

TO School

2000 State National Plaza
El Paso, Texas 79901-1447
(915) 533-4424
FAX (915) 546-5360

FAX COVER SHEET

OTHER OFFICES:

Albuquerque, New Mexico 87102-2121
500 Marquette, N.W., Suite 1200
(505) 247-2315 - FAX (505) 843-6099

Midland, Texas 79701-4310
400 West Illinois, Suite 1400
(915) 687-0011 - FAX (915) 687-1735

Santa Fe, New Mexico 87501-1861
300 Paseo de Peralta, Suite 200
(505) 982-1913 - FAX (505) 988-7563

PLEASE DELIVER THE FOLLOWING PAGES IMMEDIATELY

TO: **Name:** William J. LeMay, Director **Date:** March 12, 1992

Firm: State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division 11.24

Time: 4:24 PM

City: Santa Fe

State: New Mexico

FAX Telephone Number: 505-827-5741

FROM: **Name:** Charles C. High, Jr. **File No.** 07781.00100

THERE ARE 3 PAGES INCLUDING THIS COVER SHEET. IF YOU HAVE ANY PROBLEMS REGARDING TRANSMISSION OR IF YOU DO NOT RECEIVE ALL OF THE PAGES, PLEASE CALL Jackie Alvarado AT (915) 533-4424.

Signature of Operator

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYER OR AGENT RESPONSIBLE TO DELIVER IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

Objection to Subpoena

BEFORE THE OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF)	
YATES PETROLEUM CORPORATION FOR)	CASES NOS. 10446,
PERMITS TO DRILL, EDDY COUNTY,)	10447, 10448. 10449
NEW MEXICO		

OBJECTIONS TO SUBPOENA DUCES TECUM

NEW MEXICO POTASH CORPORATION objects to the subpoena issued by the New Mexico Oil Conservation Division to Bob Lane, New Mexico Potash Corporation, on March 5, 1992, for the following reasons:

1. The subpoena seeks documents and information protected from disclosure by Order R-111-P, Section G, which states:

Information used by the potash lessee in identifying its LMR shall be filed with the BLM and SLO but will be considered privileged and confidential "trade secrets and commercial....information" within the meaning of 43 C.F.R. § 2.13(c)(4) (1986), Section 19-1-2, 1 NMSA 1978, and not subject to public disclosure.

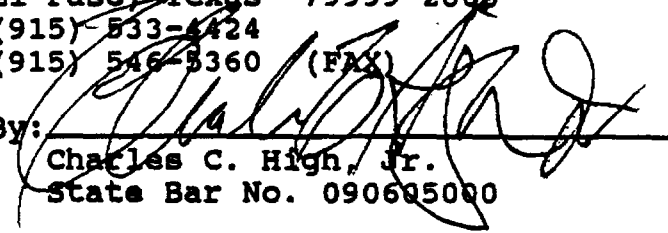
2. The documents and information sought by the subpoena, with the exception of information concerning Section 2 of Township 22 South, Range 31 East, are irrelevant to the issues raised by the applications for permit to drill at issue in these cases.

3. The documents and information sought by the subpoena are unnecessary to the resolution of any issue in these cases because the information sought is on file with the State Land Office even though protected from public disclosure. Therefore, the fact that the proposed well locations are within New Mexico Potash Corporation's LMR and should not be allowed (see Order R-111-P, Section G(e)(3)), can be verified by the SLO as provided in Order R-111-P, Section G(b), without disclosure of the confidential, trade secret information sought by the subpoena.

4. Information concerning Core Hole No. 162, located in Section 2 of Township 22 South, Range 31 East, and within approximately 2600' of all of the proposed well locations, has been provided to counsel for Yates Petroleum Corporation.

Respectfully submitted,

KEMP, SMITH, DUNCAN & HAMMOND, P.C.
P.O. Drawer 2800
El Paso, Texas 79999-2800
(915) 533-4424
(915) 546-3360 (FAX)

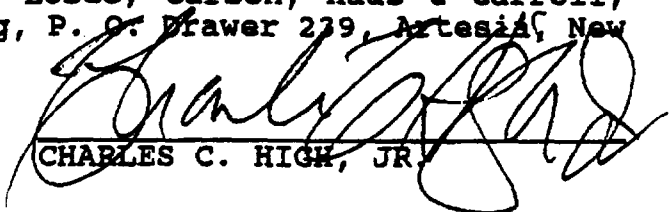
By: 
Charles C. High, Jr.
State Bar No. 090605000

Charles E. Roybal
ROYBAL AND ASSOCIATES
6020 Academy, Suite 201
Albuquerque, New Mexico 87109-3315
(505) 857-0377
(505) 857-9103 (FAX)

Attorneys for New Mexico Potash
Corporation

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Objections to Subpoena Duces Tecum was sent by facsimile and mailed this 12 day of March, 1992 to Losee, Carson, Haas & Carroll, P.A., 300 Yates Petroleum Building, P. O. Drawer 239, Artesia, New Mexico 88211-0239.


CHARLES C. HIGH, JR.



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

February 10, 1992

New Mexico Potash Corporation
Attn: Mr. R. H. Lane
P. O. Box 610
Hobbs, NM 88240

Dear Mr. Lane:

Acknowledging receipt of your updated LMR map, in compliance with O.C.D. Order R111-P. A study of your map reveals a significant change from your 1991 LMR submittal, being an extension southward to include N. M. Section 2 and continuing rather vaguely southward in Township 22 South, Range 31 East.

During discussions in Santa Fe on January 10, 1992, mention was made that New Mexico Potash does not process langbeinite. It was also pointed out that mineralization in Section 2 is langbeinite.

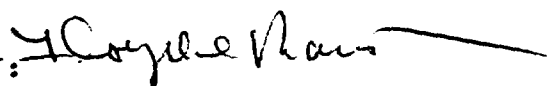
This office has never received any data to justify the outlines of any LMR and certainly has no data to justify extending your LMR into an area where mineralization is of a type which is not utilized in your operations.

This office cannot approve this change in your LMR outline until we are convinced that there are adequate data to justify this addition and that the indefinite southward extension is not arbitrary and capricious. We would also request some evidence that your operation has enough flexibility to process both sylvite and langbeinite ore.

Sincerely

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:


FLOYD O. PRANDO, Director
Oil, Gas and Minerals Division
(505) 827-5744

JB/FOP/ES/dj





State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

MATTHEW BACA
DEPUTY SECRETARY

March 23, 1992

LOSEE, CARSON, HAAS & CARROLL
Attorneys at Law
P. O. Drawer 239
Artesia, New Mexico 88211-0239

RE: CASE NO. ~~10446~~ 10447, 10448, 10449,
ORDER NO. R-9650, R-9651, R-9654, R-9655

Dear Sir:

Enclosed herewith are two copies of each of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

Florene Davidson
by sl

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office
Jerry Losee
Charles High
James Bruce
Tom Kellahin

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970

LAND OFFICE BUILDING - 310 Old Santa Fe Trail
Oil Conservation Division
P.O. Box 2088 87504-2088
827-5800

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

ERNEST L. CARROLL
JOEL M. CARSON
JAMES E. HAAS
A. J. LOSEE
DEAN B. CROSS
MARY LYNN BOGLE

OIL CONSERVATION DIVISION
RECEIVED
'92 FEB 17
TELEPHONE
(505) 746-3500
TELECOPY
(505) 746-6316

February 10, 1992

Mr. Michael Stogner, Examiner
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Re: Applications of Yates Petroleum Corporation
for Permits to Drill, Eddy County, New Mexico

Dear Mike:

Pursuant to our conversation of this morning, I am writing to confirm my request that the hearings on Cases numbered 10446, 10447, 10448, and 10449 set for February 20, 1992, be re-scheduled. You have agreed that these cases will now be heard on March 19, 1992.

If the above does not correctly reflect the Division's docket, please advise. I am providing notice to the interested parties of this change in scheduling today.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:kth

xc: Randy Patterson

OIL CONSERVATION DIVISION
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LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL

JOEL M. CARSON

JAMES E. HAAS

A. J. LOSEE

DEAN B. CROSS

MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505

TELECOPY
(505) 746-6316

March 12, 1992

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

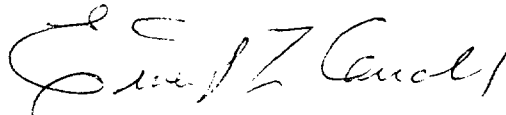
Re: Applications of Yates Petroleum
Corporation for Permits to Drill,
Eddy County, New Mexico, Case Nos.
10446, 10447, 10448 and 10449

Dear Mr. LeMay:

Enclosed for filing, please find three copies of Yates Petroleum's Consolidated Pre-hearing Statement in the above-referenced Applications.

Yours truly,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:bjk
Enclosures

cc w/encl: Mr. Randy Patterson
Mr. Charles C. High, Jr.

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

RECEIVED

MAR 13 1992

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATIONS OF :
YATES PETROLEUM CORPORATION FOR : CASE NOS. 10446, 10447
PERMITS TO DRILL, EDDY COUNTY, : 10448, 10449
NEW MEXICO :
_____ :

CONSOLIDATED
PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Yates Petroleum Corporation, as required by the Oil Conservation Division. The issues in Case Nos. 10446, 10447, 10448 and 10449 are the same and Yates Petroleum Corporation will move to consolidate the hearings on its applications, and therefore files this Consolidated Pre-hearing Statement.

APPEARANCES OF PARTIES

APPLICANT

Yates Petroleum Corporation

ATTORNEY

Ernest L. Carroll
Losee, Carson, Haas
& Carroll, P. A.
P. O. Drawer 239
Artesia, New Mexico 88210
(505) 746-3505

OPPOSITION OR OTHER PARTY

New Mexico Potash Corporation

ATTORNEY

Charles C. High, Jr.
Kemp, Smith, Duncan & Hammond
2000 State National Plaza
El Paso, Texas 79901
(915) 533-4424

STATEMENT OF CASE

APPLICANT

Applicant is the operator of the Delaware and intermediate formations underlying Section 2 of Township 22 South, Range 31 East, N.M.P.M., and seeks to test the Delaware and intermediate formations by drilling the following proposed wells at the following locations:

Graham "AKB" State No. 3	660' FNL, 1,650' FEL
Graham "AKB" State No. 4	1,980' FNL, 1,650' FEL
Flora "AKF" State No. 1	660' FSL, 2,310' FWL
Flora "AKF" State No. 2	1,980' FSL, 2,310' FWL

to a depth of 8500 feet. The potash lessee underlying this same acreage objects to the drilling of said wells.

OPPOSITION OR OTHER PARTY

It is anticipated that New Mexico Potash Corporation will appear and protest the application. We are presently unaware of any other parties who will appear or protest.

PROPOSED EVIDENCE

APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Rob Bullock, Landman	15 mins.	6
Brent May, Geologist	15 - 20 mins.	5
Dave Boneau, Engineer	15 - 20 mins.	5
George Warnock, Mining Engineer	30 - 45 mins.	5
Randy Patterson, Landman	15 mins.	2
Larry Brooks, Geologist	15 mins.	2

OPPOSITION

Unknown.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 

Ernest L. Carroll
P. O. Drawer 239
Artesia, New Mexico 88210
(505/746-3505)

Attorneys for Yates Petroleum
Corporation

**BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO**

IN THE MATTER OF THE APPLICATIONS OF	:	
YATES PETROLEUM CORPORATION FOR	:	CASE NOS. 10446, 10447
PERMITS TO DRILL, EDDY COUNTY,	:	10448, 10449
NEW MEXICO	:	

**CONSOLIDATED
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APPLICANT

Yates Petroleum Corporation

ATTORNEY

Ernest L. Carroll
Losee, Carson, Haas
& Carroll, P. A.
P. O. Drawer 239
Artesia, New Mexico 88210
(505) 746-3505

OPPOSITION OR OTHER PARTY

New Mexico Potash Corporation

ATTORNEY

Charles C. High, Jr.
Kemp, Smith, Duncan & Hammond
2000 State National Plaza
El Paso, Texas 79901
(915) 533-4424

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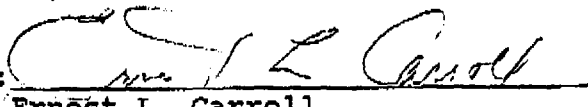
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Randy Patterson, Landman	15 mins.	2
Larry Brooks, Geologist	15 mins.	2

OPPOSITION

Unknown.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By:


Ernest L. Carroll
P. O. Drawer 239
Artesia, New Mexico 88210
(505/746-3505)

Attorneys for Yates Petroleum
Corporation

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

EL PASO*

TAD R. SMITH
JOSEPH P. HAMMOND
JAMES F. GARNER
LEIGHTON GREEN, JR.
RAYMOND H. MARSHALL
ROBERT B. ZABOROSKI†
W. ROYAL FURGESON, JR.
CHRIS A. PAUL
CHARLES C. HIGH, JR.
JIM CURTIS
DANE GEORGE
LARRY C. WOOD
MICHAEL D. MCQUEEN
JOHN J. SCANLON, JR.
TAFFY D. BAGLEY
LUIS CHAVEZ
DAVID S. JEANS
DARRELL R. WINDHAM
ROGER D. AKSAMIT
CHARLES A. BECKHAM, JR.
MARGARET A. CHRISTIAN
MARK E. MENDEL
TABER CHAMBERLAIN
NANCY C. SANTANA

MITZI G. TURNER
CHRISTOPHER J. POWERS†
ALLAN GOLDFARB
RAYMOND E. WHITE
SUSAN F. AUSTIN
RUBEN S. ROBLES
PAUL M. BRACKEN**
KEN COFFMAN†
DONNA CHRISTOPHERSON
ELIZABETH J. VANN
TERRY BASSHAM†
DAVID M. HUGHES
WILLIAM J. DERRICK
MARK N. OSBORN
TIMOTHY AUSTIN
JOHN R. BOOMER
CYNTHIA S. ANDERSON†
GREGORY G. JOHNSON
KARL O. WYLER, III†
RAUL STEVEN PASTRANA
MARCELLENE J. MALOUF
KAY C. JENKINS†
JAMES W. BREWER†
KATHRYN A. HALSELL†

BURTON I. COHEN
SUSAN K. PINE†
PAUL A. BRADEN
ANGELA D. MORROW†
JEFFERY V. STRAHAN
KEVIN E. SHANNON
ERNESTO RODRIGUEZ
LAUREN K. S. MURDOCH
GARY SANDERS
JOHN R. JONES
CLARA B. BURNS
JOHN L. WILLIAMS
KEVIN P. O'SHEA

MIDLAND*

J. RANDY TURNER†
JOHN A. DAVIS, JR.
FRANK N. CREMER†
JAMES R. FULLER†††
ROD J. MACDONALD†
PATRICK S. GERALD

ALBUQUERQUE†

JOHN P. EASTHAM
THOMAS SMIDT III†
ROBERT A. JOHNSON
DONALD B. MONNHEIMER
CHARLES L. SAUNDERS, JR.†††
ROBERT D. TAICHERT**
STEVEN P. BAILEY***
BRUCE E. CASTLE*
JAMES L. RASMUSSEN
STEPHEN R. NELSON
A. DREW HOFFMAN*
CELIA F. RANKIN
CHARLOTTE LAMONT
CLINTON W. MARRS
VICKIE L. AUDETTE
ALAN HALL

SANTA FE†

JOE L. McCLAUGHERTY***
CAMERON PETERS****
BILL PANAGAKOS

EL PASO, TEXAS 79901-1441

2000 MBANK PLAZA
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TELEX: 5106016999 KEMP UQ

ALBUQUERQUE, NEW MEXICO 87102-2121

500 MARQUETTE, N.W., SUITE 1200
P. O. BOX 1276, 87103-1276
(505) 247-2315 FAX: (505) 843-6099

MIDLAND, TEXAS 79701-4310

400 WEST ILLINOIS, SUITE 1400
P. O. BOX 2796, 79702-2796
(915) 687-0011 FAX: (915) 687-1735

SANTA FE, NEW MEXICO 87501-1861

300 PASEO DE PERALTA, SUITE 200
P. O. BOX 8680, 87504-8680
(505) 982-1913 FAX: (505) 988-7563

OF COUNSEL: WILLIAM B. DUNCAN

*MEMBERS TEXAS BAR

**MEMBERS NEW MEXICO BAR

***MEMBERS ARIZONA BAR

****MEMBERS TEXAS AND COLORADO BARS

*****MEMBERS COLORADO BAR

*****MEMBERS DISTRICT OF COLUMBIA BAR

*****MEMBERS NEW MEXICO AND OKLAHOMA BARS

*****MEMBERS DISTRICT OF COLUMBIA AND COLORADO BARS

May 7, 1992

RECEIVED

MAY 07 1992

OIL CONSERVATION DIV.
SANTA FE

VIA HAND DELIVERY

Mr. William J. LeMay
Chairman
Oil Conservation Commission
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCC Cases Nos. 10446, 10447, 10448, and 10449

Dear Mr. LeMay:

On behalf of New Mexico Potash Corporation, I am requesting that the OCC issue the enclosed subpoenas to Yates Petroleum Corporation and Mr. Tony Harrell.

The documents requested and the attendance of this witness are necessary for us to properly prepare for the hearing scheduled in the above-captioned matter for May 21, 1992.

Sincerely,

KEMP, SMITH, DUNCAN & HAMMOND, P.C.

By:

Charles C. High, Jr.

CCH/ja
Enclosure

cc: Walt Case
Bob Lane
Clinton Marrs

RECEIVED

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

MAY 07 1992

OIL CONSERVATION DIV.
SANTA FE

IN THE MATTER OF

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AUTHORIZATION TO
DRILL, EDDY COUNTY, NEW MEXICO

CASES NO. 10446, 10447,
10448, 10449
ORDERS NO. R-9650, 9651,
9654, AND 9655

SUBPOENA DUCES TECUM

TO: John Yates
President
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Pursuant to Section 70-2-8, NMSA (1978) and Rule 1211 of the New Mexico Oil Conservation Commission's Rules of Procedure, you are hereby **ORDERED** to appear at the offices of Kemp, Smith, Duncan & Hammond, P.C., 500 Marquette, N. W., Suite 1200, Albuquerque, New Mexico 87102-2121, on the 19th day of May, 1992, at 10 a.m. and produce the documents and items specified in the attached Exhibit A.

This subpoena is issued on application of New Mexico Potash Corporation through its attorneys, Kemp, Smith, Duncan & Hammond, 500 Marquette, Suite 1200, Albuquerque, New Mexico 87102-2121.

Dated this 7th day of May, 1992.

NEW MEXICO OIL CONSERVATION COMMISSION

BY: 

EXHIBIT A

The term "document" as used herein means every writing and record of every type and description in the possession, custody or control of Yates Petroleum Corporation, whether prepared by you or otherwise, which is in your possession or control or known by you to exist, including but not limited to all drafts, papers, books, writings, records, letters, photographs, tangible things, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports and recordings of telephone or other conversations or of interviews, conferences, or meetings. It also includes diary entries, affidavits, statements, summaries, opinions, reports, studies, analyses, evaluations, contracts, agreements, jottings, agendas, bulletins, notices, announcements, plans, specifications, sketches, instructions, charts, manuals, brochures, publications, schedules, price lists, client lists, journals, statistical records, desk calendars, appointment books, lists, tabulations, sound recordings, computer printouts, books of accounts, checks, accounting records, vouchers, and invoices reflecting business operations, financial statements, and any notes or drafts relating to the foregoing, without regard to whether marked confidential or proprietary. It also includes duplicate copies if the original is unavailable or if the duplicate is different in any way, including marginal notations, from the original.

1. Produce all documents served upon New Mexico Potash Corporation concerning the wells involved in Cases Nos. 10446, 10447, 10448, and 10449.

2. Produce all documents showing the dates the documents produced in response to Request No. 1 were received by New Mexico Potash Corporation.

3. Produce all documents discussing or evaluating the feasibility of directionally drilling the wells involved in Cases Nos. 10446, 10447, 10448, and 10449.

4. Produce all documents concerning the economics of each of the wells involved in Cases Nos. 10446, 10447, 10448, and 10449, including:

- a. drilling costs (straight hole) and completion costs of well with depth
- b. production/time projection (STB)
- c. amounts and value of oil and/or gas to be recovered
- d. geologic, mechanical, and monetary risks placed on drilling

5. Produce all drilling contracts entered into by Yates Petroleum Corporation for each well involved in Cases Nos. 10446, 10447, 10448, and 10449.

6. Produce all documents concerning any blowouts, casing failure, or unplanned releases of gas or oil that occurred during drilling or production of any well during the years 1977 to date.

7. Produce all documents concerning the presence of or encounters with hydrogen sulfide gas in Eddy and Lea Counties, New Mexico during the period from 1977 to date.

8. Produce all documents showing, evidencing, noting, or otherwise discussing the position of New Mexico Potash Corporation concerning approval or objection to the drilling of any of the wells involved in Cases Nos. 10446, 10447, 10448, and 10449.

9. Produce all documents showing, evidencing, noting, or otherwise discussing the position of New Mexico Potash Corporation concerning approval or objection to the drilling of any of well in Section 2, Township 22 South, Range 31 East.

10. Produce all documents concerning violations of applicable occupational safety and health standards by Yates Petroleum Corporation or by persons drilling wells under contract with Yates for the years 1982 to present.

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

OIL CONSERVATION DIVISION

RECEIVED

ERNEST L. CARROLL

JOEL M. CARSON

JAMES E. HAAS

A. J. LOSEE

DEAN B. CROSS

MARY LYNN BOGLE*

300 YATES PETROLEUM BUILDING

P. O. DRAWER 239

ARTESIA, NEW MEXICO 88211-0239

TELEPHONE

(505) 746-3608

TELECOPY

(505) 746-6316

'92 MAY 8

MAY 9 08

May 4, 1992

*LICENSED IN ARIZONA ONLY

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Applications of Yates Petroleum Corporation
for Permits to Drill, Eddy County, New
Mexico/OCD Case Nos. 10446/Order R-9650,
10447/Order R-9651, 10448/Order R-9654,
10449/Order R-9655 and Application of Yates
Petroleum Corporation to Amend Order R-111-P,
As Amended Pertaining to the Potash Areas of
Eddy and Lea Counties, New Mexico

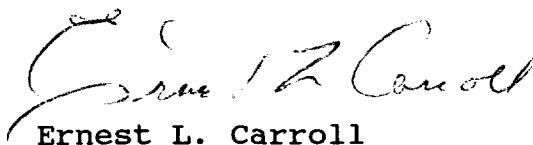
Dear Mr. LeMay:

Enclosed please find an original plus three copies of a Subpoena
Duces Tecum that we ask be issued in conjunction with Yates
Petroleum Corporation's Applications as captioned above.

Your assistance in expeditiously issuing these would be most
appreciated.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:kth
Enclosures

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

RECEIVED

MAY 10 1992

IN THE MATTER OF

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AUTHORIZATION TO
DRILL, EDDY COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

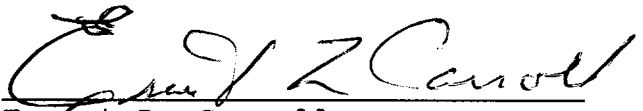
CASES NO. 10446, 10447,
10448, 10449
ORDERS NO. R-9650, 9651,
9654, and 9655

ACCEPTANCE OF SERVICE

COMES NOW Ernest L. Carroll, Losee, Carson, Haas &
Carroll, P.A., and accepts service of New Mexico Potash
Corporation's Subpoena Duces Tecum on behalf of Yates Petroleum
Corporation, issued May 7, 1992, this 12 day of May, 1992.

LOSEE, CARSON, HAAS & CARROLL, P.A.

By:


Ernest L. Carroll
P. O. Box 239
Artesia, New Mexico 88210
(505) 746-3508

Attorneys for Yates Petroleum
Corporation

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

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IN THE MATTER OF

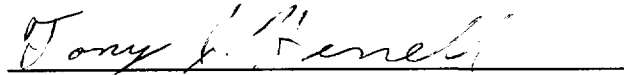
APPLICATION OF YATES PETROLEUM
CORPORATION FOR AUTHORIZATION TO
DRILL, EDDY COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

CASES NO. 10446, 10447,
10448, 10449
ORDERS NO. R-9650, 9651,
9654, and 9655

ACCEPTANCE OF SERVICE

COMES NOW Tony Herrell, Bureau of Land Management,
Carlsbad Area Office, Carlsbad, NM and accepts service of New
Mexico Potash Corporation's Subpoena Duces Tecum, issued May 7,
1992, this 11 day of May, 1992.


TONY HERRELL

Complete

OIL CONSERVATION DIVISION
RECEIVED

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Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

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OF COUNSEL: CHARLES L. SAUNDERS, JR.††††

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† MEMBERS NEW MEXICO BAR
* MEMBERS FLORIDA AND MICHIGAN BARS

** MEMBERS ARIZONA BAR
†† MEMBERS DISTRICT OF COLUMBIA BAR

*** MEMBERS CALIFORNIA BAR
††† MEMBERS NEW MEXICO AND OKLAHOMA BARS

**** MEMBERS NEW MEXICO AND COLORADO BARS
†††† MEMBERS DISTRICT OF COLUMBIA AND COLORADO BARS

February 25, 1993

Mr. Robert G. Stovall
State of New Mexico Energy
Minerals and Natural Resources Dept.
Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Application of Yates Petroleum Corporation, Cases Nos.
10446, 10447, 10448 and 10449

Dear Mr. Stovall:

This will confirm the agreement of the parties and the approval of the Oil Conservation Commission that post hearing submissions in the above-captioned matters are to be postmarked no later than midnight, March 12, 1993.

Your cooperation is appreciated.

Best regards.

Sincerely,

KEMP, SMITH, DUNCAN & HAMMOND, P.C.

By:  Charles C. High, Jr.

CCH/ja
Mr. Ernest L. Carroll