

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF YATES PETROLEUM CORPORATION
FOR POOL CONTRACTION, POOL
EXTENSION AND SPECIAL POOL RULES,
OR IN THE ALTERNATIVE,
SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

CASE NO. 12037

AFFIDAVIT

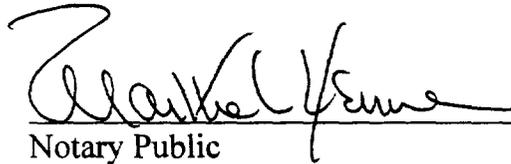
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

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 31st day of March, 1999.



Notary Public

My Commission Expires: August 19, 1999

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

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN
KATHERINE M. MOSS

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
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

December 10, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO AFFECTED INTEREST OWNERS:

Re: *Amended Application of Yates Petroleum Corporation for Pool Contraction, Pool Extension and Special Pool Rules, or in the Alternative, for Simultaneous Dedication, Lea County, New Mexico*

Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking authorization to simultaneously dedicate a standard spacing proration unit in the North Shoe Bar-Atoka Gas Pool comprised of the E/2 of Section 10, Township 16 South, Range 35 East, NMPM, to its Brunson "AQK" Well No. 1 located 2260 feet from the North line and 1795 feet from the East line and its Big Flat "ASN" State Com Well No. 1 located 1650 feet from the South line and 1980 feet from the East line of said Section 10 or, in the alternative, the contraction and expansion of the current boundaries of the North Shoe Bar-Atoka Gas Pool to conform to the spacing units dedicated to the wells in this pool and the adoption of special pool rules and regulations for this pool which authorize a second gas well on each standard 320-acre spacing and proration unit. The North Shoe Bar-Atoka Gas Pool currently includes the N/2 of Sections 10 and 11 of Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

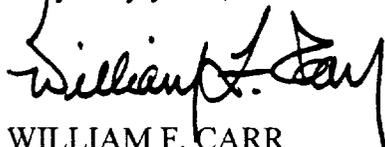
This application has been set for hearing before a Division Examiner on January 7, 1999. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

December 10, 1998

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,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large, stylized initial "W".

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

Z 181 567 380

US Postal Service

Receipt for Certified Mail

AmeriState Oil & Gas, Inc.
1211 W. Texas
Midland, TX 79701

PS Form 3800, April 1995

| | |
|---|---------|
| 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 | |

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:
AmeriState Oil & Gas, Inc.
1211 W. Texas
Midland, TX 79701

4a. Article Number
2 181 567 380

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
12/15/98

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
X [Signature]

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

PS Form 3811, December 1994 102595-08-8-0229 Domestic Return Receipt

Z 181 567 381

US Postal Service

Receipt for Certified Mail

David H. Arrington Oil & Gas, Inc.
Post Office Box 2071
Midland, TX 79702

PS Form 3800, April 1995

| | |
|---|---------|
| 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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4a. Article Number
2 181 567 381

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
DEC 17 1998
MIDLAND TX 79701
USPS

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
X [Signature]

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

PS Form 3811, December 1994 102595-08-8-0229 Domestic Return Receipt

Z 181 567 382

US Postal Service
Receipt for Certified Mail

Fuel Products, Inc.
Post Office Box 3098
Midland, TX 79702-3098

| | |
|---|----------------|
| Postage | \$ 1.55 |
| 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 |
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PS Form 3800, April 1995

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Consult postmaster for fee.

3. Article Addressed to:
Fuel Products, Inc.
Post Office Box 3098
Midland, TX 79702-3098

4a. Article Number
2181567382

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

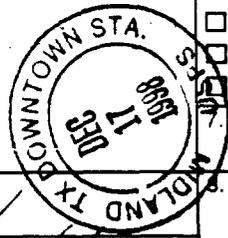
7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
X *[Signature]*

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

PS Form 3811, December 1994 102595-00-8-0229 Domestic Return Receipt



Thank you for using Return Receipt Service

Z 181 567 383

US Postal Service
Receipt for Certified Mail

Exxon Company, USA
Post Office Box 4697
Houston, TX 77210-4697

| | |
|---|----------------|
| Postage | \$ 1.55 |
| 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 | |

PS Form 3800, April 1995

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Exxon Company, USA
Post Office Box 4697
Houston, TX 77210-4697

4a. Article Number
2181567383

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
APR 15 1995

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
X *[Signature]*

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PS Form 3811, December 1994 102595-00-8-0229 Domestic Return Receipt

Thank you for using Return Receipt Service

Z 181 567 384

US Postal Service

Receipt for Certified Mail

JFG Enterprises Ltd., Co.
Post Office Box 100
Artesia, NM 88211-0100

PS Form 3800, April 1995

| | |
|---|----------------|
| 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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- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

JFG Enterprises Ltd., Co.
Post Office Box 100
Artesia, NM 88211-0100

4a. Article Number

2181 567 384

4b. Service Type

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

7. Date of Delivery

12-15-98

5. Received By: (Print Name)

[Signature]

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

6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

102595-98-8-0229 Domestic Return Receipt

Z 181 567 385

US Postal Service

Receipt for Certified Mail

Mark L. Shidler, Inc.
1010 Lamar, Suite 500
Houston, TX 77002

PS Form 3800, April 1995

| | |
|---|----------------|
| 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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Mark L. Shidler, Inc.
1010 Lamar, Suite 500
Houston, TX 77002

4a. Article Number

2181 567 385

4b. Service Type

- Registered Certified
- Express Mail Insured
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7. Date of Delivery

2/15/99

5. Received By: (Print Name)

[Signature]

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6. Signature: (Addressee or Agent)

X *[Signature]*

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