



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office

P. O. Box 1397

Roswell, New Mexico 88201

IN REPLY
REFER TO:

3180 (065)

MAY 7 1987

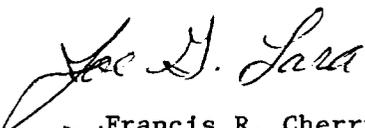
Dickerson, Fisk & Vandiver
Attention: Mr. Chad Dickerson
Seventh & Mahone, Suite E
Artesia, New Mexico 88210

Gentlemen:

Reference is made to your letter dated May 5, 1987, regarding the proposed Panther Hill Unit, Chaves County, New Mexico.

Since the proposed unit area contains less than ten percent Federal land, it will be treated as a nonfederally controlled unit. As such, no preliminary unit conference with this office is necessary. May we suggest that you proceed by presenting your plans for unitization to NMOCD and the Commissioner of Public Lands for approval. After you have received their approval, please submit your proposal to this office for consideration. In the meantime, your inquiry will remain confidential.

Sincerely,


for

Francis R. Cherry, Jr.
District Manager

YATES PETROLEUM CORPORATION
Case No. 9135
5/20/87 Examiner Hearing
Exhibit No. 5