30.025-31725

3160(067) NM-59392

SEP - 4, 1992

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CERTIFIED--RETURN RECEIPT REQUESTED P 864 869 064

Yates Petroleum Corporation Attention: Clifton R. May 105 South 4th Street Artesia, NM 88210

Re: Lusk "AHB" Federal Well No. 9 NM-59392 1650' FNL & 1040' FEL, Sec. 35, T19S, R32E Lea County, New Mexico

Dear Mr. May:

On April 24, 1992, Yates Petroleum Corporation filed an Application For Permit to Drill (APD) at the above referenced location. I am happy to approve your APD at the present location. Your copy of the APD with attached stipulations is enclosed.

Through our analysis of the APD, we have determined that the well site is located a sufficient distance from the ore zones that potash resources should not be impacted.

If you need any additional information please contact Tony Herrell at the Carlsbad Resource Area (505) 887-6544.

Sincerely,

15/ Frank Splendoria

for Larry L. Woodard State Director

1 Enclosure: 1 - APD

bcc: NM (920, R. Smith) NM (061) L. Cone) NN (065, A. Lopez) NM (067, T. Herrell) w/enclosure