

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



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TREASURER

April 21, 1998

Ocean Energy
P. O. Box 4600
Houston, TX 77210

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,

A handwritten signature in cursive script that reads 'Morris Keith'.

Morris Keith
Operations Engineer

MK/th