

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

**IN THE MATTER OF THE APPLICATION OF YATES
PETROLEUM CORPORATION FOR AUTHORIZATION TO
DRILL, EDDY COUNTY, NEW MEXICO**

Case Nos. 10446
10447
10448
10449

PROCEDURAL ORDER OF THE COMMISSION

THIS MATTER COMES before the Commission on the *de novo* applications of **Yates Petroleum Corporation** in cases 10446 and 10447 and of **New Mexico Potash Corporation** in cases 10448 ad 10449. Review of the record of the examiner hearing and the applications in these matters shows that there are several complex legal and procedural questions to be resolved before these cases can be heard on the evidence. The parties have also indicated that the presentation of evidence in these cases may take two or three days.

The Commission hereby sets this matter for hearing on procedural and legal questions for its regularly docketed hearing on May 21, 1992, with these cases to be heard beginning at 9:00 A.M. on May 22, 1992, in Morgan Hall of the State Land Office Building. At that time the Commission will hear argument on the following questions:

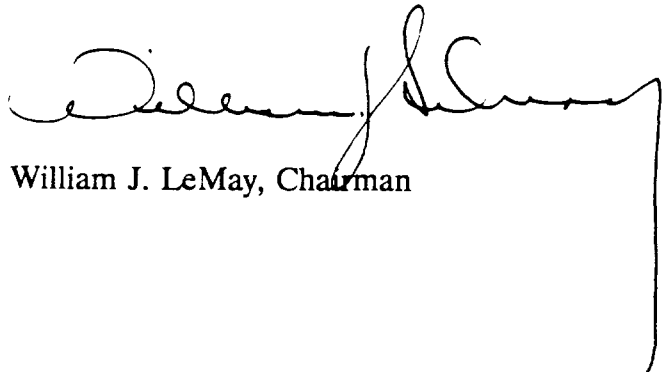
1. Whether it has the authority to grant an exception to Order R-111-P in cases 10446 and 10447;
2. Whether the Southwest Quarter of Section 2 was within an established LMR at the time the Applications to Drill were submitted for approval and at the time they were approved by the Division;
3. Motions regarding any *sub poenas* which have been issued by the Division or the Commission;

4. Any other procedural, jurisdictional or legal question submitted in writing to the Commission on or before May 18, 1992 at 5:00 P.M.

Upon Conclusion of the procedural hearing, the Commission will set these matters for presentation of evidence on those issues directed to be heard by the Commission.

Compliance with any *sub poenas* issued by the Commission or Division is hereby stayed until further direction of the Commission, and the parties are directed to so notify any person upon whom they have caused a *sub poena* to be served.

FOR THE COMMISSION

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long vertical line extending downwards from the end of the signature.

William J. LeMay, Chairman