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. 12086 ORDER NO. R-11447

APPLICATION OF YATES PETROLEUM CORPORATION, HANLEY PETROLEUM, INC., AND ENERGEN RESOURCES CORPORATION FOR ALLOWABLE REDUCTION AND THE ESCROW OF PRODUCTION PROCEEDS, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 8, 1999, September 16, 1999, October 7, 1999, April 6, 2000, and August 24, 2000, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this the day of August, 2000, the Division Director, having considered the record and the recommendations of the Examiner,

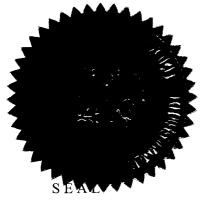
FINDS THAT:

The applicants' request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 12086 is hereby dismissed.

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



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

gii W notenberg

LORI WROTENBERY Director