

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-3159 - A

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Attention: Ms. Cherry Matchus

RECEIVED

JAN 0 8 2004

OCD-ARTESIA

Louise "AYI" Well No. 1
API No. 30-015-31625
Unit I, Section 25, Township 21 South, Range 26 East, NMPM,
Eddy County, New Mexico
Undesignated Northeast Happy Valley-Strawn (Gas-78075),
Undesignated Crozier Bluff-Atoka (Gas – N/A), and
Undesignated Burton Flat-Morrow (Gas – 73280) Pools

Dear Ms. Matchus:

Reference is made to your recent application to amend Division Order No. DHC-3159 dated June 11, 2003, to establish a fixed allocation of production for each of the commingled zones in the well.

It appears that your proposed production allocation is reasonable and should therefore be approved.

Assignment of allowable to the well and allocation of production from each of the commingled zones shall be in accordance with the following:

Undesignated Northeast Happy Valley-Strawn Pool	Oil-93%	Gas-59%
Undesignated Crozier Bluff-Atoka Pool	Oil-7%	Gas-9%
Undesignated Burton Flat-Morrow Pool	Oil-0%	Gas-32%

All other provisions contained within Division Order No. DHC-3159 shall remain in full force and effect.

Approved at Santa Fe, New Mexico on this 2nd day of December, 2003.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

LORI WROTENBERY

Division Director

LW/DRC

cc: Oil Conservation Division - Artesia