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October 2, 1997

VIA HAND-DELIVERY

James Bruce, Esq.
612 Old Santa Fe Trail, Suite B
Santa Fe, New Mexico 87501

Re: ***Oil Conservation Division Case No. 11839:
Application of Odessa Oil Investments, Inc. for salt water disposal, Eddy
County, New Mexico***

Dear Mr. Bruce:

I have reviewed your letter of September 26 concerning Yates Petroleum Corporation's plans to re-enter the Lakewood State Well No. 1 located in Section 30, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico.

In response to your concerns, Yates Petroleum Corporation has requested that I advise you that they do not intend to commence operations on the well prior to the entry of an order in this case by the Oil Conservation Division.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

cc: William J. LeMay, Director
Oil Conservation Division

Randy Patterson
Yates Petroleum Corporation