

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. 8348
Order No. R-7699

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN UNORTHODOX OIL
WELL LOCATION, LEA COUNTY, NEW
MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on October 3, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 17th day of October 1984, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, NMPM, Casey-Strawn Pool, Lea County, New Mexico.

(3) That the applicant, Yates Petroleum Corporation, requested at the hearing that the proposed well be moved to a less unorthodox oil well location 660 feet from the North line and 1100 feet from the West line of Section 27, Township 16 South, Range 37 East, NMPM, Casey-Strawn Pool, Lea County, New Mexico.

(4) That the N/2 NW/4 of said Section 27 is to be dedicated to the well.

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(5) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

(6) That no offset operator objected to the proposed unorthodox location.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the affected 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.

IT IS THEREFORE ORDERED:

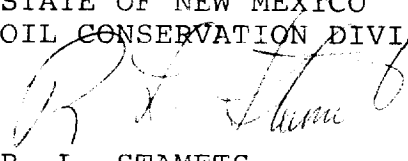
(1) That the application of Yates Petroleum Corporation for an unorthodox oil well location for the Casey Strawn Pool is hereby approved for a well to be located at a point 660 feet from the North line and 1100 feet from the West line of Section 27, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the N/2 NW/4 of said Section 27 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 Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS,
Acting Director

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