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



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

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

S. P. VATES

May 28, 1997

Robert R. Emmons P.O. Box 1836 Carlsbad, NM 88220

RE: Cerritos APT Fed. Com. #1

Township 18 South, Range 29 East

Section 1: W/2

Eddy County, New Mexico

Dear Mr. Emmons:

Yates Petroleum Corporation proposes to drill the captioned well in the very near future. Please find enclosed our Authority for Expenditure which sets out the costs to drill this well. If you wish to participate please sign and return the Authority for Expenditure along with your check in the amount of \$1,460.94 to cover your share of the dry hole costs (1 acres/320 acres = $0.3125\% \times $467,500.00$.)

Should you not wish to participate Yates will take an Assignment of your interest allowing you to retain a 7.5% Overriding Royalty interest which is the trade we have made with Marvin & Norman Fay Emmons, Mary Miller and Frances Netherlin. This Assignments were mailed to you on February 4, 1997.

Your interest must be accounted for in some fashion. Please let us hear from you. You can call me collect at 505-748-4351 if you would like to visit about it.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

A Bullock

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Robert Bullock

Landman

Case No. <u>11806</u> Exhibit No. <u>3</u>

Submitted by: Yates Petroleum Corporation

Hearing Date: July 10, 1997

P°216 557 693

US Postal Service

n the reverse side	 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.	· Constitution · · · · · · · · · · · · · · · · · · ·	Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Refibert R. Emmons Ricel & Remor 1836 Carlshad, NM 88220 Post Office, State, & ZIP Code			
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ם	Robert R. Emmons	4b. Service Type Registered Certified			Certified Fee			
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MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

May 28, 1997

Heirs of Laura and Roland Najar George E. Najar, Executor 3904 Allendale Calleyville, TX 76034

> Cerritos APT Fed. Com. #1 RE:

> > Township 18 South, Range 29 East

S. P. YATES CHAIRMAN OF THE BOARD

JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY

DENNIS G. KINSEY

Section 1: W/2

Eddy County, New Mexico

Dear Mr. Najar:

Yates Petroleum Corporation proposes to drill the captioned well in the very near future, Please find enclosed our Authority for Expenditure which sets out the costs to drill this well. If you wish to participate please sign and return the Authority for Expenditure along with your check in the amount of \$1,460.94 to cover your share of the dry hole costs (1 acres/320 acres = $0.3125\% \times $467,500.00$.)

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Your interest must be accounted for in some fashion. Please let us hear from you. You can call me collect at 505-748-4351 if you would like to visit about it.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

best Bullock

Robert Bullock

Landman

RB/dc Enclosure(s)

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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 card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article. The Return Receipt will show to whom the article was delivered and delivered. 3. Article Addressed to:	e does not e number.	l also wish to receive the following services (for an extra fee): 1. □ Addressee's Address 2. □ Restricted Delivery Consult postmaster for fee.		
Heirs of Laura and Roland Najar George E. Najar, Executor 3904 Allendale Calleyville, TX 76034	4b. Service ☐ Registere ☐ Express	rype ed Certified Mail Insured ceipt for Merchandise COD		
5. Received By: (Print Name) 6. Signature: (Addressee or Agent) X Agent	8. Addressed and fee is	5-31-97 Se's Address (Only il requested paid) The APT It I		
PS Form 3811 , December 1994		Domestic Return Receipt		

	No Insurance Coverage Provided. No Insurance Coverage Provided. Do not use for International Mail (See reverse) September of Laura and Roland Naj Signation of Laura, Executor 3904 Allendale Post Office, State, & ZIP Code Calleyville, TX 76034							
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	Restricted Delivery Fee	·						
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800	TOTAL Postage & Fees	\$						
S Form 3800 , April 1995	Postmark or Date							

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



105 South Fourth Street ARTESIA, NEW MEXICO 88210 TELEPHONE (505) 748-1471

RANDY G. PATTERSON SECRETARY

DENNIS G. KINSEY TREASURER

S. P. YATES CHAIRMAN OF THE BOARD

JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT

May 28, 1997

Sharon S. Emmons, Personal Representative of the Estate of Charles R. Emmons 134 Nesmith Road Abilene, Texas 79602

> Cerritos APT Fed. Com. #1 RE:

> > Township 18 South, Range 29 East

Section 1: W/2

Eddy County, New Mexico

Dear Ms. Emmons:

Yates Petroleum Corporation proposes to drill the captioned well in the very near future. Please find enclosed our Authority for Expenditure which sets out the costs to drill this well. If you wish to participate please sign and return the Authority for Expenditure alone with your check in the amount of \$1,460.94 to cover your share of the dry hole costs (1 acres/320 acres = $0.3125\% \times $467,500.00$.)

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Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

ent Bullock

Robért Bullock

Landman

RB/dc Enclosure(s)

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Sharon S. Emmons, Personal Representative of the Estate of Charles R. Emmons 134 Nesmith Road Abilene, Texas 79602	4b. Service □ Registere □ Express □ Retum Re			Certified Fee Special Delivery Fee Restricted Delivery Fee		
5. Received By: (Print Name)	8. Addressee's Address (Only if requested and fee is paid) Cerutes APT #/		ank 199	Return Receipt Showing to Whom & Date Delivered		
6. Signatura: (Addressele or Agent)			Th: 800, April	Return Receipt Showing to Whom, Date, & Addressee's Address TOTAL Postage & Fees	\$	
PS Form 3811 , December 1994		Domestic Return Receipt	ິ ຕິ	Postmark or Date		
			For			

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



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

CHAIRMAN OF THE BOARD

JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT

RANDY G. PATTERSON

SECRETARY

DENNIS G. KINSEY
TREASURER

S. P. YATES

May 28, 1997

George Shannon Emmons 17 N. Lancaster Lane, Newtown, PA 18940

RE: Cerritos APT Fed. Com. #1

Township 18 South, Range 29 East

Section 1: W/2

Eddy County, New Mexico

Dear Mr. Emmons:

Yates Petroleum Corporation proposes to drill the captioned well in the very near future. Please find enclosed our Authority for Expenditure which sets out the costs to drill this well. If you wish to participate please sign and return the Authority for Expenditure along with your check in the amount of \$1,460.94 to cover your share of the dry hole costs (1 acres/320 acres = $0.3125\% \times $467,500.00$.)

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Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock Landman

RB/dc Enclosure(s)

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Is your <u>RETURN ADDRESS</u> completed	3. Article Addressed to: George Shannon Emmons 17 N. Lancaster Lane, Newtown, PA 18940 5. Received By: (Print Name) 6. Signature! (Addressee or Agent) X PS Form 3811, December 1994	7. Date of De	Type ad Certified Mail Insured Seipt for Merca Halls McOnalivery,	Thank you for using Return Re PS Form 3800, April 1995	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	\$	

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



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

June 4, 1997

Enron Oil & Gas Company PO Box 2267

Midland, Texas 79701

Attention: Mr. Patrick J. Tower

CERTIFIED MAIL

Return Receipt Requested

RE: Cerritos APT Fed Com #1

Township 18 South, Range 29 East

S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY

DENNIS G. KINSEY

Section 1: W/2

Eddy County, New Mexico

Gentlemen:

Yates Petroleum Corporation proposes to drill the captioned well as set forth on the enclosed Authority for Expenditure.

Please indicate your election in the spaced provided on page two and return one (1) copy of this letter to my attention along with one (1) signed copy of the AFE if you elect to participate in this well.

We will forward our standard Joint Operating Agreement in the very near future for your execution.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

und Bullock

Róbert Bullock Landman

RB:bn enclosure(s)

Page 2 Cerritos APT Fed Com #1 June 4, 1997

Please mark one of the following:						
Elect to participate in the proposed well. Elect to non-consent the proposed well.						
Please mark one of the following:						
Elect to pick up proportionate share of non-consent. Elect not to pick up proportionate share of non-consent.						
ENRON OIL & GAS COMPANY						
BY:						
TITLE						
DATE						



AUTHORITY FOR EXPENDITURE NEW DRILLING & RECOMPLETION

AFE NO. AFE DATE 97-120-0 5/23/97

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

AFE Type: New Drilling Recompletion

Well Objective: Well Type: Oil X Development Gas Exploratory Injector

AFE STATUS: X Original Revised Final

7,200

37,400

46,600

467,500

7,200

37,400 88,800

32,000

7,500

13,600

14,600

223,100

774,100

LEASE NAME
COUNTY
LEGAL DESC.
FIELD

Cerritos APT Fed. Com. #1 Eddy 1980' FNL & 1980' FWL

PROJ'D DEPTH 11,700' New Mexico STATE LOCATION Section 1-18S-29E **HORIZON** Morrow

DIVISION CODE DISTRICT CODE **BRANCH CODE**

100

DIVISION NAME DISTRICT NAME **BRANCH NAME**

Oil & Gas Division

PROGNOSIS:

930-020

930-030

930-040 940-010

940-020

940-030

940-040

TOTAL COSTS

₹B

Casing

Tubing

11-3/4" @ 450'

8-5/8" @ 3200' 5-1/2" @ 11,700'

2-7/8" @ 11,300'

Packer & Special Equipment

Separation Equip., Flowlines, Misc.

TOTAL TANGIBLE EQUIPMENT COSTS

Trucking & Construction Costs

Pumping Equipment

Storage Facilities

INTANGIBLE D	PRILLING COSTS:	DRY HOLE	COMP'D WELL
920-100	Staking, Permit & Legal Fees	500	500
920-110	Location, Right-of-Way	15,000	15,000
920-120	Drilling, Footage 11,700' @ \$19.00/ft.	235,600	235,600
920-130	Drilling, Daywork 4 days @ \$5800/day	24,600	24,600
920-140	Drilling Water, Fasline Rental	16,000	16,000
920-150	Drilling Mud & Additives	35,200	35,200
920-160	Mud Logging Unit, Sample Bags	13,000	13,000
920-170	Cementing - Surface Casing	28,000	28,000
920-180	Drill Stem Testing, OHT 1 DST	5,000	5,000
920-190	Electric Logs & Tape Copies	23,200	23,200
920-200	Tools & Equip. Rntl., Trkg. & Welding	11,300	11,300
920-210	Supervision & Overhead	13,500	13,500
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase		
920-350	Cementing - Production Casing		36,500
920-410	Completion Unit - Swabbing		11,700
920-420	Water for Completion		2,900
920-430	Mud & Additives for Completion		
920-440	Cementing - Completion		
920-450	Elec. Logs, Testing, Etc Completion		10,500
920-460	Tools & Equip. Rental, Etc Completion		12,000
920-470	Stimulation for Completion		50,000
920-480	Supervision & O/H - Completion		4,000
920-490	Additional LOC Charges - Completion		1,000
920-510	Bits, Tools & Supplies - Completion		1,500
920-500	Contingency for Completion		
	TOTAL INTANGIBLE DRILLING COSTS	420,900	551,000
TANGIBLE EQI	UIPMENT COSTS:		
930-010	Christmas Tree & Wellhead	2,000	22,000

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.

Prepa By		
	OWNER	SHARE
ВҮ	DATE	
BY	DATE	
ВҮ	DATE	
BY	DATE	form AFEND (rev 4/93)

P 216 557 460

					3	US Postal Service		
n 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 card to you. Attach this form to the front of the mailpiece, or on the back if spac permit. Write 'Return Receipt Requested' on the mailpiece below the article. The Return Receipt will show to whom the article was delivered and delivered.	I also wish to rectifollowing service extra fee): 1. Address 2. Restricte Consult postmas	s (for an ee's Address ed Delivery	The Charles of Management of the Control of the Con	US Postal Service Receipt for Certified No Insurance Coverage Provided Do not use for International Mail (Sent to Patrick J. Tow Enron Oil & Gas Co Street & Number PO Box 2267 Post Office, State, & ZIP Code			
ted o	3. Article Addressed to:	4a. Article N	umber 216557	460	r using heturn hece	Midland, TX 7 Postage	9701	
ADDRESS completed	ENRON OIL & GAS COMPANY PO BOX 2267 MIDLAND, TEXAS 79701	4b. Service Registere Express Return Re	Type ed	Certified		Certified Fee Special Delivery Fee	4	
	ATTENTION: MR. PATRICK J. TOWER	7. Date of D	elivery JUN 0 6		1995	Restricted Delivery Fee Return Receipt Showing to Whom & Date Delivered		
ETUR	5. Received By: (Print Name)	8. Addressee's Address (Only if requested and fee is paid) CERRITOS APT FED COM #1			April April	Return Receipt Showing to Whom, Date, & Addressee's Address		
your R	6. Signature: (Addressee or Agent)				3800	TOTAL Postage & Fees Postmark or Date 6-4-9	\$	
<u>8</u>	PS Form 3811 , December 1994 10	2595-97-B-0179	Domestic Ret	urn Receipt	PS Form	Cerritos APT RB/bn	Fed Com #1	

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



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

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

TREASURER

June 24, 1997

TO: Working Interest Owners

RE: Cerritos APT Fed. Com. #1

T18S, R29E Section 1: W1/2

Eddy County, New Mexico

Gentlemen:

Please find enclosed our Operating Agreement with extra signature page. The AFE was transmitted to you by certified mail on or about June 1, 1997.

If you wish to participate, please execute and return the AFE and extra signature page to the Operating Agreement along with your check to cover the dry hole costs.

Thank you,

YATES PETROLEUM CORPORATION

lest Bullack

Røbert Bullock Landman

/nf

enclosure(s)

■Print your name and address on the reverse of this form so that we can return this extra fee): card to you. Attach this form to the front of the mailpiece, or on the back if space does not 1. Addressee's Address permit.

Write "Return Receipt Requested" on the mailpiece below the article number. 2. Restricted Delivery ■ The Return Receipt will show to whom the article was delivered and the date Consult postmaster for fee. delivered. 3. Article Addressed to: 4a. Article Number 4b. Service Type Sharon S. Emmons, PR Estate Charles R. Emmons □ Registered ☐ Express Mail ☐ Insured 134 Nesmith ☐ Return Receipt for Merchandise ☐ COD Abilene, TX 79602 7. Date of Delivery 5. Received By: (Print Name) 8. Addressee's Address (Only if requested and fee is paid) 6. Signature (Addressee or Agent) 102595-97-B-0179 Domestic Return Receipt PS Form 3811, December 1994

I also wish to receive the

following services (for an

SENDER:

■Complete items 1 and/or 2 for additional services.

Complete items 3, 4a, and 4b.

P .216 558 426

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

	Sharon S. Emmons, PR Estate Charles R. Emmons 134 Nesmith PAMPER CALLED TO SHARE TO SHARE THE PROPERTY OF T				
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	Certified Fee				
	Special Delivery Fee				
	Restricted Delivery Fee				
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	Return Receipt Showing to Whom, Date, & Addressee's Address				
	TOTAL Postage & Fees	\$			
	Postmark or Date				

PS Form **3800**, April 1995

P 216 558 428

SENDER: Gomplete 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 card to you. Altach this form to the front of the mailpiece, or on the back if sp permit. Write "Return Receipt Requested" on the mailpiece below the ant The Return Receipt will show to whom the article was delivered delivered.	ace does not	I also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.	eipt Service.	US Postal Service Receipt for Cer No Insurance Coverage Do not use for Internation Sentanton Oil & Gr PO Box 2267 Street Number Street Number Street Number 27 7 Post Middiand, TX 7	Provided. nal Mail (See reverse) as Company 9701
3. Article Addressed to: Enron Oil & Gas Company PO Box 2267 Midland, TX 79701 Attn: Mr. Patrick J. Tower	4a Article N 4b. Service Registere Express Return Re 7. Date of D	Type red Certified Mail Insured exceipt for Merchandise COD	you for using Return Rec	Postage Certified Fee Special Delivery Fee Restricted Delivery Fee Return Receipt Showing to Whom & Date Delivered	\$
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6. Signature: (Addressee amagent) X PS Form 3811, December 1994	102595-97-B-0179	ritos	T PS Form 3800	TOTAL Postage & Fees Postmark or Date	\$

SENDER: I also wish to receive the ■ Complete items 1 and/or 2 for additional services.
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P 216 557 699

i	US Postal Service Receipt for Cerl No Insurance Coverage I Do not use for Internation Sent to Robert Emmon Strept 1836	Provided. nal Mail (See reverse)
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	Postage	\$
	Certified Fee	
	Special Delivery Fee	
	Restricted Delivery Fee	
199	Return Receipt Showing to Whom & Date Delivered	
April	Return Receipt Showing to Whom, Date, & Addressee's Address	
800	TOTAL Postage & Fees	\$
PS Form 3800, April 1995	Postmark or Date	

P 216 558 427

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Co not use for International Mail (See reverse)

Laura & Roland Najar George E. Najar, Exec. 3904 Alfendale Colleyville, TX C76034 \$ Postage Certified Fee Special Delivery Fee Restricted Delivery Fee Restricted Delivery Fee

Return Receipt Showing to
Whom & Date Delivered
Return Receipt Showing to Whom
Date. & Addressee's Address

TOTAL Postage & Fees

ostmark or Date \$

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



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

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CHAIRMAN OF THE BOARD
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PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY

TREASURER

June 25, 1997

George E. Najar 3904 Allendale Colleyville, TX 76034

RE: Transfe

Transfer of Operating Rights (Sublease) in a Leases for Oil and Gas or Geothermal Resources

Serial No. LC-060906

Gentlemen:

Enclosed are executable copies of the captioned on behalf of Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation, and Myco Industries, Inc. If satisfactory, please execute before a Notary Public and return signed copies to our office as soon as possible. Please retain a copy for your files.

Thank you,

Very truly yours,

YATES PETROLEUM CORPORATION

But Bullock

Robert Bullock Landman

RB/nf enclosure(s)

Form 3000-3a (January 1996)

☐ Transfer approved effective _____

(Authorized Officer)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0034 Expires: September 30, 1998

Lease Serial No.

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

LC-060906

PART A: TRANS	FER				
1. Transferee (Sublessee)* Yates Petroleum Corporation 105 South Fourth Street		40.0%			
City, State, ZIP Code Artesia, New Mexico 88210		*			~
If more than one transferee, check here I and list the name(s) and address(es) of separate attached sheet of paper.	f all addition	al transferees	on the rever	rse of this for	m or on a
This transfer is for: (Check one) 🗵 Oil and Gas Lease, or 🗆 Geothermal Lease					
Interest conveyed: (Check one or both, as appropriate) Operating Rights (sub-	olease) Ll C	verriding Ro milar interest	yalty, payments or payment	nt out of pro- ts	duction or othe
2. This transfer (sublease) conveys the following interest:					
Land Description	 	ercent of Inte	T'		cent of ing Royalty
Additional space on reverse, if needed. Do not submit documents or agreements other than his form; such documents or agreements shall only be referenced herein.	Owned	Conveyed	Retained	or Similar Interests	
ins form, such documents of agreements shall only be referenced netent.		<u> </u>		Reserved	Previously reserved or conveyed
a	b	С	d	e	f
Township 18 South, Range 29 East, N.M.P.M. Section 1: W/2NW/4 Eddy County, New Mexico	1.25%	1.25%	-0-	7.50%	-0-
FOR BLM USE ONLY—DO NOT WR	TE BELOW	THIS LINE			
THE UNITED STATES O	AMERICA				
This transfer is approved solely for administrative purposes. Approval does no title to this lease.	t warrant the	at either part	y to this trai	asfer holds le	gal or equitab

(Title)

(Date)

TITIONAL SPACE for Names and addresses of additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2 if needed.	
AMULLIUMAL SEAL TO Manufact and mark of additional transference in Loud mark of and the source and mark of and the Land Land Land Land Land Land Land Land	tent of to vinitional.

Wyco Industr: es, Inc. \$0.02 Artesia, New Mexico 88210 105 South Forrth Street Abo Petroleum Corporation 20.0% Artesia, New Mexico 88210 105 South Fourth Street Yates Drilling Company \$0.02

Artesia, New Mexico 88210 TOP SOUTH FOLKER STREET

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 2. Transferee certifies 1s follows: (a) Transferee is a citizen of the United States; an association of such cutizens; a municipality; or a corporation organized under the laws The transferor certi ies as owner of an interest in the above designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.
- of the Mineral Learing Act; and (f) Transferee is not in violation of sec. 41 of the Mineral Leasing Act. 3100 or 3200) and it eauthorizing Acts; (e) Transferce is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) acres in any one Sta e if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group District in Alaska c which up to 200,000 acres may be in options, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920, or 51,200 the same State, do 1 or exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing in which the lands covered by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in associations of such citizens, nationals, resident aliens or private, public or municipal corporations; (b) Transferee is not considered a minor under the laws of the State of the United State or of any State or territory thereof. For the transfer of NPR-A leases, transferee is a citizen, national, or resident alien of the United State or
- such bond as may he required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206. the lease, to conditic n all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain Applicable terms at 1 conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of 3. Transferce's signate re to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease described herein.

due to the United State when this transfer is added to all previously created overriding royalties (43 CFR 3241). For geothermal transfer , an overriding royalty may not be less than one-fourth (14) of one percent of the value of output, nor greater than 50 percent of the rate of royalty

I certify that the statem are made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

įiΟ)	(51512)	(Spo Code)		
	(Transferor's Address)			
Attorney-in-fact	(enutangi2)		Attorney-in-fact	(5TUBRIGIC)
Transferor or	(enutangi2)		10	Industries, Inc. (Signature)
— vorseleror —	See Attached Please type or pri	<i>s</i> air	SateY LodA	Drilling Company etroleum Corporation
Executed this	Jo Kep	6I ·	Executed this Yates	Petroleum Corporation

BURDEN HOURS STATEMENT

Public reporting burder for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau C learance Officer (1004-0034), Washington, D.C. 20503.

Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

statements or representations as to any matter within its jurisdiction. Title 18 U.S.C. Sec. 100 1 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent

ATTACHED TO AND MADE A PART OF TRANSFER OF OPERATING RIGHTS DATED BETWEEN YATES PETROLEUM CORPORATION, ET AL AND GEORGE E. NAJAR, ET AL FEDERAL LEASE LC-060906.

"Transferor"			
By:George E. Najar	By:Elizabeth St. Clair Najar		
By:Susan Nishio	By:		
For David Najar			
By:			
His [.]			

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF NEW MEXICO)
COUNTY OF EDDY	:ss)
KNOW ALL MEN BY THESE PRESEN	NTS:
Najar, hereinafter all referred to as "Assigntis 3904 Allendale, Colleyville, TX 76034 No/100 Dollars, (\$10.00) and other good hereby acknowledged does hereby GRAN Petroleum Corporation (40%), MYCO In and Abo Petroleum Corporation (20%), was Artesia, New Mexico 88210, hereinafter and interest in and to that certain Oil and	St. Clair Najar, Susan Nishio, Jeffrey Najar, and David nor" in care of George E. Najar whose mailing address for and in the consideration of the sum of Ten and and valuable consideration the receipt of which is NT, BARGAIN, ASSIGN and CONVEY unto Yates dustries, Inc. (20%), Yates Drilling Company (20%) whose mailing addresses are 105 South Fourth Street, referred to as "Assignees" all of assignor's right, titled Gas Lease dated May 1, 1959 by and between the t C. Ballard, as lessee, lease number LC-060906 and R29E, Eddy County, New Mexico.
	an overriding royalty interest equal to a 7.5% with the proportionately reduced to the extent of the interest
Assignment forms that my be required to co This Assignment of Oil and Gas Lease shall	deration mentioned above to execute any Federal amplete this transfer of interest. If be executed herein with warranty of title and be free day of, 1997.
By:George E. Najar	By: Elizabeth St. Clair Najar
George E. Najar	Elizabeth St. Clair Najar
Bv:	By:
By: Susan Nishio	By: Jeffrey Najar
David Najar	
By:	
His:	
STATE OF NEW MEXICO)	
COUNTY OF EDDY)	
The foregoing instrument was acknown	owledged before this day of,
1997, by	on behalf of David Najar, a single incompetent man.
My Commission Expires:	

Notary Public

DATED AND M DATED AL AND GEORGE E. NAJ	BETWEEN YA	TES PETROLI	EUM CORPORATION, ET
STATE OF NEW MEXIC COUNTY OF EDDY	O) :ss)		
	ment was acknowledged by behalf of said proprietors		_ day of
My Commission Expires:	_	otary Public	
STATE OF NEW MEXICOUNTY OF EDDY	O) :ss)		
The foregoing instruction 1997, by Elizabeth St. Clair	nent was acknowledged be Najar on behalf of said pro		_ day of,
My Commission Expires:	No	otary Public	
STATE OF NEW MEXICO	O) :ss)		
The foregoing instrur 1997, by Susan Nishio on be	nent was acknowledged be half of said proprietorship.		_ day of,
My Commission Expires:	No	otary Public	
STATE OF NEW MEXICO	O) :ss)		
The foregoing instrur 1997, by Jeffrey Najar on bel	-		_day of
My Commission Expires:			

Notary Public

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



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

February 4, 1997

RE:

George Shannon Emmons

Assignment of Oil & Gas Lease

LC-060906

Township 18 South, Range 29 East

S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY

DENNIS G. KINSEY TREASURER

Section 1: W/2NW/4 Eddy County, New Mexico

Dear Mr. Emmons:

17 N. Lancaster Lane Newtown, PA 18940

Please execute and return the enclosed assignments to our office. Please note one of these assignments must be notarized. We have provided in each assignment that you retain an override of 7.5%. I will mail you a copy after it has been recorded in the Eddy County records.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

obert Bullad

Rebert Bullock

Landman

RB:bn enclosure(s)

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



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

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

June 5, 1997

George Shannon Emmons 17 N. Lancaster Lane Newtown, PA 18940

<u>CERTIFIED MAIL</u> Return Receipt Requested

RE: Assignment of Oil & Gas Lease

LC-060906

Township 18 South, Range 29 East

Section 1: W/2NW/4 Eddy County, New Mexico

Dear Mr. Emmons:

Please execute and return the enclosed assignments to our office. Please note one of these assignments must be notarized. We have provided in each assignment that you retain an override of 7.5%. I will mail you a copy after it has been recorded in the Eddy County records.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

obert Bullock by BN

Robert Bullock Landman

RB:bn enclosure(s)

• 7 Form 3000-3a (January 1996)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB NO. 1004-0034 Expires: September 30, 1998

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.) Act for Acquired Lands of 1947 (30 U.S.C. 351-359) Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025) LC-060906

Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

. Transferee (Sublessee)*	PART A: TRANSF	ER				
Street	Yates Petroleum Corporation		40.0%			
City, State, ZIP Code	105 South Fourth Street					-
Cay, baile, Zar Code	Artesia, New Mexico 88210					
more than one transferee, check	here 🖺 and list the name(s) and address(es) of	all additions	l transferees	on the rever	se of this for	m or on a
parate attached sheet of paper.				011 115 10701		m or on u
is transfer is for: (Check one) 🖔	Oil and Gas Lease, or Geothermal Lease	;				
terest conveyed: (Check one or bo	oth, as appropriate) Operating Rights (subl	ease) 🗆 O	verriding Roy	alty, payme	nt out of prod	luction or oth
•		S11	milar interest	s or payment	S	
This transfer (sublease) conveys						
La	nd Description	Pe	rcent of Inter	est		ent of
	Oo not submit documents or agreements other than	Owned	Conveyed	Retained	Overriding Royalty or Similar Interests	
s form; such documents or agreements	shall only be referenced herein.				Reserved	Previously
						reserved
	a .	ь	с	đ	e	or conveyed f
				· ·		
manashin 10 Couth Do	age 20 Feet N M D M	1 250	1 250	-0-	7.50%	-0-
Township 18 South, Rai Section 1: W/2NW/4	nge 29 East, N.M.P.M.	1.25%	1.25%	-0-	7.50%	-0-
Eddy County, New Mexic	20					
Eddy County, New Mexic	30					
		*				
`						
]]]	
					1	
			<u> </u>		<u> </u>	
	FOR BLM USE ONLY—DO NOT WRI	re below t	'HIS LINE			
	THE UNITED STATES OF	ANCEDICA				
his transfer is approved solely fo tle to this lease.	r administrative purposes. Approval does not	warrant tha	it either part	y to this trai	asfer holds le	gal or equita
ric M finz icese.	·					
Transfer approved effective						
3y(Authoria	ed Officer)		(Title)		····	(Data)
(Authoriz	ou ourself		£ 1 (TC)			(Date)

of the United States; an association of such critizens; a municipality; or a corporation organized under the laws f. For the transfer of NPR-A leases, transferee is a citizen, national, or resident alien of the United States or or private, public or municipal corporations; (b) Transferee is not considered a minor under the laws of the State	of the United State : or of any State or territory thereo
bove designated lease that he/she hereby transfers to the above transferee(s) the rights specified above.	I. The transferor certi ies as owner of an interest in the at
SATIFICATION AND REQUEST FOR APPROVAL	PART B: CE
	ATTOO COTYOU WAY ATTOO II
	105 South Forth Street Artesia, New Mexico 88210
20.08	Myco Industrate, Charact
	Artesia, New Mexico 88210
	105 South Forrth Street
20.0%	Abo Petrolew Corporation
	Artesia, New Mexico 88210
	702 South Forrth Street
80.02	Yates Drillirg Company
"DODGOOD IF 7 TONE HEADT HE HORIGHOSCAT TRIBUTE FOR IN PROPOSE IT 57. FOR HEADT HE CONTINUES TRIBUTED IN COCCURRENCE IN	MIN COURSE TO THOSE TO PRODUCE OF CITE TO

in which the lands c overed by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres in leases in each leasing District in Alaska (f which up to 200,000 acres may be in options, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920, or 51,200 acres in any one State (if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CFR Group 3200) and to act the same of the same gas lease holdings as required by sec. 17(g) and to eather other or same gas lease holdings as required by sec. 17(g)

of the Mineral Leading Act; and (f) Transferee is not in violation of sec. 41 of the Mineral Leasing Act.

3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, supulations and restrictions pertaining to the lease described herein.

Applicable terms and conditions include, but are not limited to, an obligation to conduct all operations on the leasehold in accordance with the terms and conditions of

For geothermal transfe 3, an overriding royalty may not be less than one-fourth (16) of one percent of the value of output, nor greater than 50 percent of the rate of royalty

the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain

I certify that the stater tents made herein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

such bond as may re required by the lessor pursuant to regulations 43 CFR 3104, 3134, or 3206.

		<u> </u>			
			(Spo QiZ)	(51 <u>81</u> 2)	((K:S)
	•		<u></u>	(Transferor's Address)	
	(этитяпдіг)	Attorney-in-fact	·	(mutangi2)	Attorney-in-fact
	(mulangi2)	Transferee To		(Signature)	Transferor
	o Industries, Inc.	ολ _Μ	រណៈ	Piease type or p	_
	es Drilling Company Petroleum Corporation	Yat	suo	eorde Shannon Emm	Game of Transferor _
6	es Petroleum Corporation .	Executed this Xat	61 '	o dep	Executed this

BURDEN HOURS STEMENT

Public reporting burds in for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reducion Project (1004-0034), Washington, D.C. 20503.

Title 18 U.S.C. Sec. 1 NI makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ASSIGNMENT OF OIL AND GAS LEASE

STATE OF NEW MEXICO) :ss
COUNTY OF EDDY)
KNOW ALL MEN BY THESE PRESENT	S:
Newtown, PA 18940, hereinafter referred sum of Ten and No/100 Dollars, (\$10.00) a of which is hereby acknowledged does he unto Yates Petroleum Corporation (40% Company (20%) and Abo Petroleum Corpo Fourth Street, Artesia, New Mexico 88 assignor's right, title and interest in and to tand between the United States of America	whose mailing address is 17 N. Lancaster Lane, to as "Assignor" for and in the consideration of the and other good and valuable consideration the receipt reby GRANT, BARGAIN, ASSIGN and CONVEY (6), MYCO Industries, Inc. (20%), Yates Drilling ration (20%), whose mailing addresses are 105 South (210, hereinafter referred to as "Assignees" all of that certain Oil and Gas Lease dated May 1, 1959, by as lessor, Clint C. Ballard, as lessee, lease number Section 1, T18S-R29E, Eddy County, New Mexico.
•	in overriding royalty interest equal to a 7.5% with the proportionately reduced to the extent of the interest
Assignor does also agree for the considerable Assignment forms that my be required to considerable.	deration mentioned above to execute any Federal mplete this transfer of interest.
This Assignment of Oil and Gas Lease shall of any and all liens or encumbrances this	be executed herein with warranty of title and be free day of, 1997.
	George Shannon Emmons
STATE OF NEW MEXICO) :ss	
COUNTY OF EDDY)	
The foregoing instrument was, 1997, by George S	acknowledged before this day of hannon Emmons.
My Commission Expires:	Notary Public

n 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 card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write 'Return Receipt Requested' on the mailpiece below the article The Return Receipt will show to whom the article was delivered and delivered.	I also wish to receive following services extra fee): 1. Addresse 2. Restricted Consult postmast	e's Address d Delivery		Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to George S. Emmons Street & Number 17 N. Lancaster Lane		
N ADDRESS completed or	3. Article Addressed to: George Shannon Emmons 17 N. LANCASTER LANE NEWTOWN, PA 18940	Consult postmaster for fee. 4a. Article Number P 216 557 469			Post Office, State, & ZIP Code Newtown, PA 18940 Postage		
		4b. Service Registere Express	ed Mail	☐ Insured	sing hetu	Certified Fee Special Delivery Fee	_
		Return Receipt for Merchandise COD 7. Date of Delivery		֓֞֜֞֜֜֞֜֜֜֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֡֓֜֡֓֓֡֓֡֓֓֡֓֜֡֓֡֓֡֓֡֡֡֓֡֓֡֓֡֡֡֡֓֡֡֡֓֜֡֡֡֡֓֡֡֡֡֡֡	Restricted Delivery Fee Return Receipt Showing to		
RETUF	5. Received By: (Print Name)	8. Addresse and fee is	e's Address <i>(Only i</i> i paid)	f requested	Thank you , April 1995	Whom & Date Delivered Return Receipt Showing to Whom, Date, & Addressee's Address	
s your	6. Signature: (Asoresche or Agent)	Assignment Lease			3800	TOTAL Postage & Fees Postmark or Date 6-5-	\$
*	PS Form 3811 , December 1994	2595-97-B-0179	Domestic Retu	urn Receipt	PS Form	Assignment LO	

TO RECOGNISH TO THE PROPERTY OF THE PROPERTY O

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



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

February 4, 1997

Sharon S. Emmons Personal Representative of the Estate of Charles R. Emmons 134 Nesmith Road Abilene, Texas 79602

RE: Assignment of Oil & Gas Lease

LC-060906

Township 18 South, Range 29 East

S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES

PRESIDENT

PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY

DENNIS G. KINSEY TREASURER

Section 1: W/2NW/4 Eddy County, New Mexico

Dear Ms. Emmons:

Please execute and return the enclosed assignments to our office. Please note one of these assignments must be notarized. We have provided in each assignment that you retain an override of 7.5%. I will mail you a copy after it has been recorded in the Eddy County records.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

elert Bullak

Røbert Bullock

Ländman

RB:bn enclosure(s)

Form 3000-3a • (January 1996)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB NO. 1004-0034 Expires: September 30, 1998

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Lease Serial No.

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.) Act for Acquired Lands of 1947 (30 U.S.C. 351-359) Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025) LC-060906

Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Type or print plainly in ink and sign in ink.

1. Transferee (Sublessee)*	PART A: TRANSP Yates Petroleum Corporation		40.	∩%		
Street	105 South Fourth Street		40.			
City, State, ZIP Code	Artesia, New Mexico 88210					_
••						
If more than one transferee, check	k here D and list the name(s) and address(es) of	all addition	al transferees	on the rever	rse of this for	m or on a
eparate attached sheet of paper.						•
		_				
	☑ Oil and Gas Lease, or ☐ Geothermal Leas		· · · · · · · · · · · · · · · · · · ·	•.		
nterest conveyed: (Check one or t	both, as appropriate) Departing Rights (sub-	lease) LI U	verriding Roy milar interest			luction or oth
· ·			·			
2. This transfer (sublease) conveys		D	of T		D	C
	and Description		ercent of Inter			cent of
	Do not submit documents or agreements other than	Owned	Conveyed	Retained	Overriding Royalty or Similar Interests	
his form; such documents or agreemen	is small only be referenced herein.				Reserved	Previously
	÷					reserved or conveyed
	a	b	С	d	ее	f
				-		
		1 250	1 250		7 500	
	inge 29 East, N.M.P.M.	1.25%	1.25%	-0-	7.50%	-0-
Section 1: W/2NW/4						
Eddy County, New Mexi	.CO					
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N.	•					
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	•					
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		TE 051 011		L	1	<u> </u>
	FOR BLM USE ONLY—DO NOT WRI	IE BELOM	I NIS LINE			
	THE UNITED STATES OF	AMERICA				
This transfer is annuaved calcles	for administrative purposes. Approval does not		at aithan naut	w to this two	nafan halda la	
title to this lease.	for administrative purposes. Approvat does not	warrant ut	at either part	y to this trai	usier noigs ie	gai or equita
V tank svenot	•					
☐ Transfer approved effective						
Rv						

(Authorized Officer)

(Title)

(Date)

A COMMISSION A DELECTION DESCRIPTION OF THE STATE FOR MAINER and additional transferees in Item No. 1, if needed, or for Land Description in Item No. 2 if needed.
--

Yates Drillirg Company 20.0%
105 South Forrth Street
Abo Petroleum Corporation 20.0%
105 South Forrth Street
Artesia, New Mexico 88210
Artesia, New Mexico 88210

Myco Industries, Inc. 105 South Forrth Street Artesia, New Mexico 88210

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

80.02

The transferor certifi s as owner of an interest in the above designated lease that he/she hereby transferor to the above transferee(s) the rights specified above.
 The transferoe certifies a follows: (a) Transferce is a citizen to the United States; an association organized under the linesteners.

Transferee certifies a follows: (a) Transferee is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States are of any State or territory thereof. For the transfer of MPR-A leases, transferee is a citizen, national, or resident alien of the United States or of such a disconsidered a minor under the laws of the State in which the lands core cred by this transfer are located; (c) Transferee's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in options, or 300,000 acres in leases in each leasing the same State, do not exceed 246,080 acres may be in options, if this is an oil and gas lease issued in accordance with the Mineral Leasing Act of 1920, or 51,200 acres in any one State, if this is a geothermal lease; and (d) All parties holding an interest in the transfer are otherwise in compliance with the regulations (43 CF Group 3200) and the authorizing Acts; (e) Transferce is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; (e) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f) Transferce is not in violation of sec. 41 of the Mineral Leasing Act; and (f

3. Transferee's signature to this assignment constitutes acceptance of all applicable terms, conditions, supulations and restrictions pertaining to the lease, described in accordance with the terms and conditions all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain the lease, to condition all wells for proper abandonment, to restore the leased lands upon completion of any operations as described in the lease, and to furnish and maintain such bond as may be required by the lease, put regulations 43 CFR 3104, 3134, or 3206.

For geothermal transfers, an overriding royalty may not be less than one-fourth (14) of one percent of the value of output, not greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

I certify that the stateme its made berein by me are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

		(oboO qiS)	(शहाट)	(City)
	•			(szarbbA z'roralzmarT)
(Signature)	Attorney-in-fact	· · ·	·	(5) (5) (5)	Attorney-in-fact
(stutengič)	10			(Stutsingie) :	10
Petroleum Corporation Industries, Inc.				Please type or pri	Torslener T
se Drilling Company			Euwous	e of Charles R.	Name of Transferor ES cat
es Petroleum Corporation, 19	Executed this Yate				Executed this Emmo 18,

ВИВДЕИ НОИВЗ STATEMENT

Public reporting burden or this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Charantee Offices (1004-0034), Washington, D.C. 20503.

Budget, Paperwork Reduction Project (1004-0034), Washington, D.C. 20503.

Form 3000-3a (January 1996)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0034 Expires: September 30, 1998

TRANSFER	OF OF	PERATING	RIGHTS	(SUBLEA	ISE) IN A
LEASE FOR O	IL AN	D GAS OR	GEOTHE	RMAL R	ESOURCES

Lease Serial No.

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act. Fiscal Year 1981 (42 U.S.C. 65

LC-060906

Department of the Interior Appropriations Act, F	iscal Tear IS	981 (42 U.S.)	U. 0308)			
Type or print plainly in ink	and sign	in ink.				
Transferee (Sublessee)* Street City, State, ZIP Code PART A: TRANSFER Yates Petroleum Corporation 40.0% Artesia, New Mexico 88210						
f more than one transferee, check here \(\omega \) and list the name(s) and address(es) of parate attached sheet of paper.	f all addition	al transferees	on the reve	rse of this for	rm or on a	
his transfer is for: (Check one)	lease) 🗆 O	verriding Ro	yalty, payme	nt out of pro	duction or oth	
		milar interest	s or paymen	us —————		
This transfer (sublease) conveys the following interest:				D-		
Land Description ditional space on reverse, if needed. Do not submit documents or agreements other than	Owned	Percent of Inter Owned Conveyed		Percent of Overriding Royalty or Similar Interests		
s form; such documents or agreements shall only be referenced herein.				Reserved	Previously reserved or conveyed	
<u>a</u>	<u>b</u>	С	d	е	f	
Township 18 South, Range 29 East, N.M.P.M. Section 1: W/2NW/4 Eddy County, New Mexico	1.25%	1.25%	-0-	7.50%	-0-	
	·					
FOR BLM USE ONLY-DO NOT WRI	TE BELOW T	HIS LINE	<u> </u>	<u> </u>	<u></u>	
The Victoria Co. mag. or	Axenna					
THE UNITED STATES OF his transfer is approved solely for administrative purposes. Approval does not tle to this lease.		it either part	y to this trai	ısfer holds le	gal or equita	
Transfer approved effective						

(Title)

(Date)

(Authorized Officer)

	30 U\$	Masomod Maillian.
auumonas transferees in item No. I, if needed, or for Land Description in Item No. 2 if needed.	to eaceaines mile source to	

Yates Drilling Company
105 South Fourth Street
Artesia, New Nexico 88210

Abo Petroleum Corporation 20.0%
105 South Fourth Street
Artesia, New Nexico 88210

\$0.02

Myco Industries, Inc. 105 South Fow th Street

Artesia, New Lexico 88210

(Signature)

PART B: CERTIFICATION AND REQUEST FOR APPROVAL

- 1. The transferor certifies as owner of an interest in the above designated lease that helshe hereby transfers to the above transferee(s) the rights specified above.
- Transferee certifies as follows; (a) Transferee is a citizen of the United States; an association of such critzens; a municipality; or a corporation organized under the laws of the United States or territory thereof. For the transfer of MPR-A leases, transferee is a citizen, national, or resident alien of the United States or or such critical problems of such critical problems of
- 3. Transferce's signature to this assignment constitutes acceptance of all applicable terms, conditions, stipulations and restrictions pertaining to the lease, and to furnish and maintain the lease, to condition as described in the lease, and to furnish and maintain the lease, and to furnish and maintain such bond as may be required by the lease of all applicable terms and conditions of any pertained by the lease, and to furnish and maintain such bond as may be required by the lease of all applicable terms.

For geothermal transfers, an overriding royalty may not be less than one-fourth (M) of one percent of the value of output, nor greater than 50 percent of the rate of royalty due to the United States when this transfer is added to all previously created overriding royalties (43 CFR 3241).

*control of the control of the contr	NYM easilingsT	Dal paintampal	
Name of Transferor 2. Attached Please type or print		Drilling Company etroleum Corporation	
el , lo ysb sint beiroexe	Executed this Xat	Petroleum Corporation	6
certify that the statemen s made herein by me are true, complete, and correct to the			

		(Sip Code)	(Stat2)	(City)
			steror's Address)	ns:T)
(भाणाबाखुंदि)	_	•	(Stutengie)	
	Attorney-in-fact			Attorney-in-fact
(a.p.m.q.a)	10		(10

(Signature)

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 30 minutes per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing he form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Bureau Clearance Officer (DW-110), Denver Federal Center, Building 40, P.O. Box 25047, Denver, CO 80225-0047 and the Office of Management and Budget, Paperwork Reduct on Project (1004-0034), Washington, D.C. 20503.

Title 18 U.S.C. Sec. 1001 riskes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.