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AREA CODE 505 746-3508

31 August 1976

Mr. Joe D. Ramey, Director Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed, please find Application, in triplicate, of Yates Petroleum Corporation for approval of the North Millman Unit Agreement, covering lands in Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Please set this application for hearing before an examiner at the earliest date possible, and advise us of the hearing date.

Very truly yours,

LOSEE & CARSON, P.A.

A. J. Íosee

AJL:jw Enclosures

cc w/enclosure: Yates Petroleum Corporation

BEFORE THE OIL CONSERVATION COMMISSION

:

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF THE NORTH MILLMAN UNIT AGREEMENT, EDDY COUNTY, NEW MEXICO

CASE NO. 5773

Case 517

APPLICATION

COMES YATES PETROLEUM CORPORATION, and respectfully states:

1. That applicant seeks approval of the North Millman Unit Agreement, covering all horizons lying 3,000 feet or more below the surface, of 2,016.79 acres, more or less, of State of New Mexico oil and gas leased lands in Eddy County, New Mexico, and described as follows:

Township 19 South, Range 28 East, N.M.P.M.

Section 5: S/2, S/2 N/2

Section 6: Lots 5, 6 and 7 (SW/4 NW/4, W/2 SW/4), SE/4 NW/4, E/2 SW/4, S/2 NE/4, SE/4

Section 7: Lots 1 and 2 (W/2 NW/4), E/2 NW/4,

NE/4, N/2 SE/4

Section 8: All

- 2. That applicant holds sufficient interest in the North Millman Unit Area covering the lands described above to give reasonably effective control of operations therein.
- 3. The approval of the proposed unit agreement will promote the prevention of waste and the protection of correlative rights within the unit area.

WHEREFORE, applicant prays:

A. That this matter be set for hearing before an examiner at the earliest possible date.

- B. That the Commission approve the North Millman Unit Agreement and the conservation provisions thereof.
- C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

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LOSEE & CARSON, P.A. P. O. Drawer 239 Artesia, New Mexico 88210

Attorneys for Applicant