



JIM BACA  
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

9247 ✓  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

November 30, 1992

Yates Petroleum Corporation  
105 South 4th Street  
Artesia, New Mexico 88210

Attention: Ms. Kathy H. Porter

Re: Termination of East Wind State Unit

Dear Ms. Porter:

This office is in receipt of your letter of November 23, 1992, together with more than 75% of the working interest owners requesting the East Wind State Unit be terminated.

Please be advised that the East Wind State Unit has this date been terminated effective November 30, 1992. Please also be advised that the East Wind AEM State Com Well No. 1 covering the E $\frac{1}{4}$  of Section 17-9S-27E was concurrently approved effective this date. Please advise all interested parties of this action.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744  
JB/FOP/pm  
encls.  
cc: Reader File

Unit Name EAST WIND STATE UNIT  
Operator YATES PETROLEUM CORPORATION  
County CHAVES COUNTY, NEW MEXICO

STATE TRACT NO.	LEASE NO.	INSTL-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
1	LG-4923	DD&B	9	9S	27E	S $\frac{1}{2}$ S $\frac{1}{2}$ N $\frac{1}{2}$ E $\frac{1}{2}$	11-27-87	240.00		Carl Schellinger
2	LG-4924	DD&B	28	9S	27E	N $\frac{1}{2}$ N $\frac{1}{2}$ E $\frac{1}{2}$	11-27-87			Carl Schellinger
3	LG-4925	CS	16	9S	27E	All	10-19-87	640.00		Yates Petroleum Corp.
4	LG-4926	CS	20	9S	27E	E $\frac{1}{2}$	10-19-87	640.00		Yates Petroleum Corp.
5	LG-4929	CS	21	9S	27E	E $\frac{1}{2}$	10-19-87			Yates Petroleum Corp.
6	V-657	CS	28	9S	27E	E $\frac{1}{2}$ , SW $\frac{1}{4}$	10-19-87	480.00		Yates Petroleum Corp.
7	LG-5082	CS	33	9S	27E	NE $\frac{1}{4}$ , SW $\frac{1}{4}$ N $\frac{1}{2}$ E $\frac{1}{2}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$	10-19-87	480.00		Yates Petroleum Corp.
8	LG-5083	CS	9	9S	27E	SE $\frac{1}{4}$	10-19-87	160.00		Yates Petroleum Corp.
9	LG-7991	CS	10	9S	27E	S $\frac{1}{2}$	10-27-87	320.00		Carl A. Schellinger
10	LG-7992	CS	15	9S	27E	All	10-19-87	640.00		Mesa Operating Ltd. Par
11	LG-7993	CS	17	9S	27E	NE $\frac{1}{4}$	11-10-87	160.00		Samadan Oil Corp.
12	V-1464 - 2	CS	22	9S	27E	All	11-10-87	640.00		Samadan Oil Corp.
			33	9S	27E	N $\frac{1}{2}$ N $\frac{1}{2}$ E $\frac{1}{2}$ , SE $\frac{1}{4}$ N $\frac{1}{2}$ E $\frac{1}{2}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	05-29-90	160.00	<del>160.00</del>	Yates Petroleum Corp.

NOTICE: TRACT NO. 12 WAS COMMITTED UNDER SUBSEQUENT JOINDER EFFECTIVE AS OF JUNE 1, 1990. (ALL STATE LANDS ARE NOW COMMITTED TO UN

TERMINATED  
EFFECTIVE DATE NOV 30 1992  
APPROVAL DATE NOV 30 1992

Unit Name EAST WIND STATE UNIT  
 Operator YATES PETROLEUM CORPORATION  
 County CHAVES COUNTY, NEW MEXICO

DATE	OCC CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO. <u>9247</u> R-8549							
OCD: 11-24-87		November 30, 1987	5,040.00	4,720.00	-0-	-0- * 320.00	STRICT	5 yrs & so long as
CPL: 11-30-87								

SUBSEQUENT JOINDER Eff: June 1, 1990 committed tract No. 12 to unit agreement. All state lands are now committed to unit

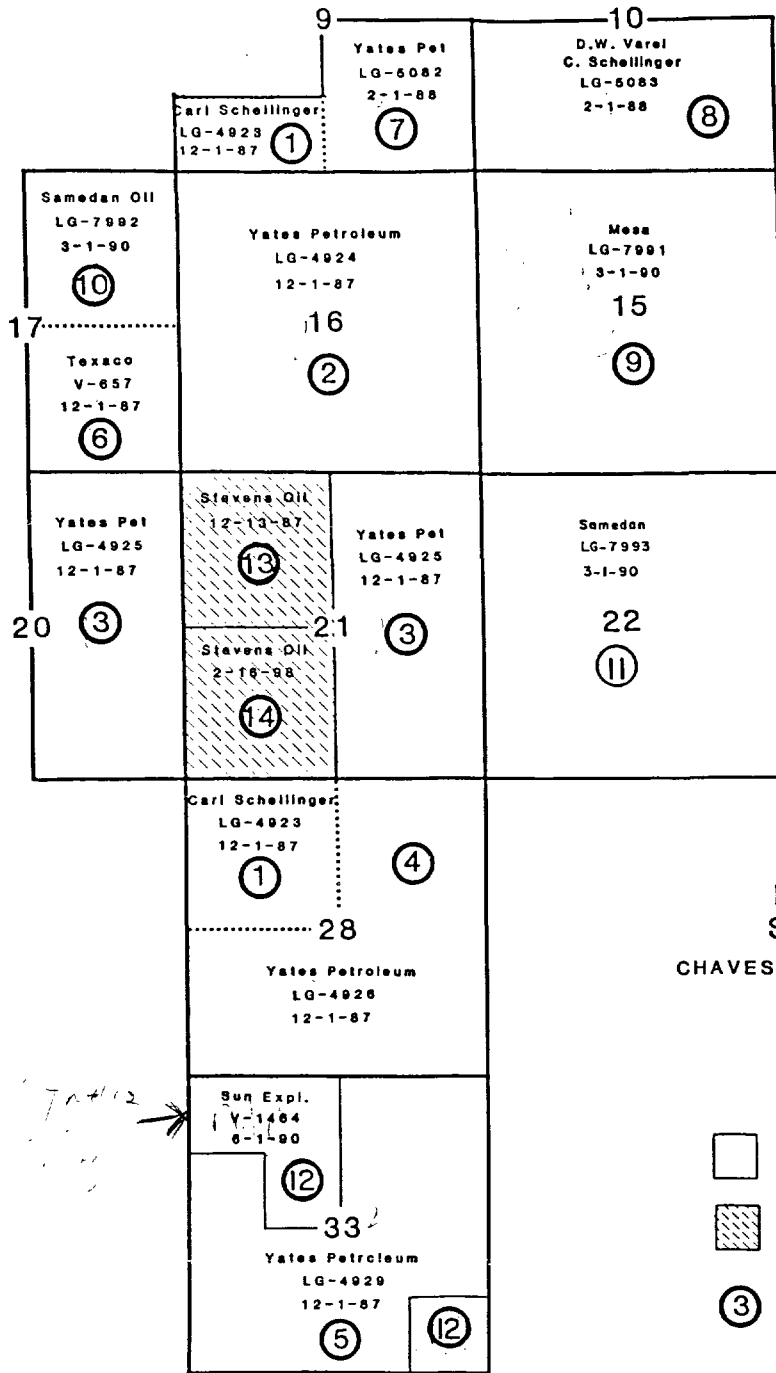
UNIT AREA

Township 9 South, Range 27 East, N12E



Section 9: SE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$   
 Section 10: S $\frac{1}{2}$   
 Section 15: ALL  
 Section 16: ALL  
 Section 17: E $\frac{1}{2}$   
 Section 20: E $\frac{1}{2}$   
 Section 21: ALL  
 Section 22: ALL  
 Section 28: ALL  
 Section 33: ALL

TERMINATED  
 EFFECTIVE DATE NOV 30 1992  
 APPROVAL DATE NOV 30 1992

\* Fee lands in unit are not committed to unit



**EAST WIND  
STATE UNIT  
CHAVES COUNTY, NEW MEXICO  
EXHIBIT "A"**

-  STATE LANDS
-  PATENTED LANDS
-  TRACT NUMBER

TERMINATED  
EFFECTIVE DATE NOV 30 1992  
APPROVAL DATE NOV 30 1992

STATE	4720 ACRES	93.70%
PATENTED	320 ACRES	6.30%
TOTAL	5040 ACRES	100.00%

**YATES PETROLEUM**  
105 S. 4TH STREET  
ARTESIA, NEW MEXICO

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



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

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

December 19, 1990

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attention: Mr. William LeMay

Re: East Wind State Unit  
Township 9 South, Range 27 East  
Chaves County, New Mexico

Gentlemen:

Please find enclosed a revised copy of Paragraph II of Exhibit "A" to the Operating Agreement for the captioned unit. Please substitute this page accordingly.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

*Mecca Mauritsen*

Mecca Mauritsen  
Associate Landman

MM/bp

Enclosure

PARAGRAPH II OF EXHIBIT "A"  
TO OPERATING AGREEMENT  
EAST WIND UNIT

NAME	UNIT ACRES	UNIT PERCENTAGE	INITIAL TEST WELL PARTICIPATING ACRES	INITIAL TEST WELL PARTICIPATING PERCENTAGE	INITIAL TEST WELL PAYOUT BEFORE	INITIAL TEST WELL PAYOUT AFTER	SUBSEQUENT UNIT WELLS
Yates Petroleum Corporation	660.98	13.114683	640.00	13.114754	26.229508	22.950820	28.196721
Yates Drilling Company	660.98	13.114683	640.00	13.114754	13.114754	13.114754	13.934426
Abo Petroleum Corporation	660.98	13.114683	640.00	13.114754	13.114754	13.114754	13.934426
Myco Industries, Inc.	660.98	13.114683	640.00	13.114754	13.114754	13.114754	13.934426
Samedan Oil Corporation	826.23	16.393452	800.00	16.393443	16.393443	16.393443	16.393443
Mesa Limited Partnership ***	660.98	13.114683	640.00	13.114754	Farmout	3.278688	-0-
Carl A. Schellinger **	223.08	4.426190	216.00	4.426229	4.426229	4.426229	-0-
David J. Sorenson	165.25	3.278770	160.00	3.278689	3.278689	3.278689	3.278689
Daniel W. Varel	173.51	3.442658	168.00	3.442623	3.442623	3.442623	3.442623
Barbara Varel	173.51	3.442658	168.00	3.442623	3.442623	3.442623	3.442623
George R. Reddy *	57.84	1.147619	56.00	1.147541	1.147541	1.147541	-0-
R. Paul Creson	57.84	1.147619	56.00	1.147541	1.147541	1.147541	1.147541
George L. Scott, Jr.	57.84	1.147619	56.00	1.147541	1.147541	1.147541	1.147541
	5,040.00	100.000000	4,880.00	100.000000	100.000000	100.000000	

George R. Reddy *	0.631147	0.631147	0.631147
Alfred Deschamps	0.258197	0.258197	0.258197
Paul Beaver	0.258197	0.258197	0.258197
			<u>100.000000</u>

\* Effective First Production - East Wind Unit #1  
 \*\* Yates Petroleum Corporation, Acct. #4 purchased this interest 2-23-90 but effective first date of production  
 \*\*\* Yates Petroleum Corporation, Acct. #4 (81.25%) Yates Drilling Company, Acct. #4 (6.25%)  
 Abo Petroleum Corporation, Acct. #4 (6.25%) Myco Industries, Inc., Acct. #4 (6.25%) purchased this interest effective 1-1-89

Revised 11-19-87  
 Revised 5-25-88  
 Revised 7-8-88  
 Revised 10-10-89

Revised 3-13-90  
 Revised 6-19-90  
 Revised 7-27-90  
 Revised 12-19-90

# State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



## Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

May 31, 1990

Yates Petroleum Corporation  
Attn: Mr. Cy Cowan  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: Subsequent Joinder of State Lease  
No. V-1464 to the East Wind State  
Unit Agreement.

This office is in receipt of your letter of May 29, 1990 wherein as lessee of record for State lease No. V-1464, you have requested our approval to commit this lease to the East Wind State Unit Agreement.

As per Section 23 of the East Wind State Unit Agreement, please be advised that the Commissioner of Public Lands has this date approved the subsequent joinder of State Lease No. V-1464 (TRACT NO. 12) to the East Wind State Unit Agreement. This lease covers the N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 33, Township 9 South, Range 27 East and is considered fully committed to the unit agreement effective as of June 1, 1990.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:

*Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744

WRH/FOP/pm  
encls.  
cc: Reader File  
OCD  
TRD

Unit Name      EAST WIND STATE UNIT  
Operator      YATES PETROLEUM CORPORATION  
County      CHAVES COUNTY, NEW MEXICO

DATE	OCC CASE NO.	9247	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO.	R-8549							
OCD: 11-24-87			November 30, 1987	5,040.00	4,720.00	-0-	-0- * 320.00	STRICT	5 yrs & so long as
CPL: 11-30-87									

SUBSEQUENT JOINDER Eff: June 1, 1990 committed tract No. 12 to unit agreement.      All state lands are now committed to unit

UNIT AREA

Township 9 South, Range 27 East, NMPM

Section 9: SE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$   
Section 10: S $\frac{1}{2}$   
Section 15: ALL  
Section 16: ALL  
Section 17: E $\frac{1}{4}$   
Section 20: E $\frac{1}{2}$   
Section 21: ALL  
Section 22: ALL  
Section 28: ALL  
Section 33: ALL

\* Fee lands in unit are not committed to unit



Unit Name EAST WIND STATE UNIT  
Operator YATES PETROLEUM CORPORATION  
County CHAVES COUNTY, NEW MEXICO

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
1	LG-4923	DD&B	9	9S	27E	S $\frac{1}{2}$ SW $\frac{1}{4}$	11-27-87	240.00		Carl Schellinger
		DD&B	28	9S	27E	N $\frac{1}{2}$	11-27-87			Carl Schellinger
2	LG-4924	CS	16	9S	27E	All	10-19-87	640.00		Yates Petroleum Corp.
3	LG-4925	CS	20	9S	27E	E $\frac{1}{2}$	10-19-87	640.00		Yates Petroleum Corp.
		CS	21	9S	27E	E $\frac{1}{2}$	10-19-87			Yates Petroleum Corp.
4	LG-4926	CS	28	9S	27E	E $\frac{1}{2}$ , SW $\frac{1}{4}$	10-19-87	480.00		Yates Petroleum Corp.
5	LG-4929	CS	33	9S	27E	N $\frac{1}{2}$ , SW $\frac{1}{4}$ , SW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$	10-19-87	480.00		Yates Petroleum Corp.
6	V-657	CS	17	9S	27E	SE $\frac{1}{4}$	10-19-87	160.00		Yates Petroleum Corp.
7	LG-5082	CS	9	9S	27E	SW $\frac{1}{4}$	10-19-87	160.00		Yates Petroleum Corp.
8	LG-5083	CS	10	9S	27E	S $\frac{1}{2}$	10-27-87	320.00		Carl A. Schellinger
9	LG-7991	CS	15	9S	27E	All	10-19-87	640.00		Mesa Operating Ltd. Partn
10	LG-7992	CS	17	9S	27E	N $\frac{1}{2}$	11-10-87	160.00		Samedan Oil Corp.
11	LG-7993	CS	22	9S	27E	All	11-10-87	640.00		Samedan Oil Corp.
12	V-1464 - 2	CS	33	9S	27E	N $\frac{1}{2}$ N $\frac{1}{2}$ , SE $\frac{1}{4}$ N $\frac{1}{2}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	05-29-90	160.00	<del>160.00</del>	<del>Yates Petroleum Corp.</del> Yates Petroleum Corp.

NOTICE: TRACT NO. 12 WAS COMMITTED UNDER SUBSEQUENT JOINDER EFFECTIVE AS OF JUNE 1, 1990. (ALL STATE LANDS ARE NOW COMMITTED TO UNIT)

EXHIBIT "B"  
 To Unit Agreement *For your info*  
 EAST WIND STATE UNIT  
 CHAVES COUNTY, NEW MEXICO

0548

Tract No.	Description	No. of Acres	Serial No. & Expiration Date of Lease	Basic		Lessee of Record	Overriding		Working Interest Owner & Percentage
				Royalty Owner & Percentage			Royalty Owner Percentage		
1.	T9S-R27E Sec. 9: S2SW4 Sec. 28: NW4	240.00	LG-4923 12-1-87	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Daniel W. Varel 30.00% Barbara Varel 30.00% George R. Reddy 7.25% Alfred J. Deschamps 2.25% R. Paul Creson 10.00% George L. Scott, Jr. 10.00% Yates Petroleum Corporation 10.00%
2.	T9S-R27E Sec. 16: A11	640.00	LG-4924 12-1-87	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation 25.00% Yates Drilling Company 25.00% Abo Petroleum Corporation 25.00% Myco Industries, Inc. 25.00%
3.	T9S-R27E Sec. 20: E2 Sec. 21: E2	640.00	LG-4925 12-1-87	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation 25.00% Yates Drilling Company 25.00% Abo Petroleum Corporation 25.00% Myco Industries, Inc. 25.00%

EXHIBIT "B"  
To Unit Agreement  
EAST WIND STATE UNIT  
CHAVES COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Expiration Date of Lease	Basic		Lessee of Record	Overriding		Working Interest Owner & Percentage
				Royalty Owner & Percentage			Royalty Owner Percentage		
4.	T9S-R27E Sec. 28: R2, SW4	480.00	LG-4926 12-1-87	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation 25.00% Yates Drilling Company 25.00% Abo Petroleum Corporation 25.00% Mycro Industries, Inc. 25.00%
5.	T9S-R27E Sec. 33: NE4, SW4NW4, SW4, N2SE4, SW4SE4	480.00	LG-4929 12-1-87	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation 25.00% Yates Drilling Company 25.00% Abo Petroleum Corporation 25.00% Mycro Industries, Inc. 25.00%
6.	T9S-R27E Sec. 17: SE4	160.00	V-657 12-1-87	State of New Mexico 16.67%		Yates Petroleum Corporation	Texaco Producing, Inc. 1/8th		Yates Petroleum Corporation 25.00% Yates Drilling Company 25.00% Abo Petroleum Corporation 25.00% Mycro Industries, Inc. 25.00%

EXHIBIT "B"  
 To Unit Agreement  
 EAST WIND STAFF UNIT  
 CHAVES COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Expiration Date of Lease	Basic		Lessee of Record	Overriding		Working Interest Owner & Percentage	
				Royalty Owner & Percentage	Royalty Percentage		Royalty Owner & Percentage			
7.	T9S-R27E Sec. 9: SE4	160.00	LG-5082 2-1-88	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Myco Industries, Inc.	25.00% 25.00% 25.00% 25.00%
8.	T9S-R27E Sec. 10: S2	320.00	LG-5083 2-1-88	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Daniel W. Varel Barbara Varel George R. Reddy Alfred J. Deschamps R. Paul Creson George L. Scott, Jr. Yates Petroleum Corporation	30.00% 30.00% 7.75% 2.25% 10.00% 10.00% 10.00%
9.	T9S-R27E Sec. 15: All	640.00	LG-7991 3-1-90	State of New Mexico 12.5%		Yates Petroleum Corporation	None		Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Petroleum Myco Industries, Inc.	81.25% 6.25% 6.25% 6.25% 6.25%

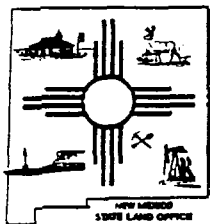
Revised 5-24-90

EXHIBIT "B"  
To Unit Agreement  
EAST WIND STATE UNIT  
CHAVES COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Expiration Date of Lease	Basic		Lessee of Record	Overriding		Working Interest Owner & Percentage
				Royalty Owner & Percentage			Royalty Owner Percentage		
0.	T9S-R27E Sec. 17: NE4	160.00	LG-7992 3-1-90	State of New Mexico 12.5%		Samedan Oil Corporation	None		Samedan Oil Corporation 100.00%
1.	T9S-R27E Sec. 22: A11	640.00	LG-7993 3-1-90	State of New Mexico 12.5%		Samedan Oil Corporation	None		Samedan Oil Corporation 100.00%
2.	T9S-R27E Sec. 33: N2NW4, SE4NW4, SE4SE4	160.00	V-1464 - 2 6-1-90	State of New Mexico 16.67%	Yates Petroleum Corporation	None			Yates Petroleum Corporation 28.196721% Yates Drilling Company 13.934426% Abo Petroleum Corporation 13.934426% Mycro Industries, Inc. 13.934426% Samedan Oil Corporation 16.393443% David J. Sorenson 3.278689% Daniel W. Varel 3.442623% Barbara Varel 3.442623% P. Paul Creson 1.147541% George L. Scott Jr. 1.147541% George R. Reddy 0.631147% Alfred J. Deschamps 0.258197% Paul Beaver 0.258197%

EXHIBIT "B"  
To Unit Agreement  
EAST WIND STATE UNIT  
CHAVES COUNTY, NEW MEXICO

Tract No.	Description	No. of Acres	Serial No. & Expiration Date of Lease	Basic		Lessee of Record	Overriding		Work Owner
				Royalty Owner & Percentage			Royalty Owner Percentage		
13.	T9S-R27E Sec. 21: NW4	160.00	Fee 12-13-87			Yates Petroleum Corporation David J. Sorenson		None	Yates Petroleum Corporation David J. Sorens
14	T9S-R27E Sec. 21: SW4	160.00	Fee 12-13-87			Carl A. Schellinger David J. Sorenson			Carl A. Schellinger David J. Sorens
		TOTAL ACRES:	5160.00 acres						
		TOTAL STATE LANDS:	4840.00 acres						
		TOTAL PATENTED LANDS:	320.00 acres						



*State of New Mexico*  
*Commissioner of Public Lands*

#9247

W. R. Humphries  
COMMISSIONER

April 30, 1990

**Advisory Board**

George Clark  
Chairman

Kristin Conniff  
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

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

ATTN: Ms. Janet Richardson

RE: East Wind State Unit  
1990 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved the 1990 Plan of Development for the East Wind State Unit. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the Unit may exist. You will be contacted at a later date regarding these possibilities.

Enclosed is an approved copy of the 1990 Plan of Development for your files. If we may be of further help, please do not hesitate to contact this office at (505) 827-5746.

Very truly yours,

W.R. HUMPHRIES,  
COMMISSIONER OF PUBLIC LANDS

BY: Floyd O. Prando  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5746

cc: OCD - Santa Fe, New Mexico  
BLM  
Unit Correspondence File  
Unit P.O.D. File

WRH/FOP/SMH

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

OIL CONSERVATION DIVISION  
RECEIVED

'89 OCT 16 AM 10 15  
October 13, 1989



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

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87503-2088

Attention: William J. LeMay

RE: East Wind State Unit  
Township 9 South, Range 27 East NMPM  
Chaves County, New Mexico

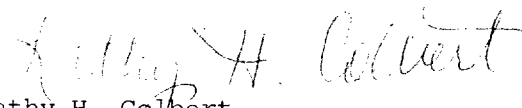
Gentlemen:

Enclosed for your records is a revised Paragraph II of Exhibit A to the Operating Agreement covering the captioned unit. This page correctly sets out the acres and percentages of the 4 Yates companies. Please substitute this page into your copy of the agreement.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

  
Kathy H. Colbert  
Landman

KHC/cp

Enclosure



PARAGRAPH II OF EXHIBIT A  
TO OPERATING AGREEMENT

	UNIT ACRES	UNIT PERCENT	INITIAL TEST WELL PARTICIPATING		INITIAL TEST WELL PARTICIPATING PERCENT	INITIAL TEST WELL BEFORE PAYOUT	INITIAL TEST WELL AFTER PAYOUT	SUBSEQUENT WELLS
			ACRES					
Yates Petroleum Corporation	640.00	12.698413	640.00		13.114754	26.229508	22.950820	22.950820
Yates Drilling Company	640.00	12.698413	640.00		13.114754	13.114754	13.114754	13.114754
Abo Petroleum Corporation	640.00	12.698413	640.00		13.114754	13.114754	13.114754	13.114754
Myco Industries, Inc.	640.00	12.698412	640.00		13.114754	13.114754	13.114754	13.114754
Samedan Oil Corporation	800.00	15.873016	800.00		16.393443	16.393443	16.393443	16.393443
Mesa Limited Partnership	640.00	12.698413	640.00		13.114754	Farmout	3.278688	13.114754
Carl A. Schellinger	216.00	4.285715	216.00		4.426229	4.426229	4.426229	4.426229
David J. Sorenson	160.00	3.174603	160.00		3.278689	3.278689	3.278689	3.278689
Daniel W. Varel	168.00	3.333333	168.00		3.442623	3.442623	3.442623	3.442623
Barbara Varel	168.00	3.333333	168.00		3.442623	3.442623	3.442623	3.442623
George R. Reddy*	56.00	1.111111	56.00		1.147541	1.147541	1.147541	1.147541
R. Paul Creson	56.00	1.111111	56.00		1.147541	1.147541	1.147541	1.147541
George L. Scott, Jr.	56.00	1.111111	56.00		1.147541	1.147541	1.147541	1.147541

NOT SUBJECT TO UNIT:

Sun Exploration & Production Company	160.00	3.174603						
	5040.00	100.000000	4880.00		100.000000	100.000000	100.000000	100.000000

\*Effective First Production - East Wind Unit #1

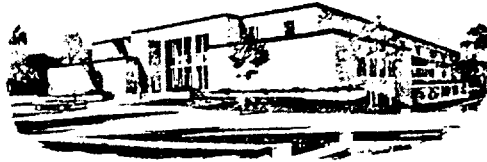
George R. Reddy	0.631147	0.631147	0.631147
Alfred Deschamps	0.258197	0.258197	0.258197
Paul Beaver	0.258197	0.258197	0.258197

Revised 11/19/87  
5/25/88  
7/ 8/88  
10/10/89

# State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



## Commissioner of Public Lands

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

SLO REF NO. OG-993

January 3, 1989

#9247

Yates Petroleum Corporation  
Attn: Janet Richardson  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: 1988-1989 Plan of Development  
East Wind State Unit  
Chaves County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the above captioned Plan of Development.

Our approval is subject to like approval by all other appropriate agencies.

Enclosed is an approved copy for your files.

If we may be of further help please do not hesitate to call on us.

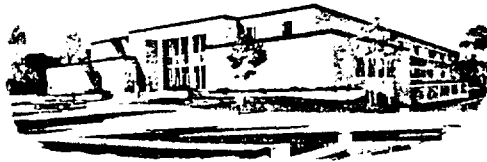
Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:

*Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

cc: OCD  
BLM



W.R. HUMPHRIES  
COMMISSIONER

Commissioner of Public Lands

September 27, 1988

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Yates Petroleum Corporation  
Attn: Ms. Kathy H. Colbert  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: East Wind State Unit  
Adjustment of non-committed tracts  
Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of September 26, 1988, wherein you have advised that the East Wind State Unit participation should be readjusted to reflect that Tract Nos. 12, 13 and 14 are not committed to the unit agreement.

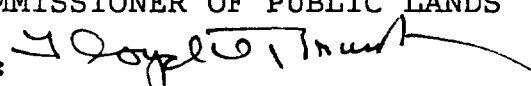
Please be advised that our records have been noted accordingly and all adjustments have been made.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:

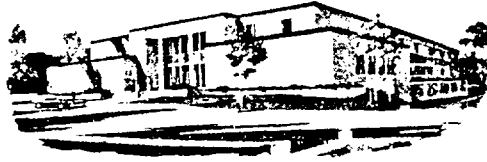
  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/pm  
encls.  
cc: OCD  
TRD

State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

July 27, 1988

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Yates Petroleum Corporation  
Attn: Ms. Janet Richardson  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: East Wind State Unit Well No. 1  
Commercial Well Determination  
Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of July 22, 1988, wherein as Unit Operator of the East Wind State Unit you have determined that the Well No. 1 is a commercial unit well.

Please be advised, that based upon Mr. Dave Boneau's report, the Commissioner of Public Lands concurs with your determination that the East Wind State Unit Well No. 1 is a commercial gas well in the Foor Ranch Pre-Permian Gas Pool.

Please submit your Plan of Development for the next year.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*

FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/pm  
encls.  
cc: OCD  
BLM



W.R. HUMPHRIES  
COMMISSIONER

Commissioner of Public Lands

June 16, 1988

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Yates Petroleum Corporation  
Attn: Ms. Kathy H. Colbert  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: East Wind State Unit  
Revised Exhibits "A" & "B"  
Chaves County, New Mexico

Gentlemen:

This office is in receipt of your letter of May 16, 1988, together with Revised Exhibits "A" and "B" to the East Wind State Unit Operating Agreement.

Please be advised that these revised pages have been accepted and filed in the Unit Operating Agreement.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/pm  
encls.  
cc: OCD

Unit Name      EAST WIND STATE UNIT  
Operator      YATES PETROLEUM CORPORATION  
County      CHAVES COUNTY, NEW MEXICO

DATE	OCC CASE NO.	9247	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO.	R-8549							
OCD: 11-24-87			November 30, 1987	5,040.00	4,720.00	-0-	-0-	320.00	STRICT 5 yrs & so long as
CPL: 11-30-87									

UNIT AREA

Township 9 South, Range 27 East, NMPM

- Section 9: SE<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>
- Section 10: S<sup>1</sup>/<sub>2</sub>
- Section 15: ALL
- Section 16: ALL
- Section 17: E<sup>1</sup>/<sub>2</sub>
- Section 20: E<sup>1</sup>/<sub>2</sub>
- Section 21: ALL
- Section 22: ALL
- Section 28: ALL
- Section 33: ALL

Unit Name  
Operator  
County

EAST MIND STATE UNIT  
YATES PETROLEUM CORPORATION  
CHAVES COUNTY, NEW MEXICO

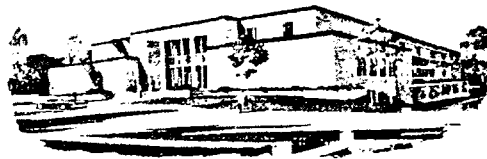
STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED		LESSEE
							ACRES	NOT RATIFIED	
1	LG-4923	DD&B	9	9S	27E	S $\frac{1}{2}$ SW $\frac{1}{4}$	240.00		Carl Schellinger
		DD&B	28	9S	27E	NW $\frac{1}{4}$			Carl Schellinger
2	LG-4924	CS	16	9S	27E	All	640.00		Yates Petroleum Corp.
3	LG-4925	CS	20	9S	27E	E $\frac{1}{2}$	640.00		Yates Petroleum Corp.
		CS	21	9S	27E	E $\frac{1}{2}$			Yates Petroleum Corp.
4	LG-4926	CS	28	9S	27E	E $\frac{1}{2}$ , SW $\frac{1}{4}$	480.00		Yates Petroleum Corp.
5	LG-4929	CS	33	9S	27E	NE $\frac{1}{4}$ , SW $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ , NE $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{2}$ SE $\frac{1}{4}$	480.00		Yates Petroleum Corp.
6	V-657	CS	17	9S	27E	SE $\frac{1}{4}$	160.00		Yates Petroleum Corp.
7	LG-5082	CS	9	9S	27E	SE $\frac{1}{4}$	160.00		Yates Petroleum Corp.
8	LG-5083	CS	10	9S	27E	S $\frac{1}{2}$	320.00		Carl A. Schellinger
9	LG-7991	CS	15	9S	27E	All	640.00		Mesa Operating Ltd. Partn.
10	LG-7992	CS	17	9S	27E	NE $\frac{1}{4}$	160.00		Samedan Oil Corp.
11	LG-7993	CS	22	9S	27E	All			Samedan Oil Corp.
12	V-1464	CS	33	9S	27E	N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{2}$ SE $\frac{1}{4}$		160.00	Sun Expl. & Prod. Co.

State of New Mexico

9247



W.R. HUMPHRIES  
COMMISSIONER



Commissioner of Public Lands

November 30, 1987

SLO REF NO. OG-615

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Yates Petroleum Corporation  
ATTENTION: Mr. Ken Beardemphl  
105 South Fourth Street  
Artesia, New Mexico 88210

Re: Final Approval of East Wind State  
Unit Agreement Chaves County, New  
Mexico

Gentlemen:

The Commissioner of Public Lands has this date granted final approval to the East Wind State Unit Agreement, Chaves County, New Mexico. The effective date of this agreement is November 30, 1987. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Our approval was given with the understanding that Tract #12 is not committed.

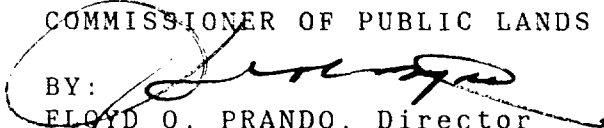
Enclosed are Five (5) Certificates of Approval.

Your filing fee in the amount of \$300.00 has been received.

If we may be of further help, please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY:   
FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/ams  
encls.

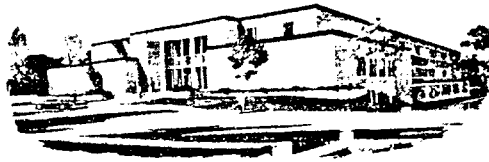
cc: OCD-Santa Fe, New Mexico  
Gulram  
OGAD



# State of New Mexico



W.R. HUMPHRIES  
COMMISSIONER



## Commissioner of Public Lands

SLO REF NO. OG-551

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

November 3, 1987

Dickerson Fisk & Vandiver  
ATTN: Mr. Chad Dickerson  
Seventh & Mahone, Suite E  
Artesia, New Mexico 88210

Re: Proposed East Wind State Unit  
Chaves County, New Mexico

Gentlemen:

This office has reviewed the unexecuted copy of a unit agreement which you have submitted on behalf of Yates Petroleum Corp., for the proposed East Wind State Unit, Chaves County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have been given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval please submit the following:

1. Application for formal approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. All ratifications from the lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.
3. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.

Dickerson, Fisk & Vandiver  
November 3, 1987  
Page 2

Your filing fee in the amount of \$300.00 has been received.  
If we may be of further help please do not hesitate to call on  
us.

Very truly yours,

W. R. HUMPHRIES  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*

FLOYD O. PRANDO, Director  
Oil and Gas Division  
(505) 827-5744

WRH/FOP/ams

cc:           OCD-Santa Fe, New Mexico  
              Gulram, Inc.

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Mr. Chad Dickerson  
Dickerson, Fisk & Vandiver  
Attorneys at Law  
Seventh and Mahone, Suite E  
Artesia, New Mexico 88210

Re: CASE NO. 9247  
ORDER NO. R-8549

Applicant:

~~Yates Petroleum Corporation~~

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florence Davidson

FLORENE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other \_\_\_\_\_