



February 8, 1988

Case 9317

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Sunny Side State Unit
Chaves County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Sunny Side State Unit Area, Chaves County, New Mexico.

We ask that this matter be set for hearing before an Examiner on March 2, 1988.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER


Chad Dickerson

CD:pvw
Enclosures

cc w/enclosure: Ms. Kathy Colbert

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR APPROVAL OF A UNIT AGREEMENT, :
SUNNY SIDE STATE UNIT AREA, CHAVES :
COUNTY, NEW MEXICO :
_____ :

CASE NO. 9317

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of the following lands in Chaves County, New Mexico:

Township 10 South, Range 26 East, N.M.P.M.

Section 1: All
Section 2: S/2
Section 3: S/2
Section 4: S/2
Section 5: All
Sections 8 through 16: All
Section 24: All

Township 10 South, Range 27 East, N.M.P.M.

Sections 6 and 7: All
Sections 18 and 19: All

containing 11,189.87 acres, more or less.

2. The Applicant seeks to commit the above described lands to an exploratory unit known as the Sunny Side State Unit. The unit consists of state and fee lands.

3. The ratification or approval of all leasehold owners, including the State of New Mexico, required to ratify such unit agreement will be forthcoming prior to the effective date of any order issued pursuant to this Application by the Division.

4. The approval of this Application is in the interest of conservation and will prevent waste and protect correlative rights.

WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Division enter its order approving the Sunny Side State Unit Agreement, with Applicant as operator, as an exploratory unit embracing the above described lands.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 
Chad Dickerson

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