

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



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S. P. YATES
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TREASURER

April 22, 2004

Mr. Bryan Arrant
Oil Conservation Division, District II Office
1301 W. Grand Ave.
Artesia, NM 88210

RECEIVED
APR 23 2004
OCD-ARTESIA

Re: Dazed BDZ Federal Com #1 30-015-33090
1650'FNL & 660'FWL of Section 3-T21S-R24E
Eddy County, New Mexico
H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Wolfcamp Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta
Regulatory Compliance Supervisor