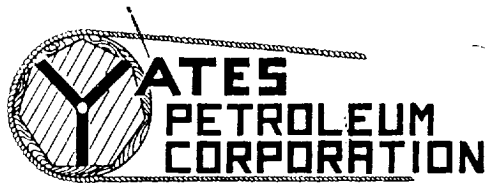


MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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

October 3, 1997

Mississippi Potash
P.O. Box 101
Carlsbad, New Mexico 88220

Gentlemen:

V-4100 Yates Petroleum Corporation is the operator of the State of New Mexico Oil and Gas Lease V-1400. The Jacque "AQJ" State #2 well location is being staked and a permit to drill is being submitted to the State of New Mexico. We plan to drill this well at the following location:

Jacque "AQJ" State #2
1650' FSL and 330' FWL
Section 34, T21S-R31E
Eddy County, New Mexico

This location will be drilled as a Delaware producer and will be low pressure only. No high pressure will be encountered either in the drilling or production of this well.

This well location is greater than one quarter of a mile from the designated LMR and will not create any dangerous conditions or encroach on any potential potash reserves.

We respectfully request that Mississippi Potash waive any objection that Mississippi Potash may have to this location and so indicate by signing and returning one copy of this letter to Yates Petroleum Corporation.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson
Land Manager

/cyc
Enclosures

We hereby waive any objection to the drilling of this well.

MISSISSIPPI POTASH

By:_____

Title:_____

Date:_____