

William F. Carr wcarr@hollandhart.com

June 15, 2004

HAND DELIVERY

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 13297

Re:

Application of Yates Petroleum Corporation for approval of a unit

agreement, Chaves County, New Mexico.

Dear Mr. Fesmire:

Enclosed is the Application of Yates Petroleum Corporation in the above-referenced case as well as a copy of the legal advertisement. Yates Petroleum Corporation requests that this matter be placed on the July 8, 2004 Examiner Hearing docket.

Very truly yours,

William F. Carr

Enclosures

cc: Mr. Chuck Moran

Yates Petroleum Corporation 105 South Fourth Street

Artesia, New Mexico 88210-2118

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

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APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF A UNIT AGREEMENT, CHAVES COUNTY, NEW MEXICO.

CASE NO. 13297

APPLICATION

YATES PETROLEUM CORPORATION ("Yates"), through its undersigned attorneys, hereby makes application for an order approving its Barracuda State Exploratory Unit and in support of this application states:

1. The proposed Unit Area for the Barracuda State Exploratory Unit consists of 3200 acres, more or less, of State of New Mexico lands, situated in Chaves County, New Mexico. The horizontal limits of said unit are described as follows:

Township 10 South, Range 27 East, N.M.P.M.

Sections 4 and 5:

All

Sections 8 and 9:

All

Section 17:

All

- 2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.
- 3. The Applicant, Yates Petroleum Corporation, is designated as Unit Operator in said Unit Agreement and all oil and gas in the all formations are unitized.
- 4. The proposed Unit Area covers all of the geological structures or anomaly from the surface to the top of the Mississippian formation.

5. Said Unit Agreement and the unitized operation and management of the Unit Area will be in the interest of conservation and the prevention of waste and it will protect the correlative rights of all parties.

WHEREFORE, Yates Petroleum Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 8, 2004, that notice be given as required by law and the rules of the Division, and that the Barracuda State Exploratory Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

William F Carr

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM CORPORATION

CASE NO. <u>13297</u>:

Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico. Applicant seeks approval of the Barracuda State Exploratory Unit for all formations from the surface to the top of the Mississippian formation in an area comprising 3200 acres, more or less, of State of New Mexico lands in Sections 4, 5, 8, 9 and 17 of Township 10 South, Range 27 East, NMPM, which is located approximately 21 miles east northeast of Roswell, New Mexico.





June 28, 2004

HAND DELIVERY

Mark E. Fesmire, P. E. Director Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re:

Amended Application of Yates Petroleum Corporation for approval of a unit

agreement, Chaves County, New Mexico.

Dear Mr. Fesmire:

Enclosed is the Amended Application of Yates Petroleum Corporation in the above-referenced case as well as a copy of the legal advertisement. Yates Petroleum Corporation requests that this matter be placed on the July 22, 2004 Examiner Hearing docket.

Wery truly yours,

William F. Carr

Enclosures

Mr. Chuck Moran cc:

Yates Petroleum Corporation

105 South Fourth Street

Artesia, New Mexico 88210-2118



STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF A UNIT AGREEMENT, CHAVES COUNTY, NEW MEXICO.

CASE NO. 13297 ∄

AMENDED APPLICATION

YATES PETROLEUM CORPORATION ("Yates"), through its undersigned attorneys, hereby makes application for an order approving its Barracuda State Exploratory Unit and in support of this application states:

1. The proposed Unit Area for the Barracuda State Exploratory Unit consists of 3200 acres, more or less, of State of New Mexico lands, situated in Chaves County, New Mexico. The horizontal limits of said unit are described as follows:

Township 10 South, Range 27 East, N.M.P.M.

Sections 4 and 5:

A11

Sections 8 and 9:

All

Section 17:

All

- 2. The Unit Agreement has been approved by a sufficient percentage of the interest owners within the proposed Unit Area to provide effective control of unit operations.
- 3. The Applicant, Yates Petroleum Corporation, is designated as Unit Operator in said Unit Agreement and all oil and gas in the all formations are unitized.
- 4. The proposed Unit Area covers all of the geological structures or anomaly from the surface to the base of the Silurian-Devonian formation.

5. Said Unit Agreement and the unitized operation and management of the Unit Area will be in the interest of conservation and the prevention of waste and it will protect the correlative rights of all parties.

WHEREFORE, Yates Petroleum Corporation requests that this amended application be set for hearing before an Examiner of the Oil Conservation Division on July 22, 2004, that notice be given as required by law and the rules of the Division, and that the Barracuda State Exploratory Unit be approved.

Respectfully submitted,

HOLLAND & HART, LLP

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM CORPORATION

CASE NO. 13297:

Amended Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico. Applicant seeks approval of the Barracuda State Exploratory Unit for all formations from the surface to the base of the Silurian-Devonian formation in an area comprising 3200 acres, more or less, of State of New Mexico lands in Sections 4, 5, 8, 9 and 17 of Township 10 South, Range 27 East, NMPM, which is located approximately 21 miles east northeast of Roswell, New Mexico.