BEFORE THE OIL CONSERVATION COMMISSION NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF A PILOT PROJECT IN THE NORTH DAGGER DRAW-UPPER PENNSYLVANIAN UNIT FOR PURPOSES OF ESTABLISHING PROPER WATERFLOOD INJECTION PATTERNS AND FOR A TEMPORARY EXEMPTION FROM THE PROVISIONS OF DIVISION RULE 203 CONCERNING APPROVED TEMPORARY ABANDONMENT OF WELLS, EDDY COUNTY, NEW MEXICO.

CASE NO. 13893(De Novo) ORDER NO. R-12251-B

ORDER GRANTING MOTION FOR STAY

This matter having come before the Chairman of the Oil Conservation Commission pursuant to Rule 19.15.14.1221, on the Motion of Yates Petroleum Corporation for an Order staying the provisions in Order Paragraph 4 of Division Order No. R-12251-A until an order is entered following the <u>de novo</u> hearing in this case, and the Chairman of the Commission being fully advised in the premises, does hereby determine that the Motion for Stay should be granted.

It is therefore ordered that Order Paragraph (4) of Order No. R-12251-A is hereby stayed until such time as an order is entered following the <u>de novo</u> hearing in this case.

DONE at Santa Fe, New Mexico, on this 16th day of August, 2007.

STATE OF NEW MEXICO

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OIL CONSERVATION COMMISSION

MARK E. FESMIRE, P. E.

Chairman