

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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TREASURER

April 21, 1998

Permian Resources, Inc.
P. O. Drawer 590
Midland, TX 79702

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Morton Unit #1 located in Unit B of Section 5, Township 15 South, Range 35 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

Morris Keith
Operations Engineer

MK/th