MARTIN YATES, III

FRANK W. YATES 1936-1986

S.P. YATES



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471

JOHN A. YATES CHAIRMAN OF THE BOARD

JOHN A. YATES JR.

SCOTT M. YATES

JAMES S. BROWN CHIEF OPERATING OFFICER

JOHN D. PERINI

JORGE S, MENDOZA CHIEF ADMINISTRATIVE OFFICER

October 19, 2011

PECOS OPERATING COMPANY, LLC 125 W. Missouri Ave., Suite 450 Midland, TX, 79701

Re:

Application for Administrative Approval of Non-Standard Spacing Unit, Lea County, New Mexico

Dear Sirs:

Please find enclosed our application for administrative approval by the director for a non-standard spacing unit for the SENE and NESE of Section 14, Township 20 South, Range 32 East, Lea County New Mexico to be dedicated to Yates' Belco "AIA" Federal #5 well.

Should you choose to object to our application your objection must be submitted in writing to the New Mexico Oil Conservation Division within 20 days from the date the division receives our application

Please direct any questions to me at the letterhead address or by calling me direct at 575-748-4332. Thanks you.

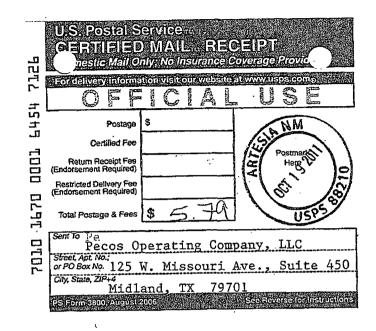
Sincerely,

**YATES PETROLEUM CORPORATION** 

Kevin Klein Landman

Enclosure(s)

1 1



<u> </u>	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul> <li>Complete items 1, 2, 3. Also complete item 4 if Restricted Delivery Is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	A. Signature  A. Signature  A. Signature  A. Signature  Agent  Addressee  B. Received by ( Printed Name)  C. Date of Delivery
1. Article Addressed to:  Pecos Operating Company, LLC 125 W. Missouri Ave., Suite 450 Midland, TX 79701	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
_	3. Service Type  X★ Certified Mail □ Express Mail □ Registered X▼ Return Receipt for Merchandise □ Insured Mail □ C.O.D.
_	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label) 701:0 1:670	) 0001 6454 7126