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1936 - 1986



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April 27, 1995

Rec 5/2/95

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

Re: Unorthodox Well Locations
Yates Petroleum Corporation
Salt Creek Unit
Chaves County, New Mexico

Dear Mr. Stogner:

As discussed in our telephone conversation of April 26, 1995 each of the following Chaves County Abo gas well locations (160 acre spacing) have ended up being unorthodox:

Salt Creek Unit #11
Township 8 South, Range 22 East
Section 17: 2180' FSL and 1980' FWL
Chaves County, New Mexico

The Bureau of Land Management requested that this well be moved from its original location of 1980' FSL and 1980' FWL to the present location. The well was on the side of a hill and by moving it 200' north we are able to put it on a flat surface which would result in much less disturbance.

Salt Creek Unit #13
Township 8 South, Range 22 East
Section 20: 460' FNL and 1980' FEL
Chaves County, New Mexico

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The Bureau of Land Management requested that this location be moved from its original location of 660' FNL and 1980' FEL to the present location. The well was on the side of a steep hill and by moving it 200' north it is in a flat area. This will minimize the surface disturbance.

Salt Creek Unit #15
Township 8 South, Range 22 East
Section 8: 340' FSL and 1870' FWL
Chaves County, New Mexico

The Bureau of Land Management requested that this location be moved from the original location of 660' FSL and 1980' FWL to the present location. The well fell on the point of a ridge that falls off into a valley to the north and east. A move 320' to the south and 110' to the west put the location on a buildable flat surface.

Yates Petroleum Corporation as Operator of this unit is the offset leasehold operator on all the offsetting acreage and we are enclosing a unit map with the well locations above to demonstrate this.

We respectfully request that you grant administrative approval of a permit to drill each of the three unorthodox Abo gas locations mentioned above.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION



Robert Bullock
Landman

RB:dke