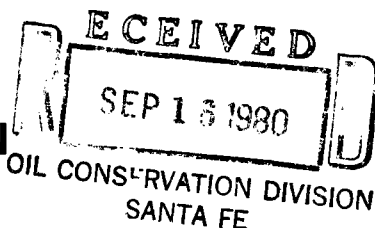




207 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 746-3558



hsl-1267

S. P. YATES  
PRESIDENT  
MARTIN YATES, III  
VICE PRESIDENT  
JOHN A. YATES  
VICE PRESIDENT  
B. W. HARPER  
SEC. TREAS.

September 12, 1980

Mr. Joe D. Ramey, Secretary-Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87503

Re: Non-Standard Location based on Topography;  
Serpentine Bends Unit No. 1 K-25-24S-23E

Dear Sir:

The proposed drillsite for our Serpentine Bends Unit No. 1 is 1630' FSL and 2255' FWL which is the location approvable by the BLM where we can drill a Morrow test. As can be seen on the attached topographic map, the proposed location is surrounded by steep mountains on the east side and a creek on the west. The flat between the two is the only place we can put a location and be out of the flood plain.

Pursuant to the provision of Rule 103F, we respectfully request Administrative Approval for this unorthodox location (by 20 ft). An Ownership plat is attached showing the unit area that Yates Petroleum is to be the operator.

Presently we have a rig ready to move around the 27th of this month on to this lease that expires on 10-1-80. The reason for asking for an expeditious approval.

Thank you for your cooperation.

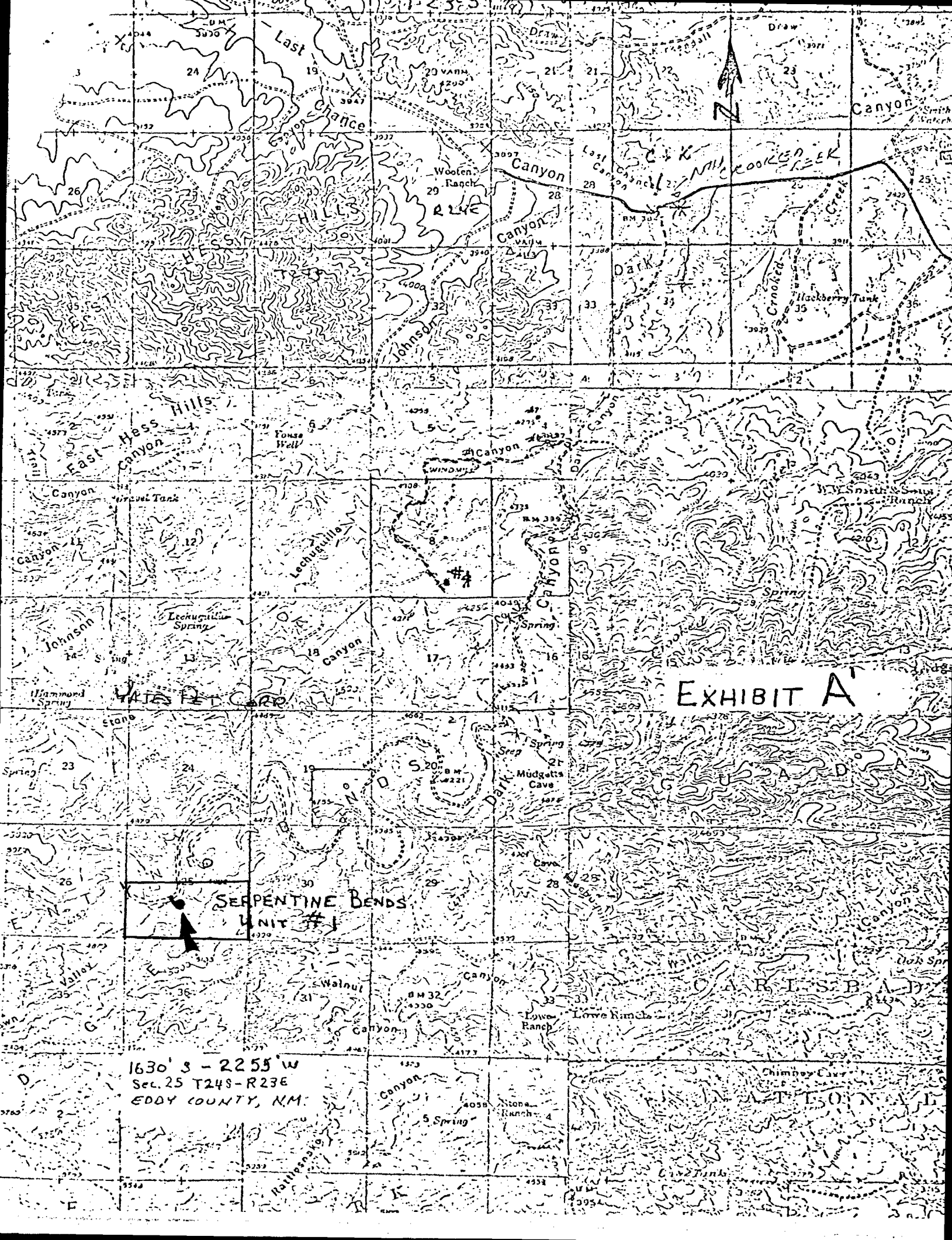
Sincerely,

YATES PETROLEUM CORPORATION

*Gliserio Rodriguez*  
Gliserio "Rod" Rodriguez  
Geographer

GRR/ob

*NSL  
Rule 104F  
Wolfcamp - Penn for  
No offsets  
Immediate*



1630' S - 2255' W  
Sec. 25 T49S-R23E  
EDDY COUNTY, NM.

R-23-E

R-24-E

Unit Outline

3 Tract Number

Federal Lands  
3,521.68 Acres 73.34 %

State of New Mexico Lands  
1,280.00 Acres 26.66%

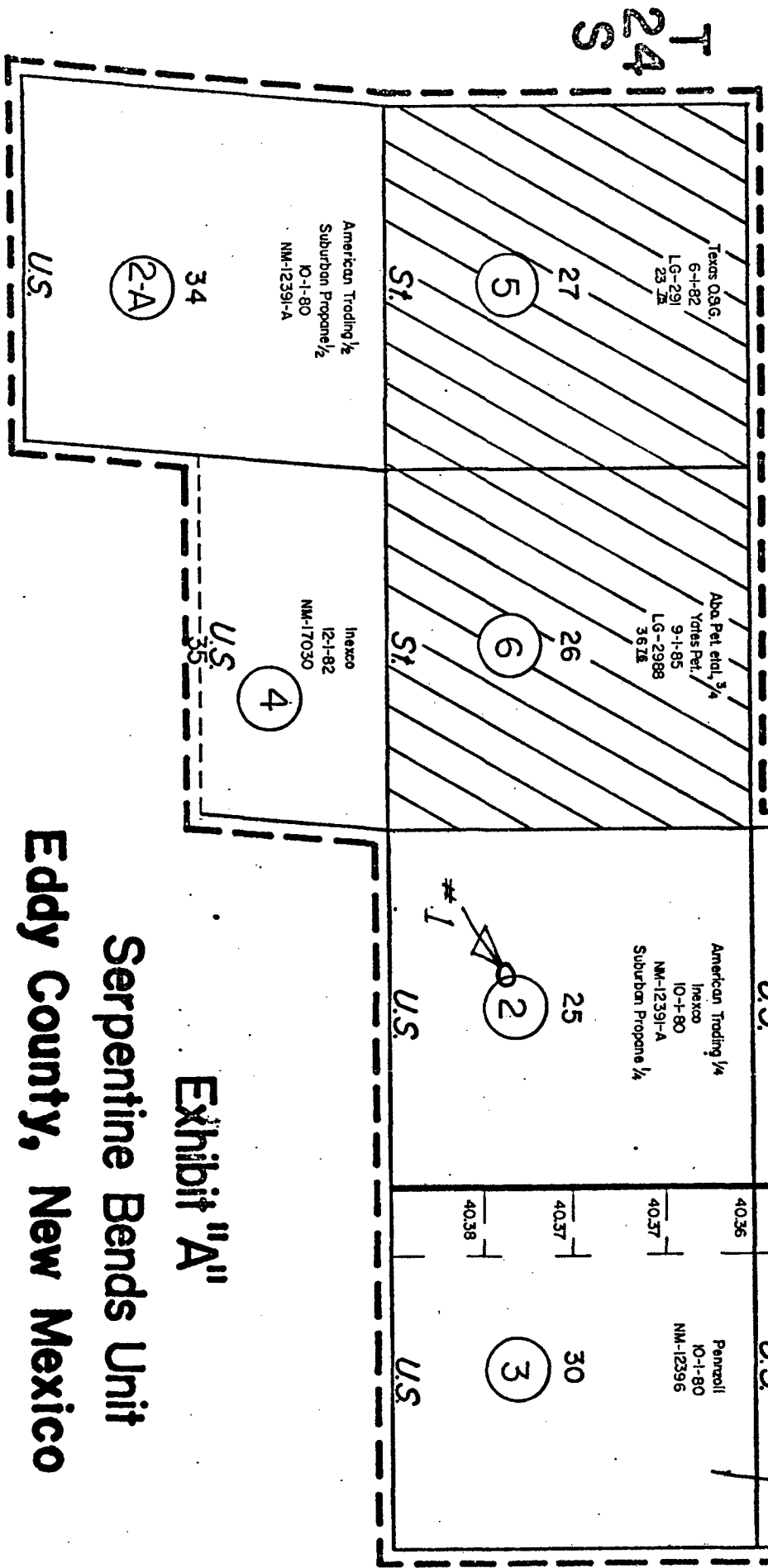


Exhibit "A"

Serpentine Bends Unit  
Eddy County, New Mexico