

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
PAUL R. OWEN
ANTHONY F. MEDEIROS

JACK M. CAMPBELL
1916-1999

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

September 28, 1999

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87503

29 SEP 28 AM 1:08

01 OCT 01 10:10 AM

#12269

Re: Application of Yates Petroleum Corporation, for amendment of
Division Order No. R-11061, Lea County, New Mexico

Dear Ms. Wrotenbery:

Enclosed in triplicate is the Application of Yates Petroleum Corporation, in the above-referenced case as well as a legal advertisement. Yates, respectfully requests that this matter be placed on the docket for the October 21, 1999 Examiner hearings.

Since this application only involves the amendment of an order to correct a well location, Yates requests that the case be advertised so that, in the absence of objection, the application be taken under advisement.

Very truly yours,


WILLIAM F. CARR

WFC

Enclosures

cc: Robert Bullock (w/enclosures)
Yates Petroleum Corporation

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

IN THE MATTER OF THE APPLICATION
OF YATES PETROLEUM CORPORATION
FOR AMENDMENT OF DIVISION ORDER
NO. R-11061, LEA COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

YATES PETROLEUM CORPORATION ("Yates"), through its undersigned attorneys, hereby makes application for amendment of Division Order No. R-11061 to correctly reflect the location of the Field "APK" State Com Well No. 3 at a point 1880 feet from the South line and 1650 feet from the West line of Section 2, Township 16 South, Range 35 East, NMPM, , and in support hereof states:

1. Yates is the operator of the Field "APK" State Com Well No. 3 which has been drilled at a standard location 1880 feet from the South line and 1650 feet from the West line of Section 2, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

2. The acreage dedicated to the well consists of Lots 11, 12, 13, and 14 and the SW/4 of irregular Section 2, which was compulsory pooled by Division Order No. R-11061 entered in Case No. 11934 on September 16, 1998. This case also involved competing applications filed by Ocean Energy, Inc. (Cases 11958 and 11959). The applications were consolidated for purposes of hearing. The

SEP 28 AM 1:00
OIL CONSERVATION DIVISION

12269

location for the Field "APK" State Com Well No. 3 was originally proposed and approved at a point 3300 feet from the South line and 760 feet from the West line of said irregular Section 2.

4. Following the entry of Order No. R-11061, Ocean filed for hearing de novo and the cases set for hearing before the Oil Conservation Commission. However, prior to the Commission hearing, Yates and Ocean reached agreement for the development of this acreage. This agreement provided that the Field "APK" State Com. Well No. 3 be moved to a location 1880 feet from the South line and 1650 feet from the West line of irregular Section 2. All interest owners in the subject spacing units voluntarily committed their interests to the drilling of the well except those owners set forth on Exhibit A to this application.

5. Yates requests that Order No. R-11061 be amended to reflect the correct location of the Field "APK" State Com. Well No. 3 at a point 1880 feet from the South line and 1650 feet from the West line of said irregular Section 2.

6. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

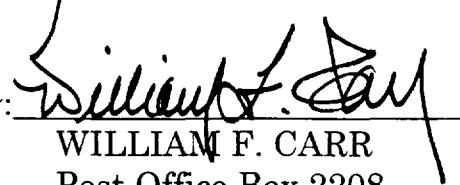
WHEREFORE, Yates Petroleum Corporation requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 21, 1999, and, after notice and hearing as required by law, the Division amend Division Order No. R-11061 to reflect the correct location of

the Field "APK" State Com. Well No. 3.

Respectfully submitted,

CAMPBELL, CARR, BERGE,
AND SHERIDAN, P.A.

By:

A handwritten signature in black ink, appearing to read "William F. Carr", is written over a horizontal line.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM
CORPORATION

EXHIBIT A

**APPLICATION OF YATES PETROLEUM CORPORATION
TO AMEND OIL CONSERVATION DIVISION ORDER NO. R-11061**

A. L. Cone Partnership
Post Office Box 3457
Lubbock, Texas 79452-3457

Katherine Cone Keck
1801 Ave. of Stars, # 446
Los Angeles, California 90067-5906

Clifford Cone
Post Office Drawer 1629
Lovington, New Mexico 88260-1629

Kenneth G. Cone
Post Office Box 11310
Midland, Texas 79702-8310

Tommy Gene Schnaubert
4404 Odessa Ave.
Ft. Worth, TX 76117

Bobby Joe Schnaubert
4404 Odessa Ave.
Ft. Worth, TX 76117

Mary Irwinsky
4404 Odessa Avenue
Ft. Worth, Texas 76133

Ruth Marle Dake
401 West Cielo
Hobbs, NM 88240

Laverna Howard
5221 Ira
Ft. Worth, TX 76117

Joan Garrison
5221 Ira
Ft. Worth, Texas 76117

OIL CONSERVATION DIV.
20 SEP 28 AM 1:09

CASE 12269:

Application of Yates Petroleum Corporation for amendment of of Division Order No. R-11061, Lea County, New Mexico. Applicant in the above-styled cause seeks amendment of Division compulsory pooling order No. R-11061 which compulsory pooled certain spacing and proration units in Lots 11, 12, 13 and 14 and the SW/4 of irregular Section 2, Township 16 South, Range 35 East, NMPM. Applicant seeks amendment of Order No. R-11061 to reflect the actual location of its Field "APK" State Com. Well No. 3 at a point 1880 feet from the South line and 1650 feet from the West line of said irregular Section 2. Said area is located approximately 4 miles west of Lovington, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**