MARTIN YATES, 81 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (505) 748-1471 S. P. VATES CHAIRMAN OF THE BOARD JOHN A VATES PRESIDENT PEYTON VATES EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

September 25, 2000

Roxy Burkfield 1207 Camino Real Roswell, New Mexico 88203 <u>Certified Mail</u> Return Receipt Requested

RE: Percentage APR #1 <u>Township 8 South, Range 26 East, NMPM</u> Section 3: E/2 Chaves County, New Mexico

Dear Mrs. Burkfield:

Yates Petroleum Corporation is currently drilling the captioned well. We would very much like to come to some terms with you regarding your interest. The interest that we are seeking to make a deal on are your minerals below a depth of 4,950 feet in the NE/4 of Section 3, <u>Township 8 South, Range 26 East</u>, NMPM. Your interest is currently unleased and will be included in a E/2 spacing unit for the captioned well.

I enclose at your request a proposed Operating Agreement for the well and a copy of the Authority For Expenditure. If you would like to participate in the well, please sign the Authority For Expenditure and Operating Agreement and return for my further handling. However, if you do not want to participate, we request that you sign the lease previously sent to you and return it to me. For your convenience I have enclosed a new copy of the proposed lease and draft in the amount of \$1000.00 for your interest (1/16 mineral x 160 acres= 10 net acres; 10 acres x \$100.00 = \$1000.00).

If you have any questions, please call me at (505) 748-4349. Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Moran Chuck Moran

Landman CEM:sw

Enclosure(s)

New Mexico Oil Conservation Division **YATES PETROLEUM CORP.** Case No. 12683 - 07/12/01 Examiner Catanach or Brooks **EXHIBIT NO. 5** 

R. Burkfield Operating Agreement

| AL B<br>8210  | ARTESIA, NEW ME, O September 22 \$9 2000                           |                                       |            |  |  |  |  |  |
|---|--|---------------------------------------|------------|--|--|--|--|--|
| THE FIRST NATIONAL BA<br>ARTESIA, NEW MEXICO 88210<br>M6076(3382) | PAYTOTHE<br>ORDER OF <u>Roxy Burkfield</u>                         |                                       | \$ 1000.00 |  |  |  |  |  |
| LST N/<br>P.O. BOX  | One Thousand and no/100<br>VALUE RECEIVED AND CHARGE TO ACCOUNT OF |                                       | DOLLARS    |  |  |  |  |  |
| FIH<br>ARTES  | To_First National Bank   | <b>`</b>                              |            |  |  |  |  |  |
| THE F   | Artesia, New Mexico 88210  | _                                     |            |  |  |  |  |  |
| FIR Form  | Acct. of Yates Petroleum Corporation                               | By: Chuck Moran                       |            |  |  |  |  |  |
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| ¥S | <b>loxy Burkfield</b> | onus @ \$100.00/net acre \$1000.00 | <pre>'ownship 8 South, Range 26 East, NMPM 'ection 3: NE/4 'haves County, New Mexico All lands below 4,950 feet 'o ining 10 net acres, more or less</pre> | ndorsement of this draft constitutes<br>cceptance of the face amount thereof<br>s Full bonus consideration for the<br>ne Year paid up Oil & Gas Lease<br>aid to Roxy Burkfield, married,<br>lealing in her sole & separate<br>roperty, by Yates Petroleum<br>orporation, covering: |
|----|-----------------------|------------------------------------|---|--|
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|        | U.S. Postal Service<br>CERTIFIED MAIL RECEIPT<br>(Domestic Mail Only; No Insurance Coverage Provided) |    |          |  |
|--------|---|----|----------|--|
| 2835   |   |    |          |  |
| Ъ      | Postage   | \$ |          |  |
| л<br>Г | Certified Fee   |    | Postmark |  |
| <br>   | Return Receipt Fee<br>(Endorsement Required)  |    | Here     |  |
| 00     | Restricted Delivery Fee<br>(Endorsement Required)   |    |          |  |
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| 70     | Recipert's Name (Plastiend Clearly) (to be completed by mailer)                                       |    |          |  |
| 7000   | Streel 207 Camino Real<br>City, Rossiell, New Mexico 88203  |    |          |  |
|        | PS Form 3800 February 2000 See Beverse for Instructions   |    |          |  |

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