

August 31, 1995

Losee, Carson, Haas & Carroll  
Attn: Ernest L. Carroll  
P. O. Box 239  
Artesia, New Mexico 88211-0239

Kellahin and Kellahin  
Attn: W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

Re: Case Nos. 11,310 and 11,311, Applications of Yates Petroleum Corporation and Nearburg Exploration Company, respectively, for Compulsory Pooling Eddy County, New Mexico.

Dear Messrs. Carroll and Kellahin:

Reference is made to Mr. Carroll's letter on behalf of Yates Petroleum Corporation dated August 23, 1995 and to Mr. Kellahin's response on behalf of Nearburg Exploration Company dated August 28, 1995.

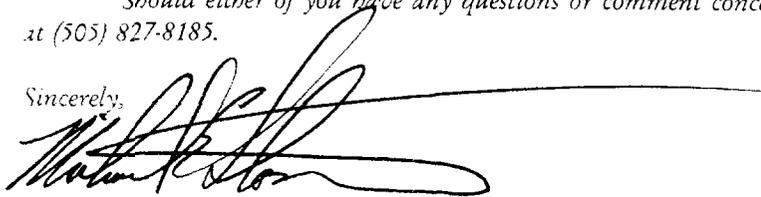
After considering Yates' motion to reopen Case 11,310 to the Examiner's hearing scheduled for September 21, 1995 to consider the changes to be made in its application and the overall effects to both cases the Division shall:

- (1) Accept Yates' motion and cause Case No. 11,310 to be reopened and readvertise accordingly; and,
- (2) Cause Nearburg's application in Case 11,311 to also be reopened and if desired Nearburg may or may not present any additional testimony.

Since both cases were originally heard together and concurrently at the August 10, 1995 Examiner's hearing and since one single order will be the appropriate manner in which to render a decision in this matter, the reopening of both cases will assist in this endeavor.

Should either of you have any questions or comment concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,



Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: Oil Conservation Division - Artesia  
William J. LeMay, Director - OCD, Santa Fe  
Rand Carroll, Counsel - OCD, Santa Fe