

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986

NOV 15 1999



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

November 11, 1999

Case 12291

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

CERTIFIED MAIL
Return Receipt Requested

RE: Application for Unorthodox Location
R.L. Burns ATL #1
Wildcat Mississippian Pool
E/2 Section 11, T16S, R35E
Lea County, New Mexico

Dear Mr. Stogner:

By this letter we would like to advise that Ocean Energy, Inc. is an offset mineral owner to the unorthodox re-entry of Yates' R.L. Burns ATL #1.

We have provided them with all of the required information along with a waiver of objection. They received our package on October 9, 1999 as per G. Derold Maney.

I have enclosed a copy of the revised notification list and a copy of the letter to Ocean Energy, Inc.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

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November 4, 1999

Attn: G. Derold Maney, CPL
Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002-6794

Certified Mail
Return Receipt Requested

RE: Offset Operator Notification
Unorthodox Location
R.L. Burn ATL #1
Township 16 South, Range 35 East
Section 11: 330' FSL & 330' FEL
Lea County, New Mexico

Gentlemen:

Yates Petroleum Corporation plans to re-enter the existing wellbore at the unorthodox location described above. This location does not comply with the well spacing requirements set forth in NMOCD Rule 104.C. (2)(b) (Revised 8/12/99).

If you have no objections to this unorthodox location, please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the NMOCD within twenty (20) days from the date of this notice.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

The undersigned hereby waives any objection to the unorthodox location proposed by Yates Petroleum Corporation

OCEAN ENERGY, INC.

By: _____

Title: _____

Date: _____

*Notification List
Offset Operators*

*Merit Energy Company
2510 W. Ohio Avenue
Midland, Texas 79701*

*David H. Arrington Oil and Gas, Inc.
PO Box 2071
Midland, Texas 79702*

*Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, Oklahoma 73154-0496*

*Ocean Energy, Inc.
1001 Fannin, Suite 1600
Houston, Texas 77002-6794*

Z 164 020 482

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to G. Deroald Maney, CPL Ocean Energy, Inc.	
Street & Number 1001 Fannin, Suite 1600	
Post Office, State, & ZIP Code Houston, TX 77002-6794	
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 11-4-99	
R.L. Burns ATL #1	
Rob/bn	

PS Form 3800, April 1995

RECEIVED
10-9-99
D. MANEY