MARITIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



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

JOHN A. YATES PRESIDENT PEYTON YATES EXECUTIVE VICE PRESIDENT RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY

TREASURER

S. P. YATES CHAIRMAN OF THE BOARD

January 5, 2005

RECEIVED

JAN 1 C 2005

David Catanach State of New Mexico OIL CONSERVATION DIVISION 1220 South Saint Francis Drive Santa Fe, NM 87505

OTL CONSERVATION DEVISION

Re: Dolly BER State Com #1

DHC-3341

Sec. -10S-34E, 660' FSL-660' FWL

Lea County, New Mexico

Dear Mr. Catanach;

Please find enclosed form C-107-A on the above referenced well. DHC approval was given on September 8, 2004. At the time of filing an allocation formula was not included. The C-107-A enclosed includes the allocation formula.

If you have any questions please do not hesitate to call me at 505-748-4164.

Sincerely,

Cherry Matchus

Engineering Technician Yates Petroleum Corporation

Cherry Motones

CM/enclosure

WC; AUSTIN: OIL 100%
Gas 84%

Jan SPRING: atohamour OIL Of