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April 24, 2001

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Chevron U.S.A., Inc.  
Post Office Box 1150  
Midland, Texas 79702

Attention: M. D. Barabash  
Land Representative

**Re: Application of Yates Petroleum Corporation for amendment of compulsory pooling Order No. R-11542 to change dedicated spacing unit, Lea County, New Mexico**

Ladies and Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking amendment of compulsory pooling Order No. R-11542 to pool the W/2 of S/2 of Section 13, Township 15 South, Range 34 East, NMPM, Lea County, New Mexico. Said units will be dedicated to Yates Petroleum Corporation's Chevy "AWV" State Com Well No. 1 to be drilled at a standard location 1650 feet from the South and West line of said Section 13 to test all formations from the surface to the base of the Morrow formation.

This application has been set for hearing before a Division Examiner on May 17, 2001. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing. This statement must include: the names of the

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OIL CONSERVATION DIV.

*Case 12665*

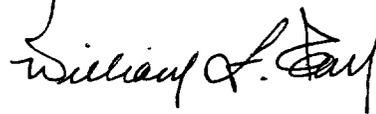
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parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is written in a cursive style with a large initial "W" and a stylized "C".

William F. Carr  
ATTORNEY FOR YATES  
PETROLEUM CORPORATION

Enc.