

YATES EXHIBIT NO. 2

CHRONOLOGY

CASE NO. 13531

- 7-1-2000: Yates Petroleum Corporation acquires State of New Mexico Oil and Gas Lease No. V-5855 covering the N/2 and SE/4 of Section 12, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico.
- 5-25-2001: Yates APD for a N/2 spacing unit approved by OCD.
- 6-1-2001: Pride Energy Company acquires State of New Mexico Oil and Gas Lease No. VO-6256 covering the SW/4 of Section 12.
- 4-18-2002: Yates Sundry Notice requesting extension of APD was approved by OCD.
- 5-30-2003: OCD cancelled Yates intent to re-enter the State "X" Well No. 1. Letter from OCD received 6-5-2003.
- 7-15-2003: Pride writes letter proposing re-entry of the State "X" well to Yates.
- 7-16-2003: Pride's APD for a W/2 spacing unit was approved by OCD.
- 8-23-2003: OCD cancels Pride's APD because the N/2 is leased to Yates who has filed an APD for a unit comprised of the Yates acreage in the N/2 of the Section.
- 8-25-2003: Yates submitted an APD for the re-entry of the State "X" Well No. 1.
- 8-26-2003: OCD approves Yates APD for the State "X" Well No. 1.
- 9-5-2003: Yates moves rig on location and re-working activities commence.
- 9-10-2003: Pride filed an application for an order (i) pooling the W/2 of Section 12, (ii) canceling Yates APD, and (iii) seeking and an Emergency Order prohibiting Yates re-entry operations.
- 9-12-2003: The Division Examiner denied Pride's application for an Emergency Order.
- 9-22-2003: Pride filed its Motion for Reconsideration of its application for an order directing Yates to cease operations on the well.

- 10-7-2003: At a hearing before the Division Examiner, Yates advised the Examiner that it had removed its rig and had voluntarily suspended its operations on this well pending a final decision by the Division on Pride's application.
- 10-23-2003: Division Examiner Hearing on Pride Application.
- 3-2-2004: Order No. R-12108 was entered granting Pride's application.
- 8-12-2004: Commission hearing on Yates' application for *de novo* review.
- 9-9-2004: Order No. R-12108-A entered by the Commission granting Pride's application.
- 9-23-2004: Pride provides AFE to Yates.
- 9-29-2004: Yates seeks a rehearing of Commission Order No. R-12108-A.
- 10-13-2004: Pursuant to Order No. R-12108-A and Prides' AFE, Yates signs Pride's AFE and pays Pride \$376,647.43 for its share of the AFE costs and Yates provides its schedule of well costs incurred during its re-entry attempt to Pride.
- 10-14-2004: Order No. R-12108-B (16) entered granting a partial rehearing on Yates' on the issue of the reimbursement of costs incurred by Yates during its re-entry operations on the well.
- 11-10-2004: Commission Rehearing.
- 12-9-2004: Order No. R-12108-C entered authorizing the reimbursement by Pride of costs incurred by Yates during its re-entry operations on the State "X" Well No. 1.
- 2-15-2005: Pride commenced re-entry operations.
- 2-27-2005: Pride experiences problems with the well.
- 3-10-2005: Pride releases the rig.
- 3-10-2005: Yates writes Pride and recommends the plugging and abandonment of the well.
- 3-27-2005: Pride ceases re-entry operations.
- 4-10-2005: Yates writes Pride concerning future operations on the well and requests the parties meet to resolve the remaining issues concerning the well.

- 4-26-2005: Yates files application with the Division seeking an order authorizing it to withdraw its election to participate in further operations on the well.
- 4-29-2005: Yates drills Limbaugh "AYO" Well No. 2 in the SE/4 of Section 12 to save State Oil and Gas Lease V-5855 that was scheduled to expire on July 1, 2005.
- 6-15-2005: Order No. R-12108-C terminates and the unit pooled thereby also terminates.