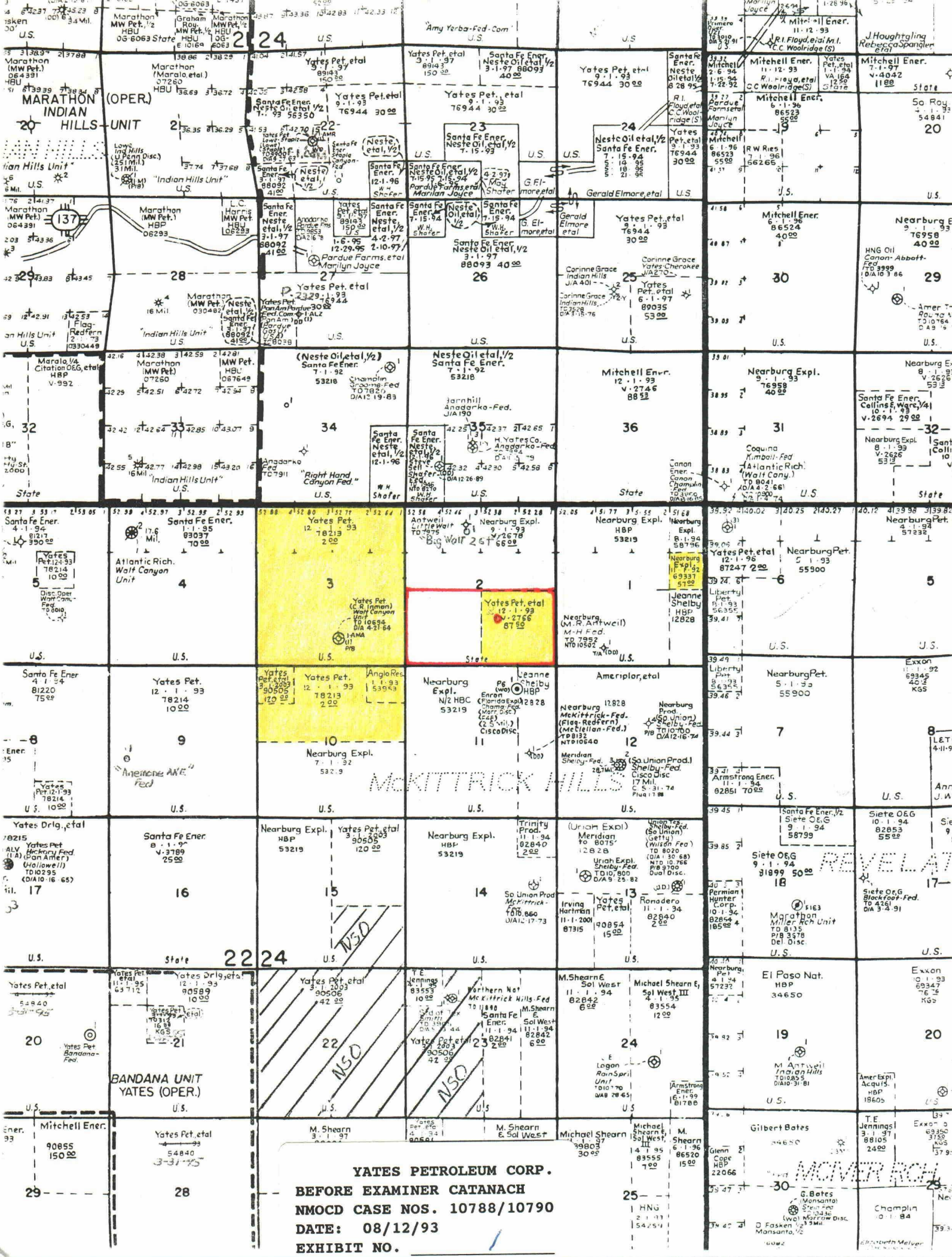


Exhibits 1 through 16.
Complete Set





YATES PETROLEUM CORP.
BEFORE EXAMINER CATANACH
NMOCD CASE NOS. 10788/10790
DATE: 08/12/93
EXHIBIT NO.

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
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

June 23, 1993

Nearburg Exploration Company
402 East Illinois
Suite 300
Midland, Texas 79701

Re: Androcles 'AND' State Com. #1

Gentlemen:

Yates Petroleum Corporation proposes drilling a 10,450' Morrow test at a location 1980' FSL and 1980' FEL of Section 2, Township 22 South-Range 24 East, Eddy County, New Mexico. We invite you to join with us in drilling this well.

Our AFE, in duplicate, and Operating Agreement are enclosed for your review and execution. If satisfactory, please sign and return one copy of the AFE and extra signature page to the Operating Agreement.

If you already have a drilling opinion covering the SW/4 of Section 2, please send a copy so we don't duplicate the work.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION


Janet Richardson
Landman

JR/rab
enclosures

P 106 967 495



**Receipt for
Certified Mail**

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

Sent to NEARBURG PRODUCING COMPANY	
Street and No. 3300 N. "A" Street #8100	
P.O., State and ZIP Code Midland, TX 79705-5421	
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	

RETURN ADDRESS completed on the reverse side?

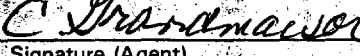
SENDER:

- 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.

3. Article Addressed to:

**NEARBURG PRODUCING COMPANY
3300 N. "A" Street #8100
Midland, Texas 79705-5421**

5. Signature (Addressee)



6. Signature (Agent)

YATES PETROLEUM CORP.

**BEFORE EXAMINER CATANACH
NMOCD CASE NOS. 10788/10790
DATE: 08/12/93
EXHIBIT NO. 2**

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
 - ☐ Restricted Delivery
- Consult postmaster for fee.

4a. Article Number

P 106 967 495

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 |

7. Date of Delivery

7-1-93

8. Addressee's Address (Only if request and fee is paid)

**Androcles AND St. Com.
Resent 6-29-93**

992-323-402

DOMESTIC RETURN RECEIPT

800, June 1991

Return Receipt Service



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

AUTHORITY FOR EXPENDITURE
NEW DRILLING & RECOMPLETION

AFE NO. 93-251-0
AFE DATE 6/11/93

AFE Type:	Well Objective:	Well Type:	AFE STATUS:
<input checked="" type="checkbox"/> New Drilling	<input type="checkbox"/> Oil	<input checked="" type="checkbox"/> Development	<input checked="" type="checkbox"/> Original
<input type="checkbox"/> Recompletion	<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Exploratory	<input type="checkbox"/> Revised
	<input type="checkbox"/> Injector		<input type="checkbox"/> Final

LEASE NAME	Androcles 'AND' State Com #1	PROJ'D DEPTH	10450'
COUNTY	Eddy	STATE	New Mexico
LEGAL DESC.	1980' FSL & 1980' FEL	LOCATION	Section 2-22S-24E
FIELD		HORIZON	Morrow
DIVISION CODE	100	DIVISION NAME	Oil & Gas Division
DISTRICT CODE		DISTRICT NAME	
BRANCH CODE		BRANCH NAME	

PROGNOSIS:

INTANGIBLE DRILLING COSTS:		DRY HOLE	COMF'D WELL
920-100	Staking, Permit & Legal Fees	6,000	6,000
920-110	Location, Right-of-Way	25,000	25,000
920-120	Drilling, Footage 10450' @ \$17.50/ft.	183,000	183,000
920-130	Drilling, Daywork 6 days @ \$4500/day	27,000	27,000
920-140	Drilling Water, Fasline Rental	35,000	35,000
920-150	Drilling Mud & Additives	25,000	25,000
920-160	Mud Logging Unit, Sample Bags	5,400	5,400
920-170	Cementing - Surface Casing	22,000	22,000
920-180	Drill Stem Testing, OHT 2 DST's	10,000	10,000
920-190	Electric Logs & Tape Copies	30,000	30,000
920-200	Tools & Equip. Rntl., Trkg. & Welding	23,000	23,000
920-210	Supervision & Overhead	15,000	15,000
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase		
920-350	Cementing - Production Casing		30,000
920-410	Completion Unit - Swabbing		15,000
920-420	Water for Completion		5,500
920-430	Mud & Additives for Completion		
920-440	Cementing - Completion		
920-450	Elec. Logs, Testing, Etc. - Completion		4,600
920-460	Tools & Equip. Rental, Etc. - Completion		9,000
920-470	Stimulation for Completion		32,000
920-480	Supervision & O/H - Completion		5,000
920-490	Additional LOC Charges - Completion		750
920-510	Bits, Tools & Supplies - Completion		
920-500	Contingency for Completion		
TOTAL INTANGIBLE DRILLING COSTS		406,400	508,250

TANGIBLE EQUIPMENT COSTS:			
930-010	Christmas Tree & Wellhead	2,200	17,500
930-020	Casing 13-3/8" @ 280'	5,000	5,000
	9-5/8" @ 2790'	31,300	31,300
	7" @ 10450'		115,000
930-030	Tubing 2-7/8" @ 10200'		28,000
930-040	Packer & Special Equipment		
940-010	Pumping Equipment		
940-020	Storage Facilities		15,000
940-030	Separation Equip., Flowlines, Misc.		10,000
940-040	Trucking & Construction Costs		12,000
TOTAL TANGIBLE EQUIPMENT COSTS		38,500	233,800

TOTAL COSTS	444,900	742,050
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APPROVAL OF THIS AFE CONSTITUTES APPROVAL OF OPERATOR'S OPTION TO CHARGE THE JOINT ACCOUNT WITH TUBULAR GOODS FROM THE OPERATOR'S WAREHOUSE STOCK AT THE RATES STATED ABOVE.

Prepared By	<i>Al Springer</i>	Operations Approval	<i>S</i>
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OWNER	SHARE
YATES PETROLEUM CORPORATION	20%
BY	DATE
YATES DRILLING COMPANY	10%
BY	DATE
MYCC INDUSTRIES, INC.	10%
BY	DATE
ABO PETROLEUM CORPORATION	10%
BY	DATE

YATES PETROLEUM CORP.
BEFORE EXAMINER CATANACH
NMOCD CASE NOS. 10788/10790
DATE: 08/12/93
EXHIBIT NO. 3

Androcles 'AND' State Com. #1
Sec. 2-T22S-R24E
Eddy County, New Mexico

AFE #93-251-0
Date: 6-11-93
Page 2

SHARE

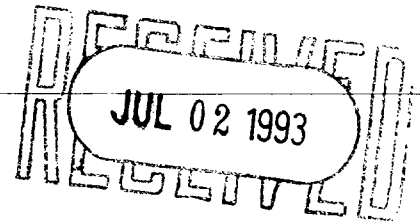
NEARBURG EXPLORATION COMPANY

50.000000%

By _____ Date _____

Nearburg Exploration Company

Exploration and Production
3300 North "A" Street
Suite 8100
Midland, Texas 79705
915/686-8235
Fax 915/686-7806



July 1, 1993

Ms. Janet Richardson
Yates Petroleum Corporation
Abo Petroleum Corporation
Myco Industries, Inc.
Yates Drilling Company
105 South Fourth Street
Artesia, NM 88210

Re: Well Proposal; Androcles
S/2 of Section 2, T-22-S, R-24-E
Eddy County, New Mexico
M-H Area

Dear Janet:

On this date we received your well proposal for a Morrow test in the S/2 of Section 2, T-22-S, R-24-E Eddy County, New Mexico. As we discussed in our recent meeting, Nearburg Exploration Company has already received a permit to drill a Cisco Canyon test well, dedicating the W/2 of Section 2 as the spacing unit for same. The spacing unit which Yates is proposing would be in direct conflict with our approved permit, assuming that you desire to evaluate the Cisco Canyon formation.

Because your well proposal has been made on acreage already dedicated to a spacing unit, we cannot make an election.

Thank you for your cooperation.

Yours very truly,

Bob Shelton
Consulting Landman

Bob:\ytsandr.ltr

YATES PETROLEUM CORP.
BEFORE EXAMINER CATANACH
NMCD CASE NOS. 10788/10790
DATE: 08/12/93
EXHIBIT NO. 4