



Mosaic Potash Carlsbad Inc.
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RECEIVED

FEB 14 2005

MAIL ROOM

February 10, 2005

Mr. Cy Cowan
Regulatory Agent
Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210-2118

30-C15-27245

Dear Mr. Cowan:

We are in receipt of your letter dated 2/3/05 concerning an APD for a well in Section 6, T-24-S, R-31-E. Mosaic Potash Carlsbad Inc. does have a potash lease that includes all of Section 32, T-23-S, R-31-E that is within one mile of your specified location.

Your current request is to drill the Adeline ALN Federal #4 from a location 660' FNL & 1980' FWL of Section 6. This location is not within ¼ mile of our LMR and is within a drilling island as drawn by the BLM. This location also has been greatly compromised by previous drilling in the area. Therefore Mosaic does not object to this location for an oil test well.

As more information becomes available, our estimates of the extent of potash resources in any given area may change. Therefore, please consider this "no objection" to this location to be valid for one year only. If you are still considering this well location at a date later than one year from today, notify us again at that time so we can make the decision on information current at that time. Do not consider a "no objection offered" or an "objection offered" decision to be permanent.

Mosaic Potash submits this letter in lieu of the forms requested.

Sincerely,

Dan Morehouse
Mine Engineering Superintendent

cc: Don Purvis David Waugh