Administrative Order NSL-4387(SD) Yates Petroleum Corporation January 11, 2000 Page 2

Yates is hereby authorized to simultaneously dedicate production attributed to the Indian Basin-Upper Pennsylvanian Associated Pool from its existing Walt Canyon "AM" Federal Well No. 1 with its proposed Walt Canyon "AMA" Federal Well No. 2. Furthermore, Yates is permitted to produce the allowable assigned the subject 320-acre spacing and proration unit from both wells in any proportion.

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

Sincerely,

hauldrotonboy by Dr

Lori Wrotenbery Director

LW/MES/kv

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