

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505-623-6601

ROSWELL NEW MEXICO 88201

November 22, 1982

*File in
Case 7749*

Jack Grynberg & Associates
1050 17th Street - Suite 1950
Denver, Colorado 80265

RE: T-9S, R-27E, N.M.P.M.
Section 18: NE/4
Chaves County, New Mexico

Gentlemen:

We have a copy of your proposed operating agreement covering the above referenced acreage. You should realize that we do not have the authority to speak for the other interest owners under the SE/4 NE/4 of Section 18.

Attached is a listing of the names and addresses of the interest owners under the SE/4 NE/4, and below is a breakdown of their ownership under the 40 acres. You should contact the interest owners individually to find out if they wish to participate in your proposed well.

<u>Interest Owner</u>	<u>Interest In State Lease # L-6775</u>
Yates Energy Corporation	.10131919
Seymour Smith	.06250000
David Smith	.06250000
Explorers Petroleum Corporation	.02000000
Fred G. Yates, Inc.	.03750000
Spiral, Inc.	.01000000
Connie Energy Corporation	.01000000
Harvey E. Yates Company	.22574005
Cibola Energy Corporation	.09544076
Bearing Service Company	.05000000
Fred Pool	.06666666
Plains Radio Broadcasting Company	.06666667
McClellan Oil Corporation	.11250000
James T. Jennings	.00625000
Sim. B. Christy	.00625000
Howard Federer	.06666667
	1.00000000

Sincerely,

Thomas J. Hall, III
Thomas J. Hall, III
Attorney

TJH/jft
Enclosures