

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S.P. YATES
CHAIRMAN EMERITUS

JOHN A. YATES
CHAIRMAN OF THE BOARD

PEYTON YATES
PRESIDENT

FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

September 26, 2007

CERTIFIED MAIL
Return Receipt Requested

Mobile Producing Texas & New Mexico
P.O. Box 650595
Dallas, TX 75265-0595

RE: Cooker BCB Federal Com #3
Township 6 South, Range 26 East, N.M.P.M.
Section 14: S/2
1680' FSL & 1980' FEL
Chaves County, New Mexico

Dear Working Interest Owner:

Yates Petroleum Corporation proposes to drill the captioned well pursuant to the prognosis on the enclosed Authority for Expenditure and invite you to participate. As you can see the estimated cost for a dry hole is \$858,800 and for a completed well \$1,463,000. I have also enclosed a copy of the Operating Agreement along with a separate set of signature pages. If these meet with your approval, please execute and return your signature page to the Operating Agreement and one (1) signed copy of the Authority for Expenditure. You may retain the copy of the OA and the second copy of the AFE for your records.

I would like to reference our letters of May 2 and August 13, 2007 in which we offer to lease your mineral rights under the same terms as our previous lease on this captioned land. This offer continues to be available should you decide to accept this offer.

We anticipate moving in a rig very shortly and request your immediate attention. If you have any questions, please call me at (505) 748-4335. Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Lucky Briggs
W. "Lucky" Briggs
Associate Landman

WB:ms

Enclosures:

RANDY G. PATTERSON
VICE PRESIDENT

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mobile Producing Texas & New Mexico
PO Box 650595
Dallas, TX 75265-0595

7005 3110 0000 4638 6275

PS Form 3811, February 2004

Domestic Return

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 14059.....Exhibit No. 2

Submitted by:

YATES PETROLEUM INCORPORATED

Hearing Date: January 10, 2008

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X W. Ferrell

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

W. Ferrell

OCT 01 2007

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

U.S. Postal Service™
CERTIFIED MAIL™ 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 \$

\$

\$

\$

\$

\$

\$

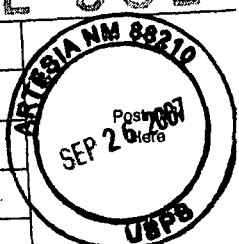
\$

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Sent To

Mobile Producing Texas & New Mexico

PO Box 650595

Street, Apt. No.,

Dallas, TX 75265-0595

or PO Box No.

City, State, ZIP+4

 TRANSACTION REPORT

P. 01

OCT-11-2007 THU 09:08 AM

FOR: YATES PETROLEUM LAND

15057484572

SEND

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
OCT-11	09:07 AM	912623131969	56"	3	FAX TX	OK	109	

TOTAL : 56S PAGES: 3



105 South Fourth Street • Artesia, New Mexico 88210-2118 • 505-748-1471

FAX COVER SHEET

DATE: October 11, 2007

TO: Ken Hilger

COMPANY: Exxon-Mobile

FAX: 262-313-1969

FROM: Montl Sanders

PHONE: 505-748-4244

FAX: 505-748-4572

NUMBER OF PAGES:
 (Including this Cover Page) 3

REMARKS: ☒ Urgent ☒ For Your Review ☐ Reply ASAP ☐ Please Comment



105 South Fourth Street • Artesia, New Mexico 88210-2118 • 505-748-1471

FAX COVER SHEET

DATE: **October 11, 2007**

TO: **Ken Hilger**

COMPANY: **Exxon-Mobile**

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FROM: **Monti Sanders**

PHONE: **505-748-4244**

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NUMBER OF PAGES:
(Including this Cover Page) **3**

REMARKS: ☒ Urgent ☒ For Your Review ☐ Reply ASAP ☐ Please Comment

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JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

May 2, 2007

Mobile Producing Texas & New Mexico Inc.
P.O. Box 4697
Houston, TX 77210-4697

Attn: Paul Keffer

RE: Township 6 South, Range 26 East, N.M.P.M.
Section 14: N/2 and E/2SE/4
Chaves County, New Mexico

Mr. Keffer:

Yates Petroleum Corporation would like to extend an offer to lease the land captioned above subject to the following terms:

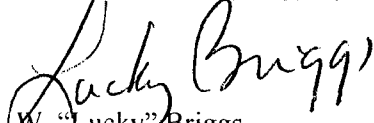
1. A Three (3) Year Oil & Gas Lease, Paid Up.
2. 20% of 8/8ths royalty
3. Bonus consideration of \$100.00 per net acre.

If this meets with your approval would you please forward the required Oil and Gas Lease.

Should you have any questions, please do not hesitate contacting me at 505 748-4335.

Very truly yours,

YATES PETROLEUM CORPORATION


W. "Lucky" Briggs
Associate Landman

WLB

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EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

August 13, 2007

Certified Mail
Return Receipt Requested

Mobile Producing Texas & New Mexico Inc.
P.O. Box 4697
Houston, TX 77210-4697

Attn: Paul Keffer

RE: Township 6 South, Range 26 East, N.M.P.M.
Section 14: N/2 and E/2SE/4
Chaves County, New Mexico

Mr. Keffer:

Yates Petroleum Corporation would like to extend
above subject to the following terms:

1. A Three (3) Year Oil & Gas L
2. 20% of 8/8ths royalty
3. Bonus consideration of \$100,000
4. This offer expires two weeks from date of acceptance

If this meets with your approval or you would like to discuss
at 505-748-4335.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Lucky Briggs
W. "Lucky" Briggs
Associate Landman

WLB/ms

2625 9E9H 0000 DITE 500L
Lucky/Cooker BCB Fed #1

U.S. Postal Service	
CERTIFIED MAIL 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	\$ 5.21

Sent To: Mobile Producing Texas & NM Inc.
Street, Apt. No., or PO Box No.: PO Box 4697
City, State, ZIP+4: Houston, TX 77210-4697

PS Form 3800, June 2002

CO 88210

and ZIP+4 in this box

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10