KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87804-2265

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

JASON KELLAHIN (RETIRED 1991)

new mexico board op legal specialization Regognized specialist of the area of Natural resurces-1014 and day law

W. THOMAS KELLAMIN'

January 4, 1999

VIA FACSIMILE

Mr. Mark Ashley Hearing Examiner Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re: MOTION FOR CONTINUANCE

NMOCD Case 12037
Application of Yates Petroleum Corporation
for simultaneous dedication, or in the alternative, for
special pool rules for the North Shoe Bar-Atoka Gas Pool
E/2 Sec 10, T16S, R35E, Lea County, New Mexico.

Dear Mr. Ashley:

On behalf of Chesapeake Operating, Inc., an adversely affected interest owner, please enter our Entry of Appearance in the referenced case.

In addition, we are requesting that this case be continued to the docket set for January 21, 1999 so that Yates, in compliance with a subpoena served today, can produce certain data on or before January 7, 1999 and to then afford Chesapeake an opportunity to review that data in preparation for a contested hearing.

W. Thomas Kellahin

cfx: William F. Carr, Esq.

Attorney for Yates Petroleum Corporation

James Bruce, Esq.

Attorney for Ocean Energy, Inc.

Chesapeake Operating, Inc.

Attn: Lynda Townsend