



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

1/2/2002

Yates Petroleum Corp.
105 S 4th
Artesia, NM 88210

Dear Sir:

On July 30, 2001 we sent you a letter regarding the **Hillview AHE Fed Com #4 (30-015-26356)** requesting you decide from your available options under NMOC Rule 201 (Wells to be Properly Abandoned) what would be the future status of this well. Action on that letter was due by August 13, 2001. As of this date no reply has been received.

To avoid further action, we request that you exercise one of your options under the Rule above and notify us **on or before 01/15/02** using Form C-103.

Please be advised that failure to comply with this directive will result in an application for an order to Show Cause why the bond should not be forfeited, the well plugged and civil penalties assessed.

Respectfully,

Gerry Guye
Compliance Officer

2nd letter

You's Copy