MARTIN VATES, III 1912 - 1965 FRANK W. YATES 1986 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. VATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY

February 11, 2004

Mr. Bryan Arrant Oll Conservation Division, District II Office 1301 W. Grand Ave. Artesia, NM 88210

Re: Medano VA State #13

1650' FNL and 330'FEL Section 16, T23S-R31E Eddy County, New Mexico H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Los Medano Delaware Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Debbie L. Caffall Regulatory Technician