

MAY 3 0 1989

OIL CONSERVATION DIV. SANTA FE

May 25, 1989

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Re: East Four Lakes State Unit

Lea County, New Mexico

Case 9689

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Approval of a Unit Agreement, East Four Lakes State Unit Area, Lea County, New Mexico. Also enclosed is an extra copy of the application which we would appreciate your returning to us in the enclosed envelope after inserting the docket number.

Please set this matter for hearing before an Examiner on June 21, 1989.

James W. Catron

Thank you.

Very truly yours,

DICKERSON, FISK & VANDIVER

David R. Vandiver

DRV:nt Enclosures

xc w/enclosure: Mr. Cy Cowan

DICKERSON, FISK & VANDIVER

ATTORNEYS AT LAW

Seventh & Mahone / Suite E / Artesia, New Mexico 88210 / (505) 746-9841

John Fisk

David R. Vandiver

Chad Dickerson

BEFORE THE OIL CONSERVATION DIVISION

PEGLIVED

OF THE STATE OF NEW MEXICO

MAY 3 0 1989

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL OF A UNIT AGREEMENT, : EAST FOUR LAKES STATE UNIT AREA, : LEA COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

case no. 9689

APPLICATION

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

Applicant is the operator of a portion of the following lands in Lea County, New Mexico:

Township 11 South, Range 34 East, N.M.P.M.

Lots 1, 2, 3, 4, S/2 Lots 1, 2, 5, NW/4 SE/4, Section 1: Section 3: S/2 SE/4

Section 10: N/2, SE/4, N/2 SW/4, SE/4 SW/4

Section 11: A11 Section 12: All Section 13: All Section 14: All Section 24: All

Township 11 South, Range 35 East, N.M.P.M.

Section 5: SW/4

Section 6: Lots 1, 2, 3, 4, 5, 6,

E/2 SW/4, SE/4

7: All Section

Section 8: W/2, W/2 E/2

Section 17: All

Section 18: A11

Lots 1, 2, NE/4, E/2 NW/4, Section 19:

SE/4

Section 20: A11

Section 29: All

Section 30: Lots 1, 2, 3, 4, E/2, E/2 W/2 (All)

Section 31: Lots 1, 2, 3, 4, E/2, E/2 W/2 (All)

Section 32: A11

Township 12 South, Range 35 East, N.M.P.M.

Section 5: Lots 1, 2, 3, 4, S/2 N/2,

S/2 (All)

6: Section

Lots 1, 2, 3, 4, 5, 6, 7, S/2 NE/4, SE/4 NW/4, E/2 SW/4, SE/4 (All)

containing 12,178.27 acres, more or less.

- The Applicant seeks to commit the above described lands to an exploratory unit known as the East Four Lakes State Unit. The Unit consists entirely of state lands.
- 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.
- The approval of this Application is in the interest of conservation and will prevent waste and protect correlative rights.

WHEREFORE, Applicant prays:

- That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.
- That upon hearing, the Division enter its order approving the East Four Lakes 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

David B. Vandivor

DICKERSON, FISK & VANDIVER Seventh and Mahone, Suite E Artesia, New Mexico 88210 (505) 746-9841

Attorneys for Applicant