

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

December 27, 2000

Working Interest Owners
Addressee List Attached

Via Certified Mail

Re: **AFE**
Daisy AFS St #2
Township 16 South, Range 35 East
Section 3: 660' FNL & 660' FEL
Lea County, New Mexico

Ladies and Gentlemen:

Please find enclosed our AFE proposing the drilling of the captioned well to test the Morrow/Mississippian formation at approximately 13,100'.

The proposed proration unit located in irregular Section 3 is Lots 1 through 8 which forms a non-standard 355.80 acre spacing unit.

We will forward our Joint Operating Agreement for your review as soon as you have indicated your desire to participate in this proposed test.

Please call me at (505) 748-4351 if you have any questions regarding this proposal.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case Nos. 12535/12567/12569 Cons. Exhibit 3

Submitted by:
Yates Petroleum Corp./Ocean Energy Resources, Inc.
Hearing Date: January 11, 2001

DAISY AFS ST #2
ADDRESSEE LIST

Tom R. Cone
PO Box 778
Jay, OK 74346

Kenneth G. Cone
PO Box 11310
Midland, TX 79702

Kenneth G. Cone, Trustee
Kenneth G. Cone Children's Trust
PO Box 11310
Midland TX 79702

Marilyn Cone, Trustee
of the D.C. Trust
PO Drawer 1629
Lovington, NM 88260

Clifford Cone
PO Drawer 1629
Lovington, NM 88260

Clifford Cone, Trustee of the
Clifford Cone Family Trust U/W/O
Kathleen Cone
PO Drawer 1629
Lovington, NM 88260

Keith Pratt Daniels
PO Box 190766
Dallas, TX 75219

Lynda Pratt Rast
1202 Marlee Lane
Arlington, TX 76014

Phillip L. White
The Blanco Company
PO Box 2168
Santa FE, NM 87504-2168

The Long Trusts
PO Box 3096
Kilgore, TX 75663

LWJ Partnership
PO Box 64244
Lubbock, TX 79424

Ocean Energy Resources, Inc.
1001 Fannin, Suite 1600
Houston, TX 77002-6794

David H. Arrington Oil & Gas, Inc.
214 West Texas, Suite 400
Midland, TX 79701

Yates Petroleum Corporation
Yates Drilling Company
Abo Petroleum Corporation
Myco Industries, Inc.
105 South Fourth Street
Artesia, NM 88210

1

2

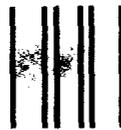
3

4

5

6

UNITED STATES POSTAL SERVICE

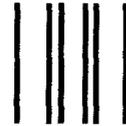


First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

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88210+2122



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7000 1670 0007 6696 2986

OFFICIAL USE

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

Sent To **Phillip L. White**
The Blanco Company
 Street, Apt. No., P.O. Box No. **PO Box 2168**
 City, State, ZIP+4 **Santa FE, NM 87504-2168**

PS Form 3800, May 2000 See Reverse for Instructions

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7000 1670 0007 6696 2979

OFFICIAL USE

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

Sent To **David H. Arrington Oil & Gas, Inc.**
214 West Texas, Suite 400
 Street, Apt. No., P.O. Box No. **Midland, TX 79701**
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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7000 1670 0007 6696 2924

OFFICIAL USE

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

Sent To **LWJ Partnership**
 Street, Apt. No., P.O. Box No. **PO Box 64244**
Lubbock, TX 79424
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

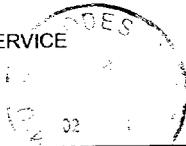
2023-2024

2023-2024

2023-2024

2023-2024

UNITED STATES POSTAL SERVICE



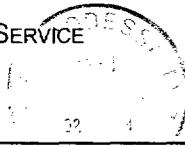
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YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210



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YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210



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ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

88210-2124



U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2894

OFFICIAL USE

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

Sent To **Kenneth G. Cone**
PO Box 11310
 Street, Apt. No., or PO Box No. **Midland, TX 79702**
 City, State, ZIP+4

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2887

OFFICIAL USE

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

Sent To **Kenneth G. Cone, Trustee**
Kenneth G. Cone Children's Trust
PO Box 11310
 Street, Apt. No., or PO Box No. **Midland TX 79702**
 City, State, ZIP+4

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2962

OFFICIAL USE

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

Sent To **The Long Trusts**
PO Box 3096
 Street, Apt. No., or PO Box No. **Kilgore, TX 75663**
 City, State, ZIP+4

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:

Clifford Cone
PO Drawer 1629
Lovington, NM 88260

2. Article Number (Copy from service label)

7000 1670 0007 6696 2900

Daisy AFS #2

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-f

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

[Signature] Agent
 Addressee

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

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**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:

Marilyn Cone, Trustee
of the D.C. Trust
PO Drawer 1629
Lovington, NM 88260

2. Article Number (Copy from service label)

7000 1670 0007 6696 2948

Daisy AFS #2

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

[Signature] Agent
 Addressee

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

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes**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:

Clifford Cone, Trustee of the
Clifford Cone Family Trust U/W/O
Kathleen Cone
PO Drawer 1629
Lovington, NM 88260

2. Article Number (Copy from service label)

7000 1670 0007 6696 2870

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

[Signature] Agent
 Addressee

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

3. Service Type

- Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

UNITED STATES POSTAL SERVICE

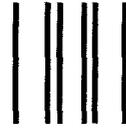


First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

UNITED STATES POSTAL SERVICE

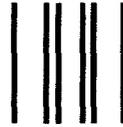


First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

UNITED STATES POSTAL SERVICE



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

• Sender: Please print your name, address, and ZIP+4 in this box •

ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2900

OFFICIAL USE

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

Postmark
Here

Sent To **Clifford Cone**
 Street, Apt. No., or PO Box No. **PO Drawer 1629**
 City, State, ZIP+4 **Lovington, NM 88260**

PS Form 3800, May 2000 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2948

OFFICIAL USE

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

Postmark
Here

Sent To **Marilyn Cone, Trustee**
 of the D.C. Trust
 Street, Apt. No., or PO Box No. **PO Drawer 1629**
 City, State, ZIP+4 **Lovington, NM 88260**

PS Form 3800, May 2000 See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2870

OFFICIAL USE

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

Postmark
Here

Sent To **Clifford Cone, Trustee of the**
Clifford Cone Family Trust U/W/O
 Street, Apt. No., or PO Box No. **Kathleen Cone**
PO Drawer 1629
 City, State, ZIP+4 **Lovington, NM 88260**

PS Form 3800, May 2000 See Reverse for Instructions

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:

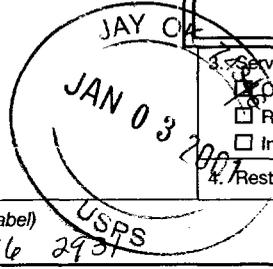
Tom R. Cone
 PO Box 778
 Jay, OK 74346

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) *Tom Cone* B. Date of Delivery

C. Signature *Tom Cone* Agent Addressee

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



3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)
 7000 1670 0007 6696 2931 *Waing AFS #2*

UNITED STATES POSTAL SERVICE



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

• Sender: Please print your name, address, and ZIP+4 in this box •

ROB BULLOCK
YATES PETROLEUM CORP.
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

88210+2122

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0007 6696 2931

0121 USA

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

Postmark
Here

Sent To **Tom R. Cone**
Street, Apt. No., or P.O. Box No. **PO Box 778**
City, State, ZIP+4 **Jay, OK 74346**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$	DAISY AFS ST #2 ADDRESSEE LIST Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To: Ocean Energy Resources, Inc.
 1001 Fannin, Suite 1600
 Street, Apt. No., PO Box No.: Houston, TX 77002-6794
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

7000 1670 0007 6696 2863

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

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

Sent To: Keith Pratt Daniels
 PO Box 190766
 Street, Apt. No., PO Box No.: Dallas, TX 75219
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

7000 1670 0007 6696 2955

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

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

Sent To: Lynda Pratt Rast
 1202 Marlee Lane
 Street, Apt. No., PO Box No.: Arlington, TX 76014
 City, State, ZIP+4

PS Form 3800, May 2000 See Reverse for Instructions

7000 1670 0007 6696 2917