Administrative Order NSL-4407 Yates Petroleum Corporation February 14, 2000 Page 2

By the authority granted me under the provisions of Division Rule 104.F(2), the abovedescribed unorthodox Morrow gas well location is hereby approved.

Provided however that this Order authorizing the proposed unorthodox Morrow gas well location is limited to the location resulting from Yates' proposed re-entry of the Union Oil Company of California's State "17" Well No. 1. Furthermore, if the re-entry of this well is unsuccessful, this Order shall not be deemed to authorize the drilling of any replacement or other well at any unorthodox location within the subject spacing unit.

Sincerely,

Loui Westerbery by De

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe

