

ATWOOD, MALONE, MANN & TURNER

A PROFESSIONAL ASSOCIATION

LAWYERS

JEFF D. ATWOOD [1883-1960]
ROSS L. MALONE [1910-1974]

P.O. DRAWER 700
SUNWEST CENTRE
ROSWELL, NEW MEXICO 88201
[505] 622-6221

May 10, 1984

CHARLES F. MALONE
RUSSELL D. MANN, P.A.
BOB F. TURNER
JOHN W. BASSETT
ROBERT E. SABIN
BRIAN W. COPPLE
ROBERT H. STRAND
STEVEN L. BELL
WILLIAM P. LYNCH
RODNEY M. SCHUMACHER
R. TRACY SPROULS
FREDDIE J. ROMERO
GEORGE D. GIDDENS, JR.
LEE M. ROGERS, JR.
TIMOTHY A. LUCAS
ARTHUR P. BROCK

New Mexico Oil Conservaton Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 8200

ATTN: Mr. Joe Ramey

Re: Application for Compulsory
Pooling
T-17-S, R-29-E, NMPM
Section 8: W/2
Eddy County, New Mexico

Gentlemen:

This letter shall serve as an application on behalf of Harvey E. Yates Company for entry of an order pooling all mineral and leasehold rights in the Wolfcamp through the Morrow formations, underlying the following described lands:

Township 17 South, Range 29 East, NMPM

Section 8: W/2

320.00 acres
Eddy County, New Mexico

Such pooled unit to be dedicated to applicant's proposed Atlantic "8" State #1 Well to be drilled at a standard location thereon of 1980 FSL and 660 FWL Section 8.

Following is a summary of the mineral and leasehold ownership under the above described lands:

Mineral Owner	Lease No.	Record Title Owner	Working Interest Owner	Description	Interest Owned	Net Acres
State of New Mexico	E-741	Exxon Co. USA	Exxon Co. USA	N/2 NW/4, SE/4 NW/4	100%	120.0
U.S.A.	LC-068960	Tenneco Oil Company	Tenneco Oil Company	SW/4 NW/4	100%	40.0

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May 10, 1984

Page Two

Mineral Owner	Lease No.	Record Title Owner	Working Interest Owner	Description	Interest Owned	Net Acres
State of New Mexico	E-6353	Atlantic Richfield Company	Atlantic Richfield Company	N/2 SW/4, SE/4 SW/4	100%	120.0
State of	B-4918- 94	Harvey E. Company	Harvey E. Company	SW/4 SW/4	100%	40.0

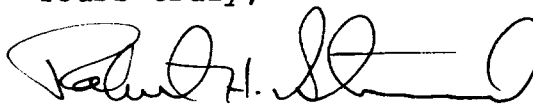
Applicant has obtained voluntary consent to pooling of interests in the Morrow formation underlying the above described lands with the exception of the party below, whose address and interest owned, according to applicant's information and belief, are as follows:

Owner	Description	Interest Owned	Type of Interest	Net Acres
Exxon Co. USA P.O. Box 1600 Midland, Texas 79702	N/2 NW/4, SE/4 NW/4	100%	Working Interest	120.0

Applicant further requests that any order entered herein designate the applicant as operator of the pooled unit, and make provision for (1) allocation of well costs, (2) a reasonable charge for supervision of the drilling and completion of the said well, and (3) a reasonable charge for risk involved in drilling of said well.

Please set this matter for examiner hearing on the June 6, 1984 docket.

Yours truly,


Robert H. Strand
Attorney for Applicant

RHS/dlc

cc: Harvey E. Yates Company
Commissioner of Public Lands
Attn: Mr. Ray Graham