

New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87503

> Mescal "SE" Federal #1 Re: 600' FNL - 1750' FWL Sec. 18-T21S-R22E

Dear Sir:

Yates Petroleum Corporation seeks administrative approval of an unorthodox gas well location and proration unit (280 acres), as provided for under NMOCD Rule 104F. Subject wellsite is our Mescal "SE" Federal #1, located 600' FNL and 1750' FWL of Section 18 - Township 21S - Range 22E in the Little Box Canyon area of Eddy County, New Mexico. The north half of the section is dedicated to the well.

A standard location is not possible because of the terrain and because the west half of the section is 1978' wide. A topographical plat was submit-ted to all offsetting lease holders. The proposed location is recommended by the Bureau of Land Management and is acceptable to Yates Petroleum Corporation.

Offset lease owners are notified by a copy of this letter and asked to submit waivers to the non-standard spacing to the NMOCD in Santa Fe.

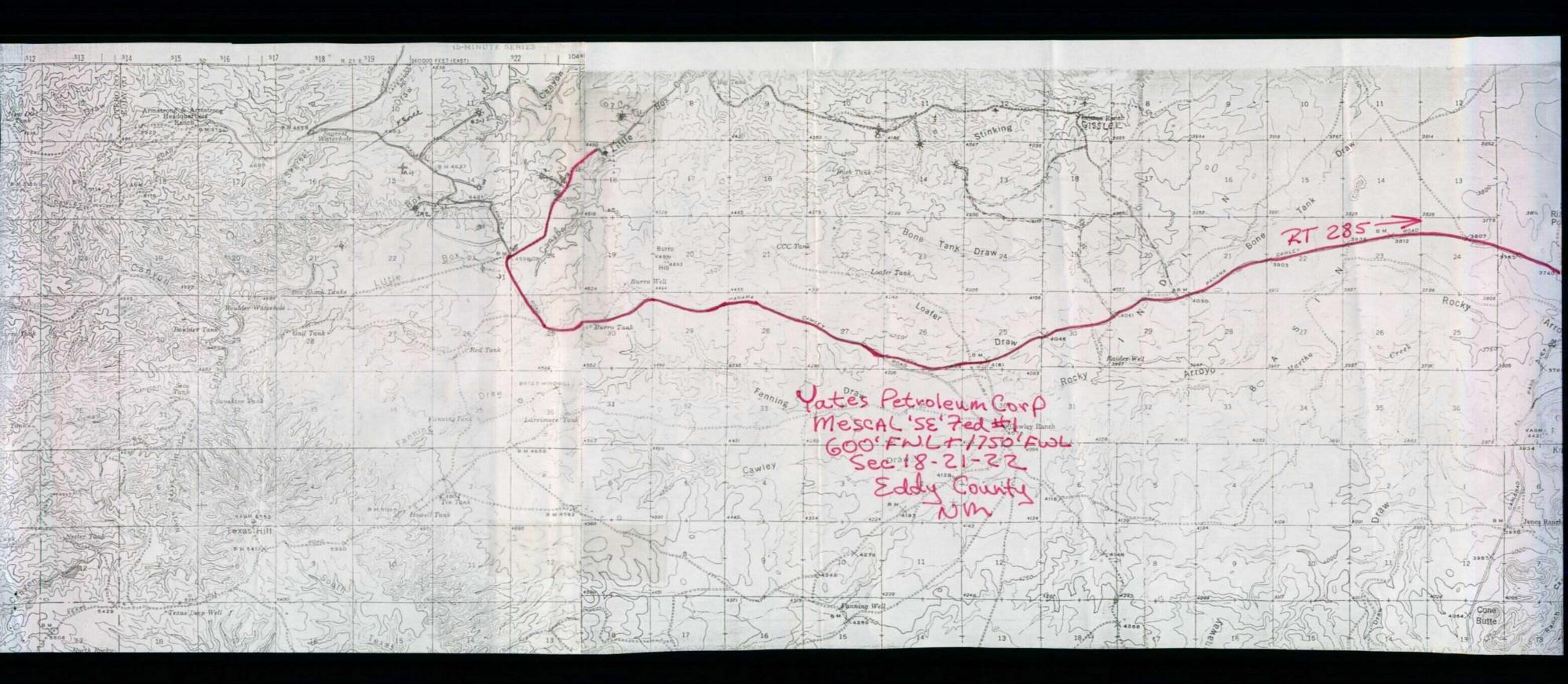
Thank you for your help in this matter.

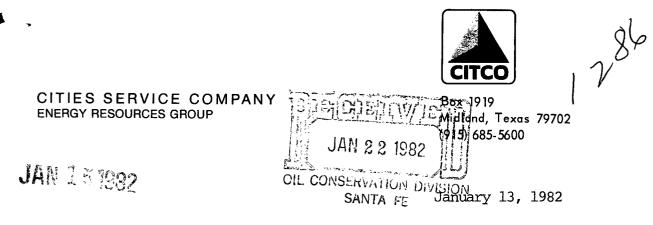
Sincerely

Cv<sup>2</sup>Cowan Regulatory Coordinator Yates Petroleum Corporation

CC/dw enclosures cc

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Yates Petroleum Corporation 207 South 4th Street Artesia, New Mexico 88210

> Re: Your proposed Mescal "SE" Federal #1 Eddy County, New Mexico

Gentlemen:

Attached is a Waiver covering the captioned well, which has been signed by our Mr. E. E. Taylor.

Yours very truly,

CITIES SERVICE COMPANY (Zine,

John W. Young Manager - Land Southwest Region

JWY/nbg

Attachment



207 SOUTH FOURTH STREET ARTESIA. NEW MEXICO 88210 TELEPHONE (505) 748-1331 S. P. YATES PRESIDENT MARTIN YATES. III VICE PRESIDENT JAIL 2.3 1932 IG32 IG32 B. W. HARPER SEC. TREAS.

December 7, 1981

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

> Re: Mescal "SE" Federal #1 600' FNL - 1750' FWL Sec. 18-T21S-R22E

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Thank you for your help in this matter.

Cy Cowan Regulatory Coordinator Yates Petroleum Corporation

CC/dw

WAIVER:

We have no objection to producing the above captioned well, in the non-standard location, and hereby grant waiver for Yates Petroleum Corporation to do so.

El Saylor

S. P. YATES PRESIDENT MARTIN YATES, III VICE PRESIDENT JOHN A. YATES ROLEUM VICE PRESIDENT **I O N** B. W. HARPER SEC. TREAS. 207 SOUTH FOURTH STREET OIL CONSERVA ARTESIA. NEW MEXICO 88210 TELEPHONE (505) 748-1331

January 20, 1982

Mr. Dick Stamets New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87503

> Re: Mescal "SE" Federal #1 660' FNL & 1750' FWL Sec. 18-T21S-R22E

Dear Mr. Stamets,

Enclosed please find a topographical map showing that the originally proposed location for the Mescal "SE" Federal #1 would fall on the edge of Little Box Canyon. If a photograph of the area is required, we would be glad to supply you with one.

The formations we will be drilling through will include the Glorieta, Tubb, Abo, Wolfcamp Limestone, LW Canyon, Strawn, Atoka, Morrow Clastics, Lower Morrow, Austin, Chester and Mississippian zones.

Offset lease operators have been notified by certified mail and copies of the certification receipts are enclosed.

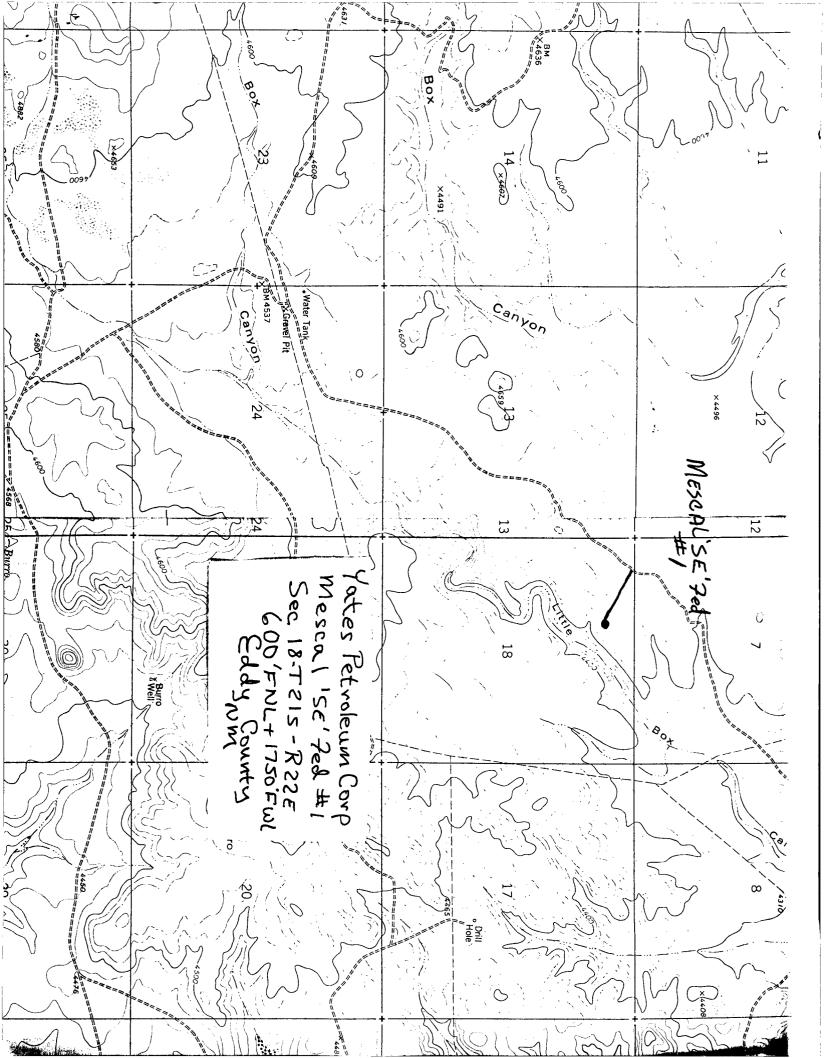
If further information is needed we will be happy to oblige.

Sincerely,

er Cour Cy Cowan

Regulatory Coordinator Yates Petroleum Corporation

CC/dw enclosures



| PS Form 3800, Apt |                             |   |  |  |                                    |   |               |           |   | (0 - | a Be  |              |
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