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

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

JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT

S. P. YATES
CHAIRMAN OF THE BOARD

RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

May 9, 1990

New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87503

Attention: Mr. William J. LeMay

Re: McKay Harvey Federal #1 SE/4, Sec. 17-9S-25E Chaves County, New Mexico

## Gentlemen:

Yates Petroleum Corporation has previously given our consent to production of the captioned well which was to be horizontally drilled offsetting our lease. This consent was given for a 30-day time period, however such period has now expired.

Yates Petroleum Corporation has no objection to McKay Oil Corporation's producing the captioned well offsetting our lease and hereby consents to the production of this well for an unspecified time period, reserving the right to rescind consent at any time Yates deems necessary.

Should you need anything further, please do not hesitate to ask us.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson Land Manager

Edita ridita

RGP/mw

cc: McKay Oil Corporation

Attention: Mr. James L. Schultz