MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

SECRETARY
DENNIS G. KINSEY
TREASURER

S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT

RANDY G. PATTERSON

TELEPHONE (505) 748-1471

June 9, 2004

Mr. Bryan Arrant Oil Conservation Division, District II Office 1301 W. Grand Ave. Artesia, NM 88210

Re: Zane ABS Federal Com. #4

Sec. 15, T9S-R26E

SESE 660' FSL and 760' FEL Chaves County, New Mexico H2S Contingency Plan RECEIVED

JUN 1 0 2004

OCD ARTESIA

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Basement Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Debbie L. Caffall

Regulatory Technician