



April 27, 2004

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APR 27 2004

Ms. Joanna Prukop, Acting Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Oil Conservation Division Case No. 13253: Application of Yates Petroleum Corporation for an Order Authorizing the Drilling of Three Wells in the Potash Area, Eddy County, New Mexico.

Dear Ms. Prukop:

Yates Petroleum Corporation, the applicant in Case No. 13253, hereby requests that the hearing on the above-referenced application be continued to the May 13, 2004 examiner hearing docket. By copy of this letter, I am advising Mr. Dan Morehouse, Superintendent of Mine Engineering for IMC, Potash Carlsbad Inc., of this request.

OK
WFC
4/27/04

On April 26, 2004, we received a letter from Mr. Morehouse in response to the subpoena issued to Yates by the Division. In that letter Mr. Morehouse advised the Division that he

“... will bring a single map showing many of the items Mr. Carr has listed but simply cannot, in the time allowed, produce every document or map ever made that has anything to do with this area.”

Since IMC has stated that it will not comply with the subpoena, it is impossible for Yates to prepare and present our case and a continuance is therefore required.

The response of IMC to this subpoena is improper. It is a corporation and cannot appear through an employee instead of its legal counsel. Furthermore, IMC cannot determine the relevance of information requested by Yates. This is a matter for the Division.



Yates is preparing a motion to compel the production of the information it is seeking with this subpoena and, if IMC refuses to provide this data, we will ask that these permits be approved.

Very truly yours,



William F. Carr
of Holland & Hart, LLP

cc: Mr. Dan Morehouse
IMC Potash Carlsbad Inc.
BY FACSIMILE (505) 887-0589

Mr. Will Jones, Hearing Examiner
David K. Brooks, Esq.
Gail MacQuesten, Esq.
Oil Conservation Division

Mr. Randy Patterson
Ernest L. Carroll, Esq.
Yates Petroleum Corporation