

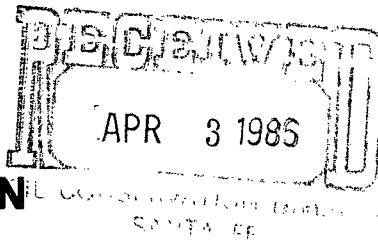
Release April 23, 1986

64 DRC



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



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

April 2, 1986

*NSL-2262
RULE-104F (I)*

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

*Wildcat Atoka
only Section 2, comprising
389 acres to be dedicated to the well.*

ATTENTION: Mr. Richard Stamets, Secretary-Director

RE: Tenneco ADP State Com #1
330' FSL and 990' FEL of
Section 2-T11S-R34E
Lea County, New Mexico

Dear Mr. Stamets:

The above named well was originally drilled by Petroleum Reserves Corporation as their Tenneco State #1 in 1978 to a depth of 13180'. It was completed as a Devonian oil well in May, 1978 and is presently being produced.

Yates Petroleum Corporation is to become the operator and wishes to plug off the Devonian and complete the well in the Atoka formation around 11900' as a gas well. Three leases, V-1612, V-683 and L-3025, will be communitized and the whole section, 389 acres more or less, will be dedicated.

Yates Petroleum Corporation would appreciate an administrative approval of this unorthodox wildcat Atoka location as provided for under NMOCD Rule 104F.

Enclosed please find a copy of the lease map showing offsetting lease operators and a copy of the original survey plat. Offsetting operators have been notified by certified mail, via a xerox copy of this letter. A copy of the certification is also enclosed.

This letter was originally sent to you on December 6, 1985. Due to an oversight, we did not notify all offsetting lease operators. Exxon Company, USA and Conoco, Inc. has been notified. A copy of the

NMOCD
Page 2:
April 2, 1986

certification is enclosed. Kriti Exploration, Inc. of Dallas, Texas, has not been notified. As of today, April 2, 1986, they are being notified by certified mail.

Sincerely,

Clifton R. May

Clifton R. May
Regulatory Agent

By: Rusty J. Jorgensen

CM:rj

Enclosures

cc: Exxon Company, USA
P. O. Box 1700
Midland, TX 79702

Conoco, Inc.
P. O. Box 460
Hobbs, NM 88240

Kriti Exploration, Inc.
One Allen Center, Suite 2700
500 Dallas Street
Houston, TX 77002

Attn: Jack E. Wheeler

All distances must be from the outer boundaries of the Section.

YATES PETROLEUM CORPORATION			TENNECO ADP STATE COM		Well No. 1
Lot Letter	Section	Township	Range	County	
P	2	11S	34E	Lea	
Actual Footage Location of Well:					
330	feet from the	South	Line and	990	feet from the East
Ground Level Elev.	Producing Formation		Pool	Dedicated Acreage:	
4133.6'	ATOKA		Wildcat	389+- Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?



Yes No

If answer is "yes," type of consolidation

Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

U-683 Petroleum Reserve		V1612 YAC	
		L-3025 TENNECO	
		990'	

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name

Cy Cowan

Position

Regulatory Agent

Company

Yates Petroleum Corporation

Date

December 9, 1985

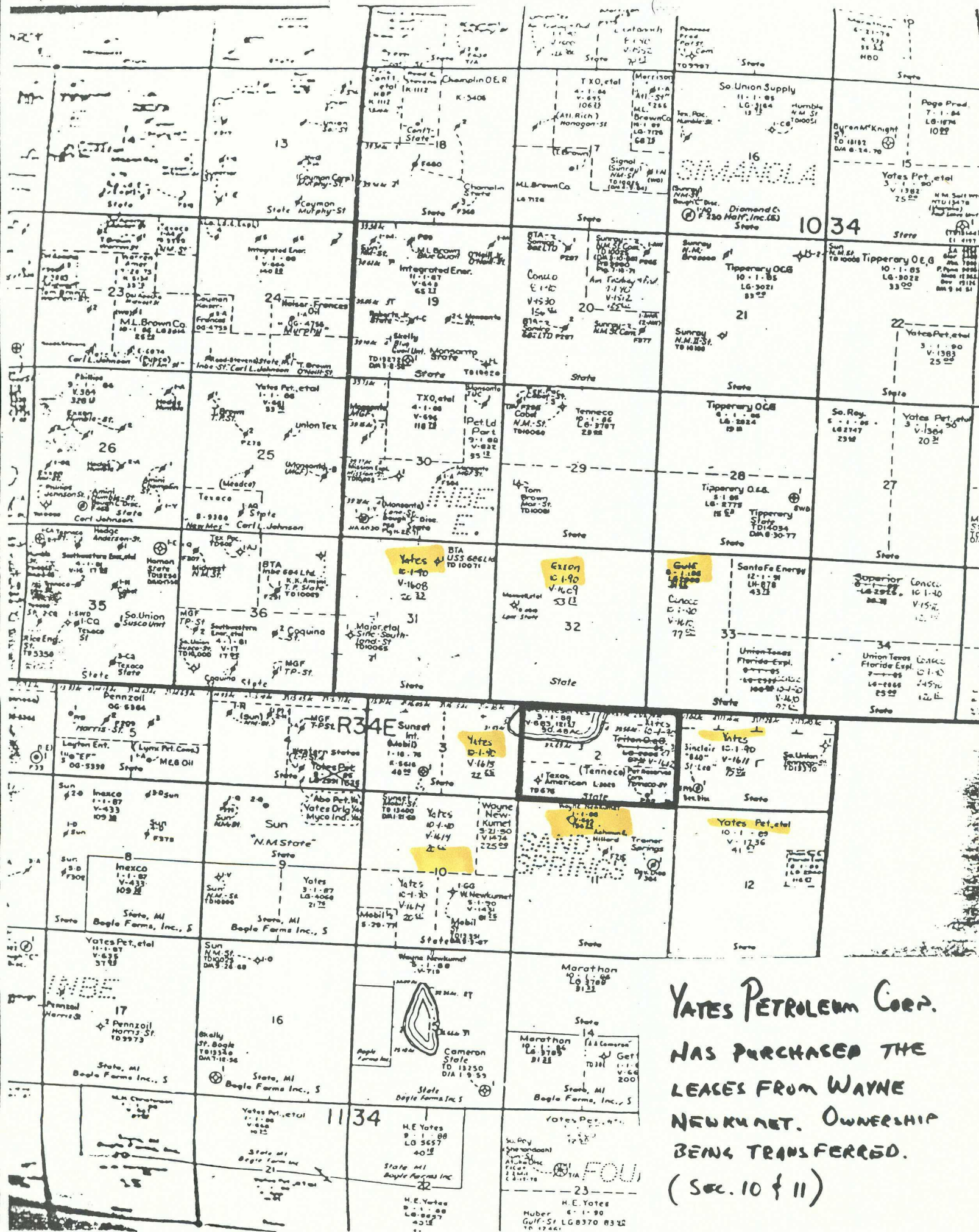
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

REFER TO ORIGINAL PLAT

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.



YATES PETROLEUM CORP.
HAS PURCHASED THE
LEASES FROM WAYNE
NEWKUMET. OWNERSHIP
BEING TRANSFERRED.
(Sec. 10 & 11)

P 241 345 530

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1985-480-794

PS Form 3800, June 1985

Sent to	
Kriti Exploration, Inc.	
One Allen Center, Suite 2700	
500 Dallas Street	
P.O., State and ZIP Code	
Houston, TX 77002	
Message	Jack Wheeler \$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	
April 2, 1986	
Tenneco ADP State #1	

Fold at line over top of envelope to the right
of the return address

CERTIFIED

P 241 345 530

MAIL

P 180 948 728

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982 ★ U.S.G.P.O. 1984-446-014	Sent to	
	Conoco, Inc.	
	Street and No.	
	P. O. Box 460	
	P.O., State and ZIP Code	
	Hobbs, NM 88240	
	Postage	\$
	Certified Fee	
	Special Delivery Fee	
	Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered		
Return receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	
Postmark or Date		
December 9, 1985		
Tenneco ADP St. Com #1		
unortho letter		

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:

Conoco, Inc.
P. O. Box 460
Hobbs, NM 88240

4. Type of Service:

- ☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail

Article Number

P 180 948 728

Always obtain signature of addressee or agent and
DATE DELIVERED

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

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

12-11-85

Tenneco ADP State Com #1

DEC 11 1985 447 948

DOMESTIC RETURN RECEIPT

P 180 948 727

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to Exxon Company, USA	
Street and No. P. O. Box 1700	
P.O., State and ZIP Code Midland, TX 79702	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date December 9, 1985 Tenneco ADP State Com #1 unorth letter	

PS Form 3811, July 1983 447-945

DOMESTIC RETURN RECEIPT

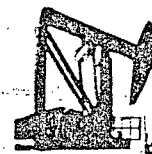
SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.	
1. ☒ Show to whom, date and address of delivery. 2. ☐ Restricted Delivery.	
3. Article Addressed to: Exxon Company, USA P. O. Box 1700 Midland, TX 79702	
4. Type of Service: ☐ Registered ☐ Insured ☐ Certified ☐ COD ☐ Express Mail	Article Number P 180 948 727
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature — Addressee X	
6. Signature — Agent X <i>KJ. Korth</i>	
7. Date of Delivery DEC 10 1985	
8. Addressee's Address (ONLY if requested and fee paid) Tenneco ADP State Com #1	

50 YEARS



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

April 30, 1986

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210

Attention: Clifton R. May

Dear Sir:

By application dated December 6, 1985, Yates Petroleum applied for administrative approval of a non-standard well location for your Tenneco ADP State Comm No. 1 Well located 330 FSL & 990 FEL of Section 2, T-11 South, R-34 East, NMPM, Lea County, New Mexico, Wildcat Atoka Gas Pool. Administrative approval was given by Order No. NSL-2209, dated January 8, 1986.

On April 3, 1986, the Division received a new application for a non-standard location for the above said well, due to an oversight by Yates. Subsequently, the Division issued administrative order No. NSL-2262, which covered the same well.

In order to correct this error, Division Order No. NSL-2262 is hereby cancelled and Division Order No. NSL-2209 shall remain in effect.

Sincerely,

R. L. Stamets
Director

cc: /OCD - Hobbs (Evelyn Downs)
File NSL-2262

RLS/DC/bok