HOLLAND & HART LLP

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208

SANTA FE, NEW MEXICO 87504-2208

110 NORTH GUADALUPE, SUITE 1

SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421 FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

July 21, 2003

VIA HAND DELIVERY

David K. Brooks, Esq.
Oil Conservation Commission
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

JUL 2 2 2003

Oil Conservation Division

Re: Oil Conservation Division Case No. 12811 John A. Yates, Jr.

Dear Mr. Brooks:

Following our conversation of this date, I contacted Mr. Dan Lewis concerning the request of John A. Yates to have the above-referenced case reopened and Mr. Yates' payment under protest of the \$4000 fine assessed in this matter.

Mr. Lewis has authorized me to receive Mr. Yates Check No. 11975. It is my understanding that nothing further is required from Mr. Yates for this case to be reopened for additional hearing. It is also my understanding that no interest or penalty will be incurred on the amount of this fine pending a final resolution of this matter. If these understandings are incorrect, please advise.

Verv truly yours.

William F. Carr

cc: Mr. Dan Lewis