BEFORE THE OIL CONSERVATION DIVISION NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

APPLICATION OF YATES PETROLEUM CASE NO. 12596 CORPORATION FOR POOL CONTRACTION, POOL CREATION OR, IN THE ALTERNATIVE, AMENDMENT OF THE SPECIAL POOL RULES AND REGULATIONS FOR THE FEATHER-MORROW POOL, LEA COUNTY, NEW MEXICO.

AFFIDAVIT

STATE OF NEW MEXICO SS. COUNTY OF SANTA FE

William F. Carr, attorney in fact and authorized representative of Yates Petroleum Corporation, applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.

SUBSCRIBED AND SWORN to before me this 20th day of February, 2001.

Public

My Commission Expires: Allgust 21, 2001

EFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. 12596 Exhibit No. 3 Submitted by: Yates Petroleum Corporation Hearing Date: February 22, 2001

EXHIBIT A

H. L. Brown, Jr. Post Office Box 2237 Midland, Texas 79702

Concho Resources, Inc. 110 West Louisiana Avenue Suite 410 Midland, Texas 79701

Nearburg Producing Company 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705

Pogo Producing Company Post Office Box 10340 Midland, Texas 79702-7340

Santa Fe Energy Resources, Inc. c/o Devon Energy Corp. (Nevada) 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102

Union Oil Company of California P.O. Drawer 3100 Midland, Texas 79702 HOLLAND & HART LLP AND CAMPBELL & CARR ATTORNEYS AT LAW

DENVER • ASPEN BOULDER • COLORADO SPRINGS DENVER TECH CENTER BILLINGS • BOISE CHEYENNE • JACKSON HOLE SALT LAKE CITY • SANTA FE WASHINGTON, D.C. SUITE 1 110 NORTH GUADALUPE SANTA FE, NEW MEXICO 87501-6525 MAILING ADDRESS P.O. BOX 2208 SANTA FE, NEW MEXICO 87504-2208

February 1, 2001

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

ALL AFFECTED INTEREST OWNERS

Re: Application of Yates Petroleum Corporation for Pool Contraction, Pool Creation or, in the alternative, Amendment of the Special Pool Rules for the Feather-Morrow Oil Pool, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking an order contracting the Feather-Morrow Oil Pool and the creating a new pool for the production of natural gas from the Morrow formation, or, in the alternative, amending the Special Pool Rules and Regulations for the Feather-Morrow Pool to provide for 160-acre spacing. This pool is located in portions of Sections 16, 21, 28 and 29 of Township 15 South, Range 32 East, NMPM, Lea County, New Mexico.

This application has been set for hearing before a Division Examiner on February 22, 2001. 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 are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

William F. Carr I ATTORNEY FOR YATES PETROLEUM CORPORATION

cc: Randy Patterson Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 TELEPHONE (505) 988-4421 FACSIMILE (505) 983-6043 www.hollandhart.com





