W. THOMAS KELLAHIN*

'NEW MEXICO BOARD OF LEGAL EPECIALIZATION RECORDIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

HT NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE. NEW MBXICO 87504-2295

September 9, 1998

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

VIA FACSIMILE

Mr. David R. Catanach Hearing Examiner Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re: MOTION FOR CONTINUANCE

NMOCD Case 12037 Application of Yates Petroleum Corporation for simultaneous dedication, or in the alternative, for special pool rules for the North Shoe Bar-Atoka Gas Pool E/2 Sec 10, T16S, R35E, Lea County, New Mexico.

Dear Mr. Catanach:

On behalf of Chesapeake Operating, Inc., an adversely affected interest owner, please enter our Entry of Appearance in the referenced case.

In addition, we are requesting that this case be continued to the docket set for October 22, 1998 in order to require Yates to produce certain data on or before September 17, 1998 and to then afford Chesapeake an opportunity to review that data in preparation for a contested hearing.

cfx: William F. Carr, Esq. Attorney for Yates Petroleum Corporation James Bruce, Esq. Attorney for Ocean Energy, Inc. Chesapeake Operating, Inc.