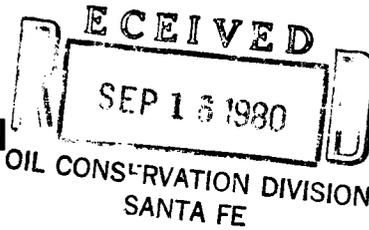




**YATES
PETROLEUM
CORPORATION**

207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 746-3558



S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

hsl-1267

*NSL
Rule 104F
Wolfcamp - Permian
No offsets
Immediate*

September 12, 1980

Mr. Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

Re: Non-Standard Location based on Topography;
Serpentine Bends Unit No. 1 K-25-24S-23E

Dear Sir:

The proposed drillsite for our Serpentine Bends Unit No. 1 is 1630' FSL and 2255' FWL which is the location approvable by the BLM where we can drill a Morrow test. As can be seen on the attached topographic map, the proposed location is surrounded by steep mountains on the east side and a creek on the west. The flat between the two is the only place we can put a location and be out of the flood plain.

Pursuant to the provision of Rule 103F, we respectfully request Administrative Approval for this unorthodox location (by 20 ft). An Ownership plat is attached showing the unit area that Yates Petroleum is to be the operator.

Presently we have a rig ready to move around the 27th of this month on to this lease that expires on 10-1-80. The reason for asking for an expeditious approval.

Thank you for your cooperation.

Sincerely,

YATES PETROLEUM CORPORATION

Gliserio "Rod" Rodriguez
Geographer

GRR/ob

R-23-E

R-24-E

Unit Outline

3 Tract Number

Federal Lands 3,521.68 Acres 73.34 %

State of New Mexico Lands 1,280.00 Acres 26.66 %

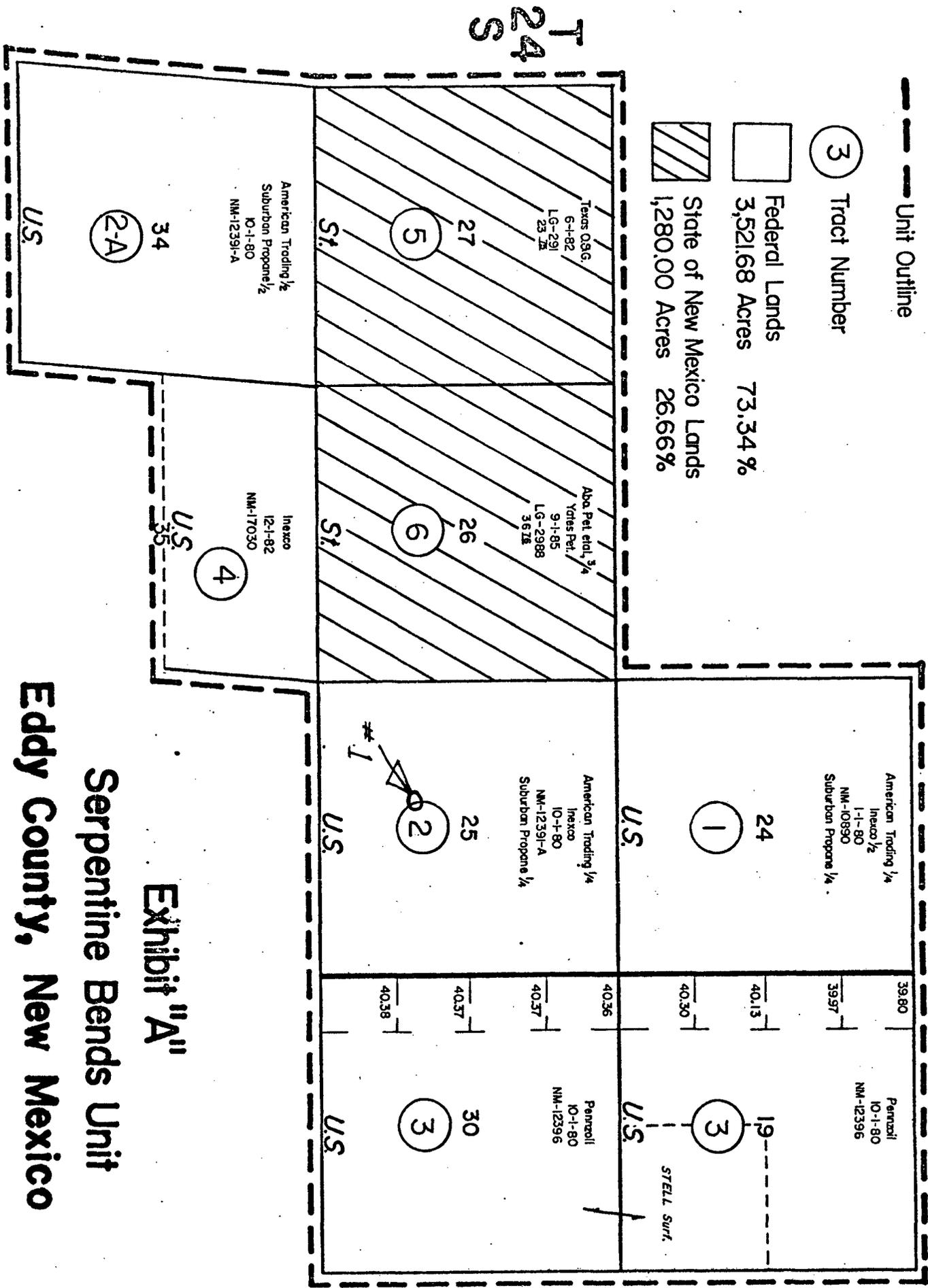


Exhibit "A"

Serpentine Bends Unit

Eddy County, New Mexico

T 24 S