

December 20, 1996

Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87505

Attention: Examiner Hearings Docket Secretary

Re: Docket Request January 23, 1997 Examiner Hearing

Inon

Gentlemen:

Yates Energy Corporation seeks an order pooling all mineral interests for those intervals comprising the Artesia Queen Grayburg San Andres Pool underlying the SW/4NE/4 of Section 1, Township 18 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit. Said unit is dedicated to its Fulton Collier State Well No. 1 which will be recompleted in an attempt to return the well to a producing status. Said well is located 1980 feet from the North line and 1650 feet from the East line (Unit G) of said Section 1. Also to be considered will be the costs of recompleting said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Yates Energy Corporation as the operator of the well and a charge for risk involved in recompleting said well. Said unit is located approximately 9 miles west southwest of Loco Hills, New Mexico.

Please place this application on the January 23, 1997 Examiner Hearing Docket. Your assistance is appreciated.

Yours very truly,

YATES ENERGY CORPORATION

Sharon R. Hamilton Landman

OPERATE/FultonC1.OCD