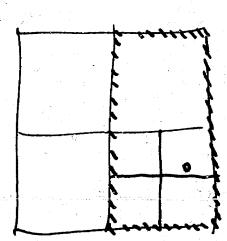
CASE 5610: YATES PET. CORP. FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO



# CASE NO.

5610

APPlication, Transcripts, Small Exhibits,

ETC.

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Applicant's Exhibit No. One, Land Plat

Applicant's Exhibit No. Two, Map

Applicant's Exhibit No. Three, Cross Section

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MR. STAMETS: We will call Case 5609.

MR. CARR: Case 5609, application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.

MR. LOSEE: Mr. Examiner, A. J. Losee of Losee and Carson from Artesia, appearing on behalf of the Applicant.

I would like to at this time move to consolidate for hearing, this Case with 5610, both involve unorthodox locations, one directly north offsetting the other one. geology and the testimony would be the same.

MR. STAMETS: Any objection to the consolidation of these Cases, Case 5610 being the application of Yates Petroleum Corporation for an unorthodox gas well location, Fddy County, New Mexico? The two Cases will be consolidated for purposes of testimony.

> MR. LOSEE: I have one witness, Mr. Beck. MR. STAMETS: Will you stand and be sworn, please? (THEREUPON, the witness was duly sworn.)

#### RAY BECK

called as a witness, having been first duly sworn, was examined and testified as follows:

## DIRECT EXAMINATION

BY MR. LOSEE: 24

Would you state your name, residence and occupation?

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	L <sub>in</sub> •€		
Corporation.		•	
Q Wha	t is your occupat:	ion with Yates	:2

- A geologist.
- Have you previously testified before the Commission and had your qualifications as a geologist accepted?
  - I have.
- Would you explain the purpose of the application in Case Number 5609?
- In Case 5609 Yates Petroleum seeks approval of an unorthodox gas location of the proposed Number 1 Nellor EO well to be drilled six, sixty feet from the north and six hundred and sixty feet from the west line of Section 30, Township 17 South, Range 26 East or in the alternative, nineteen hundred and eighty feet from the north and six hundred and sixty feet from the west line of said Section 30. The north half of Section 30 is dedicated to the well.
- Would you explain the purpose of the application in Case Number 5610?
- A. In Case 5610 Yates Petroleum seeks approval of the unorthodox gas location of its Number 1 Caskey EV well which was drilled six hundred and sixty feet from the south and fourteen hundred feet from the west line of Section 30, Township 17 South, Range 26 East. The south half of Section 30 is dedicated to the well.

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Q	Where	are	these	two	locations	in	relation	to	any
roducing	Morrow	gas	field	<b>1</b> ?					

- Both of the proposed unorthodox locations are immediately north of the West Atoka Morrow gas area in Eddy County.
- Please refer to what has been marked as Exhibit Number One and explain what is portrayed on this exhibit?
- Exhibit One is a land plat showing the proposed locations in their relationship to the surrounding leasehold situations. It may be noted that the unorthodox movement is to the west towards Yates Petroleum acreage, lying to the northwest, west and southwest of the proposed location.
- I take it that yellow-colored acreage is Yates Petroleum Corporation acreage?
  - That's correct.
- I notice in Section 30 for your Caskey well, there are three eighties in the south half of 30 which are owned by parties other than Yates?
  - That's true.
- They've entered into an operating agreement for the drilling of this well, have they not?
  - That is correct.
- Please refer to what has been marked as Exhibit Number Two and explain what is shown by this exhibit?
  - Exhibit Two is a map showing as solid contours of

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twenty-foot contour intervals, the thickness and approximate areal extent of three Morrow channel sand reservoirs in the West Atoka and environs. Also mapped is a structure on top of the Morrow clastics.

Wells that have encountered more economic and efficient channel reservoirs are colored in red. The southerly elongate channel body of the partially depleted West Atoka channel which will ultimately produce in excess of forty billion cubic feet of gas from six wells. The discovery well, the Mountain States McCullough in nineteen of eighteen, twentysix found virgin pressure at thirty-six hundred psi. Four years and five successful wells later the Yates Vanforford DO i seven of eighteen, twenty-six found the pressure in the West Atoka to be sixteen hundred and fifty-three pounds per square inch. Now, I'm told that the last time they measured it, it was last August, it was one thousand, and ninety pounds.

The smaller, northwesterly channel body in Township 17, 25, might be termed the Arco channel, which will only produce about eight billion cubic feet of gas.

The discovery, Yates Arco EC Number 1 in thirty-six, seventeen, twenty-five found subnormal pressures of thirty-one hundred and sixty pounds in May of this year. Wells put on production three months later, the northeast offset, the Yates Jackson well, found the channel pressure to be twenty-six hundred and seventy-four pounds per square inch.

The westerly offsetting, Western Oil Producers

Flint Number 2, DST'd a dirtier, tighter edge facies of the

Arco channel with a final shut-in pressure of twenty-eight,

twenty-three.

The channel to the right of that in seventeen, twenty-six was discovered in August of 1975 by the Yates-Halderman borehole, thirty-one, seventeen, twenty-six. The Halderman encountered thirty-five feet of channel sand, albeit somewhat dirty and tight, which had virgin pressures of thirty-five hundred and thirty pounds per square inch, three, five, three, oh.

This history of pressure brings us to the present unorthodox location. The Yates Caskey well has been drilled. The Caskey missed the Halderman Morrow channel but it is now being completed in three sands in the Atoka series. Prior to drilling the Caskey, with one point in the Halderman channel inversion pressures, we've rejected the Halderman channel as it is shown in dotted contours on Exhibit Two, hoping to encounter the cleaner, thicker part of the Halderman channel.

After the Caskey well, we now project the Halderman channel as shown in solid contours under the Nellor unorthodox location. This projection is based on the present well controls, principally the Yates-Halderman EN well and the pressure history of the channel reservoirs.

Also to be noted are the locations of cross sections

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AA prime to the north and BB prime to the south.

- Q. What you are saying is your unorthodox location you seek for the Caskey didn't encounter the Morrow channel?
  - A That is correct.
- Q And that you have moved your Nellor unorthodox further towards the west, which is Yates acreage?
  - A Correct.
- Q Please refer to your Exhibit Three which is your cross section and explain what is portrayed by this exhibit?
- A. The upper cross section AA transversely crosses the Arco and Halderman channels and it can be compared with cross section BB prime which crosses the north part of the Atoka West Vanderford channel.

The cross section had a depth dimension to the previous exhibit. You might notice the tops of the Morrow clastics and the top of the Chester lime and the DST and the completion data.

- Q. Do you feel that a well located at your proposed Caskey and Nellor locations will efficently drain the south half and the north half of Section 30, respectively?
  - A. I do believe it will, yes.
- Q. You don't think the Caskey will drain the Morrow, do you?
  - A. No.
  - Q Do you think the approval of these two unorthodox

•	Page9
1	locations will augument the risk of drilling unnecessary wells?
2	A. Yes.
3	Q Will they prevent waste and protect correlative
. 4	rights?
5 <b>5</b>	A. Yes.
- 6	Q Were Exhibits One through Three prepared by you?
7	A. Yes.
8	MR. LOSEE: I move the introduction of Exhibits
9	One through Three.
10	MR. STAMETS: These exhibits will be admitted.
11	(THEREUPON, Applicant's Exhibits One through
12	Three were admitted into evidence.)
13	MR. LOSEE: I have nothing further.
14	MR. STAMETS: Are there questions of the witness?
15	The witness may be excused.
16	(THEREUPON, the witness was excused.)
17	MR. STAMETS: Anything further in this case?
18	MR. LOSEE: Nothing further.
19	MR. STAMETS: We will take the case under advise-
20	ment.
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# REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

I do nevery certify that the foregoing i a complete result of the proceedings in Case No 5607-56

New Mexico Oil Conservation Commission



DIRECTOR

JOE D. RAMEY

# **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

LAND COMMISSIONER PHIL R. LUCERO



STATE GEOLOGIST EMERY C. ARNOLD

Mr. A. T. Toose Re:	CASE NO. 5610
Mr. A. J. Losee Losee & Carson	ORDER NO. R-5152
Attorneys at Law Post Office Box 239	Applicant:
Artesia, New Mexico 88210	applicane.
	Yates Petroleum Corporation
Dear Sir:	

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY

Director

JDR/fd					
Copy of order	also sent to:	140 Kongress			
Hobbs OCC	x				
Artesia OCC_	X			,	
Aztec OCC_	, Security				
Other			1		

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5610 Order No. R-5152

APPLICATION OF YATES PETROLEUM CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 7, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Yates Petroleum Corporation, seeks approval of an unorthodox gas well location for its Caskey "EV" Well drilled at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, NMPM, West Atoka Field, Eddy County, New Mexico.
- (3) That the S/2 of said Section 30 is dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

-2-Case No. 5610 Order No. R-5152

# IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for applicant's Caskey—"EV" Well located at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, NMPM, West Atoka Field, Eddy County, New Mexico.
- (2) That the S/2 of said Section 30 shall be dedicated to the above-described well.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

5610

IN THE MAITER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO
Order No. R- <u>5152</u>
APPLICATION OF Yates Petroleum Corporation FOR AN UNORTHODOX GAS WELL LOCATION, Eddy COUNTY, NEW MEXICO.
ORDER OF THE COMMISSION
BY THE COMMISSION:
This cause came on for hearing at 9 a.m. on <u>January 7</u> , 1976, at Santa Fe, New Mexico, before Examiner <u>Richard L. Stamets</u> .
NOW, on this day of <u>January</u> , 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,
FINDS:
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
(2) That the applicant, Yates Petroleum Corporation, seeks for its Caskey "EV" Well to be drilled of approval of an unorthodox gas well location/ 660 feet from the South line and 1400 feet from the West line of Section 30, Township
West Avoka Fie de Perol,
Eddy County, New Mexico,
(3) That the 8/2 of said Section 30 is to be dedicated to the
well.
(4) That a well at said unorthodox location will better enable
applicant to produce the gas underlying the proration unit.
(5) That no offset operator objected to the proposed unorthodox
location.

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(6) That appr	roval of the subject a	pplication will aff	ord the applicant
he opportunity to p	produce its just and e	quitable share of t	he gas in the
ubject pool, will p	prevent the economic lo	oss caused by the d	rilling of
nnecessary wells, a	avoid the augmentation	of risk arising fr	om the drilling
of an excessive numb	per of wells, and will	otherwise prevent	waste and protect
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IT IS THEREFOR	RE ORDERED:		
(1) That an a	unorthodox gas well loo applicant's Cas	cation for the <u>2/2</u> skey "EV" Well	of from pand

(1) That an unor formations is hereby app	thodox gas well locat applicant's Caskey proved for/a-well to-b	ion for the Wolfcompand y "EV" Well e located at a point 660	
feet from the South	line and 1400	feet from the West	
line of Section 30		South Range 26 East	
NMPM, West 17to	ka Field	Eddy Coun	ty,
New Mexico.	and the second second second		

- (2) That the S/2 of said Section 30 shall be dedicated to the above-described well.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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Dockets Nos. 2-76 and 3-76 are tentatively set for hearing on January 14 and January 21, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

# DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 7, 1976

9 A.M. - OIL CONSERVATION CONMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO
The following cases will be heard before Richard L: Statets, Examiner or Daniel
S. Nutter, Alternate Examiner:

Application of Champlin Petroleum Company for special pool rules, Eddy County, New Mexico: Applicant, in the above-styled cause, seeks the prozulgation of special pool rules for the East Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing.

CASE 5601: Application of Consolidated Oil & Gas, Inc. for downhole commingling. Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tapacito-Pictured Cliffs and Basin-Dakota gas production in the wellbore of its Tribal "C" Well No. 10-7. located in Unit J. of Section 7, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.

Application of Consolidated Oil & Gas, Inc. for downhole comingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to comingle Fulcher Kutz-Pictured Cliffs and Aztec-Fruitland gas production in the wellbore of its Collins Well No. 1, Manley Well No. 1, and Waiz Well No. 1, located, respectively, in Units E, P, and L of Section 31, Township 29 North, Range 10 West, San Juan County, New Yexico. CASE 5602:

San Juan County, Few Mexico.

Application of Eurleson and Huff for compulsory pooling, a non-standard gas proration unit, and an unorthodox location. Lee County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all tineral interests in the Jalmat Cas Pool underlying the NW14 of Section 35, Tornship 25 South, Range 37 East, Lea County, New Mexico, to form a non-standard 160-acre proration unit; applicant further seeks the pooling of all mineral interests in the Langlie-Mattix Pool underlying each of the following tracts in said Section 35 to form three standard 40-acre proration units: the NE/4 NW14, to be dedicated to applicant's Dabbs Well No. 1, located 330 feet from the North line and 2310 feet from the West line of said Section 35; the SE/4 NW14, to be dedicated to applicant's Pabbs Well No. 3, located 1950 feet from the North and West lines of said Section 35; and the SW/4 NW14, to be dedicated to a well to be drilled on said treat at a standard Langlie Mattix Pool location. In the event re-entry into either the Dabbs Well No. 1 or No. 3 is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tract. Applicant further proposes to dedicate the 160-acre Jalmat proration unit to one of the three above-described wells, and in the event it should be the Dabbs Well No. 1, applicant seeks approval for the unorthodox Jalmat location for said well. Also to be considered will be the cost of re-entering, drilling, and cozpleting said wells and the allocation of the applicant as operator of the vells and a charge for the risk involved in re-entering, drilling, and completing said wells. CASE 5603: the applicant as operator of the wells and a charge for the risk involved in re-entering, drilling, and completing said wells.

Application of Eurleson & Huff for a waterflood project, Lea County, New Poxico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Quercon Plains-Queen Pool by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unporthodox location in the approximate center of the SW/4 of Section 27, Township 18 South, Range 32-East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional wells at standard and non-standard locations within the project area. CASE 5604:

CASE 5605: Application of Saguaro Oil Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Table Mesa-Dakota Oil Pool, San Juan County, New Mexico, including a provision for 2 1/2-acre spacing.

CASE 5506: Application of Citles Service Oil Company for downhole comingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to comingle Tubb and Drinkard production in the wellbore of its Brunson B Well No. 3, located in Unit M of Section 3, Township 22 South, Range 27 East, Lea County, New Mexico.

CASE 5607: Application of Black River Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an undesignated Canyon formation well at an unorthodox location 280 feet from the South line and 150 feet from the West line of Section 33, Tornship 25 South, Range 24 East, Eddy County, New Mexico.

CASE 5608: Application of Northern Natural Gas Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Magruder Hill Unit Area corprising 2,258 acres, more or less, of Federal, State, and fee lands in Township 22 South, Range 25 and 26 East, Eddy County, New Mexico.

Application of Yates Petroleun Corporation for an unorthodox geswell location, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks approval for the unorthodox location of its Nellor "EO" Well to be drilled at a point 1980 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North and West lines of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the N/2 of said Section 30 to be dedicated to the well. CASE 5609:

CASE 5610: Application of Yates Petroleum Corporation for an unorthodox gas application of fates retroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Caskey "EV" Well to be drilled at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.

CASE 5611: Application of David C. Collier for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Welch State No. 7 Well located 1330 feet from the South and West lines of Section 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico, said well having formerly been a water injection well. injection well.

CASE 5612: Application of Dalport Oil Corporation for exception to the provisions of Order No. R-3221, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to the previsions of Commission Order No. R-3221 permission to dispose of produced salt water from its State C Wells Nos. 1, 2, and 3, located in Unite D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.

CASE 5596: (Reopened & Readvertised)

Application of Burk Royalty Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of secondary recovery, all mineral interests in the Queen formation underlying the following-described lands, Bouble i-Queen Pool, Chaves County, New Mexico:

Docket No. 1-76

TOWNSHIP 14 SCUIH, RANGE 29 EAST, NAPH Section 23: E/2 SE/4

Section 23: E/2 32/4
Section 24: W/2 SM/4
Section 25: NW/4, SM/4 NE/4, N/2 SW/4, SE/4 SW/4, W/2 SE/4,
6 SE/4 SE/4
Section 36: NE/4 NW/4, NE/4, N/2 SE/4, 6 SE/4 SE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NATH Section 31: W/2, W/2 SE/4, & SE/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NYPM SWEETION 1: F/2 E/2
Section 12: NE/4 & E/2 SE/4
Section 13: NE/4 YE/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPH Section 6: N/2, SW/4, & NW/4 SE/4 Section 7: W/2 W/2 & NE/4 NW/4 Section 18: NW/4

Among the matters to be considered at the hearing will be the necessity of unit operations and the feasibility of the proposed secondary recovery program; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

Southeastern New Mexico nomenciature case calling for an order for the creation and extension of certain pools in Lea, Eddy, and Chaves CASE 5613: Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the West Grama Ridge-Bone Springs Pool. The discovery well is Southern Union Production Company Barbara Federal Well No. 1 located in Unit I of Section 6, Township 22 South, Range 34 East, NAPM. Said pool would comprise:

# TOWNSHIP 22 SOUTH, RANGE 34 FAST, NAPM Section 6: SE/4

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Hay Hollow-Strawn Gas Pool. The discovery well is Great Western Brilling Company Hay Hollow Unit Well No. 1 located in Unit J of Section 11, Township 26 South, Range 27 East, NYPK. Said pool would comprise:

# TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM Section 11: E/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Ross-Draw-Delaware Gas Pool. The discovery well is J. C. Williamson Ross Draw Unit Well No. 1 located in Unit M of Section 27, Township 26 South, Range 30 East, NGM. Said pool would comprise: Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NAPH Section 27: W/2 Section 34: -Na/4

(d) Create a new pool in Chaves County, New Maxico, classified as an eil pool for San Andres production and designated as the Sulimar-San

Examiner Hearing - Wednesday - January 7, 1976

Andres Pool. The discovery well is McClellan 0il Corporation Lisa A Federal Well No. 1Y located in Unit K of Section 13, Township 15 South, Range 29 East, NNPM. Said pool would comprise:

# TOWNSHIP 15 SOUTH, RANGE 29 EAST, NYPM Section 13: SW/4

- (e) Extend the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, to include the Atoka formation; and redesignate the pool as the Legg Atoka-Morrow Gas Pool.
- (f) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NYPM Section 26: S/2 Section 35: N/2

(g) Extend the Bar-U-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NAPM Section 31: S/2

Extend the North Eurton Flats-Wolfcamp Gas Pool in Eddy County, (h) Extend the North turion ran New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 19: S/2 Section 30: W/2

(i) Extend the Chaveroo-San Andres Pool in Chaves County, New Maxico. to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPH Section 17: NW/4 Section 18: NE/4

(j) Extend the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM Section 9: E/2 SE/4 and S/2 SW/4

(k) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NYPM Section 26: SW/4

(1) Extend the Jalmat Gas Pool in Lea County, New Mexico, to include

TOWNSHIP 26 SOUTH, RANGE 37 EAST, MMPM Section 2: NW/4

(m) Extend the South Lucky Lake-Queen Pool in Chaves County, New Mexico,

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM Section 22: W/2 NM/4

(n) Extend the Pecos-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 FAST, MMPH Section 27: SW/4 NE/4 and W/2 SE/4

(o) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 6: SW/4

(p) Extend the Vacuuz-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EASI, NMPM Section 11: NW/4

# BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION:
OF YATES PETROLEUM CORPORATION FOR:
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

CASE NO. 56/7

## **APPLICATION**

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

1. That applicant is an operator of a majority of the interest in the Pennsylvanian formation underlying:

# Township 17 South, Range 26 East, N.M.P.M.

Section 30: S/2.

- 2. Applicant proposes to drill its Caskey "EV" Well at a point 660 feet from the South and 1,400 feet from the West lines of said Section 30.
- 3. Applicant seeks an exception to the well location requirements of Rule 104-C of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
- 4. That a standard 320-acre proration unit comprising the S/2 of said Section 30 should be dedicated to the Caskey "EV" Well.
- 5. That the approval of this application will afford applicant the opportunity to produce its just and equitable share

of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise 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 Commission enter its order granting applicant permission to drill its Caskey "EV" Well and to dedicate the S/2 of said Section 30 to said well which is reasonably presumed to be productive of gas from the Morrow formation.

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

VATES PETROLEUM CORPORATION

Losee & Carson, P.A.

P. Ø. Drawer 239

Artesia, New Mexico 88210

Attorneys for Applicant

DOCKET MAILED

# BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION FOR :
AN UNORTHODOX GAS WELL LOCATION, :
EDDY COUNTY, NEW MEXICO. ;

CASE NO. 56/D

#### **APPLICATION**

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

1. That applicant is an operator of a majority of the interest in the Pennsylvanian formation underlying:

Township 17 South, Range 26 East, N.M.P.M. Section 30. S/2.

- 2. Applicant proposes to drill its Caskey "EV" Well at a point 660 feet from the South and 1,400 feet from the West lines of said Section 30.
- 3. Applicant seeks an exception to the well location requirements of Rule 104-C of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
- 4. That a standard 320-acre proration unit comprising the S/2 of said Section 30 should be dedicated to the Caskey "EV" Well.
- 5. That the approval of this application will afford applicant the opportunity to produce its just and equitable share

of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise 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 Commission enter its order granting applicant permission to drill its Caskey "EV" Well and to dedicate the S/2 of said Section 30 to said well which is reasonably presumed to be productive of gas from the Morrow formation.
- C. And for such other relief as may be just in the promises.

YATES PETROLEUM CORPORATION

L0809 &

Draver 239

New Mexico 88210 Artesia.

Attorneys for Applicant

#### BEFORE THE OIL CONSERVATION COMMISSION

#### STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE	NO.	*		,
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#### APPLICATION

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

1. That applicant is an operator of a majority of the interest in the Pennsylvanian formation underlying:

Township 17 South, Range 26 East, N.M.P.M. Section 30: S/2.

- 2. Applicant proposes to drill its Caskey "EV" Well at a point 660 feet from the South and 1,400 feet from the West lines of said Section 30.
- 3. Applicant seeks an exception to the well location requirements of Rule 104-C of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
- 4. That a standard 320-acre proration unit comprising the S/2 of said Section 30 should be dedicated to the Caskey "RV" Well.
- 5. That the approval of this application will afford applicant the opportunity to produce its just and equitable share

of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the
drilling of an excessive number of wells, and will otherwise 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 Commission enter its order granting applicant permission to drill its Caskey "EV" Well and to dedicate the S/2 of said Section 30 to said well which is reasonably presumed to be productive of gas from the Morrow formation.
- C. And for such other relief as may be just in the premises.

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Attorneys for Applicant