

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Lori Wrotenbery Director Oil Conservation Division

March 11, 2004

Mr. Richard Ezeanyim Chief, Engineering Bureau New Mexico Oil Conservation Division 1220 S. St. Francis Dr. Santa Fe, NM 87505

Re: Case No. 12955 - Yates Petroleum Corporation

Dear Richard:

The Division now has evidence that all of the wells that were the subject of this inactive well case have been returned to compliance in accordance with the settlement agreement between the parties.

This case can accordingly now be dismissed.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brook

David K. Brooks Assistant General Counsel

cc. Bill Carr