



20 North Broadway, Suite 1500
Oklahoma City, Oklahoma 73102-8260

Telephone: 405/552-4615
Fax: 405/552-8113

September 22, 1999

VIA CERTIFIED MAIL

Yates Petroleum Corp.
105 South Fourth Street
Artesia, NM 88210-2118

RE: Eddy 'FV' State #4
S/2 Section 25-20S-27E
Eddy County, New Mexico

Post-It® Fax Note	7671	Date	10-12-99	# of pages	1
To	Carla Wood	From	Rob Bullback		
Co./Dept.		Co.	Yates Pet Corp		
Phone #		Phone #	505-748-1471		
Fax #	405-552-8113	Fax #	505-748-9522		

Gentlemen:

Devon Energy Corporation (Nevada) ("Devon") has recently filed a permit with the New Mexico Oil Conservation Division ("OCD") to drill the captioned well at a proposed unorthodox location of 660' FSL and 760' FEL, Section 25-T20S-R27E, Eddy County, New Mexico. The Eddy 'FV' State #4 will be drilled to approximately 11,500 feet to test the Morrow formation. The proposed location is unorthodox and must be granted an exception to the spacing rules. Under the 104.F (2) the OCD may grant administrative approval if the designated operator of any adjoining or diagonal spacing unit, to which the well will encroach, waives objection to the proposed location.

A successful response from you will eliminate the necessity to conduct a full OCD hearing on this matter and expedite our efforts. However, if you object to the location, your expression of opposition must be filed with the OCD within twenty (20) days from the date this notice was mailed.

Devon respectfully requests that you waive objection to the drilling of the Eddy 'FV' State #4 well at the proposed location and evidence your acceptance by executing and returning a copy of this letter to me at the above address.

Sincerely,

DEVON ENERGY CORPORATION (NEVADA)

Carla D. Wood
Landman

cdw:mkbledddy fv state #4.ltr-yates
enc.

AGREED TO AND ACCEPTED THIS 12th DAY OF October, 1999.

BY: John A. Yates
TITLE: Vice President