

30-015-29734

OCPTN 25575

PROP 31974

POOL 96783 - SW Fnd Basin U/16HH

97220 - Hapache Strawn

97219 - Hapache Atok

CERTIFIED MAIL RETURN RECEIPT REQUEST
P 144 849 350

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

April 22, 1978

RE: Six (6) Month Extension for the Big Freddy Unit, Eddy County, New Mexico

Dear Ms. Floore:

In regards to our discussions concerning the commercial well determination of the Big Freddy Unit Agreement (No. NM 90847), the Big Freddy Unit No. 01 was completed on 11-27-97 in the Morrow formation and Yates Petroleum is requested a commercial well determination in the Cisco Penn formation. The request is based on an initial 24 hour production of 1972 MCFGPD.

A six (6) month extension is granted to extend the time limit for the operator to either submit a commercial well determination based on actual production or drill a second well according to Section 9 of the unit agreement.

Therefore, the six (6) month extension is granted until 11-27-98. Should you have any questions regarding this matter, contact Gary Gourley at the Division of Mineral at 505-627-0249.

Sincerely,

(ORIG. SGD.) ARMANDO A. LOPEZ

Pres. Vt Dp
8-21-97

1-15-98
Comp. Neutron
200' - 10,104'
Azimuthal Laterolog
1910' - 10,104'
Borehole Compensated
Sonic
1910' - 10,104'

Cisco-96783
Str-97220
Atok-97219

DHC 1834

2-17-00