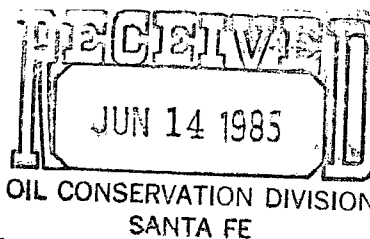




207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



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

June 12, 1985

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL-2058

RE: Buder "ACN" Federal #1
180' FNL and 660' FWL
of Section 22-T6S-R26E
Chaves County, New Mexico

Dear Sir:

Yates Petroleum Corporation would appreciate an administrative approval for a proposed unorthodox Pecos Slope Abo location as provided for under NMOCD Rule 104F.

Our preferred location for this well was 660' FNL & 660' FWL. Our reason for requesting the non-standard location is topographical: The location fell at the base of a large cliff on the north side and into a draw on the south side. BLM would not permit us to drill there.

Enclosed please find a copy of the lease map showing offsetting lease operators, a topographical map of the area and a survey plat. Offsetting lease operators have been notified of our intentions by certified mail, via a xerox copy of this letter.

Formations we expect to drill through are: San Andres, Glorieta, Yeso and Abo.

Thank you for your help in this matter.

Sincerely,

Clifton May

Clifton May
Regulatory Agent

CM:rj

Enclosures

xc: Stevens Operating Company & Maralo



RECEIVED JUN 10 1985
United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO:

3100

Roswell Resource Area
P.O. Drawer 1857
Roswell, New Mexico 88201

June 7, 1985

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210
ATTN: Randy Patterson

Dear Randy:

As discussed out in the field today with Cliff May, Yates Petroleum regulatory agent, our office cannot approve your #1 Buder "ACN" Federal well at the 330 FNL/660 FWL location in Section 22, T 6S, R 26E. This site is unsuitable due to deep drainages on either side of the centerhole, and lack of fill material to build the pad to acceptable standards necessary for long-term use. We could approve the #1 Buder "ACN" well location at 180 FNL to 230 FNL/660 FWL.

We hope this relocation will not conflict with your plan of operations.

Sincerely yours,

Area Manager
Roswell Resource Area

Dick,

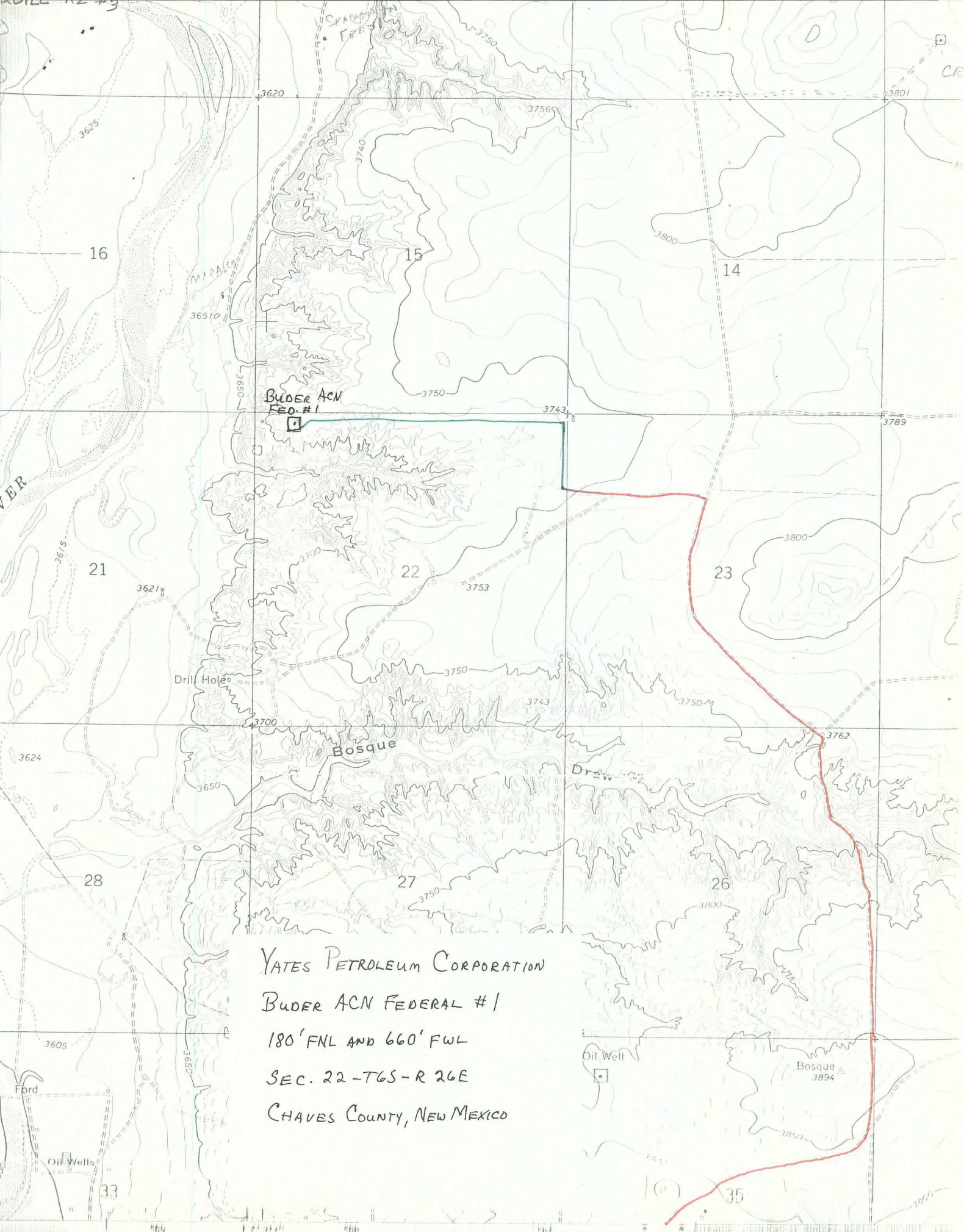
This is the letter from BLM. Our preferred location 660 FNL & 660 FWL was not acceptable we then tried the 330 FNL & 660 FWL. BLM could not approve that location but stated they could if move 150' to North making the location 180' FNL and 660' FWL.

Visited with Les at OCD about this location. He nor Mike had any problems with it if the offset operators do not object. We filed this location with BLM in Roswell.

We are notifying the offset operators of our intentions.

Thank you for your help in this matter.

@Cliff May

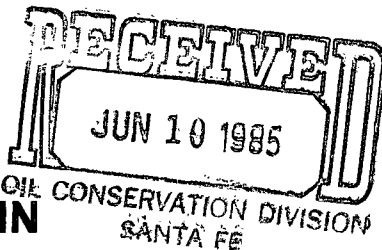


YATES PETROLEUM CORPORATION
BUDER ACN FEDERAL #1
180' FNL AND 660' FWL
SEC. 22-T6S-R 26E
CHAVES COUNTY, NEW MEXICO



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



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

June 6, 1985

NSL 2058

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

RE: Buder "ACN" Federal #1
~~1470'~~ ^{180'} FNL and 660' FWL
of Section 22-T6S-R26E
Chaves County, New Mexico

Dear Sir:

Enclosed you will find a copy of the certification where I notified Stevens Operating Company of our intentions on the above mentioned well with a xerox copy of the attached letter.

If there is anything else that you might need, please let me know.

Thank you.

Sincerely yours,

Rusty Jernigan

Rusty Jernigan
Regulatory Secretary

rj

Enclosures

Approved.

*LLB
for
DC*

P 010 001 909

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to Stevens Operating Company	
Street and No. P. O. Box 2203	
P.O., State and ZIP Code Roswell, NM 88201	
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 June 6, 1985 Unorthodox letter - Buder "ACN" Federal #1	

CERTIFIED

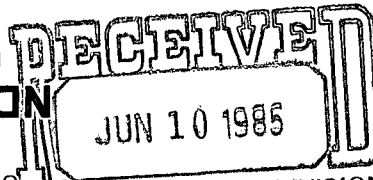
P 010 001 909

MAIL



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



OIL CONSERVATION DIVISION
SANTA FE

June 6, 1985

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

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Buder "ACN" Federal #1
~~180~~ 1470' FNL and 660' FWL
of Section 22-T6S-R26E
Chaves County, New Mexico

Dear Sir:

Yates Petroleum Corporation would appreciate an administrative approval for a proposed unorthodox Pecos Slope Abo location as provided for under NMOC Rule 104F.

Our preferred location for this well was 660' FNL & 660' FWL. Our reason for requesting the non-standard location is topographical: The location fell at the base of a large cliff on the north side and into a draw on the south side. BLM would not permit us to drill there.

Enclosed please find a copy of the lease map showing offsetting lease operators, a topographical map of the area and a survey plat. Offsetting lease operators have been notified of our intentions by certified mail, via a xerox copy of this letter.

Formations we expect to drill through are: San Andres, Glorieta, Yeso and Abo.

Thank you for your help in this matter.

Sincerely,

Clifton May
Regulatory Agent

CM:rj

Enclosures

xc: Stevens Operating Company, P. O. Box 2203, Roswell, NM 88201

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

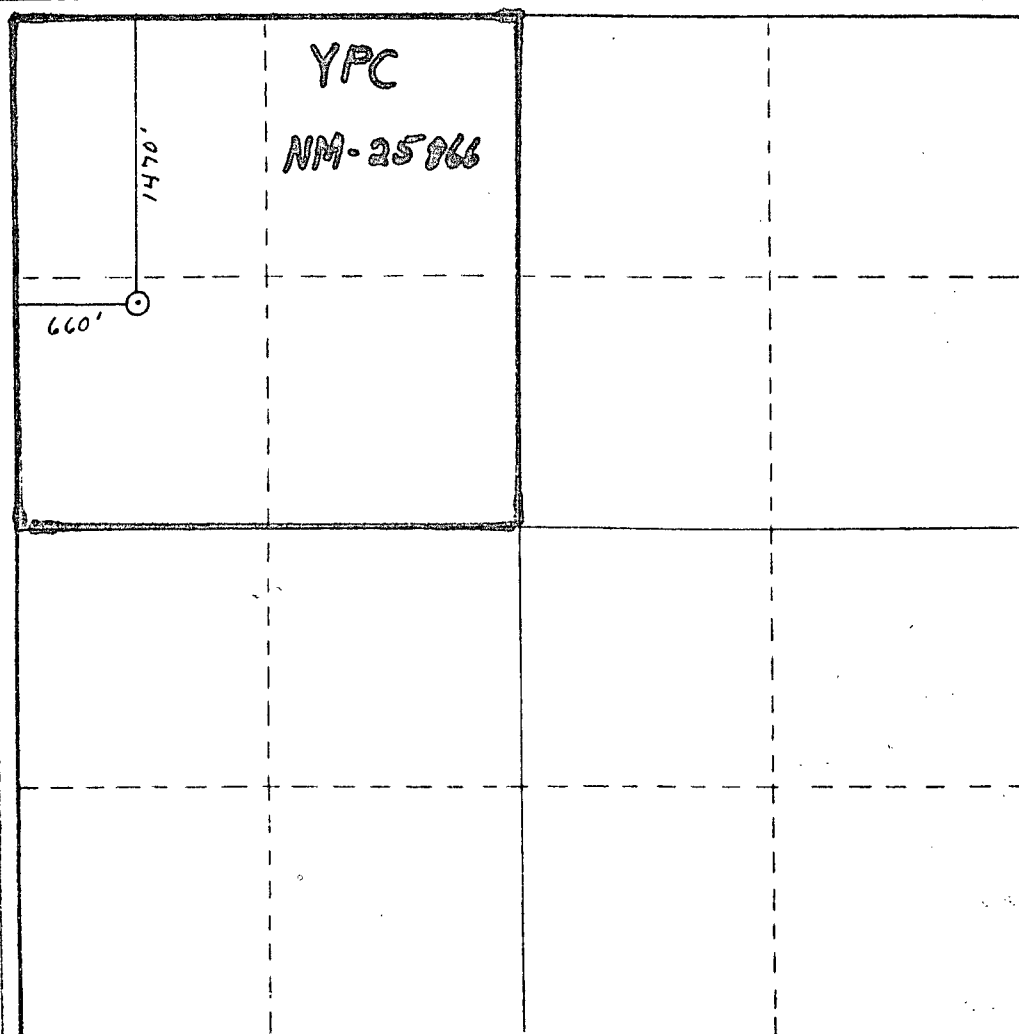
Operator Yates Petroleum Corporation			Lease Buder "ACN" Federal		Well No. 1
Unit Letter D	Section 22	Township 6S	Range 26E	County Chaves	
Actual Footage Location of Well: 1470 feet from the North line and 660 feet from the West line					
Ground Level Elev. 3701.5' GR	Producing Formation Abo		Pool UNDES. PECOS SLOPE Abo		Dedicated Acreage: 160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Clifton R. May

Name

Clifton R. May

Position

Regulatory Agent

Company

Yates Petroleum Corporation

Date

June 13, 1985

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.

May 30, 1985

Date Surveyed

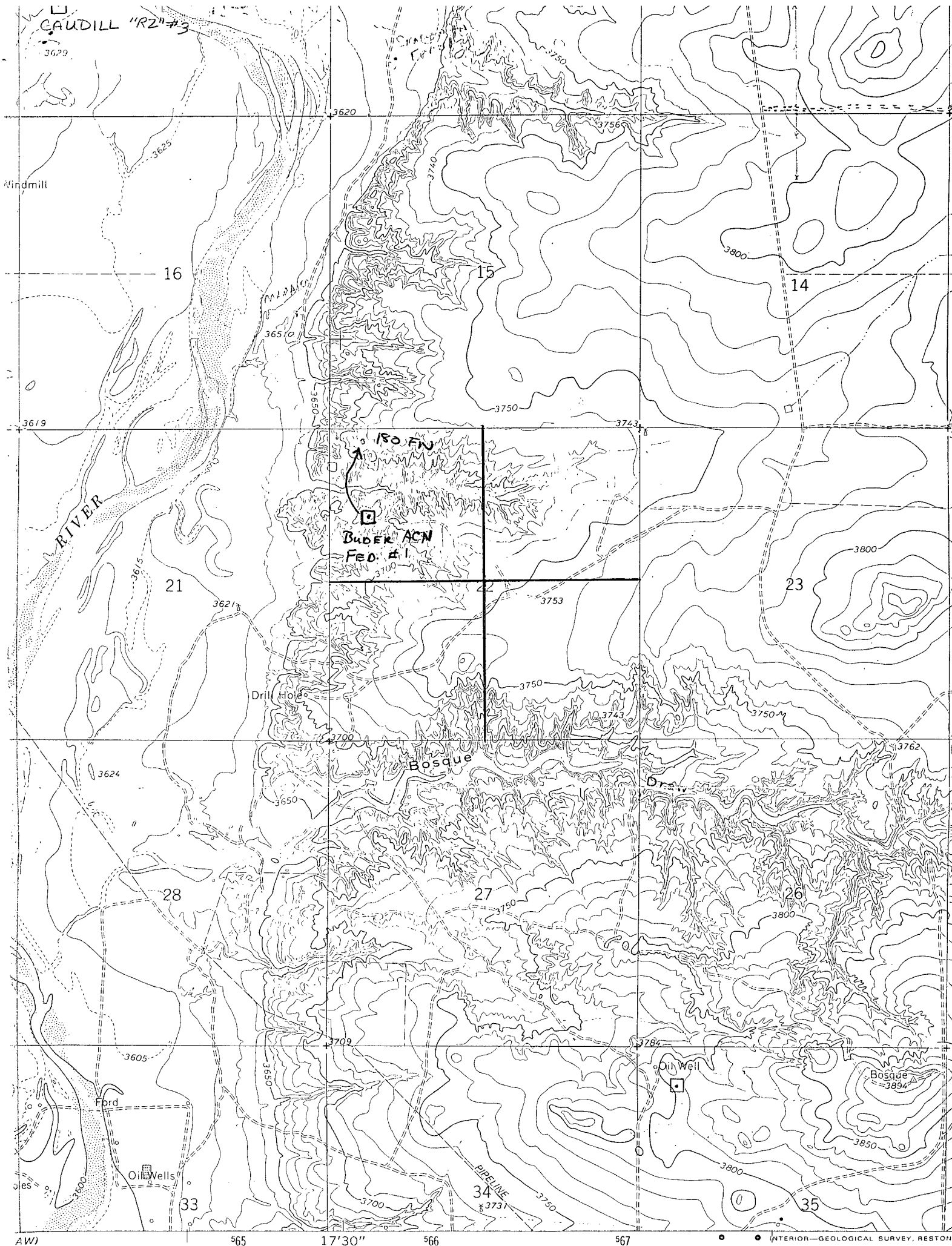
Registered Professional Engineer and/or Land Surveyor

Herschel L. Jones

Certificate No.

3640

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

09C-2058
S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS

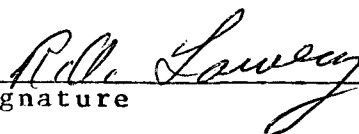
June 13, 1985

RE: Buder "ACN" Federal #1
180' FNL and 660' FWL
of Section 22-T6S-R26E
Chaves County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 207 South Fourth Street, Artesia, NM 88210, to the attention of Rusty Jernigan, if you have no objections to the proposed unorthodox Pecos Slope Abo location listed above. A xerox copy of a letter to Mr. Richard Stamets, Secretary-Director of NMOCD in Santa Fe, New Mexico, is attached to tell you of our intentions.

W A I V E R

As an offset operator, Maralo, has no objection to the unorthodox Pecos Slope Abo location for the well listed above.



Signature

PRODUCTION MANAGER

Title

6/19/85

Date



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

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

June 25, 1985

Yates Petroleum Corporation
207 South Fourth Street
Artesia, NM 88210

Attention: Clifton May

RE: Administrative Order
NSL-2058

Dear Mr. May:

It is our understanding that your plans to drill the Buder "ACN" Federal No. 1 well at an unorthodox location of 180 feet from the North line and 660 feet from the west line of Section 22, Township 6 South, Range 26 East, Chaves County, New Mexico, have changed and that you now plan to drill the well at a standard location.

As per your request, Administrative Order NSL-2058, which authorized the drilling of the above mentioned well at an unorthodox location is hereby rescinded.

Sincerely,

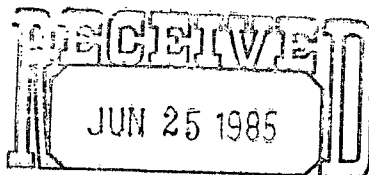
Mike Stogner
Acting Chief Engineer

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Roswell

MS/DC/bok



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1331



OIL CONSERVATION DIVISION
SANTA FE

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

June 21, 1985

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

ATTENTION: Mr. Richard Stamets, Secretary-Director

RE: Buder "ACN" Federal #1
180' FNL & 660' FWL of
Section 22-T6S-R26E
Chaves County, New Mexico
Administrative Order NSL-2058

Dear Sir:

Yates Petroleum Corporation wishes to inform you that our intentions to drill the above named location are changed. The well will now be drilled at a standard location site with the approval of the BLM in Roswell.

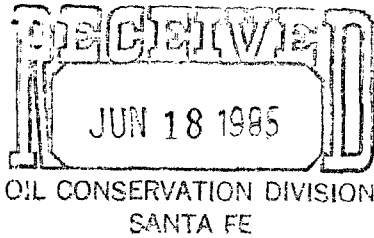
Thank you again for the assistance you have given us.

Sincerely yours,

Clifton May
Regulatory Agent

CM:rj

Donald G. Stevens
P. O. Box 2203
Roswell, New Mexico 88201



June 14, 1985

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Yates Petroleum Corporation
Buder "ACN" Federal #1
1470 FNL and 660 FWL
of Section 22, T-6-S, R-26-E
Chaves County, New Mexico

Dear Sir:

Donald G. Stevens has no objections to the unorthodox location described above as being 1470 FNL 660 FWL of the captioned section.

Please note that the owner is not Stevens Operating Company and is not, at this time, the operator as set out in the letter received June 14, 1985 notifying us of the proposed unorthodox location.

Yours very truly,



Donald G. Stevens

DGS/clw

cc: Yates Petroleum Corporation-
Clifton May

Donald G. Stevens
P. O. Box 2203
Roswell, New Mexico 88201

June 14, 1985

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

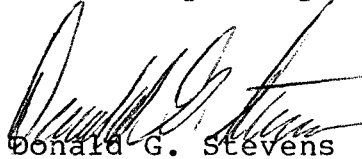
Re: Yates Petroleum Corporation
Buder "ACN" Federal #1
180 FNL and 660 FWL
of Section 22, T-6-S, R-26-E
Chaves County, New Mexico

Dear Sir:

Donald G. Stevens, owner of the offsetting lease to the proposed above captioned well has serious objections to the proposed unorthodox Pecos Slope Abo location, inasmuch as this lease line encroachment would drain hydrocarbons from under Section 15, thereby destroying our correlative rights in said section. Other locations within said proration units are topographically suitable for a drillsite which would not affect our correlative rights and would afford Yates Petroleum access to the hydrocarbons underlying its lease.

Please note that the owner is not Stevens Operating Company and is not, at this time, the operator as set out in the letter received June 14, 1985 notifying us of the proposed unorthodox location.

Yours very truly,



Donald G. Stevens

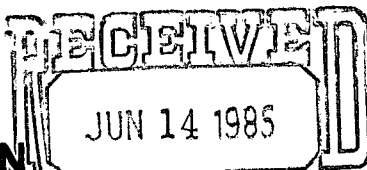
DGS/clw

cc: Yates Petroleum Corporation-
Clifton May



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



OIL CONSERVATION DIVISION
SANTA FE

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

June 13, 1985

Mr. Richard Stamets, Secretary-Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

RE: Buder "ACN" Federal #1
180' FNL and 660' FWL
of Section 22-T6S-R26E
Chaves County, New Mexico

Dear Sir:

Enclosed you will find a copy of the certification where I have notified the offset operators, Stevens Operating Company and Maralo, of our intentions on the above mentioned well with a xerox copy of the attached letter.

If there is anything else that you might need, please let me know.

Thank you.

Sincerely yours,

Rusty Jernigan
Regulatory Secretary

rj

Enclosures

P 672 519 937

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to Stevens Operating Company	
Street and No. P. O. Box 2203	
P.O., State and ZIP Code Roswell, NM 88201	
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 June 13, 1985 Unorthodox letter - Buder "ACN" Federal #1	

CERTIFIED

P 672 519 937

MAIL

P 010 001 917

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to	
Maralo	
4600 Post Oak Place	
Suite 307	
P.O., State and ZIP Code	
Houston, TX 77027	
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	
June 13, 1985	
Unorthodox letter on Buder	
"ACN" Federal #1	

CERTIFIED

P 010 001 917

MAIL