



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.

Director
Oil Conservation Division

17-Jan-06

YATES PETROLEUM CORPORATION
105 S 4TH ST
ARTESIA NM 88210

DIAMOND AKI FEDERAL No.002 M-34-20S-24E 30-015-29125

Dear Operator:

Based on information provided by Mr. Dan Dolan, Environmental Regulatory Agent for Yates Petroleum, the release identified during the inspection of the subject well on 12/28/05 has been determined to be brine water. The violation for this release has been closed and no further action is required by Yates Petroleum.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infrastructure of the oil and gas industry.

Sincerely,


Artesia OCD District Office