

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

June 25, 1990

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

Mr. Michael E. Stogner  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Re: Non-standard Location  
Lagarto State Unit #3  
660' FSL and 660' FWL  
of Section 1-T11S-R34E  
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation requests administrative approval for the above captioned location as provided for under NMOCD Rule 104F.

This well was originally drilled by Sinclair Oil and Gas Company in June 1957 as their State Lea 840 #1. It was plugged and abandoned in February 1959. Yates plans to re-enter this well cleaning out the wellbore to 12,800' and test the Atoka formation for gas. Other potentially productive zones may also be tested. It is much more economical to re-enter this drill hole than to go to the expense of drilling a new well.

Enclosed please find a copy of the plat (Form C-102) and a copy of the lease map. Offset operators are Conoco, Inc. and Union Pacific Resources. I have also enclosed a copy of the certification slips that we have notified them of our non-standard location by certified mail, via copy of this letter.

Please contact me if you should require any additional information.

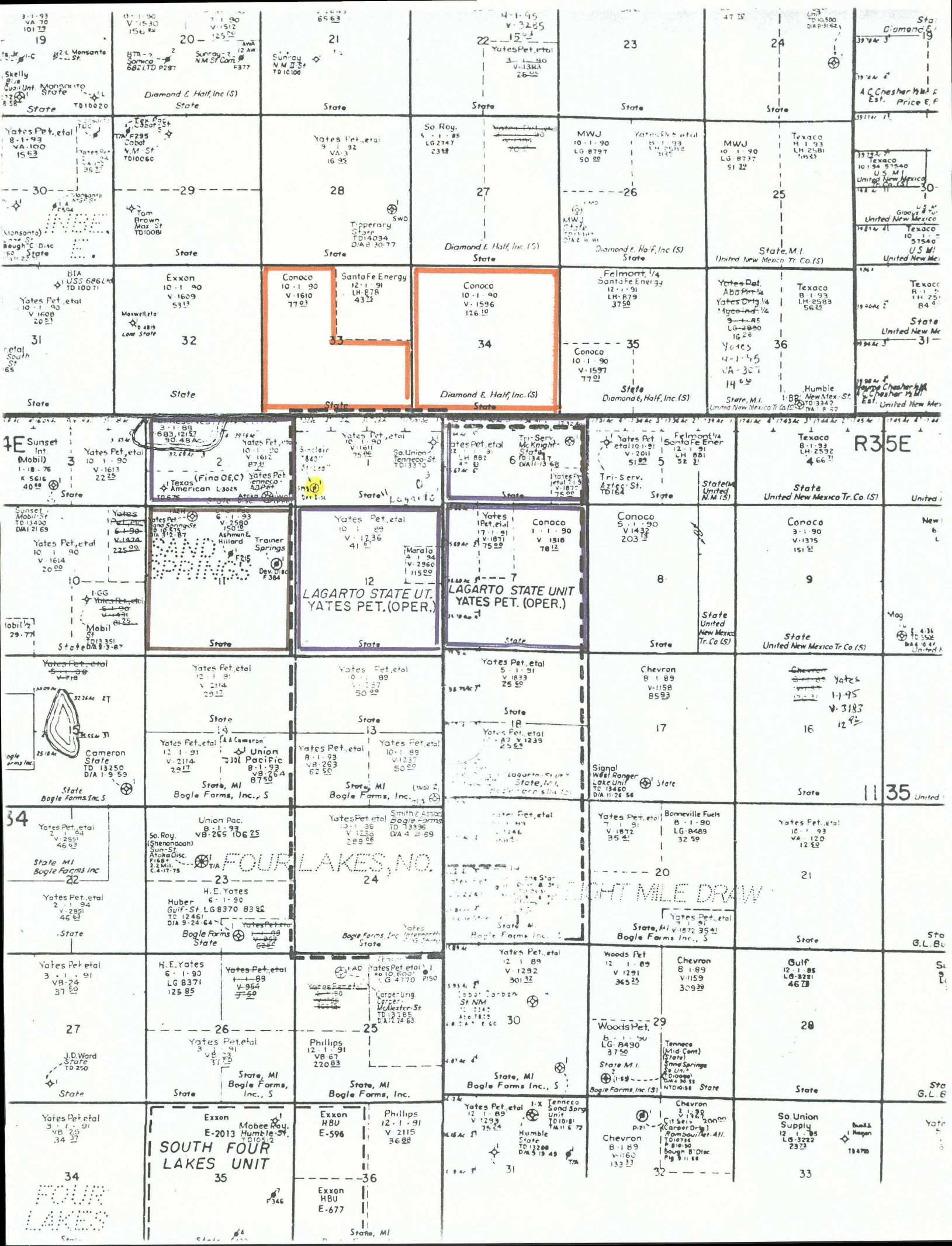
Sincerely,

YATES PETROLEUM CORPORATION

Clifton R. May  
Permit Agent

CRM/sdf

Enclosure



# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>Yates Petroleum Corporation</b>			Lease <b>Lagarto State Unit</b>		Well No. <b>3</b>
U.S. Letter <b>M</b>	Section <b>1</b>	Township <b>11 South</b>	Range <b>34 East</b>	County <b>NMPM Lea</b>	
Actual Footage Location of Well: <b>660'</b> feet from the <b>South</b> line and <b>660'</b> feet from the <b>West</b> line					
Ground level Elev. <b>4139 GR</b>	Producing Formation <b>ATOKA</b>		Pool <b>SAND SPRINGS ATOKA</b>	Dedicated Acreage: <b>389+- Acres</b>	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
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 interest, has been approved by the Division.

### OPERATOR CERTIFICATION

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

Signature

*Clifton R. May*

Printed Name

Clifton R. May

Position

Permit Agent

Company

Yates Petroleum Corporation

Date

6-25-90

### SURVEYOR CERTIFICATION

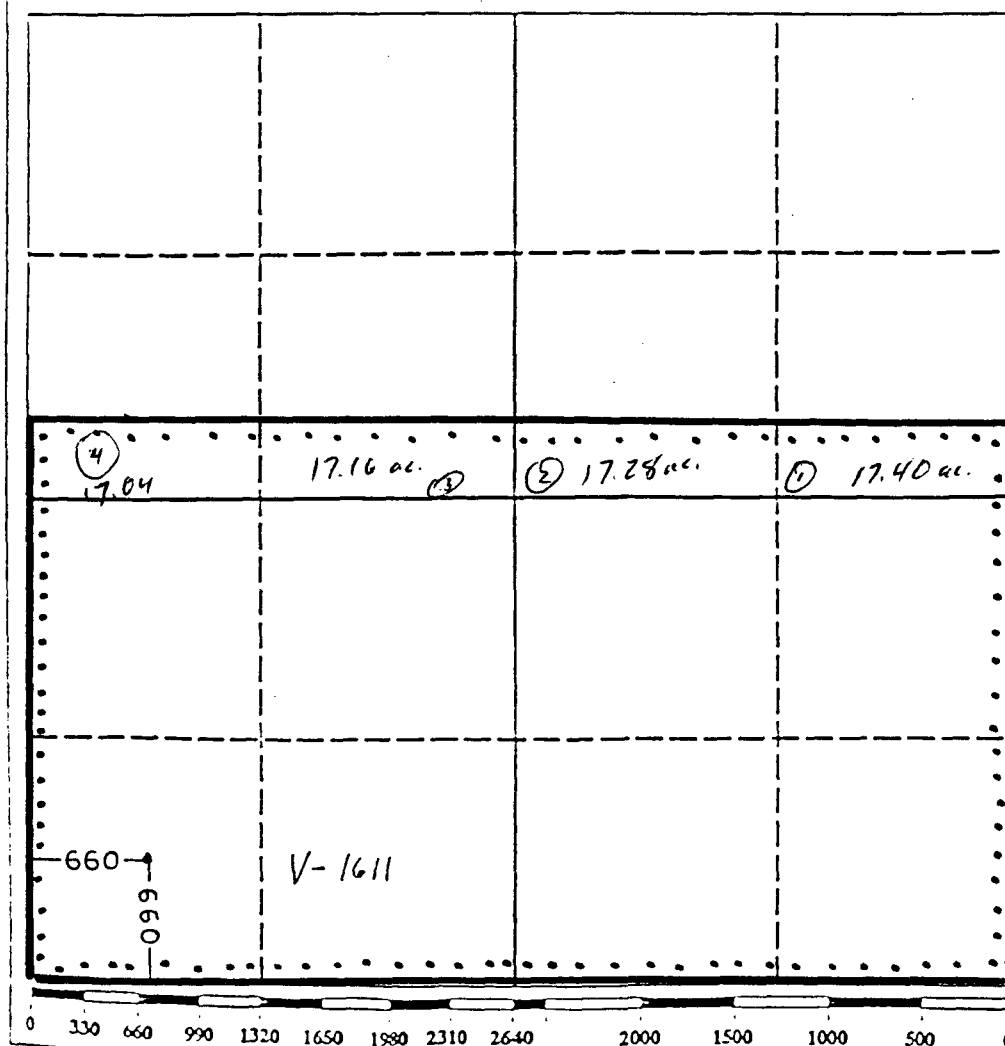
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of  
Professional Surveyor

Refer to original plat

Certificate No.



June 25, 1990

Re: Lagarto State Unit #3  
660' FSL and 660' FWL  
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Lea County, New Mexico

Please sign and return one (1) copy to Yates Petroleum Corporation, 105 South Fourth Street, Artesia, New Mexico 88210, to the attention of Clifton R. May, and one (1) copy to New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, to the attention of Mr. Michael E. Stogner if you have no objections to the proposed un-orthodox Sand Springs Atoka location listed above. A xerox copy of a letter to Mr. Michael E. Stogner of NMOCN in Santa Fe, New Mexico is attached to tell you of our intentions.

W A I V E R

As an offset operator, Union Pacific Resources, has no objection to the unorthodox Sand Springs Atoka location for the well listed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Is your RETURN ADDRESS  
completed on the reverse side?

<p><b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.</p> <p>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 additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p><b>Union Pacific Resources</b> <b>P.O. Box 7</b> <b>Ft. Worth, Texas 76101</b> <b>Attn: Russell Wright</b></p>	<p>4. Article Number</p> <p><b>P 574 251 182</b></p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <b>DATE DELIVERED</b>.</p>
<p>5. Signature — Address</p> <p><b>X</b></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature — Agent</p> <p><b>X</b></p>	
<p>7. Date of Delivery</p>	

PS Form 3811, Mar. 1988

★ U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

Thank you for using  
Return Receipt Service.

P 574 251 182

**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to		<b>Union Pacific Resources</b>	
Street and No.		<b>P.O. Box 7</b>	
P.O. State and ZIP Code		<b>Ft. Worth, TX 76101</b>	
Postage		<b>Attn: Russell Wright</b>	
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		<b>\$</b>	
Postmark or Date			
<b>6-25-80</b>			

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

**CERTIFIED**

P 574 251 182

**MAIL**

June 25, 1990

Re: Lagarto State Unit #3  
660' FSL and 660' FWL  
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Lea County, New Mexico

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W A I V E R

As an offset operator, Conoco Inc., has no objection to the unorthodox Sand Springs Atoka location for the well listed above.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



OIL CONSERVATION DIVISION  
RECEIVED

'90 JUN 27 AM 9 03

Is your RETURN ADDRESS  
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3. Article Addressed to: <b>CONOCO, INC. Exploration + Production 10 Desta Drive Midland, TX 79705 ATTN: Van Peters</b>	4. Article Number <b>P 574 251 183</b> Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Address <b>X</b>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature — Agent <b>X</b>	
7. Date of Delivery	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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Return Receipt Service.

P 574 251 183

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(See Reverse)

U.S.G.P.O. 1988-234-555

Sent to <b>CONOCO, INC.</b>	
Street and No. <b>Exploration + Production</b>	
P.O., State and ZIP Code <b>10 Desta Drive</b>	
Postage <b>Midland, TX 79705</b>	S
Certified Fee <b>attn: Van Peters</b>	
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 <b>6-25-90</b>	

PS Form 3800, June 1985

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

**CERTIFIED**

P 574 251 183

**MAIL**