

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

> DIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE December 7, 1978

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

JERRY APODACA GOVERNOR

NICK FRANKLIN SECRETARY

> Yates Petroleum Corporation 207 South Fourth Street Artesia, New Mexico 88210

> Attention Mr. Eddie Mahfood

Gentlemen:

As per our telephone conversation of this date, Forms C-101 and C-102 for your Hilburn City "KF" State Com Well No. 1 to be located in Unit F of Section 20, T-14-S, R-36-E, will be held without approval until you and Adobe Oil & Gas Corporation come to an agreement regarding the dedicated acreage, or until the Santa Fe office of the Oil Conservation Division has issued an order regarding this matter after notice and hearing.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District 1

JS/mc