

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



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

S. P. YATES
CHAIRMAN OF THE BOARD
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TREASURER

October 27, 1992

Santa Fe Energy Operating Partners, L.P.
Permian Basin District
550 West Texas, Suite 1330
Midland, Texas 79701

Attention: Gary Green

RE: Pan Am Pardue ALZ Fed. #1
Township 21 South, Range 24 East
Section 27: S/2
Eddy County, New Mexico

Gentlemen:

Please find enclosed our Authority for Expenditure and Operating Agreement proposing the re-entry and deepening of the captioned well.

Please execute One (1) copy of the AFE and extra signature page to the Operating Agreement to our office if you desire to participate in this proposed well.

Should you not wish to participate in the drilling of this well, Yates Petroleum Corporation would propose an acreage trade whereby Yates acquires Santa Fe's SW/4SW/4 of Section 27 in exchange for Yates' NW/4NE/4 of Section 27.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:dke
enclosure(s)

Yates Petr. Corp.
EXHIBIT B

10628/10629

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: Santa Fe Energy Oper. Partners, L.P. Permian Basin District 550 W. Texas Suite 1330 Midland, TX 79701		4a. Article Number P 083 929 698
5. Signature (Addressee)		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature (Agent) H. Wallin		7. Date of Delivery 10-28-92
		8. Addressee's Address (Only if requested and fee is paid) Pan Am Pardue AL2 Fed. #1

Thank you for using Return Receipt Service.

PS Form 3800, June 1991

P 083 929 698

 **Receipt for Certified Mail**
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to: Santa Fe Energy	
Street and No. 550 W. TX Ste 1330	
P.O., State and ZIP Code Midland, TX 79701	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	