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October 9, 2003

**BY HAND DELIVERY**

**RECEIVED**

OCT 10 2003

Ms. Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

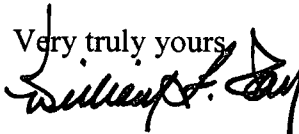
Oil Conservation Division

Re: Application of Yates Petroleum Corporation for nonstandard spacing and proration units, Chaves County, New Mexico.

Dear Ms. Wrotenbery;

Enclosed is an amended legal advertisement in the above-referenced case. The amendment adds to the prior advertisement the request for a 50.19-acre non-spacing unit comprised of Lot 1 of irregular Section 36, Township 9 1/2 South, Range 24 East, NMPM and Lot 1 of irregular Section 1, Township 10 South, Range 24 East, NMPM. The application correctly included this acreage and notice was provided to all affected owners as required by Division rules.

The applicant, Yates Petroleum Corporation, requests that this legal advertisement be included on the docket for the November 6th Examiner hearings.

Very truly yours,  
  
William F. Carr

Enclosure

cc: David R. Catanach, Examiner  
Oil Conservation Division  
Charles E. Moran  
Yates Petroleum Corporation

**CASE 13154 (Readvertised):**

**Application of Yates Petroleum Corporation for nonstandard spacing and proration units, Chaves County, New Mexico.**

Applicant in the above-styled cause seeks an order creating:

- (i) a non-standard 365.94-acre spacing and proration unit, for all formations and/or pools developed on 320-acre spacing, comprised of Lots 1 through 4 of in irregular Section 36 of Township 9 1/2 South, Range 24 East, NMPM and the N/2 of irregular Section 1, Township 10 South, Range 24 East, NMPM;
- (ii) a non-standard 181.31-acre spacing and proration unit, for all formations and/or pools developed on 160-acre spacing, comprised of Lots 1 and 2, of irregular Section 36, Township 9 1/2 South, Range 24 East, NMPM, and Lots 1 and 2 and the S/2 NE/4 of irregular Section 1, Township 10 South, Range 24 East, NMPM; and
- (iii) a non-standard 50.19-acre spacing and prortion unit comprised of Lot 1 of irregular Section Section 36, Township 9 1/2 South, Range 24 East, NMPM and Lot 1 of irregular Section 1, Township 10 South, Range 24 East, NMPM.

Yates proposes to dedicate these non-standard spacing units to its Erma Com Well No. 2 to be drilled at a standard location 660 feet from the North and East lines (Unit A) of said Section 1 to a depth sufficient to test all formations from the surface to the Precambrian formation. These non-standard units are located approximately 4 miles northeast of Roswell, New Mexico.