

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. 8346
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 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.

-2-

Case No. 8348
Order No. R-7699

(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.

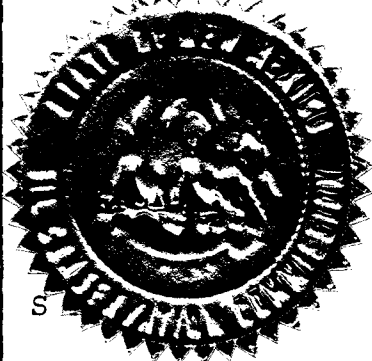
IT IS THEREFORE ORDERED:

(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

A handwritten signature in dark ink, appearing to read "R. L. Stamets".

R. L. STAMETS,
Acting Director



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

October 13, 1934

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SANTA FE, NEW MEXICO 87501
(505) 827-5800

Ms. Karen Aubrey
Kellahin & Kellahin
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 3343
ORDER NO. R-7699

Applicant:

Yates Petroleum Corporation

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	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

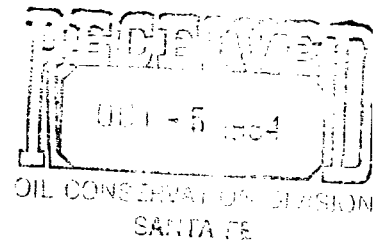
Other _____

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Telephone 982-4285
Area Code 505

October 3, 1984



Gilbert Quintana
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Application of Yates Petroleum Company
Case No. 8348

Dear Mr. Qunitana:

I am enclosing a proposed order for your consideration in the connection with the above application. Testimony on this case was presented on October 3, 1984.

If you have any questions about this matter or if I or my client may be of assistance to you please don't hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Karen Aubrey".

Karen Aubrey

KA:ca

cc: Todd Wilson
Rio Pecos Corporation
110 West Louisiana
Suite 460
Midland, Texas 79701

Mr. Randy Patterson
Yates Petroleum Company
207 South 4th Street
Artesia, New Mexico 88210