

CASE 5568: YATES PET. CORP. FOR
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO

CASE NO.

5568

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

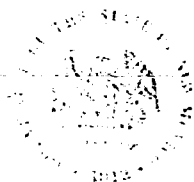
This is a detailed land ownership map of the Artesia area, showing numerous land parcels with owner names, acreage, and survey dates. The map includes a grid system with section numbers (e.g., 17, 25, 34) and township/range coordinates. Key features include the 'ARTESIA' label, 'WOLAND @ MAP', and 'DAYTON' at the bottom right. The map is densely packed with text representing land records.

ARTESIA

WOLAND @ MAP

DAYTON

Exhibit 1



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
October 24, 1975

STATE GEOLOGIST
EMERY C. ARNOLD

Re: CASE NO. 5568
ORDER NO. R-5109

A. J. Losee
Losee & Carson
Attorneys at Law
Post Office Box 239
Artesia, New Mexico 88210

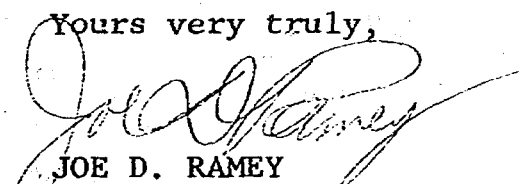
Applicant:

Yates Petroleum Corporation

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 ☒
Artesia OCC ☒
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. 5568
Order No. R-5109

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN UNORTHODOX
GAS WELL LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of October, 1975, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Yates Petroleum Corporation, seeks
approval of an unorthodox gas well location for its ARCO EC Well
No. 2 at a point 1980 feet from the South line and 1100 feet
from the East line of Section 36, Township 17 South, Range 25
East, NMPM, to test the Pennsylvanian formation adjacent to the
West Atoka-Morrow Gas Pool, Eddy County, New Mexico.
- (3) That the S/2 of said Section 36 is to be dedicated to
the well.
- (4) That a well at said unorthodox location will better
enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed
unorthodox location.
- (6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the subject 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.

-2-

Case No. 5568
Order No. R-5109

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for applicant's ARCO EC Well No. 2 to be located at a point 1980 feet from the South line and 1100 feet from the East line of Section 36, Township 17 South, Range 25 East, NMPM, adjacent to the West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 36 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 Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

sid morrish reporting service

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

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 8, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Corpora-
tion for an unorthodox gas well
location, Eddy County, New Mexico.

CASE
5568

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:

Thomas Derryberry, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

A. J. Losee, Esq.
LOSEE & CARSON
Attorneys at Law
300 American Home Building
Artesia, New Mexico

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

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I N D E X

Page

RAY BECK

Direct Examination by Mr. Losee

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EXHIBIT INDEX

Page

Offered Admitted

Yates' Exhibit Number One, Land Plat	7	7
Yates' Exhibit Number Two, Isopach Map	7	7
Yates' Exhibit Number Three, Cross Sect.	7	7

1 MR. STAMETS: We will call the next Case, 5568.

2 MR. DERRYBERRY: Case 5568, application of Yates
3 Petroleum Corporation for an unorthodox gas well location,
4 Eddy County, New Mexico.

5 MR. STAMETS: Call for appearances in this Case.

6 MR. LOSEE: A. J. Losee, Losee and Carson, Artesia,
7 New Mexico, appearing on behalf of the applicant. I have
8 one witness.

9 MR. STAMETS: Any other appearances?

10 The witness may stand and be sworn, please.

11 (THEREUPON, the witness was duly sworn.)

12 RAY BECK

13 called as a witness, having been first duly sworn, was
14 examined and testified as follows:

15 DIRECT EXAMINATION

16 BY MR. LOSEE:

17 Q Would you state your name, please?

18 A Ray Beck.

19 Q Where do you live?

20 A Artesia, New Mexico.

21 Q And by whom are you employed?

22 A Yates Petroleum Corporation.

23 Q In what capacity?

24 A Geologist.

25 Q Have you previously testified before this Commission

1 and had your qualifications as a geologist made a part of
2 the record?

3 A. I have.

4 MR. LOSEE: Are Mr. Beck's qualifications
5 acceptable?

6 MR. STAMETS: They are.

7 Q (Mr. Losee continuing.) Would you state the pur-
8 pose of the application of Yates in this Case 5568?

9 A. Yates Petroleum Corporation requests approval for
10 an unorthodox location for a gas well in Section 36, Township
11 17 South, Range 25 East, Eddy County, New Mexico. The
12 location called the Yates Number 2 ARCO EC would be nineteen
13 eighty feet from the south line and and eleven hundred feet
14 from the east line, Unit I, and would dedicate the south
15 half of Section 36.

16 Q I will hand you what has been marked as Exhibit
17 One and ask if you will explain what is shown by this exhibit?

18 A. Exhibit One is a land plat showing the location
19 and its relationship to the surrounding acreage. It may be
20 noted that the location is a normal nineteen hundred and
21 eighty feet from the south line and the proposed location
22 would be moved unorthodoxly eastward towards Yates'
23 acreage.

24 Q So that actually is the yellow Yates' acreage
25 on Exhibit One?

1 A. That is correct.

2 Q And the location for a south-half dedication is
3 regular as to the side boundary lines?

4 A. True.

5 Q And it is the end boundary lines that is unorthodox?

6 A. Correct.

7 Q Please refer to what has been marked as Exhibit
8 Two and explain what is shown by that exhibit?

9 A. Exhibit Number Two is an isopach map showing the
10 solid contours, the varying thickness of the total Morrow
11 clastics interval. That is the interval from the top of
12 the Morrow clastics to the top of the Chester limestone.

13 Also shown with dotted contours is the structural
14 attitude on the top of the Morrow clastics.

15 Wells circled with orange lines have encountered
16 the more productive channel sand reservoirs.

17 The most pertinent relationship to be drawn from
18 this exhibit is that wells located along or close to the
19 axis of the Morrow clastic stick in this area, have a
20 much better chance of penetrating the more efficient, more
21 productive Morrow channel reservoirs.

22 The proposed Number 2 ARCO EC located in Section 36
23 is positioned now where we interpret the axis of the Morrow
24 clastics to be.

25 Please note that the location of cross section A

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Phone (505) 982-9212

1 to A prime, which is Exhibit Number Three is in 18 South to
2 18, 26, about the middle part of those townships.

3 Q That is your next exhibit, then?

4 A True.

5 Q Please refer to Exhibit Three and explain what is
6 portrayed by this exhibit?

7 A Exhibit Number Three is a cross section transversed
8 to the west Atoka-Morrow clastics stick, showing the presence
9 of the Morrow and channel sand body within the thickest part
10 of the Morrow clastics interval. This exhibit adds a
11 depth dimension to the previous exhibit.

12 Q Have there been any other unorthodox gas well
13 locations in the general west Atoka-Morrow area?

14 A At least eleven other unorthodox gas well locations
15 have been approved without penalty in the general West
16 Atoka area.

17 Q Have those been within six hundred and sixty feet
18 of the side line?

19 A Most of them have.

20 Q And this one is eleven hundred?

21 A True.

22 Q It is a greater distance?

23 A Yes, sir.

24 Q Have you an opinion whether a well at your present
25 proposed location will efficiently drain the south half of

1 Section 36?

2 A. I do.

3 Q. Do you believe it will so drain?

4 A. I believe it will so drain.

5 Q. Do you have an opinion as to whether a well at
6 that proposed location has a better chance of encountering
7 and penetrating a Morrow channel?

8 A. That is very correct, that is why we positioned
9 this location. We think this offered the best chance to
10 encounter the more efficient reservoir there.

11 Q. And would that recover gas that would not otherwise
12 be recovered?

13 A. I believe that is true, yes.

14 Q. Will the approval of this unorthodox location
15 prevent waste and protect correlative rights?

16 A. I believe it will.

17 Q. Were Exhibits One through Three prepared by you?

18 A. They were.

19 MR. LOSEE: We move the introduction of the
20 exhibits.

21 MR. STAMETS: These exhibits will be admitted.

22 Any questions of the witness? Anything further
23 in this Case?

24 We will take the Case under advisement.
25

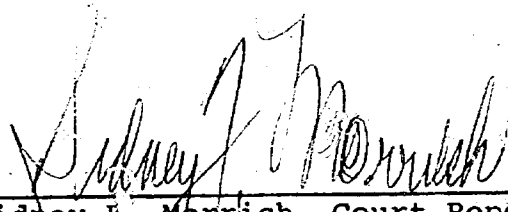
sid morrish reporting service

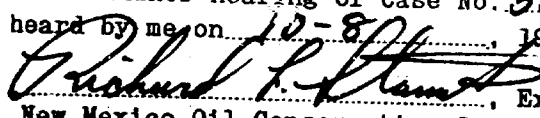
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Phone (505) 982-9212

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State of New Mexico)
County of Santa Fe) ss.

I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

I do hereby certify that the foregoing
a complete record of the proceedings in
the Examiner hearing of Case No. 5568.
heard by me on 12-8-75 1975

Richard L. Hammett, Examiner
New Mexico Oil Conservation Commission

Docket No. 24-75

Dockets Nos. 25-75 and 26-75 are tentatively set for hearing on October 15 and October 22, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 8, 1975

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:

CASE 5048: (Continued from September 10, 1975 Examiner Hearing)

In the matter of Case No. 5048 being reopened pursuant to the provisions of Order No. R-4637 which order established the South Dagger Draw-Upper Pennsylvanian Associated Pool and promulgated special pool rules therefor, including provisions for 320-acre proration units and a limiting gas-oil ratio of 8,000 to 1. All interested parties may appear and show cause why said special pool rules should remain in effect.

CASE 5551: (Continued from September 10, 1975 Examiner Hearing)

Application of Dalport Oil Corporation and Burk Royalty Co. for compulsory pooling and an unorthodox gas well location, Chaves County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests in the Queen formation underlying the W/2 of Section 17, Township 12 South, Range 31 East, Southeast Chaves-Queen Gas Area, Chaves County, New Mexico, to be dedicated to a well drilled at an unorthodox location 660 feet from the South and West lines of said Section 17. 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 the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5555: (Continued from September 24, 1975 Examiner Hearing)

Application of Lone Star Producing Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Devonian formation through the open-hole interval from 12,180 feet to 12,226 feet in its Santa Fe Well No. 2 located in Unit O of Section 19, Township 9 South, Range 37 East, East Crossroads-Devonian Pool, Lea County, New Mexico.

CASE 5563: Application of Llano, Inc. for a unit agreement, Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the Lusk Strawn Deep Unit Area comprising 20,864 acres, more or less, of State and Federal lands in Townships 18, 19, and 20 South, Ranges 31 and 32 East, Lusk Strawn Pool, Lea and Eddy Counties, New Mexico.

- CASE 5564: Application of Llano, Inc. for a pressure maintenance project, Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Lusk Strawn Pool, Lea and Eddy Counties, New Mexico, by the injection of gas into the Strawn formation through two wells in its Lusk Strawn Deep Unit Area. Applicant further seeks rules governing said project, including but not limited to provision for expansion of the project area, placing additional wells on injection, changes in injection pattern for sweep efficiency and determination of project allowable.
- CASE 5565: Application of Atlantic Richfield Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Vacuum Grayburg-San Andres Pool by injection of water through seven wells on its State "B" and State "C" Leases, six of said wells being converted producers located in Units C, E, I, K, M, and O of Section 32, Township 17 South, Range 34 East, Lea County, New Mexico, and the seventh being a new well drilled at an unorthodox location 250 feet from the South line and 2250 feet from the West line of said Section 32. Applicant further seeks an administrative procedure whereby the project area could be expanded and additional wells at standard and non-standard locations put on injection and production.
- CASE 5566: Application of James P. Graham for a non-standard proration unit and compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying a non-standard oil proration unit comprising the SW/4 NE/4 SE/4, NW/4 SE/4 SE/4, NE/4 SW/4 SE/4, and the SE/4 NW/4 SE/4 of Section 12, Township 13 South, Range 31 East, Caprock Queen Pool, Chaves County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1340 feet from the South line and 1300 feet from the East line of said Section 12, said location having been previously been approved by Order No. R-4750. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5567: Application of Belco 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 Pennsylvanian formation underlying the W/2 of Section 5, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 1980 feet from the West line of said Section 5. 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 the applicant as the operator of the well and a charge for the risk involved in drilling said well.

- CASE 5568: 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 ARCO EC Well No. 2 to be drilled at a point 1980 feet from the South line and 1100 feet from the East line of Section 36, Township 17 South, Range 25 East, Eddy County, New Mexico, to have dedicated the S/2 of said Section 36.
- CASE 5569: Application of Yates Petroleum Corporation for amendment of certain provisions of Rules 104 C.II.(a) of the General Rules and Regulations for acreage and well location requirements for gas development wells in Southeastern New Mexico. Applicant, in the above-styled cause, seeks to amend Rules 104 B.I(a) and 104 C.II(a) to include the Wolfcamp formation under the standard 320-acre gas spacing and well location requirements for Southeastern New Mexico, or in the alternative, the applicant seeks special rules for gas wells completed in the Wolfcamp formation in Township 17 South, Ranges 25 and 26 East, Township 18 South, Ranges 24, 25, and 26 East, and Township 19 South, Ranges 23, 24, and 25 East, Eddy County, New Mexico, providing for 320-acre spacing and well location requirements.
- CASE 5570: Application of Filon Exploration Corporation for salt water disposal, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection into the Gallup formation through the perforated interval from approximately 3080 to 3600 feet in its Federal 11-C Well No. 2, located in Unit P of Section 11, Township 19 North, Range 4 West, Sandoval County, New Mexico.
- CASE 5571: Application of Robert G. Cox for amendment of Order No. R-4561, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-4561, which order permitted the directional drilling of applicant's Federal "EA" Well No. 1, located 330 feet from the North and West lines of Section 12, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico, in such a manner as to be bottomed within 100 feet of the surface location. Applicant seeks the amendment of said order to permit bottoming of the subject well approximately 58 feet from the North line and 8 feet from the West line of said Section 12 and to permit verification of said downhole location by single-shot directional surveys made concurrently with the drilling of said well.

Docket No. 25-75

Dockets Nos. 26-75 and 27-75 are tentatively set for hearing on October 22 and November 5, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 15, 1975

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

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

- ALLOWABLE:
- (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for November, 1975.
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for November, 1975.

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

AREA CODE 505
746-7108

18 September 1975

Mr. Bill Carr, Attorney
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Bill:

Enclosed for filing, please find three copies each of applications of Yates Petroleum Corporation for an amendment of Rule 104-C.II(a) for acreage requirements for gas development wells in southeast New Mexico, and for an unorthodox gas well location, West Atoka Morrow gas pool. I understand that these will be set for hearing before an examiner on October 8, 1975.

Very truly yours,

LOSEE & CARSON, P.A.


A. J. Losee

AJL:jw
Enclosures

cc w/enclosures: Yates Petroleum Corporation

unorthodox location —

Wanted well — go —

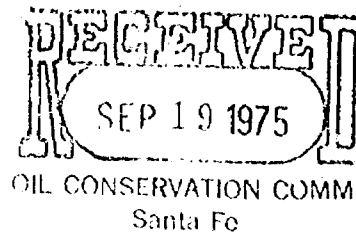
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36 — 175 — 25E

< ARCO EC #2 > — Oct. 8

5/2 of 36



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
UNORTHODOX GAS WELL LOCATION, EDDY : CASE NO. 5568
COUNTY, NEW MEXICO. :

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof, respectfully states:

1. That applicant is the operator of the Pennsylvanian
formation underlying:

Township 17 South, Range ²⁵26 East, N.M.P.M.

Section 36: S/2

within one mile of the West Atoka Morrow gas field.

2. Applicant proposes to drill its Arco "EC" No. 2
Well at a location 1,980 feet from the South line and 1,100 feet
from the East line of said Section 36 and to dedicate the S/2
of said Section 36 to the well.

3. Applicant seeks an exception to the well location
requirements of Rule 104-C of the Oil Conservation Commission
to permit the drilling of the well at the above mentioned un-
orthodox 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 36 should be dedicated to the Arco "EC"
No. 2 Well.

5. That the approval of this application will afford
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 Arco "EC" No. 2 Well at the above mentioned unorthodox location, and to dedicate the S/2 of said Section 36 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.

YATES PETROLEUM CORPORATION

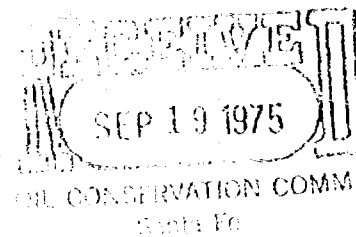
By: 

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

Attorneys for Applicant

DOCKETED

DATE 9/26/75



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
UNORTHODOX GAS WELL LOCATION, EDDY : CASE NO. _____
COUNTY, NEW MEXICO. :
_____ :

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof, respectfully states:

1. That applicant is the operator of the Pennsylvanian
formation underlying:

²⁶
Township 17 South, Range 26 East, N.M.P.M.

²⁶
Section 30: S/2

within one mile of the West Atoka Morrow gas field.

2. Applicant proposes to drill its Arco "EC" No. 2
Well at a location 1,980 feet from the South line and 1,100 feet
from the East 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
requirements of Rule 104-C of the Oil Conservation Commission
to permit the drilling of the well at the above mentioned un-
orthodox 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 should be dedicated to the Arco "EC"
No. 2 Well.

5. That the approval of this application will afford
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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.

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C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

LOSEE & CARSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 86210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

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

CASE NO. _____

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Section ~~30~~: S/2

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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 Arco "EC" 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.

YATES PETROLEUM CORPORATION

By: 

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

Attorneys for Applicant

ds/

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. 5568

Order No. R- 5109

APPLICATION OF YATES PETROLEUM CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of October, 19 75, the Commission,
a quorum being present, 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
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks
approval of an unorthodox gas well location/ 1980 feet from the South
line and 1100 feet from the East line of Section 36, Township
17 South, Range 25 East, NMPM, to test the
Pennsylvanian ^{adjacent to the designated} formation, West Ptoha-Morrow Gas Pool,
Eddy County, New Mexico.

(3) That the S/2 of said Section 36 is to be dedicated to the
well.

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

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

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Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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 an unorthodox gas well location for the Pennsylvanian applicant's ARCO EC Well No. 2 formation is hereby approved for ~~a well~~ to be located at a point 1980 feet from the South line and 1100 feet from the East line of Section 36, Township 17 South, Range 25 East NMPM, adjacent to the Undesignated West Aboka Morrow Gas Pool, Eddy County, New Mexico.

(2) That the S/2 of said Section 36 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 Commission may deem necessary.

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