

DEC 18 1995



P.O. Box 552  
Midland, TX 79702-0552  
Telephone 915/682-1626

INDIAN BASIN ASSET TEAM  
MID-CONTINENT REGION

December 8, 1995

Mailing List Attached

Certified Mail  
Return Receipt Requested

Re: Amendment of Off Lease Storage and Measurement Agreement

Leases previously approved for Off Lease Storage and Measurement

Marathon Lease NM 1832 -State of New Mexico Leases K-1877, E- 10170-2, E - 7906-2  
-Federal Leases NM-050607, NM-050608, NM-051107, NM-05551, NM-05551-A, NM-0926  
NM-0926-A, NM-04827-B

Marathon Lease NM 5772 -Federal Lease NM-04827-B  
Marathon Lease NM 1718 -State Of New Mexico Lease K-1877, E-10169  
Marathon Lease NM 5758 -Federal Lease NM-05551-A, NM-050608, NM-81677

Proposed Additions to Agreement

Marathon Lease NM 5723 -Federal Lease NM-034623  
Marathon Lease NM 05608 -Federal Lease NM-05608

Sections 1, 2, 3, 10, 11, 12; T-21-S, Range 23-East, and Section 36 T-21 ½ S, R-23-E Eddy County New Mexico

Gentlemen:

Marathon Oil Company is proposing that the previously approved Off Lease Storage and Measurement agreement which included the North Indian Basin Unit, Stinking Draw, Bone Springs "12" Federal Com, and the MOC Federal leases be amended to include highlighted sections above. The leases to be added are the South ½ of Sec. 3 and all of Sec. 10 which are included in the North Indian Basin Unit and the north ½ of section 3 which has been designated the Comanche Federal Lease. Both Sections 3 and 10 are in T-21-S, R-23-E of Eddy County New Mexico. All production will be metered prior to commingling. Our records indicate you are an interest owner in one of the subject wells. Pursuant to NMOC Rule 309-A, Marathon is required to seek your consent to the proposed commingling of production from the separate leases. Marathon believes that amending the original agreement to include to include Sec 3 & 10 will enhance the economic life of project and all leases involved.

Please indicate your approval by signing in the space below and returning one copy of this letter to this office in the enclosed envelope. The second copy is for your files. Your very prompt consideration of this matter will be greatly appreciated.

Sincerely,

Handwritten signature of R. A. Biernbaum in cursive script.

R. A. Biernbaum

Indian Basin Asset Team Supervisor

CC: T. L. Guillory  
W. L. Ransbottom

Approved this 14th day of December, 1995

By: Handwritten signature of R. L. Bergman in cursive script.

Title: \_\_\_\_\_

Company: \_\_\_\_\_

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

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

December 12, 1995

Marathon Oil Company

DEC 15 1995

INDIAN BASIN ASSET TEAM  
MID-CONTINENT REGION

Attention: R. A. Biernbaum  
Marathon Oil Company  
P. O. Box 882  
Midland, TX 79702-0882

RE: Amendment of Off Lease Storage  
and Measurement Agreement  
Township 21 and 21 1/2 South, Range 23 East, NMPM  
Eddy County, New Mexico

Gentlemen:

As per your request, enclosed are copies of your December 8, 1995, letter covering the captioned, which has been approved on behalf of Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation, and Myco Industries, Inc.

Thank you.

Very truly yours,

**YATES PETROLEUM CORPORATION**

Kathy H. Porter, CPL  
Landman

KHP/sls  
Enclosure(s)



**Marathon  
Oil Company**

Mid-Continent Region  
Production United States

Marathon Oil Company

**DEC 15 1995**

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MID-CONTINENT REGION

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Sincerely,

R. A. Biernbaum

Indian Basin Asset Team Supervisor

CC: T. L. Guillory  
W. L. Ransbottom

Approved this 11 day of Dec '95

By:

Title: Attorney-in-Fact

Company: Yates Petroleum Corporation



**Marathon  
Oil Company**

P.O. Box 552  
Midland, TX 79702-0552  
Telephone 915/682-1626

**DEC 15 1995**

INDIAN BASIN ASSET TEAM  
MID-CONTINENT REGION

December 8, 1995

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Sincerely,

R. A. Biernbaum

Indian Basin Asset Team Supervisor

CC: T. L. Guillory  
W. L. Ransbottom

Approved this 11 day of December '95

By:

Title: Attorney-in-Fact

Company: Yates Drilling Company

DEC 15 1995



**Marathon  
Oil Company**

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Midland, Texas 79702  
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R. A. Biernbaum

Indian Basin Asset Team Supervisor

CC: T. L. Guillory  
W. L. Ransbottom

Approved this 11 day of Dec '95

By:

Title: Attorney-in-Fact

Company: Abo Petroleum Corporation



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Sincerely,

A handwritten signature in cursive script, appearing to read 'R. A. Biernbaum'.

R. A. Biernbaum

Indian Basin Asset Team Supervisor

CC: T. L. Guillory  
W. L. Ransbottom

Approved this 11 day of Dec 95

By: A handwritten signature in cursive script, appearing to read 'Randy H. Williams'.

Title: Attorney-in-Fact

Company: Myco Industries, Inc.