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June 10, 2005

HAND DELIVERY

Mark E Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

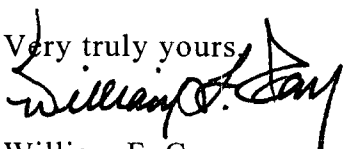
Re: New Mexico Oil Conservation Division Case No. 13153: Application of Yates Petroleum Corporation to re-open Case No. 13153 to permit Yates to withdraw its election to participate in further operations on the State "X" Well No. 1 and hereafter be a "non-consenting working interest owner" in the well and, pursuant to the provisions of Order No. R-12108-C, to determine the reasonableness of the actual well costs to be refunded by Pride Energy Company to Yates Petroleum Corporation pursuant to this order, Lea County, New Mexico.

Dear Mr. Fesmire:

Yates Petroleum Corporation requests that the hearing in the above-referenced case be continued from the June 16th Examiner hearing docket to a special hearing date. James Bruce, attorney for Pride Energy Corporation, and I have reviewed the status of this dispute and believe that it will take one hearing day to present the case. We also believe that a continuance to a later date will enable us to attempt to limit the issues that will have to be presented to the Division.

Mr. Bruce concurs in this request. We would like to meet with the Division prior to the June 16th examiner hearing date to identify a date when the case can be presented.

Your attention to this request is appreciated.

Very truly yours,


William F. Carr
Attorney for Yates Petroleum Corporation



cc: Mr. Richard Ezeanyim
Chief Engineer
Oil Conservation Division

James Bruce, Esq.
Attorney for Pride Energy Company