COG OPERATING LLC

Fasken Center, Tower II 550 West Texas Avenue, Suite 1300 Midland, TX 79701 Phone: (432) 683-7443

Fax: (432) 683-1166

FAX COVER SHEET

Privileged and Confidential

3 _____ pages w/ cover sheet

June 43,2005

To:

Bryan Arrant and Carmen Reno

NMOCD - District II Fax: (505) 748-9720

Bryan & Carmen,

Here are copies of the letter from Yates, and a letter to Tim Gum requesting removal of the Yates proposed location. A copy of the Yates APD 30-015-32641 is also attached.

Could you let me know if you received this fax, and approximately how long it will take the OCD to delete this Yates location? I don't want to be a pest, but our NM engineer is waiting for an answer from me.

Thanks so much,

Phyllis
Phyllis
Edwards
COG OPERATING LLC
550 W. Texas Ave., Ste. 1300
Midland, TX 79701
432/ 683-7443 Concho
432/ 685-4340 Direct line
432/ 683-1166 Fax
pedwards@conchoresources.com

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Thank you.

COG Operating LLC

550 W. Texas, Suite 1300 Fasken Center, Tower II Midland, TX 79701

June 6, 2005

New Mexico Oil & Gas Conservation Division District II - Artesia District Attn: Tim Gum 1301 W. Grand Avenue Artesia, NM 88210

Re:

Former State Oil & Gas Lease No.: V-4859, VB 484

Present State Oil & Gas Lease No.: VO7416

Dear Tim,

COG Operating LLC purchased the above mentioned acreage from the State of New Mexico on 5-17-05. While reviewing records, COG noticed that Yates Petroleum Corporation has an extension until 2-17-06 to drill a location on this acreage (copies attached).

COG Operating LLC respectfully requests that the Artesia OCD delete Yates extension to drill this location, since we acquired this acreage.

Thank you for your prompt attention to this matter.

Sincerely,

Joe Whight Vice President

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- Operations / Engineering

T-167 P.03/03 F-835

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

MARTIN YATES, III 1912-1988 FRANK W. YATES 1936-1985



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (505) 748-1471

June 3, 2005

New Mexico Oil and Gas Conservation Division Attn: Bryan Arrant 1301 W. Grand Ave. Artesia, NM 88210

RE: Former State Oil & Gas Lease No.: V-4859, VB 484

Present State Oil & Gas Lease No.: V07416

Simpson AVB State Com. #1 990' FNL and 660' FWL Section 32, T23S-R25E Eddy County, New Mexico

Dear Mr. Arrant:

Yates Petroleum Corporation wishes to cancel the APD for the above captioned. This APD was approved on January 20, 2005 with API #30-015-32641.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Debbie L. Caffall

Regulatory Technician

dlc

CC: COG Operating LLC

Attn: Phyllis Edwards 550 W. Texas, Suite 1300 Midland, TX 79701 MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (505) 748-1471

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