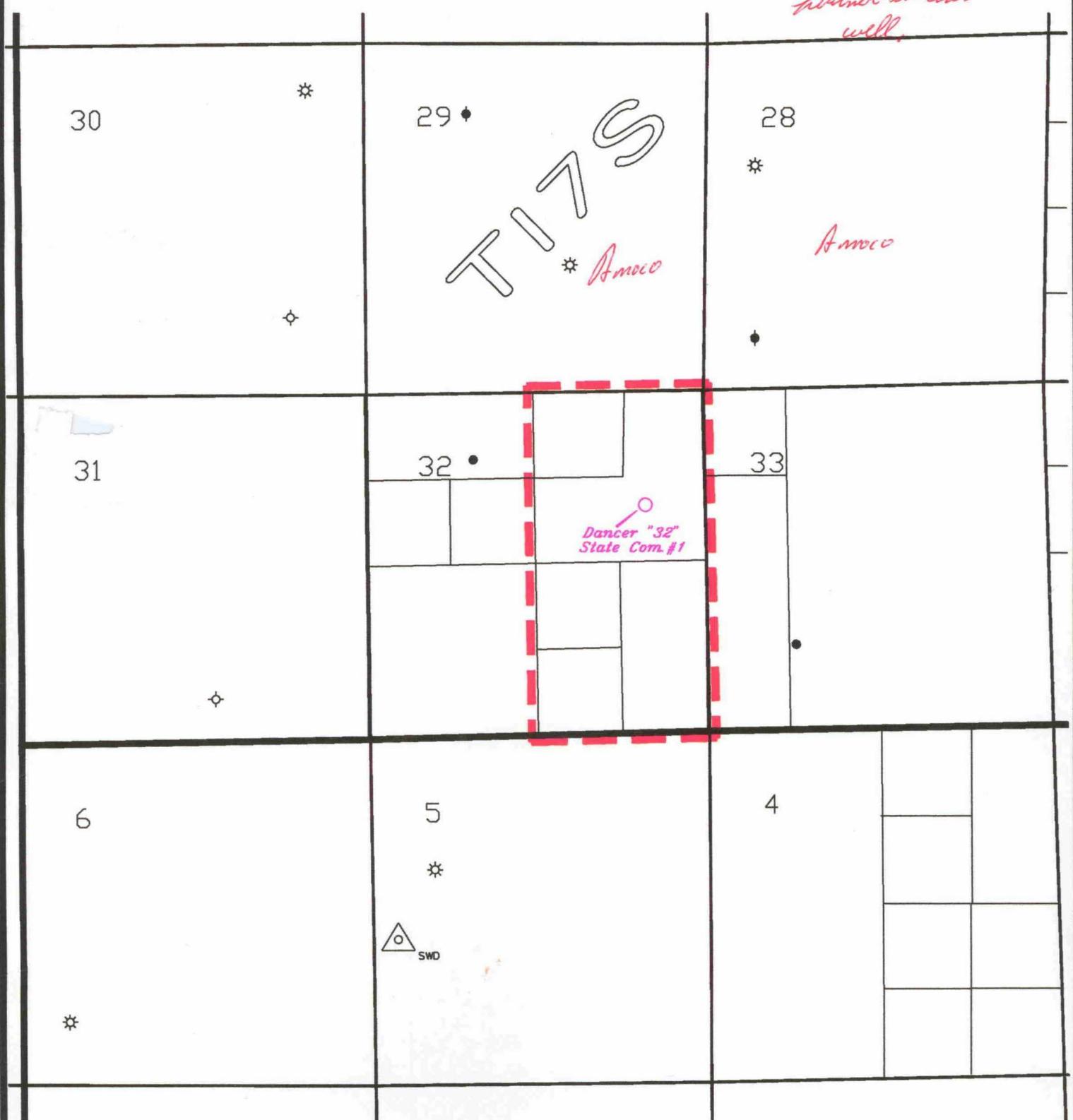


*Amoco is also a partner in this well.*



BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 1

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996

**ARCO Permian**   
a Unit of Atlantic Richfield Company

---

**EMPIRE ABO AREA**  
Eddy County, New Mexico

**Lease Ownership**  
**DANCER PROSPECT**  
**T 17 S R 28 E**

Section 32, E/2  
( wells shown are MORROW penetrations )

By: Lee Scarborough	Drawn By: KAM	Date: 12-20-95
Date: 12-20-95	Revised By: KAM	Date: 1-9-96
Dept: Land Admin.	Dwg No.: EMPRTXT nm\mops	

32

From 3500' below Top of San Andres Down to the Base OF Pennsylvanian

Amoco-66.666%  
Dreyfus-10.6382%  
Marathon-10.6481%  
Yates Pet-12.0371%  
Below the Base OF Pennsylvanian  
ARCO-50.0000%  
Yates Pet.-18.0556%  
Dreyfus-15.9722%  
Marathon-15.9722%

From 3500' below Top of San Andres Down to the Base OF Pennsylvanian

Amoco-50.0000%  
ARCO-25.0000%  
Yates-9.0278%  
Dreyfus-7.9861%  
Marathon-7.9861%

Below the Base OF Pennsylvanian

ARCO-50.0000%  
Yates-18.0556%  
Dreyfus-15.9722%  
Marathon-15.9722%

*all parties in this 40 acre trust have committed*  
*Dancer "32" State Com. #1*

Below Base Of Abo

Amoco-75.0000%  
SP Yates-9.4908%  
Sharbro Oil-3.0093%  
R.Martin Yates-2.3726%  
Peyton Yates-2.3726%  
Marico Expl-2.3726%  
Yates Trust-2.3726%  
Heyco-1.7989%  
Yates Energy-.8410%  
Cibola Energy-.3696%

Below Base Of Abo

Amoco-50.0000%  
ARCO-25.0000%  
SP Yates-9.4908%  
Sharbro Oil-3.0093%  
Heyco-2.69397%  
Rich M. Yates-2.3727%  
Peyton Yates-2.3727%  
Marico Expl-2.3727%  
Yates Trust-2.3727%  
Cibola Energy-.3696%

Below 6315'

Conoco-50.0000%  
Fino-50.0000%

*74% voluntary @ this time*

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 2

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996

**ARCO Permian**   
a Unit of Atlantic Richfield Company

**EMPIRE ABO AREA**  
Eddy County, New Mexico

**Lease Ownership  
DANCER PROSPECT  
T 17 S R 28 E**  
Section 32, E/2

By: Lee Scarborough	Drawn By: KAM	Date: 12-20-95
Date: 12-20-95	Revised By:	Date:
Dept: Land Admin.	Dwg No.: EMPRTXT nm\mops	

W/OWNER	320 spacing			TRACT1			TRACT2			TRACT3			TRACT4			TRACT5	
	TOTAL UNT%	TR%	TR AC	UNT%	TR%	TR AC	UNT%	TR%	TR AC	UNT%	TR%	TR AC	UNT%	TR%	TR AC	TR%	TR AC
ARCO	.322916666			.093750000	.250000000	80	.062500000										
AMOCO	.322916667	.666666667	40	.083333333	.500000000	80	.125000000	.750000000	40	.093750000							
DREYFUS	.0432581019	.1064814815	40	.0133101852	.0798611111	120	.0299479167										
MARATHON	.0432581019	.1064814815	40	.0133101852	.0798611111	120	.0299479167										
YATES PET	.0489004629	.1203703703	40	.0150462963	.0902777778	120	.0338541666										
EST LILLIE M YATES	.0056423611							.0150462963	80	.0037615740	.0150462963	40	.0018807870				
SHARBRO OIL	.0056423611							.0150462963	80	.0037615740	.0150462963	40	.0018807870				
HEYCO	.0064418927							.0171783805	80	.0042945950	.0171783805	40	.0021472970				
CIBOLA	.0016894470							.0045051921	80	.0011262980	.0045051921	40	.0005631490				
YATES ENERGY	.0021351586							.0056937563	80	.0014234390	.0056937563	40	.0007117190				
JALAPENO CORP	.0010182239							.0027152637	80	.0006788150	.0027152637	40	.0003394070				
RICHARD M YATES	.0177951389							.0474537037	80	.0118634250	.0474537037	40	.0059317120				
ST CLAIR P YATES	.0177951389							.0474537037	80	.0118634250	.0474537037	40	.0059317120				
MARICO	.0177951389							.0474537037	80	.0118634250	.0474537037	40	.0059317120				
JENNIFER YATES ET AL	.0177951389							.0474537037	80	.0118634250	.0474537037	40	.0059317120				
FINA	.0625000000														.5000000000	40	.0625000000
CONOCO	.0625000000														.5000000000	40	.0625000000
TOTALS	1.0000000000	1.0000000000	40	1.0000000000	1.0000000000	120	1.0000000000	1.0000000000	80	1.0000000000	1.0000000000	40	1.0000000000	1.0000000000	40	1.0000000000	40

*✓ = voluntary agreement*

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 3

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996

**EXHIBIT 5**

**Letters Reflecting Attempts To Obtain Voluntary Joinder**

**DANCER "32" STATE COM WELL NO. 1**

**BEFORE THE  
OIL CONSERVATION DIVISION  
Santa Fe, New Mexico**

Case No. 11442 Exhibit No. 4

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

December 14, 1995

Yates Petroleum Corporation  
105 South 4th Street  
Artesia, New Mexico 88210

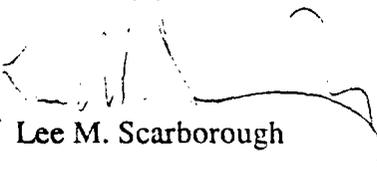
Attention: Mr. Robert H. Bullock

Re: Original Drilling Title Opinion  
Dancer Prospect  
E/2 Section 32, T17S, R28E  
Eddy County, New Mexico

Dear Sir:

As discussed by phone today, enclosed is a copy of the referenced opinion. Please contact me at (915) 688-5270 should anything further be necessary.

Very truly yours,



Lee M. Scarborough

LMS/sb

Enclosure



December 13, 1995

ARCO Permian  
P. O. Box 1610  
Midland, Texas 79702

Attention: Mr. Lee M. Scarborough

Re: Dancer 32 State Com. No. 1 Well  
T-17-S, R-28-E, Sec. 8  
Eddy County, New Mexico  
Lease Nos. 09NM002743

Gentlemen:

Pursuant to the letter dated November 2, 1995 from Mr. John E. Lodge proposing the drilling of the captioned well, please be advised that Fina is currently reviewing the geology of the area. As per our telephone conversations regarding this, please advise when we can get together and review the geologic information that ARCO is basing its proposal on.

Upon our review of this data, Fina will make a decision whether or not to participate in the drilling of this well. If we need to have terms agreed to prior to viewing your geology, please advise.

Thank you for your consideration given this matter, and should you have any further questions, please advise.

Yours Very Truly,

A handwritten signature in black ink that reads "Eric K. Hanson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Eric K. Hanson, CPL/ESA  
Contract Landman



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

December 7, 1995

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88202-1933

Attention: Melissa Randle

Re: Original Drilling Title Opinion  
Dancer 32 State Com #1  
E/2 Section 32, Township 17 South, Range 28 East  
Eddy County, New Mexico

Dear Ms. Randle:

As discussed by phone today, enclosed is our title opinion on the Dancer Prospect.  
Please contact me at (915) 688-5270 should any questions arise.

Very truly yours,

Lee M. Scarborough  
Senior Landman

LMS/sb

Enclosure



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 14, 1995

Working Interest Owners

Re: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4 NE/4  
Eddy County, New Mexico

Ladies and Gentlemen:

Reference is hereby made to my prior letter dated November 2, 1995, addressed to each of you separately, wherein ARCO Permian, a unit of Atlantic Richfield Company proposed the drilling of the captioned well at a location approximately 1700' FNL and 1000' FEL of the above described Section 32. Please be advised that the second sentence of the first paragraph of said letter contained a typographical error that incorrectly set forth the drilling and proration unit for this well as the W/2 of the above described Section 32. The purpose of this letter is to advise you that the anticipated proration unit for this well is the E/2 of said Section 32 rather than the W/2 as originally set forth in my above described letter dated November 2, 1995.

Should you have any questions or problems concerning this matter, please do not hesitate in contacting me by telephone at (915) 688-5237.

Very truly yours,

John E. Lodge  
Land Director

JEL/sb

John Lodge - 15 MIO  
 ARCO Permian  
 P. O. Box 1610  
 Midland, TX 79702

Indicate type of mail  
 Registered  
 Insured  
 COD  
 Certified  
 Express Mail

Check appropriate block for  
 Registered Mail  
 With Postal Insurance  
 Without Postal Insurance

Attach stamp here if issued as  
 certificate of mailing or for  
 additional copies of this bill.  
 POSTMARK AND DATE OF RECI

Line	Number of Article	Name of Addressee, Street, and Post-Office Address	Postage	Fee	Handling Charge	Act. Value (if Regs.)	Insured Value	Due Sender if C.O.D.	R. R. Fee	S. D. Fee	S. H. Fee
1	P 896 847 632	Kitty Chalfant, Fina Oil & Chemical Co. P. O. Box 299, Midland, TX 79702									
2	" " " 633	Warren Richardson, Conoco Inc. 10 Desta Dr. W., Midland, TX 79705									
3	" " " 634	Sharbro Oil Lfd, Co., Box 840 Artesia, NM 88210									
4	" " " 635	Coronado Expl. Corp., c/o Cibola Energy 1005 Marquette, Albuquerque, NM 87102									
5	" " " 636	Yates Energy Corporation, Box 2323 Roswell, NM 88201									
6	" " " 637	St. Clair Peyton Yates, Jr. 110 South 4th, Artesia, NM 88210									
7	" " " 638	Marico Exploration, Inc. 207 South 4th, Artesia, NM 88210									
8	" " " 639	Richard Martin Yates 105 South 4th, Artesia, NM 88210									
9	" " " 640	Yates Petroleum Corporation 105 South 4th, Artesia, NM 88210									
10	" " " 641	Harvey E. Yates Company Bpx 1933, Roswell, NM 88201									
11	" " " 642	Carol Myers, Louis Dreyfus Gas Holdings 14000 Quail Springs Pkwy, OK City, OK									
12	" " " 643	Randal Wilsgn, Marathon Oil Company Box 552, Midland, TX 79702-0552									
13	" " " 644	St. Clair Peyton Yates, Jr. & A. J. Kossee Trust, 110 South 4th Artesia, NM 88210									
14	" " " 645	S. P. Yates 105 South 4th, Artesia, NM 88210									
15											
Total Number of Places Listed by Sender		Total Number of Places Received at Post Office	POSTMASTER, PER (Name of receiving employee)		The full declaration of value is required on all domestic and international mail. The maximum indemnity payable for nonnegotiable documents under Ement reconstruction insurance is \$50,000 per piece subject to a limit occurrence. The maximum indemnity payable on Express Mail, mercha \$500. The maximum indemnity payable is \$25,000 for Registered Mail, \$500 for Insured Mail. Special handling charges apply only to Third-parcels. Special delivery service also includes special handling service.						

FORM MUST BE COMPLETED BY TYPEWRITER, INK OR BALL POINT PEN U.S. GOVERNMENT PRINTING OFFICE

November 14, 1995

**CERTIFIED MAIL**  
**Return Receipt Requested**

Working Interest Owners  
Identified Below

Re: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4 NE/4  
Eddy County, New Mexico

Fina Oil and Chemical Company  
Attention: Ms. Kitty Chalfant  
P. O. Box 299  
Midland, Texas 79702

Conoco Inc.  
Attention: Mr. Warren Richardson  
10 Desta Drive West  
Midland, Texas 79705

Sharbro Oil Ltd. Co.  
a New Mexico Limited Liability Company  
Box 840  
Artesia, New Mexico 88210

Coronado Exploration Corporation  
c/o Cibola Energy Corporation  
1005 Marquette Ave. NW  
Albuquerque, New Mexico 87102-1937

Yates Energy Corporation  
Box 2323  
Roswell, New Mexico 88201

St. Clair Peyton Yates, Jr.  
110 South 4th  
Artesia, New Mexico 88210

Marico Exploration, Inc.  
207 South 4th  
Artesia, New Mexico 88210

Richard Martin Yates  
105 South 4th  
Artesia, New Mexico 88210

Yates Petroleum Corporation  
105 South 4th  
Artesia, New Mexico 88210

Harvey E. Yates Company  
Box 1933  
Roswell, New Mexico 88201

Louis Dreyfus Gas Holdings, Inc.  
Attention: Ms. Carol Myers  
14000 Quail Springs Parkway, #600  
Oklahoma City, Oklahoma 73134

Marathon Oil Company  
Attention: Mr. Randal Wilson  
P. O. Box 552  
Midland, Texas 79702-0552

St. Clair Peyton Yates, Jr. & A. J. Losee,  
Trustees of The S. P. and Estelle H.  
Yates 1976 Trust for Jennifer Shannon  
Yates, The S. P. and Estelle H. Yates  
1976 Trust for Mary Beth Yates and the  
S. P. and Estelle H. Yates 1976 Trust for  
Peyton William Yates Davis  
110 South 4th  
Artesia, New Mexico 88210

S. P. Yates  
105 South 4th  
Artesia, New Mexico 88210



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Louis Dreyfus Gas Holdings, Inc.  
14000 Quail Springs Parkway, #600  
Oklahoma City, Oklahoma 73134

Attention: Ms. Carol Myers

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Louis Dreyfus Gas Holdings, Inc. desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Louis Dreyfus Gas Holdings, Inc. does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Louis Dreyfus Gas Holdings, Inc.  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Louis Dreyfus Gas Holdings, Inc. shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).
3. Any overriding royalty interest retained by Louis Dreyfus Gas Holdings, Inc. will be subject to proportionate reduction.
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.
5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Louis Dreyfus Gas Holdings, Inc.  
November 2, 1995  
Page 3

Louis Dreyfus Natural Gas Corp.  
~~Louis Dreyfus Gas Holdings, Inc.~~ hereby elects TO participate in the  
drilling of the Dancer 32 State Com. No. 1 Well

~~Louis Dreyfus Gas Holdings, Inc.~~  
Louis Dreyfus Natural Gas Corp.

By: Richard E. Bross Date: 12/6/95  
Richard E. Bross,  
Executive Vice President

Louis Dreyfus Gas Holdings, Inc. hereby elects NOT TO participate in the  
drilling of the Dancer 32 State Com. No. 1 Well

Louis Dreyfus Gas Holdings, Inc.

By: \_\_\_\_\_ Date: \_\_\_\_\_

Louis Dreyfus Gas Holdings, Inc. hereby elects to Farmout its leasehold  
interest to ARCO as described above for the drilling of the Dancer 32 State  
Com. No. 1 Well

Louis Dreyfus Gas Holdings, Inc.

By: \_\_\_\_\_ Date: \_\_\_\_\_



**ARCO Permian**  
600 North Marientfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 1, 1995

**CERTIFIED MAIL**

Amoco Production Company  
501 WestLake Park Boulevard  
Houston, Texas 77253

Attention: Mr. Jerry West

**RE: Empire Area: Area of Mutual Interest Agreement; Dancer Prospect;  
Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico  
AR-105149**

Dear Mr. West:

Reference is hereby made to that certain Area of Mutual Interest Agreement dated effective September 1, 1994 by and between Atlantic Richfield Company ("ARCO") and Amoco Production Company ("AMOCO") concerning the captioned area. Pursuant to the terms and provisions of Article IV of said agreement, please be advised that ARCO hereby proposes the drilling of a 10,550' Morrow well to be located approximately 1700' FNL and 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. Said test well shall be construed for all purposes under said agreement as the initial well on the Dancer Prospect. Consequently, enclosed herewith for your perusal you will find the following information :

1. One (1) copy of our current Geological /Geophysical Interpretation of the Dancer Prospect;
2. One (1) copy of a Drilling Cost Estimate;
3. One (1) copy of an Authority For Expenditure;
4. One (1) copy of the land ownership information for the Dancer Prospect.

Please be advised that I am currently in the process of having a Drillsite Title Opinion prepared covering the E/2 of the above described Section 32, which would be the anticipated spacing and proration unit for said initial well. Upon receipt of such opinion,

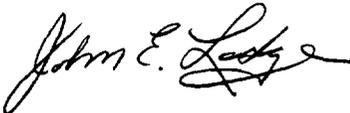
I will forward a copy of same to your attention for review. As of this date, ARCO currently owns or controls approximately 206.67 net leasehold acres within the E/2 of said Section 32. Consequently, if all parties who own leasehold acreage within the anticipated spacing and proration unit elect to participate in the drilling of this well, ARCO and AMOCO would each have an approximate 32.29% working interest. However, the final interests of the participating parties will not be determined until a formal well proposal has been submitted to all parties. In addition, we are currently in the process of getting the proposed location surveyed, which may result in minor changes based upon surface conditions and tying same to our seismic grid.

Please indicate AMOCO's election below in the space provided, of either to participate or not to participate in the drilling of the captioned well and return one (1) copy of this letter to the undersigned within thirty (30) days from your receipt of same. I will formally propose the drilling of this well to all parties who own leasehold acreage within the anticipated spacing and proration unit and will advise you of any additional interest that we may possibly acquire. Upon finalization of the working interest in this well, I will prepare an original Operating Agreement, with the surveyed location indicated therein, and an Authority For Expenditure for your signature, should you elect to participate. As previously discussed, ARCO would like to commence the drilling of this well this year. However, inasmuch as our proposed location is an unorthodox location, we may be delayed if required to conduct an NMOCD hearing.

Should you have any questions or problems concerning this matter, please do not hesitate in contacting me.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
enclosures

cc: Mr. Dave Cole - Amoco

Amoco Production Company  
November 1, 1995  
Page 3

ELECT TO PARTICIPATE IN THE DRILLING OF THE DANCER 36 STATE COM.  
NO.1 WELL THIS 30<sup>th</sup> DAY OF NOVEMBER, 1995.

**AMOCO PRODUCTION COMPANY**

By: W. R. Dukes  
Title: LAND MANAGER

ELECT NOT TO PARTICIPATE IN THE DRILLING OF THE DANCER 36 STATE COM.  
NO.1 WELL THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1995.

**AMOCO PRODUCTION COMPANY**

By: \_\_\_\_\_  
Title: \_\_\_\_\_



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Yates Energy Corporation  
Box 2323  
Roswell, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Yates Energy Corporation desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Yates Energy Corporation does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Yates Energy Corporation  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Yates Energy Corporation shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Yates Energy Corporation will be subject to proportionate reduction.

4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Yates Energy Corporation  
November 2, 1995  
Page 3

Yates Energy Corporation hereby elects TO participate in the drilling of  
the Dancer 32 State Com. No. 1 Well

Yates Energy Corporation

By:  <sup>826</sup> Date: 11-20-95  
Fred G. Yates, President

Yates Energy Corporation hereby elects NOT TO participate in the drilling of  
the Dancer 32 State Com. No. 1 Well

Yates Energy Corporation

By: \_\_\_\_\_ Date: \_\_\_\_\_

Yates Energy Corporation hereby elects to Farmout its leasehold interest to  
ARCO as described above for the drilling of the Dancer 32 State Com. No. 1  
Well

Yates Energy Corporation

By: \_\_\_\_\_ Date: \_\_\_\_\_



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 21, 1995

Jalapeno Corporation  
Box 1608  
Albuquerque, New Mexico 87103-1608

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the E/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Jalapeno Corporation desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Jalapeno Corporation does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Jalapeno Corporation  
November 21, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Jalapeno Corporation shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Jalapeno Corporation will be subject to proportionate reduction.

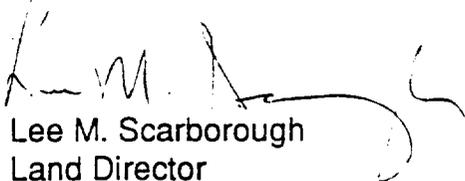
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5270.

Sincerely,

**ARCO Permian**

  
Lee M. Scarborough  
Land Director

LMS:sb  
Enclosure

Jalapeno Corporation  
November 21, 1995  
Page 3

Jalapeno Corporation hereby elects TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well

Jalapeno Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Jalapeno Corporation Hereby elects NOT TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well

Jalapeno Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Jalapeno Corporation hereby elects to Farmout its leasehold interest to ARCO  
as described above for the drilling of the Dancer 32 State Com. No. 1 Well

Jalapeno Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

ARCO Permian a unit of Atlantic Richfield Company

Drilling Cost Estimate -

Supplement  Original

Well name		Dancer 32 State Com #1		ID	10.550'			
Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico								
District SE New Mexico Asset Area			Area or Group		Field Empire			
Objective Morrow @ 10150 Ft. @								
<input checked="" type="checkbox"/> Development 9171 <input type="checkbox"/> Exploratory 9172 <input type="checkbox"/> Workover/ 9171 Recommendation		<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple		Data Processing Information APC No. <span style="border: 1px solid black; padding: 2px;"> </span> Original/Revision Inc 1=Original <input type="text" value="1"/> 2=Revision				
<b>Tangible Costs - SUB 500 and 550</b>								
1. Tubular goods				Drilling	Evaluation	Completion	Elem	Total Gross
13 3/8" OD from 0 ft. to 500				10,000			5 1 3	
8 5/8" OD from 0 ft. to 2600				21,000			5 8 5	
5 1/2" OD from 0 ft. to 10550						60,000	5 5 5	
2 7/8" OD from 0 ft. to 10,000						50,000	5 2 7	
2. Casinewa, Tubinewa, Christmas tree				5,000		8,000	5 0 4	
3. Tubing Accessories						4,000	5 0 6	
4. Artificial Lift Accessories							8 0 7	
5. Well Protective Structures							8 0 8	
6. Unclassified				1,000		2,000	0 0 0	
7. Additional Costs (Sub 550)								
Casinewa, Tubinewa, Christmas tree							5 0 4	
Tubing Accessories							5 0 6	
Artificial Lift Accessories							5 0 7	
Well Protective Structures							5 0 8	
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		
<b>Intangible Costs - SUB 600</b>								
8. Contract Engineering and Technical				16,000		4,000	0 1 3	
9. Boat Operations							0 5 3	
10. Minor Supplies							0 7 8	
11. Electric Power and Light							2 4 1	
12. Diesel Fuel							2 4 2	
13. Natural Gas							2 4 3	
14. Water				10,000		5,000	2 4 6	
15. Property and Equipment Rentals				4,000		2,000	2 4 8	
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	
17. Tubular Testing and Inspection				2,000		3,000	5 0 3	
18. Trucking Tubulars				2,000		4,000	5 0 9	
19. Casina Accessories				5,000		5,000	5 1 2	
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	
21. Permits, Insurance, and Damages				3,000			5 1 5	
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	
26. Air Freight and Transportation							5 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	

Well name Dancer 32 State Com #1	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision indic		
Location Eddy County, New Mexico	APC No.		1=Original <input type="checkbox"/> 2=Revision <input type="checkbox"/>		
District SE New Mexico Asset Area					
<b>Intangible Costs (Cont'd) - SUB 600</b>	<b>Drilling</b>	<b>Evaluation</b>	<b>Completion</b>	<b>Elem</b>	<b>Total Gross Dr</b>
28. Contract Footage Drilling q ft. @ \$      0.00 per foot				5 3 2	
29. Contract Drilling Daywork Drilling      36 days @ : 4,500.00 per day	162,000			5 3 3	
30. Mobilization, Demobilization & R/A Mod.	30,000			5 3 4	
31. Roads and Airstrips				5 3 6	
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day			10,000	5 4 2	
33. Drill String & BHA Rental			1,000	5 4 3	
34. Well Control Equipment			1,000	5 4 7	
35. Bits, Underreamers, & Hole Openers					
	50,000		1,000	5 4 8	
36. Drilling Mud and Transportation	30,000			5 5 1	
37. Drilling Mud Equipment and Services	5,000			5 5 2	
38. Completion Fluids			2,000	5 5 3	
39. Open Hole Surveys	20,000			5 5 7	
40. Wireline Work				5 5 9	
41. Formation Monitoring	8,000			5 6 0	
42. Cased Hole Surveys and perf. Fees			8,000	5 6 1	
43. Surface Well Test Equipment			1,000	5 6 3	
44. Coring and Analysis				5 6 8	
45. Drill Stem Test Equipment	5,000			5 7 2	
46. Fracturing, Acidizing, and Gravel Pack				5 7 7	
47. Divers				5 7 8	
48. Fishing Tool Rental				5 8 0	
49. Directional Drilling Tool Rental	25,000			5 8 1	
50. Telecommunications & Navigational Needs				5 8 2	
51. Material Losses				5 8 8	
52. Capitalized Overhead	36,800		16,000	6 0 4	
53. Cement Running Fees for Casing & Tubing					
13 3/8" OD      400 Sacks	4,000			6 1 3	
8 5/8" OD      1000 Sacks	8,000			6 8 5	
5 1/2" OD      1000 Sacks			17,000	6 5 5	
54. Cementing - Squeezes & Plugs				6 9 9	
55. Unclassified	5,000		2,000	0 0 0	
<b>TOTAL INTANGIBLES</b>	<b>459,800</b>	<b>0</b>	<b>93,000</b>		
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	<b>496,800</b>	<b>0</b>	<b>217,000</b>		



**ARCO Permian**  
500 North Marrenfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 817 688 5200

November 2, 1995

Marathon Oil Company  
P. O. Box 552  
Midland, Texas 79702-0552

Attention: Mr. Randal Wilson

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Marathon Oil Company desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Marathon Oil Company does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Marathon Oil Company  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Marathon Oil Company shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Marathon Oil Company will be subject to proportionate reduction.

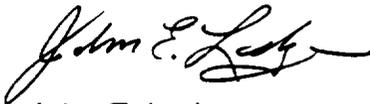
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Marathon Oil Company  
November 2, 1995  
Page 3

Marathon Oil Company hereby elects TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well

Marathon Oil Company

By: Joseph J. Madam

Date: December 22, 1995

~~Marathon Oil Company hereby elects NOT TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well~~

~~Marathon Oil Company~~

~~By: \_\_\_\_\_~~

~~Date: \_\_\_\_\_~~

~~Marathon Oil Company hereby elects to Farmout its leasehold interest to  
ARCO as described above for the drilling of the Dancer 32 State Com. No. 1  
Well~~

~~Marathon Oil Company~~

~~By: \_\_\_\_\_~~

~~Date: \_\_\_\_\_~~



**ARCO Permian**  
500 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

December 20, 1995

Marathon Oil Company  
P.O. Box 552  
Midland, Texas 79702-0552

Attention: Mr. Randal P. Wilson

**Re: Dancer 32 State Com #1 Well  
1728' FNL & 916' FEL, Section 32  
Township 17 South, Range 28 East  
Eddy County, New Mexico**

Gentlemen:

Reference is hereby made to our prior telephone discussions and that certain letter dated November 2, 1995 from ARCO Permian, a unit of Atlantic Richfield Company ("ARCO"), and Marathon Oil Company ("Marathon"), whereby ARCO proposed to drill a 10,550' Morrow test well ("test well") at an unorthodox location approximately 1728' FNL and 916' FEL of the above described Section 32. The purpose of this letter is to confirm the commitment of MARATHON to ARCO of either to *i*) farmout its leasehold interest in the hereinafter described lands to ARCO for the drilling of said test well, or *ii*) participate with a working interest in the drilling of said test well, on the following basis:

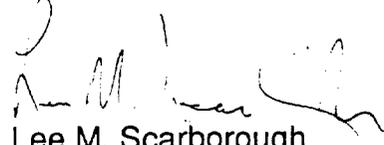
1. ARCO agrees to make a geological presentation of the referenced area to MARATHON on December 21, 1995 to assist MARATHON in determining if it desires to participate in the drilling of said above mentioned test well.
2. Within seven (7) days after ARCO makes the above mentioned geological presentation to MARATHON, MARATHON shall provide written notice to ARCO of its desire to either participate in the drilling of said test well or to farmout its leasehold interest to ARCO as hereinafter provided.

3. In the event that MARATHON elects to participate in the drilling of the test well, it shall do so to the full extent of its leasehold contribution to the spacing unit allocated to such well, which would be the E/2 of the above described Section 32. A mutually acceptable Operating Agreement will be entered by ARCO and MARATHON, with ARCO designated as operator, to govern this operation prior to the drilling of this well.
  
4. In the event that MARATHON elects not to participate in the drilling of the test well, MARATHON will farmout all of its leasehold interest to ARCO in the NE/4 of said Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:
  - A. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at approximately the above referenced location. Thereafter, said well shall be drilled to a depth of 10,550' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.
  
  - B. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all MARATHON's leasehold interest in the NE/4 of said Section 32, insofar and only insofar as same is included with the geographic boundary of the proration unit for said well, from below the base of the ABO formation down to a depth of 100' below the total depth drilled. MARATHON shall retain an overriding royalty interest in an amount being equal to the difference between all existing leasehold burdens and twenty-five percent (25%).
  
  - C. Any overriding royalty interest retained by MARATHON will be subject to proportionate reduction.
  
  - D. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Marathon Oil Company  
December 20, 1995  
Page 3

If you are in agreement with all of the above terms, please so indicate by signing below in the space so indicated and return one (1) copy of this letter to the undersigned.

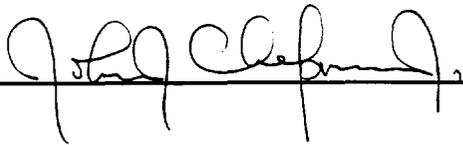
Very truly yours,  
**ARCO Permian**



Lee M. Scarborough  
Land Director

**ACCEPTED AND AGREED TO THIS 21 DAY OF DECEMBER 1995.**

**Marathon Oil Company**

By:   
\_\_\_\_\_



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Fina Oil and Chemical Company  
P. O. Box 299  
Midland, Texas 79702

Attention: Ms. Kitty Chalfant

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Fina Oil and Chemical Company desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Fina Oil and Chemical Company does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Fina Oil and Chemical Company shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Fina Oil and Chemical Company will be subject to proportionate reduction.

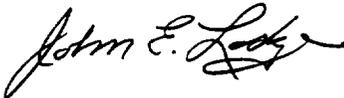
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Fina Oil and Chemical Company  
November 2, 1995  
Page 3

**Fina Oil and Chemical Company hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Fina Oil and Chemical Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Fina Oil and Chemical Company hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Fina Oil and Chemical Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Fina Oil and Chemical Company hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**Fina Oil and Chemical Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name <b>Dancer 32 State Com #1</b>		TD 10,550'						
Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico								
District SE New Mexico Asset Area	Area or Group	Field Empire						
Objective Morrow @ 10150 Ft.		@						
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"><input checked="" type="checkbox"/> Development 9171</td> <td style="width:30%;"><input checked="" type="checkbox"/> Single</td> </tr> <tr> <td><input type="checkbox"/> Exploratory 9172</td> <td><input type="checkbox"/> Dual</td> </tr> <tr> <td><input type="checkbox"/> Workover/Recompletion 9171</td> <td><input type="checkbox"/> Multiple</td> </tr> </table>		<input checked="" type="checkbox"/> Development 9171	<input checked="" type="checkbox"/> Single	<input type="checkbox"/> Exploratory 9172	<input type="checkbox"/> Dual	<input type="checkbox"/> Workover/Recompletion 9171	<input type="checkbox"/> Multiple	<p style="text-align: center;"><b>Data Processing Information</b></p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">AFC No.</div> <p>Original/Revision Indicator 1=Original <input type="text" value="1"/> 2=Revision</p>
<input checked="" type="checkbox"/> Development 9171	<input checked="" type="checkbox"/> Single							
<input type="checkbox"/> Exploratory 9172	<input type="checkbox"/> Dual							
<input type="checkbox"/> Workover/Recompletion 9171	<input type="checkbox"/> Multiple							
<b>Tangible Costs - SUB 500 and 550</b>								
1. Tubular goods	Drilling	Evaluation	Completion	Elem	Total Gross Dollars			
13 3/8 * OD from 0 ft. to 500	10,000			5 1 3	10.00			
8 5/8 * OD from 0 ft. to 2600	21,000			5 8 5	21.00			
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2 7/8 * OD from 0 ft. to 10,000			50,000	5 2 7	50.00			
2. Casinghead, Tubinghead, Christmas Tree	5,000		8,000	5 0 4	13.00			
3. Tubing Accessories			4,000	5 0 6	4.00			
4. Artificial Lift Accessories				5 0 7				
5. Well Protective Structures				5 0 8				
6. Unclassified	1,000		2,000	0 0 0	3.00			
7. Additional Basis (Sub 550)								
Casinghead, Tubinghead, Christmas Tree				5 0 4				
Tubing Accessories				5 0 6				
Artificial Lift Accessories				5 0 7				
Well Protective Structures				5 0 8				
<b>TOTAL TANGIBLES</b>	37,000	0	124,000		161.00			
<b>Intangible Costs - SUB 600</b>								
8. Contract Engineering Technical	16,000		4,000	0 1 3	20.00			
9. Boat Operations				0 5 3				
10. Minor Supplies				0 7 8				
11. Electric Power and Light				2 4 1				
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13. Natural Gas				2 4 3				
14. Water	10,000		5,000	2 4 6	15.00			
15. Property and Equipment Rentals	4,000		2,000	2 4 8	6.00			
16. Security, Safety, and Firefighting	2,000		2,000	2 5 0	4.00			
17. Tubular Testing, and Inspection	2,000		3,000	5 0 3	5.00			
18. Trucking Tubulars	2,000		4,000	5 0 9	6.00			
19. Casing Accessories	5,000		5,000	5 1 2	10.00			
20. Site Preparation and Maintenance	20,000		5,000	5 1 4	25.00			
21. Permits, Insurance, and Damanges	3,000			5 1 5	3.00			
22. Rig Moving Expense				5 1 7				
23. Shorebases				5 2 1				
24. Camp Housekeeping				5 2 2				
25. Reclamation	2,000		2,000	5 2 5	4.00			
26. Air Freight and Transportation				5 2 8				
27. Disposal and Cleanup	5,000		2,000	5 3 1	7.00			





**ARCO Permian**  
300 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Coronado Exploration Corporation  
c/o Cibola Energy Corporation  
1005 Marquette Ave. NW  
Albuquerque, New Mexico 87102-1937

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Coronado Exploration Corporation desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Coronado Exploration Corporation does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Coronado Exploration Corporation shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Coronado Exploration Corporation will be subject to proportionate reduction.

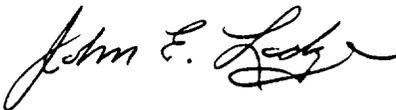
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Coronado Exploration Corporation  
November 2, 1995  
Page 3

Coronado Exploration Corporation hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well

Coronado Exploration Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Coronado Exploration Corporation hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well

Coronado Exploration Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Coronado Exploration Corporation hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well

Coronado Exploration Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** TD **10,550'**

Location **SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico**

District **SE New Mexico Asset Area** Area or Group **Empire**

Objective **Morrow @ 10150 Ft. @**

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b>	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	<b>Data Processing Information</b>	
	9171		AFC No.	Original/Revision Indicator
	9172			1=Original
	9171			2=Revision <input style="width: 20px; text-align: center; border: 1px solid black;" type="text" value="1"/>

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8 * OD from	0 ft. to	500		10,000			5 1 3	10,000
8 5/8 * OD from	0 ft. to	2600		21,000			5 8 5	21,000
5 1/2 * OD from	0 ft. to	10550				60,000	5 5 5	60,000
2 7/8 * OD from	0 ft. to	10,000				50,000	5 2 7	50,000
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13,000
3. Tubing Accessories						4,000	5 0 6	4,000
4. Artificial Lift Accessories							5 0 7	
5. Well Protective Structures							5 0 8	
6. Unclassified				1,000		2,000	0 0 0	3,000
7. Additional Basis (Sub 550)								
Casinghead, Tubinghead, Christmas Tree							5 0 4	
Tubing Accessories							5 0 6	
Artificial Lift Accessories							5 0 7	
Well Protective Structures							5 0 8	
<b>TOTAL TANGIBLES</b>				<b>37,000</b>	<b>0</b>	<b>124,000</b>		<b>161,000</b>

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20,000
9. Boat Operations							0 5 3	
10. Minor Supplies							0 7 8	
11. Electric Power and Light							2 4 1	
12. Diesel Fuel							2 4 2	
13. Natural Gas							2 4 3	
14. Water				10,000		5,000	2 4 6	15,000
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6,000
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4,000
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5,000
18. Trucking Tubulars				2,000		4,000	5 0 9	6,000
19. Casing Accessories				5,000		5,000	5 1 2	10,000
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25,000
21. Permits, Insurance, and Damages				3,000			5 1 5	3,000
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	4,000
26. Air Freight and Transportation							5 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name		<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision Indicator		
Dancer 32 State Com #1		AFC No. [ ]		1=Original 2=Revision [ 1 ]		
Location						
Eddy County, New Mexico						
District						
SE New Mexico Asset Area						
Intangible Costs (Cont'd) - SUB 600		Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling q ft. @ \$ 0.00 per foot					5 3 2	
29. Contract Drilling Daywork Drilling 36 days @ : 4,500.00 per day		162,000			5 3 3	162,000
30. Mobilization, Demobilization & Rig Mod.		30,000			5 3 4	30,000
31. Roads and Airstrips					5 3 6	
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day				10,000	5 4 2	10,000
33. Drill String & BHA Rental				1,000	5 4 3	1,000
34. Well Control Equipment				1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers						
		50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation		30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services		5,000			5 5 2	5,000
38. Completion Fluids				2,000	5 5 3	2,000
39. Open Hole Surveys		20,000			5 5 7	20,000
40. Wireline Work					5 5 9	
41. Formation Monitoring		8,000			5 6 0	8,000
42. Cased Hole Surveys and perf. Fees				8,000	5 6 1	8,000
43. Surface Well Test Equipment				1,000	5 6 3	1,000
44. Coring and Analysis					5 6 8	
45. Drill Stem Test Equipment		5,000			5 7 2	5,000
46. Fracturing, Acidizing, and Gravel Pack					5 7 7	
47. Divers					5 7 8	
48. Fishing Tool Rental					5 8 0	
49. Directional Drilling Tool Rental		25,000			5 8 1	25,000
50. Telecommunications & Navigational Needs					5 8 2	
51. Material Losses					5 8 8	
52. Capitalized Overhead		36,800		16,000	6 0 4	52,800
53. Cement Running Fees for Casing & Tubing						
13 3/8 " OD      400 Sacks		4,000			6 1 3	4,000
8 5/8 " OD      1000 Sacks		8,000			6 8 5	8,000
5 1/2 " OD      1000 Sacks				17,000	6 5 5	17,000
54. Cementing - Squeezes & Plugs					6 9 9	
55. Unclassified		5,000		2,000	0 0 0	7,000
<b>TOTAL INTANGIBLES</b>		<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552,800</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>		<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713,800</b>
<b>EVALUATED COST</b>		<b>496,800</b>				
<b>COMPLETED WELL COST</b>		<b>713,800</b>				



**ARCO Permian**  
500 North Marientfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Conoco, Inc.  
10 Desta Drive West  
Midland, Texas 79705

Attention: Mr. Warren Richardson

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Conoco, Inc. desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Conoco, Inc. does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Conoco, Inc.  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Conoco, Inc. shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Conoco, Inc. will be subject to proportionate reduction.

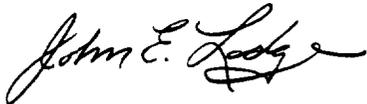
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Conoco, Inc.  
November 2, 1995  
Page 3

**Conoco, Inc. hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Conoco, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Conoco, Inc. hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Conoco, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Conoco, Inc. hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**Conoco, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name <b>Dancer 32 State Com #1</b>		TD 10,550'
Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico		
District SE New Mexico Asset Area	Area or Group	Field Empire
Objective Morrow @ 10150 Ft. @		

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b> 9171 9172 9171	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	Data Processing Information AFC No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>	Original/Revision Indicator 1=Original <input type="checkbox"/> 1 2=Revision
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Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8	* OD from	0 ft. to	500	10,000			5 1 3	10.00
8 5/8	* OD from	0 ft. to	2600	21,000			5 8 5	21.00
	* OD from	ft. to						
5 1/2	* OD from	0 ft. to	10550			60,000	5 5 5	60.00
2 7/8	* OD from	0 ft. to	10,000			50,000	5 2 7	50.00
	* OD from	ft. to						
	* OD from	ft. to						
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13.00
3. Tubing Accessories						4,000	5 0 6	4.00
4. Artificial Lift Accessories							5 0 7	
5. Well Protective Structures							5 0 8	
6. Unclassified				1,000		2,000	0 0 0	3.00
7. Additional Basis (Sub 550)								
Casinghead, Tubinghead, Christmas Tree							5 0 4	
Tubing Accessories							5 0 6	
Artificial Lift Accessories							5 0 7	
Well Protective Structures							5 0 8	
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		161.00

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20.00
9. Boat Operations							0 5 3	
10. Minor Supplies							0 7 8	
11. Electric Power and Light							2 4 1	
12. Diesel Fuel							2 4 2	
13. Natural Gas							2 4 3	
14. Water				10,000		5,000	2 4 6	15.00
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6.00
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4.00
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5.00
18. Trucking Tubulars				2,000		4,000	5 0 9	6.00
19. Casing Accessories				5,000		5,000	5 1 2	10.00
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25.00
21. Permits, Insurance, and Damages				3,000			5 1 5	3.00
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	4.00
26. Air Freight and Transportation							8 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	7.00

Well name	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision Indicator 1=Original <span style="border: 1px solid black; padding: 2px;">1</span> 2=Revision	
Location	AFC No.			
District				
Dancer 32 State Com #1				
Eddy County, New Mexico				
SE New Mexico Asset Area				
Intangible Costs (Cont'd) - SUB 600	Drilling	Evaluation	Completion	Total Gross Dollars
28. Contract Footage Drilling 0 ft. @ \$ 0.00 per foot				0
29. Contract Drilling Daywork Drilling 36 days @ : 4,500.00 per day	162,000			162,000
30. Mobilization, Demobilization & Rig Mod.	30,000			30,000
31. Roads and Alstrips				0
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day			10,000	10,000
33. Drill String & BHA Rental			1,000	1,000
34. Well Control Equipment			1,000	1,000
35. Bits, Underreamers, & Hole Openers				
	50,000		1,000	51,000
36. Drilling Mud and Transportation	30,000			30,000
37. Drilling Mud Equipment and Services	5,000			5,000
38. Completion Fluids			2,000	2,000
39. Open Hole Surveys	20,000			20,000
40. Wireline Work				0
41. Formation Monitoring	8,000			8,000
42. Cased Hole Surveys and perf. Fees			8,000	8,000
43. Surface Well Test Equipment			1,000	1,000
44. Coring and Analysis				0
45. Drill Stem Test Equipment	5,000			5,000
46. Fracturing, Acidizing, and Gravel Pack				0
47. Divers				0
48. Fishing Tool Rental				0
49. Directional Drilling Tool Rental	25,000			25,000
50. Telecommunications & Navigational Needs				0
51. Material Losses				0
52. Capitalized Overhead	36,800		16,000	52,800
53. Cement Running Fees for Casing & Tubing				
13 3/8" OD 400 Sacks	4,000			4,000
8 5/8" OD 1000 Sacks	8,000			8,000
5 1/2" OD 1000 Sacks			17,000	17,000
54. Cementing - Squeezes & Plugs				0
55. Unclassified	5,000		2,000	7,000
<b>TOTAL INTANGIBLES</b>	<b>459,800</b>	<b>0</b>	<b>93,000</b>	<b>552,800</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	<b>496,800</b>	<b>0</b>	<b>217,000</b>	<b>713,800</b>
<b>EVALUATED COST</b>	<b>496,800</b>			
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**ARCO Permian**  
500 North Marriemfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Marico Exploration, Inc.  
207 South 4th  
Aratesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

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Marico Exploration, Inc.  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Marico Exploration, Inc. shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Marico Exploration, Inc. will be subject to proportionate reduction.

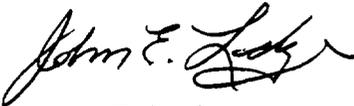
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Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Marico Exploration, Inc.  
November 2, 1995  
Page 3

**Marico Exploration, Inc. hereby elects TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well**

**Marico Exploration, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Marico Exploration, Inc. hereby elects NOT TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well**

**Marico Exploration, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Marico Exploration, Inc. hereby elects to Farmout its leasehold interest to  
ARCO as described above for the drilling of the Dancer 32 State Com. No. 1  
Well**

**Marico Exploration, Inc.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** TD **10,550'**

Location **SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico**

District **SE New Mexico Asset Area** Area or Group  Field **Empire**

Objective **Morrow @ 10150 Ft. @**

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b>	<input checked="" type="checkbox"/> Single	Data Processing Information AFC No. <span style="border: 1px solid black; padding: 2px;"> </span> Original/Revision Indicator 1=Original <input type="checkbox"/> 1 2=Revision
	9171	<input type="checkbox"/> Dual	
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Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
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5 1/2" OD from	0 ft. to	10550			60,000		5 5 5	60.0
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2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13.0
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<b>TOTAL TANGIBLES</b>				<b>37,000</b>	<b>0</b>	<b>124,000</b>		<b>161.0</b>

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
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20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25.0
21. Permits, Insurance, and Damanges				3,000			5 1 5	3.0
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	4.0
26. Air Freight and Transportation							5 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	7.0

Well name					Original/Revision Indicator	
Dancer 32 State Com #1		<input checked="" type="checkbox"/> Original			1=Original	
Location		<input type="checkbox"/> Supplement			2=Revision	
Eddy County, New Mexico		AFC No.			1	
District						
SE New Mexico Asset Area						
Intangible Costs (Cont'd) - SUB 600		Drilling	Evaluation	Completion	Elem	Total Gross Dollars
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10 days @ : 1,000.00 per day						
33. Drill String & BHA Rental				1,000	5 4 3	1,000
34. Well Control Equipment				1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers						
_____		50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation		30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services		5,000			5 5 2	5,000
38. Completion Fluids				2,000	5 5 3	2,000
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48. Fishing Tool Rental					5 8 0	
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13 3/8" OD 400 Sacks		4,000			6 1 3	4,000
8 5/8" OD 1000 Sacks		8,000			6 8 5	8,000
5 1/2" OD 1000 Sacks				17,000	6 5 5	17,000
54. Cementing - Squeezes & Plugs					6 9 9	
55. Unclassified		5,000		2,000	0 0 0	7,000
<b>TOTAL INTANGIBLES</b>		<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552,800</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>		<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713,800</b>
<b>EVALUATED COST</b>		<b>496,800</b>				
<b>COMPLETED WELL COST</b>		<b>713,800</b>				



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

St. Clair Peyton Yates, Jr. & A. J. Losee,  
Trustees of the S. P. and Estelle H. Yates 1976 Trust  
for Jennifer Shannon Yates, The S. P. and Estelle H.  
Yates 1976 Trust for Mary Beth Yates and the S. P. and  
Estelle H. Yates 1976 Trust for Peyton William Yates Davis

110 South 4th  
Artesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that you desire to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that you do not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a

depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. You shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by you will be subject to proportionate reduction.

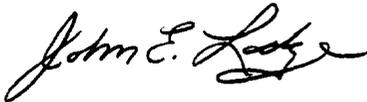
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

November 2, 1995  
Page 3

**Hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

St. Clair Peyton Yates, Jr. & A. J. Losee,  
Trustees of the S. P. and Estelle H. Yates 1976 Trust  
for Jennifer Shannon Yates, The S. P. and Estelle H.  
Yates 1976 Trust for Mary Beth Yates and the S. P. and  
Estelle H. Yates 1976 Trust for Peyton William Yates Davis

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

St. Clair Peyton Yates, Jr. & A. J. Losee,  
Trustees of the S. P. and Estelle H. Yates 1976 Trust  
for Jennifer Shannon Yates, The S. P. and Estelle H.  
Yates 1976 Trust for Mary Beth Yates and the S. P. and  
Estelle H. Yates 1976 Trust for Peyton William Yates Davis

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

St. Clair Peyton Yates, Jr. & A. J. Losee,  
Trustees of the S. P. and Estelle H. Yates 1976 Trust  
for Jennifer Shannon Yates, The S. P. and Estelle H.  
Yates 1976 Trust for Mary Beth Yates and the S. P. and  
Estelle H. Yates 1976 Trust for Peyton William Yates Davis

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name <b>Dancer 32 State Com #1</b>		ID 10,550'
Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico		
District SE New Mexico Asset Area	Area or Group	Field Empire
Objective Morrow @ 10150 Ft. @		

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b> 9171 9172 9171	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	Data Processing Information <div style="border: 1px solid black; padding: 5px; display: inline-block;">ARC No.</div>	Original/Revision Indicator 1=Original 2=Revision <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block; text-align: center; margin-left: 10px;">1</div>
---	------------------------------------	--	---	--

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8" * OD from	0 ft. to	500		10,000			5 1 3	10.0
8 5/8" * OD from	0 ft. to	2600		21,000			5 8 5	21.0
5 1/2" * OD from	0 ft. to	10550			60,000		5 5 5	60.0
2 7/8" * OD from	0 ft. to	10,000			50,000		5 2 7	50.0
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13.0
3. Tubing Accessories						4,000	5 0 6	4.0
4. Artificial Lift Accessories							5 0 7	
5. Well Protective Structures							5 0 8	
6. Unclassified				1,000		2,000	0 0 0	3.0
7. Additional Basis (Sub 550)								
Casinghead, Tubinghead, Christmas tree							5 0 4	
Tubing Accessories							5 0 6	
Artificial Lift Accessories							5 0 7	
Well Protective Structures							5 0 8	
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		161.0

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20.0
9. Boat Operations							0 5 3	
10. Minor Supplies							0 7 8	
11. Electric Power and Light							2 4 1	
12. Diesel Fuel							2 4 2	
13. Natural Gas							2 4 3	
14. Water				10,000		5,000	2 4 6	15.0
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6.0
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4.0
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5.0
18. Trucking Tubulars				2,000		4,000	5 0 9	6.0
19. Casing Accessories				5,000		5,000	5 1 2	10.0
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25.0
21. Permits, Insurance, and Damages				3,000			5 1 5	3.0
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	4.0
26. Air Freight and Transportation							5 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	7.0

Well name					Original/Revision Indicator	
Dancer 32 State Com #1		<input checked="" type="checkbox"/> Original			1=Original	
Location		<input type="checkbox"/> Supplement			2=Revision	
Eddy County, New Mexico		AFC No.		1		
District		SE New Mexico Asset Area				
Intangible Costs (Cont'd) - SUB 600		Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling						
q ft. @ \$ 0.00 per foot					5 3 2	
29. Contract Drilling Daywork						
Drilling 36 days @ : 4,500.00 per day		162,000			5 3 3	162.00
30. Mobilization, Demobilization & Rig Mod.		30,000			5 3 4	30.00
31. Roads and Airstrips					5 3 6	
32. Completion/Workover Daywork						
10 days @ : 1,000.00 per day				10,000	5 4 2	10.00
33. Drill String & BHA Rental				1,000	5 4 3	1.00
34. Well Control Equipment				1,000	5 4 7	1.00
35. Bits, Underreamers, & Hole Openers						
		50,000		1,000	5 4 8	51.00
36. Drilling Mud and Transportation		30,000			5 5 1	30.00
37. Drilling Mud Equipment and Services		5,000			5 5 2	5.00
38. Completion Fluids				2,000	5 5 3	2.00
39. Open Hole Surveys		20,000			5 5 7	20.00
40. Wireline Work					5 5 9	
41. Formation Monitoring		8,000			5 6 0	8.00
42. Cased Hole Surveys and perf. Fees				8,000	5 6 1	8.00
43. Surface Well Test Equipment				1,000	5 6 3	1.00
44. Coring and Analysis					5 6 8	
45. Drill Stem Test Equipment		5,000			5 7 2	5.00
46. Fracturing, Acidizing, and Gravel Pack					5 7 7	
47. Divers					5 7 8	
48. Fishing Tool Rental					5 8 0	
49. Directional Drilling Tool Rental		25,000			5 8 1	25.00
50. Telecommunications & Navigational Needs					5 8 2	
51. Material Losses					5 8 8	
52. Capitalized Overhead		36,800		16,000	6 0 4	52.80
53. Cement Running Fees for Casing & Tubing						
13 3/8 " OD 400 Sacks		4,000			6 1 3	4.00
8 5/8 " OD 1000 Sacks		8,000			6 8 5	8.00
5 1/2 " OD 1000 Sacks				17,000	6 5 5	17.00
54. Cementing - Squeezes & Plugs					6 9 9	
55. Unclassified		5,000		2,000	0 0 0	7.00
<b>TOTAL INTANGIBLES</b>		<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552.80</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>		<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713.80</b>
<b>EVALUATED COST</b>		<b>496,800</b>				
<b>COMPLETED WELL COST</b>		<b>713,800</b>				



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Sharbro Oil Ltd. Co., a New Mexico limited Liability Company  
Box 840  
Artesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Sharbro Oil Ltd. Co. desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Sharbro Oil Ltd. Co. does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Sharbro Oil Ltd. Co.  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Sharbro Oil Ltd. Co. shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Sharbro Oil Ltd. Co. will be subject to proportionate reduction.

4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Sharbro Oil Ltd. Co.  
November 2, 1995  
Page 3

Sharbro Oil Ltd. Co. hereby elects TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well

Sharbro Oil Ltd. Co.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Sharbro Oil Ltd. Co. hereby elects NOT TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well

Sharbro Oil Ltd. Co.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Sharbro Oil Ltd. Co. hereby elects to Farmout its leasehold interest to ARCO  
as described above for the drilling of the Dancer 32 State Com. No. 1 Well

Sharbro Oil Ltd. Co.

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** TD **10,550'**

Location **SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico**

District **SE New Mexico Asset Area** Area or Group **Empire**

Objective **Morrow @ 10150 Ft. @**

<input checked="" type="checkbox"/> Development 9171 <input checked="" type="checkbox"/> Single <input type="checkbox"/> Exploratory 9172 <input type="checkbox"/> Dual <input type="checkbox"/> Workover/ 9171 <input type="checkbox"/> Multiple Recompletion		Data Processing Information AFC No. <span style="border: 1px solid black; padding: 2px;"> </span> Original/Revision Indicator 1=Original <input type="text" value="1"/> 2=Revision	
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Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8" OD from	0 ft. to	500		10,000			5 1 3	10.00
8 5/8" OD from	0 ft. to	2600		21,000			5 8 5	21.00
	ft. to							
5 1/2" OD from	0 ft. to	10550				60,000	5 5 5	60.00
2 7/8" OD from	0 ft. to	10,000				50,000	5 2 7	50.00
	ft. to							
	ft. to							
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13.00
3. Tubing Accessories						4,000	5 0 6	4.00
4. Artificial Lift Accessories							5 0 7	
5. Well Protective Structures							5 0 8	
6. Unclassified				1,000		2,000	0 0 0	3.00
7. Additional Basis (Sub 550)								
Casinghead, Tubinghead, Christmas Tree							5 0 4	
Tubing Accessories							5 0 6	
Artificial Lift Accessories							5 0 7	
Well Protective Structures							5 0 8	
<b>TOTAL TANGIBLES</b>				<b>37,000</b>	<b>0</b>	<b>124,000</b>		<b>161.00</b>

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20.00
9. Boat Operations							0 5 3	
10. Minor Supplies							0 7 8	
11. Electric Power and Light							2 4 1	
12. Diesel Fuel							2 4 2	
13. Natural Gas							2 4 3	
14. Water				10,000		5,000	2 4 6	15.00
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6.00
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4.00
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5.00
18. Trucking Tubulars				2,000		4,000	5 0 9	6.00
19. Casing Accessories				5,000		5,000	5 1 2	10.00
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25.00
21. Permits, Insurance, and Damages				3,000			5 1 5	3.00
22. Rig Moving Expense							5 1 7	
23. Shorebases							5 2 1	
24. Camp Housekeeping							5 2 2	
25. Reclamation				2,000		2,000	5 2 5	4.00
26. Air Freight and Transportation							5 2 8	
27. Disposal and Cleanup				5,000		2,000	5 3 1	7.00

Well name					Original/Revision Indicator	
Dancer 32 State Com #1		<input checked="" type="checkbox"/> Original			1=Original	
Location		<input type="checkbox"/> Supplement	AFC No.:		2=Revision	
Eddy County, New Mexico				1		
District		SE New Mexico Asset Area				
Intangible Costs (Cont'd) - SUB 600		Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling						
q ft. @ \$	0.00 per foot				5 3 2	
29. Contract Drilling Daywork						
Drilling	36 days @ : 4,500.00 per day	162,000			5 3 3	162.00
30. Mobilization, Demobilization & Rig Mod.		30,000			5 3 4	30.00
31. Roads and Airstrips					5 3 6	
32. Completion/Workover Daywork						
	10 days @ : 1,000.00 per day			10,000	5 4 2	10.00
33. Drill String & BHA Rental				1,000	5 4 3	1.00
34. Well Control Equipment				1,000	5 4 7	1.00
35. Bits, Underreamers, & Hole Openers						
		50,000		1,000	5 4 8	51.00
36. Drilling Mud and Transportation		30,000			5 5 1	30.00
37. Drilling Mud Equipment and Services		5,000			5 5 2	5.00
38. Completion Fluids				2,000	5 5 3	2.00
39. Open Hole Surveys		20,000			5 5 7	20.00
40. Wireline Work					5 5 9	
41. Formation Monitoring		8,000			5 6 0	8.00
42. Cased Hole Surveys and perf. Fees				8,000	5 6 1	8.00
43. Surface Well Test Equipment				1,000	5 6 3	1.00
44. Coring and Analysis					5 6 8	
45. Drill Stem Test Equipment		5,000			5 7 2	5.00
46. Fracturing, Acidizing, and Gravel Pack					5 7 7	
47. Divers					5 7 8	
48. Fishing Tool Rental					5 8 0	
49. Directional Drilling Tool Rental		25,000			5 8 1	25.00
50. Telecommunications & Navigational Needs					5 8 2	
51. Material Losses					5 8 8	
52. Capitalized Overhead		36,800		16,000	6 0 4	52.80
53. Cement Running Fees for Casing & Tubing						
13 3/8" OD	400 Sacks	4,000			6 1 3	4.00
8 5/8" OD	1000 Sacks	8,000			6 8 5	8.00
5 1/2" OD	1000 Sacks			17,000	6 5 5	17.00
54. Cementing - Squeezes & Plugs					6 9 9	
55. Unclassified		5,000		2,000	0 0 0	7.00
<b>TOTAL INTANGIBLES</b>		<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552.80</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>		<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713.80</b>
<b>EVALUATED COST</b>		<b>496,800</b>				
<b>COMPLETED WELL COST</b>		<b>713,800</b>				



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Yates Petroleum Corporation  
105 South 4th  
Aratesia, New Mexico 88210

Attention: Mr. Randy Patterson

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Yates Petroleum Corporation desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Yates Petroleum Corporation does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Yates Petroleum Corporation  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Yates Petroleum Corporation shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Yates Petroleum Corporation will be subject to proportionate reduction.

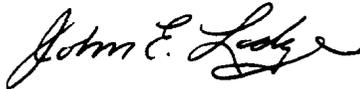
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5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Yates Petroleum Corporation  
November 2, 1995  
Page 3

Yates Petroleum Corporation hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well

Yates Petroleum Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Yates Petroleum Corporation hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well

Yates Petroleum Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Yates Petroleum Corporation hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well

Yates Petroleum Corporation

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name <b>Dancer 32 State Com #1</b>		ID 10,550'
Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico		
District SE New Mexico Asset Area	Area or Group	Field Empire
Objective Morrow @ 10150 Ft.		@ Ft.

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b>	9171	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	<b>Data Processing Information</b>	
	9172	AFC No. <span style="border: 1px solid black; padding: 2px;">                    </span>		Original/Revision Indicator 1=Original <span style="border: 1px solid black; padding: 2px;">1</span> 2=Revision	

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8" OD from	0 ft. to	500		10,000			5 1 3	10,000
8 5/8" OD from	0 ft. to	2600		21,000			5 8 5	21,000
	ft. to							0
5 1/2" OD from	0 ft. to	10550			60,000		5 5 5	60,000
2 7/8" OD from	0 ft. to	10,000			50,000		5 2 7	50,000
	ft. to							0
	ft. to							0
	ft. to							0
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13,000
3. Tubing Accessories						4,000	5 0 6	4,000
4. Artificial Lift Accessories							5 0 7	0
5. Well Protective Structures							5 0 8	0
6. Unclassified				1,000		2,000	0 0 0	3,000
7. Additional Basis (Sub 550)								0
Casinghead, Tubinghead, Christmas Tree							5 0 4	0
Tubing Accessories							5 0 6	0
Artificial Lift Accessories							5 0 7	0
Well Protective Structures							5 0 8	0
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		161,000

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20,000
9. Boat Operations							0 5 3	0
10. Minor Supplies							0 7 8	0
11. Electric Power and Light							2 4 1	0
12. Diesel Fuel							2 4 2	0
13. Natural Gas							2 4 3	0
14. Water				10,000		5,000	2 4 6	15,000
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6,000
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4,000
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5,000
18. Trucking Tubulars				2,000		4,000	5 0 9	6,000
19. Casing Accessories				5,000		5,000	5 1 2	10,000
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25,000
21. Permits, Insurance, and Damages				3,000			5 1 5	3,000
22. Rig Moving Expense							5 1 7	0
23. Shorebases							5 2 1	0
24. Camp Housekeeping							5 2 2	0
25. Reclamation				2,000		2,000	5 2 5	4,000
26. Air Freight and Transportation							5 2 8	0
27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name Dancer 32 State Com #1	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement			Original/Revision Indicator 1=Original <input type="text" value="1"/> 2=Revision	
Location Eddy County, New Mexico	AFC No.				
District SE New Mexico Asset Area					
<b>Intangible Costs (Cont'd) - SUB 600</b>	Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling 0 ft. @ \$ 0.00 per foot				5 3 2	0
29. Contract Drilling Daywork Drilling 36 days @ : 4,500.00 per day	162,000			5 3 3	162,000
30. Mobilization, Demobilization & Rig Mod.	30,000			5 3 4	30,000
31. Roads and Airstrips				5 3 6	0
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day			10,000	5 4 2	10,000
33. Drill String & BHA Rental			1,000	5 4 3	1,000
34. Well Control Equipment			1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers					
	50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation	30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services	5,000			5 5 2	5,000
38. Completion Fluids			2,000	5 5 3	2,000
39. Open Hole Surveys	20,000			5 5 7	20,000
40. Wireline Work				5 5 9	0
41. Formation Monitoring	8,000			5 6 0	8,000
42. Cased Hole Surveys and perf. Fees			8,000	5 6 1	8,000
43. Surface Well Test Equipment			1,000	5 6 3	1,000
44. Coring and Analysis				5 6 8	0
45. Drill Stem Test Equipment	5,000			5 7 2	5,000
46. Fracturing, Acidizing, and Gravel Pack				5 7 7	0
47. Divers				5 7 8	0
48. Fishing Tool Rental				5 8 0	0
49. Directional Drilling Tool Rental	25,000			5 8 1	25,000
50. Telecommunications & Navigational Needs				5 8 2	0
51. Material Losses				5 8 8	0
52. Capitalized Overhead	36,800		16,000	6 0 4	52,800
53. Cement Running Fees for Casing & Tubing					
13 3/8" OD      400 Sacks	4,000			6 1 3	4,000
8 5/8" OD      1000 Sacks	8,000			6 8 5	8,000
5 1/2" OD      1000 Sacks			17,000	6 5 5	17,000
					0
54. Cementing - Squeezes & Plugs				6 9 9	0
55. Unclassified	5,000		2,000	0 0 0	7,000
					0
					0
<b>TOTAL INTANGIBLES</b>	459,800	0	93,000		552,800
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	496,800	0	217,000		713,800
<b>EVALUATED COST</b>	<b>496,800</b>				
<b>COMPLETED WELL COST</b>	<b>713,800</b>				



**ARCO Permian**  
600 North Marrenfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

S. P. Yates  
105 South 4th  
Aratesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that S. P. Yates desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that S. P. Yates does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

S. P. Yates  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. S. P. Yates shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by S. P. Yates will be subject to proportionate reduction.

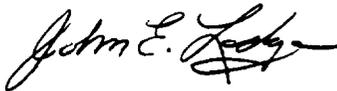
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

S. P. Yates  
November 2, 1995  
Page 3

**S. P. Yates hereby elects TO participate in the drilling of the Dancer 32  
State Com. No. 1 Well**

**S. P. Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**S. P. Yates hereby elects NOT TO participate in the drilling of the Dancer 32  
State Com. No. 1 Well**

**S. P. Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**S. P. Yates hereby elects to Farmout its leasehold interest to ARCO as  
described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**S. P. Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name <b>Dancer 32 State Com #1</b>	TD 10,550'
--	---------------

Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico
--

District SE New Mexico Asset Area	Area or Group	Field Empire
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Objective Morrow @ 10150 Ft. @	F
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<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recombination	Gen 9171 9172 9171	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	Data Processing Information AFC No.	Original/Revision Indicator 1=Original <input type="checkbox"/> 1 2=Revision <input type="checkbox"/>
--	-----------------------------	--	--	---

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8 * OD from	0 ft. to	500		10,000			5 1 3	10,000
8 5/8 * OD from	0 ft. to	2600		21,000			5 8 5	21,000
* OD from	ft. to							0
5 1/2 * OD from	0 ft. to	10550				60,000	5 5 5	60,000
2 7/8 * OD from	0 ft. to	10,000				50,000	5 2 7	50,000
* OD from	ft. to							0
* OD from	ft. to							0
* OD from	ft. to							0
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13,000
3. Tubing Accessories						4,000	5 0 6	4,000
4. Artificial Lift Accessories							5 0 7	0
5. Well Protective Structures							5 0 8	0
6. Unclassified				1,000		2,000	0 0 0	3,000
7. Additional Basis (Sub 550)								0
Casinghead, Tubinghead, Christmas Tree							5 0 4	0
Tubing Accessories							5 0 6	0
Artificial Lift Accessories							5 0 7	0
Well Protective Structures							5 0 8	0
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		161,000

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20,000
9. Boat Operations							0 5 3	0
10. Minor Supplies							0 7 8	0
11. Electric Power and Light							2 4 1	0
12. Diesel Fuel							2 4 2	0
13. Natural Gas							2 4 3	0
14. Water				10,000		5,000	2 4 6	15,000
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6,000
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4,000
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5,000
18. Trucking Tubulars				2,000		4,000	5 0 9	6,000
19. Casing Accessories				5,000		5,000	5 1 2	10,000
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25,000
21. Permits, Insurance, and Damages				3,000			5 1 5	3,000
22. Rig Moving Expense							5 1 7	0
23. Shorebases							5 2 1	0
24. Camp Housekeeping							5 2 2	0
25. Reclamation				2,000		2,000	5 2 5	4,000
26. Air Freight and Transportation							5 2 8	0
27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision Indicator		
Location	AFC No.		1=Original	2=Revision	
District					
Dancer 32 State Com #1			1		
Eddy County, New Mexico					
SE New Mexico Asset Area					
Intangible Costs (Cont'd) - SUB 600	Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling 0 ft. @ \$ 0.00 per foot				5 3 2	0
29. Contract Drilling Daywork Drilling 36 days @ : 4,500.00 per day	162,000			5 3 3	162,000
30. Mobilization, Demobilization & Rig Mod.	30,000			5 3 4	30,000
31. Roads and Airstrips				5 3 6	0
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day			10,000	5 4 2	10,000
33. Drill String & BHA Rental			1,000	5 4 3	1,000
34. Well Control Equipment			1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers					
	50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation	30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services	5,000			5 5 2	5,000
38. Completion Fluids			2,000	5 5 3	2,000
39. Open Hole Surveys	20,000			5 5 7	20,000
40. Wireline Work				5 5 9	0
41. Formation Monitoring	8,000			5 6 0	8,000
42. Cased Hole Surveys and perf. Fees			8,000	5 6 1	8,000
43. Surface Well Test Equipment			1,000	5 6 3	1,000
44. Coring and Analysis				5 6 8	0
45. Drill Stem Test Equipment	5,000			5 7 2	5,000
46. Fracturing, Acidizing, and Gravel Pack				5 7 7	0
47. Divers				5 7 8	0
48. Fishing Tool Rental				5 8 0	0
49. Directional Drilling Tool Rental	25,000			5 8 1	25,000
50. Telecommunications & Navigational Needs				5 8 2	0
51. Material Losses				5 8 8	0
52. Capitalized Overhead	36,800		16,000	6 0 4	52,800
53. Cement Running Fees for Casing & Tubing					
13 3/8 " OD      400 Sacks	4,000			6 1 3	4,000
8 5/8 " OD      1000 Sacks	8,000			6 8 5	8,000
5 1/2 " OD      1000 Sacks			17,000	6 5 5	17,000
					0
54. Cementing - Squeezes & Plugs				6 9 9	0
55. Unclassified	5,000		2,000	0 0 0	7,000
					0
					0
<b>TOTAL INTANGIBLES</b>	<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552,800</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713,800</b>
<b>EVALUATED COST</b>	<b>496,800</b>				
<b>COMPLETED WELL COST</b>	<b>713,800</b>				



**ARCO Permian**  
500 North Marientfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Richard Martin Yates  
105 South 4th  
Aratesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Richard Martin Yates desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Richard Martin Yates does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

Richard Martin Yates  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Richard Martin Yates shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by Richard Martin Yates will be subject to proportionate reduction.

4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

Richard Martin Yates  
November 2, 1995  
Page 3

**Richard Martin Yates hereby elects TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well**

**Richard Martin Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Richard Martin Yates hereby elects NOT TO participate in the drilling of the  
Dancer 32 State Com. No. 1 Well**

**Richard Martin Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Richard Martin Yates hereby elects to Farmout its leasehold interest to ARCO  
as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**Richard Martin Yates**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** TD **10,550'**

Location **SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico**

District **SE New Mexico Asset Area** Area or Group **Empire**

Objective **Morrow @ 10150 Ft. @**

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b>	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	<b>Data Processing Information</b>	
	9171		<b>AFC No.:</b>	Original/Revision Indicator
	9172			1=Original <input type="text" value="1"/>
	9171			2=Revision <input type="text"/>

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8 * OD from	0 ft. to	500		10,000			5 1 3	10,000
8 5/8 * OD from	0 ft. to	2600		21,000			5 8 5	21,000
	ft. to							0
5 1/2 * OD from	0 ft. to	10550			60,000		5 5 5	60,000
2 7/8 * OD from	0 ft. to	10,000			50,000		5 2 7	50,000
	ft. to							0
	ft. to							0
	ft. to							0
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13,000
3. Tubing Accessories						4,000	5 0 6	4,000
4. Artificial Lift Accessories							5 0 7	0
5. Well Protective Structures							5 0 8	0
6. Unclassified				1,000		2,000	0 0 0	3,000
7. Additional Basis (Sub 550)								0
Casinghead, Tubinghead, Christmas Tree							5 0 4	0
Tubing Accessories							5 0 6	0
Artificial Lift Accessories							5 0 7	0
Well Protective Structures							5 0 8	0
<b>TOTAL TANGIBLES</b>				37,000	0	124,000		161,000

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20,000
9. Boat Operations							0 5 3	0
10. Minor Supplies							0 7 8	0
11. Electric Power and Light							2 4 1	0
12. Diesel Fuel							2 4 2	0
13. Natural Gas							2 4 3	0
14. Water				10,000		5,000	2 4 6	15,000
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6,000
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4,000
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5,000
18. Trucking Tubulars				2,000		4,000	5 0 9	6,000
19. Casing Accessories				5,000		5,000	5 1 2	10,000
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25,000
21. Permits, Insurance, and Damages				3,000			5 1 5	3,000
22. Rig Moving Expense							5 1 7	0
23. Shorebases							5 2 1	0
24. Camp Housekeeping							5 2 2	0
25. Reclamation				2,000		2,000	5 2 5	4,000
26. Air Freight and Transportation							5 2 8	0
27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name		<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision Indicator		
Location		AFC No.		1=Original 2=Revision		
District				1		
Dancer 32 State Com #1						
Eddy County, New Mexico						
SE New Mexico Asset Area						
Intangible Costs (Cont'd) - SUB 600		Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling						
Q ft. @ \$ 0.00 per foot					5 3 2	0
29. Contract Drilling Daywork						
Drilling 36 days @ \$ 4,500.00 per day		162,000			5 3 3	162,000
30. Mobilization, Demobilization & Rig Mod.		30,000			5 3 4	30,000
31. Roads and Airstrips					5 3 6	0
32. Completion/Workover Daywork						
10 days @ \$ 1,000.00 per day				10,000	5 4 2	10,000
33. Drill String & BHA Rental				1,000	5 4 3	1,000
34. Well Control Equipment				1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers						
		50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation		30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services		5,000			5 5 2	5,000
38. Completion Fluids				2,000	5 5 3	2,000
39. Open Hole Surveys		20,000			5 5 7	20,000
40. Wireline Work					5 5 9	0
41. Formation Monitoring		8,000			5 6 0	8,000
42. Cased Hole Surveys and perf. Fees				8,000	5 6 1	8,000
43. Surface Well Test Equipment				1,000	5 6 3	1,000
44. Coring and Analysis					5 6 8	0
45. Drill Stem Test Equipment		5,000			5 7 2	5,000
46. Fracturing, Acidizing, and Gravel Pack					5 7 7	0
47. Divers					5 7 8	0
48. Fishing Tool Rental					5 8 0	0
49. Directional Drilling Tool Rental		25,000			5 8 1	25,000
50. Telecommunications & Navigational Needs					5 8 2	0
51. Material Losses					5 8 8	0
52. Capitalized Overhead		36,800		16,000	6 0 4	52,800
53. Cement Running Fees for Casing & Tubing						
13 3/8" OD 400 Sacks		4,000			6 1 3	4,000
8 5/8" OD 1000 Sacks		8,000			6 8 5	8,000
5 1/2" OD 1000 Sacks				17,000	6 5 5	17,000
						0
54. Cementing - Squeezes & Plugs					6 9 9	0
55. Unclassified		5,000		2,000	0 0 0	7,000
						0
						0
<b>TOTAL INTANGIBLES</b>		<b>459,800</b>	<b>0</b>	<b>93,000</b>		<b>552,800</b>
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>		<b>496,800</b>	<b>0</b>	<b>217,000</b>		<b>713,800</b>
<b>EVALUATED COST</b>		<b>496,800</b>				
<b>COMPLETED WELL COST</b>		<b>713,800</b>				



**ARCO Permian**  
500 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

St. Clair Peyton Yates, Jr.  
110 South 4th  
Artesia, New Mexico 88210

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that St. Clair Peyton Yates, Jr. desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that St. Clair Peyton Yates, Jr. does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

St. Clair Peyton Yates, Jr.  
November 2, 1995  
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. St. Clair Peyton Yates, Jr. shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).

3. Any overriding royalty interest retained by St. Clair Peyton Yates, Jr. will be subject to proportionate reduction.

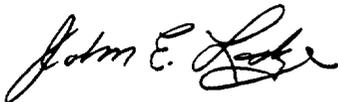
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.

5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

St. Clair Peyton Yates, Jr.  
November 2, 1995  
Page 3

**St. Clair Peyton Yates, Jr. hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**St. Clair Peyton Yates, Jr.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**St. Clair Peyton Yates, Jr. hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**St. Clair Peyton Yates, Jr.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**St. Clair Peyton Yates, Jr. hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**St. Clair Peyton Yates, Jr.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** TD 10,550'

Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico

District SE New Mexico Asset Area Area of Group Field Empire

Objective Morrow @ 10150 Ft. @

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recombination	Gen 9171	<input checked="" type="checkbox"/> Single	Data Processing Information AFC No. [ ] Original/Revision Indicator 1=Original [ 1 ] 2=Revision [ ]
	9172	<input type="checkbox"/> Dual	
	9171	<input type="checkbox"/> Multiple	

Tangible Costs - SUB 500 and 550				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
1. Tubular goods								
13 3/8 * OD from	0 ft. to	500		10,000			5 1 3	10,000
8 5/8 * OD from	0 ft. to	2600		21,000			5 8 5	21,000
* OD from	ft. to							0
5 1/2 * OD from	0 ft. to	10550				60,000	5 5 5	60,000
2 7/8 * OD from	0 ft. to	10,000				50,000	5 2 7	50,000
* OD from	ft. to							0
* OD from	ft. to							0
* OD from	ft. to							0
2. Casinghead, Tubinghead, Christmas Tree				5,000		8,000	5 0 4	13,000
3. Tubing Accessories						4,000	5 0 6	4,000
4. Artificial Lift Accessories							5 0 7	0
5. Well Protective Structures							5 0 8	0
6. Unclassified				1,000		2,000	0 0 0	3,000
7. Additional costs (Sub 550)								0
Casinghead, Tubinghead, Christmas Tree							5 0 4	0
Tubing Accessories							5 0 6	0
Artificial Lift Accessories							5 0 7	0
Well Protective Structures							5 0 8	0
<b>TOTAL TANGIBLES</b>				<b>37,000</b>	<b>0</b>	<b>124,000</b>		<b>161,000</b>

Intangible Costs - SUB 600				Drilling	Evaluation	Completion	Elem	Total Gross Dollars
8. Contract Engineering Technical				16,000		4,000	0 1 3	20,000
9. Boat Operations							0 5 3	0
10. Minor Supplies							0 7 8	0
11. Electric Power and Light							2 4 1	0
12. Diesel Fuel							2 4 2	0
13. Natural Gas							2 4 3	0
14. Water				10,000		5,000	2 4 6	15,000
15. Property and Equipment Rentals				4,000		2,000	2 4 8	6,000
16. Security, Safety, and Firefighting				2,000		2,000	2 5 0	4,000
17. Tubular Testing, and Inspection				2,000		3,000	5 0 3	5,000
18. Trucking Tubulars				2,000		4,000	5 0 9	6,000
19. Casing Accessories				5,000		5,000	5 1 2	10,000
20. Site Preparation and Maintenance				20,000		5,000	5 1 4	25,000
21. Permits, Insurance, and Damanges				3,000			5 1 5	3,000
22. Rig Moving Expense							5 1 7	0
23. Shorebases							5 2 1	0
24. Camp Housekeeping							5 2 2	0
25. Reclamation				2,000		2,000	5 2 5	4,000
26. Air Freight and Transportation							5 2 8	0
27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name Dancer 32 State Com #1	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement		Original/Revision Indicator 1=Original <input type="text" value="1"/> 2=Revision		
Location Eddy County, New Mexico	<div style="border: 1px solid black; padding: 5px; display: inline-block;">AFC No.</div>				
District SE New Mexico Asset Area					
<b>Intangible Costs (Cont'd) - SUB 600</b>	Drilling	Evaluation	Completion	Elem	Total Gross Dollars
28. Contract Footage Drilling 0 ft. @ \$ 0.00 per foot				5 3 2	0
29. Contract Drilling Daywork Drilling 36 days @ : 4,500.00 per day	162,000			5 3 3	162,000
30. Mobilization, Demobilization & Rig Mod.	30,000			5 3 4	30,000
31. Roads and Airstrips				5 3 6	0
32. Completion/Workover Daywork 10 days @ : 1,000.00 per day			10,000	5 4 2	10,000
33. Drill String & BHA Rental			1,000	5 4 3	1,000
34. Well Control Equipment			1,000	5 4 7	1,000
35. Bits, Underreamers, & Hole Openers					
	50,000		1,000	5 4 8	51,000
36. Drilling Mud and Transportation	30,000			5 5 1	30,000
37. Drilling Mud Equipment and Services	5,000			5 5 2	5,000
38. Completion Fluids			2,000	5 5 3	2,000
39. Open Hole Surveys	20,000			5 5 7	20,000
40. Wireline Work				5 5 9	0
41. Formation Monitoring	8,000			5 6 0	8,000
42. Cased Hole Surveys and perf. Fees			8,000	5 6 1	8,000
43. Surface Well Test Equipment			1,000	5 6 3	1,000
44. Coring and Analysis				5 6 8	0
45. Drill Stem Test Equipment	5,000			5 7 2	5,000
46. Fracturing, Acidizing, and Gravel Pack				5 7 7	0
47. Divers				5 7 8	0
48. Fishing Tool Rental				5 8 0	0
49. Directional Drilling Tool Rental	25,000			5 8 1	25,000
50. Telecommunications & Navigational Needs				5 8 2	0
51. Material Losses				5 8 8	0
52. Capitalized Overhead	36,800		16,000	6 0 4	52,800
53. Cement Running Fees for Casing & Tubing					
13 3/8 * OD      400 Sacks	4,000			6 1 3	4,000
8 5/8 * OD      1000 Sacks	8,000			6 8 5	8,000
5 1/2 * OD      1000 Sacks			17,000	6 5 5	17,000
					0
54. Cementing - Squeezes & Plugs				6 9 9	0
55. Unclassified	5,000		2,000	0 0 0	7,000
					0
					0
<b>TOTAL INTANGIBLES</b>	459,800	0	93,000		552,800
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	496,800	0	217,000		713,800
<b>EVALUATED COST</b>	<b>496,800</b>				
<b>COMPLETED WELL COST</b>	<b>713,800</b>				



**ARCO Permian**  
600 North Marienfeld  
Midland TX 79701-4373  
PO Box 1610  
Midland TX 79702-1610  
Telephone 915 688 5200

November 2, 1995

Harvey E. Yates Company  
Box 1933  
Roswell, New Mexico 88201

Attention: Ms. Shari A. Darr

**Certified Mail - Return Receipt Requested**

**RE: Dancer 32 State Com. No. 1 Well  
Township 17 South, Range 28 East  
Section 32: SE/4NE/4  
Eddy County, New Mexico**

Gentlemen:

Please be advised that ARCO Permian, a unit of Atlantic Richfield Company, hereinafter referred to as "ARCO", hereby proposes the drilling of an 10,550' Morrow test well at a location approximately 1700' FNL & 1000' FEL of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico. It is currently anticipated that the drilling and proration unit for this well would be the W/2 of said Section 32. Attached hereto for your perusal, you will find a copy of our drilling cost estimate for this well which indicates a dry hole cost of \$496,800 and total completed well cost of \$713,800.

Please indicate your election below of either to participate or not to participate in the drilling of this well and return one (1) copy of this letter to the undersigned. In the event that Harvey E. Yates Company desires to participate in the drilling of this well, I will be happy to submit an Operating Agreement to you for your review. In the event that Harvey E. Yates Company does not desire to participate in the drilling of this well, then ARCO hereby requests a Farmout of your leasehold interest in the E/2 of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico on the following basis:

1. Within 180 days of the execution of a formal Farmout Agreement, ARCO will commence or cause to be commenced the drilling of an initial test well at the above referenced location. Thereafter, said well shall be drilled to a depth of 11,100' or to a depth sufficient to adequately test the Morrow formation, whichever is the lesser depth.

**Harvey E. Yates Company**

November 2, 1995

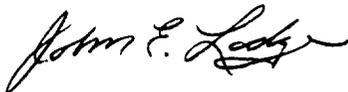
Page 2

2. Upon completion of a well capable of producing in paying quantities, ARCO shall earn an assignment of all your leasehold interest in the E/2 of said Section 32, insofar as same is included with the proration unit for said well, from the base of the ABO formation down to a depth of 100' below the total depth drilled. Harvey E. Yates Company shall retain an overriding royalty interest in an amount being equal to the difference between all existing burdens and twenty percent (20%).
3. Any overriding royalty interest retained by Harvey E. Yates Company will be subject to proportionate reduction.
4. Any acreage not previously earned by drilling the initial well, could be earned by the drilling of subsequent wells by not allowing more than 180 days to elapse between the completion of one well and the commencement of the next well.
5. The only penalty for failure to commence the drilling of said initial well, would be the termination of said Farmout Agreement.

Should you have any questions or problems concerning this matter, please do not hesitate to contact me by telephone at (915) 688-5237.

Sincerely,

**ARCO Permian**



John E. Lodge  
Land Director

JEL:pc  
Enclosure

**Harvey E. Yates Company**

November 2, 1995

Page 3

**Harvey E. Yates Company hereby elects TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Harvey E. Yates Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Harvey E. Yates Company hereby elects NOT TO participate in the drilling of the Dancer 32 State Com. No. 1 Well**

**Harvey E. Yates Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Harvey E. Yates Company hereby elects to Farmout its leasehold interest to ARCO as described above for the drilling of the Dancer 32 State Com. No. 1 Well**

**Harvey E. Yates Company**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Supplement  Original

Well name **Dancer 32 State Com #1** ID 10,550'

Location SE/4 NE/4, Section 32, T-17-S, R-28-E, Eddy County, New Mexico

District SE New Mexico Asset Area Area of Group Field Empire

Objective Morrow @ 10150 Ft. @ F

<input checked="" type="checkbox"/> Development <input type="checkbox"/> Exploratory <input type="checkbox"/> Workover/ Recompletion	<b>Gen</b>	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Dual <input type="checkbox"/> Multiple	<b>Data Processing Information</b>	
	9171		<b>AFC No.</b>	Original/Revision Indicator
	9172			1=Original <input type="checkbox"/>
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25. Reclamation				2,000		2,000	5 2 5	4,000
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27. Disposal and Cleanup				5,000		2,000	5 3 1	7,000

Well name Dancer 32 State Com #1	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Supplement			Original/Revision Indicator 1=Original <input type="text" value="1"/> 2=Revision	
Location Eddy County, New Mexico	AFC No.				
District SE New Mexico Asset Area					
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31. Roads and Airstrips				5 3 6	0
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48. Fishing Tool Rental				5 8 0	0
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51. Material Losses				5 8 8	0
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8 5/8 " OD      1000 Sacks	8,000			6 8 5	8,000
5 1/2 " OD      1000 Sacks			17,000	6 5 5	17,000
					0
54. Cementing - Squeezes & Plugs				6 9 9	0
55. Unclassified	5,000		2,000	0 0 0	7,000
					0
					0
<b>TOTAL INTANGIBLES</b>	459,800	0	93,000		552,800
<b>TOTAL COST (Tangibles &amp; Intangibles)</b>	496,800	0	217,000		713,800
<b>EVALUATED COST</b>	<b>496,800</b>				
<b>COMPLETED WELL COST</b>	<b>713,800</b>				

DATE	CALLER	COMPANY	CONTACT	STATUS	PHONE#	REMARKS	WELL
11/8/95	Fred Winter	Oryx	J Lodge	LM	214-715-8371	He wrks NMI/questions on well proposals	both
11/17/95	JL	Oryx	Fred Winter	LM	214-715-8371		Dorothy
11/17/95	JL	Marathon	Randal Wilson		915-687-8476	reviewing-like it-budget?	Dorothy
11/20/95	Fred Winter	Oryx	J Lodge	LM	214-715-8371	want to completely sell out-make offer	both
11/29/95	LS	Amoco	Jerry West		713-366-3588	talking to Mgmt	both
11/30/95	LS	Marathon	Randal Wilson		915-687-8476	no decision-won't take us to force pool	Dorothy
11/30/95	LS	Oryx	Fred Winter	LM	214-715-8371	asked for cash - has not seen our offer	Dorothy
11/30/95	LS	Oryx	Fred Winter		214-715-8371	verbal OK	Dorothy
11/30/95	LS	Amoco	Jerry West		713-366-3588	did he get offer?	both
12/4/95	LS	Oryx	Fred Winter	LM	214-715-8371	can they look @ seis?	Dorothy
12/4/95	Rusty Waters	Dreyfus	LS		405-749-5282	no on 3D look	both
12/5/95	LS	Dreyfus	Rusty Waters		405-749-5282	update on progress	both
12/5/95	LS	Amoco	Jerry West		713-366-3588	wants geol presentation	Dancer
12/5/95	Eric Hanson	Fina	JL		915-688-0646	requested cc of T/O-sent	Dancer
12/7/95	LS	HEYCO	Melissa Randal		505-623-6601	requested cc of T/O-sent	Dorothy
12/13/95	LS	Oryx	Fred Winter	LM	214-715-8371	requested cc of T/O-sent	both
12/14/95	LS	Yates Pet.	Robt Bullock		505-748-1471	set up show	Dancer
12/14/95	LS	Fina	Eric Hanson		915-688-0646	no answer fr Mgmt-cb 12/27-may be other bidder	Dorothy
12/15/95	LS	Oryx	Fred Winter		214-715-8371	can we bid loc? response-no!	Dorothy
12/18/95	LS	Oryx	Fred Winter		214-715-8371	ingmt meets in PM-wcb	both
12/18/95	LS	Dreyfus	Rusty Waters		405-749-5282	wants geol presentation	both
12/19/95	LS	Marathon	Randal Wilson		915-687-8476	scheduling probs	both
12/20/95	LS	Marathon	Randal Wilson		915-687-8476	scheduling probs	Dancer
12/20/95	LS	Fina	Eric Hanson		915-688-0646	show & tell	both
12/21/95	LS	Marathon	JL Chapman		915-687-8476	sent letter for commitment	Dancer
12/21/95	LS	Fina	Eric Hanson		915-688-0646	xld show & tell	Dancer
12/26/95	LS	Fina	Eric Hanson		915-688-0646	bid situation w/ Logro	Dorothy
12/27/95	LS	Oryx	Fred Winter		214-715-8371	reviewed situation w/ Oryx	Dorothy
12/27/95	LS	Amoco	Jerry West		713-366-3588	will participate in both wells	both
12/28/95	LS	Marathon	Randal Wilson		915-687-8476	no answer	Dorothy
12/28/95	LS	Oryx	Fred Winter		214-715-8371	w/o mgmt-expect to participate	both
12/28/95	LS	Yates Pet	Robt Bullock		505-748-1471	Mgmt decision this PM-sec 36 only-Forrester wcb	Dorothy
12/29/95	D Pearcy	Oryx	Roy Wolin		214-715-8371	wid like to part-want to sell both 40's-geol show?	Dorothy
12/29/95	LS	Oryx	Fred Winter		214-715-8371	change geol show to 1/4/96-9:30am	Dancer
1/2/96	LS	Fina	Eric Hanson		915-688-0646	no decision-rquested cc Marathon commit letter	Dancer
1/2/96	LS	Conoco	Warren Richardson	LM	915-686-5400	what are spud dates? w/o your commitment!	Dorothy
1/2/96	LS	Oryx	Fred Winter		214-715-8371	responding to loc notice - send T/O	Both
1/2/96	LS	Dreyfus	John Lennih		405-749-5268	confirmed geol show for 1/4	Dancer
1/2/96	LS	Aston Grp	Jerry Bridgens		214-508-3744	Oryx will not be pushed/know rts under pooling	Dancer
1/3/96	LS	Fina	Eric Hanson		915-688-0646	w/o mgmt	Dorothy
1/3/96	D Pearcy	Oryx	Roy Wolin		214-715-8379		Dorothy
1/3/96	LS	Oryx	Fred Winter		214-715-8371		Dorothy

1/3/96	LS	HEYCO	Melissa Randal	505-623-6601	w/o mgmt	Dancer
1/4/96	LS	Amoco	Jerry West	713-366-3588	update	both
1/4/96	LS	Fina	Kitty Chalfant, et al	915-688-0640	geol presentation	Dancer
1/4/96	DP	Oryx	Jerry Box	214-715-4000	req that mgr hlp expediate decision	Dorothy
1/5/96	Melissa Randal	HEYCO	LS	505-623-6601		Dancer
1/5/96	Fred Winter	Oryx	LS	214-715-8371	will self-bidding open til 5pm 1/8/96	Dorothy
1/5/96	Eric Hanson	Fina	LS	915-688-0646	Mgmt will review 1/8/96-local rec. participation	Dancer
1/5/96	DP	Oryx	Tommy Drescher	214-715-4243	details on delays	Dorothy
1/5/96	Rusty Waters	Dreyfus	LS	405-749-5282		Dancer
1/8/96	LS	Fina	Eric Hanson	915-688-0646	Mgmt will review 1/8/96	Dancer
1/8/96	LS	Dreyfus	Rusty Waters	405-749-5282	his geol has questions	Dorothy
1/8/96	LS	Oryx	Fred Winter	214-715-8379	bid faxed in	Dorothy
1/8/96	LS	Conoco	Warren Richardson	915-686-5400	will show to mgmt	Dancer
1/8/96	DP	Yates Pet	Ray Beck	505-748-1471	agreed to participate	Dorothy
1/8/96	DP	Dreyfus	Wayne Roberts	405-748-2746	discussed reserves-decision soon	Dorothy
1/8/96	DP	Fina	Robert Martin	915-688-0643	discussed reserves-will join	Dancer
1/9/96	LS	HEYCO	Melissa Randal	505-623-6601	processing-w/o mgmt	Dancer

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 5

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996



**EXHIBIT A**

Fina Oil and Chemical Company  
Attn: Ms. Kitty Chalfant  
Post Office Box 299  
Midland, TX 79702

Sharbro Oil Ltd. Co.  
a New Mexico Ltd. Liability Co.  
Box 840  
Artesia, NM 88210

Yates Energy Corporation  
Box 2323  
Roswell, NM 88201

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Louis Dreyfus Gas Holdings, Inc.  
14000 Quail Springs Parkway  
Suite 600  
Oklahoma City, OK 73134  
Attn: Ms Carol Myers

St. Clair Peyton Yates, Jr., and  
A. J. Losee, Trustees of the S.P.  
and Estelle H. Yates 1976 Trust for  
Jennifer Shannon Yates, The S.P.  
and Estelle H. Yates 1976 Trust for  
Mary Beth Yates and The S.P. and  
Estelle H. Yates 1976 Trust for  
Peyton William Yates Davis  
110 South Fourth Street  
Artesia, NM 88210

Conoco Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West  
Midland, TX 79705

Cibola Energy Corporation  
Post Office Box 1668  
Albuquerque, NM 87103-1668

St. Clair Peyton Yates, Jr.  
110 South Fourth Street  
Artesia, NM 88210

Richard Martin Yates  
105 South Fourth Street  
Artesia, NM 88210

Harvey E. Yates Company  
Box 1933  
Roswell, NM 88201

Marathon Oil Company  
Attn: Mr. Randal Wilson  
Post Office Box 552  
Midland, TX 79702-0552

S. P. Yates  
105 South Fourth Street  
Artesia, NM 88210

Sunwest Bank of Albuquerque, N.A.  
Agent for the Aston Partnership  
Post Office Box 26900  
Albuquerque, NM 87125-6900

Rogers Aston & The First National  
Bank in Dallas, Co-Trustee of the "C"  
Trusts under the Will of  
Bert Aston, deceased  
Post Office Box 1090  
Roswell, NM 88202

Rogers Aston & The First National  
Bank in Dallas, Co-Trustee of the "C"  
Trusts under the Will of Bert Aston, dec.  
Post Office Box 1090  
Roswell, NM 88202

Lincoln Aston  
2939 Vallejo Street  
San Francisco, CA 94123

Rogers Aston  
Post Office Box 1090  
Roswell, NM 88202

Earl R. Bruno, Jr.  
Post Office Box 590  
Midland, TX 79702

Bulldog Energy Corporation  
Post Office Box 668  
Artesia, NM 88210

Canyon Investments, Inc.  
Post Office Box 1999  
Midland, TX 79702

Cheedle Caviness &  
Elizabeth Caviness  
7505 Dedrickson Avenue, NE  
Albuquerque, NM 87131

Ruth Caviness Hatch Charitable Tr.  
Sunwest Bank of Albuquerque, N.A.  
Post Office Box 26900  
Albuquerque, NM 87125-6900

Cerro Corporation aka  
Consolidated Coppermines Corp. C.  
a Delaware corporation  
c/o Eugene Nearburg  
3404 Stratford Ave.  
Dallas, TX 75205

The First National Bank of Artesia  
as Trustee for Jean Coleman under  
the Jean Coleman Trust  
303 West Main Street  
Artesia, NM 88210-2133

Jeannie H. Collins  
3500 D Enfield  
Austin, TX 78703

Conoco, Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West, Suite 100W  
Midland, TX 79705

Ben A. Copass, Jr.  
Post Office Box 1377  
Alpine, TX 79831

Cibola Energy Corporation  
Post Office Box 1668  
Albuquerque, NM 87103-1668

H.M. Drake  
Post Office Box 65204  
Lubbock, TX 79464

Louis Dreyfus Gas Holdings, Inc.  
14000 Quail Springs Parkway, #600  
Oklahoma City, OK 73134

EM Nominee Partnership Co.  
a Colorado general partnership  
Stanford Place III  
4582 South Ulster St. Pkw., Suite 1700  
Denver, CO 80237

Exxon Company USA  
Post Office Box 1600  
Midland, TX 79702

Fina Oil & Chemical Company  
Post Office Box 2990  
Midland, TX 79702

Walter Grandberry, Jr.  
4811 14th Street  
Lubbock, TX 79416

Judy B. Gurley Oil & Gas Account  
2005 Hemlock St.  
Borger, TX 79007

Hallwood Consolidated Partners, L.P. a  
Colorado limited Partnership, formerly  
(Quinoco Consolidated Partners, L.P.)  
4582 South Ulster St. Pkw., Suite 1700  
Denver, CO 80237

Regents of the University of NM,  
Carl A. Hatch Professorship of Law &  
Public Administration Fund  
227 Scholes Hall, University, NE  
Albuquerque, NM 87131

Carl F. Hatch  
1616 South Monroe  
San Angelo, TX 76901

Frank Hatch  
5011 F Street  
Sacramento, CA 95819

Ryan P. Hatch  
14140 Saddle River Drive  
Gaithersburg, MD 20878

Carla Leet-Assaf  
3224 Timmons Lane, #168  
Houston, TX 77027

Frederika A. Leet  
2 Briar Oak Drive  
Weston, CT 06883

Glen F. Leet, Jr.  
2 Briar Oak Drive  
Weston, CT 06883

Marianne Solt Lewis  
31 E. Jackson Rd.  
Artesia, NM 88210

Marathon Oil Company  
Post Office Box 552  
Midland, TX 79702

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

Robert A. Marshall  
Post Office Box 1422  
Midland, TX 79702

Mewbourne Oil Company  
500 West Texas Avenue  
Suite 1020  
Midland, TX 75111

Nations Bank of Dallas formerly  
Republic Bank Dallas, N.A.  
Trustee Under the 1/10/78 Trust Agr.  
for the Jim & Rose Miller Trust  
Post Office Box 830270  
Dallas, TX 75283-0270

Eugene Nearburg and  
Gretchen B. Nearburg  
c/o Nearburg Producing Co.  
3300 North A Street, Bldg. 8, #100  
Midland, TX 79705

Sharon A. Olsen, Trustee under  
Declaration of Trust Created by  
Sharon Aston Olsen dated 7/31/81  
Post Office Box 283  
South Laguna, CA 92677-0283

Oxy USA, Inc.  
Post Office Box 50250  
Midland, TX 79710

Victoria Hatch Pereira  
Rua Mauro D'Araujo Ribeiro 485  
Jaragua Cibade Abril  
05182 Sao Paula, S.P. Brasil

Petco, Inc.  
c/o Breck Operating Corporation  
Post Office Box 911  
Breckridge, TX 76024-0911

Read & Stevens, Inc.  
Post Office Box 1518  
Roswell, NM 88202

T. T. Sanders, Jr.  
Post Office Box 550  
Roswell, NM 88202

Carlsbad National Bank, Trustee of  
the Nelle Scheurich Trust  
1509 West Pierce Street  
Carlsbad, NM 88220-4021

Sharbro Oil Ltd., Co.  
a New Mexico Ltd. Liability Co.  
Post Office Box 840  
Artesia, NM 88210

Henry Shaw  
Post Office Box 2723  
Midland, TX 79702

Walter Solt and Bernice Solt  
c/o Marianne Solt Lewis  
31 E. Jackson Road  
Artesia, NM 88210

Southland Royalty Company  
c/o Meridian Oil, Inc.  
3300 N. A Street, Bldg. 6  
Midland, TX 79705

S. P. Yates  
c/o Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Sun Operating Ltd. Partnership  
a Delaware Corp.  
c/o Oryx Energy Company  
13155 Noel Road  
Dallas, TX 75240-5067

St. Clair Peyton Yates  
110 South Fourth Street  
Artesia, NM 88210

Harriet Hatch Trapani  
42 Nubbard Avenue  
Cambridge, MA 02140

Triple J & B Enterprises  
3922 Bach Blvd.  
Carrollton, TX 75005

Joe A. Warren Estate  
c/o Eugene E. Nearburg  
1608 Lakeway Blvd.  
Austin, TX 78734

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Harvey E. Yates Company  
Post Office Box 1933  
Roswell, NM 88201

Richard Martin Yates  
c/o Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

CAMPBELL, CARR & BERGE, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE

MICHAEL H. FELDEWERT  
TANNIS L. FOX  
TANYA M. TRUJILLO  
PAUL R. OWEN

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

December 21, 1995

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO AFFECTED INTEREST OWNERS:

Re: Application of ARCO Permian, a unit of Atlantic Richfield, for Compulsory Pooling and an Unorthodox Well Location, Eddy County, New Mexico

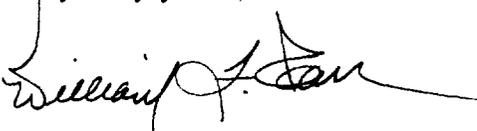
Gentlemen:

This letter is to advise you that ARCO Permian, a unit of Atlantic Richfield has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of all mineral interests in the E/2 of Section 32, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. ARCO proposes to dedicate the referenced pooled unit to its Dancer 32 State Com #1 Well to be drilled to the Morrow formation at an unorthodox location 1728 feet from the North line and 916 feet from the East line of said Section 32.

This application has been set for hearing before a Division Examiner on January 11, 1996. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ARCO PERMIAN, A UNIT OF ATLANTIC RICHFIELD

WFC:mlh

Enc.

P 326 931 835

US Postal Service  
**Receipt for Certified Mail**  
Fina Oil and Chemical Company  
Attn: Ms. Kitty Chalfant  
Post Office Box 299  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3811, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Fina Oil and Chemical Company  
Attn: Ms. Kitty Chalfant  
Post Office Box 299  
Midland, TX 79702

4a. Article Number

P 326 931 835

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

7. Date of Delivery

DEC 21 1995

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery  
Consult postmaster for fee.

3. Article Addressed to:

Sharbro Oil Ltd. Co.  
a New Mexico Ltd. Liability Co.  
Box 840  
Artesia, NM 88210

4a. Article Number

9326931845

4b. Service Type

- Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

12-22-85

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

*Patricia Boyle*

6. Signature Agent

*Patricia Boyle*

PS Form 3817, December 1991

\*U.S. GPO: 1983-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 326 931 845

US Postal Service

Receipt for Certified Mail  
Sharbro Oil Ltd. Co.  
a New Mexico Ltd. Liability Co.  
Box 840  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 22 1985

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Yates Energy Corporation  
 Box 2323  
 Roswell, NM 88201

4a. Article Number  
**P326931855**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery  
**DEC 21 1995**

8. Addressee's Address (Only if requested and fee is paid)  
**88201**

5. Received By: (Print Name)

X *[Signature]*

6. Signature (Addressee or Agent)

PS Form 3811, December 1994  
 Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 855

US Postal Service  
**Receipt for Certified Mail**

Yates Energy Corporation  
 Box 2323  
 Roswell, NM 88201

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3800, April 1995

P 326 931 836

US Postal Service

Receipt for Certified Mail

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

5. Received By: (Print Name)

RAYOS

6. Signature: (Addressee or Agent)

[Signature]

PS Form 3811, December 1994

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

4a. Article Number

P326931836

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

7. Date of Delivery

12-22-95

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

Domestic Return Receipt

P 326 931 846

US Postal Service  
**Receipt for Certified Mail**

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 27 1995

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

5. Received By: (Print Name)  
*YATES*

6. Signature: (Addressee or Agent)  
*X [Signature]*

PS Form 3811, December 1994

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

3. Article Addressed to:
- Complete items 1 and/or 2 for additional services.
  - Complete items 3, 4a, and 4b.
  - Print your name and address on the reverse of this form so that we can return this card to you.
  - Attach this form to the front of the mailpiece, or on the back if space does not permit.
  - Write "Return Receipt Requested" on the mailpiece below the article number.
  - The Return Receipt will show to whom the article was delivered and the date delivered.

4a. Article Number  
**P326931846**

4b. Service Type  
 Registered  
 Express Mail  
 Return Receipt for Merchandise  
 COD  
 Certified  
 Insured

7. Date of Delivery  
**DEC 27 1995**

8. Addressee's Address (Only if requested and fee is paid)

**SENDER:**

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Louis Dreyfus Gas Holdings, Inc.  
 14000 Quail Springs Parkway  
 Suite 600  
 Oklahoma City, OK 73134  
 Attn: Ms Carol Myers

4a. Article Number

P326931856

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

7. Date of Delivery

12/26/95

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

*Carol Myers*

PS Form 3811, December 1994

P 326 931 856  
 US Postal Service  
**Receipt for Certified Mail**  
 Louis Dreyfus Gas Holdings, Inc.  
 14000 Quail Springs Parkway  
 Suite 600  
 Oklahoma City, OK 73134  
 Attn: Ms Carol Myers

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.

St. Clair Peyton Yates, Jr., and  
 A. J. Losee, Trustees of the S.P.  
 and Estelle H. Yates 1976 Trust for  
 Jennifer Shannon Yates, The S.P.  
 and Estelle H. Yates 1976 Trust for  
 Mary Beth Yates and The S.P. and  
 Estelle H. Yates 1976 Trust for  
 Peyton William Yates Davis  
 110 South Fourth Street  
 Artesia, NM 88210

I also wish to receive the following services (for an extra fee):  
 1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

4a. Article Number  
**P326931898**

4b. Service Type  
 Registered  
 Express Mail  
 Return Receipt for Merchandise  
 COD  
 Certified  
 Insured

7. Date of Delivery  
**DEC 27 1995**

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)  
 X *Jennifer Yates*

PS Form **3811**, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 898

US Postal Service  
 St. Clair Peyton Yates, Jr., and  
 A. J. Losee, Trustees of the S.P.  
 and Estelle H. Yates 1976 Trust for  
 Jennifer Shannon Yates, The S.P.  
 and Estelle H. Yates 1976 Trust for  
 Mary Beth Yates and The S.P. and  
 Estelle H. Yates 1976 Trust for  
 Peyton William Yates Davis  
 110 South Fourth Street  
 Artesia, NM 88210

Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	<b>DEC 27 1995</b>

PS Form **3800**, April 1995

P 326 931 837

US Postal Service

Receipt for Certified Mail

Conoco Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West  
Midland, TX 79705

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Conoco Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West  
Midland, TX 79705

4a. Article Number

P326931837

4b. Service Type

Registered

Express Mail

Return Receipt for Merchandise  COD

7. Date of Delivery

DEC 21 1995

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Cibola Energy Corporation  
Post Office Box 1668  
Albuquerque, NM 87103-1668

4a. Article Number

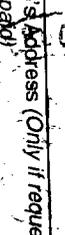
P326931847

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)



Thank you for using Return Receipt Service.

5. Received By: (Print Name)

6. Signature of Addressee or Agent

PS Form 3817, December 1994

Domestic Return Receipt

P 326 931 847

US Postal Service  
Receipt for Certified Mail

Cibola Energy Corporation  
Post Office Box 1668  
Albuquerque, NM 87103-1668

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

St. Clair Peyton Yates, Jr.  
110 South Fourth Street  
Artesia, NM 88210

4a. Article Number

**P326931857**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

**DEC 27 1995**

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

**X** *Shirley Holst*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 857

US Postal Service

Receipt for Certified Mail

St. Clair Peyton Yates, Jr.  
110 South Fourth Street  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3800, April 1995

P 326 931 838

US Postal Service  
Receipt for Certified Mail

Richard Martin Yates  
105 South Fourth Street  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Richard Martin Yates  
105 South Fourth Street  
Artesia, NM 88210

4a. Article Number

P326 931 838

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

12-22-95

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

5. Received By: (Print Name)

R. YATES

6. Signature (Addressing or Agent)

*[Signature]*

PS Form 3811, December 1994

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Harvey E. Yates Company  
Box 1933  
Roswell, NM 88201

4a. Article Number

P326921 848

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-27-95

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 921 848

US Postal Service

**Receipt for Certified Mail**

Harvey E. Yates Company  
Box 1933  
Roswell, NM 88201

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
1.  Addressee's Address
  2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Marathon Oil Company  
 Attn: Mr. Randal Wilson  
 Post Office Box 552  
 Midland, TX 79702-0552

4a. Article Number

P326931858

4b. Service Type

- Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery

DEC 26 1995

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 858

US Postal Service

**Receipt for Certified Mail**

Marathon Oil Company  
 Attn: Mr. Randal Wilson  
 Post Office Box 552  
 Midland, TX 79702-0552

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

P 326 931 839

US Postal Service

Receipt for Certified Mail

S. P. Yates  
105 South Fourth Street  
Artesia, NM 88210

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

S. P. Yates  
105 South Fourth Street  
Artesia, NM 88210

4a. Article Number

P326931839

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 27 1995 DEC 27 1995

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

S. P. Yates

6. Signature: (Addressee or Agent)

X [Signature]

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 849

US Postal Service  
**Receipt for Certified Mail**

Sunwest Bank of Albuquerque, N.A.  
Agent for the Aston Partnership  
Post Office Box 26900  
Albuquerque, NM 87125-6900

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3811 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Sunwest Bank of Albuquerque, N.A.  
Agent for the Aston Partnership  
Post Office Box 26900  
Albuquerque, NM 87125-6900

4a. Article Number  
**P326931849**

4b. Service Type

Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery  
**DEC 28**

5. Received By: (Print Name)  
**X**

6. Signature: (Addressee or Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Rogers Aston & The First National Bank in Dallas, Co-Trustee of the "C" Trusts under the Will of Bert Aston, dec. Post Office Box 1090 Roswell, NM 88202

4a. Article Number

**P326931899**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

*[Handwritten Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 899

US Postal Service

**Receipt for Certified Mail**

Rogers Aston & The First National Bank in Dallas, Co-Trustee of the "C" Trusts under the Will of Bert Aston, dec. Post Office Box 1090 Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Rogers Aston & The First National  
Bank in Dallas, Co-Trustee of the "C"  
Trusts under the Will of  
Bert Aston, deceased  
Post Office Box 1090  
Roswell, NM 88202

4a. Article Number

P536931897

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 897

Rogers Aston & The First National  
Bank in Dallas, Co-Trustee of the "C"  
Trusts under the Will of  
Bert Aston, deceased  
Post Office Box 1090  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

P 326 931 859

US Postal Service

**Receipt for Certified Mail**

Lincoln Aston  
2939 Vallejo Street  
San Francisco, CA 94123

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	
<b>DEC 21 1995</b>	

P 326 931 840

US Postal Service

**Receipt for Certified Mail**

Rogers Aston  
Post Office Box 1090  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Rogers Aston  
Post Office Box 1090  
Roswell, NM 88202

4a. Article Number

P326931840

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

5. Received By: (Print Name)

X *[Signature]*

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

7. Restricted Delivery

Domestic Return Receipt

8. Addressee's Address (Only if requested and fee is 1995)

9901

Thank you for using Return Receipt Service.

P 326 931 850

US Postal Service

# Receipt for Certified Mail

Earl R. Bruno, Jr.  
Post Office Box 590  
Midland, TX 79702

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1994

Is your RETURN ADDRESS completed on the reverse side?

### SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Earl R. Bruno, Jr.  
Post Office Box 590  
Midland, TX 79702

4a. Article Number

P326 931 850

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-28-94

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

PS Form 3811, December 1994

Thank you for using Return Receipt Service.

P 326 931 860

US Postal Service

### Receipt for Certified Mail

Bulldog Energy Corporation  
Post Office Box 668  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

5. Received By: (Print Name)  
*J.C.*

6. Signature: (Addressee or Agent)  
*X [Signature]*

PS Form 3811, December 1994

Bulldog Energy Corporation  
Post Office Box 668  
Artesia, NM 88210

3. Article Addressed to:

- SENDER:**
- Complete items 1 and/or 2 for additional services.
  - Complete items 3, 4a, and 4b.
  - Print your name and address on the reverse of this form so that we can return this card to you.
  - Attach this form to the front of the mailpiece, or on the back if space does not permit.
  - Write "Return Receipt Requested" on the mailpiece below the article number.
  - The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery  
 Consult postmaster for fee.

4a. Article Number

*P386 931 860*

4b. Service Type

- Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery

*12-27-95*

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Canyon Investments, Inc.  
Post Office Box 1999  
Midland, TX 79702

4a. Article Number

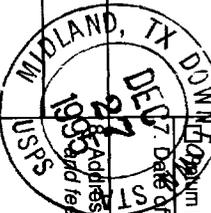
P326931841

4b. Service Type

- Registered
- Express Mail
- Insured
- COD

5. Received By: (Print Name)

X *John Scott Nelson*



6. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 841

US Postal Service

**Receipt for Certified Mail**

Canyon Investments, Inc.  
Post Office Box 1999  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

P 326 931 851

US Postal Service

### Receipt for Certified Mail

Cheedle Caviness &  
Elizabeth Caviness  
7505 Dedrickson Avenue, NE  
Albuquerque, NM 87131

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

Is your RETURN ADDRESS completed on the reverse side?

#### SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

#### 3. Article Addressed to:

Cheedle Caviness &  
Elizabeth Caviness  
7505 Dedrickson Avenue, NE  
Albuquerque, NM 87131

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

#### 4a. Article Number

P326 931 851

#### 4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

#### 7. Date of Delivery

12/23

#### 8. Addressee's Address (Only if requested and fee is paid)

Signature: (Addressee or Agent)

X [Signature]

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

CAMPBELL, CARL & BERGE, P.A.  
LAWYERS  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208

P 326 931 861

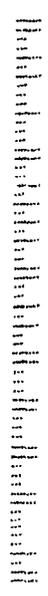
**CERTIFIED**

**MAIL**

*Return of address to BHT to terminate  
your title insurance policy per  
no longer in service of your  
nation of your*

Ruth Caviness Hatch Charitable Tr.  
Sunwest Bank of Albuquerque, N.A.  
Post Office Box 26900  
Albuquerque, NM 87125-6900

87125-6900



P 326 931 861

US Postal Service  
**Receipt for Certified Mail**

Ruth Caviness Hatch Charitable Tr.  
Sunwest Bank of Albuquerque, N.A.  
Post Office Box 26900  
Albuquerque, NM 87125-6900

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

April 1995  
3800  
104

P 326 931 900

US Postal Service  
**Receipt for Certified Mail**  
Cerro Corporation aka  
Consolidated Coppermines Corp. C.  
a Delaware corporation  
c/o Eugene Nearburg  
3404 Stratford Ave.  
Dallas, TX 75205

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

The First National Bank of Artesia  
 Trustee for Jean Coleman under  
 The Jean Coleman Trust  
 303 West Main Street  
 Artesia, NM 88210-2133

4a. Article Number

P326931912

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-26-95

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

*X 1102 P. Ramirez*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 912

US Postal Service

**Receipt for Certified Mail**

The First National Bank of Artesia  
 as Trustee for Jean Coleman under  
 the Jean Coleman Trust  
 303 West Main Street  
 Artesia, NM 88210-2133

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Conoco, Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West, Suite 100W  
Midland, TX 79705

4a. Article Number

**P326 931 852**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

**12-27**

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

**X** *[Handwritten Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 852

US Postal Service  
Receipt for Certified Mail

Conoco, Inc.  
Attn: Mr. Warren Richardson  
10 Desta Drive West, Suite 100W  
Midland, TX 79705

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3800, April 1995

CAMPBELL, CARR & BERGE, P.A.

LAWYERS  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208

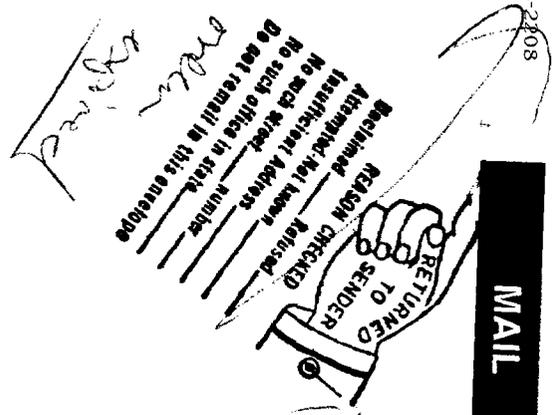
**CERTIFIED**

P 326 931 842

**MAIL**



NAME \_\_\_\_\_  
1st Notice 1-2 \_\_\_\_\_  
2nd Notice \_\_\_\_\_  
Return \_\_\_\_\_



Reason checked  
Addressed  
Insufficiently addressed  
No such office in state  
Do not remail in this envelope

Jeannie H. Collins  
3500 D Enfield  
Austin, TX 78703



P 326 931 842

US Postal Service  
**Receipt for Certified Mail**

Jeannie H. Collins  
3500 D Enfield  
Austin, TX 78703

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

NAME \_\_\_\_\_  
 1st Notice 12/25  
 2nd Notice \_\_\_\_\_  
 Return \_\_\_\_\_

P 326 931 862

US Postal Service  
**Receipt for Certified Mail**

Ben A. Copass, Jr.  
 Post Office Box 1377  
 Alpine, TX 79831

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

Ben A. Copass, Jr.  
 Post Office Box 1377  
 Alpine, TX 79831

FORWARDING  
 ORDER  
 EXPIRED

**MAIL**

CAMPBELL, CARR & HENGE, P.A.  
 LAWYERS  
 POST OFFICE BOX 2208  
 SANTA FE, NEW MEXICO 87504-2208

P 326 931 862

**CERTIFIED**



Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Cibola Energy Corporation  
 Post Office Box 1668  
 Albuquerque, NM 87103-1668

4a. Article Number

P326931843

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 843

US Postal Service  
**Receipt for Certified Mail**

Cibola Energy Corporation  
 Post Office Box 1668  
 Albuquerque, NM 87103-1668

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

CAMPBELL, CARR & BERGET, P.A.

LAWYERS

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

CERTIFIED

P 326 931 853

MAIL



79464-5204

H.M. Drake  
Post Office Box 65204  
Lubbock, TX 79464

FOE

NAME \_\_\_\_\_  
1st Notice 12/30  
2nd Notice \_\_\_\_\_  
Return \_\_\_\_\_

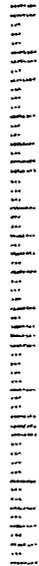
P 326 931 853

US Postal Service  
Receipt for Certified Mail

H.M. Drake  
Post Office Box 65204  
Lubbock, TX 79464

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995



Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Louis Dreyfus Gas Holdings, Inc.  
14000 Quail Springs Parkway, #600  
Oklahoma City, OK 73134

4a. Article Number

P326 931 863

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-26-95

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: Addressee or Agent

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 863

US Postal Service

**Receipt for Certified Mail**

Louis Dreyfus Gas Holdings, Inc.  
14000 Quail Springs Parkway, #600  
Oklahoma City, OK 73134

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

- I also wish to receive the following services (for an extra fee):
1.  Addressee's Address
  2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

EM Nominee Partnership Co.  
 a Colorado general partnership  
 Stanford Place III  
 4582 South Ulster St. Pkw., Suite 1700  
 Denver, CO 80237

4a. Article Number

**3326931914**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD
- Certified

7. Date of Delivery

**DEC 16 1995**

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

**X**

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 914

US Postal Service  
**Receipt for Certified Mail**  
 EM Nominee Partnership Co.  
 a Colorado general partnership  
 Stanford Place III  
 4582 South Ulster St. Pkw., Suite 1700  
 Denver, CO 80237

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	<b>DEC 16 1995</b>

PS Form 3800 April 1995

P 326 981 844

US Postal Service  
**Receipt for Certified Mail**

Exxon Company USA  
Post Office Box 1600  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Exxon Company USA  
Post Office Box 1600  
Midland, TX 79702

4a. Article Number

326981844

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Insured

7. Date of Delivery

12/27/95

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 854

US Postal Service  
Receipt for Certified Mail

Fina Oil & Chemical Company  
Post Office Box 2990  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3841 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the PM following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery

Consult postmaster for fee.

01 JAN

3. Article Addressed to:

Fina Oil & Chemical Company  
Post Office Box 2990  
Midland, TX 79702

4a. Article Number

P326 931 854

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 21 1995

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X [Signature]

PS Form 3841, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.



Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:  
 Walter Grandberry, Jr.  
 4811 14th Street  
 Lubbock, TX 79416

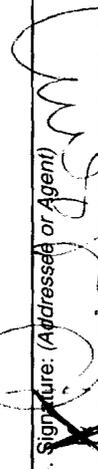
4a. Article Number  
**P396931864**

4b. Service Type  
 Registered       Certified  
 Express Mail       Insured  
 Return Receipt for Merchandise       COD

7. Date of Delivery  
**12-23-95**

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)  


**Domestic Return Receipt**

PS Form 3811, December 1994

Thank you for using Return Receipt Service.

US Postal Service  
 Receipt for Certified Mail  
 (Information Provided)

P 325 931 864

Walter Grandberry, Jr.  
 4811 14th Street  
 Lubbock, TX 79416

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (Showing to Whom & Date Delivered)	
Return Receipt (Showing to Whom & Addressee's Address)	
TOTAL Postage & Fees	\$
Postmark of Date	DEC 21 1995

PS Form 3800 April 1993

P 326 931 865

US Postal Service  
Receipt for Certified Mail

Judy B. Gurley Oil & Gas Account  
2005 Hemlock St.  
Borger, TX 79007

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Judy B. Gurley Oil & Gas Account  
2005 Hemlock St.  
Borger, TX 79007

4a. Article Number

P326 931 865

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

Certified

Insured

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address
2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Hallwood Consolidated Partners, L.P. a  
Colorado limited Partnership, formerly  
(Quinoco Consolidated Partners, L.P.)  
4582 South Ulster St. Pkw., Suite 1700  
Denver, CO 80237

4a. Article Number

**P326931916**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery **DEC 27 1995**

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

**X** *[Signature]*

PS Form **3811**, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 916

US Postal Service  
**Receipt for Certified Mail**

Hallwood Consolidated Partners, L.P. a  
Colorado limited Partnership, formerly  
(Quinoco Consolidated Partners, L.P.)  
4582 South Ulster St. Pkw., Suite 1700  
Denver, CO 80237

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	<b>DEC 21 1995</b>

PS Form **3800** April 1995

P 326 931 913

US Postal Service

**Receipt for Certified Mail**

Regents of the University of NM, Carl  
A. Hatch Professorship of Law &  
Public Administration Fund  
227 Scholes Hall, University, NE  
Albuquerque, NM 87131

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

**3. Article Addressed to:**

Regents of the University of NM, Carl  
A. Hatch Professorship of Law &  
Public Administration Fund  
227 Scholes Hall, University, NE  
Albuquerque, NM 87131

**5. Received By: (Print Name)**

**X** Carl A. Hatch

**Signature: (Addressee or Agent)**

Is your RETURN ADDRESS completed on the reverse side?

**4a. Article Number**

**P326931913**

**4b. Service Type**

- Registered
- Express Mail
- Return Receipt Merchandise
- COD

**7. Date of Delivery**

DEC 21 1995

**8. Addressee's Address (Only if requested and fee is paid)**

Regents of the University of NM, Carl  
A. Hatch Professorship of Law &  
Public Administration Fund  
227 Scholes Hall, University, NE  
Albuquerque, NM 87131

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

**4a. Article Number**

**P326931913**

**4b. Service Type**

- Registered
- Express Mail
- Return Receipt Merchandise
- COD

**7. Date of Delivery**

DEC 21 1995

**8. Addressee's Address (Only if requested and fee is paid)**

Regents of the University of NM, Carl  
A. Hatch Professorship of Law &  
Public Administration Fund  
227 Scholes Hall, University, NE  
Albuquerque, NM 87131

Thank you for using Return Receipt Service.

Domestic Return Receipt

PS Form 3811, December 1994

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a, & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Carl F. Hatch  
1616 South Monroe  
San Angelo, TX 76901

4a. Article Number

**P326931875**

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery

**12/28/95**

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)  
*Carl F. Hatch*

6. Signature (Agent)

PS Form 3811, December 1991

\*U.S. GPO: 1993-352-714

**DOMESTIC RETURN RECEIPT**

P 326 931 875

US Postal Service  
**Receipt for Certified Mail**

Carl F. Hatch  
1616 South Monroe  
San Angelo, TX 76901

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3800 April 1995

Thank you for using Return Receipt Service.

NAME \_\_\_\_\_  
 1st Notice 1-2  
 2nd Notice \_\_\_\_\_  
 Return \_\_\_\_\_

CAMPBELL, CAROL & BERGEL, P.A.  
 LAWYERS  
 POST OFFICE BOX 2208  
 SANTA FE, NEW MEXICO 87504-2208

P 326 931 885

**CERTIFIED**

**MAIL**

P 326 931 885

US Postal Service  
**Receipt for Certified Mail**

Frank Hatch  
 5011 F Street  
 Sacramento, CA 95819

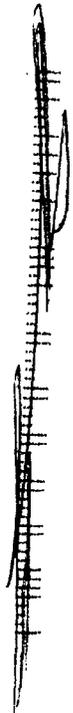
95819-5111 55

Frank Hatch  
 5011 F Street  
 Sacramento, CA 95819

1905-T  
 VACANT

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995



Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Ryan P. Hatch  
14140 Saddle River Drive  
Gaithersburg, MD 20878

4a. Article Number

P3816921866

4b. Service Type

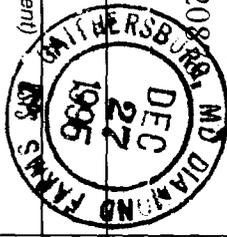
- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12/27/95

8. Addressee's Address (Only if requested and fee is paid)

5. Received By (Print Name)  
6. Signature (Addressee or Agent)



PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 866

US Postal Service  
**Receipt for Certified Mail**

Ryan P. Hatch  
14140 Saddle River Drive  
Gaithersburg, MD 20878

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

CAMPBELL, CARP & BERGE, P.A.  
LAWYERS

POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208

P 326 931 876

**CERTIFIED**

**MAIL**

ALBUQUERQUE, NM 87101  
PM  
21 DEC  
1995



UNDELIVERABLE AS ADDRESSED.  
FORWARDING ORDER EXPIRES

UNDELIVERABLE AS ADDRESSED.  
FORWARDING ORDER EXPIRES

Carla Leet-Assaf  
3224 Timmons Lane, #168  
Houston, TX 77027

P 326 931 876

US Postal Service  
Receipt for Certified Mail

Carla Leet-Assaf  
3224 Timmons Lane, #168  
Houston, TX 77027

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom (Date & Addressee's Address)	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

NAME \_\_\_\_\_  
 1st office 1-2  
 2nd office \_\_\_\_\_  
 Return to \_\_\_\_\_

CAMPBELL, CARR & PERCE, P.A.  
 LAWYERS  
 POST OFFICE BOX 2208  
 SANTA FE, NEW MEXICO 87504-2208

P 326 931 886  
 US Postal Service  
 Receipt for Certified Mail

Frederika A. Leet  
 2 Briar Oak Drive  
 Weston, CT 06883

**CERTIFIED**

**MAIL**

P 326 931 886

TO: Frederika A. Leet  
 2 Briar Oak Drive  
 Weston, CT 06883

NO POSTAGE  
 NECESSARY  
 IF MAILED  
 IN THE  
 UNITED STATES

NO POSTAGE  
 NECESSARY  
 IF MAILED  
 IN THE  
 UNITED STATES

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

NAME \_\_\_\_\_  
 1st Notice 1-2  
 2nd Notice \_\_\_\_\_  
 Return \_\_\_\_\_

CAMPBELL, CARR & BERCE, P.A.  
 LAWYERS  
 POST OFFICE BOX 2208  
 SANTA FE, NEW MEXICO 87504-2208

P 326 931 867

US Postal Service  
**Receipt for Certified Mail**

Glen F. Leet, Jr.  
 2 Briar Oak Drive  
 Weston, CT 06883

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom (Date & Addressee's Address)	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	

Return \$8.00 April 1995

DEC 21 1995

RECEIVED  
 DECEMBER 21 1995  
 WESTON, CT  
 GLEN F. LEET, JR.  
 2 BRIAR OAK DRIVE  
 WESTON, CT 06883

MAIL

P 326 931 867

CERTIFIED



*FLC*



Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Marianne Solt Lewis  
31 E. Jackson Rd.  
Artesia, NM 88210

4a. Article Number

PS26 931 877

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery

12-23-95 CP

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 \*U.S. GPO: 1993-352-714

**DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

P 326 931 877

US Postal Service  
Receipt for Certified Mail

Marianne Solt Lewis  
31 E. Jackson Rd.  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Marathon Oil Company  
 Post Office Box 552  
 Midland, TX 79702

4a. Article Number

P326931887

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 21 1995

8. Addressee's Address (Only if requested and fee is paid)

and fee is paid)

and fee is paid)

Thank you for using Return Receipt Service.

5. Received By: (Print Name)

6. Signature: (Address of Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

P 326 931 887

US Postal Service  
 Receipt for Certified Mail

Marathon Oil Company  
 Post Office Box 552  
 Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back, if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

4a. Article Number

P326931868

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 21 1995

8. Addressee's Address (Only if requested and fee is paid)

DEC 21 1995

5. Received By: (Print Name)

XO STELES

6. Signature: (Addressee or Agent)

XO STELES

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 868

US Postal Service

**Receipt for Certified Mail**

Marico Exploration, Inc.  
207 South Fourth Street  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Robert A. Marshall  
Post Office Box 1422  
Midland, TX 79702

4a. Article Number

P326931878

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-28-95

8. Addressee's Address (Only if requested and fee is paid)

12-28-95

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 878

US Postal Service

**Receipt for Certified Mail**

Robert A. Marshall  
Post Office Box 1422  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mewbourne Oil Company  
 500 West Texas Avenue  
 Suite 1020  
 Midland, TX 75111

4a. Article Number

P326931888

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-26-95

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 888

US Postal Service  
**Receipt for Certified Mail**  
 Mewbourne Oil Company  
 500 West Texas Avenue  
 Suite 1020  
 Midland, TX 75111

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 27 1995

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

9. Article Addressed to:  
 Nations Bank of Dallas formerly  
 Republic Bank Dallas, N.A.  
 Trustee Under the 1/10/78 Trust Agr.  
 for the Jim & Rose Miller Trust  
 Post Office Box 830270  
 Dallas, TX 75283-0270

4a. Article Number  
**9326931915**

4b. Service Type  
 Registered  
 Express Mail  
 Return Receipt for Merchandise  
 Insured  
 Certified  
 COD

7. Date of Delivery  
**DEC 26 1995**

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)  
**X CHRIS JETER**

PS Form 3811, December 1994

Domestic Return Receipt

P 326 931 915

US Postal Service  
**Receipt for Certified Mail**  
 Nations Bank of Dallas formerly  
 Republic Bank Dallas, N.A.  
 Trustee Under the 1/10/78 Trust Agr.  
 for the Jim & Rose Miller Trust  
 Post Office Box 830270  
 Dallas, TX 75283-0270

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

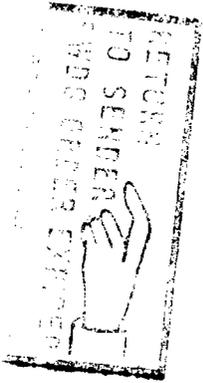
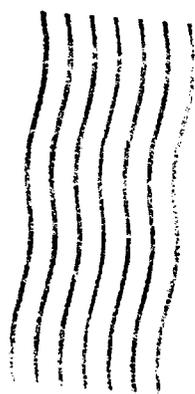
CAMPBELL, CARR & BERGEL, P.A.  
LAWYERS

POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208

**CERTIFIED**

P 326 931 879

**MAIL**



92677-0283

Sharon A. Olsen, Trustee under  
Declaration of Trust Created by  
Sharon Aston Olsen dated 7/31/81  
Post Office Box 283  
South Laguna, CA 92677-0283

*FCB*  
*g m*  
*ES*

*1-8*

P 326 931 879

US Postal Service  
**Receipt for Certified Mail**

Sharon A. Olsen, Trustee under  
Declaration of Trust Created by  
Sharon Aston Olsen dated 7/31/81  
Post Office Box 283  
South Laguna, CA 92677-0283

Postage	\$
Certification Fee	
Insurance (Optional)	
Registration Fee (Optional)	
Return Receipt (Optional)	
Signature Confirmation (Optional)	
Postage and Fees	\$
Breakdown of Fees	
<b>DEC 21 1995</b>	

P 326 931 889

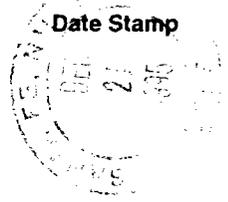
US Postal Service  
**Receipt for Certified Mail**

Oxy USA, Inc.  
Post Office Box 50250  
Midland, TX 79710

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

Registered No. R 381026384



To Be Completed By Post Office	Reg. Fee \$ <u>4.85</u>	Special Delivery \$
	Handling Charge \$	Return Receipt \$
	Postage \$ <u>1.00</u>	Restricted Delivery \$
	Received by <u>[Signature]</u>	

Domestic Insurance Is Limited To \$25,000; International Indemnity Is Limited (See Reverse)

To Be Completed By Customer (Please Print) All Entries Must Be in Ballpoint or Typed

Customer Must Declare Full Value \$  With Postal Insurance  Without Postal Insurance

FROM	Campbell, Carr & Berge, P.A.
	Post Office Box 2208
	Santa Fe, NM 87504-2208
TO	Victoria Hatch Pereira
	Rua Mauro D'Araujo Ribeiro 485
	Jaraguá Cibade Abril
	05182 Sao Paula, S.P. Brasil

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

<p>3. Article Addressed to:</p> <p>Petco, Inc. c/o Breck Operating Corporation Post Office Box 911 Breckridge, TX 76024-0911</p>	<p>4a. Article Number <b>P326931870</b></p> <p>4b. Service Type  <input type="checkbox"/> Registered  <input type="checkbox"/> Express Mail  <input type="checkbox"/> Return Receipt for Merchandise  <input checked="" type="checkbox"/> Certified  <input type="checkbox"/> Insured  <input type="checkbox"/> COD</p>
<p>5. Received By: (Print Name)</p> <p><i>[Signature]</i></p>	<p>7. Date of Delivery <b>DEC 21 1995</b></p>
<p>6. Signature: (Addressee or Agent)</p> <p><b>X</b> <i>[Signature]</i></p>	<p>8. Addressee's Address (Only if requested and fee is paid)</p>

Domestic Return Receipt

PS Form 3811, December 1994

P 326 931 870

US Postal Service  
**Receipt for Certified Mail**

Petco, Inc.  
c/o Breck Operating Corporation  
Post Office Box 911  
Breckridge, TX 76024-0911

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	<b>DEC 21 1995</b>

PS Form 3811, April 1995

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Read & Stevens, Inc.  
Post Office Box 1518  
Roswell, NM 88202

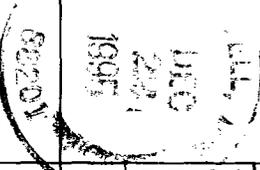
4a. Article Number

P326931880

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery



5. Received By: (Print Name)

X *Blaine Williams*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 880

US Postal Service

**Receipt for Certified Mail**

Read & Stevens, Inc.  
Post Office Box 1518  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

T. T. Sanders, Jr.  
Post Office Box 550  
Roswell, NM 88202

4a. Article Number

3326931890

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

12-27-95

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature (Addressee, or Agent)

*T. T. Sanders, Jr.*

PS Form 3811, December 1994

Domestic Return Receipt

P 326 931 890

US Postal Service

**Receipt for Certified Mail**

T. T. Sanders, Jr.  
Post Office Box 550  
Roswell, NM 88202

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Carlsbad National Bank, Trustee of  
the Nelle Scheurich Trust  
1509 West Pierce Street  
Carlsbad, NM 88220-4021

4a. Article Number

P326931871

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 27 1995

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)  
Nelle Scheurich Trust

6. Signature (Addressee or Agent)  
*[Handwritten Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 871

US Postal Service

**Receipt for Certified Mail**

Carlsbad National Bank, Trustee of  
the Nelle Scheurich Trust  
1509 West Pierce Street  
Carlsbad, NM 88220-4021

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3811 April 1995

P 326 931 881

US Postal Service

Receipt for Certified Mail

Sharbro Oil Ltd., Co.  
a New Mexico Ltd. Liability Co.  
Post Office Box 840  
Artesia, NM 88210

PS Form 3800 April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Sharbro Oil Ltd., Co.  
a New Mexico Ltd. Liability Co.  
Post Office Box 840  
Artesia, NM 88210

5. Received By: (Print Name)

ATHELI BAUSE

6. Signature: (Addressee or Agent)

ATHELI BAUSE

PS Form 3811, December 1994

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

4a. Article Number

P326931881

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Certified
- Insured
- COD

7. Date of Delivery

12-22-95

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

Domestic Return Receipt

P 326 931 891

US Postal Service  
**Receipt for Certified Mail**

Henry Shaw  
Post Office Box 2723  
Midland, TX 79702

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	APR 1 1995

PS Form 3800, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back, if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Henry Shaw  
Post Office Box 2723  
Midland, TX 79702

5. Received By: (Print Name)

6. Signature: (Address of Agent)  
*H. Shaw*

PS Form 3811, December 1994

4a. Article Number  
**0326931891**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD

Certified

Insured

7. Date of Delivery  
**APR 1 1995**

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address

2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Walter Solt and Bernice Solt  
 c/o Marianne Solt Lewis  
 31 E. Jackson Road  
 Artesia, NM 88210

4a. Article Number

**D326931872**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Certified
- Insured
- COD

7. Date of Delivery

**12/23/95**

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

**X**

PS Form **3811**, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 872

US Postal Service

**Receipt for Certified Mail**

Walter Solt and Bernice Solt  
 c/o Marianne Solt Lewis  
 31 E. Jackson Road  
 Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	<b>DEC 21 1995</b>

PS Form **3800**, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Southland Royalty Company  
 c/o Meridian Oil, Inc.  
 3300 N. A Street, Bldg. 6  
 Midland, TX 79705

4a. Article Number

P32A6931 882

4b. Service Type

- Registered
- Express Mail
- Certified
- Return Receipt for Merchandise
- Insured
- COD

7. Date of Delivery

12-27

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

*[Handwritten Signature]*

PS Form 3811, December 1994

P 326 931 882

US Postal Service  
**Receipt for Certified Mail**

Southland Royalty Company  
 c/o Meridian Oil, Inc.  
 3300 N. A Street, Bldg. 6  
 Midland, TX 79705

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3811 April 1995

Thank you for using Return Receipt Service.

P 326 931 892

US Postal Service

Receipt for Certified Mail

Sun Operating Ltd. Partnership  
a Delaware Corp.  
c/o Oryx Energy Company  
13155 Noel Road  
Dallas, TX 75240-5067

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

April 1995 Form 3800 PS

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Sun Operating Ltd. Partnership  
a Delaware Corp.  
c/o Oryx Energy Company  
13155 Noel Road  
Dallas, TX 75240-5067

4a. Article Number

P326 931 892

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12/27

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X *[Signature]*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

NAME \_\_\_\_\_  
 1st Notice 7-2  
 2nd Notice \_\_\_\_\_  
 Return \_\_\_\_\_

P 326 931 873

US Postal Service  
**Receipt for Certified Mail**

Harriet Hatch Trapani  
 42 Nubbard Avenue  
 Cambridge, MA 02140

**CAMPBELL, CARR & BERGE, P.A.**  
 LAWYERS  
 POST OFFICE BOX 2208  
 SANTA FE, NEW MEXICO 87504-2208

P 326 931 873

**MAIL**

**CERTIFIED**

*For 4011*

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 21 1995



~~Harriet Hatch Trapani  
 42 Nubbard Avenue  
 Cambridge, MA 02140~~

**RETURNED TO SENDER**  
 UNDELIVERED  
 ADDRESSEE NOT KNOWN  
 NO SUCH ADDRESS  
 DO NOT RE-MAIL  
 number \_\_\_\_\_  
 state \_\_\_\_\_  
 zip \_\_\_\_\_



*For*

P 326 931 883

US Postal Service

**Receipt for Certified Mail**

Triple J & B Enterprises  
3922 Bach Blvd.  
Carrollton, TX 75005

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date <b>DEC 21 1995</b>	

PS Form 3800 April 1995

P 326 931 893

US Postal Service

Receipt for Certified Mail

Joe A. Warren Estate  
c/o Eugene E. Nearburg  
1608 Lakeway Blvd.  
Austin, TX 78734

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	DEC 21 1995

PS Form 3800 April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

4a. Article Number  
**PS26931 893**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

3. Article Addressed to:  
Joe A. Warren Estate  
c/o Eugene E. Nearburg  
1608 Lakeway Blvd.  
Austin, TX 78734

5. Received By: (Print Name)

6. Signature, Address of Agent  
*Eugene E. Nearburg*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 874

US Postal Service

Receipt for Certified Mail

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
Postmark or Date	DEC 23 1995

Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

- I also wish to receive the following services (for an extra fee):
- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

4a. Article Number

3326931874

4b. Service Type

- Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery

12-22-95

8. Addressee's Address (Only if requested and fee is paid)

9. Signature (Addressee)

E. L. RAYOS

10. Signature (Agent)

E. L. RAYOS

PS Form 3811, December 1991

48 U.S. GPO: 1993-552-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 326 931 884

US Postal Service  
Receipt for Certified Mail

Harvey E. Yates Company  
Post Office Box 1933  
Roswell, NM 88201

PS Form 3800, April 1995

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
  - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Harvey E. Yates Company  
Post Office Box 1933  
Roswell, NM 88201

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *[Signature]*

4a. Article Number

P326931884

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

DEC 21 1995

8. Addressee's Address (Only if requested and fee is paid)

Harvey E. Yates Company  
Post Office Box 1933  
Roswell, NM 88201

PS Form 3811, December 1994

Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Richard Martin Yates  
 c/o Yates Petroleum Corporation  
 105 South Fourth Street  
 Artesia, NM 88210

4a. Article Number

3326931894

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Insured
- COD
- Certified

7. Date of Delivery

DEC 21 1995

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)  
 R. MARTIN YATES

6. Signature: (Addressee or Agent)  
 [Signature]

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 326 931 894

US Postal Service

**Receipt for Certified Mail**

Richard Martin Yates  
 c/o Yates Petroleum Corporation  
 105 South Fourth Street  
 Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Foreign Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3811, December 1994

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
  - 2.  Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

S. P. Yates  
 c/o Yates Petroleum Corporation  
 105 South Fourth Street  
 Artesia, NM 88210

4a. Article Number

3326931 895

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

12-22-95

8. Addressee's Address (Only if requested and fee is paid)

Domestic Return Receipt

5. Received By: (Print Name)

S. P. YATES

6. Signature: (Addressee or Agent)

S. P. YATES

PS Form 3811, December 1994

P 326 931 895

US Postal Service

**Receipt for Certified Mail**

S. P. Yates  
 c/o Yates Petroleum Corporation  
 105 South Fourth Street  
 Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 21 1995

PS Form 3800, April 1995

Thank you for using Return Receipt Service.

P 326 931 896  
 US Postal Service  
**Receipt for Certified Mail**

St. Clair Peyton Yates  
 110 South Fourth Street  
 Artesia, NM 88210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
<b>TOTAL Postage &amp; Fees</b>	\$
Postmark or Date	DEC 27 1995

PS Form 3811, April 1995

Is your **RETURN ADDRESS** completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1.  Addressee's Address
- 2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

St. Clair Peyton Yates  
 110 South Fourth Street  
 Artesia, NM 88210

4a. Article Number  
**P326931896**

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- COD
- Certified
- Insured

7. Date of Delivery

**DEC 27 1995**

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

*St. Clair Yates*

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.



**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 7

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996

*Channel Sand Deposit*

1461  
10,983MD

1489  
10,440MD

12  
24000  
10,020MD

0  
23155  
10,020MD

0  
1605  
10,188MD

0  
20586  
10,324MD

0  
20180  
10,237MD

60  
1611  
10,431MD  
*Arice*

2  
1604  
10,746MD

2  
1673  
10,700MD

*Point Bar and*

0  
21891  
10,498MD

2  
27592  
10,200MD

12  
24485  
10,450MD

26  
26943  
10,200MD

404  
1,141MD

12  
25236  
10,400MD

**ARCO Permian  
Dancer Prospect  
T-17S-R-28E  
Wells 9000' and Below  
Integrated Net Pay, Lwr-Mrw "C" Sd**

0 > 10 Fdc  
C.I. 20' 1" = 2000'

DPearcy 12/21/95

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 8

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996



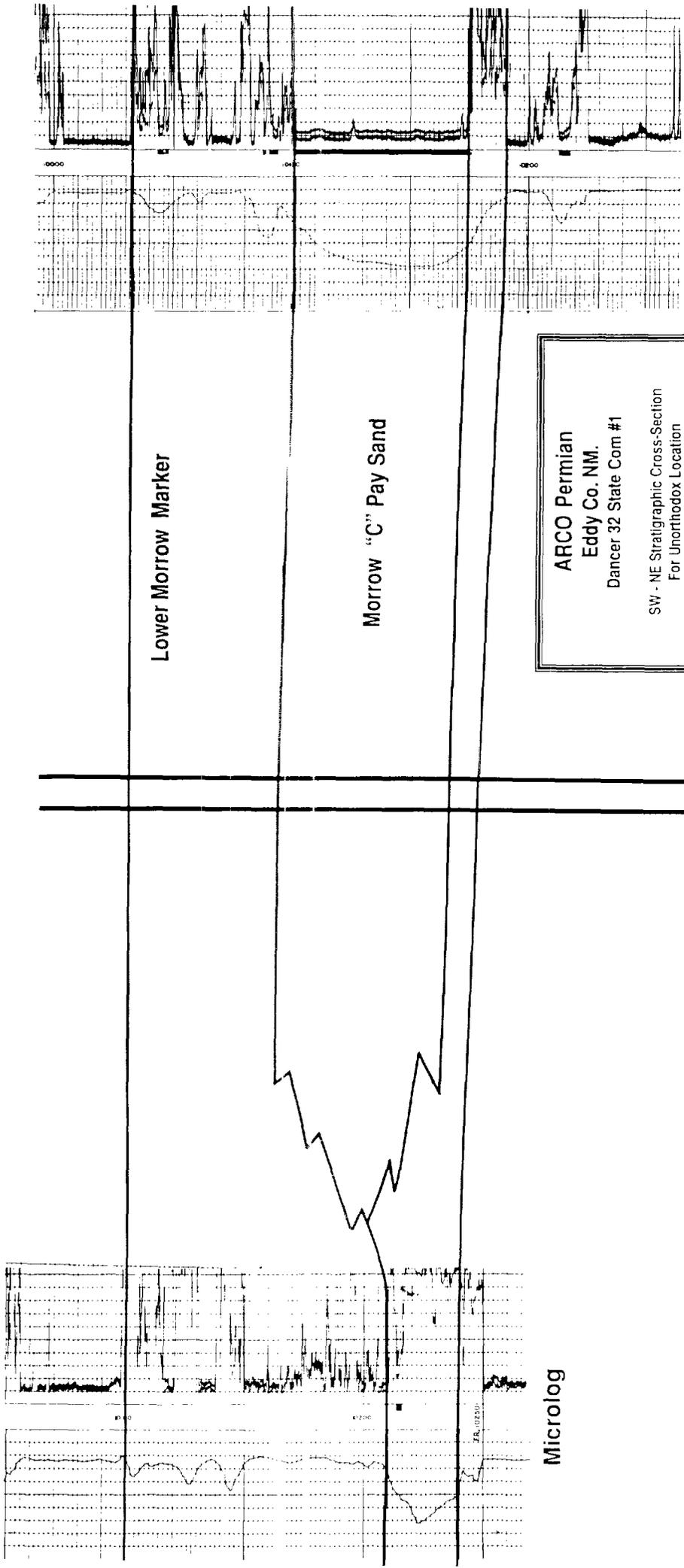
30-015-01673  
 Stanolind Oil & Gas Co.  
 State Gas Unit C #1  
 Eddy Co. NM.  
 Sec. 32, 17S-28E  
 DF. 3713  
 TD. 10,300



Dancer 32 State Com #1  
 Eddy Co. NM.  
 Sec. 32, 17S-28E  
 PTD. 10,550



30-015-01611  
 Stanolind Oil & Gas Co.  
 State AB #1  
 Eddy Co. NM.  
 Sec. 29, 17S-28E  
 DF. 3715  
 TD. 12,431



Lower Morrow Marker

Morrow "C" Pay Sand

ARCO Permian  
 Eddy Co. NM.  
 Dancer 32 State Com #1  
 SW - NE Stratigraphic Cross-Section  
 For Unorthodox Location  
 DF# 3713 Dec. 93  
 Collier, JG

Microlog

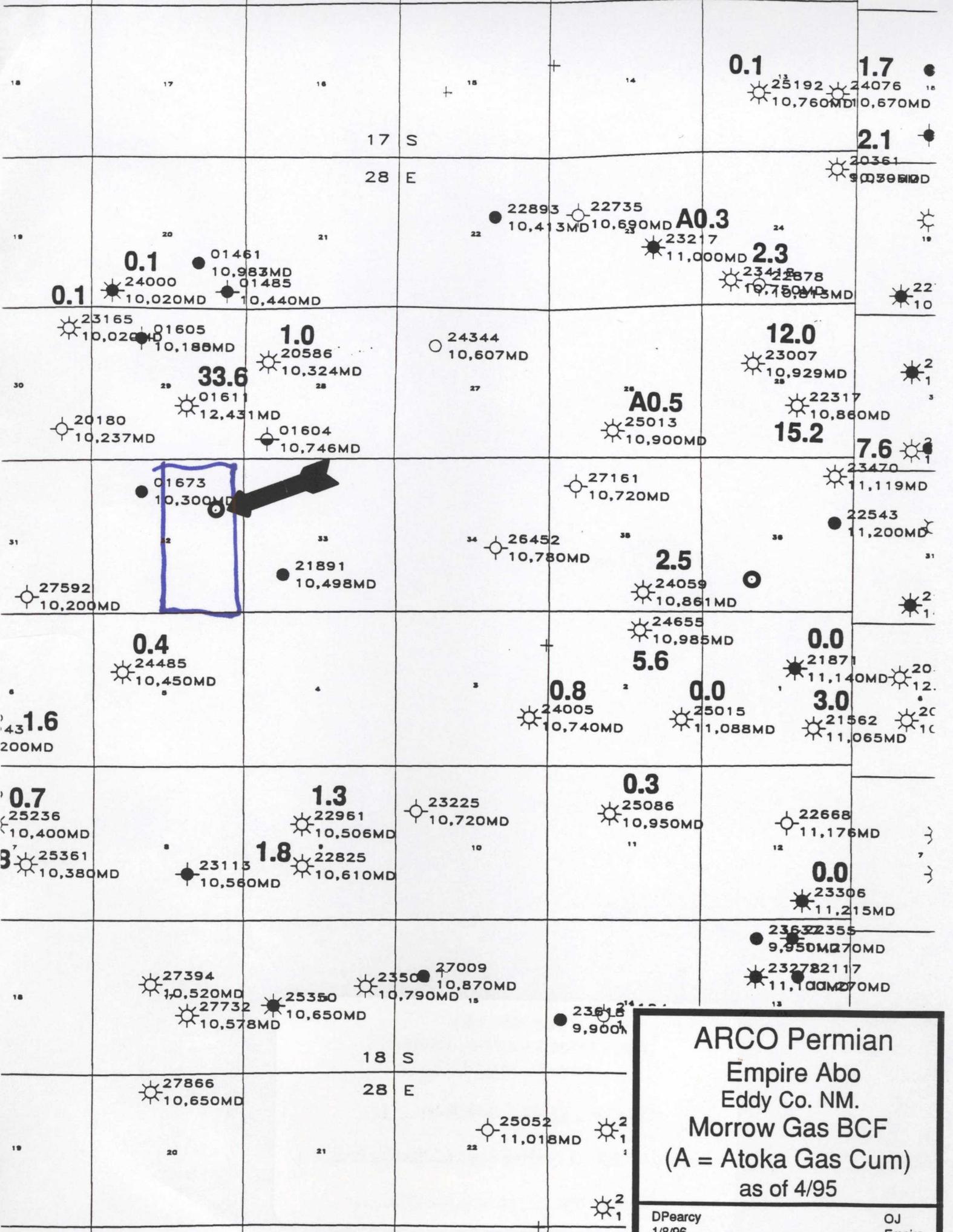
Microlog

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 10

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996



**ARCO Permian**  
**Empire Abo**  
**Eddy Co. NM.**  
**Morrow Gas BCF**  
**(A = Atoka Gas Cum)**  
**as of 4/95**

DPearcy  
1/8/96

OJ  
Empire

**BEFORE THE  
OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Case No. 11442 Exhibit No. 10

Submitted by: ARCO Permian a unit of Atlantic Richfield

Hearing Date: January 11, 1996