

March 31, 2009

**HAND-DELIVERED**

Mr. Mark Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Energy, Minerals &  
Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

*Case 13922*

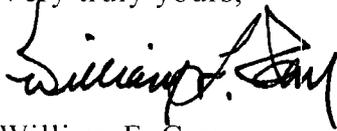
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RECEIVED

Re: Application of Yates Petroleum Corporation to reopen and amend Order  
No. R-12765, Eddy County, New Mexico.

Dear Mr. Fesmire:

Enclosed is the Application of Yates Petroleum Corporation in the above-referenced case as well as a copy of a legal advertisement. Yates requests that this matter be placed on the docket for the April 30, 2009 Examiner hearings.

Very truly yours,



William F. Carr  
Attorney for Yates Petroleum Corporation

Enclosures

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

**IN THE MATTER OF THE APPLICATION OF  
YATES PETROLEUM CORPORATION TO  
REOPEN AND AMEND ORDER NO. R-12765,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. 13922

**APPLICATION**

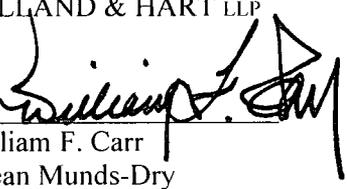
YATES PETROLEUM CORPORATION ("Yates"), through its undersigned attorneys, hereby makes application to the Oil Conservation Division to re-open Case No. 13922 for the purpose of amending Order No. R-12765 to correctly reflect the unitized interval in the Recif Unit, Eddy County, New Mexico.

1. Yates is the operator of the Recif Exploratory Unit which was approved by the Oil Conservation Division by Order No. R-12765 which was entered by the Division on June 13, 2007.
2. The Unit Agreement for the Recif Exploratory Unit provides for the unitization of all formations from the surface to basement.
3. The application of Yates for approval of the Recif Unit was submitted by an affidavit pursuant to the alternative procedure authorized by Oil Conservation Division Rule 19.15.4.12.A(1)(b).
4. The affidavit filed by Yates incorrectly identified the unitized interval in the Recif Unit as being from the surface to the to the base of the Canyon (Upper Pennsylvanian) formation and Order No. R-12765 also limited to the unitized interval to these horizons.
5. The BLM has advised Yates of this discrepancy and asked Yates to correct this error.
6. Approval of this application will be in the best interest of conservation the prevention of waste and the protection of correlative rights.

WHEREFORE, Yates Petroleum Corporation hereby requests that Case No. 13922 be reopened at the April 30, 2009 examiner hearing and that, following notice as required by law, the Division enter a supplemental order correcting, effective as of June 13, 2007, the approved Unitized Interval in the Recif Unit Area to include all formations.

Respectfully submitted,

HOLLAND & HART LLP

By: 

William F. Carr

Ocean Munds-Dry

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ATTORNEYS FOR YATES PETROLEUM  
CORPORATION

CASE 13922 (*reopened*) **Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order re-opening Case No. 13922 for the purpose of amending Order No. R-12765 to correctly reflect the unitized interval in the Recif Unit, Eddy County, New Mexico. Said area is located approximately 13 miles west of Carlsbad, New Mexico.