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December 1, 1987

New Mexico Oil Conservation Division
P. O. Box 871
Santa Fe, New Mexico 87501

Attention: Mr. Jeff Taylor

Re: Amendment of Rule 2017(a)7
(Case 9134)

Dear Mr. Taylor:

After reading about the captioned case in the Statehouse Reporter, we felt it necessary to comment since the record is still open. We feel that the oil and gas lease, when executed, takes any operational functions from the Lessor and places them in the Lessee. To be required to notify all royalty owners and/or unleased parties would require title search in all off-setting areas. We feel this is burdensome and are in favor of omitting this rule.

Thank you for the opportunity to comment.

Very truly yours,

YATES PETROLEUM CORPORATION

A handwritten signature in cursive script, appearing to read 'Randy G. Patterson'.

Randy G. Patterson
Land Manager

RGP/mw