



October 13, 2009

VIA HAND DELIVERY

Mark E. Fesmire, Director
Oil Conservation Division
New Mexico Energy, Minerals &
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

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Re: Case No. 14367: Application of Yates Petroleum Corporation for a non-standard proration spacing unit, compulsory pooling and rescission of a permit to drill, Chaves County, New Mexico

Case No. 14381: Application of Marshall & Winston, Inc. for cancellation of a permit to drill ("APD") issued to Yates Petroleum Corporation, Chaves County, New Mexico

Dear Mr. Fesmire:

Yates Petroleum Corporation is pleased to report that the parties have reached an agreement resolving all issues. Accordingly in consultation with Mr. Kellahin, the attorney for Marshall & Winston, Yates requests that these related matters - which are currently scheduled for the October 15th Examiner docket - be dismissed.

Thank you for your attention in these matters.

Sincerely,

Michael H. Feldewert

cc: W. Thomas Kellahin, Esq.,
Attorney for Marshall & Winston
Chuck Moran