

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

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

CASE NO. 11714
ORDER NO. R-10824

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 1, 1997 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 26th day of June, 1997, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Yates Petroleum Corporation ("Yates"), seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the following described acreage in Section 3, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and in the following manner:

(a) the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated West Double X-Wolfcamp Gas Pool, Undesignated Johnson Ranch-Wolfcamp Gas Pool, Undesignated Johnson Ranch-Atoka Gas Pool, Undesignated Triple X-Atoka Gas Pool, and Undesignated South Bell

Lake-Morrow Gas Pool;

(b) the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent;

(c) the S/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent; and,

(d) the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent.

(3) Said units are to be dedicated to its Quest "AQS" State Well No. 1 to be drilled at a standard location in all four sized units 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 3.

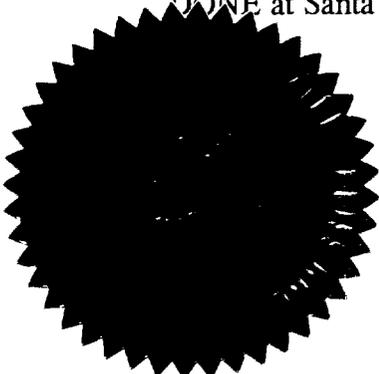
(4) Prior to the hearing, the applicant requested this matter be dismissed.

(5) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

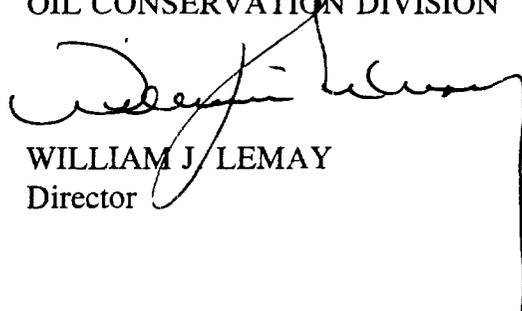
Case No. 11714 is hereby dismissed.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director