MARTIN YATES, III 1912 - 1966 FRANK W. YATES 1936 - 1866



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TREASURES

February 11, 2004

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

Re: Medano VA State #14

330' FNL and 330'FEL Section 16, T23S-R31E 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 Los Medano Delaware Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Debbie L. Caffall

Regulatory Technician