Clip #4

KES Medallion Resources, Inc.

7130 South Louis Avenue + Suite 700 + Yolas, Chipharm 74135-5489 + 918 488-8282 Telephane + 918 488-8182 Fax

FAX (915-688-5757)

April 4, 1997

Arco Permian 600 North Marienfeld P.O. Box 1610 Midland, TX 79702-1610

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

Eld of Section 14-175-28E Eddy County, Now Mexico NEW MEXICO
OIL CONSERVATION DIVISION

_EXHIBIT

CASE NO.

Atta: les Sconborough

Gantlemen:

Enclosed is a copy of KCS Medallion Resources, Inc. application to the New Mexico Oil Conservation Division seeking approval of an unorthodox gas well location for a Morrow Test to be drilled at a location 660' FSL and 1,330' FEL of the referenced Section 14 which has been previously provided.

You are an offset leasehold owner, and as such please advise if you have any objection to this application by calling the undersigned at (918) 491-4105.

If you have no objection to this application, please so indicate by signing in the space provided below and returning one executed copy of this letter to my attention by fax at (918) 488-8182.

Sincerely,

KCS MEDALLION RESOURCES, INC.

D. R. Deffenbergh, CPL

Senior Landman

WE HAVE NO OBJECTION TO KCS MEDALLION RESOURCES, INC'S INTENT TO DRILL THE PROPOSED MORROW TEST AT 660' FSL & 1,330' FEL OF SECTION 14-17S-25E, EDDY COUNTY, NEW MEXICO.

ARCO. PERMIAN

By: A. M.

Elizabelli Catallandia iri que

7130 South Lawle Avenue - Suite 700 - Tules, Oklehome 74136-5489 - 818 488-8283 Telephone - 918 488-8182 Fax

FAX (303-863-1558)

April 4, 1997

Bonneville Fuels 1600 Broadway, #1110 Denver, CO 80202

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E'/A of Section 14-17S-28E Eddy County, New Mexico

Gentlemen:

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BONNEVILLE FUELS

By:

Title

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KC5 Medallion Resources, Inc.

7130 South Lawls Avenue . Suite 700 . Tulse, Oklahoma 74136-5489 . 918 486-8283 Telephone . 918 488-8182 Fax

FAX (505-746-9539)

April 4, 1997

Chase Oil Corporation P.O. Box 276 Artesia, NM 88211-0276

Post-It " brand fax transmittal r	nemo 7671 # of pages > /
* Rick Deffenbaugh	From Jim Brown
Ca. KCS Medallion	co. Chase Oil
Dept.	Phope (505) 746-9853
Fax (918) 488-8182	(503) 746-2362

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E'A of Section 14-17S-28E Eddy County, New Mexico

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CHASE OIL CORPORATION

By: James D. Brown, J

Attorney-in-Pact

*Subject to your agreement to provide Logs.

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7130 South Lawis Avenue - Suite 700 - Tules, Oktahoma 74136-5489 - 916 486-6263 Telephone - 916 486-6162 Fer

FAX (505-746-2523)

April 4, 1997

Marbob Energy P.O. Drawer 227 Artesia, NM 88210

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E½ of Section 14-17S-28E Eddy County, New Mexico

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MARBOB ENERGY

By: Ray / Williams Title: Atterney in fact

Christerd Corplumoraid dec

700 m

7130 South Lawis Avenue · Suite 700 · Tulsa, Oklahoma 74136-5489 · 918 488-8283 Telephone · 918 488-8182 Fax

FAX (505-623-4947)

April 4, 1997

Yates Energy Corp.

900 Survey Corp.

P.O. Box 2323

Roswell, NM 88202

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E½ of Section 14-17S-28E Eddy County, New Mexico

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YATES ENERGY CORP.

Title: Landman

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KC5 Medallion Resources, Inc.

APR 1 4 1997

(CO MEDALLION RESOURCES, IN

7130 South Lewis Avenue • Suite 700 • Tulsa, Oklahoma 74136-5489 • 918 488-8283 Telephone • 918 488-8182 Fax

file Clip #4 xc. N'moco Hearing

April 4, 1997

James E. Guy P.O. Box 100 Artesia, NM 88210

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E½ of Section 14-17S-28E Eddy County, New Mexico

Dear Mr. Guy:

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JAMES E. GUY

Title.

7130 South Lewis Avenue • Suite 700 • Tulsa, Oklahoma 74135-5489 • 918 486-8283 Telephone • 918 488-8182 Pax

FAX (505-622-4221)

April 15, 1997

Harvey E. Yates Co. P.O. Box 1933 Roswell, NM 88201

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E½ of Section 14-17S-28E Eddy County, New Mexico

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HARVEY E. YATES CO.

Title

LAND MANAGER

7130 South Lawis Avenue • Suite 700 • Tulsa, Oktahoma 74136-5489 • 918 488-8283 Telephone • 918 488-8182 Fax

FAX (505-623-4947)

April 4, 1997

Yates Energy Corp.

900 Samuel Cong.

P.O. Box 2323

Roswell, NM 88202

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YATES ENERGY CORP.

Title Landman

APR | 4 1997

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MARTIN YATES, III 1912 - 1965 FRANK W. YATES 1936 - 1986

APR 0 7 1997

KCS MEDALLION RESOURCES, INC

CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY

S. P. YATES

DENNIS G. KINSEY

105 SOUTH FOURTH STREET LARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

April 4, 1997

KCS Medallion Resources, Inc. 7130 South Lewis Avenue Suite 700 Tulsa, Oklahoma 74136-5489

Attention: Mr. D.R. Deffenbaugh

Re: Application of KCS Medallion Resources, Inc. for

Compulsory Pooling and an Unorthodox Well Location Eddy County, New Mexico

Dear Mr. Deffenbaugh:

By letter dated March 13, 1997, Mr. Paul R. Owen, Attorney of the Campbell, Carr, Berge & Sheridan Firm, advised us of a filing of application with New Mexico Oil Conservation Division for force pooling and an unorthodox location for the drilling of the KCS Medallion Resources, Inc. Aid State No. 14-1 well drilled at a location 660 feet from the South line and 1330 feet from the East line, E/2 Section 14, T17S-R28E, Eddy County, New Mexico.

This is to advise you that Yates Petroleum Corporation waives any objection to your drilling of the unorthodox location subject to your granting like waiver should Yates desire to drill a similar test in the area. Please let me know if you require anything further.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson Land Manager

RGP/mw

MARTIN YATES, II 1812 - 1900 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA. NEW MEXICO 88210 TELEPHONE (505) 748-1471

& P. YATES LAN OF THE BOA JOHN & YATES PRESIDENT PEYTON YATES EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY DENNIS Q. KINSEY TREASURER

April 15, 1997

KCS Medailion Resources, Inc. 7130 South Lewis Avenue Sulte 700 Tulsa, Oklahoma 74136-5489

505 748 4572

Attention: Mr. D. R. Deffenbaugh

Re: Application of KCS Medallion Resources, Inc. for

Compulsory Pooling and an **Unorthodox Well Location** Eddy County, New Mexico

Dear Mr. Deffenbaugh:

In reference to my letter dated April 4, 1997, this is to advise you that John A. Yates, S.P. Yates, Sharbro Oil Ltd. Co. and the Estate of Lillie M. Yates do also waive any objection to your drilling of the unorthodox location subject to your granting like waivers should they desire to drill a similar test in the area.

Should you have any questions concerning the above, please don't hesitate in contacting me.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson Land Manager

RGP/mw

MEE Medallion Resources, Inc.

7130 Berth Laufe Anneas . Bulle 760 . Tabe Chicherte 71198-548 . \$18 488-2813 Thirphont . \$15 488-5182 For

April 4, 1997

Diame Chase Crouch P.O. Box 693 Artesia, NM 88211-0693

Re:

Ald 14 Prospect

Application for Unorthodox Gas Well Location

Eld of Section 14-175-28E Eddy County, New Mexico

Dear Ms. Crouch:

Enclosed is a copy of KCS Medallion Resources, Inc. application to the New Mexico Oil Conservation Division seeking approval of an unorthodox gas well losstica for a Morrow Test to be drilled at a location 660' FSL and 1,330' FEL of the referenced Section 14 which has been previously provided.

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DIANNE CHASE CROUCH

Title: Bebecca S. Ericaon.

Attorney-in-Fact

Shiel Martine Springerid dos

7130 South Laufe Aurmer . State 700 . Tales Cittaberen Fitt 18-5445 . \$18 408-1223 Televisore . \$15 448-5102 Per

April 4, 1997

Mask C, Chase and Marilya Y Chase Trust, U/T/A 11/21/1983 P.O. Box 693 Artesia, NM 88211-0693

Ro:

Aid 14 Prespect

Application for Unorthodex Gas Well Location

B% of Section 14-175-24E Eddy County, New Mexico

Dear Mr. and Mrs. Chase.

Enclosed is a copy of KCS Medallion Resources, Inc. application to the New Mexico Oil Conservation Division seeking approval of an approvalous gas well location for a Morrow Test to be drilled at a location 660' FSL and 1,330' FEL of the returnment Section 14 Which has been previously provided.

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MACK C, CHASE AND

MARILYN Y. CHASE TRUST

Mack C. Chase, Trustee

ask.birganiferentingridster

7130 South Lawis Avenue • Sulle 700 • Tuisa, Oklaherna 74136-5489 • 918 488-9283 Telephone • 918 488-9182 Fax

April 4, 1997

Robert C. Chase P.O. Box 960 Artesia, NM 88211-0960



Aid 14 Prospect

Application for Unorthodox Gas Well Location

E% of Section 14-17S-28E Eddy County, New Mexico



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ROBERT C. CHASE

Title: Robert C. Chase

E: Winyandlewallungenid doc

laxed : mailed to KCS (Rich Deffenbaugh). Staci

7130 South Lewis Avenue . Suite 700 . Tulse, Oktahome 74136-5489 . 918 488-8283 Telephone . 918 468-8182 Fax

April 4, 1997

Richard L. Chase P.O. Box 960 Artesia, NM 88211-0960



Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E1/2 of Section 14-175-28E Eddy County, New Mexico

Dear Mr. Chase:

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RICHARD L. CHASE

fred-marled to KCS (Rich Deffenbaugh). Staci

Title: Richard L. Chase

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MARALO INC. + MARALO MIDLAND .

918 488 8182

16:13 FAX 918 404 8182 04/15/97

INTERCOAST

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MES Medallion Resources, Inc.

om 74136-5485 - 518 486-6383 Telephone - 518 488-6183 File

VIA FAX (713-960-1672)

April 4, 1997

Maralo, Inc. \$151 San Felipe, Stc. 400 Houston, TX 77027-5420

Attention: Joe Pulido

Rec

Aid 14 Prospect

Application for Unorthodox Gas Well Louisian

E% of Section 14-175-28E Eddy County, New Mexico

Dear Mr. Pulido:

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MARALO, INC.

04/18/97 12:09 FAX 0 488 8182

INTERCOAST





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MCS Medallion Resources, Inc.

7130 South Lewis Avenue . Suits 700 . Tuiss Obsenore 74136-8489 . \$18 488-8283 Telephone . \$18 488-8182 Fax

VIA EXPRESS MAIL

April 15, 1997

Jalapeno Corporation
P.O. Box 1608
Albuquerque, NM 87103-1608

Attention: Mr. Harvey E. Yates, Jr.

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

E% of Section 14-17S-28E Eddy County, New Mexico

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KC5 Medallion Resources, Inc.

7130 South Levis Averue . Spile 700 . Tules, Changing 74135-5489 . 918 488-8283 Telephone - 918 488-8182 Fee

VIA EXPRESS MAIL

April 15, 1997

Cibola Energy Corp. P.O. Box 1668 Albuquerque, NM \$7103-1668

Attention: Mr. Harvey E. Yates, Jr.

Re:

Aid 14 Prospect

Application for Unorthodox Gas Well Location

BY of Section 14-17S-28E Eddy County, New Mexico

Dear Mr. Yates:

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