

Ease 9244

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Lazy Tree State 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, Lazy Tree State Unit Area, Chaves County, New Mexico.

We ask that this matter be set for hearing before an Examiner on November 4, 1987, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

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CD:pv Enclosures

cc w/enclosure: Mr. Jim Ball

### BEFORE THE OIL CONSERVATION DIVISION

### OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION:
OF YATES PETROLEUM CORPORATION:
FOR APPROVAL OF A UNIT AGREEMENT,:
LAZY TREE STATE UNIT AREA, CHAVES:
COUNTY, NEW MEXICO:

CASE NO. 9744

## 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 13 South, Range 32 East, N.M.P.M.

Section 1: All Section 2: All Section 11: E/2 Section 12: All

# Township 13 South, Range 33 East, N.M.P.M.

Section 5: NW/4
Section 6: All
Section 7: All
Section 8: All
Section 18: N/2

containing 4,640 acres, more or less.

2. The Applicant seeks to commit the above described lands to an exploratory unit known as the Lazy Tree State Unit. The unit consists entirely of 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 Lazy Tree State 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

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Attorneys for Applicant