

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

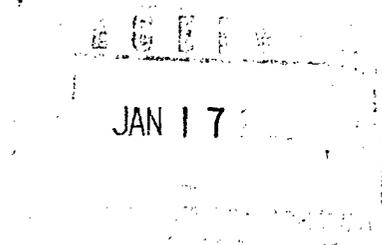


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S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
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EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

January 14, 2002

New Mexico Oil Conservation Division
Attn: Mr. Michael Stogner
1220 South St. Francis Drive
Santa Fe, NM 87505



Re: Administrative Application of Yates Petroleum Corporation
for Approval of an Unorthodox Well Location
Pay AYY Federal Com #1
T8S-R26E, NMPM
Section 11: E/2
Chaves County, New Mexico

Dear Mr. Stogner:

Enclosed please find two additional waivers for the above captioned application from Lillie M. Yates Estate and Pecos Slope Operating, Inc. Any additional waivers that are received will be forwarded upon receipt. If you have any questions, please call.

Very truly yours,

YATES PETROLEUM CORPORATION


Chuck Moran
Landman

CEM:hp
Enclosures