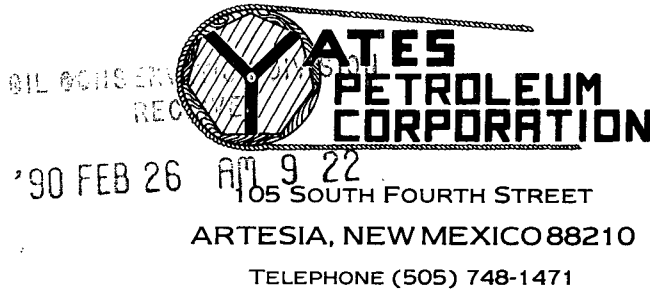


MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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 16, 1990

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

Attention: Mr. William LeMay

Re: Non-standard Location
Carl "TP" #2
2220'FNL & 1650'FSL
Seciton 22-T20S-R24E
Eddy County, New Mexico

Gentlemen:

Yates Petroleum Corporation requests administrative approval for the non-standard location as provided for under NMOCD Rule 104F.

The reason for requesting this non-standard location is that it is a re-entry of an abandoned well drilled by H.T. Hilliard in March of 1968. We wish to re-enter his hole and test the Morrow and intermediate formations. The well was drilled to 9313' and we wish to clean out the hole to 9313' and test all formations. It is much cheaper to re-enter and test this well to help benefit the whole area.

Yates Petroleum Corporation is the operator of all lands surrounding the well. Enclosed find a copy of the lease map and a plat of the original location.

If you have any questions concerning this matter, please do not hesitate to call me. Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Ken Beardemphl
Landman

KB/sdf

Enclosures

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 4-65

MAR 1 1968
Well No. 38

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

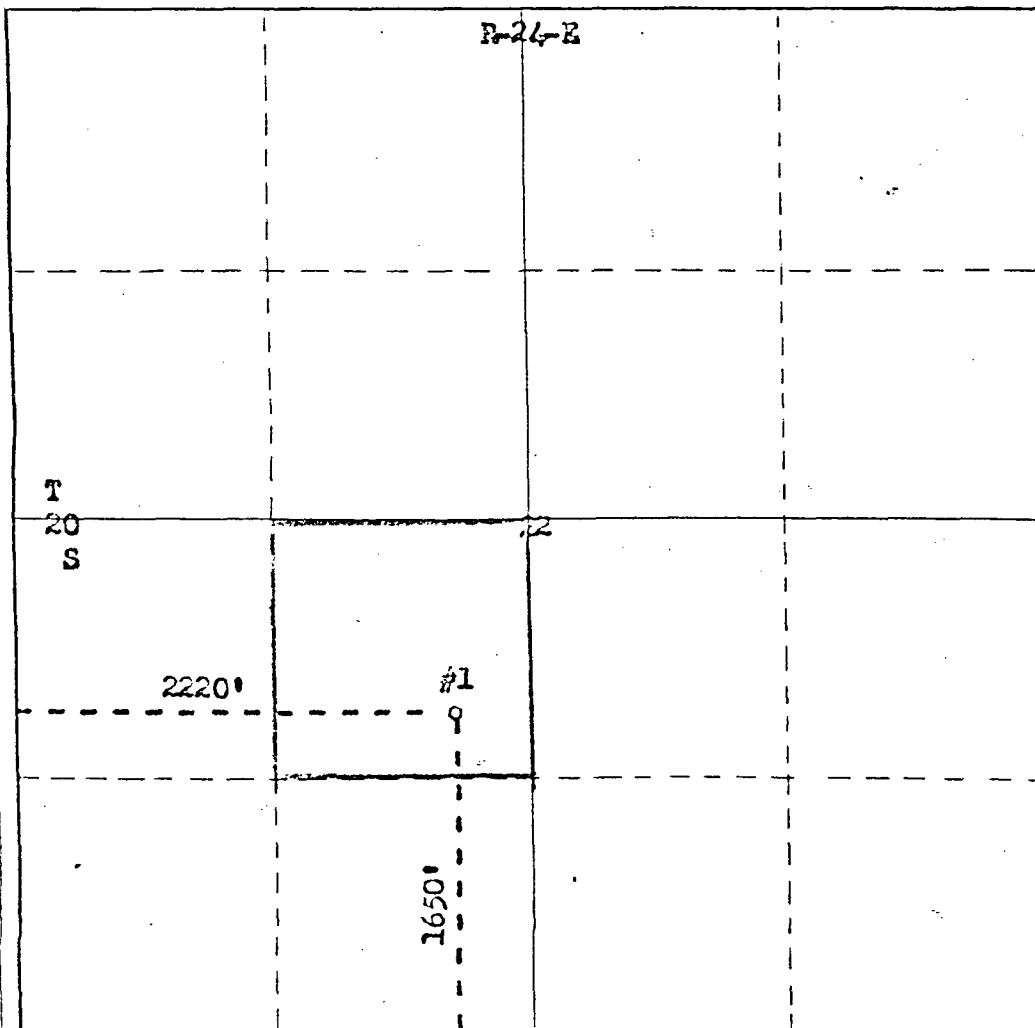
Operator H. T. Hilliard		Lease Foster Ranch	
Unit Letter K	Section 22	Township T-20-S	Range R-24-E
Actual Footage Location of Well: 1650 feet from the South line and 2220 feet from the West line		County Eddy	
Ground Level Elev. 3695	Producing Formation MISSISSIPPIAN	Pool Wildcat	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the 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.

Name
J. B. Taylor
Position
Engineer
Company
H. T. Hilliard
Date
MARCH 8, 1968

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 Surveyed
March 6, 1968
Registered Professional Engineer and/or Land Surveyor
James H. Brown

Certificate No. **542**

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

OIL DIVISION
RECEIVED



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

S. P. YATES
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SECRETARY
DENNIS G. KINSEY
TREASURER

'90 JUN 20 AM 8 43

June 19, 1990

Mr. Michael E. Stogner
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Non-standard location
Administrative Order NSL - 2771
Carl "YB" #2
Section 22-T20S-R24E
Eddy County, New Mexico

Dear Mr. Stogner:

We received your approval for a unorthodox gas well location under Administrative Order NSL-2771 for the Undesignated Foster Ranch Morrow Gas Pool. We now ask if we could also get approved for an unorthodox oil well location under this order or a new order for the South Dagger Draw-Upper Pennsylvanian Associated Pool which is a 320 acre spacing and proration unit like the Morrow spacing. The same W/2 of said Section 22 shall be dedicated to the well forming a standard 320 acre oil spacing and proration unit for said pool.

If you need anything further or have any questions, please call.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Ken Beardemphl
Landman

KB/sdf

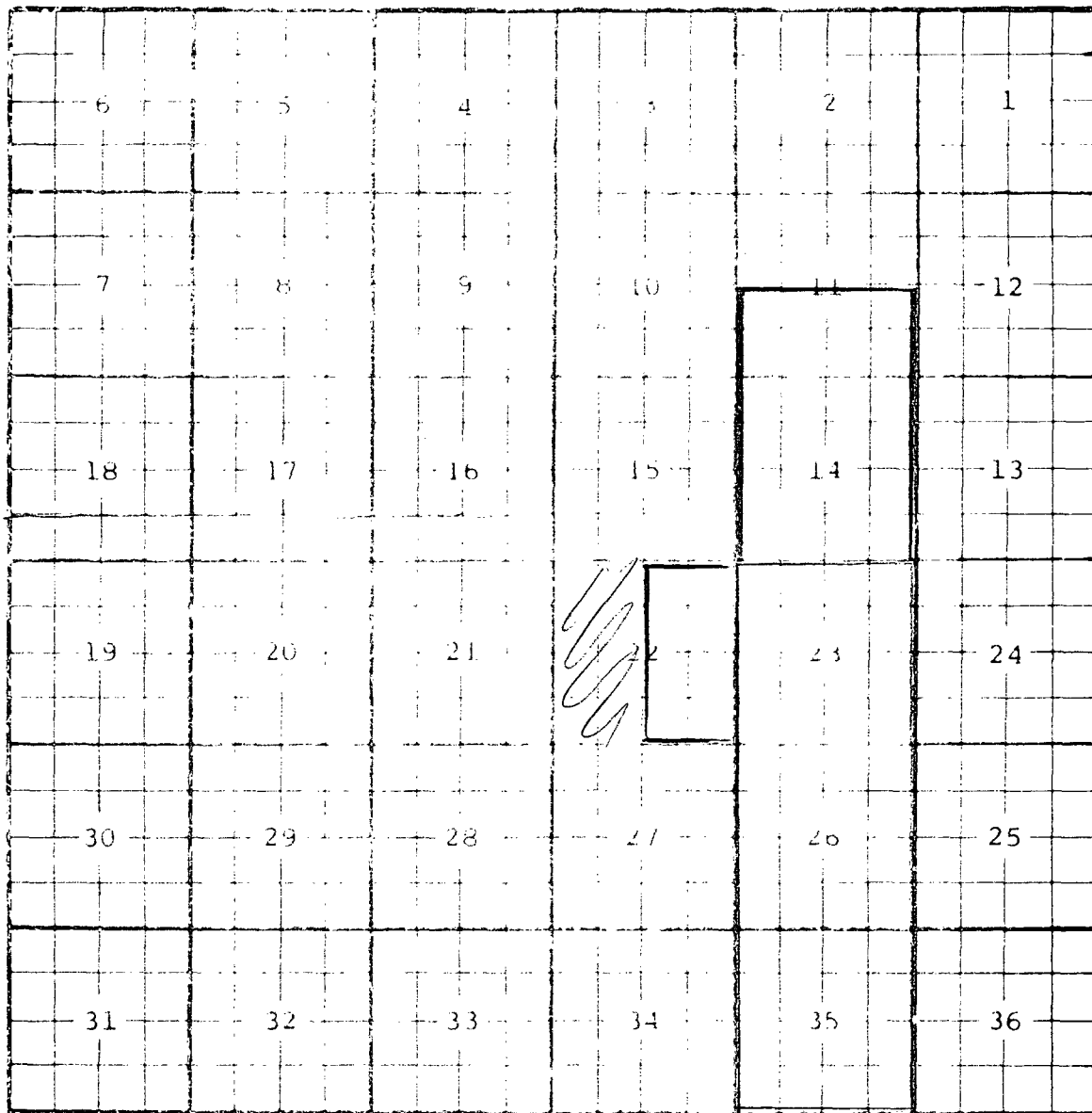
cc: Oil Conservation Division - Artesia
Attention: Mr. Mike Williams

COUNTY Eddy

POOL South Dagger Draw - Upper Pennsylvanian,
Assoc.

TOWNSHIP 20 South RANGE 24 East

NMEM



Description: All Sec 23, 26 & 35 (R-4637, 10-1-73) EXT: E/2 SEC 22
(R-9134, 4-1-90) EXT: S/2 SEC 11, All SEC 14 (R-9171, 6-1-90)