

State of New Mexico : ss
County of Bernalillo :

AFFIDAVIT OF SERVICE

I, Armando A. Lopez, Petroleum Engineer, Bureau of Land Management, Roswell District Office, do swear and affirm that I caused the following company to be served with notice of the agency's intent to request that the New Mexico Oil Conservation Division plug a Federal oil and gas well under the New Mexico reclamation fund in NMOCD Case No. 10334:

Yates Petroleum Corp.
105 South Fourth Street
Artesia, New Mexico 88210

I served notice by telephonic message to Randy Patterson, Land Manager, Yates Petroleum Corporation, at (505) 748-1471 on July 15, 1991. Their reply is attached. Notification was made to the above-specified company because of its interest in a subsequent lease that was issued after the lease embracing the Keys Federal Well No. 1 terminated, even though I have determined from a review of the official agency records that the above-specified company has no legal interest, by way of record title or operating rights, in the well proposed to be plugged.

Armando A. Lopez
Petroleum Engineer

ACKNOWLEDGEMENT

The foregoing affidavit was subscribed before me by Armando A. Lopez, Petroleum Engineer, Bureau of Land Management on

Aug 27, 1991

M. Lee A. Beazley
Notary Public

My Commission Expires:

8/19/94



OFFICIAL SEAL

M'Lee A. Beazley

NOTARY PUBLIC - NEW MEXICO

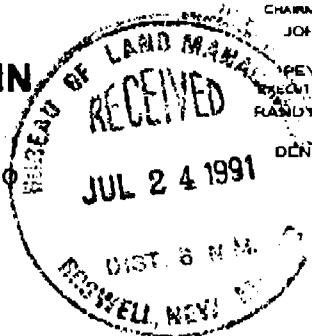
Notary Bond Filed with Secretary of State

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



**YATES
PETROLEUM
CORPORATION**

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471



S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
BREYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

July 22, 1991

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Mr. Armando Lopez

Re: Dunn Keyes Well #1
990' FNL and 330' FWL
Section 33, T6S-R26E
Chaves County, New Mexico

Gentlemen:

We have been advised that the Bureau of Land Management will have a hearing before the New Mexico Oil Conservation Division regarding the plugging and abandonment of the captioned well. Yates Petroleum Corporation, as operator of the federal oil and gas lease on which the captioned well is located, is not the operator nor has ever been the operator of said well. This is to advise you that Yates Petroleum Corporation has no present use for the captioned well bore and we hereby release the Bureau of Land Management in the State of New Mexico insofar as the plugging and abandonment operations of the said well bore.

Should you require anything further, please do not hesitate to contact me.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson
Randy G. Patterson
Land Manager

RGP/mw