

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



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

CIB 408 2/13/95

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

January 18, 1995

Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504-2088

ATTENTION: David Catanach

RE: Surface Commingling, Lease Commingling,
Cff-Lease Storage and Measurement
North Dagger Draw Upper Penn Pool
Eddy County, New Mexico

Dear David:

Yates Petroleum Corporation respectfully requests administrative approval for surface commingling, lease commingling, off-lease storage and measurement for the following wells:

Hinkle ALD #1
1980' FNL & 1980' FEL (SWNE)
Section 28-T19S-R25E
Eddy County, New Mexico
Fee Lease

Patriot AIZ #5
660' FSL & 1980' FEL (SWSE)
Section 21-T19S-R25E
Eddy County, New Mexico
Fee Lease

The production from the Patriot AIZ #5 will be transported prior to measurement to a common tank battery located at the Hinkle ALD #1. A map labeled Attachment I is enclosed for your information.

The purpose of this off-lease storage and surface commingling is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the wells.

Because working interests for the wells are different, oil from each of the wells will be measured by positive displacement, temperature compensated metering equipment prior to surface commingling. Gas from the wells will also be metered separately. This metering will ensure that all production from each of the wells is equitably accounted for with no significant effect on your revenue. The production is from the same producing zone which is the Canyon.

Surface Commingling, Etc.

Page 2:

January 18, 1995

In accordance with the Oil Conservation Division's Rules 303-B, 309-B and 309-C, the following diagrams and maps are enclosed for your information.

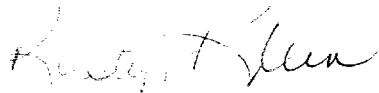
Attachment II A diagram of the proposed measurement equipment, separators and storage tanks in accordance with the "Manual for Installation and Operation of Commingling Facilities".

Attachment III Notification of interest owners

If you should have any questions or need further information, please give me a call at 505-748-4205.

Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rusty Klein".

Rusty Klein
Production Clerk

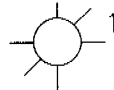
rk

Enclosures

YATES PET
HOOPER "AMP"



ANADARKO PROD
OSAGE



21

YATES PET
HOOPER "AMP"



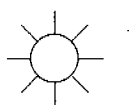
T19S-R25E

Patriot RIZ
#5

YATES PET CORP
LORENE ANN



YATES PET
ROSS IZ



YATES PETROLEUM CORP.
HINKLE 'ALD'



28

YATES PETROLEUM
STATE "K"



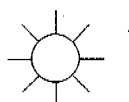
NEARBURG PROD
STATE "K"



YATES PETROLEUM CORP.
TACKITT 'AOT'



GETTY OIL
ST K 6096 A

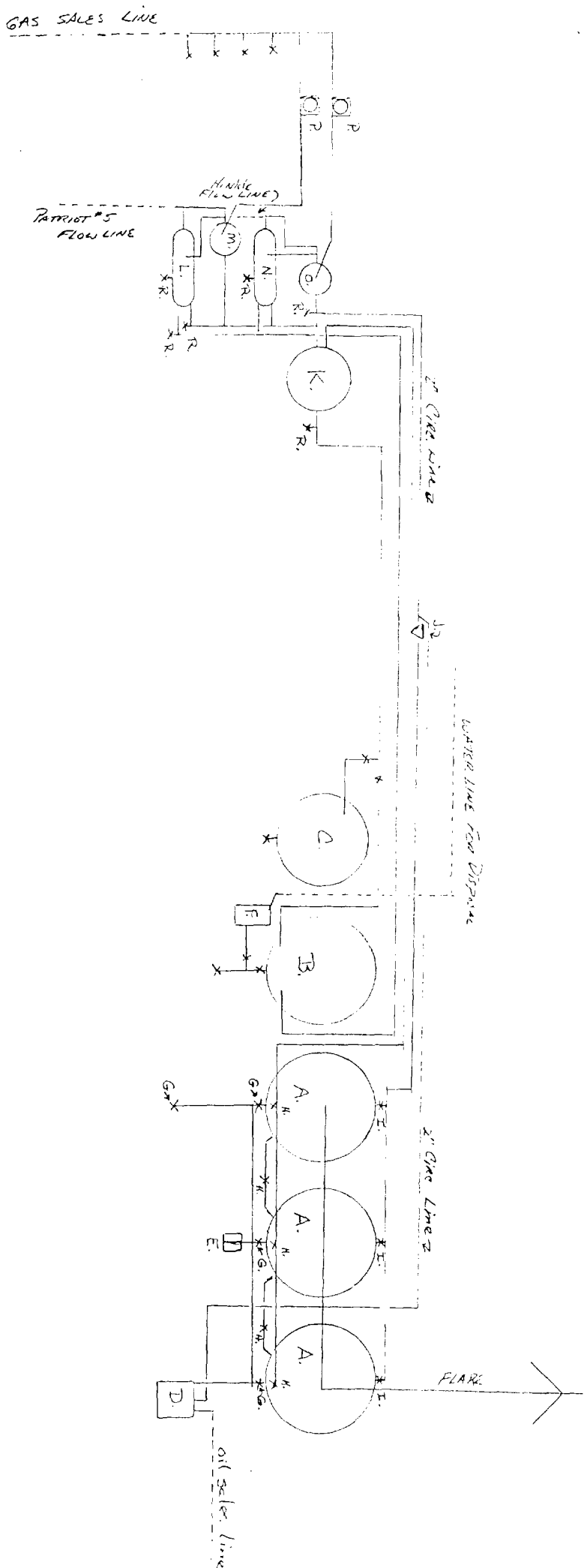


Attachment I

500 BL. METAL STACK TANKS	K. HEATER TREATER
500 BL. FIBERGLASS LITE TANK	L. PATRIOT #5 3-PHASE HORIZONTAL SEPARATOR
210 BL. FIBERGLASS BSW TANK	M. PATRIOT #5 GAS SEPARATOR
ACT UNIT (oil seals)	N. HINKLE #1 3-PHASE HORIZONTAL SEPARATOR
TANK LEVEL GAUGES	O. HINKLE #1 GAS SEPARATOR
WATER PUMP (Produce unit)	P. GAS Meters (Gases)
4" Ball Valves NOT SCHED (OPEN FOR TANKS)	R. 3" Ball Valves SCHED (Emergency only)
3" Ball Valves (OPEN FOR TANKS) (Sched closed, open)	
3" Ball Valves (Sched closed, open)	
Circulating Pump (for Tank BSW)	

1980' FNL & 1989 FNL
SEC. 28-T195-R15E
Eddy Co. NM
#30-015-28033

Hinkle #1 + Patriot #1
1980' FNL & 1989 FNL
SEC. 28-T195-R15E
Eddy Co. NM
#30-015-28033



American National Petroleum Company
P. O. Box 27725
Houston, TX 77227-7725
ATTN: W. H. Hayworth

Ernie Bello
3325 Ala Akulikuli
Honolulu, HI 96818

Brown Brothers Harriman Trust T/C
S/T of Agnes Cluthe Oliver Trust
2001 Ross Avenue - Suite 1150
Dallas, TX 75201

Frances B. Bunn
2493 Makiki Heights Drive
Honolulu, HI 96822

Jack C. Cartwright
P. O. Box 10250
Midland, TX 79702

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, TX 79705-4500
ATTN: Mark Mosley

Coquina Oil Corporation
P. O. Box 4554
Houston, TX 72210-4554
ATTN: Land Department

Sanford J. Hodge III
4324 Hanover Avenue
Dallas, TX 75225

Jalapeno Corporation
P. O. Box 1608
Albuquerque, NM 87103-1608

Nearburg Exploration Company
419 W. Cain
Hobbs, NM 88240
ATTN: Scott Kimbrough

Roberts and Koch
A Partnership
1540 Independence Plaza
400 W. Illinois
Midland, TX 79701

Space Building Corporation
250 Cape Highway
Route 44
East Taunton, MA 02718

Spiral, Inc.
P. O. Box 1933
Roswell, NM 88201

Yates Energy Corporation
P. O. Box 2323
Roswell, NM 88202-2323

Harvey E. Yates Company
P. O. Box 1933
Roswell, NM 88201

Union Pacific Resources Company
1000 Louisiana - Suite 3000
Houston, TX 77002

Michael Harrison Moore
P. O. Box 1733
Midland, TX 79702

Richard L. Moore
P. O. Box 1733
Midland, TX 79702

Stephen Scott Moore Estate
Richard Lyons Moore, Ind. Executor
P. O. Box 10908
Midland, TX 79702

Cross Timbers Oil Company
P. O. Box 840287
Dallas, TX 75284

P 083 924 972



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Postmark or Date <i>000</i>	
Sent to <i>P.O. Box 2088</i>	
P.O., State and ZIP Code <i>Santa Fe, NM 87504-2088</i>	
To <i>David Catanach</i>	
Certified Fee	\$
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>off-lease - Denkle ACO #1</i>	

PS Form 3800, June 1991

P 083 924 973



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>American National Pk. Co.</i>	
Street and City <i>P.O. Box 27725</i>	
P.O., State, and ZIP Code <i>Houston, TX 77227-7725</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Addressee Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>Off-lease - Bundle ACD #1</i>	

PS Form 3800, June 1991

P 083 924 974



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

To	
Mr. Benito Bello	
Street and No.	
3325 Ala Akululu	
P.O., State, and ZIP Code	
Honolulu, HI 96818	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (if desired) to Whom & Date of receipt	
Return Receipt (if desired) Date, and Address of A	
TOTAL Postage & Fees	\$
Postmark or Date	
January 19, 1995	
off-lease - Uncle Al's #1	

PS Form 3800, June 1991

P 083 924 975



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Brown Brothers Christmas Tree

Trk 5/17 of A. Clarke Oliver Trust

Street and No. *2001 Ross Ave. - Suite 1150*

City, State and ZIP Code *Dallas, TX 75201*

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom Date, and Addressee's Address

TOTAL Postage & Fees \$

Postmark or Date

January 19, 1995

off - lease Hinkle ALD #1

PS Form 3800, June 1991

P 083 924 976



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

To: <i>Frances B. Dunn</i>	
Street and No. <i>2493 Makiki Heights Drive</i>	
City, State, and ZIP Code <i>Honolulu, HI 96822</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (Showing to Whom & Date Delivered)	
Return Receipt (Showing to Whom Date, and Addressed), Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1994</i> <i>76-lease-Henkle MO #1</i>	

PS Form 3800, June 1991

P 083 924 977



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Jack C. Christwight</i>	
Street and No. <i>P.O. Box 10250</i>	
P.O., State and ZIP Code <i>Midland, TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1994</i> <i>alt - Lease - Amble ACD #1</i>	

PS Form 3800, June 1991

P 083 924 978



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Conoco, Inc.	
Street and No.	
10 Dasha Drive - Suite 100W	
P.O., State and ZIP Code	
Midland, TX 79705-4500	
Mark Mosley	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
January 19, 1995	
off - lease - Unit #1	

PS Form 3800, June 1991

P 083 924 979



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Cummins Int Corporation</i>	
Post Office <i>P.O. Box 4554</i>	
P.O., State and ZIP Code <i>Houston, TX 77210-4554</i>	
Address <i>Hand Dept.</i>	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Addressee (Date, and Addressee's Address)	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>Off-lease. Hinkle ACO #1</i>	

PS Form 3800, June 1991

P 083 924 960



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Sanford J. Hodge III</i>	
Street and No. <i>4324 Kinross Ave.</i>	
PS, State, and ZIP Code <i>Dallas, TX 75225</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Sent with to Addressee & Signature Required	
Return Receipt Sent with to Addressee Date and Address Only Required	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>066-lease - Kinross A.C.O #1</i>	

PS Form 3800, June 1991

P 083 724 981



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Jalapeno Corporation</i>	
Street and No. <i>P.O. Box 1608</i>	
City, State and ZIP Code <i>Albuquerque, NM 87103-1608</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>76-Case-Booklet ALO #1</i>	

PS Form 3800, June 1991

P 083 924 482



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

To <i>Washburn Exploration Co.</i>	
Street, Apt. No. <i>419 W. Glen</i>	
City, State and ZIP <i>Hobbs, NM 86240</i>	
Attention <i>Scott Kimmrough</i>	
Collect Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Address of Addressee	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>off - lease - don't let AID</i>	

PS Form 3800, June 1991

P 083 924 983



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Roberts : Koch	
540 Independence Plaza	
400 W. Illinois	
P.O., State and ZIP Code	
Midland, TX 79701	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
January 14, 1994	
Off-lease - Serial A10 #1	

PS Form 3800, June 1991

P 083 924 984



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Space Building Corporation	
250 Cape Highway	
Street and No.	
Route 44	
P.O., State and ZIP Code	
East Taunton, MA 02718	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
January 19, 1995	
Off-lease - Benile ACO #1	

PS Form 3800, June 1991

P 003 924 985



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Spinal, Inc.</i>	
Street and No. <i>P.O. Box 1933</i>	
City, State and ZIP Code <i>Roswell, NM 88201</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Shown to Whom & Date Delivered	
Return Receipt Shown to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>off-lease. Hunkle A-041</i>	

PS Form 3800, June 1991

P 083 924 986



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to:	
Hates Energy Corporation	
P.O. Box 2323	
Roswell, NM 88202-2323	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (if sent to Whelan & D...)	
Return Receipt (if sent to Date, and Address...)	
TOTAL Postage & Fees	\$
Postmark or Date:	
January 19, 1995	
At - lease - Henkle ACD	

PS Form 3800, June 1991

P 083 924 987



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Name <i>Harvey E. Gates Company</i>	
Street and No. <i>P.O. Box 1933</i>	
City, State and ZIP Code <i>Roswell, NM 88201</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Sent (checked) to Addressee & Date Received	
Return Receipt Sent (checked) to Addressee's Agent	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>off-lease - Junkie AD #1</i>	

PS Form 3800, June 1991

P 083 924 988



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Union Pacific Resources Co.</i>	
Street or P.O. <i>1000 Louisiana - Suite 3000</i>	
City, State and ZIP Code <i>Houston, TX 77002</i>	
Postage	\$
Certified fee	
Special Delivery fee	
Restricted Delivery fee	
Return Receipt Service fee (if Whichever & Date Delivered)	
Return Receipt (following to Whichever Date, and Address or Address)	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>Off - lead - Henkle ACD</i>	

PS Form 3800, June 1991

P 083 924 984



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Michael Harrison Moore</i>	
Street and No. <i>P.O. Box 1733</i>	
P.O., State and ZIP Code <i>Midland, TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>Off - Const. Bureau ALO</i>	

PS Form 3800, June 1991

P 083 924 990



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Richard X. Moore</i>	
Street and No. <i>P.O. Box 1733</i>	
P.O., State, and ZIP Code <i>Midland, TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>Off - Lease - Hinkle ACD</i>	

PS Form 3800, June 1991

P 083 924 991



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

~~Stephen Scott Moore Estate~~
Richard Lyons Moore, Ind. Inc.

Street and No.	
P.O. Box 10908	
P.O., State and ZIP Code	
Midland, TX 79702	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
January 19, 1995	
At - Lease - Dr - Rte ACD	

PS Form 3800, June 1991

P 083 924 992



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Send to <i>Cross Timbers Ltd Co.</i>	
Street or P.O. Box <i>P.O. Box 840287</i>	
City, State and Zip Code <i>Dallas, TX 75284</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (if sent to Whom & Date)	
Return Receipt (if sent to Date, and Address)	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 19, 1995</i> <i>off - Cross - Gentle ALD #1</i>	

PS Form 3800, June 1991