



HANSON OPERATING COMPANY, INC.

P.O. BOX 1515

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PHONE AC 505-822-7330

September 8, 1993

New Mexico Department of Energy,
Minerals and Natural Resources
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. William J. LeMay
Director

Re: Oil Conservation Division Case No. 10711 (Reopened):
In the Matter of Case No. 10711 Being Reopened Upon the Application
of Yates Petroleum Corporation for New Injection Well Locations
in the Waterflood Project Approved for its Creek "AL" Federal
Lease by Division Order No. R-9896, Issued in Case 10711 on May
18, 1993.

Dear Mr. LeMay:

Hanson Operating Co., Inc. is the operator of a waterflood project approved
for its Benson Shugart Waterflood Unit by Division Order No. R-9895 in
Case 10686 on May 19, 1993. This waterflood project offsets to the South
and is contiguous with Yates Petroleum Corporation's Creek "AL" Federal
Lease Waterflood Project which is the subject of the above-referenced
application.

Hanson Operating Company, Inc. waives objection to the amended well
locations for the Yates Petroleum Corporation's Creek "AL" Waterflood
Project as set forth in its application of August 17, 1993.

Sincerely,

HANSON OPERATING COMPANY, INC.

Ray Willis
Vice-President, Management & Finance

RW:bc

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 10711 (Reopened) Exhibit No. 5

Submitted by: Yates Petroleum Corporation

Hearing Date: September 9, 1993