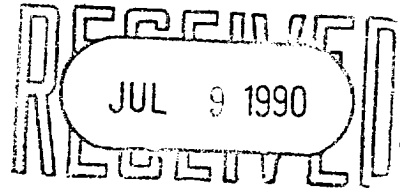


CONOCO, INC.  
P. O. Box 90  
Maljamar, N. M. 88264  
(505) 676-2961

Yates Petroleum Corp.  
207 South 4th  
Artesia, New Mexico 88210



Gentlemen

This is to inform you that quarterly settlement tests will be made on gas we purchase from your leases, listed below.

As per BLM Onshore Order #5, Sec.3C #18, the lessee/operator shall notify the Authorized Officer of the BLM at least 24hrs prior to the execution of these tests.

Please attempt to have your wells on normal production at this time.

If you plan to have someone present to witness the test please contact MEASUREMENT DEPARTMENT, MALJAMAR GAS PLANT at (505) 676-2961 within two (2) weeks of receipt of this letter to arrange a date and time for the test(s).

If no contact is made, we will feel free to deviate from the schedule in the interest of convenience to us.

Lease Name	Station Number	Month
Howe Federal TG #1	060-35-131	Jul-Aug
Thornbush Federal #1	064-35-174	Jul-Aug

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