## BEFORE THE

## OIL CONSERVATION DIVISION

## NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

CASE NO. 11431

## **APPLICATION**

COMES NOW YATES PETROLEUM CORPORATION, ("Yates") makes application to the Oil Conservation Division for an order approving an unorthodox well location and simultaneous dedication, and in support thereof states:

1. Applicant is the operator of the S/2 of Section 7, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico and proposes to drill its Vandiver "DO" Com No. 2 Well as a gas well to test the Morrow formation at an unorthodox location 660 feet from the South line and 800 feet from the East line in Unit P of said Section 7.

2. Applicant seeks an exception to the Division's well location requirements to permit the drilling of said well to an approximate depth of 9,000 feet to test all formations to the base of the Morrow formation, West Atoka-Morrow Gas Pool, at the above-described location.

3. A standard 320-acre proration unit comprised of the S/2 of said Section 7 should be simultaneously dedicated to this well and the Yates Vandiver "DO" Com No. 1

Well which is currently producing from the Morrow at a location 660 feet from the South line and 2310 feet from the West line of said Section 7.

4. Approval of this application will afford Applicant the opportunity to produce its just and equitable share of the gas in the Morrow formation and will otherwise be in the best interest of the conservation, the protection of correlative rights and prevention of waste.

WHEREFORE, Yates Petroleum Corporation requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on December 7, 1995 and, after notice and hearing as required by law and the rules of the Division, that the Division enter its order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

By: \_\_\_\_\_

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ATTORNEYS FOR YATES PETROLEUM CORPORATION

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