Misc.		40,000
940-040	Trucking & Construction Costs		20,000
TOTAL TANGIBLE EQUIPMENT COSTS		7,500	232,000

TOTAL COSTS	444,400	842,900
-------------	---------	---------

APPROVAL OF THIS AFE CONSTITUTES APPROVAL OF OPERATOR'S OPTION TO CHARGE THE JOINT ACCOUNT WITH TUBULAR GOODS FROM THE OPERATOR'S WAREHOUSE STOCK AT THE RATES STATED ABOVE.

Prepared By		Operations Approval	HBC 2-12-97
-------------	--	---------------------	-------------

BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 4

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

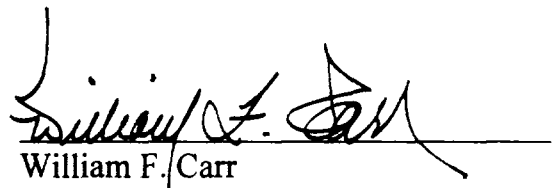
APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING  
DIRECTIONAL DRILLING, AND AN  
UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

CASE NO. 11738

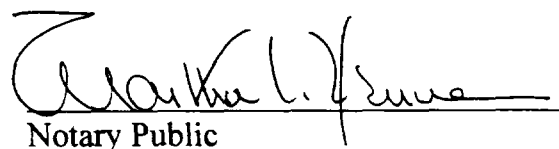
AFFIDAVIT

STATE OF NEW MEXICO        )  
  ) ss.  
COUNTY OF SANTA FE        )

William F. Carr, attorney in fact and authorized representative of Yates Petroleum Corporation, the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

  
William F. Carr

SUBSCRIBED AND SWORN to before me this 5th day of March, 1997.

  
Notary Public

My Commission Expires:

August 19, 1999

**EXHIBIT A**

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Amerind Oil Co., Ltd.  
Attn: Bob Leibrock  
415 W. Wall Street, Suite 500  
Midland, TX 79701-4467

UMC Petroleum Corporation  
Attn: Laura Smith  
410 17th Street, Suite 1400  
Denver, CO 80202

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 5

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL S. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

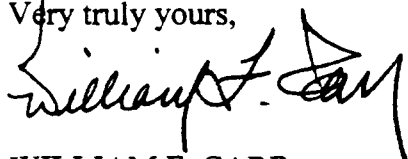
Dear Mr. Anderson:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

**Thank you for using Return Receipt Service.**

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

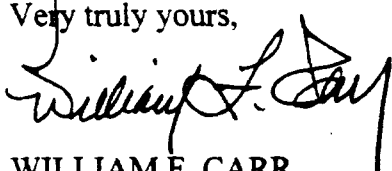
Dear Ms. Anderson:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

Is your **RETURN ADDRESS** completed on the reverse side?

<b>SENDER:</b> ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to:  Laura Geraldine Anderson Hill 30357 Palos Verdes Drive East Rancho Palos Verdes, CA 90274		4a. Article Number <b>P551044752</b>	
5. Received By: (Print Name) <b>RECEIVED BY M. A. B. G.</b>		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) <b>X [Signature]</b>		7. Date of Delivery <b>2-18-97</b>	
PS Form 3811, December 1994		8. Addressee's Address (Only if requested and fee is paid)  Domestic Return Receipt	

Thank you for using Return Receipt Service.

P 551 044 752  
 US Postal Service  
**Receipt for Certified Mail**

Laura Geraldine Anderson Hill  
 30357 Palos Verdes Drive East  
 Rancho Palos Verdes, CA 90274

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date <b>FEB 13 1997</b>	

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

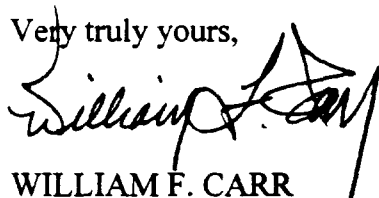
Dear Mr. Harle:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION  
Enc.

cc: Mr. Robert Bullock



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I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

**3. Article Addressed to:**

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

**4a. Article Number**

P 551 044 753

**4b. Service Type**

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD

**7. Date of Delivery**

2-19-97

**8. Addressee's Address (Only if requested and fee is paid)**

DAVID S HARLE

Signature: (Addressed for agent)

X David S Harle

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 551 044 753

US Postal Service  
**Receipt for Certified Mail**  
Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

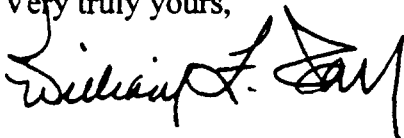
Dear Mr. Hunnicutt:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

P 551 044 754

US Postal Service

**Receipt for Certified Mail**

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date FEB 13 1997	

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN  
JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

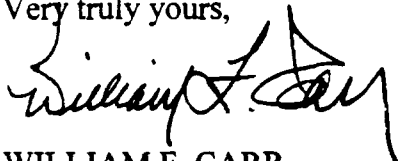
Dear Mr. Johnson:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

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**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return the card to you.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

4a. Article Number

P551044755

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☒ Certified
- ☐ Insured
- ☐ COD

5. Date of Delivery

2-17-97

5. Received By: (Print Name)

6. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt

P 551 044 755

US Postal Service  
**Receipt for Certified Mail**

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 968-4421  
TELECOPIER (505) 963-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

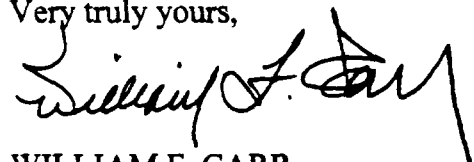
Dear Ms. Logan:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION  
Enc.

cc: Mr. Robert Bullock

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I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

4a. Article Number

P 551 044 756

4b. Service Type

- ☐ Registered
- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD
- ☒ Certified
- ☐ Insured

5. Received By: (Print Name)

6. Signature: Addressee or Agent

X *[Signature]*

7. Date of Delivery

8. Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

P 551 044 756

US Postal Service

**Receipt for Certified Mail**

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

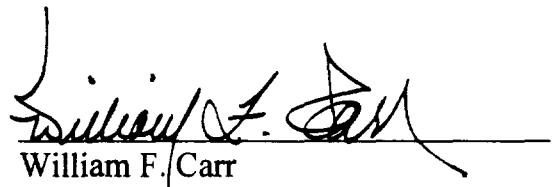
APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING  
DIRECTIONAL DRILLING, AND AN  
UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

CASE NO. 11738

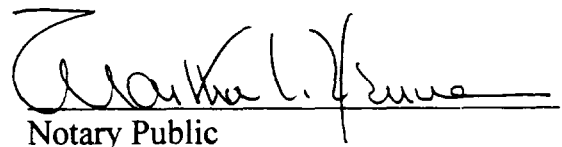
AFFIDAVIT

STATE OF NEW MEXICO       )  
  ) ss.  
COUNTY OF SANTA FE       )

William F. Carr, attorney in fact and authorized representative of Yates Petroleum Corporation, the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

  
William F. Carr

SUBSCRIBED AND SWORN to before me this 5th day of March, 1997.

  
Notary Public

My Commission Expires:

August 19, 1999



**EXHIBIT A**

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Amerind Oil Co., Ltd.  
Attn: Bob Leibrock  
415 W. Wall Street, Suite 500  
Midland, TX 79701-4467

UMC Petroleum Corporation  
Attn: Laura Smith  
410 17th Street, Suite 1400  
Denver, CO 80202

**AFFIDAVIT,  
Page 2**

**BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico**

Case No. 11738 Exhibit No. 5

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL S. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

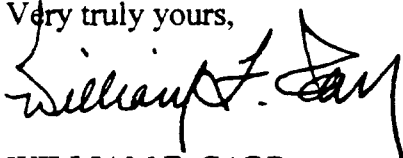
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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

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- I also wish to receive the following services (for an extra fee):
- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

4a. Article Number

4b. Service Type

- ☐ Registered  
☐ Express Mail  
☐ Return Receipt for Merchandise  
☐ COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

PS Form 3811 December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 551 044 751

US Postal Service  
**Receipt for Certified Mail**

Leonardo S. Anderson, Jr.  
71332 San Geronio Road  
Rancho Mirage, CA 92270

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
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Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

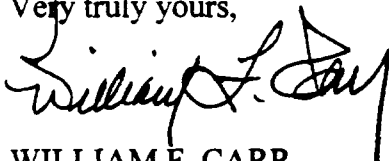
Dear Ms. Anderson:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

4a. Article Number  
**PS1044752**

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD
- ☒ Certified
- ☐ Insured

7. Date of Delivery

**2-13-92**

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

**LAURA HILL**

6. Signature: (Addressee or Agent)

**X [Signature]**

PS Form 3817, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 551 044 752

US Postal Service  
**Receipt for Certified Mail**

Laura Geraldine Anderson Hill  
30357 Palos Verdes Drive East  
Rancho Palos Verdes, CA 90274

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>FEB 13 1997</b>

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B CAMPBELL  
WILLIAM F CARR  
BRADFORD C BERGE  
MARK F SHERIDAN

MICHAEL H FELDEWERT  
TANYA M TRUJILLO  
PAUL R OWEN

JACK M CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

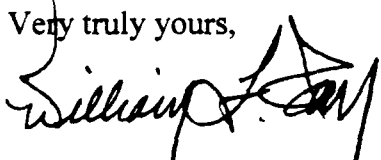
Dear Mr. Harle:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- \* Complete items 1 and/or 2 for additional services.
- \* Complete items 3, 4a, and 4b.
- \* Print your name and address on the reverse of this form so that we can return this card to you.
- \* Attach this form to the front of the mailpiece, or on the back if space does not permit.
- \* Write "Return Receipt Requested" on the mailpiece below the article number.
- \* The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

**3. Article Addressed to:**

Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

**4a. Article Number**

P 551 044 753

**4b. Service Type**

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ COD
- ☒ Certified
- ☐ Insured

**7. Date of Delivery**

2-19-97

**8. Addressee's Address (Only if requested and fee is paid)**

**5. Received By: (Print Name)**

DAVID S HARLE

**6. Signature: (Addressee or Agent)**

X *David S. Harle*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 551 044 753

US Postal Service  
**Receipt for Certified Mail**  
Dave Harle  
Harle, Inc.  
1504 Hess Creek Ct.  
Newberg, Oregon 97132

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

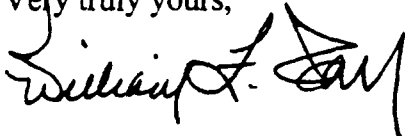
Dear Mr. Hunnicutt:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION  
Enc.

cc: Mr. Robert Bullock



P 551 044 754

US Postal Service

**Receipt for Certified Mail**

Larry Hunnicutt  
Post Office Box 2608  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>

Postmark or Date

FEB 13 1997

PS Form 3800, April 1995

CAMPBELL, CARR, BERGE

**SHERIDAN, P.A.**  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

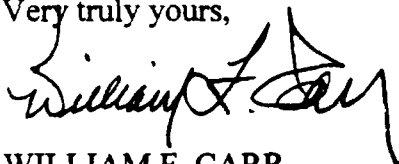
Dear Mr. Johnson:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

4a. Article Number

P551044755

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☒ Certified
- ☐ Insured
- ☐ COD

Date of Delivery

2-17-97

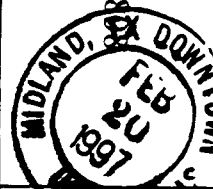
5. Received By: (Print Name)

6. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt



P 551 044 755

US Postal Service  
**Receipt for Certified Mail**

Clay Johnson  
310 West Texas, Suite 808  
Midland, TX 79701

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	FEB 13 1997

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE (505) 988-4421  
TELECOPIER (505) 983-6043

February 13, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Re: Application of Yates Petroleum Corporation for compulsory pooling, directional drilling and an unorthodox location, Lea County, New Mexico

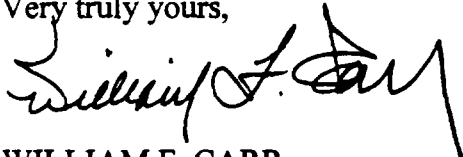
Dear Ms. Logan:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

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Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION

Enc.

cc: Mr. Robert Bullock

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- \*Complete items 1 and/or 2 for additional services.
- \*Complete items 3, 4a, and 4b.
- \*Print your name and address on the reverse of this form so that we can return the card to you.
- \*Attach this form to the front of the mailpiece, or on the back if space does not permit.
- \*Write "Return Receipt Requested" on the mailpiece before the article number.
- \*The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
  - 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

4a. Article Number

P 551 044 756

4b. Service Type

- ☐ Registered
- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☐ Certified
- ☐ Insured
- ☐ COD

5. Received By: (Print Name)

X *James L. Dow*

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt

P 551 044 756

US Postal Service  
**Receipt for Certified Mail**  
Bobbie Ann Dow Logan  
c/o James Leslie Dow  
Post Office Drawer 311  
Alto, NM 88312

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>FEB 13 1997</b>

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

# CAMPBELL, CARR, BERGE

**© SHERIDAN, P.A.**

LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD G. BERGE  
MARK P. SHERIDAN

MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-8043

March 3, 1997

**VIA FACSIMILE (915) 686-0747**  
**AND CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 6

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

Amerind Oil Co., Ltd.  
Attn: Bob Leibrock  
415 W. Wall Street, Suite 500  
Midland, TX 79701-4467

Re: Application of Yates Petroleum Corporation for Compulsory Pooling,  
Directional Drilling and an Unorthodox Location, Lea County, New Mexico

Dear Mr. Leibrock:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. If you do not object to this application, please so indicate by signing the waiver provided below and return a copy of this letter to me in the enclosed envelope.

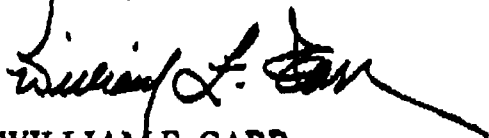
Amerind Oil Company, Ltd.

March 3, 1997

Page 2

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

Very truly yours,



WILLIAM F. CARR

ATTORNEY FOR YATES PETROLEUM CORPORATION

WFC:mlh

Enc.

cc: Bill Owen

WAIVER OF OBJECTION:



Name: Robert C. Leibrock

General Partner

Title:

AMERIND OIL COMPANY, LTD.

**CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS**

**MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK P. SHERIDAN**

**MICHAEL H. FELDEWERT  
TANYA M. TRUJILLO  
PAUL R. OWEN**

**JACK M. CAMPBELL  
OF COUNSEL**

**JEFFERSON PLAZA  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 8808  
SANTA FE, NEW MEXICO 87504-2808  
TELEPHONE: (505) 966-4421  
TELECOPIER: (505) 966-6043**

**March 3, 1997**

**VIA FACSIMILE (303) 573-0813  
AND CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

**UMC Petroleum Corporation  
Attn: Laura Smith  
410 17th Street, Suite 1400  
Denver, CO 80202**

**Re: Application of Yates Petroleum Corporation for Compulsory Pooling,  
Directional Drilling and an Unorthodox Location, Lea County, New Mexico**

**Dear Ms Smith:**

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order approving an unorthodox location and the directional drilling of a well which Yates proposes to drill from a standard surface location 1980 feet from the North and West lines to a target within 50 feet of a point 1650 feet from the North line and 1980 feet from the West line of said Section 11. Yates also seeks an order force pooling certain interests in all formations from the surface to the base of the Morrow formation.

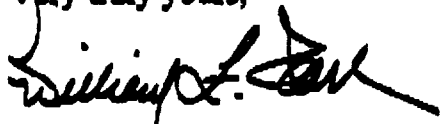
This application has been set for hearing before a Division Examiner March 6, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by the order entered in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. If you do not object to this application, please so indicate by signing the waiver provided below and return a copy of this letter to me in the enclosed envelope.



UMC Petroleum Corporation  
March 3, 1997  
Page 2

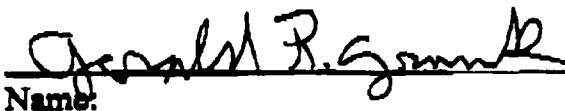
Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR YATES PETROLEUM CORPORATION  
WFC:mlh  
Enc.  
cc: Bill Owen

WAIVER OF OBJECTION:

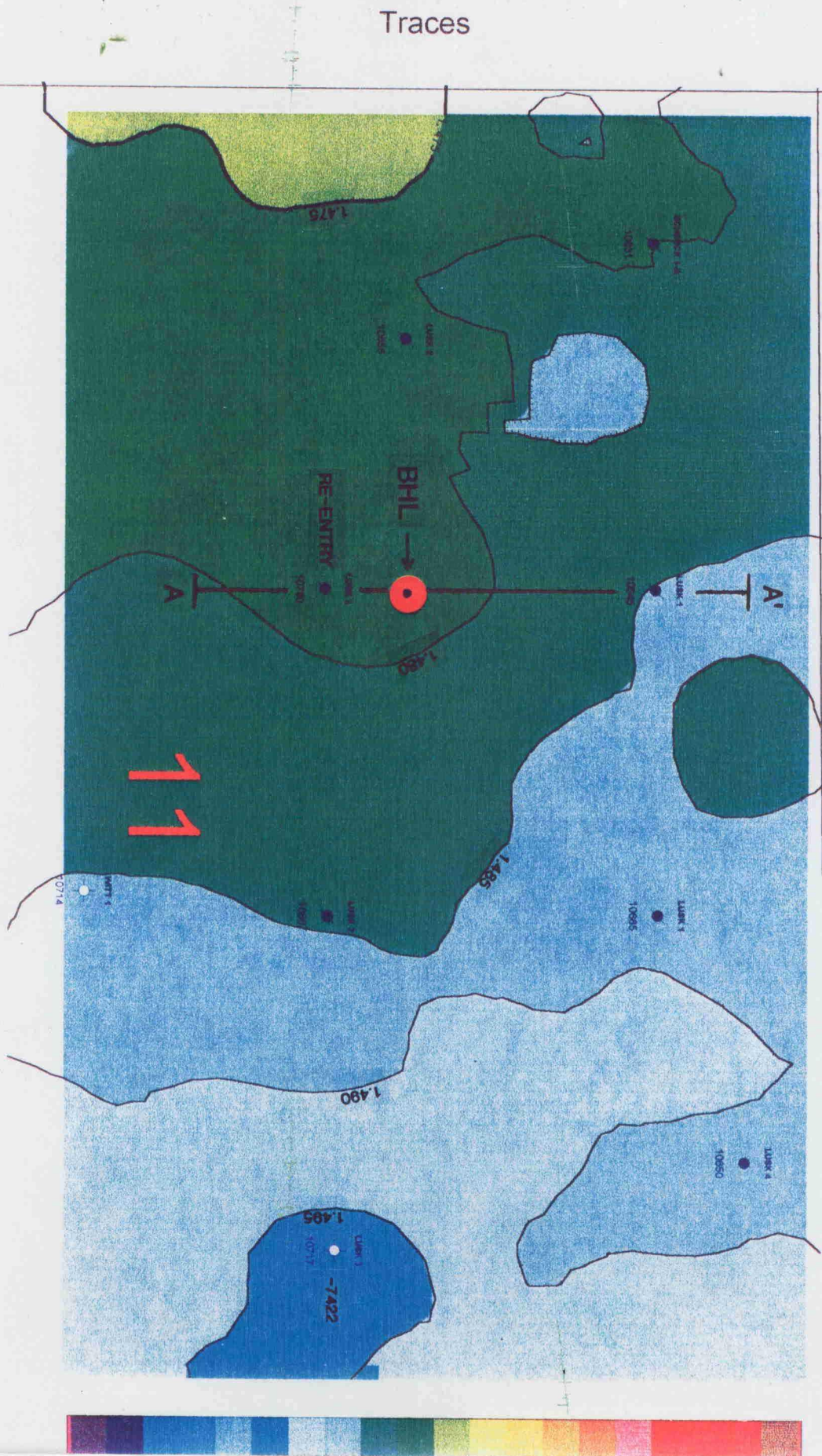
  
Name:

OK JRM

V. P. Exploration  
Title:

UMC PETROLEUM CORPORATION

SEC 11 16S 35E  
STRAWN TIME MAP  
1" = 600'  
Lines



1 425 Star  
1 430  
1 435  
1 440  
1 445  
1 450  
1 455  
1 460  
1 465  
1 470  
1 475  
1 480  
1 485  
1 490  
1 495  
1 500  
1 505  
1 510  
1 515  
1 520  
1 525 End

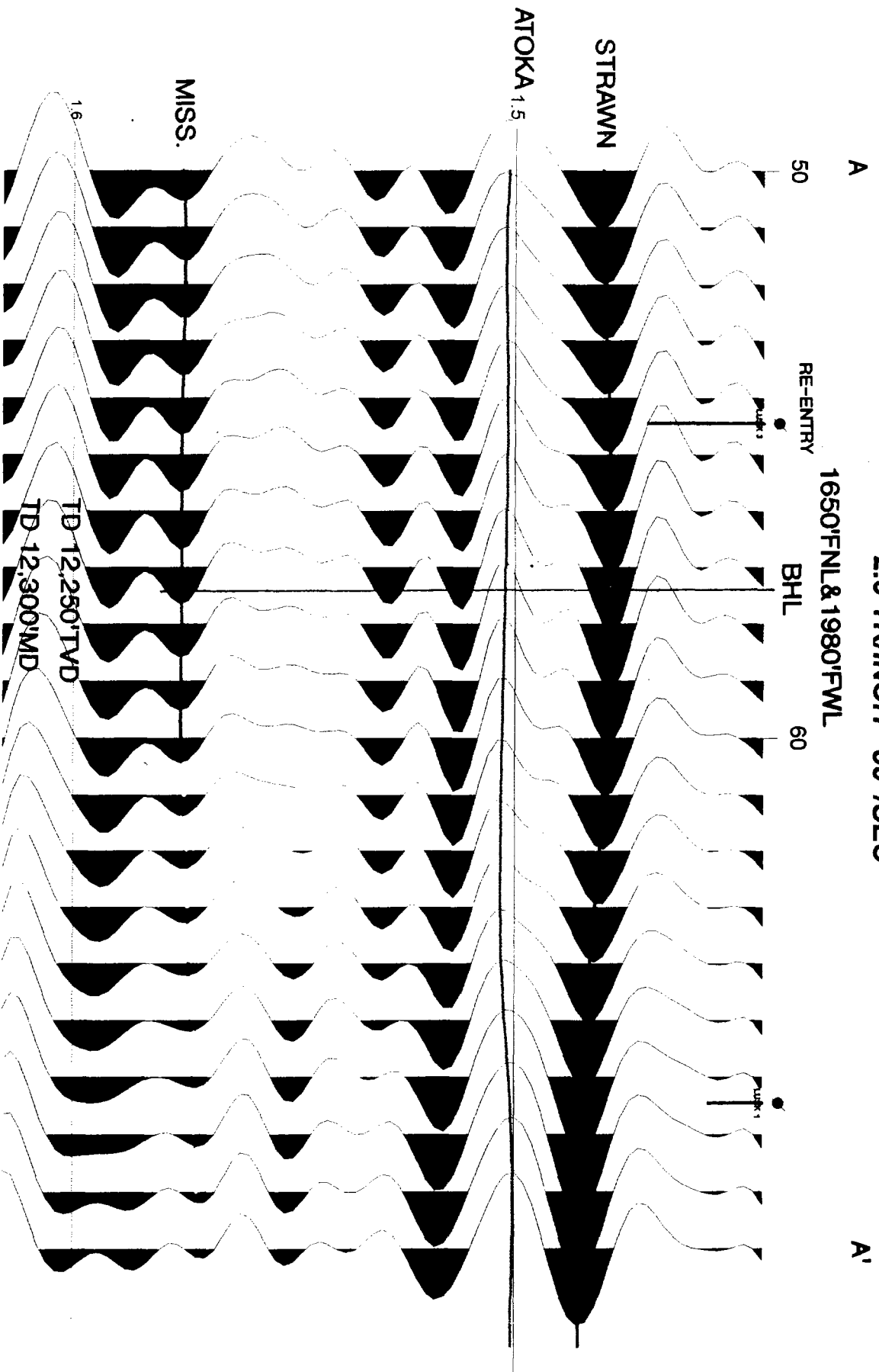
BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 7

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997

SEC 11 16S 35E  
SEISMIC X - SECTION  
2.6 TR/INCH 30"/SEC



BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

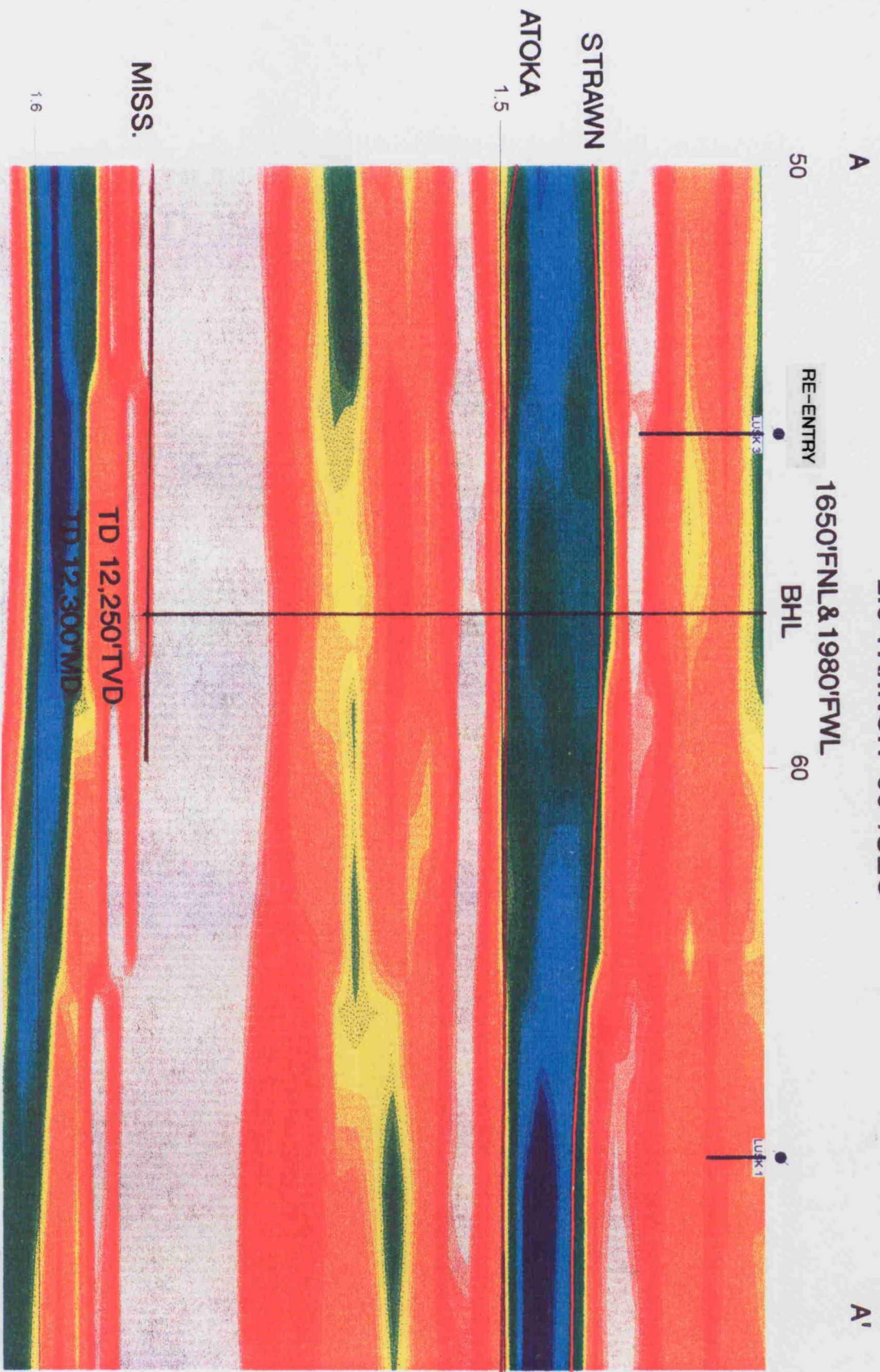
Case No. 11738 Exhibit No. 8

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997



SEC 11 16S 35E  
AMPLITUDE MAP  
2.6 TR/INCH 30"/SEC



2.618e+004
2.513e+004
2.435e+004
2.356e+004
2.278e+004
2.199e+004
2.120e+004
2.042e+004
1.963e+004
1.885e+004
1.806e+004
1.728e+004
1.649e+004
1.571e+004
1.492e+004
1.414e+004
1.335e+004
1.257e+004
1.178e+004
1.100e+004
1.021e+004
9424.
8639.
7854.
7068.
6283.
5498.
4712.
3927.
3141.
2356.
1571.
785.4
0.0000

BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

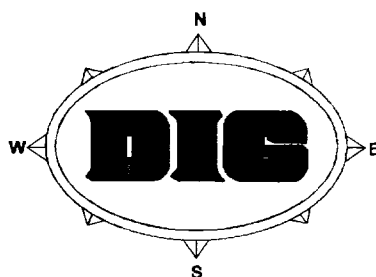
Case No. 11738 Exhibit No. 9

Submitted by: Yates Petroleum Corporation

Hearing Date: March 6, 1997



YATES PETROLEUM  
SHELL LUSK ANB #1  
LEA COUNTY, NEW MEXICO  
SEC 11 16S 35E



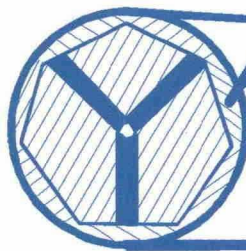
BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11738 Exhibit No. 10

Submitted by: Yates Petroleum Corporation

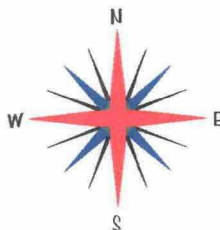
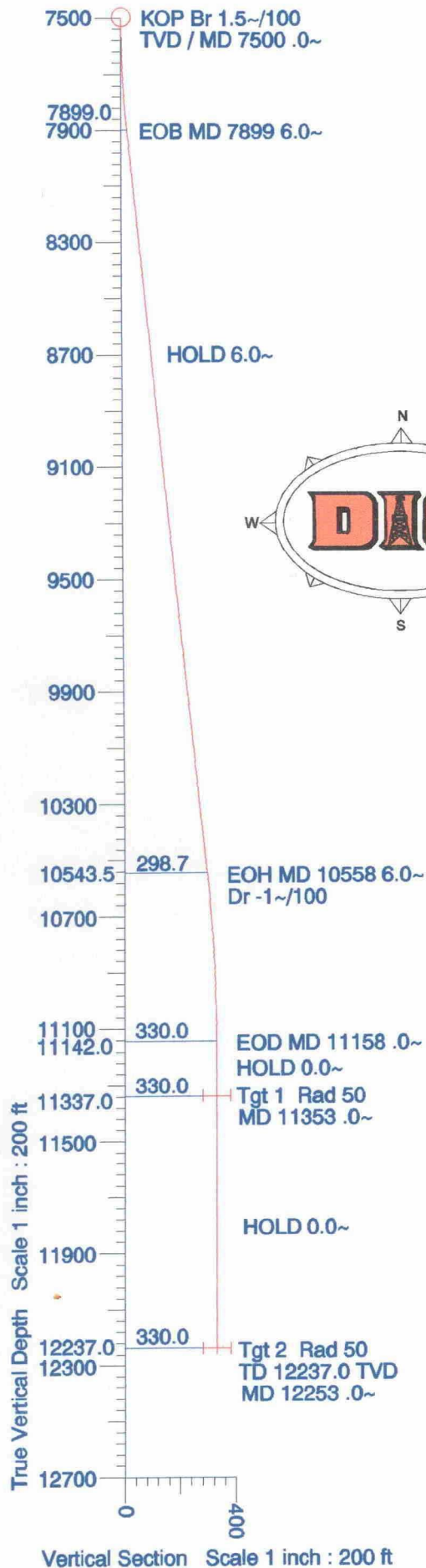
Hearing Date: March 6, 1997





# YATES PETROLEUM CORPORATION

**YATES PETROLEUM  
SHELL LUSK ANB #1  
LEA COUNTY, NEW MEXICO  
SEC 11 16S 35E**



TARGET DETAILS			
No	TVD	Lat	Dep
1	11337.0	330.0	0.0
2	12237.0	330.0	0.0

WELL PROPOSAL						
MD	TVD	VS	INC	DIR	LAT	DEP
7500.0	7500.0	0.0	0.0	N00 00E	0.0	0.0
7899.7	7899.0	20.9	6.0	N00 00E	20.9	0.0
10558.8	10543.5	298.7	6.0	N00 00E	298.7	0.0
11158.4	11142.0	330.0	0.0	N00 00E	330.0	0.0
11353.4	11337.0	330.0	0.0	N00 00E	330.0	0.0
12253.4	12237.0	330.0	0.0	N00 00E	330.0	0.0

PLOT DATE 02-20-1997

SHELL-2 SHELL LUSK ANB #1 2-19-97  
Plane of Vertical Section 360.00

Section 1 (Const Build/Turn)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
7500.0	0.00	0.00	7500.0	0.0	0.0	0.0	1.5	0.0	1.5	0.0
7600.0	1.50	0.00	7600.0	1.3	1.3	0.0	1.5	0.0	1.5	0.0
7800.0	4.50	0.00	7799.7	11.8	11.8	0.0	1.5	0.0	1.5	0.0

Section 2 (Hold Section)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
7899.7	6.00	0.00	7899.0	20.9	20.9	0.0	0.0	0.0	0.0	0.0
8000.0	6.00	0.00	7998.7	31.4	31.4	0.0	0.0	0.0	0.0	0.0
8200.0	6.00	0.00	8197.6	52.3	52.3	0.0	0.0	0.0	0.0	0.0
8400.0	6.00	0.00	8396.5	73.2	73.2	0.0	0.0	0.0	0.0	0.0
8600.0	6.00	0.00	8595.4	94.0	94.0	0.0	0.0	0.0	0.0	0.0
8800.0	6.00	0.00	8794.3	114.9	114.9	0.0	0.0	0.0	0.0	0.0
9000.0	6.00	0.00	8993.3	135.8	135.8	0.0	0.0	0.0	0.0	0.0
9200.0	6.00	0.00	9192.2	156.7	156.7	0.0	0.0	0.0	0.0	0.0
9400.0	6.00	0.00	9391.1	177.6	177.6	0.0	0.0	0.0	0.0	0.0
9600.0	6.00	0.00	9590.0	198.5	198.5	0.0	0.0	0.0	0.0	0.0
9800.0	6.00	0.00	9788.9	219.4	219.4	0.0	0.0	0.0	0.0	0.0
10000.0	6.00	0.00	9987.8	240.3	240.3	0.0	0.0	0.0	0.0	0.0
10200.0	6.00	0.00	10186.7	261.2	261.2	0.0	0.0	0.0	0.0	0.0
10400.0	6.00	0.00	10385.6	282.1	282.1	0.0	0.0	0.0	0.0	0.0

Section 3 (Const Build/Turn)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
10558.8	6.00	0.00	10543.5	298.7	298.7	0.0	-1.0	0.0	1.0	180.0
10600.0	5.58	0.00	10584.5	302.8	302.8	0.0	-1.0	0.0	1.0	180.0
10800.0	3.58	0.00	10783.9	318.8	318.8	0.0	-1.0	0.0	1.0	180.0
11000.0	1.58	0.00	10983.7	327.8	327.8	0.0	-1.0	0.0	1.0	180.0

Section 4 (Hold Section)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
11158.4	0.00	0.00	11142.0	330.0	330.0	0.0	0.0	0.0	0.0	0.0
11200.0	0.00	0.00	11183.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0

Section 5 (Hold Section)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
11353.4	0.00	0.00	11337.0	330.0	330.0	0.0	0.0	0.0	0.0	0.0
11400.0	0.00	0.00	11383.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0
11600.0	0.00	0.00	11583.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0
11800.0	0.00	0.00	11783.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0
12000.0	0.00	0.00	11983.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0

SHELL-2      SHELL LUSK ANB #1

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied				
							Build	Turn	Dleg	T	Face
12200.0	0.00	0.00	12183.6	330.0	330.0	0.0	0.0	0.0	0.0	0.0	0.0
12253.4	0.00	0.00	12237.0	330.0	330.0	0.0	0.0	0.0	0.0	0.0	0.0