

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

BRUCE KING GOVERNOR OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

P.O. DRAWER DD ARTESIA, NEW MEXICO 88211 (505) 748-1283

May 3, 1994

Yates Petroleum Corp. 105 South Fourth Street Artesia, New Mexico 88210

ATTN.: Carolyn Bulovas Yates

Dear Mrs. Yates:

We have received your letter clarifying the current status of the Greasewood "BD" State Com #1 gas well located in Sec. 5, T19S, R25E. Based on rule (5b) and the enclosed attachments we believe the current status of the Greasewood "BD" State Com #1 to be acceptable.

Thank you for your time and attention to this matter.

Sincerely, Ma K land

Mark Ashley District Geologist