

Post-it* Fax Note	7671	Date	12/13/01	# of pages	1
To	BRLAN	From	Chet May		
Co./Dept.	OCD	Co.	YPC		
Phone #		Phone #			
Fax #	748-7720	Fax #			

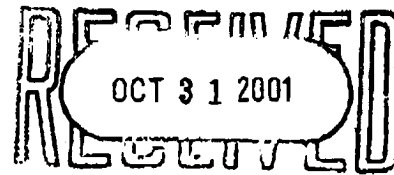


IMC Potash Carlsbad Inc.
P. O. Box 71
1361 Potash Mines Road
Carlsbad, New Mexico 88221-0071
505.887.2871
505.887.0589 Fax

October 29, 2001

Mr. Cy Cowan
Yates Petroleum Corporation
105 South Fourth Street.
Artesia, New Mexico 88210-2188

RE: Proposed Wells Medano "VA" State #7 & #10
Section 16, T23S-R31E, N.M.P.M.
#7: 330' FSL & 2310' FEL
#10: 1650' FSL & 2310' FEL
Eddy County, New Mexico



Dear Mr. Cowan:

IMC Kalium Carlsbad Potash Company has received your notices that Yates Petroleum Corporation intends to drill the above referenced wells. IMC Kalium has no objections to Yates drilling wells Medano "VA" State #7 & #10 to depths no deeper than 100' below the base of the Delaware formation at the stated locations. Based on the best available information, the locations of the fore mentioned wells would not interfere with the development of potash resources controlled by IMC. However, core drilling by others in section 21 to the south of the proposed locations has indicated potash ore as defined by the BLM on the 2nd ore zone. Drilling further to the south of section 16 would interfere with the development of those resources.

The above consideration is based on the best available information at this time; as more information becomes available our estimates of the extent of the potash resources in the area may change. Therefore, please consider the "objections offered" and "no objection offered" to the well locations to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to, more than one year prior, notify us again at that time so we can make the decision based on current information.

IMC Kalium submits this letter in lieu of the forms requested.

Sincerely,

John Purcell
Chief Mine Engineer

cc: Don Purvis Charlie High Lori Wroteneery, OCD
Dan Morehouse, Craig Cranston, BLM Betty Hill, BLM