



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
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December 17, 1998

Mr. William F. Carr
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Mr. W. Thomas Kellahin
Post Office Box 2265
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**Re: Application of Nearburg Exploration Company, L.L.C.
for Compulsory Pooling, an Unorthodox Surface and
Subsurface Drilling Window, Eddy County New, Mexico.
Case 12073 (*DeNovo*)**

Gentlemen:

On December 14, 1998, Abo Petroleum Corporation, MYCO Industries Inc., John A. Yates, John A. Yates, Personal Representative of the Estate of Peggy A. Yates, S.P. Yates, Yates Drilling Company, and Yates Petroleum Corporation ("Yates") filed its Motion to Stay Division Order No. R-11089 and to Continue Commission Hearing. On December 15, 1998, Nearburg Exploration Company L.L.C. ("Nearburg") filed its response to the Yates's motion.

After reviewing the motion and response, I am hereby granting the motion for a continuance of the Oil Conservation Commission hearing set for December 18, 1998. Case No. 12073 (*DeNovo*) is continued until January 14, 1999. As there is no dispute between the parties that Nearburg now seeks to drill in a location other than that approved by Division Order No. R-11089, it is necessary to stay Division Order No. R-11089 so that the deadline imposed on Yates to agree to participate in the well will not run during the time that it is unknown what the surface location or costs of the well will be.

Sincerely,


Lori Wrotenbery
Director