

January 22, 1991

State of New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Attenion: Michael E. Stogner

Re: Case No. 9998 Order No. R-9093-C Thornbush Federal #1 Eddy County, NM

Gentlemen:

Enclosed please find a copy of the "certified" letter sent to Chevron U.S.A., Inc., pursuant to the requirements of the captioned order. Said letter provided actual well costs and requested payment of their proportionate share of said costs within 30 days of receipt of notice.

Please be advised that Chevron did not respond within said time period, and therefore is a non-consent owner pursuant to the terms of Order No. R-9093-C.

Yours very truly,

YATES ENERGY CORPORATION

Demark Fire

Sharon R. Hamilton Landman

SRH/jj Enclosure