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August 15, 1996

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 2040 South Pacheco Street Santa Fe, New Mexico 87505 9205Wsp

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Re: Oil Conservation Division Case No. 11525:

In the Matter of the Application of Yates Petroleum Corporation For Amendment of the Special Pool Rules And Regulations for the North Dagger Draw-Upper Pennsylvanian Pool as Promulgated By Division Order No. R-5353, as Amended, To Increase the Assigned Poolwide Depth Bracket Oil Allowable and the Cancellation of Overproduction, Eddy County, New Mexico.

Oil Conservation Division Case No. 11526:

In the Matter of the Application of Yates Petroleum Corporation For Amendment of the Special Pool Rules And Regulations for the South Dagger Draw-Upper Pennsylvanian Pool as Promulgated By Division Order No. R-5353, as Amended, To Increase the Assigned Poolwide Depth Bracket Oil Allowable and the Cancellation of Overproduction, Eddy County, New Mexico.

ORDER NOS. R-4691-E and R-5353-L-2