CASE //9.34:

Application of Yates Petroleum Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests underlying the following described acreage in Section 2, Township 16 South, Range 35 East, in the following manner: the W/2 of Section 2 to form a standard 320acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, the NW/4 of Section 2 to form a standard 160-acre spacing and proration units for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, the S/2 NW/4 to form a standard 80acre spacing or proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, and the SW/4 NW/4 of Section 2 to form a standard 40-acre spacing or proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said units are to be dedicated to the proposed Fields"APK" State Com Well No. 3 which will be drilled at a standard location 1980 feet from the North line and 760 feet from the West line of said Section 2. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately miles _____ of _____, New Mexico.

