

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



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TREASURER

September 27, 2004

*Copy to:*

*30-005-60209  
30-005-60212  
30-005-60218*

Mr. Gerry Guye  
Inspector  
Oil Conservation Division  
1301 West Grand  
Artesia, NM 88210

Dear Mr. Guye,

In reference to our phone conversation today, I am requesting an extension of the Notice of Violation letters (inactive wells) received on April 5, 2004 concerning the Federal CL #1, #2, and #4 wells until February 1, 2005. We are in the process of re-entering the Federal CL #5, and would like to test and evaluate the results of this well before we begin plugging any wells in this area.

We also would like to request an extension of the Sara AHA #9 Notice of Violation letter (inactive well) received on September 20, 2004 until February 1, 2005. As per your request I've attached a copy of the "Exhibit A- revised non-compliant well list" dated 7/23/2004 we received from Mr. Tim Gum.

Thank you for your consideration in this matter, and if you need any additional information please don't hesitate to call me.

Sincerely,

Michelle Taylor  
Regulatory Compliance Manager

RECEIVED  
SEP 28 2004  
OBB-ARTESIA

cc: Pinson McWhorter