



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

June 4, 2002

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118
Attention: Cy Cowan

Telefax No. (505) 748-4572



Administrative Order NSL-4684-A

Dear Mr. Cowan:

Reference is made to the following: (1) your application submitted by telefax to the New Mexico Oil Conservation Division ("Division") on May 13, 2002, and (2) the Division's records in Artesia and Santa Fe, including the file on Division Administrative Order NSL-4684, dated January 7, 2002: all concerning Yates's request to amend the current order of the Division by expanding the vertical limits.

This application (*assigned NMOCD Reference No. pKRV0-213540949*) has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By Administrative Order NSL-4684, the Division approved Yates Petroleum Corporation's ("Yates") Federal "LDY" Deep Com. Well No. 10 (**API No. 30-015-30974**), at an unorthodox gas well location 2100 feet from the North line and 1980 feet from the West line (Unit F) of Section 27, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, within a standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 27 in the Undesignated East Eagle Creek Atoka-Morrow Gas Pool.

It is our understanding that Yates has completed this well in the Eagle Creek-Strawn Gas Pool (76320).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Strawn gas well location within the 320-acre unit comprising the N/2 of Section 27 for Yates's Federal "LDY" Deep Com. Well No. 10 is hereby approved.

Further, Division Administrative Order NSL-4684 dated January 7, 2002 shall remain in full force and effect until further notice.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia /
U. S. Bureau of Land Management - Carlsbad
File: NSL-4684