

OIL CONSERVATION DIVISION  
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August 20, 1991

Mr. Jim Morrow  
Hearing Examiner  
Oil Conservation Division  
State Land Office  
310 Old Santa Fe Trail  
Santa Fe, NM 87503

HAND DELIVERED

*[Signature]* 8-20-91

RE: Application of Yates Petroleum Corporation  
for Compulsory Pooling, Eddy County, New Mexico  
NMOCD Case No. 10363

Dear Mr. Morrow:

On behalf of McKay Oil Corporation, I have filed a compulsory pooling application which will be set for hearing on September 19, 1991. The McKay application seeks to pool the Yates' interests to form a 320-acre spacing unit consisting of the N/2 of a section. The above-referenced Yates' application seeks to pool the McKay interest in the W/2 of this same section.

There is a dispute, among other things, as to the well location and the orientation of the spacing unit.

In order to avoid having two separate hearings involving the same issues, I move that the Division continue the Yates case now set for August 22, 1991 so that it can be heard on September 19, 1991 along with the McKay case.

Very truly yours,

*[Signature]*

W. Thomas Kellahin

WTK/jcl

cc: William F. Carr (by Hand Delivery)  
McKay Oil Corporation (by U.S. Mail)  
ltrt820.mck

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