

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR APPROVAL OF A UNIT AGREEMENT, : CASE NO. 9125
EDEN VALLEY STATE AND FEDERAL UNIT :
AREA, CHAVES COUNTY, NEW MEXICO :
_____ :

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of a portion of the following lands in Chaves County, New Mexico:

Township 6 South, Range 24 East, N.M.P.M.

Sections 31 and 32: All

Township 7 South, Range 24 East, N.M.P.M.

Sections 4 through 9: All
Sections 16 through 21: All
Section 26: W/2
Sections 27 through 30: All
Sections 32 through 34: All
Section 35: W/2

Township 8 South, Range 24 East, N.M.P.M.

Section 2: W/2
Section 3: N/2
Section 4: NE/4

containing 15,669.66 acres, more or less.

2. The Applicant seeks to commit the above described lands to an exploratory unit known as the Eden Valley State and Federal Unit. The unit consists of fee, federal and state lands.

3. The ratification or approval of all leasehold owners, including the State of New Mexico and Bureau of Land Management, required to ratify such unit agreement will be forthcoming prior to the effective date of any order issued pursuant to this Application by the Division.

4. The approval of this Application is in the interest of conservation and will prevent waste and protect correlative rights.

WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Division enter its order approving the Eden Valley State and Federal Unit Agreement, with Applicant as operator, as an exploratory unit embracing the above described lands.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

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