

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



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

S. P. YATES
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TREASURER

July 19, 2005

RECEIVED
JUL 20 2005
OCD-ARTESIA

Mr. Tim Gum
Oil Conservation Division
1301 West Grand Avenue
Artesia, NM 88210

Dear Mr. Gum:

Yates Petroleum Corporation respectfully requests a six month extension of time be allowed to accomplish closure of the following drilling pits:

| WELL NAME | API NUMBER | SEC-TWN-RNG |
|-----------------------|--------------|-------------|
| Pay AYY Federal Com 2 | 30-005-63706 | M 11 8S 26E |
| Horn YG Federal Com 4 | 30-005-63680 | I 7 8S 26E |

The extension is needed due to waiting on equipment for closure.

Your attention to this matter is appreciated. Should you have any questions, you may contact Dan Dolan at 505-748-4181.

Sincerely,

Dan Dolan
Reclamation Agent

Due to the sensitive area in which the Pay # 2 is located, the extension is denied.

The extension for the Horn YG Federal Com # 4 is granted.

JUL 25 2005