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January 8, 1999

HAND-DELIVERED

Lori Wrotenbery, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 2040 South Pacheco Street Santa Fe, New Mexico 87505 99 JAN -8 PM 3: LO

Re:

Oil Conservation Division Case No. 12086 (De Novo):

Application of Yates Petroleum Corporation and Hanley Petroleum Inc. for Allowable Reduction and the Escrow of Production Proceeds, Lea County,

New Mexico

Dear Ms Wrotenbery:

Yates Petroleum Corporation and Hanley Petroleum Inc. respectfully request that this matter which is currently set on the Commission docket for the January 14, 1999 hearings be continued to the Commission's February docket.

Your attention to this matter is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc:

W. Thomas Kellahin, Esq.

James Bruce, Esq.

J/Scott Hall, Esq.

Marilyn Hebert, Esq.