



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

August 31, 1987

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Re: Hodge AEF Federal #1
1980/S & W Sec. 25, T14S, R30E
Chaves County, NM

Gentlemen:

We have received from the BLM your permit to drill the above-referenced well. It is noted that your permit was filed as a "wildcat"; however, according to our records this area is within the Southeast Chaves Queen Gas Area Associated. If the well is completed as a gas well, it will require that 320 acres be dedicated.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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