



HARVEY E. YATES

DRILLING AND PRODUCTION

CAMPER BUILDING

ARTESIA, NEW MEXICO - 88210

June 15, 1967

IVED

JUN 15 1967

O. G.

OFFICIAL OFFICE

State of New Mexico
Oil Conservation Commission
P. O. Drawer DD
Artesia, New Mexico 88210

Attention: Mr. W. A. Gressett
Supervisor, District No. II

Re: James D. Monroe
Stebbins Deep No. 1 Fed.
NM-03677 SE NE 30-20-29

Dear Mr. Gressett:

During the first part of January 1967, our General Superintendent, James D. Monroe, entered into an agreement with Noble Drilling Corporation to furnish them rig fuel while drilling J. M. Huber Corporation's Yates Federal No. 1 well in Sec. 32, Twp. 20S., Rge. 29E, Eddy County, New Mexico.

During the course of drilling the Yates Federal No. 1 well, the amount of gas produced from the Stebbins Deep No. 1 Federal and sold to Noble Drilling Corporation is as follows:

1967	
February	4.233 MCF
March	3.935 "
April	125 "
	<u>8.293 MCF</u>

The necessary forms will be filled with the Oil and Gas Accounting Commission recording the sale of this gas and the taxes on same will be paid by Harvey E. Yates.

The Stebbins Deep No. 1 Federal well is currently listed as a shut-in gas well. Form O-104 will be filed with the Commission when we are successful in establishing a market for the gas in the future.

We would also like to state at this time that we did not know that this type gas production required the approval of the Commission.

If additional information is required, please advise.

Yours very truly,
HARVEY E. YATES

by D. A. Pluck