



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

January 31, 2007

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

CERTIFIED - RETURN
RECEIPT REQUESTED

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

In accordance with the provisions of Division Order No. R-12514, as amended, entered on March 6, 2006, which order promulgated temporary special pool rules for the Sand Springs Permo Upper-Pennsylvanian Pool in Lea County, New Mexico, including provisions for 160-acre spacing units and designated well locations, the Oil Conservation Division is reopening Case No. 13629 in order that the operators in the Sand Springs Permo-Upper Pennsylvanian Pool may appear and show cause why the temporary special rules for the pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

This case will appear on the docket for the Examiner Hearing to be held on March 1, 2007. This hearing will be held in Porter Hall, 1220 S. St. Francis Drive, Santa Fe, New Mexico, at 8:15 a.m. A copy of the advertisement for the March 1, 2007 hearing is enclosed.

Sincerely,

Florene Davidson
OC Staff Specialist

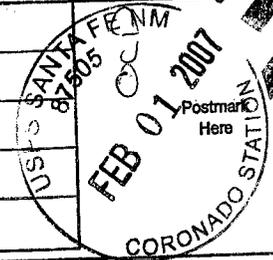
enc.

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 Street, Apt. No.,
 or P.O. Box
 105 South Fourth Street
 City, State, ZIP+4
 Artesia, New Mexico 88210
 PS Form 3800, January 2001 See Reverse for Instructions

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1. Article Addressed to:
 Yates Petroleum Corporation
 105 South Fourth Street
 Artesia, New Mexico 88210

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A. Signature
 Kathy Donaghe Agent
 Addressee

B. Received by (Printed Name) **KATHY DONAGHE** C. Date of Delivery

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