## LAW OFFICES OF

## HUNKER, FEDRIC & HIGGINBOTHAM, P.A.

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GEORGE H. HUNKER, JR. DON M. FEDRIC RONALD M. HIGGINBOTHAM

May 28, 1975

Western Oil Producers, Inc. 1200 South Richardson Ave. Roswell, New Mexico 88201

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## RECEIVED

Attention: Mr. Ken Reynolds

Re: Proposed #1 Flint JUN 6 1975 2310 FWL - 330 FSL Sec. 25, T-17-S, R-25-E O.C.C. Eddy County ARTESIA, OFFICE

## Gentlemen:

We have been employed as special counsel by Yates Petroleum Corporation to advise your Company with respect to Yates' position concerning the drilling of a "Devonian" test well at the above location. The well is located in an area presently productive of gas in the Morrow formation and is within 990 feet, more or less, of one Yates well to the east and is 990 feet north and 990 feet west of another producing Morrow well owned by Yates or operated by Yates. Our client believes that your well may reasonably be presumed to be productive of gas rather than oil. Gas wells projected to formations of the Pennsylvanian age or older are required by the regulations to be located no closer than 660 feet to the nearest side boundary. Yates puts you on notice that it will object to the assignment of a Morrow allowable to your well at this location, and reserves the right to object to the completion in the Morrow formation and the right to urge that the New Mexico Oil Conservation Commission impose other penalties should your Company disregard the purposes and intent of the spacing and location rules and regulations.

It is hoped that you will see fit to change your location to one which will be less disturbing to the rights of the adjoining owners.

Respectfully submitted,

HUNKER, FEDRIC & HIGSINBOTHAM, P.A. George H. Hunker, Jr.

GHH:dd cc: Yates Petroleum Corp.