

RECEIVED OCT - 4 2000
PECC - RIVER OPERATING COMPANY

550 West Texas Avenue, Suite 720
Midland, Texas 79701

Phone (915) 620-8480

Fax (915) 682-2197

September 29, 2000

Mr. William J. LeMay, Director
State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: McKay Oil Corporation
Five Mile Tank "B" Federal #5
Snakeweed "B" Federal #4
Chaves County, New Mexico

Dear Mr. LeMay:

Pecos River Operating Company owns and operates the M&M Federal Lease located in Section 20, T6S, R23E, NMPM, Chaves County, New Mexico. McKay Oil recently proposed the two captioned wells above. This letter is to inform you that Pecos River Operating has no objection to the well locations as they are proposed.

Sincerely,

PECOS RIVER OPERATING COMPANY



Steven D. Gray
President

cc: ✓ Mr. Bill Millstead
McKay Oil Corporation
P.O. Box 2014
Roswell, NM 88202