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DIVISION

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December 28, 1990

Energy, Minerals and Natural
Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 10225

Re: Proposed Salt Creek Unit
Chaves County, New Mexico

Gentlemen:

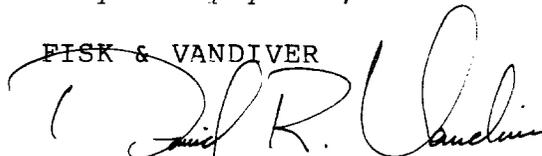
Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Salt Creek Unit Area, Chaves County, New Mexico. Also enclosed is an extra copy of the Application which we would appreciate your returning to us in the enclosed stamped self-addressed envelope after inserting the docket number.

Please set this matter for hearing before an Examiner on January 24, 1991.

Thank you.

Very truly yours,

FI SK & VANDIVER



David R. Vandiver

DRV:pvw
Enclosures

cc w/enclosure: Mr. Rob Bullock

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

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR APPROVAL OF A UNIT AGREEMENT, :
SALT CREEK UNIT AREA, CHAVES :
COUNTY, NEW MEXICO :
_____ :

CASE NO. 16225

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of the following lands in Chaves County, New Mexico:

Township 6 South, Range 21 East, N.M.P.M.

Sections 1 through 36: All

Township 7 South, Range 21 East, N.M.P.M.

Sections 1 through 36: All

Township 7 South, Range 22 East, N.M.P.M.

Sections 3 through 11: All

Sections 14 through 23: All

Sections 26 through 35: All

Township 8 South, Range 21 East, N.M.P.M.

Sections 1 through 5: All

Section 6: E/2 SE/4

Section 7: S/2 NE/4, Lots 12, 13, 18, 19,
20, SE/4

Sections 8 through 17: All

Section 18: E/2

Section 19: Lots 4, 5, 12, 13, 17, 18, 19,
20, E/2
Sections 20 through 24: All
Sections 26 through 29: All
Section 30: Lots 4, 5, 12, 13, 17, 18, 19,
20, E/2
Section 31: Lots 4, 5, 12, 13, 17, 18, 19,
20, E/2

containing 82,760 acres, more or less.

2. The Applicant seeks to commit the above described lands to an exploratory unit known as the Salt Creek Unit. The unit consists of federal and state lands.

3. The ratification or approval of all leasehold owners, including the State of New Mexico, required to ratify such unit agreement will be forthcoming prior to the effective date of any order issued pursuant to this Application by the Division.

4. The approval of this Application is in the interest of conservation and will prevent waste and protect correlative rights.

WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Division enter its order approving the Salt Creek Unit Agreement, with Applicant as operator, as an exploratory unit embracing the above described lands.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 
David R. Vandiver

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