Exitered July -19

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 7283 Order No. R-6382-A

APPLICATION OF HARVEY E. YATES COMPANY FOR AMENDMENT OF DIVISION ORDER NO. R-6382, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 2, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of July, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harvey E. Yates Company, seeks the amendment of Division Order No. R-6382 to provide that said order authorizing the McDonald Unit Agreement shall have an effective date of June 1, 1981.
- (3) That Order (5) of said Order No. R-6382 provided that the McDonald Unit Agreement should become effective upon the ratification of said unit agreement by 75 percent of the working interest ownership and 75 percent of the royalty ownership in the unitized lands.
- (4) That on or before June 1, 1981, the ratifications by interested parties representing at least 75 percent of the working interest and royalty ownership had been made.

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(5) That for administrative purposes the effective date of the McDonald Unit Agreement should be made June 1, 1981.

IT IS THEREFORE ORDERED:

- (1) That Order (5) of Division Order No. R-6382 is hereby amended to read in its entirety as follows:
 - "(5) That the McDonald Unit Agreement shall be effective as of June 1, 1981; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Division immediately in writing of such termination."
- (2) That 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 TO CONSERVATION DIVISION

JOE D. RAMEY Director

SEAL