

## United States Department of the Interior

BUREAU OF LAND MANAGEMENT ROSWELL DISTRICT OFFICE P.O. BOX 1397 ROSWELL, NEW MEXICO 88201



NH-55125 3162.41 (065)

JUL 2 7 1988

JUL 28 188

RECEIVED

Yates Petroleum Corporation 105 South Fourth Street Artesia, NN 88210

Ø. C. D. ARTESM, OPPICE

Gentlemen:

Your application for Permit to Drill the Eland AFC Federal Com. No. 1 well from surface location in the SEASWE sec. 12, T. 20 S., R. 29 E., to bottom hole location in the NWANWE sec. 13, T. 20 S., R. 29 E., Eddy County, New Mexico, lesse NM-55125, to a depth of 12,300 feet to test the Morrow formation in the oil-potash area, is hereby approved as amended by stipulations attached to the application.

Lease MH-55125 was suspended effective April 1, 1988. The suspension is subject to termination when drilling is commenced.

One copy of the application is returned herewith. Please notify the Bureau of Land Management Office checked on the attached special stipulation, in sufficient time for a representative to witness all cementing operations.

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Sincerely,

Orig. Sgd. Erancis R. Cherry, Jr.

Francis R. Cherry, Jr. District Manager

1 Inclosure

cc: MMS-Denver, - 1 NMOCD-Artesia - 2