



13529

2005 SEP 2 PM 12 10

PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

August 30, 2005

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210-2118

Attn: Mr. Chuck Moran

Re: Final Approval  
Stadium State Exploratory Unit  
Chaves County, New Mexico

Dear Mr. Moran:

Thank you for your letter of August 30, 2005 requesting final approval of the Stadium State Exploratory Unit Agreement, Chaves County, New Mexico.

It is our understanding that all tracts are committed to the unit agreement.

The Commissioner of Public Lands has this date granted final approval to the Stadium State Exploratory Unit Agreement effective August 30, 2005.

Enclosed are five (5) Certificates of Approval.

Your \$60.00 filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY  
Oil, Gas & Minerals Division  
(505) 827-5744  
PL/JB/pm

pc: Reader File,  
~~OCD-Santa-Fe, Attn: Mr. Roy Johnson~~  
TRD-Attn: Mr. Valdean Severson  
RMD-Attn: Ms. Linda Vieira  
Mr. William F. Carr

**-State Land Office Beneficiaries -**

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

UNIT NAME: STADIUM STATE EXPLORATORY UNIT  
 OPERATOR: YATES PETROLEUM CORPORATION  
 COUNTY: CHAVES

DATE APPROVED	OCC CASE NO. OCC ORDER NO.	TOTAL ACREAGE	STATE	FEDERAL	INDIAN FEE	SEGREGATION CLAUSE	TERM
EFFECTIVE 08/30/2005		960.00	960.00	0	0	STRICT	5 YEARS SO LONG AS

APPROVALS

SLO--08-30-2005  
 OCD--08-09-2005 CASE NO. 13529  
 ORDER NO. R-12399

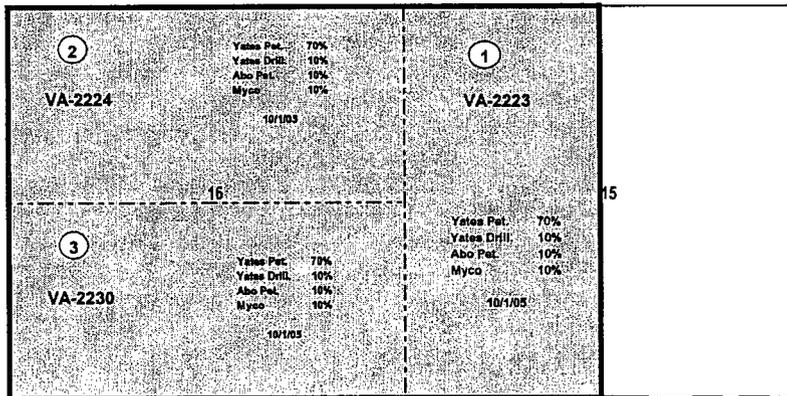
TOWNSHIP 12 SOUTH, RANGE 26E  
SECTION 15: W/2  
SECTION 16: ALL

EXHIBIT "A"

Yates Petroleum Corporation

Stadium State Unit Area  
Township 12 South, Range 26 East, N.M.P.M.  
Chaves County, New Mexico

R26E



T  
12  
S

Indicates Unit Area

Scale 2 inches = 1 mile

# Tract number

Exhibit B  
Stadium State Unit Area  
Chaves County  
New Mexico

Tract No.	Lessor	Description of Land	No. of Acres	Lease Serial No.	Lease Expiration Date	Basic Royalty and Ownership Percentage	Lessee of Record / Original Lessee	%	Overriding Royalty and Percentage	%	Working Interest Owner and Percentage	%
1	State of New Mexico	Township 12 South, Range 28 East, Sec. 15, W/2	320.00	VA-2223	10/01/05	1/8	Yates Petroleum Corporation	100.00%	None		Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycro Industries, Inc.	70.00% 10.00% 10.00% 10.00%
2	State of New Mexico	Township 12 South, Range 28 East, Sec. 16, N/2	320.00	VA-2224	10/01/05	1/8	Yates Petroleum Corporation	100.00%	None		Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycro Industries, Inc.	70.00% 10.00% 10.00% 10.00%
3	State of New Mexico	Township 12 South, Range 28 East, Sec. 16, S/2	320.00	VA-2230	10/01/05	1/8	Yates Petroleum Corporation	100.00%	None		Yates Petroleum Corporation Yates Drilling Company Abo Petroleum Corporation Mycro Industries, Inc.	70.00% 10.00% 10.00% 10.00%
Total of 3 Tracts - 960.00 acres or 100%			960.00									



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June 29, 2005

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

Attention: Mr. Chuck Moran

Re: Preliminary Approval  
Proposed Stadium State Exploratory Unit  
Chaves County, New Mexico

RECEIVED  
JUN 30 2005  
OIL CONSERVATION  
DIVISION

Dear Mr. Moran:

Thank you for providing the unexecuted copy of the unit agreement, for the proposed Stadium State Exploratory Unit area, Chaves County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands, who has this date granted you preliminary approval as to form and content.

Preliminary approval should not be construed to mean final approval of this agreement in any way and will not extend any short-term leases, until final approval and an effective date have been given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner stating the tracts that have been committed and the tracts that have not been committed.
2. Pursuant to 19.2.100.51 NMAC showing:
  - a. That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy.
  - b. That under the proposed unit operation, the State of New Mexico will receive its fair share of the recoverable oil and gas in place under its lands in the proposed unit area.
  - c. That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the unit area.
  - d. That such unit agreement is in other respects for the best interest of the trust.
3. All ratifications from the Lessees of Record and Working Interest Owners. All signatures should be acknowledged by a notary and one set must contain original signatures.

**-State Land Office Beneficiaries -**

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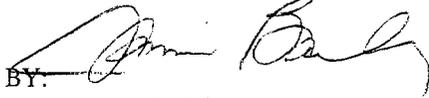
Yates Petroleum Corporation  
June 29, 2005  
Page 2

4. Order of the New Mexico Oil Conservation Division (OCD). Our approval will be conditioned upon subsequent favorable approval by the OCD.
5. Please submit two copies of the Unit Agreement.
6. A copy of the Unit Operating Agreement (if applicable).
7. Copies of all the well records for the initial unit well and any subsequent well.
8. The filing fee for a unit agreement is thirty dollars (\$30) for every section or partial section thereof; therefore a \$60 filing fee is required.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

PL/JB/pm

cc: OCD-Santa Fe, Attention: Mr. Roy Johnson  
William F. Carr