

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471

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✓  
October 19, 2011

PECOS OPERATING COMPANY, LLC  
125 W. Missouri Ave., Suite 450  
Midland, TX, 79701

Re: Application for Administrative Approval of Non-  
Standard Spacing Unit, Lea County, New Mexico

Dear Sirs:

Please find enclosed our application for administrative approval by the director for a non-standard spacing unit for the SENE and NESE of Section 14, Township 20 South, Range 32 East, Lea County New Mexico to be dedicated to Yates' Belco "AIA" Federal #5 well.

Should you choose to object to our application your objection must be submitted in writing to the New Mexico Oil Conservation Division within 20 days from the date the division receives our application

Please direct any questions to me at the letterhead address or by calling me direct at 575-748-4332. Thanks you.

Sincerely,

**YATES PETROLEUM CORPORATION**

Kevin Klein  
Landman

Enclosure(s)

KATHY H. PORTER  
SECRETARY

DENNIS G. KINSEY  
TREASURER

**Exhibit B**

U.S. Postal Service<sup>TM</sup>  
**CERTIFIED MAIL<sup>TM</sup> RECEIPT**  
 Domestic Mail Only. No Insurance Coverage Provided.  
 For delivery information visit our website at www.usps.com

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.79

ARTESIA NM  
 Postmark Here  
 OCT 19 2001  
 USPS 88270

Sent To Pa  
 Pecos Operating Company, LLC  
 Street, Apt. No.,  
 or PO Box No. 125 W. Missouri Ave., Suite 450  
 City, State, ZIP+4  
 Midland, TX 79701

PS Form 3800, August 2005 See Reverse for Instructions

7010 1670 0001 6454 7126

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <i>Joseph B. Palam</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No          If YES, enter delivery address below:</p> <p><i>[Signature]</i></p>
<p>1. Article Addressed to:</p> <p>Pecos Operating Company, LLC          125 W. Missouri Ave., Suite 450          Midland, TX 79701</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>
<p>2. Article Number          (Transfer from service label)</p> <p>7010 1670 0001 6454 7126</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>