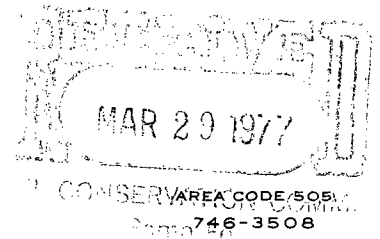


A. J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSON

LAW OFFICES  
**LOSEE & CARSON, P.A.**  
300 AMERICAN HOME BUILDING  
P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88210



March 28, 1977

*NSL-835*

*104 F*

*Here Apr 18*

Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation  
Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

On behalf of our client, Harvey E. Yates Company, application is hereby made for administrative approval of an unorthodox location, pursuant to Rule 104-F, to permit re-entry and attempted recompletion of the Tenneco, Hondo-Federal No. 1 Well located 660 feet from the South line and 660 feet from the East line of Section 6, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

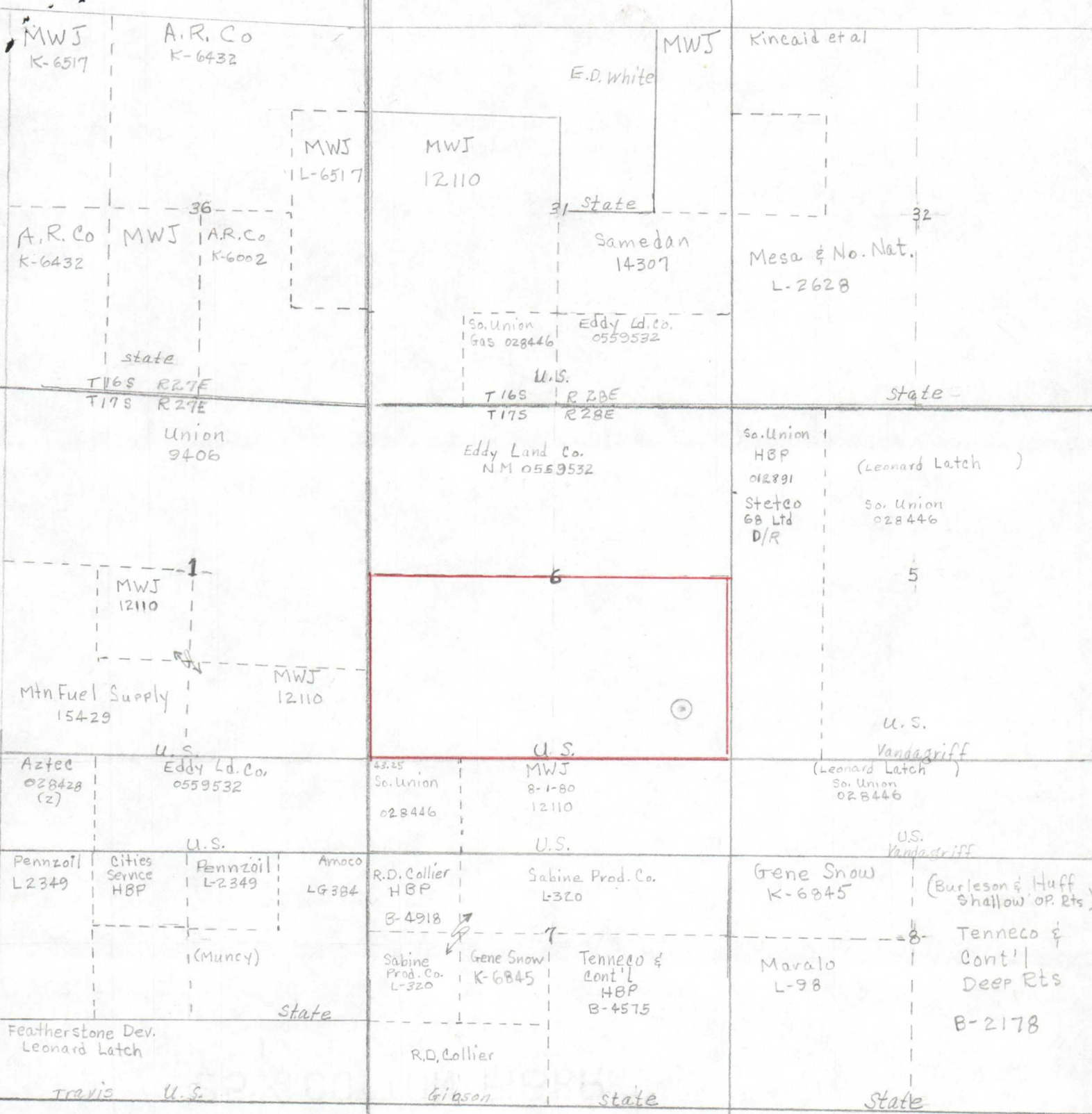
The Tenneco, Hondo-Federal No. 1 Well was drilled as an oil well to the Abo formation at a total depth of 7804 feet at an orthodox location for said well and plugged and abandoned on March 14, 1964. Harvey E. Yates Company proposes to re-enter the well, deepen the same to the Pennsylvanian formation and dedicate the S/2 of said Section 6 to the well.

Attached hereto is plat showing ownership of all leases offsetting the S/2 Section 6. The names of the operators holding leases offsetting the proposed well are as follows:

All Section 5 and N/2 N/2 Section 8:  
Southern Union Production Company,  
Tenneco Oil Company and Southland  
Royalty Company

S/2 NW/4 Section 8: Gene Snow

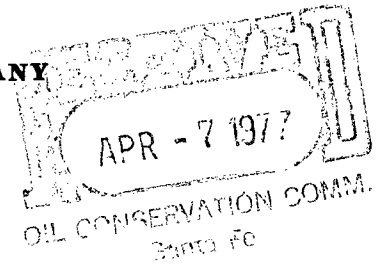
N/2 NE/4, NE/4 NW/4 Section 7: M W J  
Petroleum Company



PLAT SHOWING  
OFFSETTING  
OWNERS -  
Gates Fed. Deep #1  
(Reentry of Tenneco Mondo-Fed.)

**SOUTHERN UNION PRODUCTION COMPANY**

SUITE 1700, CAMPBELL CENTRE  
8350 NORTH CENTRAL EXPRESSWAY  
DALLAS, TEXAS 75206



April 5, 1977

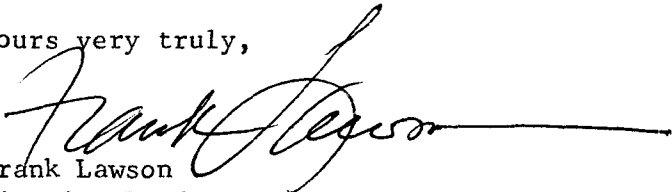
Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, NM 87501

Re: Tenneco-Hondo Fed. #1,  
SESE Sec. 6, T-17-S,  
R-28-E  
Eddy County, New Mexico

Dear Mr. Ramey:

Southern Union Production Company has no objection to the Harvey E. Yates Company's application for administrative approval of an unorthodox location on the captioned tract as requested by Mr. A. J. Losee in his letter to you dated March 28, 1977.

Yours very truly,

  
Frank Lawson  
District Landman

FL/cg

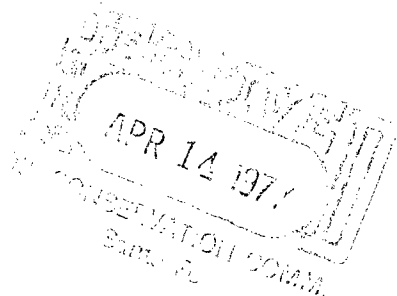
cc: Harvey E. Yates Company  
c/o Mr. A. J. Losee

# SABINE PRODUCTION COMPANY

SUITE 200 / 619 WEST TEXAS STREET  
MIDLAND, TEXAS 79701  
PHONE (915) 683-5607

April 12, 1977

Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Re: Request for Unorthodox Location  
Tenneco Hondo-Federal No. 1  
Section 6, T-17-S, R-28-E  
Eddy County, New Mexico

Dear Mr. Ramey:

Pursuant to the above referenced request by Mr. A. J. Losee on behalf of Harvey E. Yates Company, dated March 28, 1977, Sabine Production Company, leasehold owner of acreage in said Section 7, offsetting such well, has no objection to the proposed location and re-entry.

If you need additional information, please advise.

Yours very truly,

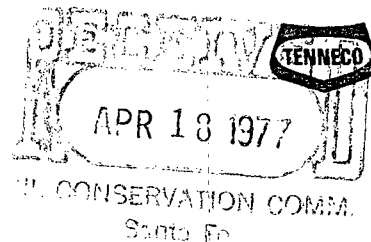
RONALD V. PEPPER  
Division Landman

RVP:pk

cc: Mr. A. J. Losee  
P. O. Drawer 239  
Artesia, New Mexico 88210

**Tenneco Oil**  
A Tenneco Company

Suite 1200  
Lincoln Tower Building  
Denver, Colorado 80203  
(303) 292-9920



April 13, 1977

*NSK-835*

Losee & Carson, P.A.  
300 American Home Building  
P.O. Drawer 239  
Artesia, New Mexico 88210

Re: Harvey E. Yates, Applicant  
Unorthodox Location  
Sec. 6, T17S, R28E  
Eddy County, New Mexico

Gentlemen:

Please be advised that, according to our records, Tenneco no longer has any leases or interest in or adjacent to the proposed drilling and spacing unit. In the interest of your client and other lease owners in the vicinity, Tenneco therefore feels obligated not to comment, with respect to the applicant's request for an unorthodox location.

Yours very truly,

TENNECO OIL COMPANY

*D. D. Myers*

D. D. Myers  
Division Production Manager

DDM:RHC/mlw

cc: Harvey E. Yates Company  
✓ New Mexico Oil Conservation Commission

Mr. Joe D. Ramey, Director

March 28, 1977

-2-

S/2 NE/4, SE/4 NW/4 Section 7: Sabine  
Production Company

NW/4 NW/4 Section 7: Southern Union  
Production Company

SW/4 NW/4 Section 7: Jimmy E. Collier

N/2 Section 6: Harvey E. Yates Company

We are today sending all of the offset operators copies of this letter by certified mail and request that if they have no objection, the offset operators advise you of such fact and let me have a copy of their transmittal.

Very truly yours,

LOSEE & CARSON, P.A.



A. J. Losee

AJL:pv  
Attachment

cc: Harvey E. Yates Company  
cc(certified): Southern Union Production Company  
Tenneco Oil Company  
Southland Royalty Company  
Mr. Gene Snow  
M W J Petroleum Company  
Sabine Production Company  
Mrs. Jimmy E. Collier