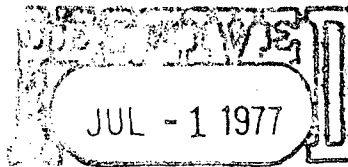




YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210



CONSERVATION COMM.
Santa Fe

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

June 28, 1977

Mr. Joe D. Ramey, Secry. Director
New Mexico Oil Conservation Commission
P.O. Box 2088, Santa Fe, New Mexico 87501

RE: Non-Standard Gas Well Location
Sec. 15-21S-21E, Eddy Co., NM

Dear Sir:

Hata IA Well #2

Yates Petroleum Corporation seeks administrative approval of an unorthodox gas well location under the provisions of Rule 104F, based upon topographical conditions. The standard locations for a South-half dedication fall on a hillside overlooking Box Canyon. The non-standard location asked for is 660 FSL and 1270 FEL of Section 15-T21S-R21E, and this site was selected after a joint inspection of the area between Yates personnel and deputy inspector Lelan Mermis of your Artesia office.

A lease ownership plat and topographic plat are attached hereto. Offset operators are being notified by copy of this intent, and are asked to submit waivers to N.M.O.C.C. stating no exception to this non-standard location.

Morrow Formation

Yours very truly

YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood, Engineer

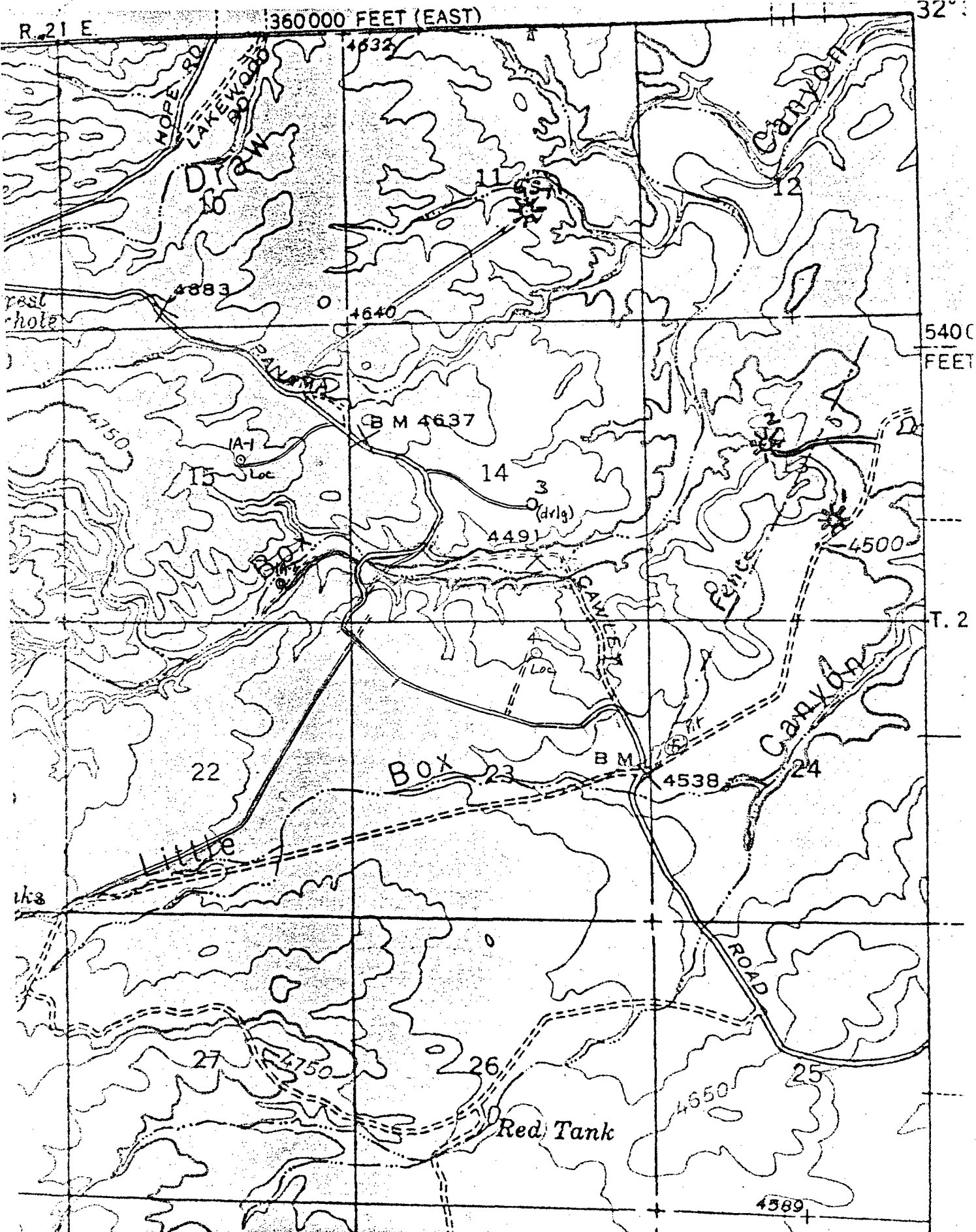
EMM/pt

Encls.

cc: Texas Oil & Gas Corp. 900 Wilco Bldg, Midland, TX ATTN: Doyle Snow
Pennzoil Co. P.O. Box 1828, Midland, TX 79701, ATTN: Cecil Ellis
Wainoco Oil LTD, Suite 600, 1100 Milam Bldg. Houston, TX ATTN:
Leonard Bray

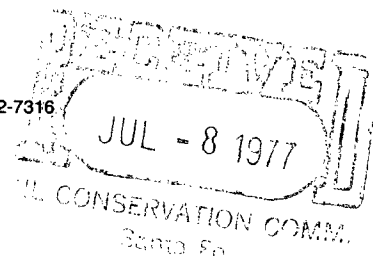
<p>King Resources 5-20-79 L2820</p> <p>State</p> <p>32</p>	<p>A.W. Rutter 5-1-86 27776</p> <p>U.S.</p> <p>33</p> <p>20</p>	<p>A.W. Rutter 5-1-86 27776</p> <p>U.S.</p> <p>21</p>	<p>A.W. Rutter 5-1-86 27776</p> <p>U.S.</p> <p>34</p> <p>21</p>	<p>A.W. Rutter 5-1-86 27776</p> <p>U.S.</p> <p>35</p> <p>21</p>	<p>King Resources 5-20-79 L2820</p> <p>State</p> <p>36</p>	<p>Cit. Serv. 6-1-78 6007</p> <p>U.S.</p> <p>31</p>	<p>Yates 5-20-79 31</p>
<p>R.K. Hillin 1-1-84 19822</p> <p>El Paso Nat. 7-1-78 6702</p> <p>5</p> <p>U.S.</p>	<p>El Paso Nat. 6-1-79 6004</p> <p>4</p> <p>U.S.</p>	<p>El Paso Nat. 6-1-79 6004</p> <p>3</p> <p>U.S.</p>	<p>El Paso Nat. 6-1-79 6004</p> <p>2</p> <p>U.S.</p>	<p>El Paso Nat. 6-1-79 6004</p> <p>1</p> <p>U.S.</p>	<p>Exxon 3-1-86 27451</p> <p>U.S.</p> <p>6</p>	<p>Cities Service 9-1-80 21015</p> <p>U.S.</p> <p>7</p>	<p>Cities Service 6-1-79 6707</p>
<p>El Paso Nat. 7-1-78 6702</p> <p>8</p> <p>U.S.</p>	<p>El Paso Nat. 7-1-78 6702</p> <p>U.S.</p> <p>9</p> <p>El Paso Nat. 9-16-69 L-3533</p> <p>State</p>	<p>Union 2-1-79 21013</p> <p>U.S.</p> <p>10</p> <p>El Paso Nat. 4-1-79 9187</p> <p>U.S.</p>	<p>Exxon 3-1-86 27451</p> <p>U.S.</p> <p>11</p> <p>(El Paso Nat.) 12-1-76 886</p> <p>U.S.</p>	<p>Cities Serv. 12-1-78 886</p> <p>U.S.</p> <p>12</p> <p>Cities Serv. 12-1-78 886</p> <p>U.S.</p>	<p>Cities Service 12-1-78 12241</p> <p>U.S.</p> <p>7</p>	<p>Allied Chem. 8-1-80 12096</p> <p>Cities Service 6-1-79 9552</p> <p>U.S.</p> <p>18</p>	<p>Cities Serv. 4-1-78 26824</p>
<p>J.M. Huber Corp. 7-1-81 13968</p> <p>17</p> <p>U.S.</p>	<p>Stetco 69' Ltd. 3-18-79 L-2635</p> <p>16</p> <p>State</p>	<p>J.M. Huber Corp. 7-1-81 13968</p> <p>15</p> <p>U.S.</p>	<p>Stetco 69' Ltd. 1-1-79 8417</p> <p>14</p> <p>U.S.</p>	<p>Yates Pet. 6-25-77 26823</p> <p>U.S.</p> <p>13</p> <p>Cities Serv. 26822</p> <p>U.S.</p>	<p>Yates Drig. 2-1-81 14459</p> <p>U.S.</p> <p>18</p>	<p>Cities Serv. 4-1-78 26824</p>	<p>Cities Serv. 4-1-78 26824</p>
<p>Stetco 69' Ltd. 1-1-79 8417</p> <p>20</p> <p>U.S.</p>	<p>Pennzoil & Wainoco 9-1-77 3047</p> <p>21</p> <p>U.S.</p>	<p>Texas O.G.G. 6-1-84 20325</p> <p>22</p> <p>U.S.</p>	<p>King Res. 10-1-78 7737</p> <p>23</p> <p>U.S.</p>	<p>King Resources 4-1-79 9187</p> <p>24</p> <p>U.S.</p>	<p>Yates Drig. 12-1-80 14459</p> <p>U.S.</p> <p>19</p>	<p>Cities Serv. 4-1-78 26824</p>	<p>Cities Serv. 4-1-78 26824</p>
<p>Pennzoil & Wainoco 6-1-79 9529</p> <p>29</p> <p>U.S.</p>	<p>Stetco 69' Ltd. 1-1-79 8417</p> <p>28</p> <p>U.S.</p>	<p>Pennzoil & Wainoco 9-1-77 3047</p> <p>27</p> <p>U.S.</p>	<p>Cities Service 8-1-78 7032</p> <p>26</p> <p>U.S.</p>	<p>Cities Service 8-1-78 7032</p> <p>25</p> <p>U.S.</p>	<p>Yates Pet. Co. (R.E. Baling) 6-1-78 6014</p> <p>U.S.</p> <p>30</p>	<p>Cities Serv. 6-1-78 6014</p>	<p>Read & Stevens 3-18-79 L-2671</p>
<p>Stetco 69' Ltd. 3-18-79 L-2637</p> <p>32</p> <p>State</p>	<p>Pennzoil & Wainoco 9-1-77 3046</p> <p>33</p> <p>U.S.</p>	<p>Pennzoil & Wainoco 9-1-77 3046</p> <p>34</p> <p>U.S.</p>	<p>Pennzoil & Wainoco 9-1-77 3046</p> <p>35</p> <p>U.S.</p>	<p>Cities Service 8-1-78 7032</p> <p>36</p> <p>State</p>	<p>Cities Serv. 6-1-78 6014</p> <p>31</p> <p>U.S.</p>	<p>Yates 11-21-77 L-425</p>	<p>Yates 11-21-77 L-425</p>
<p>Nat. Resources 6-1-79 9530</p> <p>5</p> <p>U.S.</p>	<p>Harold Oil 7-1-79 9800</p> <p>4</p> <p>U.S.</p>	<p>Harold Oil 7-1-79 9800</p> <p>3</p> <p>U.S.</p>	<p>Harold Oil 7-1-79 9800</p> <p>2</p> <p>State</p>	<p>Cities Serv. 4-1-82 L-15-82</p> <p>U.S.</p> <p>11</p>	<p>A.W. Brainerd 6-1-83 18207</p> <p>U.S.</p> <p>12</p>	<p>El Paso Nat. et al 7-1-80 11947</p> <p>U.S.</p> <p>7</p>	<p>El Paso Nat. et al 7-1-80 11947</p>
<p>King Resources 4-1-79 9189</p> <p>8</p> <p>U.S.</p>	<p>F.L. Shegryn 8-1-77 2801</p> <p>9</p> <p>U.S.</p>	<p>King Resources 8-1-78 7033</p> <p>10</p> <p>U.S.</p>	<p>Harold Oil 7-1-79 9800</p> <p>U.S.</p> <p>11</p>	<p>A.W. Brainerd 6-1-83 18207</p> <p>U.S.</p> <p>12</p>	<p>A.W. Brainerd 6-1-83 18207</p> <p>U.S.</p> <p>12</p>	<p>El Paso Nat. et al 7-1-80 11947</p> <p>U.S.</p> <p>7</p>	<p>El Paso Nat. et al 7-1-80 11947</p>

32:





POST OFFICE DRAWER 1828 • MIDLAND, TEXAS 79701 • (915) 682-7316



July 6, 1977

Mr. Joe D. Ramey, Secretary Director
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Non-standard gas well location
Yates Petroleum Corporation
Huber "IA" Federal No. 2
Sec. 15, T-21-S, R-21-E
Eddy County, New Mexico

Dear Sir:

Yates Petroleum Corporation is seeking approval of an unorthodox gas well location in the captioned location under the provision of Rule 104-F.

Pennzoil Company, as an offset operator, waive any objection to the granting of Yates Petroleum Corporation's request for a Rule 104-F location for the approval of Huber "IA" Federal No. 2 well in Section 15, Township 21-S, Range 21-E.

Yours very truly,

PENNZOIL COMPANY

E. H. FORET
Division Drilling Manager

July 6, 1977
Date

WAINOCO OIL & GAS COMPANY

A SUBSIDIARY OF WAINOCO OIL CORPORATION

July 12, 1977



Mr. Joe D. Ramey, Sec'y Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Non-Standard Gas Well Location
Sec. 15-21S-21E, Eddy Co., NM

Dear Mr. Ramey:

We have received notification from Yates Petroleum Corporation of their request to drill an unorthodox gas well located 660' FSL & 1270' FEL of Section 15-T21S-R21E.

Under the circumstances of their request that an orthodox location is impractical from a topographic view point, we have no objection to this non-standard location.

Yours very truly,

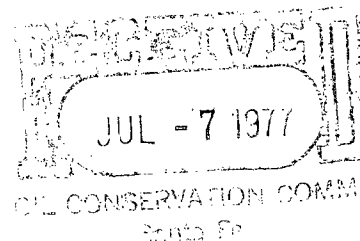
WAINOCO OIL & GAS COMPANY

Dan A. Kellogg
Production Engineer

DAK:ns

xc: Eddie M. Mahfood, Engr.
Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico 88210

OIL CONSERVATION COMMISSION
Artesia DISTRICT



OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 7-6-77

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 6-28-77
for the Yates Petr. Corp. Huber 1A #2 P-15-21-21
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approval upon receipt of waivers

Yours very truly,

W. A. Grissett