



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

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

October 9, 1987

TO: WORKING INTEREST OWNERS
ADDRESSEE LIST ATTACHED

Re: Lazy Tree State Unit
Township 13 South, Range 32 East, N.M.P.M.
Section 1: All
Section 2: All
Section 11: E $\frac{1}{2}$
Section 12: All

Township 13 South, Range 33 East, N.M.P.M.
Section 5: NW $\frac{1}{4}$
Section 6: All
Section 7: All
Section 8: All
Section 18: N $\frac{1}{2}$
Lea County, New Mexico

Containing 4638.37 acres, more or less

Gentlemen:

Yates Petroleum Corporation proposes the formation of an undivided-type State Unit for the drilling of a 10,500 foot Permo Penn test. We invite you to join this unit and participate in the drilling of the initial well at a location described as 660' FNL and 660' FEL, Section 12, Township 13 South, Range 32 East. Our primary objective is to test the Bough zones.

For the parties who are planning on participating, we have enclosed an Authority for Expenditure and a Consent and Ratification of the Unit Agreement and the Unit Operating Agreement. You are requested to sign and return five (5) copies of the Consent and Ratification. They must be in our office no later than November 2, 1987. The copies of the said Unit Agreement and Unit Operating Agreement in which you are requested to ratify are also enclosed for your review. Exhibit A (map of the unit) will be sent to you later this week when it becomes available. Please retain one set of copies for your records. Should you not wish to participate in the drilling of this well, we request that you farmout to the unit.

YATES PETROLEUM CORPORATION
Case No. 9244
11/04/87 Examiner Hearing
Exhibit No. 6

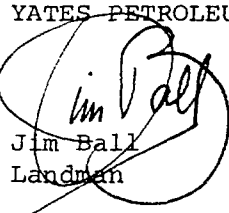
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Your prompt attention to this matter is appreciated as the unit hearing is scheduled for November 4, 1987. Our attorney, Mr. Chad Dickerson, will be sending notices of our application in the near future.

If you have any questions, please do not hesitate to call.

Very truly yours,

YATES PETROLEUM CORPORATION



Jim Ball
Landman

JB/bp

Enclosures

LAZY TREE STATE UNIT

ADDRESSEE LIST

Bass Enterprises Production
Company
First City Bank Tower
201 Main Street
Fort Worth, Texas 76102
Attn: Mr. Louis Wilpitz

Southland Oil Company
c/o Meridian Oil, Inc.
21 Desta Drive
Midland, Texas 79705
Attn: Mr. Phil Whitsitt

Sabine Production Company
1000 LTV Center -
Lock Box 109
2001 Ross Avenue
Dallas, Texas 75201-2993
Attn: Mr. Robert W. Floyd

Manforth Production, Inc.
c/o P. O. Box 508
Locust Valley, New York
11560

F. Karsten
c/o P. O. Box 508
Locust Valley, New York
11560

Sun Exploration and
Production Company
Sun Tower - ClayDesta Plaza
No. 24 Smith Road - Suite 600
Midland, Texas 79705
Attn: Mr. Stanley A. Rever

Dorchester Master
Limited Partnership
c/o Damson Oil Corporation
P. O. Box 4391
Houston, Texas 77210
Attn: Mr. Thomas Burdette

Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, New Mexico 88210
Attn: Jim Ball