

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

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

CASE NO. 13927 (De Novo)  
Order No. R-12790-A

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR A NON-STANDARD  
GAS SPACING UNIT, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 6, 2007, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 6<sup>th</sup> day of December, 2007, the Commission, a quorum being present, having considered the record and being fully advised in the premises,

FINDS THAT:

(1) On May 8, 2007, Yates Petroleum Corporation (Yates) filed an application for a non-standard 160-acre gas spacing unit in the Strawn formation comprising the SW/4 of Section 28, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) The case was heard by an examiner on June 7 and June 21, 2007, and Order No. R-12790 was issued by the Division on July 16, 2007, approving said non-standard gas spacing unit in the Saladar-Strawn Gas Pool (**Pool Code 84412**).

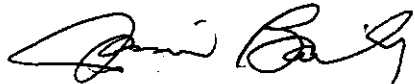
(3) Ard Energy Group, LTD (Ard) filed a timely application for de novo hearing on August 15, 2007, and the de novo application was set for hearing on October 11, 2007. The de novo application was subsequently continued to November 8, 2007 and then to the December 6, 2007 Commission meeting. On December 5, 2007, Ard requested dismissal of the de novo case.

IT IS THEREFORE ORDERED THAT:

(1) Case 13927 De Novo is hereby dismissed, and Division Order No. R-12790 is hereby continued in full force and effect until further notice.

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

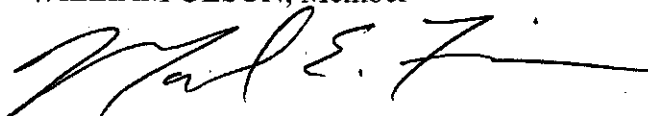
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



JAMI BAILEY, CPG, Member



WILLIAM OLSON, Member



MARK E. FESMIRE, P.E., Chair



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