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January 27, 1982

Mr. Joe D. Ramey, Director
New Mexico Oil Conservation Division

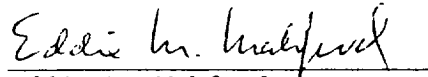
Burton Flats-Atoka - 19.3 MM or 1.2% (gas), 100% (oil)
Burton Flats-Morrow - 136.4 MM or 98.8% (gas), -0- (oil)

Offset operators are notified of this intent by copy of this letter.

Since the Morrow completion loads up with a small quantity of formation water, we are a little anxious to proceed with the commingling while there is energy in the Atoka to help keep the Morrow unloaded. Thank you.

Yours truly,

YATES PETROLEUM CORPORATION



Eddie M. Mahfood
Petroleum Engineer

EMM:jg
enclosures

cc: Division Production Manager, Gulf Oil Exploration & Production Co.,
Box 1150, Midland, TX 79702
Division Production Manager, Exxon Company, Box 1600, Midland, TX 79701
Operations Manager, Mesa Petroleum Co., 1000 Vaughn Bldg., Midland, TX 79701

Objection to downhole commingling of the Burton Flats-Atoka and Burton Flats-Morrow in Yates Petroleum Corporation's Stonewall EP State No. 4 is hereby waived.

By: _____