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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10449 Order No. R-9655-A

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

ORDER OF THE DIVISION STAYING ORDER NO. R-9655

BY THE DIVISION:

This matter having come before the Division upon the request of New Mexico Potash Corporation for a Stay of Division Order No. R-9655 and the Division Director having considered the request and being fully advised in the premises,

NOW, on this 30th day of April, 1992, the Division Director:

FINDS THAT:

(1) Division Order No. R-9655 was entered on March 20, 1992, upon the application of Yates Petroleum Corporation (Yates) for an order authorizing Yates to drill in the potash area, Eddy County, New Mexico.

(2) On April 7, 1992, New Mexico Potash Corporation filed with the Division a request for a De Novo Hearing in this case which is now set for hearing by the Commission on May 21, 1992.

(3) New Mexico Potash has complied with the provisions of Division Memorandum 3-85 and has filed its request for a stay on April 24, 1992.

(4) Division Order No. R-9655 should be stayed until further notice or until the Oil Conservation Commission has entered an order in Case No. 10449.

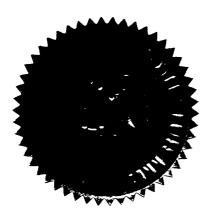
IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-9655 is hereby stayed in its entirety.

CASE NO. 10449 Order No. R-9655-A Page -2-

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMA Director

SEAL