

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



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S. P. YATES
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TREASURER

May 12, 2004

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

30 - 015 - 28093

Re: Llama ALL Federal #1
330'FSL & 950'FWL of Section 7-T22S-R31E
Eddy County, New Mexico
H2S Contingency Plan

RECEIVED

MAY 13 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 Delaware Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta
Regulatory Compliance Supervisor