

CASE 6745: HARVEY E. YATES COMPANY FOR
COMPULSORY POOLING, EDDY COUNTY, NEW
MEXICO

CONTINUED

TO

JANUARY 3

Case No.

6745

Application

Transcripts.

Small Exhibits

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG
SANTA FE, NEW MEXICO
3 January 1980

EXAMINER HEARING

IN THE MATTER OF:)	
)	
Application of Harvey E. Yates Com-)	CASE
pany for compulsion pooling, Eddy)	6345
County, New Mexico.)	
)	

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation	Ernest L. Padilla, Esq.
Division:	Legal Counsel for the Division
	State Land Office Bldg.
	Santa Fe, New Mexico 87501

For the Applicant:	Robert E. Strand, Esq.
	Harvey E. Yates Company
	P. O. Box 1933
	Roswell, New Mexico 88201

MR. STAMETS: We'll call next Case
6745.

MR .PADILLA: Application of Harvey
E. Yates Company for compulsory pooling, Eddy County,
New Mexico.

MR .STRAND: Mr. Examiner, I move
that the application in this case be dismissed.

MR .STAMETS: Upon request of the
applicant Case 6745 will be dismissed.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my ability,
from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6245
heard by me on 1-3 1986.

Richard L. Stout, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG
SANTA FE, NEW MEXICO
3 January 1930

EXAMINER HEARING

)
 IN THE MATTER OF:)
)
 Application of Harvey E. Yates Com-) CASE
 pany for compulsion pooling, Eddy) 6745
 County, New Mexico.)
)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

<p>For the Oil Conservation Division:</p>	<p>Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87501</p>
<p>For the Applicant:</p>	<p>Robert E. Strand, Esq. Harvey E. Yates Company P. O. Box 1933 Roswell, New Mexico 88201</p>

MR. SAMSON: We'll call next Case
6745.

MR. YDELL: Application of Harvey
E. Yates Company for compulsory pooling, Eddy County,
New Mexico.

MR. STRAND: Mr. Examiner, I move
that the application in this case be dismissed.

MR. STAMETS: Upon request of the
applicant Case 6745 will be dismissed.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my ability,
from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

BRUCE KING
 GOVERNOR
 LARRY KEHOE
 SECRETARY

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87501
 (505) 827-2434

Mr. Robert H. Strand, Attorney
 Harvey E. Yates Company
 P. O. Box 1933
 Roswell, New Mexico 88201

Re: CASE NO. 6745
 ORDER NO. R-6240

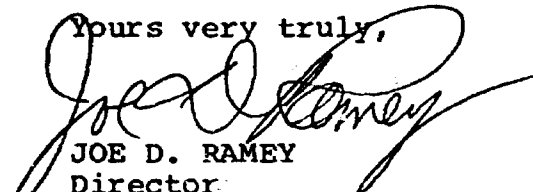
Applicant:

Harvey E. Yates Company

Dear Sir:

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

Yours very truly,


 JOE D. RAMEY
 Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
 Artesia OCD x
 Aztec OCD

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 6745
Order No. R-6240

APPLICATION OF HARVEY E. YATES
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of January, 1980, the Division
Director, 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.

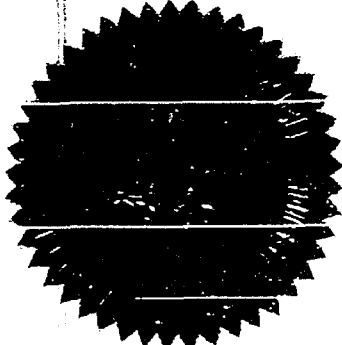
IT IS THEREFORE ORDERED:

That Case No. 6745 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L
fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
28 November 1979

EXAMINER HEARING

IN THE MATTER OF:)
)

Application of Harvey E. Yates Com-)
pany for compulsory pooling, Eddy)
County, New Mexico.)

CASE
6745

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
8030 Plaza Blanca (505) 471-2482
Santa Fe, New Mexico 87501

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. STAMETS: Call Case 6745.

MR. PADILLA: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico.

MR. STAMETS: The applicant in this case has requested that it be continued until the January 3rd hearing, 1980, and the case will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (608) 471-2463
Santa Fe, New Mexico 87501

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability from my notes taken at the time of the hearing.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3028 Plaza Blanca (665) 471-2452
Santa Fe, New Mexico 87501

Sally W. Boyd, C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete and correct transcript of the hearing in
the case of 11-28 1979
heard by 11-28 1979
Richard P. Stant Examiner
Oil Conservation Division

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
28 November 1979

EXAMINER HEARING

IN THE MATTER OF:)

Application of Harvey E. Yates Com-)
pany for compulsory pooling, Eddy)
County, New Mexico.)

CASE
6745

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1020 Plaza Blanca (S.E.) 471-2463
Santa Fe, New Mexico 87501

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. STAMETS: Call Case 6745.

MR. PADILLA: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico.

MR. STAMETS: The applicant in this case has requested that it be continued until the January 3rd hearing, 1980, and the case will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3026 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87501

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability from my notes taken at the time of the hearing.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3028 Plaza Blanca (666) 471-2483
Santa Fe, New Mexico 87501

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete and true record of the proceedings in
the final hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

CASE 6767: (Continued from December 12, 1979, Examiner Hearing)

Application of Alpha Twenty-One Production Company for two non-standard gas proration units, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 NW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 2, and also a 200-acre unit comprising the S/2 N/2 and NE/4 NW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North line and 560 feet from the West line of Section 27. Applicant further seeks a finding that the drilling of the latter well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6487: (Continued from October 17, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6732: (Continued from November 23, 1979, Examiner Hearing)

Application of Dorchester Exploration, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Morton Solid State Unit Well No. 1 located 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, Tres Papalotes-Pennsylvanian Pool.

CASE 6775: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Young Deep Unit Area, comprising 2242 acres, more or less, of Federal lands in Township 18 South, Range 32 East.

CASE 6776: 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 Young Deep Unit Well No. 1, a Morrow test to be drilled 660 feet from the North and West lines of Section 10, Township 18 South, Range 32 East, the W/2 of said Section 10 to be dedicated to the well.

CASE 6777: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Amoco 22 State Well No. 2 located in Unit G of Section 22, Township 23 South, Range 27 East.

CASE 6778: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Loco Hills Welch Well No. 2 located in Unit N of Section 4, Township 18 South, Range 29 East.

CASE 6745: (Continued from November 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, 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 6779: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pronghorn Unit Area, comprising 5,120 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Range 33 East.

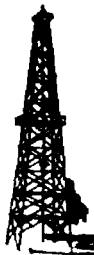
CASE 6780: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Serpentine Bends Unit Area, comprising 4,802 acres, more or less, of State and Federal lands in Township 24 South, Ranges 23 and 24 East.

CASE 6781: 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 a Morrow test well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 1, Township 20 South, Range 28 East, the E/2 of said Section 1 to be dedicated to the well.

- CASE 6745: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, 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 6746: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the S/2 of Section 31, Township 18 South, Range 26 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 1100 feet from the West line of said Section 31. 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 6747: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the S/2 of Section 23, Township 18 South, Range 25 East, to be dedicated to a well to be drilled at an unorthodox location in the center of Unit P of said Section 23. 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 6748: 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 Rio Pecos "NM" Fed. Well No. 1, a Morrow test to be drilled 1980 feet from the South line and 1100 feet from the East line of Section 29, Township 18 South, Range 27 East, the S/2 of said Section 29 to be dedicated to the well.
- CASE 6749: Application of Petro-Lewis Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Penrose Skelly, Blinebry, and Drinkard production in the wellbore of its Warlick Well No. 3 located in Unit P of Section 18, Township 21 South, Range 37 East.
- CASE 6750: Application of CO₂-In-Action, Inc. for creation of a new carbon dioxide gas pool and special pool rules, Harding County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the North Bueyeros-Santa Rosa CO₂ Gas Pool comprising all or parts of Sections 1, 2, 3, 10, 11, and 12, Township 20 North, Range 30 East and Sections 20 thru 23 and 26 thru 35, Township 21 North, Range 30 East, and the promulgation of special rules therefor including a provision for 160-acre spacing units with the option to drill on 40 acres, and with well locations as close as 330 feet to the unit boundary.
- CASE 6725: (Continued from November 14, 1979, Examiner Hearing)
- Application of Tenneco Oil Company for three non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 291.23-acre non-standard gas proration unit comprising the W/2 of Section 6 and the NW/4 of Section 7, a 347.58-acre unit comprising the W/2 of Section 19 and the NW/4 of Section 30, and a 375.17-acre unit comprising the SW/4 of Section 30 and the W/2 of Section 31, all in Township 29 North, Range 8 West, Basin-Dakota Pool, each unit to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6751: Application of Tenneco Oil Company for the rescission of special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of the special pool rules for the Catclaw Draw-Morrow Gas Pool to provide for 320-acre spacing rather than 640 acres. In the absence of objection, the pool rules will be rescinded and the pool placed on standard 320-acre spacing for Pennsylvanian gas pools rather than the present 640-acre spacing.
- CASE 6357: (Reopened and Readvertised)
- In the matter of Case 6357 being reopened pursuant to the provisions of Order No. R-5853 which order established temporary special rules and regulations for the South Peterson-Pennsylvanian Pool, with provisions for 80-acre spacing. All interested parties may appear and show cause why the South Peterson-Pennsylvanian Pool should not be developed on 40-acre spacing units.

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

NOV 6 - 1979
OIL CONSERVATION DIVISION
SANTA FE

November 5, 1979

Case 6745

New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Dick Stamets

Re: W/2, Section 28
T-23S, R-24E, N.M.P.M.
Eddy County, New Mexico

Dear Mr. Stamets:

Enclosed please find an original and two copies of an "Application for Compulsory Pooling" covering the above referenced lands. This application was previously "phoned in" to you for a hearing to be held on November 28, 1979.

If you have any questions, please call Bob Strand at 505/623-6601.

Sincerely,

Shari D. Jennings
Shari D. Jennings
Land Department

SDJ/sj
Enclosure

BEFORE THE OIL CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE)
APPLICATION OF)
HARVEY E. YATES COMPANY)
FOR COMPULSORY POOLING,)
EDDY COUNTY, NEW MEXICO)

RECEIVED
OCT 11 1957
OIL CONSERVATION DIVISION
SANTA FE
CASE NO. 6745

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by its attorney,
and in support hereof, respectfully states:

1. Applicant has the right to drill a gas well in the
Wolfcamp through the Pennsylvanian formations underlying the W/2
of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy
County, New Mexico, at a standard location.

2. Applicant proposes to dedicate the W/2 of said
Section 28 to this well, and there are interest owners in the
proposed proration unit who have not agreed to pool their
interests.

3. Applicant should be designated the operator of the
well and the pooled unit.

4. To avoid the drilling of unnecessary wells, to
protect correlative rights and to afford to the owner of each
interest in said pooled unit the opportunity to recover or receive
without unnecessary expense his just and fair share of the gas
in said unit, all mineral interests, whatever they may be, from
the Wolfcamp through the Pennsylvanian formations underlying the
W/2 of said Section 28, should be pooled.

5. That any non-consenting working interest owner
that does not pay his share of estimated well costs should have
withheld from production his share of the reasonable well costs,
plus an additional 200% thereof as a reasonable charge for the
risk involved in the drilling of the well.

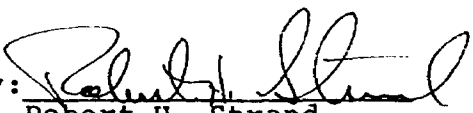
[Handwritten signature and notes]

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant respectfully requests that this application be set for hearing before a duly appointed examiner, and that after notice and hearing as required by law, an order be entered pooling all interests from the Wolfcamp through the Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, designating applicant as operator of said pooled unit, making provisions for applicant to recover its costs for production, including an appropriate risk factor, provisions for payment of operating costs and the costs of supervision from production, to be allocated among the interest owners as their interests may be determined, and for such other and further relief as may be just and proper.

Dated this 5th day of November, 1979.

HARVEY E. YATES COMPANY

By: 
Robert H. Strand
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201
505/623-6601

BEFORE THE OIL CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE)
APPLICATION OF)
HARVEY E. YATES COMPANY)
FOR COMPULSORY POOLING,)
EDDY COUNTY, NEW MEXICO)

RECEIVED
NOV 13 1970
OIL CONSERVATION DIVISION
CASE NO. 6745
SANTA FE

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by its attorney,
and in support hereof, respectfully states:

1. Applicant has the right to drill a gas well in the
Wolfcamp through the Pennsylvanian formations underlying the W/2
of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy
County, New Mexico, at a standard location.

2. Applicant proposes to dedicate the W/2 of said
Section 28 to this well, and there are interest owners in the
proposed proration unit who have not agreed to pool their
interests.

3. Applicant should be designated the operator of the
well and the pooled unit.

4. To avoid the drilling of unnecessary wells, to
protect correlative rights and to afford to the owner of each
interest in said pooled unit the opportunity to recover or receive
without unnecessary expense his just and fair share of the gas
in said unit, all mineral interests, whatever they may be, from
the Wolfcamp through the Pennsylvanian formations underlying the
W/2 of said Section 28, should be pooled.


5. That any non-consenting working interest owner
that does not pay his share of estimated well costs should have
withheld from production his share of the reasonable well costs,
plus an additional 200% thereof as a reasonable charge for the
risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant respectfully requests that this application be set for hearing before a duly appointed examiner, and that after notice and hearing as required by law, an order be entered pooling all interests from the Wolfcamp through the Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, designating applicant as operator of said pooled unit, making provisions for applicant to recover its costs for production, including an appropriate risk factor, provisions for payment of operating costs and the costs of supervision from production, to be allocated among the interest owners as their interests may be determined, and for such other and further relief as may be just and proper.

Dated this 5th day of November, 1979.

HARVEY E. YATES COMPANY

By: 
Robert H. Strand

Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201
505/623-5601

BEFORE THE OIL CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE
APPLICATION OF
HARVEY E. YATES COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

RECEIVED
NOV 6 - 1970
OIL CONSERVATION DIVISION
STATE OF NEW MEXICO
CASE NO. 6745

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by its attorney,
and in support hereof, respectfully states:

1. Applicant has the right to drill a gas well in the Wolfcamp through the Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, at a standard location.

2. Applicant proposes to dedicate the W/2 of said Section 28 to this well, and there are interest owners in the proposed proration unit who have not agreed to pool their interests.

3. Applicant should be designated the operator of the well and the pooled unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said pooled unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in said unit, all mineral interests, whatever they may be, from the Wolfcamp through the Pennsylvanian formations underlying the W/2 of said Section 28, should be pooled.

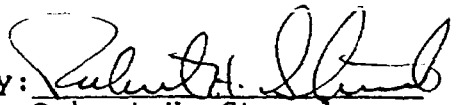
5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

WHEREFORE, applicant respectfully requests that this application be set for hearing before a duly appointed examiner, and that after notice and hearing as required by law, an order be entered pooling all interests from the Wolfcamp through the Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, designating applicant as operator of said pooled unit, making provisions for applicant to recover its costs for production, including an appropriate risk factor, provisions for payment of operating costs and the costs of supervision from production, to be allocated among the interest owners as their interests may be determined, and for such other and further relief as may be just and proper.

Dated this 5th day of November, 1979.

HARVEY E. YATES COMPANY

By: 
Robert H. Strand
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201
505/623-6601

Called in by Robert Strand
11/5/79

Harvey E. Yates Company
Compulsory Pooling

W12 Section 28, T 23S, R 24E

Wolfcamp-Pennsylvanian
formations

320-acre

Amoco - Poolee

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

CASE NO. 6745

Order No. R- 6240

APPLICATION OF HARVEY E. YATES
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

JLR *dsu*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3,
19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of January, 19 80, the Division
Director, 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. 6745 is hereby dismissed.

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

SP
Ball