

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

IN THE MATTER OF THE APPLICATION  
OF YATES PETROLEUM CORPORATION  
TO REOPEN CASE 10711 TO AMEND  
A WELL LOCATION APPROVED BY  
ORDER NO. R-9896, AND TO ESTABLISH  
AN ADMINISTRATIVE PROCEDURE FOR  
THE APPROVAL OF WELL LOCATIONS,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 10711 (Reopened)

**APPLICATION**

YATES PETROLEUM CORPORATION ("Yates"), by its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order amending Division Order No. R-9896 and in support thereof states:

1. Yates is the operator of a waterflood project in its Creek "AL" Federal Lease comprising the E/2 SE/4 of Section 23, the NW/4 SW/4 and S/2 S/2 of Section 24 and the NW/4 and E/2 NE/4 of Section 25, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico in which it is authorized to inject water into the Queen and Grayburg formations, Shugart - Yates - Seven Rivers - Queen - Grayburg Pool pursuant to Division Order No. R-9896 which was entered on May 18, 1993.

2. Subsequent to the entry of Order No. R-9896, the Bureau of Land Management required Yates to change the location of an injection well in this project because of the discovery of an archaeological site on this lease.

3. Yates requests that Case 10711 be reopened and that Order No. R-9896 be amended to approve the following new producing well location:

WELL NAME & NUMBER

WELL LOCATION

Creek "AL" No. 14

2310' FNL & 1250' FWL (Section 25)

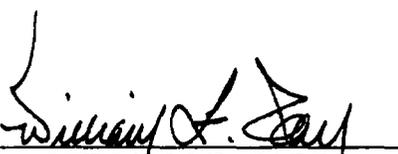
4. Yates also requests the establishment of an administrative procedure for the approval of injection and producing well locations in its Creek "AL" Federal Lease Waterflood Project after notice to affected offset operators.

5. Approval of this application will permit Yates to proceed with the waterflood project on its Creek "AL" Federal Lease with wells located outside the archaeological sites in Section 25, will not cause waste nor impair correlative rights and is otherwise in the best interest of conservation.

WHEREFORE, YATES PETROLEUM CORPORATION, requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on October 7, 1993, and, after notice and hearing as required by law, the Division amend the injection well locations approved by Order No. R-9896.

Respectfully submitted,

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& SHERIDAN, P.A.

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