

December 27, 2001

RECEIVED  
JAN 11 2002

Mr. Chuck Moran  
Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

JAN 17

Re: Pay AYY Federal Com #1  
Township 8 South, Range 26 East, NMPM  
Section 11: W/2  
660' FNL & 330' FWL  
Chaves County, New Mexico

Dear Mr. Moran:

I have received Yates Petroleum Corporation's application for an unorthodox location for the above captioned and hereby waive objection to the proposed location.

Very truly yours,

**PECOS RIVER OPERATING, INC.**

By: Chad K. Kish  
Its: VP - Eng. & Prod.  
Date: 1-8-02