



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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June 18, 2007

New Mexico Energy, Minerals, and Natural Resources Department
Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, New Mexico 87505

Attn: David Catanach

Re: Proposed Non-Standard Proration Unit:
Yates Petroleum Corporation
Hedgerow BFH State Com Well No. 1 (Saladar Strawn)
SW4, Section 28, Township 20 South, Range 28 East
Eddy County, New Mexico

Dear Mr. Catanach:

Mr. Chuck Moran, representing Yates Petroleum Corporation, has informed me that proper notification was not given to the Commissioner of Public Lands with regard to the above mentioned proposal. Mr. Moran has explained the situation to me in detail and has explained the oversight. We have also reviewed this proposal and find it to be satisfactory with respect to State Land interests.

Therefore, please accept this letter as a waiver of objection from the Commissioner of Public Lands for this proposal and non-notification by certified mail for this proposal.

If you have any questions or care to discuss this further, please feel free to contact me.

Sincerely,

Jeff Albers, Petroleum Engineer
Oil, Gas & Minerals Division
(505) 827-5759

JA/ja

cc: Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
Attn: Chuck Moran

cc: William Carr, Attorney at Law
Fax 505-983-6043

-State Land Office Beneficiaries -

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