

**Amoco Production Company**

Houston Region  
501 WestLake Park Boulevard  
Post Office Box 3092  
Houston, Texas 77253

713-556-2000

James F. Trickett  
Regional Environmental  
Affairs and Safety Manager

February 23, 1988

*Case No.  
9320*

File: JCA-986.51NM-450

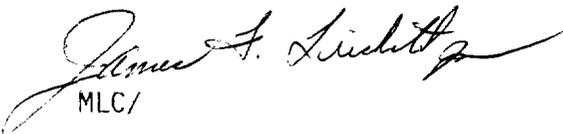
Re: Unorthodox Well Location  
Preisa AFF State No. 1  
1980' FNL & 660' FEL, Sec. 16, T24S, R35E  
Lea County, New Mexico

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: William J. LeMay

Amoco Production Company has been advised that Yates Petroleum Corporation has made application to drill the referenced well at the above stated unorthodox location. This is to advise that Amoco has no objection to approval of the application.

Yours very truly,

  
MLC/

cc: Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

To: Bruce  
From: Bernice

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

FEB 26 1988

February 8, 1988

RECEIVED  
FEB 17 1988  
PRODUCING DIVISION

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87501

ATTENTION: Mr. William LeMay

RE: Preisa AFF State #1  
1980' FNL and 660' FWL  
Section 16-T24S-R35E  
Lea County, New Mexico

Case 9320  
M.S.

Dear Sir:

Yates Petroleum Corporation has been placed on the hearing docket for March 2, 1988, for the non-standard location for the captioned well.

The reason for requesting this non-standard location is geological. This is our preferred location as we feel that it is the best location to drill the 16,500' Morrow test.

Enclosed please find a copy of the lease map showing the offsetting lease operators, a topographic map of the area and a survey plat. Offset operators have been notified of our intentions by certified mail, via a xerox copy of this letter. A copy of the certifications are enclosed.

Formations that we expect to drill through are: Delaware, Bone Springs, Wolfcamp, Strawn, Atoka and Morrow. Our expected total depth is 16,500' Morrow.

Should you have any questions regarding this matter, please do not hesitate to call me at 505-748-1471.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

*Rusty Jernigan*  
Rusty Jernigan  
Regulatory Secretary

2/18/88 Please note my objections and return ASAP.  
*Travis Bernice*

rj

Enclosures

OFFSET OPERATORS FOR  
PREISA AFF STATE #1  
Section 16-T24S-R35E  
Lea County, New Mexico

Florida Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

Chessie Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

Amoco Production Company  
Box 3092  
Houston, TX 77253  
Attention: Mr. Chris Raper

Chevron USA, Inc.  
Box 1150  
15 Smith Road  
Midland, TX 79702  
Attention: Mr. Steve Burke

Texaco, Inc.  
Box 3109  
Midland, TX 79702  
Attention: S. L. Chandler

Lynwood A. Payne  
P. O. Box 434  
Jal, NM 88252

ACF Petroleum  
Suite 900  
Vaughn Building  
Midland, TX 79701

Enron Oil and Gas Company  
Box 2267  
Midland, TX 79702  
Attention: Craig Duke

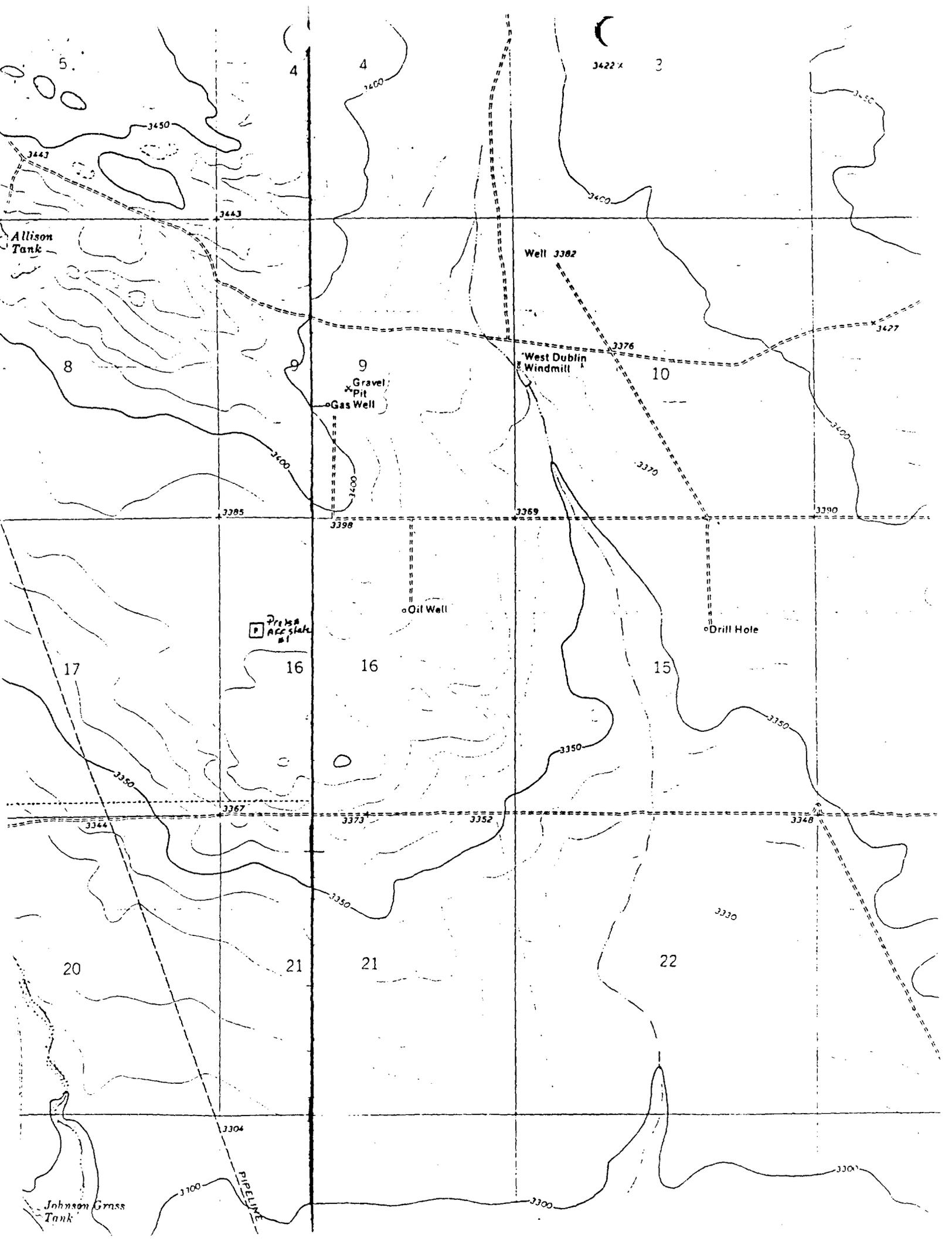
Arco Oil and Gas Company  
Box 1610  
Midland, TX 79702  
Attention: Mr. Mike Sullivan

Pogo Producing Company  
Box 10340  
Midland, TX 79702  
Attention: Mr. A. T. Carleton

Mobil Exploration & Producing U.S.  
Box 633  
Midland, TX 79702  
Attention: J. B. Huckabay

Hamon Operating Company  
1st Republic Bank Center  
325 N. St. Paul  
3900 Tower 2  
Dallas, TX 75201-3902  
Attention: Mr. Larry Smith





NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-1  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

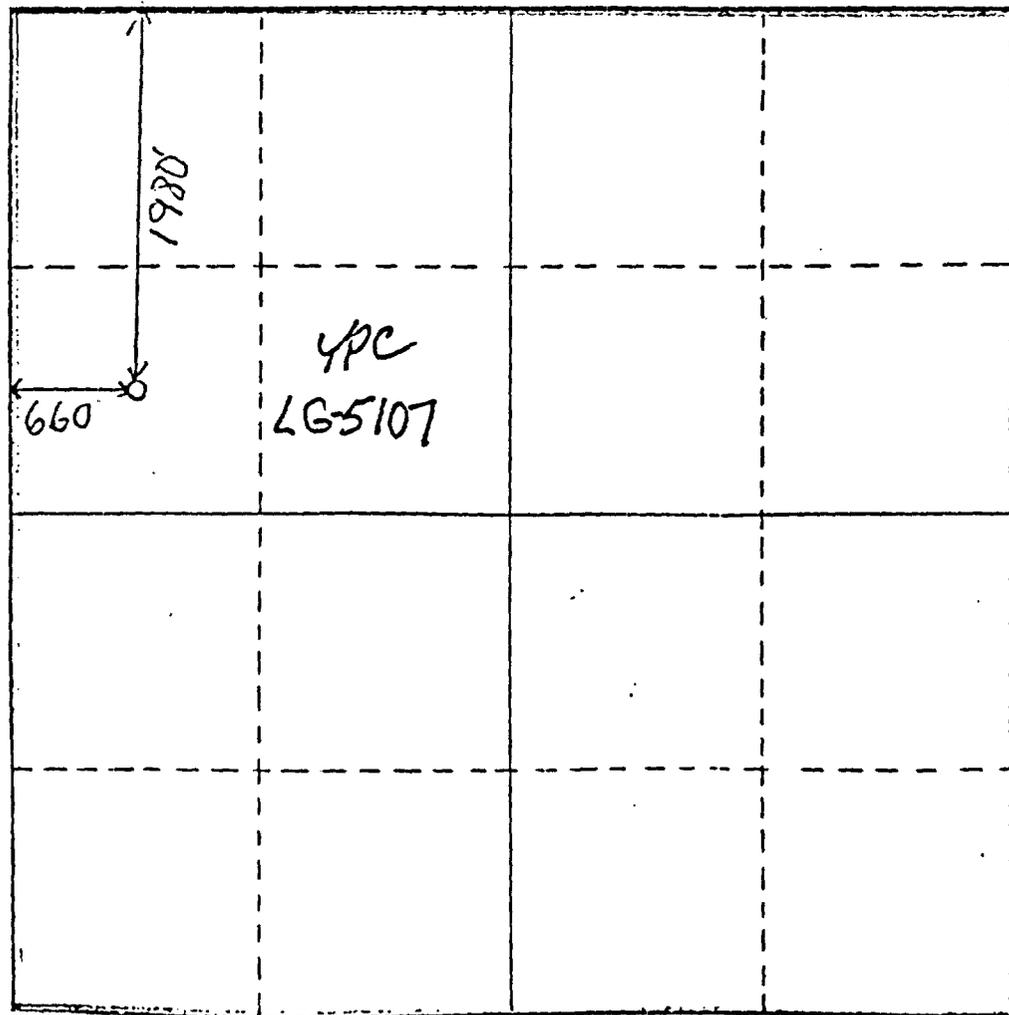
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>PREISA AFF STATE</b>		Well No. <b>1</b>
Unit Letter <b>E</b>	Section <b>16</b>	Township <b>24S</b>	Range <b>35E</b>	County <b>LEA</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3384.5'</b>	Producing Formation <b>Morrow</b>		Pool <b>Cinta Roja</b>	Dedicated Acreage: <b>640</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on this plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Cy Cowan*  
Name

Cy Cowan  
Position

Regulatory Agent  
Company

Yates Petroleum Corporation  
Date

January 29, 1988

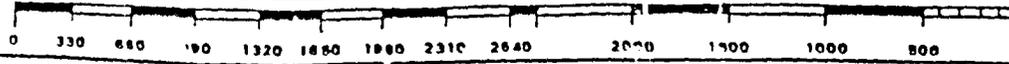
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

DATE OF SURVEY  
January 28, 1988  
Date Surveyed

REGISTRAR OF DEEDS  
L. J. HERSHEL  
and/or State Surveyor

*[Signature]*  
Certificate No.

3640



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

February 15, 1988

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Hondo Oil and Gas Company, has no objections to the non-standard location for the well listed above.

  
\_\_\_\_\_  
Signature

*Petroleum Engineer*  
\_\_\_\_\_  
Title

*2/23/88*  
\_\_\_\_\_  
Date



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 749-1471

S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

*Case file  
9320*

RECEIVED

FEB 9 1988

LAND DEPT.  
Midland, TX

February 8, 1988

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

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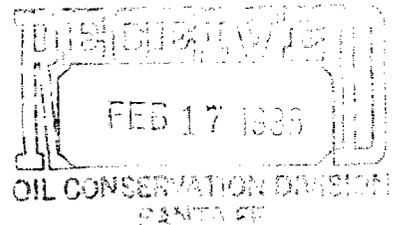
W A I V E R

As an offset operator, Chevron USA, Inc., has no objections to the non-standard location for the well listed above.

Alan W. Bohling  
Signature

Division Promotion Engineer  
Title

February 11, 1988  
Date





RECEIVED  
FEB 16 1988

**Pogo Producing Company**

Western Division

600 United Bank Building • Post Office Box 10340 • Midland Texas 79702-7340 • 915/682-6822

February 11, 1988

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Attention: Rusty Jernigan

Re: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16, T-24-S, R-35-E  
Lea County, New Mexico

Gentlemen:

Reference is made to your letter dated February 8, 1988 pertaining to the Preisa AFF State #1 which is to be located 1980' FNL and 660' FWL of Section 16, T-24-S, R-35-E, Lea County, New Mexico. In accordance with your request, Pogo Producing Company has executed and encloses herewith your February 8, 1988 waiver letter signifying that we have no objections to your non-standard location for the subject well. As you have requested, we are also furnishing the New Mexico Oil Conservation Division with a duplicate copy of said waiver letter.

If we may of any further assistance, please contact us.

Yours very truly,

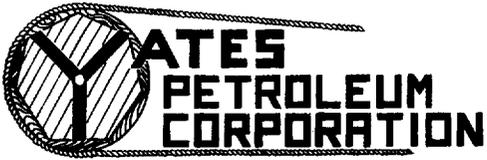
POGO PRODUCING COMPANY

*Jerry Cooper*  
J. A. Cooper  
Western Division Landman

JAC:bt

Enclosure

cc: New Mexico Oil Conservation Division (w/Enclosure)  
→ Attention: Mr. William LeMay  
P. O. Box 2088  
Santa Fe, New Mexico 87501



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

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

February 8, 1988

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Pogo Producing Company, has no objections to the non-standard location for the well listed above.

  
\_\_\_\_\_  
Signature A. T. Carleton

Vice President  
\_\_\_\_\_  
Title

February 10, 1988  
\_\_\_\_\_  
Date



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

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

RECEIVED  
FEB 16 1988

February 8, 1988

RE: Non-Standard Location for  
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Lea County, New Mexico

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W A I V E R

As an offset operator, Enron Oil and Gas Company, has no objections to the non-standard location for the well listed above.

*B. H. Morrison*

\_\_\_\_\_  
Signature

**B. H. MORRISON, Agent and Attorney-in-Fact**

\_\_\_\_\_  
Title

*2-10-88*

\_\_\_\_\_  
Date



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

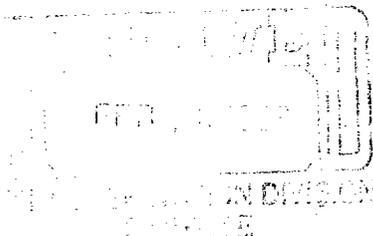
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ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 749-1471

RECEIVED

FEB 9 1988

LAND DEPT.  
Midland, TX

February 8, 1988



RE: Non-Standard Location for  
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1980' FNL and 660' FWL of  
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Lea County, New Mexico

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W A I V E R

As an offset operator, Chevron USA, Inc., has no objections to the non-standard location for the well listed above.

Alan W. Bohling  
Signature

Division Protection Engineer  
Title

February 11, 1988  
Date

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

February 15, 1988

*Case No. 9320*

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

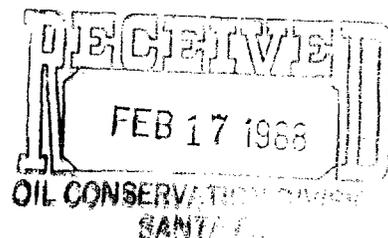
W A I V E R

As an offset operator, Page Petroleum, has no objections to the non-standard location for the well listed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



P 728 603 597

**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

Sent to Page Energy	
Street and No. P. O. Box 734	
P.O., State and ZIP Code Eldorado, TX 76936	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date February 16, 1988 Preisa AFF #1 - NSL	

PS Form 3800, June 1985

*These guys bought out Damon  
Operating Company in the  
area of our well.*

FEB 17 1988  
OIL CONSERVATION DIVISION  
SANTA FE



# GRANT OIL TOOL COMPANY

Odessa, Tex. (915) 332-0847    Sonora, Tex. (915) 387-2031    Hobbs, N.M. (505) 392-6555

2-16-88

Note -

Pace Energy has bought  
out Hamon Operating in the  
area of our Pearsa location.

Rusty

2-15-88

Mike -

Here is some more  
stuff on the Preisa AFF.

Any questions, give me  
a call.

Rusty

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



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

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PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. HATTERSON  
SECRETARY  
WILLIAM G. KINSEY  
TREASURER  
**RECEIVED**  
FEB 16 1988  
OIL CONSERVATION DIVISION  
SANTA FE

February 15, 1988

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Hondo Oil and Gas Company, has no objections to the non-standard location for the well listed above.

\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Date

*Case No. 9320*  
*W.S.*

P 728 603 594

**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Hondo Oil and Gas Company	
Street and No. P. O. Box 2208	
P.O., State and ZIP Code Roswell, NM 88201	
Postage Mr. Jack McMinn	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date February 15, 1988 Preisa AFF #1 - NSL	

PS Form 3800, June 1985



YATES BUILDING - 105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210



*POE  
110  
AD*  
*P.O. Box 27711  
London, TX  
71927*

Florida Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

UNDELIVERABLE AS ADDRESSED  
FORWARDING ORDER EXPRESSES  
TO SENDER



Claim Check  
No.

110011

Hold

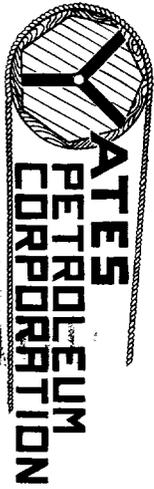
Date

2-8-88  
1ST Notice

2ND Notice

Return

Detached from  
PS Form 3849-A  
Oct. 1985



YATES BUILDING - 105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210

**CERTIFIED**

P 7 2 8 6 0 3 5 8 J

**MAIL**

Lynwood A. Payne  
P. O. Box 434  
Jal, NM 88252

Claim Check

726002

Hold

Date

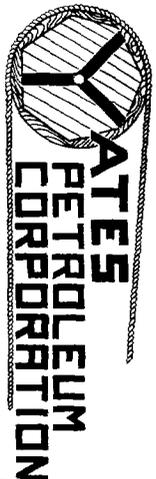
2-10  
1ST Notice

2ND Notice  
2-25  
Return

Detached from  
PS Form 3849-A,  
Oct. 1985



*Fwd  
Expired*



YATES PETROLEUM CORPORATION  
YATES BUILDING - 105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210

**CERTIFIED MAIL**  
P 728 603 570

Chessie Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

UNDELIVERABLE AS ADDRESSEE  
RETURN TO SENDER  
FORWARDING OTHER ENVELOPE



Claim Check No. 110014

Hold

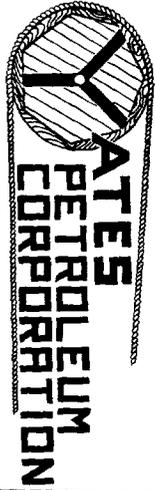
Date

2-9-88  
1ST Notice

2ND Notice

Return

Deposited from  
PS Form 3845-A  
Oct 1985



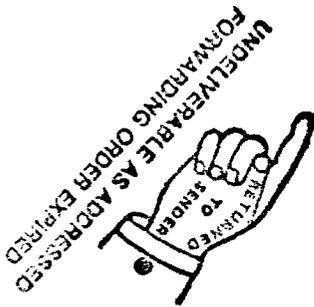
**YATES  
PETROLEUM  
CORPORATION**

YATES BUILDING - 105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210

**CERTIFIED  
MAIL**

P 728 603 574

ACF Petroleum  
Suite 900  
Vaughn Building  
Midland, TX 79701



Claim Check  
No. 070219

Hold

Date

2-9-88  
1ST Notice

2ND Notice

Return

Detached from  
PS Form 3809-A,  
Oct. 1985

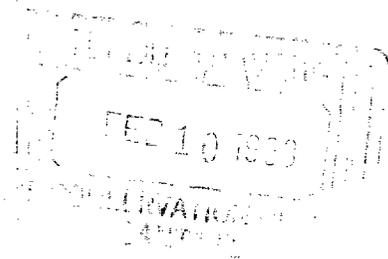
To: Mike Stogner 2-9-88  
From: Rusty J.

Mike,

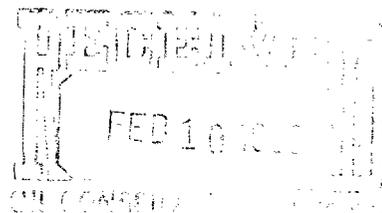
Enclosed is a new address list showing the other 2 people I have notified, copies of their waiver and certification on the Prusa AFF State #1. Hope this will bring us up to date.

Any questions, give me a holler.

Rusty



OFFSET OPERATORS FOR  
PREISA AFF STATE #1  
Section 16-T24S-R35E  
Lea County, New Mexico



*Case 9320*

Florida Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

ACF Petroleum  
Suite 900  
Vaughn Building  
Midland, TX 79701

Chessie Exploration  
Suite 900  
Vaughn Building  
Midland, TX 79701

Enron Oil and Gas Company  
Box 2267  
Midland, TX 79702  
Attention: Craig Duke

Amoco Production Company  
Box 3092  
Houston, TX 77253  
Attention: Mr. Chris Raper

Arco Oil and Gas Company  
Box 1610  
Midland, TX 79702  
Attention: Mr. Mike Sullivan

Chevron USA, Inc.  
Box 1150  
15 Smith Road  
Midland, TX 79702  
Attention: Mr. Steve Burke

Pogo Producing Company  
Box 10340  
Midland, TX 79702  
Attention: Mr. A. T. Carleton

Texaco, Inc.  
Box 3109  
Midland, TX 79702  
Attention: S. L. Chandler

Mobil Exploration & Producing U.S.  
Box 633  
Midland, TX 79702  
Attention: J. B. Huckabay

Lynwood A. Payne  
P. O. Box 434  
Jal, NM 88252

Hamon Operating Company  
1st Republic Bank Center  
325 N. St. Paul  
3900 Tower 2  
Dallas, TX 75201-3902  
Attention: Mr. Larry Smith



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

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

February 8, 1988

RE: Non-Standard Location for  
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Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Hamon Operating Company, has no objections to the non-standard location for the well listed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



S. P. YATES  
PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT

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

February 8, 1988

RE: Non-Standard Location for  
Preisa AFF State #1  
1980' FNL and 660' FWL of  
Section 16-T24S-R35E  
Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Rusty Jernigan, and one (1) copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. William LeMay, if you have no objections to the proposed non-standard location listed above. A xerox copy of a letter to Mr. William LeMay is attached to tell you of our intentions.

W A I V E R

As an offset operator, Lynwood A. Payne, has no objections to the non-standard location for the well listed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

P 728 603 581

**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Lynwood A. Payne	
Street and No. P. O. Box 434	
P.O., State and ZIP Code Jal, NM 88252	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date February 9, 1988 Preisa AAF #1 - NSL	

PS Form 3800, June 1985

P 728 603 580

**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Hamon Operating Company	
Sent to 1st Republic Bank Center	
205 W. St. Paul	
3900 Tower 2	
P.O., State and ZIP Code Dallas, TX 75201-3902	
Postage	Larry Smith \$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date February 9, 1988 Preisa AAF #1 - NSL	

PS Form 3800, June 1985

Called in by Chad Mickerson  
2/18/88

# Memo

From

FLORENE DAVIDSON  
OC Staff Specialist

To March 2, 1988

Yates Petroleum Corporation  
Unorthodox <sup>Gas</sup> Well Location

1980/W + 660/W

16-245-35E

Cinta Roja - Morrow Gas Pool

All of Section 16 dedicated  
Lea County

- 
- Copy of Special Rules
  - Draft Check Post Bankers
  - Check size of transition unit
  - Pull all rules in Section 16.
-

(CINTA ROJA-MORROW GAS POOL - Cont'd.)

(6) That the special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the vertical limits of the Cinta Roja-Morrow Gas Pool shall be the Morrow zone of the Pennsylvanian formation and the horizontal limits of said pool shall be extended to include the N/2 and SE/4 of Sec. 9, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) That Special Rules and Regulations for the Cinta Roja-Morrow Gas Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE CINTA ROJA-MORROW GAS POOL

RULE 1. Each well completed or recompleted in the Cinta Roja-Morrow Gas Pool or in the Morrow formation within one mile thereof, and not nearer to or within the limits of another designated Morrow gas pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 640 acres, more or less, consisting of a governmental section.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Lands Survey, or the following facts exist and the following provisions are complied with:

- (a) The non-standard unit consists of quarter quarter sections or lots that are contiguous by a common bordering side.
(b) The non-standard unit lies wholly within a governmental section and contains less acreage than a standard unit.
(c) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which the non-standard unit is situated and which acreage is not included in said non-standard unit.
(d) In lieu of paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 1650 feet to the outer boundary of the section and no nearer than 330 feet to any governmental quarter-quarter section line.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Cinta Roja-Morrow Gas Pool or in the Morrow formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify

the Hobbs District Office of the Commission in writing of the name and location of the well on or before January 1, 1967.

(2) That the operator of each well presently drilling to or completed in the Cinta Roja-Morrow Gas Pool or in the Morrow formation within one mile thereof shall receive a 320-acre allowable until a Form C-102 dedicating 640 acres to the well has been filed with the Commission.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, new Mexico, on the day and year hereinabove designated.

EAST PUERTO CHIQUITO-MANCOS POOL WEST PUERTO CHIQUITO-MANCOS POOL Rio Arriba County, New Mexico

Order No. R-2565-B, Abolishes Puerto Chiquito-Mancos Pool, Creates East Puerto Chiquito-Mancos Pool and West Puerto Chiquito-Mancos Pool and Adopts Temporary Operating Rules for the West Puerto Chiquito-Mancos Pool, Rio Arriba County, New Mexico, November 28, 1966, as Amended by Order No. R-2565-C, January 6, 1970, Order No. R-6469, September 10, 1980, Order No. R-6469-A, January 29, 1981, Order No. R-6469-B, February 1, 1986, and Order Nos. R-6469-C and R-3401-A, September 1, 1986.

Order No. R-2565-C, January 6, 1970, makes permanent the rules adopted in Order No. R-2565-B, as amended.

See separate Order No. R-3994, August 1, 1970, contracting the horizontal limits of the East Puerto Chiquito-Mancos Pool and extending the horizontal limits of the West Puerto Chiquito-Mancos Pool.

See separate Order No. R-6469-D, effective June 8, 1987, approving an allowable and gas-oil ratio limit for the West Puerto Chiquito-Mancos Oil Pool.

Application of Benson-Montin-Greer Drilling Corporation for Division of an Oil Pool into Two Pools and for Special Rules for Each, Rio Arriba County, New Mexico.

CASE NO. 3455 Order No. R-2565-B

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on November 16, 1966, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 28th day of November, 1966, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

## (CINTA ROJA-MORROW GAS POOL - Cont'd.)

(6) That the special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

## IT IS THEREFORE ORDERED:

(1) That the vertical limits of the Cinta Roja-Morrow Gas Pool shall be the Morrow zone of the Pennsylvanian formation and the horizontal limits of said pool shall be extended to include the N/2 and SE/4 of Sec. 9, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) That Special Rules and Regulations for the Cinta Roja-Morrow Gas Pool are hereby promulgated as follows:

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FOR THE  
CINTA ROJA-MORROW GAS POOL

**RULE 1.** Each well completed or recompleted in the Cinta Roja-Morrow Gas Pool or in the Morrow formation within one mile thereof, and not nearer to or within the limits of another designated Morrow gas pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

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**RULE 3.** The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Lands Survey, or the following facts exist and the following provisions are complied with:

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DONE at Santa Fe, new Mexico, on the day and year hereinabove designated.

EAST PUERTO CHIQUITO-MANCOS POOL  
WEST PUERTO CHIQUITO-MANCOS POOL  
Rio Arriba County, New Mexico

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NOW, on this 28th day of November, 1966, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

DICKERSON, FISK & VANDIVER

ATTORNEYS AT LAW

SEVENTH & MAHONE / SUITE E

ARTESIA, NEW MEXICO 88210

(505) 746-9841

CHAD DICKERSON  
JOHN FISK  
DAVID R. VANDIVER  
REBECCA REESE DICKERSON

March 1, 1988

Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Case No. 9320  
Examiner Hearing of March 2, 1988  
Preisa "AFF" State No. 1 Well  
Township 24 South, Range 33 East, NMPM  
Section 16: All  
Lea County, New Mexico

Gentlemen:

Please dismiss the Application of Yates Petroleum Corporation for an Unorthodox Well Location and an Exception to the Special Rules and Regulations of the Cinta Roja Pool, Lea County, New Mexico, covering the above referenced lands, which has been set for the Examiner Hearing of March 2, 1988.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

  
Chad Dickerson

CD:pvw

cc: Ms. Kathy Colbert

