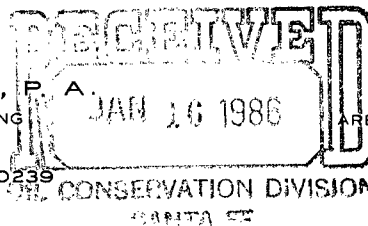


A.J. LOSEE
JOEL M. CARSON
ELIZABETH LOSEE
JAMES E. HAAS*
ERNEST L. CARROLL
*LICENSED IN TEXAS ONLY

LAW OFFICES
LOSEE & CARSON, P. A.
300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239



AREA CODE 505
746-3508

14 January 1986

Mr. R. L. Stamets, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Yates Petroleum Corporation
Flatsedge "ZR" Federal No.
1 Well, Roosevelt County,
New Mexico

Dear Mr. Stamets:

The undersigned certifies that copies of the Request for Administrative Approval for an exception to the special rules for the Bluit San Andres Associated Pool covered by Commission Order R-5353 were mailed on November 21, 1985, to the offset operators. Copies of the return receipts evidencing receipt by Union Oil Company of California and Flag Redfern Oil Company, the offset operators, are attached to the second page of this letter.

By letter dated December 20, 1985, Union advised that it had no objection. If you find the application for administrative approval in order, we should appreciate receiving your order approving our client's application for an unorthodox location and non-standard unit.

Respectfully submitted,

LOSEE & CARSON, P.A.


A. J. Losee

AJL:scp
Enclosures

cc: Mr. Randy Patterson

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to:
*Unison Oil Co. of Calif.
 P.O. Box 3108
 Midland TX 79701*

4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	<i>P 185 335 083</i>

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
[Signature]

6. Signature - Agent
[Signature]

7. Date of Delivery
NOV 25 1985

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- ☐ Show to whom, date and address of delivery.
- ☐ Restricted Delivery.

3. Article Addressed to:
*Flag Redken Oil Company
 P.O. Box 11050
 Midland TX 79701*

4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	<i>P 185 335 084</i>

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
[Signature]

6. Signature - Agent
[Signature]

7. Date of Delivery
11/25/85

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

LAW OFFICES

LOSEE & CARSON, P. A.

300 AMERICAN HOME BUILDING

P. O. DRAWER 239

ARTESIA, NEW MEXICO 88211-0239

AREA CODE 505
746-3508

A. J. LOSEE

JOEL M. CARSON

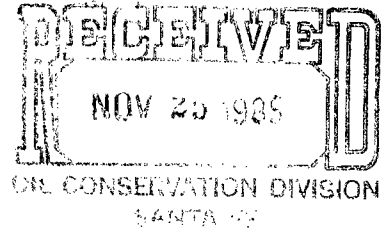
ELIZABETH LOSEE

JAMES E. HAAS*

ERNEST L. CARROLL

*LICENSED IN TEXAS ONLY

21 November 1985



Mr. R. L. Stamets, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Yates Petroleum Corporation
Flatsedge "ZR" Federal No. 1 Well
Roosevelt County, New Mexico

Dear Mr. Stamets:

Yates Petroleum Corporation, by its attorneys, hereby requests administrative approval for an exception to Rules 2(A) and 2(B) of the Special Rules and Regulations for the Bluit-San Andres Associated Pool covered by Commission Order No. R-5353, to permit Yates to produce gas from the San Andres Associated Pool from its Flatsedge "ZR" Federal No. 1 Well located 766 feet from the North line and 1,874 feet from the West line of Section 21, Township 8 South, Range 38 East, N.M.P.M., Roosevelt County, New Mexico, and to dedicate Lots 1 and 2 and NW/4 of said Section 21, containing 198.72 acres, more or less. This well was originally drilled as an oil well, but because of the high GOR is now considered as a gas well.

A plat showing the location of the well, the non-standard unit and the offset operators is hereto attached and by reference made a part hereof. The non-standard unit consists of quarter-quarter sections and lots that are contiguous by a common bordering side. The non-standard unit lies wholly within a governmental subdivision, which would be a standard unit for the well but contains less acreage than a standard unit.

By copy of this letter, applicant is requesting the offset operators to consent to the non-standard location and non-standard unit.

Mr. R. L. Stamets, Director
-2-

21 November 1985

The applicant refers to Order No. NSP-1432(L) (FD) of Tenneco Exploration and Production Company, administratively approving its application for an unorthodox location and non-standard unit in Section 20, Township 18 South, Range 38 East, N.M.P.M. If the Director is unable to approve this administratively, or if an offset operator objects, applicant requests that this matter be set for hearing before an examiner.

Respectfully submitted,

LOSEE & CARSON, P.A.


A. J. Losee

Attorneys for
Yates Petroleum Corporation

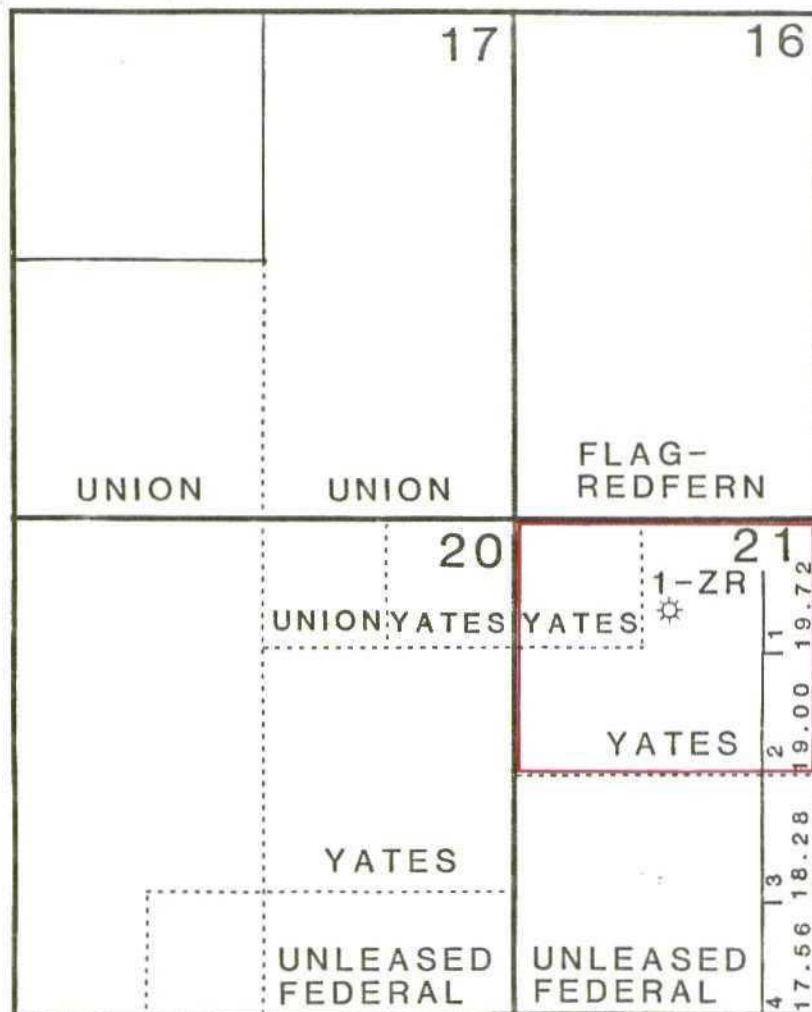
AJL:jcb
Enclosure

cc w/enclosure: Mr. Randy Patterson

cc w/enclosure, via Certified Mail:

Flag Redfern Oil Company
P. O. Box 11050
Midland, Texas 79701

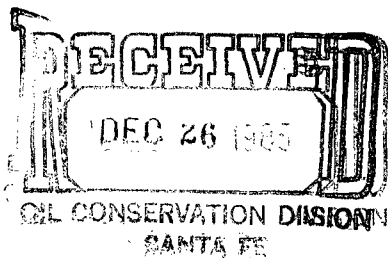
Union Oil Company of California
P. O. Box 3100
Midland, Texas 79701



T
8
S

TEXAS

R 38E



Union Oil and Gas Division: Central Region

Union Oil Company of California
500 North Marienfeld, Midland, Texas 79701
P.O. Box 671, Midland, Texas 79702
Telephone (915) 682-9731



Midland District

December 20, 1985

Mr. R. L. Stamets, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

SUBJECT:

Yates Petroleum Corporation
Flatsedge "ZR" Federal No. 1
Bluitt (San Andres) Associated Pool
Roosevelt County, New Mexico

Dear Mr. Stamets:

In reference to Yates Petroleum's letter dated November 21, 1985 (copy attached), requesting administrative approval for an exception to Rules 2(A) and 2(B) of the Special Rules and Regulations for the Bluitt (San Andres) associated pool (Order No. R-5353), Union Oil Company of California consents to the requested non-standard location and non-standard proration unit as proposed by Yates.

Special pool rules for the subject pool provide for different location requirements for oil wells and gas wells and are stated in such a manner as to make any legal oil location an illegal gas location and vice versa. Since it is not always possible to predict the producing GOR for a proposed well, Union feels that if an operator in the Bluitt (San Andres) Pool has in good faith drilled legally for one type hydrocarbon (oil or gas) and subsequently has to be approved to produce the other type, no objection should be raised.

Very truly yours,

L. F. Thompson
District Operations Manager

TED:ggc
Attachments

cc: via Certified Mail
Losee & Carson, P.A.
P. O. Drawer 239
Artesia, New Mexico 88211

DLW

~~STH~~ LFT

[Handwritten signature]

A. J. LOSEE
JOEL M. CARSON
ELIZABETH LOSEE
JAMES E. HAAS*
ERNEST L. CARROLL
*LICENSED IN TEXAS ONLY

LAW OFFICES
LOSEE & CARSON, P. A.
300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

AREA CODE 505
746-3508

21 November 1985

A. E. OCHS

NOV 25 1985

Mr. R. L. Stamets, Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Yates Petroleum Corporation
Flatsedge "ZR" Federal No. 1 Well
Roosevelt County, New Mexico

Dear Mr. Stamets:

Yates Petroleum Corporation, by its attorneys, hereby requests administrative approval for an exception to Rules 2(A) and 2(B) of the Special Rules and Regulations for the Bluitt-San Andres Associated Pool covered by Commission Order No. R-5353, to permit Yates to produce gas from the San Andres Associated Pool from its Flatsedge "ZR" Federal No. 1 Well located 766 feet from the North line and 1,874 feet from the West line of Section 21, Township 8 South, Range 38 East, N.M.P.M., Roosevelt County, New Mexico, and to dedicate Lots 1 and 2 and NW/4 of said Section 21, containing 198.72 acres, more or less. This well was originally drilled as an oil well, but because of the high GOR is now considered as a gas well.

A plat showing the location of the well, the non-standard unit and the offset operators is hereto attached and by reference made a part hereof. The non-standard unit consists of quarter-quarter sections and lots that are contiguous by a common bordering side. The non-standard unit lies wholly within a governmental subdivision, which would be a standard unit for the well but contains less acreage than a standard unit.

By copy of this letter, applicant is requesting the offset operators to consent to the non-standard location and non-standard unit.

Mr. R. L. Stamets, Director
-2-

21 November 1985

The applicant refers to Order No. NSP-1432(L) (FD) of Tenneco Exploration and Production Company, administratively approving its application for an unorthodox location and non-standard unit in Section 20, Township 18 South, Range 38 East, N.M.P.M. If the Director is unable to approve this administratively, or if an offset operator objects, applicant requests that this matter be set for hearing before an examiner.

Respectfully submitted,

LOSEE & CARSON, P.A.



A. J. Losee

Attorneys for
Yates Petroleum Corporation

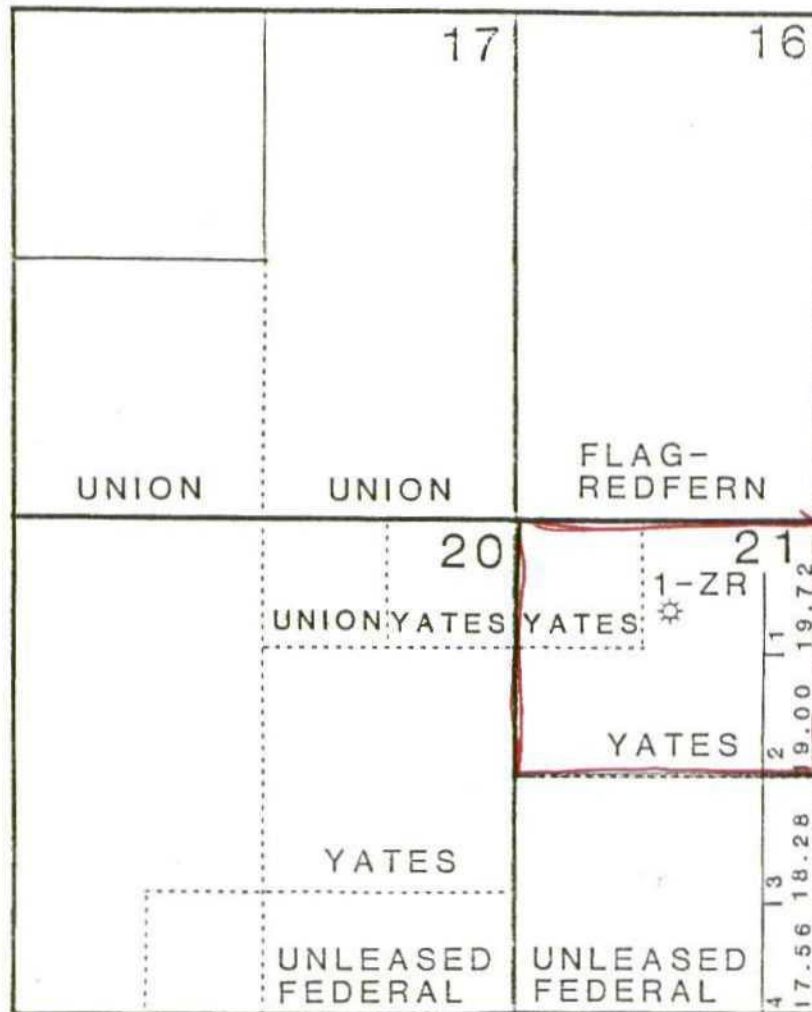
AJL:jcb
Enclosure

cc w/enclosure: Mr. Randy Patterson

cc w/enclosure, via Certified Mail:

Flag Redfern Oil Company
P. O. Box 11050
Midland, Texas 79701

Union Oil Company of California
P. O. Box 3100
Midland, Texas 79701



R 38E