STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 11420 ORDER NO. R-10512

APPLICATION OF YATES PETROLEUM CORPORATION FOR A UNIT AGREEMENT, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 2, 1995, in Roswell, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>7th</u> day of November, 1995, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Yates Petroleum Corporation, seeks approval of its Sawyer North Unit Agreement and Area for all oil and gas in any and all formations underlying the following described 1,012.04 acres, more or less, of Federal (640.00 acres or 63.2386%) and State (372.04 acres or 36.7614%) lands in Roosevelt County, New Mexico:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM Sections 32 and 33: All.

(3) No interested party appeared and objected to the proposed unit.

(4) All plans of development and operation, and creations, expansions or contractions of participating areas, or expansions or contractions of the unit area should be submitted to the Director of the Division for approval.

(5) Approval of the proposed unit agreement should promote the prevention of waste and protection of correlative rights within the unit area.

