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

APPLICATION OF YATES PETROLEUM CORPORATION CASE NO. 12751 FOR POOL CREATION AND SPECIAL POOL RULES INCLUDING SPECIAL WELL SPACING AND LOCATION REQUIREMENT AND A SPECIAL OIL DEPTH BRACKET ALLOWABLE, CHAVES 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 | day of October 2001.

Notary Public

My Commission Expires: Cucyul 23, 2005

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Case No. 12751 Exhibit No. Submitted by:

Yates Petroleum Corporation Hearing Date: November 1, 2001

EXHIBIT A

APPLICATION OF YATES PETROLEUM CORPORATION FOR POOL CREATION AND SPECIAL POOL RULES INCLUDING SPECIAL WELL SPACING AND LOCATION REQUIREMENT AND A SPECIAL OIL DEPTH BRACKET ALLOWABLE, CHAVES COUNTY, NEW MEXICO

NOTICE LIST

Great Western Drilling Company 700 W. Louisiana Midland, Texas 79702

HOLLAND & HART LLP 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.

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TELEPHONE (505) 988-4421 FACSIMILE (505) 983-6043 www.hotlandhart.com

October 10, 2001

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Great Western Drilling Company 700 W. Louisiana Midland, Texas 79702

Re:

Application of Yates Petroleum Corporation for pool creation and special pool rules including special well spacing and location requirement and a special

Oil depth bracket allowable, Chaves 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 the creation of a new oil pool to be known as the Pecos Slope Deep Oil Pool for all formations below the base of the Abo formation as the result of the discovery of oil in its George "QJ" Federal Well No. 10, located 660 feet from the South line and 1500 feet from the West line of Section 26, Township 6 South, Range 25 East, NMPM, Chaves County, New Mexico. Yates seeks the adoption of Special Pool Rules and Regulations for the pool including provisions for 320-acre oil well spacing, a pre-approved infill well in the quarter section not containing the original well and, pursuant to Division General Rule 505-D, a special depth bracket allowable of 694 barrels of oil per day.

This application has been set for hearing before a Division Examiner on November 1, 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

Great Western Drilling Company October 10, 2001 Page Two

to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

William F. Carr

ATTORNEY FOR YATES

PETROLEUM CORPORATION

Enc.

U.S. Postal Service	SENDER COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
CERTIFIED MAIL RECEIPT Domestic Mail Only; No Insurance Coverage Pr	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse contact the same and address on the reverse contact the rever	A. Received by (Please Print Clearly) B. Date of Delivery D - / 5 - 0 C. Signature
Yates "QJ" Well (new)	so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	Addressee Addressee Addre
Postage 5 .57	1. Article Addressed to:	If YES, enter delivery address below:
Return Receipt Fee (Endorsement Required)	Great Western Drilling C. 700 W. Louisiana	
Restricted Delivery Fee (Endorsement Required)	Midland, Texas 79702	3. Service Type
Total Postage & Fees \$ T.	ma (and) recons	Certified Mail Registered Insured Mail C.O.D.
Great Western Drilling Co. Street Apr. No., or PO Box No. 700 W. Louisiana		4. Restricted Delivery? (Extra Fee)
Midland, Texas 79702	2. Article Number (Copy from service label) 7000 0600 0024 3128 1143	
PS Form 3800, February 2000 See Reve	PS Form 3811, July 1999 Domestic Ret	urn Receipt 102595-99-M-1789

Domestic Return Receipt