

120140658

NSL

8/9/01

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

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

July 11, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

CERTIFIED MAIL
Return Receipt Requested

RE: Application for Unorthodox Location
Chester AYC St #1
Township 15 South, Range 28 East
Section 9: 660' FSL & 1650' FWL
Chaves County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully requests administrative approval for an unorthodox Morrow gas well, the Chester AYC St #1. The well is located on state of New Mexico minerals, 1650' FWL and 660' FSL of Section 9, Township 15 South, Range 28 East, Chaves County, New Mexico.

This well location does not comply with existing special rules for the Buffalo Valley-Pennsylvania Gas Pool which states that each well shall be located in the NW/4SE/4 of the section.

Please find enclosed our geological explanation with Exhibits, justifying our well location. Also enclosed are Forms C-101, C-102, land plat and a notification list of offset operators including letters of waiver. Notification to the offset operators was made by certified mail on July 11, 2001 including a copy of this application letter with all attachments.

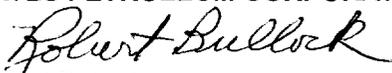
Yates Petroleum Corporation respectfully requests that this unorthodox location be administratively approved if no objections are received within the cited twenty (20) days as required by OCD regulations, or earlier if waivers are received.

Please call me at (505) 748-4351 if you need further information.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION


Robert Bullock
Landman

RB:bn
enclosure(s)

file

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

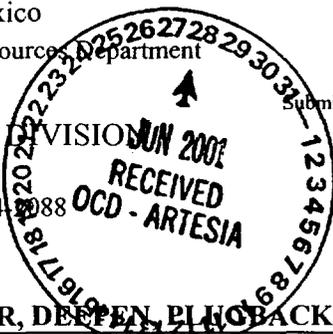
Form C-101
Revised March 17, 1999
Instructions on back
Submit to appropriate District Office

DISTRICT II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088

State Lease - 6 Copies
Fee Lease - 5 Copies

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



DISTRICT IV
2040 South Pacheco, Santa Re, NM 8750.

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
⁴ Property Code		³ API Number 30- oes - 63396
⁵ Property Name Chester "AYC" State		⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
N	9	15S	28E		660	South	1650	West	Chaves

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
⁹ Proposed Pool 1 Buffalo Valley, Penn					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3565'
¹⁶ Multiple No	¹⁷ Proposed Depth 9330'	¹⁸ Formation Chester	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
20"	18"	60#	180'	200 sx	Circulate
14 3/4"	11 3/4"	47# 42#	1900-400'	600 sx 300 sx	Circulate
11"	8 5/8"	32#	3250'	500 sx	TOC-1400' Circulate
7 7/8"	5 1/2"	15.5# & 17#	9330'	450 sx	TOC-6100'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Chester and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. First intermediate casing will be set at 1900' and cement circulated to surface. Second intermediate casing will be set at 3250' and cemented to bring the top to 1400'. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FW/Native Mud; 400'-3250' Cut Brine; 3250'-8000' Cut Brine; 8000'-13600' Salt Gel/Starch.

BOPE PROGRAM: A 3000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

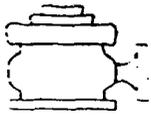
Signature: *Clifton R. May*

OIL CONSERVATION DIVISION	
Approved by: <i>[Signature]</i>	TITLE: SUPERVISOR, DISTRICT II
Printed name: Clifton R. May	Title: Regulatory Agent

Date: 06/28/01	Phone: (505) 748-1471
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Approval Date: JUN 23 2001	Expiration Date: JUN 03 2002
Conditions of Approval	Attached <input type="checkbox"/>

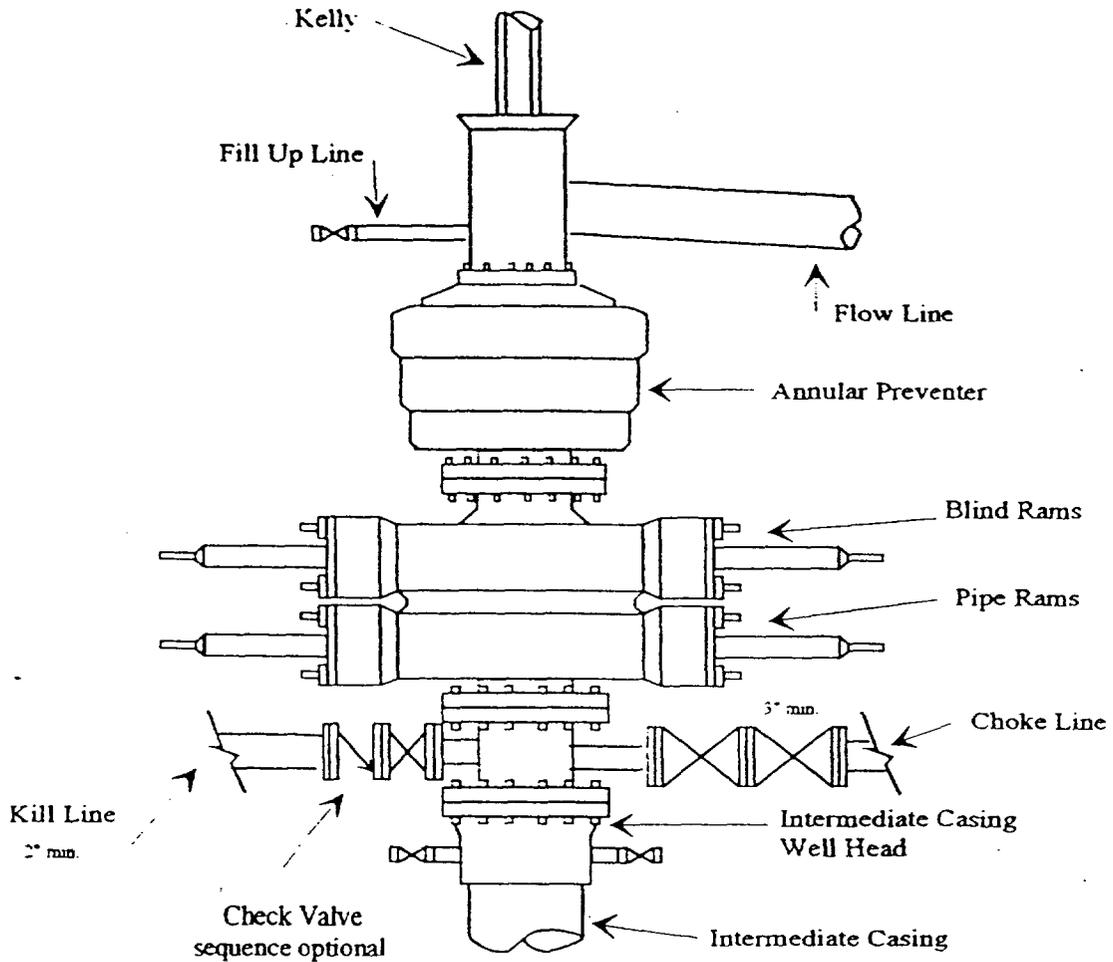
Heading - Administrative Approval Required To Produce in Penn. formation



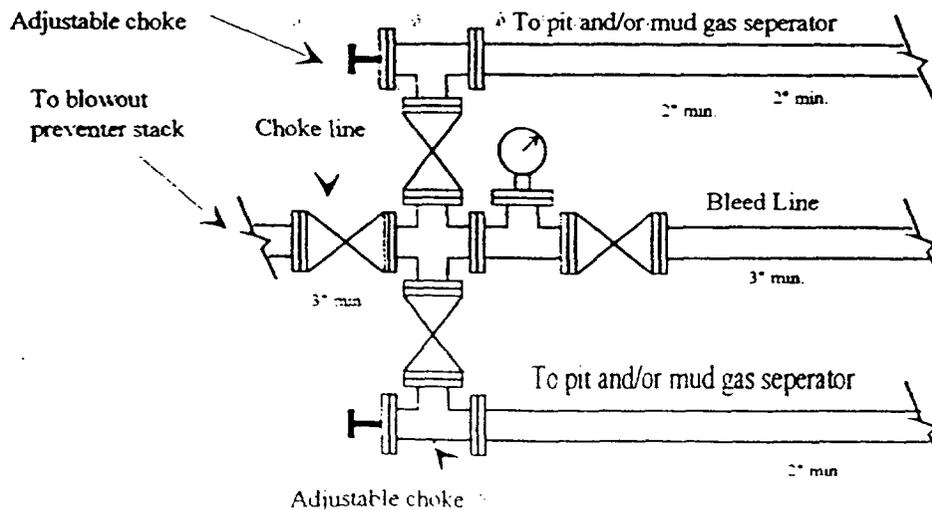
Yates Petroleum Corporation

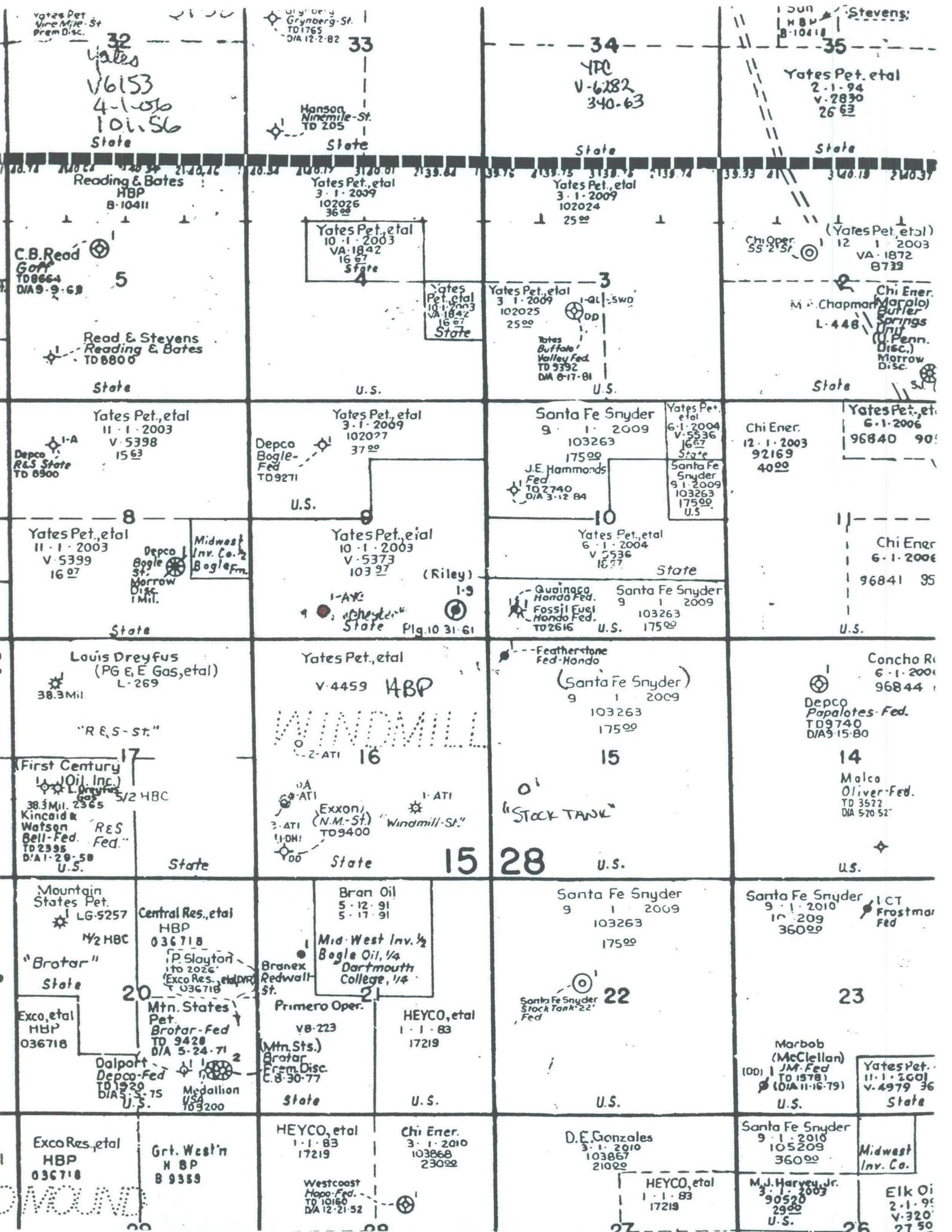
BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features





32
Yates
V6153
4-1-06
101.56
State

Reading & Bates
HBP
8-10411

C.B. Read
Goff
TD8664
D/A 9-9-68

5

Read & Stevens
Reading & Bates
TD8800

State

33
Hanson
Ninemile-St.
TD 205

State

Yates Pet. et al
3-1-2009
102026
36⁰⁰

Yates Pet. et al
10-1-2003
VA-1842
16⁶⁷
State

4

Yates Pet. et al
10-1-2003
VA-1842
16⁶⁷
State

3

Yates Pet. et al
3-1-2009
102025
25⁰⁰

Yates Pet. et al
3-1-2009
102024
25⁰⁰

State

U.S.

34
YPC
V-6282
340-63

State

Yates Pet. et al
3-1-2009
102024
25⁰⁰

3

Yates Pet. et al
3-1-2009
102025
25⁰⁰

Yates Pet. et al
10-1-2003
VA-1842
16⁶⁷
State

Yates Pet. et al
3-1-2009
102025
25⁰⁰

Yates Pet. et al
3-1-2009
102024
25⁰⁰

State

U.S.

35
Stevens

Yates Pet. et al
2-1-94
V-2830
26⁶³

State

Yates Pet. et al
12-1-2003
VA-1872
8733

Chi Ener.
55-2-57

Chi Ener.
Marolo
Butler
Springs
Only
(U. Penn.
Disc.)
Morrow
Disc.

State

8
Yates Pet. et al
11-1-2003
V-5398
15⁶³

Depco
R&S State
TD 8900

1-A

Yates Pet. et al
11-1-2003
V-5399
16⁰⁷

Depco
Bogle
St.
Morrow
Disc.
1 Mil.

Midwest
Inv. Co.
Bogle
Fm.

State

9
Yates Pet. et al
3-1-2009
102027
37⁰⁰

Depco
Bogle-
Fed
TD9271

U.S.

Yates Pet. et al
10-1-2003
V-5373
103⁹⁷

(Riley)

1-AYC
1-9

State

U.S.

10
Santa Fe Snyder
9-1-2009
103263
175⁰⁰

J.E. Hammonds
Fed
TD 2740
D/A 3-12-84

Yates Pet. et al
6-1-2004
V-5536
16⁶⁷
State

Santa Fe Snyder
9-1-2009
103263
175⁰⁰
U.S.

Yates Pet. et al
6-1-2004
V-5536
16⁶⁷
State

State

Chi Ener.
12-1-2003
92169
40⁰⁰

Yates Pet. et al
6-1-2006
96840
90⁰⁰

Chi Ener.
6-1-2006
96841
95

U.S.

17
Louis Dreyfus
(PG E, E Gas, et al)
L-269
38.3 Mil.

"R.E.S.-St."

First Century
Oil, Inc.)
L. Dreyfus
38.3 Mil. 2365
Kincaid &
Watson
Bell-Fed.
TD 2395
D/A 1-20-58
U.S.

State

16
Yates Pet. et al
V-4459 HBP

WINDMILL

2-ATI

ATI
ATI
ATI
ATI
ATI

Exxon
(N.M.-St.)
TD 9400

Windmill-St.

State

U.S.

15
Featherstone
Fed-Honda
(Santa Fe Snyder)
9-1-2009
103263
175⁰⁰

15

"STOCK TANK"

U.S.

14
Concho Rio
6-1-2004
96844

Depco
Papalotes-Fed.
TD 9740
D/A 9-15-80

Malco
Oliver-Fed.
TD 3572
D/A 5-20-52

U.S.

20
Mountain States Pet.
LG-5257
1/2 HBC

"Brotar"
State

Exco, et al
HBP
036718

Central Res., et al
HBP
036718

P. Slayton
1-1-2026
Exco Res., et al
036718

Mtn. States
Pet.
Brotar-Fed
TD 9428
D/A 5-24-71

Dalport
Depco-Fed
TD 1920
D/A 5-15-75

Medallion
USA
103200

State

21
Bran Oil
5-12-91
5-17-91

Mid-West Inv. 1/2
Bogle Oil, 1/4
Dartmouth
College, 1/4

Branex
Redwall
St.

Primero Oper.
V8-223

(Mtn. Sts.)
Brotar
Frem. Disc.
C. 8-30-77

State

U.S.

22
Santa Fe Snyder
9-1-2009
103263
175⁰⁰

Santa Fe Snyder
Stock Tank #22
Fed

U.S.

23
Santa Fe Snyder
9-1-2010
103209
360⁰⁰

ICT
Frostmar
Fed

Marbob
(McClellan)
JM-Fed
TD 1578
(D/A 11-16-79)

U.S.

Yates Pet. et al
11-1-2001
V-4979
36

State

27
Exco Res., et al
HBP
036718

Grt. West'n
HBP
89389

U.S.

28
HEYCO, et al
1-1-83
17219

Chi Ener.
3-1-2010
103868
230⁰⁰

Westcoast
Hopo-Fed.
TD 10160
D/A 12-21-52

U.S.

28
D.E. Gonzales
3-1-2010
103867
21029

HEYCO, et al
1-1-83
17219

U.S.

26
Santa Fe Snyder
9-1-2010
105209
360⁰⁰

Midwest
Inv. Co.

M.J. Harvey, Jr.
3-1-2003
90520
2950

U.S.

Eik Oi
2-1-95
V-320
2750

**NOTIFICATION LIST OF OFFSET
OPERATORS/LEASEHOLD OWNERS**

UNORTHODOX LOCATION
CHESTER AYC ST #1
TOWNSHIP 15 SOUTH, RANGE 28 EAST
SECTION 9: 660' FSL & 1650' FWL
CHAVES COUNTY, NEW MEXICO

1. Mossman Midwest
PO Box 1180
Roswell, NM 88201

2. Bogle Limited Company
PO Drawer 460
Dexter, NM 88260

3. Dartmouth Alumni Fund
Blunt Alumni Center
Hanover, NH 03755

4. Louis Dreyfus Natural Gas Corp.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134-2600

5. Devon SFS Operating, Inc.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

BUFFALO VALLEY-PENNSYLVANIAN GAS POOL
Chaves County, New Mexico

Order No. R-1670-H, Adopting Operating Rules, in Addition to the General Rules and Regulations for Southeastern New Mexico, for the Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, March 4, 1969.

(Order No. R-1670-H, supersedes Order No. R-2349 and Order No. R-2349-A.)

Application of Cities Service Oil Company for the Institution of Gas Prorationing in the Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.

CASE NO. 4040
Order No. R-1670-H

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on February 5, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of March, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Order No. R-2349, dated October 31, 1962, created the Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, and promulgated temporary Special Rules and Regulations for same.

(3) That by Order No. R-2349-A, dated October 21, 1964, said temporary Special Rules and Regulations were made permanent.

(4) That the applicant, Cities Service Oil Company, seeks the limitation of gas production from said gas pool to reasonable market demand, and that the allowable production from the pool be allocated among the wells in the pool on a 100% surface acreage basis.

(5) That the applicant further proposes that the subject pool be governed by the General Rules and Regulations for the Prorated Gas Pools of Southeastern New Mexico insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations governing the subject pool.

(6) That there are five producing gas wells in the subject pool that have connections to a gas transportation facility.

(7) That a sixth well has been completed but has not yet been connected to a gas transportation facility.

(8) That the wells presently completed in the subject pool are capable of producing in excess of the reasonable market demand for gas from the pool.

(9) That four of the wells are connected to the Phillips Petroleum Company Pipeline System and one well is connected to the Southern Union Gas Company Pipeline System.

(10) That the evidence indicates that gas is not being taken ratably from all of the producing wells in the pool.

(11) That in order to prevent waste and protect correlative rights, the total allowable natural gas production from the gas wells producing from the subject pool should be restricted to reasonable market demand.

(12) That due to the lack of reservoir information, it is presently impracticable to attempt to compute recoverable tract reserves or recoverable pool reserves in the subject pool.

(13) That considering the available reservoir information, a 100% surface acreage formula is presently the most reasonable basis for allocating the allowable production among the wells delivering to the gas transportation facilities in the subject pool.

(14) That the adoption of a 100% surface acreage formula for allocating the allowable production in the subject pool will, insofar as is presently practicable, prevent drainage between producing tracts which is not equalized by counter-drainage.

(15) That the adoption of a 100% surface acreage formula for allocating the allowable production in the subject pool will, insofar as is presently practicable, afford to the owner of each property in the subject pool the opportunity to produce his just and equitable share of the gas in the pool and to use his just and equitable share of the reservoir energy.

IT IS THEREFORE ORDERED:

(1) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, shall be prorated, effective May 1, 1969.

(2) That the subject pool shall be governed by the General Rules and Regulations for the Prorated Gas Pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, insofar as said General Rules and Regulations are not inconsistent with this order or the Special Rules and Regulations for the subject pool as hereinafter set forth, in which event the Special Rules shall apply.

**SPECIAL RULES AND REGULATIONS
FOR THE
BUFFALO VALLEY-PENNSYLVANIAN GAS POOL**

A. WELL LOCATION AND ACREAGE REQUIREMENTS

RULE 2. Each well completed or recompleted in the Buffalo Valley-Pennsylvanian Gas Pool shall be located in the north-west quarter or the southeast quarter of the section and shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line; provided, however, that any well drilling to or completed in said pool on or before October 31, 1962, is hereby excepted from the requirements of this rule.

RULE 5(A). Each well completed or recompleted in the Buffalo Valley-Pennsylvanian Gas Pool shall be located on a standard proration unit consisting of any two contiguous quarter sections of a single governmental section, being a legal subdivision (half section) of the United States Public Land Surveys. For purposes of these rules, a standard proration unit shall consist of 316 through 324 contiguous surface acres.

RULE 5(C). The Secretary-Director shall have authority to grant an exception to Rule 5(A) without notice and hearing

(BUFFALO VALLEY-PENNSYLVANIAN GAS POOL - Cont'd.)

where an application has been filed in due form and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of contiguous quarter-quarter sections or lots.

(2) The non-standard unit lies wholly within a single governmental section.

(3) The entire non-standard unit may reasonably be presumed to be productive of gas from the Buffalo Valley-Pennsylvanian Gas Pool.

(4) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.

(5) In lieu of Paragraph 4 of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of thirty days, no such operator has entered an objection to the formation of such non-standard unit.

C. ALLOCATION AND GRANTING OF ALLOWABLES

RULE 8(A). The allowable production in the Buffalo Valley-Pennsylvanian Gas Pool shall be allocated as follows:

The pool allowable remaining each month after deducting the total allowable assigned to marginal wells shall be allocated among the non-marginal wells entitled to an allowable in the proportion that each well's acreage factor bears to the total of the acreage factors for all non-marginal wells in the pool.

C. GENERAL

RULE 25. The vertical limits of the Buffalo Valley-Pennsylvanian Gas Pool shall be the Pennsylvanian formation.

RULE 26. The first proration period for the Buffalo Valley-Pennsylvanian Gas Pool shall commence May 1, 1969, and shall terminate December 31, 1969. Subsequent proration periods shall be the six-month periods as provided in the General Rules.

IT IS FURTHER ORDERED:

(1) That the Special Rules and Regulations for the Buffalo Valley-Pennsylvanian Gas Pool promulgated by Orders Nos. R-2349 and R-2349-A are hereby superseded.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

LA PLATA-GALLUP POOL
San Juan County, New Mexico

Order No. R-2549-A, Abolishing the Temporary Operating Rules Adopted in Order No. R-2549, September 1, 1963, for the La Plata-Gallup Pool, San Juan County, New Mexico, September 8, 1964.

Application of Standard Oil Company of Texas for Special Pool Rules, San Juan County, New Mexico.

CASE NO. 2858
Order No. R-2549-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on August 5, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of September, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2549 dated August 14, 1963, temporary Special Rules and Regulations were promulgated for the La Plata-Gallup Oil Pool.

(3) That pursuant to the provisions of Order No. R-2549, this case was reopened to allow the operators in the subject pool to appear and show cause why the La Plata-Gallup Oil Pool should not be developed on 40-acre spacing units.

(4) That no additional wells have been drilled in the subject pool since the issuance of Order No. R-2549 and the drilling of additional wells in the future is not anticipated.

(5) That no necessity exists for the continuation of the Special Rules and Regulations promulgated by Order No. R-2549 and that said rules should therefore be abolished.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the La Plata-Gallup Oil Pool promulgated by Order No. R-2549 are hereby abolished.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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



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

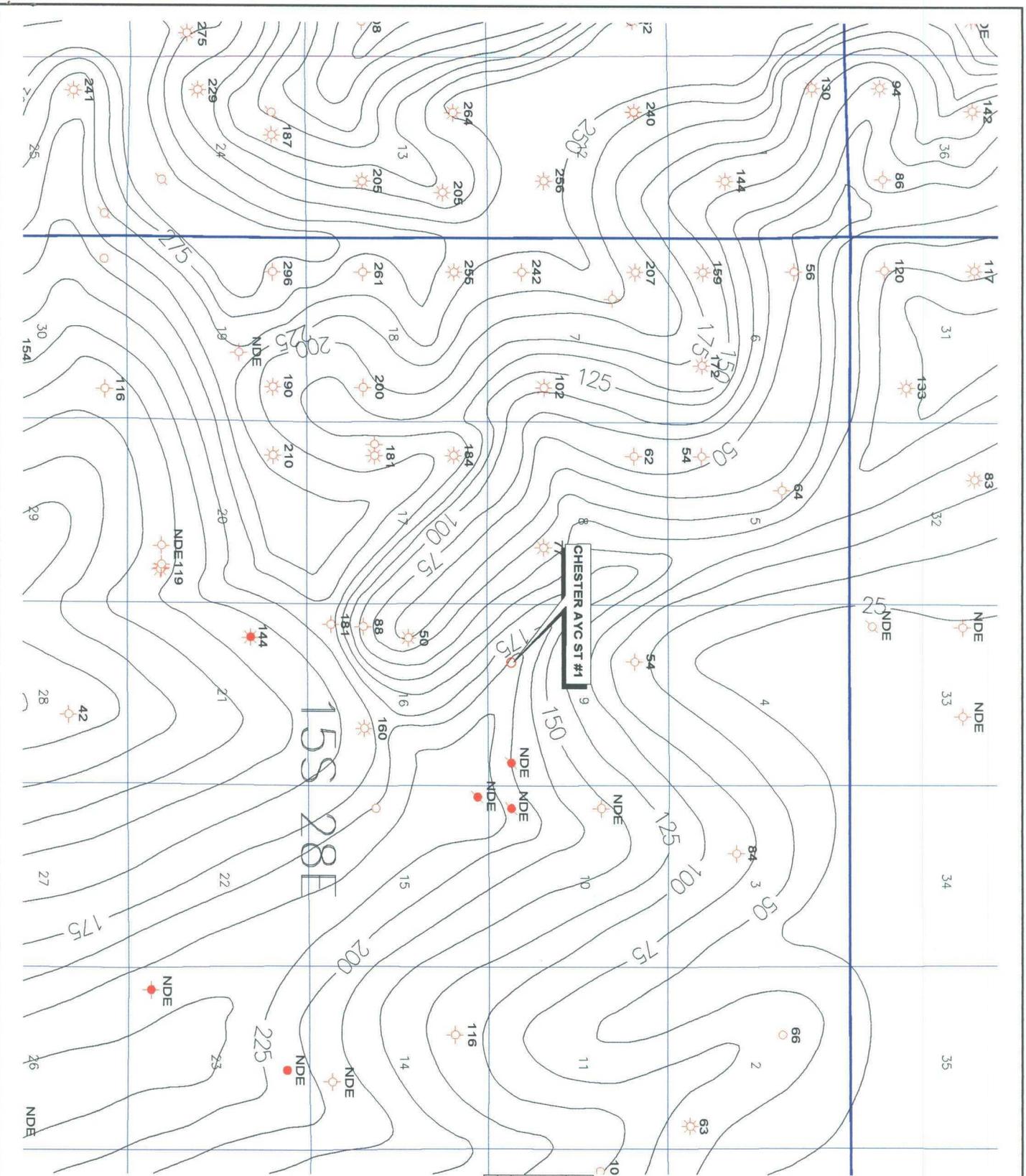
S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

Chester AYC State #1
660 FSL & 1650 FWL
Sec 9-15S-28E

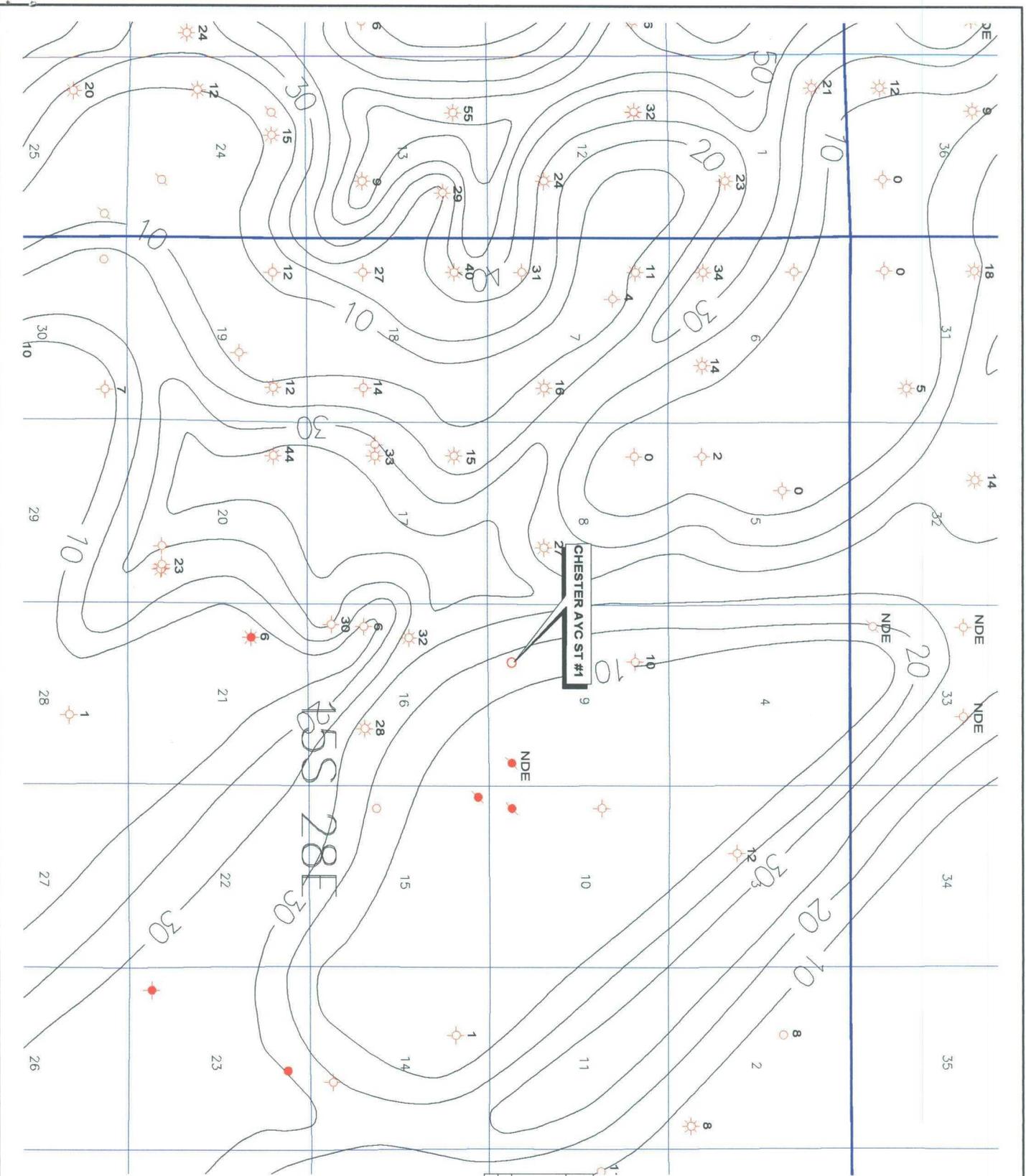
The Chester AYC State #1 is projected to TD in the Chester formation at 9330'. The main pay zones that Yates Petroleum is hoping to encounter are Morrow sandstones. There are two geological maps presented for exhibits.

The isopach map of the Top of Morrow Clastics to the top of the Austin Cycle depicts the thinning and thickening of the Morrow Clastic sand-shale interval throughout the area. The best areas to drill a well would be where the sand-shale sections are thicker. This would enable the proposed well to intersect several sandstones in the thicker intervals as opposed to an area where the sand-shale section has thinned.

The Gross Isopach of the Morrow sands ≥ 50 gamma ray units follows very closely with the thinning-thickening isopach map of the Top of Morrow Clastics to Top of Austin Cycle. Our Chester AYC State #1 has the possibility of having up to 200 feet of a sand-shale interval shown by the isopach of Morrow Clastics to Austin Cycle map. It also has the opportunity to intersect 20 or more feet of Morrow sandstones. This location in the southwest quarter of the section would be the best place to encounter Morrow sand production.



Yates Petroleum Corporation		
GROSS ISOPACH TOP OF MORROW CLASTICS TO TOP OF AUSTIN CYCLE		
CI - 88'		
GRID TRANSFORMER	Scale: METERS	UNIT
Mapy 2004		



Yada Petroleum Corporation
 GROSS ISOPACH MORROW SANDSTONES
 ~ 50 API GAMMA RAY UNITS
 CI - 10'

DATE: 11/14/2012	SCALE: 1:5000	USER:
Drawn By:		

CMD : ONGARD 07/23/01 08:56:14
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPZ2

OGRID Idn : 25575 API Well No: 30 5 63396 APD Status(A/C/P): A
Opr Name, Addr: YATES PETROLEUM CORPORATION Aprvl/Cncl Date : 06-03-2001
105 S 4TH ST
ARTESIA,NM 88210

Prop Idn: 28301 CHESTER AYC STATE Well No: 1

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: N	9	15S	28E			FTG 660 F S	FTG 1650 F W
OCD U/L	: N		API County	: 5				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): S Ground Level Elevation : 3565

State Lease No: V 05373 Multiple Comp (S/M/C) : S
Prpsd Depth : 9330 Prpsd Frmtn : BUFFALO VALLEY PENN

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/23/01 08:55:55
OGOMES -TPZ2
PAGE NO: 1

Sec : 09 Twp : 15S Rng : 28E Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned
E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03	H 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

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OGOMES -TPZ2
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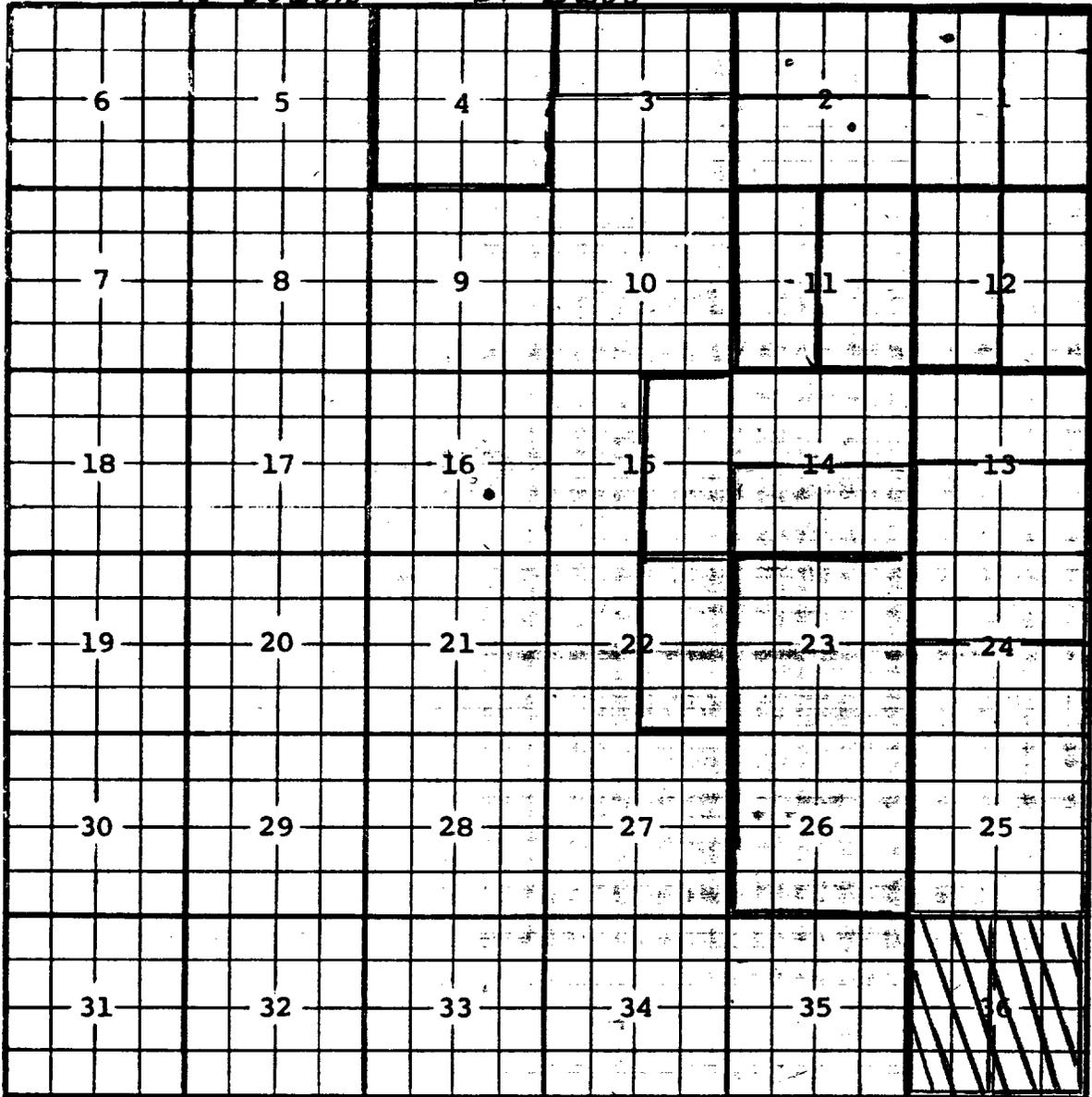
Sec : 09 Twp : 15S Rng : 28E Section Type : NORMAL

L 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03	K 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03	J 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03	I 40.00 CS V05373 0000 YATES PETROLEUM C 10/01/03
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PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

COUNTY Chaves POOL Buffalo Valley-Pennsylvanian Gas

TOWNSHIP 15-South RANGE 27-East NMPM



Description: $\frac{N}{2}$ Sec. 2, (R-2349, 11-31-62).
Ext: $\frac{W}{2}$ Sec. 1; $\frac{S}{2}$ Sec. 2 (R-3411, 6-1-68) - $\frac{W}{2}$ Sec. 11 (R-3818, 9-1-69) - $\frac{E}{2}$ Sec. 1;
 $\frac{W}{2}$ Sec. 12 (R-3948, 5-1-70) - $\frac{E}{2}$ Sec. 12 (R-4167, 8-1-71) - $\frac{E}{2}$ Sec. 11; $\frac{N}{2}$ Sec. 13 (R-4540, 6-1-73)
Ext: $\frac{S}{2}$ Sec. 13, $\frac{N}{2}$ Sec. 24 (R-4850, 9-10-74)
Ext: $\frac{S}{2}$ Sec. 24, All Sec. 25 (R-4957, 3-1-75)
Ext: $\frac{N}{2}$ Sec. 3 (R-5015, 6-1-75) Ext: $\frac{W}{2}$ Sec. 36 (R-5754, 7-1-78)
Ext: All sec's 23 & 26 (R-6912, 3-5-82)
Ext: All Sec. 4 (R-6838, 11-8-81) Ext: $\frac{E}{2}$ Sec. 36 (R-7419, 12-21-83)
Delete Section 36 (R-8021, 8-22-85) EXT: $\frac{S}{2}$ Sec. 14 (R-8747, 9/19/88)
EXT: $\frac{E}{2}$ Sec. 22 (R-8827, 12-22-87) Ext: $\frac{N}{2}$ Sec. 14, $\frac{E}{2}$ Sec. 15 (R-9578, 9-10-91)

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

OIL CONSERVATION DIV.

01 JUL 24 PM 1:11

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

July 13, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

CERTIFIED MAIL
Return Receipt Requested

RE: Application for Unorthodox Location
Chester AYC St #1
Township 15 South, Range 28 East
Section 9: 660' FSL & 1650' FWL
Chaves County, New Mexico

Dear Mr. Stogner:

I would like to make a correction to the letter dated July 11, 2001 whereby Yates Petroleum Corporation is seeking administrative approval for an unorthodox well.

In the second paragraph of that letter I said that the well location does not comply with existing special rules for the Buffalo Valley – Pennsylvania Gas Pool which states that each well shall be located in the NW/4SE/4 of the section and it should have read in the NW/4 or the SE/4 of the section.

I am sending a copy of this letter to all parties involved along with revised waivers of objection. My apologies for this error.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn

cc: Mossman Midwest
Bogle Limited Company
Dartmouth Alumni Fund
Devon SFS Operating, Inc.
Louis Dreyfus Natural Gas Corp.

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SECRETARY
DENNIS G. KINSEY
TREASURER

July 13, 2001

Mossman Midwest
PO Box 1180
Roswell, NM 88201

Certified Mail
Return Receipt Requested

RE: Offset Operator/Leasehold Notification
Unorthodox Location
Chester AYC St #1
Township 15 South, Range 28 East
Section 9: 660' FSL & 1650' FWL
Chaves County, New Mexico

Gentlemen:

Yates Petroleum Corporation has been advised by the Artesia office of the Oil Conservation Division that the Chester AYC St #1 is located at an unorthodox location which is described above. This location does not comply with existing special rules for the Buffalo Valley-Pennsylvania Gas Pool which states that each well shall be located in the NW/4 or the SE/4 of the section.

If you have no objections to this unorthodox location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the unorthodox location of Yates Petroleum Corporation's Chester AYC St #1 well.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

Company: _____

Name: _____

Title: _____

Date: _____

MARTIN YATES, III
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DENNIS G. KINSEY
TREASURER

July 13, 2001

Bogle Limited Company
PO Drawer 460
Dexter, NM 88260

Certified Mail
Return Receipt Requested

RE: Offset Operator/Leasehold Notification
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Robert Bullock
Landman

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enclosure(s)

Company: _____

Name: _____

Title: _____

Date: _____

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SECRETARY
DENNIS G. KINSEY
TREASURER

July 13, 2001

Dartmouth Alumni Fund
Blunt Alumni Center
Hanover, NH 03755

Certified Mail
Return Receipt Requested

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Company: _____

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Title: _____

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DENNIS G. KINSEY
TREASURER

July 13, 2001

Louis Dreyfus Natural Gas Corp.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134-2600

Via Federal Express

**RE: Offset Operator/Leasehold Notification
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Township 15 South, Range 28 East
Section 9: 660' FSL & 1650' FWL
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Company: _____

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DENNIS G. KINSEY
TREASURER

July 13, 2001

Devon SFS Operating, Inc.
20 North Broadway, Suite 1500
Oklahoma City, OK 73102-8260

Via Federal Express

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Robert Bullock
Landman

RB:bn
enclosure(s)

Company: _____

Name: _____

Title: _____

Date: _____

120140658

New Mexico Oil Conservation Division---Engineering Bureau
Administrative Application Process Documentation

Date Application Received: 7-20

Date of Preliminary Review: 7-23
(Note: Must be within 10-days of received date)

Results: **Application Complete** **Application Incomplete**

Date Incomplete Letter Sent: NA

Deadline to Submit Requested Information: NA

Phone Call Date: NA
(Note: Only applies if requested data is not submitted within the 7-day deadline)

Phone Log Completed? **Yes** **No**

Date Application Processed: 8-9-2001

Date Application Returned: _____
(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)