

September 10, 2009

VIA HAND DELIVERY

Mark E. Fesmire, Director
Oil Conservation Division
New Mexico Energy, Minerals &
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

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2009 SEP 10 P 3:42

Re: Case No. 14367: Application of Yates Petroleum Corporation for a non-standard proration spacing unit, compulsory pooling and rescission of a permit to drill [Derbi DOB Com Well No. 1-H], Chaves County, New Mexico

Case No. 14381: Application of Marshall & Winston, Inc. for cancellation of a permit to drill ("APD") issued to Yates Petroleum Corporation, Chaves County, New Mexico

Dear Mr. Fesmire:

Yates Petroleum Corporation requests that these related matters, which are currently scheduled for the September 17th Examiner docket, be continued to the October 15th Examiner docket. The parties have believe that they have reached an agreement resolving all issues and are in the process of finalizing a formal agreement. Accordingly, the parties fully expect to be in a position to dismiss their respective cases shortly.

The attorney for Marshall & Winston, Thomas Kellahin, has been contacted and does not oppose this request.

Thank you for your attention in this matter.

Sincerely,



Michael H. Feldewert

cc: W. Thomas Kellahin, Esq.