

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



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TREASURER

August 27, 2004

#30-015-  
33148

RECEIVED  
AUG 31 2004  
OCD-ARTESIA

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

Re: Clarence BCU #1  
Section 14-T16S-R26E  
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 Upper Penn 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