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



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

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

February 9, 1990

New Mexico Oil Conservation Division Artesia Office Artesia, New Mexico 88210

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Attention: Mr. Mike Williams

Re: McKay Oil Company Harvey Fed. #1
660' FSL & FEL
Sec. 17, T9S-R25E
Chaves County, New Mexico

Dear Mr. Williams:

It is our understanding that McKay Oil Company has drilled the captioned well and is unorthodox toward the south and east by no greater than two feet. Mr. McKay has requested a testing period of thirty days to evaluate the well.

Yates Petroleum Corporation has no objection to McKay testing the well at this unorthodox bottom hole location for a period of time no greater than thirty days.

Should you need anything further, please do not hesitate to call.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson Land Manager

RGP/mw