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



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210 TELEPHONE (505) 748-1471 S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES PRESIDENT PEYTON YATES EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

March 9, 1990

Bureau of Land Management P. O. Box 1778 Carlsbad, New Mexico 88220

Attention: Mr. Barry Hunt

Re: Saguaro "AGS" Fed. Com. #2 Sec. 11-T20S-R24E Eddy County, New Mexico

Dear Mr. Hunt:

Yates Petroleum Corporation has come to an agreement with Mr. Nix on surface damages on the captioned well. All road and pipelines have also been taken care of with Mr. Nix.

Please call if you have any questions.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Ken Beardemphl Landman

KB/sdf