

PRESIDENT MARTIN YATES, III Vice President John A. Yates Vice President B. W. Hanper Sec. - Treas,

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YATES BUILDING - 207 SOUTH 4TH ST. ARTESIA, NEW MEXICO - 88210

September 21, 1979

Bureau of Land Management P. O. Box 506 Carlsbad, NM 88220

Attention: Mr. Tom Zale

Re: Antelope "LY" Fed. #1

Gentelmen:

Yates Petroleum Corporation is submitting an application to drill a well on State surface. The well will be located in Section 6, T23S-R33E in Lea County.

In a telephone conversation with Mr. Ray Graham, head of the Oil Conservation Division, it was agreed that we would leave the pad and road intact and allow for natural reseeding. And that we would contact the grazer and settle damages with him.

We contacted J. W. Neil, the W. A. Maddox attorney, regarding damages and agreed to compensate W. A. Maddox momentarily for the surface used.

Sincerely,

YATES PETROLEUM CORPORATION

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Rod Rodriguez Geographer

RR/dl

RECEIVED SEP 27 1979 U. S. GEOLOGICAL SURVEY HOBBS, NEW MEXICO

OCT - 9 OCT - 9 O.C.D. HOBBS, OFFICT CURCH .

