

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

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

**CASE NO. 10788
Order No. R-9964-A**

**APPLICATION OF NEARBURG PRODUCING COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

**CASE NO. 10790
Order No. R-9965-A**

**APPLICATION OF YATES PETROLEUM CORPORATION
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 13, 1994, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this ~~10th~~ day of February, 1994, the Commission, a quorum being present, having considered the stipulation of counsel of record for the applicant and for Enron Oil & Gas Company,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) Prior to hearing these De Novo cases the parties to the cases, Nearburg Producing Company (Nearburg) and Yates Petroleum Corporation (Yates) entered into a stipulated agreement which establishes Nearburg as operator and confirms that Yates et al have timely made the election to "join" in the drilling of the Big Walt "2" State Well No. 2. As part of the agreement, all of the costs incurred by the cable tool operation on Yates' lease in the SE/4 of Section 2, Township 22 South, Range 24 East, from February 1, 1994 through March 1, 1994 shall be included in the costs of drilling the Big Walt "2" State Well No. 2 with Nearburg and Yates et al paying their respective percentages of these costs.

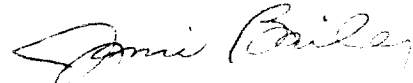
IT IS THEREFORE ORDERED THAT:

(1) Order No. R-9964 be affirmed in its entirety except that wherever the well commencement date of January 1, 1994 appears it is hereby amended to read March 1, 1994 and that all terms agreed to and listed in Finding No. 2 be honored by Nearburg and Yates et al.

(2) Jurisdiction of this cause is hereby retained for the entry of such further orders as the Commission may deem necessary.

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

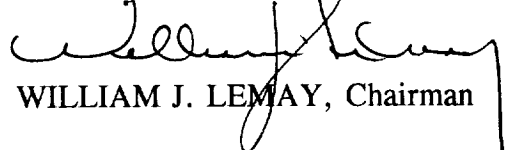
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JAMI BAILEY, Member



WILLIAM W. WEISS, Member



WILLIAM J. LEMAY, Chairman

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