

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

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

May 25, 2000

Attn: Andrew J. Schwandt
Marathon Oil Company
PO Box 552
Midland, TX 79702-0552

RE: Request to Amend R-11112-A
Scanlon Draw "34" St #1
Township 18 South, Range 28 East
Section 34: 660' FSL & 1650' FEL
Eddy County, New Mexico

Jose Guerrero "34" St #1
Township 18, Range 28 East
Section 34: 990'FSL & 330' FWL
Eddy County, New Mexico

Gentlemen:

Per your request, please find enclosed a copy of the agreement and waiver letter to the surface commingling of the captioned wells. Original has been sent to NMOCD.

Very truly yours,

YATES PETROLEUM CORPORATION

Barbara Nelson
Land Assistant

:bn
enclosure(s)

cc: NMOCD
Santa Fe, NM



P.O. Box 2490
Hobbs, New Mexico 88240
Telephone 505/393-7106

April 20, 2000

Re: Request to amend R-11112-A

Scanlon Draw '34' State No. 1
Sec. 34, T-18-S, R-28-E
660' FSL & 1650' FEL
Eddy County, New Mexico
Turkey Track North; Morrow

Jose Guerrero '34' State No. 1
Sec. 34, T-18-S, R-28-E
990' FSL & 330' FWL
Eddy County, New Mexico
Travis; Upper Penn

Dear Interest Owner:

Marathon Oil Company has filed an application with the New Mexico Oil Conservation Division to amend Division Order R-11112-A to include gas production from the above mentioned wells. Please find enclosed a copy of the application.

If you are in agreement and waive all objections to the surface commingling, please sign below and mail the original to the NMOCD in the enclosed addressed envelope. Also, please return one copy to Marathon in the enclosed addressed envelope. Agreement is assumed if the NMOCD receives no objections to the application within 20 days following the receipt of the application.

Sincerely,

A handwritten signature in cursive script that reads 'Andrew J. Schwandt'.

Andrew J. Schwandt
Production Engineer

Agreed and accepted this 24th day of MAY 2000

by Frank Yates Jr, as representative of RB

THE ESTATE of Lillie M. Yates and Shampro Oil Ltd Co.

SIGN AND RETURN
THIS PAGE ONLY