



YATES DRILLING COMPANY

105 SOUTH FOURTH STREET - ARTESIA, NEW MEXICO 88210

(505) 748-1471 • FAX (505) 748-4579

02 JAN 30 PM 12:28

PEYTON YATES
PRESIDENT

S. P. YATES
VICE PRESIDENT

RANDY G. PATTERSON
SECRETARY

DENNIS G. KINSEY
TREASURER

January 28, 2002

New Mexico Energy, Minerals & Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

CERTIFIED MAIL

RE: Case No. 12811: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico.

ATTN: Mr. David K. Brooks

Ladies and Gentlemen:

Yates Drilling Company is in receipt of Mr. David K. Brooks' letter of January 22, 2002 regarding the referenced Case No. 12811. Mr. Brooks' letter included a sheet titled "Case No. 12811, Exhibit A to Application" and numbered as page 12. The list on this sheet contains, among other operators' wells, the following single well operated by Yates Drilling Company:

- 30-015-01385, O, 04-1988, SPURCK F STATE #004, YATES DRILLING CO., C-15-17S-28E, SY

Plugging operations on this well were completed on June 12, 2001. A Sundry Notice (enclosed) describing the completed plugging procedure was sent to the Artesia NMOCD office by certified mail on June 14, 2001. A letter requesting the status of items on the plugging checklist was received from the NMOCD on July 13, 2001. All items on the list were checked as completed and the letter (enclosed) was returned to the Artesia NMOCD office by certified mail on July 18, 2001. The well is currently awaiting final inspection and final plugging approval from the NMOCD.

We believe that Yates Drilling Company has done everything required to bring this well into compliance, pending NMOCD final inspection. Accordingly, Yates Drilling Company requests that the Spurck F State #004 well be removed from the list of wells in non-compliance in regard to Division Rule 201.B. We request that the NMOCD please confirm

January 28, 2002

that this well will or will not be discussed at the February 22, 2002 hearing so that arrangements can be made to attend if necessary.

I may be contacted at the letterhead address or by telephone at (505) 746-0308.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tobin L. Rhodes', with a long horizontal flourish extending to the right.

Tobin L. Rhodes
Operations Manager
Yates Drilling Company

cc: Randy Patterson (Yates), Tim Gum (NMOCD) Artesia