

CASE 5870: HARVEY E. YATES COMPANY FOR
AN UNORTHODOX GAS WELL LOCATION, LEA
COUNTY, NEW MEXICO

Case Number

5870

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 16, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company) CASE
for an unorthodox gas well location,) 5870
Lea County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 MR. STAMETS: We will call at this time Case 5870.

2 MS. TESCHENDORF: Case 5870, application of Harvey E.
3 Yates Company for an unorthodox gas well location, Lea County,
4 New Mexico.

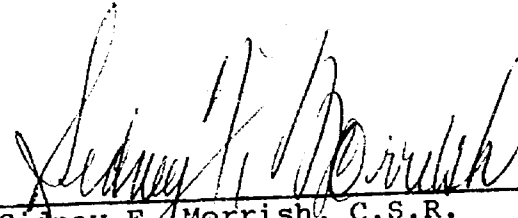
5 The applicant in this case has asked that the
6 Commission dismiss it.

7 MR. STAMETS: Case 5870 will be dismissed.
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aid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

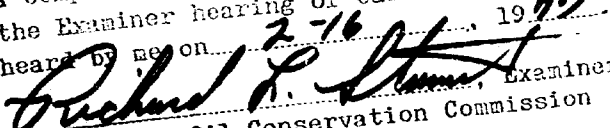
REPORTER'S CERTIFICATE

1
2 I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
3 do hereby certify that the foregoing and attached Transcript
4 of Hearing before the New Mexico Oil Conservation Commission
5 was reported by me, and the same is a true and correct record
6 of the said proceedings to the best of my knowledge, skill and
7 ability.

8
9 
10 Sidney F. Morrish, C.S.R.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

11
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15 I do hereby certify that the foregoing is
16 a complete record of the proceedings in
17 the Examiner hearing of Case No. 5870,
18 heard by me on 2-7-6, 1972.

19 
20 Richard P. Stumm, Examiner
21 New Mexico Oil Conservation Commission
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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. J. Losee
Losee & Carson
Attorneys at Law
Post Office Box 239
Artesia, New Mexico 88210

Re: CASE NO. 5870
ORDER NO. R-5386

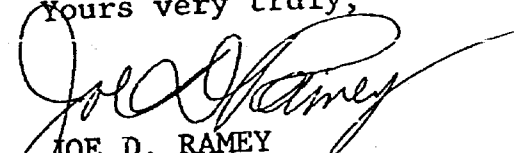
Applicant:

Harvey E. Yates Company

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:

Hobbs OCC x
Artesia OCC x
Aztec OCC

Other

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. 5870
Order No. R-5386

APPLICATION OF HARVEY E. YATES
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16,
1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of February, 1977, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 5870 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

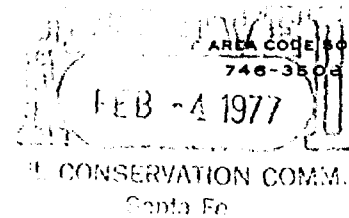
JOE D. RAMEY, Member & Secretary

S E A L

jr/

A. J. LOSEE
JOEL M. CARSON
CHAD DICKERSON

LAW OFFICES
LOSEE & CARSON, P.A.
300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88210



February 3, 1977

Ms. Lynn Teschendorf
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 5870

Re: Harvey E. Yates Company
South Maljamar Deep Unit No. 2
S/2 Sec. 30, T-17-S, R-32-E
Lea County, New Mexico

Dear Ms. Teschendorf:

Our client has decided not to drill the subject unorthodox well and we, therefore, ask that you dismiss with prejudice our application for the unorthodox location.

Very truly yours,

LOSEE & CARSON, P.A.

A. J. Losee

AJL:pv

Dockets Nos. 8-77 and 9-77 are tentatively set for hearing on March 9 and March 23, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - FRIDAY - FEBRUARY 11, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following case will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 5872: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the suspension of Rules 15(A) and 15(B) of the General Rules for Prorated Gas Pools as promulgated by Order No. R-1670, as amended, to permit overproduced wells to continue to produce gas during the present severe weather conditions without danger of being shut in for overproduction.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 16, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for March, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for March, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
 - (3) Consideration of purchaser's nominations for the one-year period beginning April 1, 1977, for both of the above areas.

CASE 5856: Application of Amoco Production Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Elliott Gas Com "F" 1-R Well No. 1A to be drilled 1244 feet from the South line and 820 feet from the East line of Section 33, Township 30 North, Range 9 West, Blanco Mesaverde Pool, San Juan County, New Mexico.

CASE 5857: Application of Union Oil Company of California for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North and East lines of Section 7, Township 19 South, Range 34 East, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction and complete it in the Morrow formation at a point no closer than 330 feet to the outer boundary of the proration unit, the E/2 of said Section 7.

CASE 5858: Application of Union Oil Company of California for 320-acre spacing, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the adoption of 320-acre spacing and proration units for the North Quail Ridge-Morrow Gas Pool, Lea County, New Mexico. In the absence of objection, the Commission will adopt such 320-acre spacing.

CASE 5859: (This case will be continued and readvertised.)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Basin-Dakota and Blanco-Mesaverde production in the wellbore of its Breech D Well No. 307 located in Unit M of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 5860: Application of Rice Engineering & Operating, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open hole interval from 4176 feet to 5500 feet of its Hobbs SWD Well No. P-16, located in Unit P of Section 16, Township 19 South, Range 38 East, Hobbs Field, Lea County, New Mexico.

- CASE 5861:** Application of Hanson Oil Corporation for a salt water disposal well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the open hole interval from 1926 to 1978 feet in its Sulphate Sister Well No. 1, located in Unit E of Section 13, Township 25 South, Range 26 East, Eddy County, New Mexico.
- CASE 5862:** Application of Palmer Oil and Gas Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal 1 Well No. 1 located 1525 feet from the South line and 820 feet from the East line of Section 1, Township 31 North, Range 13 West, Blanco Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.
- CASE 5863:** Application of Amerada Hess Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla Apache "B" Well No. 16, completed as an oil well in the Dakota formation at a point 1850 feet from the South line and 1500 feet from the West line of Section 29, Township 25 North, Range 5 West, Rio Arriba County, New Mexico, said well having been projected as a Basin-Dakota gas well at a standard gas well location for said pool.
- CASE 5864:** Application of Agua, Inc. for the amendment of Order No. R-5137, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the further amendment of Order No. R-5137, which authorized the disposal of produced salt water into the San Andres formation through the open-hole interval from approximately 4000 feet to 5000 feet in applicant's Blinebry-Drinkard SWD System Well No. A-22, located in Unit A of Section 22, Township 22 South, Range 37 East, Blinebry-Drinkard-Langlie Mattix Area, Lea County, New Mexico. Said order, as amended, limited surface injection pressures to 800 psi, and applicant seeks its amendment to permit surface injection pressures up to 1500 psi.
- CASE 5865:** Application of Inexco Oil Co. for 320-acre spacing, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the adoption of 320-acre spacing and proration units for the West Tonto-Pennsylvanian Gas Pool, Lea County, New Mexico. In the absence of objection, the Commission will adopt such 320-acre spacing.
- CASE 5866:** Application of Union Texas Petroleum for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection string in a well it proposes to drill in Unit D of Section 33, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 5867:** Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 19, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico, to be dedicated to its Forrest Well No. 1 to be located in Unit N of said Section 19. Also to be considered will be the cost of completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in completion of said well.
- CASE 5820:** (Continued from the February 2, 1977, Examiner Hearing.)
- Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5868:** Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Travis Deep Unit Well No. 1 to be drilled 1980 feet from the South line and 1684 feet from the West line of Section 18, Township 18 South, Range 29 East, Eddy County, New Mexico, the S/2 of said Section 18 to be dedicated to the well.
- CASE 5846:** (Continued and Readvertised)
- Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire South Deep Unit Well No. 13 to be drilled 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 22 East, South Empire Field, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.

CASE 5869: Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Big Boggy Well No. 1 to be drilled 990 feet from the South line and 2080 feet from the East line of Section 36, Township 17 South, Range 26 East, Atoka Pennsylvanian Gas Pool, Eddy County, New Mexico, the S/2 of said Section 36 to be dedicated to the well.

CASE 5870: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its South Maljamar Deep Unit Well No. 2 to be drilled 990 feet from the South line and 1980 feet from the West line of Section 30, Township 17 South, Range 32 East, Lea County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.

CASE 5871: Application of Yates Petroleum 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 Friendly Frenchman Well No. 1 to be drilled 1005 feet from the South line and 660 feet from the East line of Section 32, Township 16 South, Range 26 East, Eddy County, New Mexico, the S/2 of said Section 32 to be dedicated to the well.

CASE 5810: (Continued from the February 2, 1977, Examiner Hearing)

Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Stonewall "EP" Com Well No. 1, located in Unit F of Section 30, Township 20 South, Range 28 East, Eddy County, New Mexico, to produce gas from the North Burton Flat-Wolfcamp Gas Pool and an undesignated Morrow gas pool.

CASE 5847: (Continued from the February 2, 1977, Examiner Hearing)

Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Gossett "EU" Well No. 1, located in Unit K of Section 26, Township 17 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from the Lower Wolfcamp or Upper Pennsylvanian and the Lower Pennsylvanian formations through the casing-tubing annulus and tubing, respectively.

CASE 5848: (Continued from the February 2, 1977, Examiner Hearing)

Application of Yates Petroleum 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 Pipkin HE Well No. 1 to be drilled 660 feet from the South and West lines of Section 4, Township 18 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Section 4 to be dedicated to the well.

A. J. LOSEE
JOEL M. CARSON
CHAD DICKERSON

LAW OFFICES
LOSEE & CARSON, P.A. JAN 24 1977
300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 86210 CONSERVATION COMM.
Santa Fe

AREA CODE 505
746-3508

January 20, 1977

Case 5870

Miss Lynn Teschendorf
New Mexico Oil Conservation Commission
Legal Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Miss Teschendorf:

Enclosed for filing, please find three copies of an application for Harvey E. Yates Company for an unorthodox gas well location in Lea County, New Mexico.

We ask that you please set this case for hearing and that you furnish us with a docket of said hearing. Thank you.

Very truly yours,

LOSEE & CARSON, P.A.



A. J. Lossee

AJL:bjm
Enclosures

cc w/enclosure: Mr. George Yates

JAN 24 1977
OIL CONSERVATION COMMISSION
SANTA FE, N.M.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF HARVEY E. YATES COMPANY FOR : CASE NO. 5870
UNORTHODOX GAS WELL LOCATION, LEA :
COUNTY, NEW MEXICO. :
:

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, 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 32 East, N.M.P.M.

Section 30: S/2

2. Applicant proposes to drill its South Maljamar
Deep Unit No. 2 Well at a location 1,980 feet from the West
line and 990 feet from the South line of said Section 30 and to
dedicate the S/2 of said Section 30 to the well.

3. Applicant seeks an exception to the well location
requirement 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 be dedicated to the South Maljamar
Deep Unit No. 2 Well.

5. That the approval of this application will afford
the 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 South Maljamar Deep Unit No. 2 Well at the above mentioned unorthodox location 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.

HARVEY E. YATES COMPANY

By: 

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

RC's
DRAFT

dr/

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:

JH
APPLICATION OF HARVEY E. YATES
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

JK
CASE NO. 5870

Order No. R- 5386

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of February, 19 77, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5870 is hereby dismissed.

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