



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
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April 29, 1996

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Re: Case No. **11,525**: Application of Yates Petroleum Corporation for amendment of the Special Pool Rules and Regulations for the North Dagger Draw-Upper Pennsylvanian Pool to provide for an increased oil allowable and for the cancellation of overproduction, Eddy County, New Mexico,

and

Case No. **11,526**: Application of Yates Petroleum Corporation for amendment of the Special Pool Rules and Regulations for the South Dagger Draw-Upper Pennsylvanian Pool to provide for an increased oil allowable and for the cancellation of overproduction, Eddy County, New Mexico.

Dear Messrs. Carr, Kellahin, Bruce, and Padilla:

Reference is made to Conoco, Inc.'s motion by letters signed by Mr. Kellahin dated April 26, 1996 to continue the above-referenced cases from the May 2, 1996 hearing to the hearing scheduled for June 13, 1996, and to the applicant's response "faxed" today (April 29, 1996) by William F. Carr, there appears to be an urgent need to commence with these proceedings and to start taking evidence in both cases at the earliest possible time.

William F. Carr, W. Thomas Kellahin, James Bruce, and Ernest L. Padilla

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Therefore, the request by Conoco, Inc. to continue both cases is hereby denied at this time, should it be necessary at the May 2nd hearing Conoco could renew its request at that time.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Tim Gum, Supervisor - Oil Conservation Division, Artesia
William J. LeMay, Director - OCD, Santa Fe
Rand Carroll, Counsel - OCD, Santa Fe
File: Case 11,525
Case 11,526