

EXHIBIT A

Stevens & Tull, Inc.
Post Office Box 11005
Midland, TX 79702

Nearburg Exploration Company, LLC
3300 North "A" Street
Building 2, Suite 120
Midland, TX 79705

Nadel and Gusman Permian, LLC
601 N. Marienfeld
Suite 508
Midland, TX 79701

American Exploration Company
1331 La Mar, Suite 900
Houston, TX 77010

Ralph A. Vanderwart
Flying H.
New Mexico 88322

Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

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

Case No. 12024 Exhibit No. 13

Submitted by: Yates Petroleum Corporation

Hearing Date: August 6, 1998

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

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WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

July 16, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**TO AFFECTED PARTIES IN SECTION 7, TOWNSHIP 21 SOUTH, RANGE 22 EAST,
NMPM, EDDY COUNTY, NEW MEXICO**

Re: Application of Yates Petroleum Corporation for an unorthodox well location and simultaneous dedication, Eddy County, New Mexico

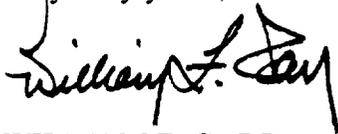
Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an exception to the provisions of Oil Conservation Division General Rule 104 C (2) (b) for its Little Box Canyon AOX Federal Well No. 2 well to be drilled at an unorthodox well location 1980 feet from the North line and 1190 feet from the West line of Section 7, Township 21 South, Range 22 East, NMPM, Eddy County, New Mexico. Yates also seeks authorization to simultaneously dedicate the W/2 of said Section 7 to the Little Box Canyon AOX Federal Well No. 2 and the Little Box Canyon AOX Federal Well No. 1 which is located at a previously approved unorthodox well location in the Morrow formation 800 feet from the South line and 1600 feet from the West line of said Section 7.

This application has been set for hearing before a Division Examiner on August 6, 1998. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, 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: Douglas W. Hurlbut

7 211 156 311
 US Postal Service
Receipt for Certified Mail

Stevens & Tull, Inc.
 Post Office Box 11005
 Midland, TX 79702

Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
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Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	JUL 16 1993

PS Form 3800, April 1991

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

PS Form 3811, December 1994

5. Received By: (Print Name)
 STEVENSON
 6. Signature: (Address or Agent)
 STEVENSON

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

3. Article Addressed to:
 Stevens & Tull, Inc.
 Post Office Box 11005
 Midland, TX 79702

4a. Article Number
 Z211 156 311

4b. Service Type
 Registered
 Express Mail
 Certified
 Insured
 COD

7. Date of Delivery

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

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 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.
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 1. Addressee's Address
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Is your **RETURN ADDRESS** completed on the reverse side?

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3. Article Addressed to:

Nearburg Exploration Company, LLC
 3300 North "A" Street
 Building 2, Suite 120
 Midland, TX 79705

4a. Article Number

Z 211 156 312

4b. Service Type

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

7. Date of Delivery

7-20-95

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

5. Received By (Print Name)

Walker

6. Signature: Addressee or Agent

X

PS Form 3811, December 1994

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Z 211 156 312

US Postal Service

Receipt for Certified Mail

Nearburg Exploration Company, LLC
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 Building 2, Suite 120
 Midland, TX 79705

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Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	JUL 16 1995

PS Form 3800, April 1995

Z 211 156 313
US Postal Service
Receipt for Certified Mail

Nadel and Gusman Permian, LLC
601 N. Marienfeld
Suite 508
Midland, TX 79701

Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
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TOTAL Postage & Fees	\$ 3.00
Postmark or Date	APR 16 1995

PS Form 3800 April 1995

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

<p>SENDER:</p> <ul style="list-style-type: none"> ■ 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 		<p>I also wish to receive the following services (for an extra fee):</p> <p>1. <input type="checkbox"/> Addressee's Address</p> <p>2. <input type="checkbox"/> Restricted Delivery</p> <p>Consult postmaster for fee.</p>	
<p>3. Article Addressed to:</p> <p>Nadel and Gusman Permian, LLC 601 N. Marienfeld Suite 508 Midland, TX 79701</p>		<p>4a. Article Number Z211 156 313</p>	
<p>5. Received By: (Print Name)</p> <p><i>Sam Miller</i></p>		<p>4b. Service Type</p> <p><input type="checkbox"/> Registered</p> <p><input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> COD</p> <p><input checked="" type="checkbox"/> Certified</p> <p><input type="checkbox"/> Insured</p>	
<p>6. Signature (Address or Agent)</p> <p><i>Sam Miller</i></p>		<p>7. Date of Delivery <i>APR 9 1995</i></p>	
<p>PS Form 3811, December 1994</p>		<p>8. Addressee's Address (Only if requested and fee is paid)</p>	

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US Postal Service
Receipt for Certified Mail

American Exploration Company
1331 La Mar, Suite 900
Houston, TX 77010

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Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 3.00
Postmark or Date	APR 10 1995

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1331 La Mar, Suite 900
Houston, TX 77010

4a. Article Number

Z 211 156 314

4b. Service Type

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

7. Date of Delivery

7:20-98

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

5. Received By: (Print Name)

ROGER E SALINAS

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

102595-98 8-0229

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3. Article Addressed to:

Ralph A. Vanderwart
Flying H.
New Mexico 88322

4a. Article Number

Z 211 156 315

4b. Service Type

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

7. Date of Delivery

7-20-98

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

5. Received By: (Print Name)

Ralph A. Vanderwart

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

102595-98 B-0229

Domestic Return Receipt

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Z 211 156 315

US Postal Service

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Ralph A. Vanderwart
Flying H.
New Mexico 88322

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1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

4a. Article Number
Z211156316

4b. Service Type

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

7. Date of Delivery

7-20-98

5. Received By: (Print Name)

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

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

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Domestic Return Receipt

Z 211 156 316
US Postal Service
Receipt for Certified Mail

Bureau of Land Management
2909 West Second Street
Roswell, NM 88201

Postage	\$.55
Certified Fee	1.35
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.10
Return Receipt Showing to Whom, Date, & Addressee's Address	
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Postmark or Date	JUL 16 1998

PS Form 3800, April 1995

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