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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 11358

APPLICATION OF NEARBURG EXPLORATION COMPANY TO TERMINATE SALT WATER DISPOSAL INTO CERTAIN INJECTION WELLS BY RESCINDING NMOCD PERMIT SWD-336 FOR YATES PETROLEUM CORPORATION'S OSAGE WELL NO. 1 AND BY RESCINDING ORDER R-7637 FOR ANADARKO PETROLEUM CORPORATION'S OSAGE WELL NO. 1 EDDY COUNTY, NEW MEXICO

ORDER OF THE DIVISION STAYING INJECTION

BY THE DIVISION:

This matter having come before the Division upon the request of Nearburg Exploration Company for a Stay and the Division Director having considered the request and being fully advised in the premises,

NOW, on this _____ th day of May, 1995, the Division Director,

FINDS THAT:

(1) Nearburg Exploration Company has complied with the provisions of Division Memorandum 3-85 and has filed its request for a Stay on July 10, 1995.

(2) That under the circumstances of this case a stay should be entered in order to prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) Yates Petroleum Corporation ("Yates") is hereby STAYED from any injection into its Osage Well No. 1, 1980 feet from the North line and 1980 feet from the East line of Section 21, T19S, R25E, permitted by Division Administrative Order SWD-336; and

(2) Anadarko Petroleum Corporation ("Anadarko") is hereby STAYED form any injection into its Osage Well No. 1 located 1495 feet from the North line and 225 feet from the

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West line of Section 22, T19S, R25E, NMPM, permitted by Order R-7637 entered in Case 8234;

(3) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY Director

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