

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



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

OIL CONSERVATION DIVISION
RECEIVED
22 APR 27 AM 9:50
S. P. YATES
CHAIRMAN OF THE BOARD
J. W. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

April 22, 1992

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

Attention: Mr. William LeMay

Re: Lusk AHB Federal #9
1650' FNL and 1040' FEL
Section 35-T19S-R32E
Lea County, New Mexico

Dear Sir:

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

The reason for requesting this non-standard location is that Bureau of Land Management is requiring us to move from our preferred location of 1650' FNL and 990' FEL due to an archeological site on the east and south sides of the proposed location. By moving the required 50' to the west would allow us to build this well pad without disturbing the archeological site. Enclosed is a copy of the Archeological Survey Report with their maps and drawings. The site covers approximately three quarters of the SENE quarter preventing a standard location to be built.

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

Formations that we expect to drill through are: Rustler, Yates, Delaware, Brushy Canyon, and Bone Springs. Our expected total depth is 7900'.

If you have any questions concerning this matter, please don't hesitate to call me at (505) 748-1471.

Sincerely,

YATES PETROLEUM CORPORATION

Clifton R. May
Permit Agent

CRM:tg
Enclosures

cc: See Attached

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

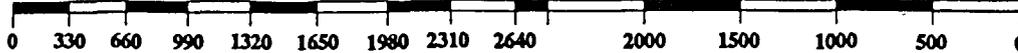
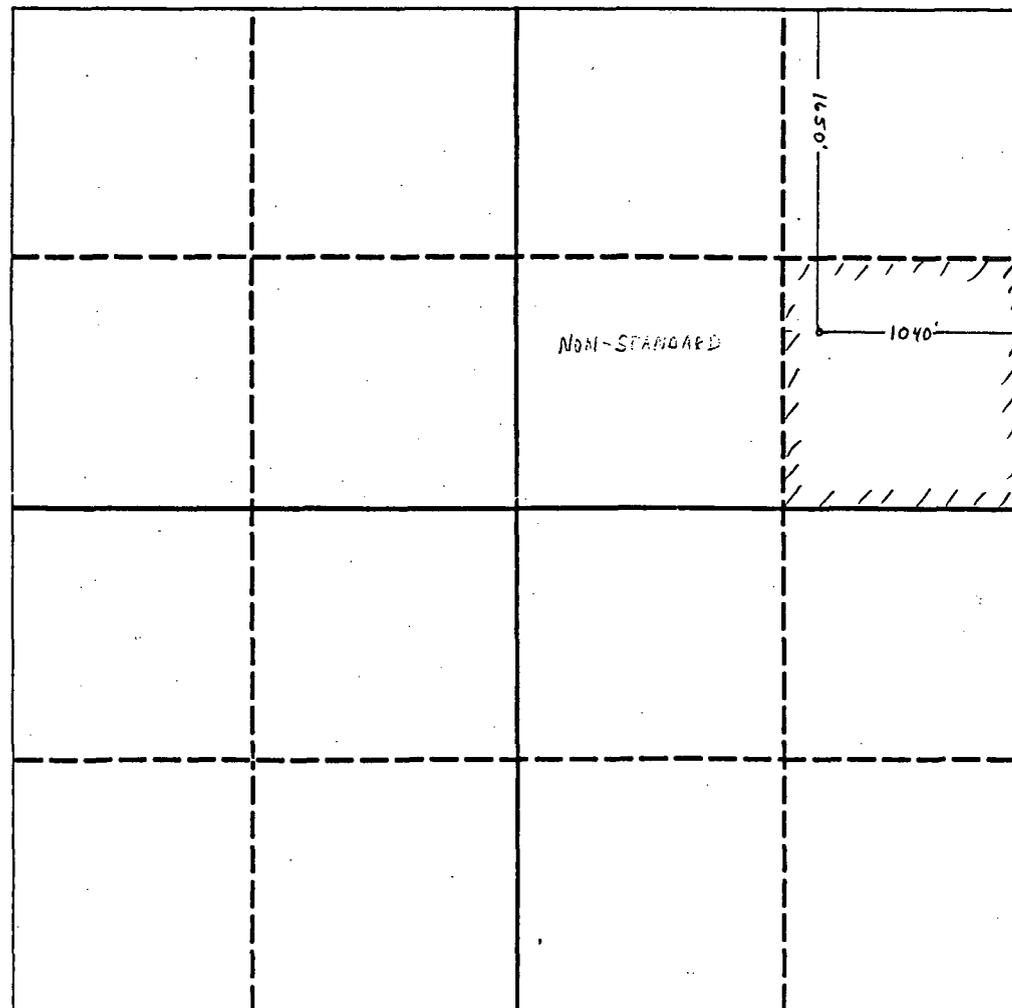
Operator YATES PETROLEUM CORPORATION			Lease LUSK "AHB" FEDERAL		Well No. 9
Unit Letter H	Section 35	Township 19 SOUTH	Range 32 EAST	County NMPM LEA	
Actual Footage Location of Well: 1650 feet from the NORTH line and 1040 feet from the EAST line					
Ground level Elev. 3566	Producing Formation DELAWARE		Pool EAST LUSK DELAWARE		Dedicated Acreage: 40 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Clifton R. May*

Printed Name: **Clifton R. May**

Position: **Permit Agent**

Company: **YATES PETROLEUM CORPORATION**

Date: **April 24, 1992**

SURVEYOR CERTIFICATION

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: **April 16, 1992**

Signature & Seal of Professional Surveyor: *[Signature]*

Certificate No. **3840**

3640

Professional Land Surveyor

Lusk "AHB" Federal #9
1650' FNL and 1040' FEL
Section 35-T19S-R32E
Lea County, New Mexico

Meridian Oil Inc.
21 Desta Drive
Midland, Texas 79701

Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221-2880

Manzano Oil Corporation
P.O. Box 2107
Roswell, NM 88202

Union Texas Petroleum
P.O. Box 2120
Houston, TX 77252-2120

Mitchell Energy Corporation
400 W. Illinois
1000 Independence Plaza
Midland, Texas 79701

Oxy USA, Inc.
P.O. Box 50250
Midland, Texas 79705

Texaco USA
P.O. Box 2100
Denver, CO 80201

Anadarko Petroleum Corporation
P.O. Box 2497
Midland, Texas 79702

Lanexco, Inc.
P.O. Box 2730
Midland, Texas 79702

Grace Petroleum Corporation
6501 N. Broadway
Oklahoma City, OK 73116

Unocal Corporation
P.O. Box 3100
Midland, TX 79702

Bass Enterprises Production Company
3100 First City Bank Tower
201 Main Street
Ft. Worth, Texas 76102

Fina Oil & Chemical Company
6 Desta Drive, Suite 4400
Midland, TX 79705

APR 27 1992

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

April 22, 1992

NSL-3115

Mitchell Energy Corporation
400 W. Illinois
1000 Independence Plaza
Midland, TX 79701

RE: Non-Standard Location for
Lusk AHB Federal #9
1650' FNL and 1040' FEL
Section 35-T19S-R32E
Lea County, New Mexico

Gentlemen:

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Clifton R. May, and one (1) copy to Mr. William LeMay, New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501, if you have no objections to the proposed unorthodox location listed above. A xerox copy of a letter to Mr. William LeMay is attached to inform you of our intentions.

WAIVER

As an offset operator, Mitchell Energy Corporation, has no objections to the unorthodox location for the well listed above.

Lloyd D. ...

Signature

DISTRICT LANDMAN

Title

5/19/92

Date

OIL CONSERVATION DIVISION

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ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

April 22, 1992

Lanexco, Inc.
P.O. Box 2730
Midland, Texas 79702

RE: Non-Standard Location for
Lusk AHB Federal #9
1650' FNL and 1040' FEL
Section 35-T19S-R32E
Lea County, New Mexico

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WAIVER

As an offset operator, Lanexco, Inc., has no objections to the unorthodox location for the well listed above.

Signature

Title

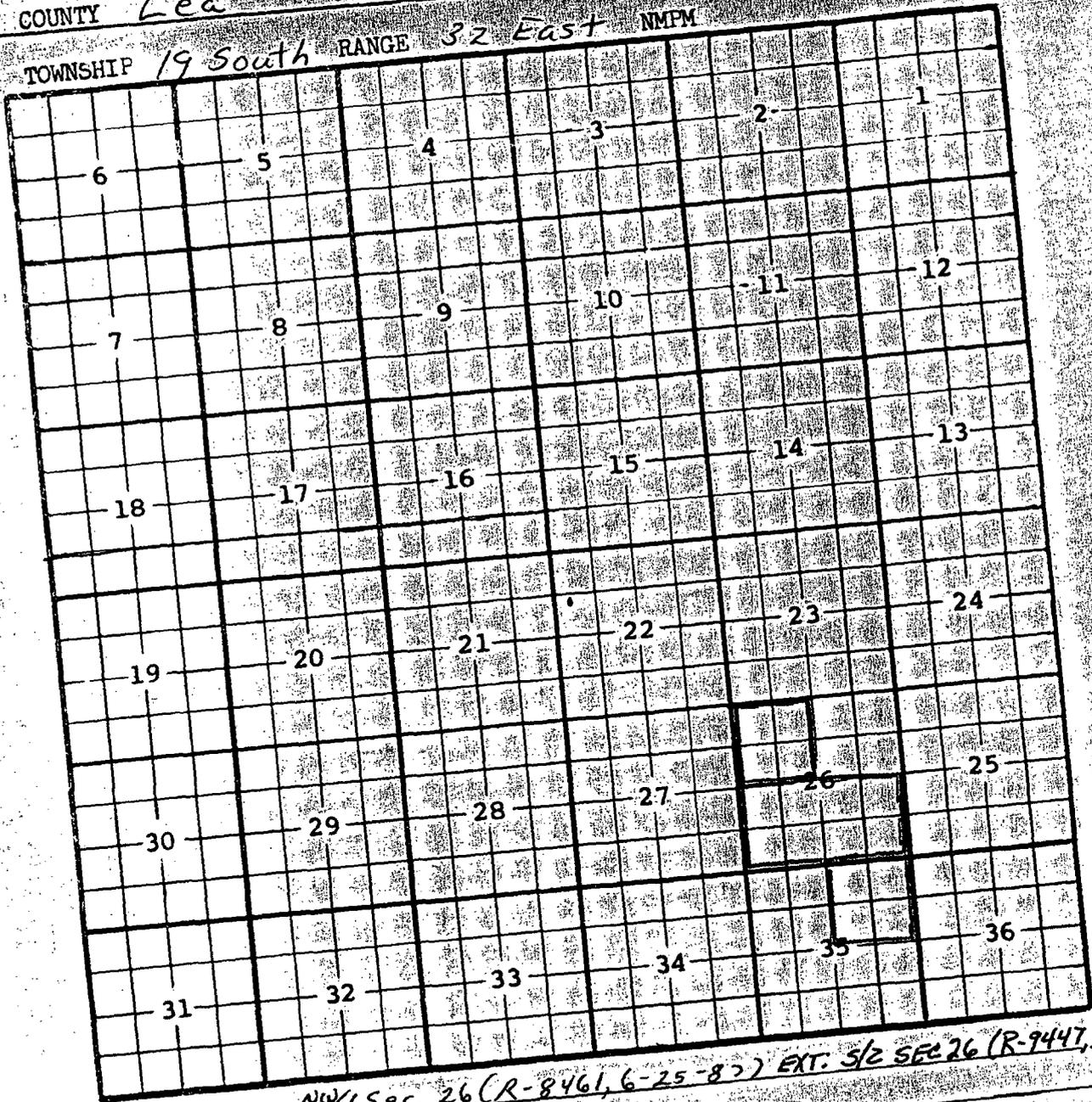
President

Date

4-27-92

COUNTY Lea POOL East Lusk - Delaware

TOWNSHIP 19 South RANGE 32 East NMFM



Description: NW/4 Sec. 26 (R-8461, 6-25-87) EXT. 5/2 SEC 26 (R-9447, 3-1-91)
Ext: NE/4 Sec. 35 (R-9544, 7-1-91)