

S. P. YATES PRESIDENT MARTIN YATES, III Vice President JOHN A. YATES Vice President B. W. HARPER

SEC. TREAS

207 SOUTH FOURTH STREET ARTESIA. NEW MEXICO 88210

TELEPHONE (505) 748-1331

January 25, 1982

U. S. Geological Survey P. O. Drawer U Artesia, New Mexico 88210

Attention: Mr. George Stewart

Re: Hewitt "IM" Federal #2

Gentlemen:

Yates Petroleum Corporation is submitting an application to drill a well on surface patented to Mr. Thomas S. Cooper, 410 National Tower, Las Cruces, New Mexico 88001. This well will be located 990' FSL and 1980' FEL of Section 25, T6S, R25E in Chaves County.

In a phone conversation with Mr. Thomas S. Cooper, it was agreed that we would compensate him monetarily for the surface damaged in drilling this well. Also that in the event of a dry hole, we would leave the road intact. The pit areas will be leveled after they are dry and along with the pad will be left to reseed naturally.

Sincerely,

Gliserio Rodriguez Regulatory Manager

Yates Petroleum Corporation

GR/dw