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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 23 July 1980 EXAMINER HEARING IN THE MATTER OF: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. CASS: BEFORE: Richard L. Stamets 11 12 13 TRANSCRIPT OF HEARING APPEARANCES For the Oil Conservation 17 Division: Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501 For the Applicant: 23

MR. STAMETS: Call next Case 6901.

MR. PADILLA: Application of Harvey E.

Yates Company for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: At the request of the

applicant, this case will be dismissed.

(Hearing concluded.)

CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

Jally W. Boyd C.s.R.

I do hereby certify that the foregoing is a comple e record of the proceedings in the Examiner nearing of Case No. 6501.
heard by me on 7:23 1980.

Oil Conservation Division Examiner

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 23 July 1980 EXAMINER HEARING IN THE MATTER OF: Application of Harvey E. Yates Com-) pany for compulsory pooling, Lea County, New Mexico. BEFORE: Richard L. Stamets TRANSCRIPT OF HEARING APPEARANCES Ernest L. Padilla, Esq.

For the Oil Conservation Division:

Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: Call next Case 6901.

MR. PADILLA: Application of Harvey E.

Yates Company for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: At the request of the

applicant, this case will be dismissed.

(Hearing concluded.)

CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that the foregoing 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.

> 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_____ Examiner

Oil Conservation Division

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

August 6, 1980

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	Re: CASE NO. 6901 ORDER NO. R-6425	
P. O. Box 1933 Roswell, New Mexico 88201	Applicant:	
	Harvey E. Yates Company	Y _
Dear Sir:		
Pours very truly, JOE D. RAMEY	in the subject case.	
Director		
JDR/fd		
Copy of order also sent to:		

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. 6901 Order No. R-6425

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 s.m. on July 23, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 4th day of August, 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. 6901 is hereby dismissed.

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

STATE OF NEW MEXICO DIL CONSERVATION DIVISION

JOE D. MAMEY

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Docket No. 14-80

Dockets Nos. 16-80 and 17-80 are tentatively set for June 4 and 25, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - MAY 20, 1980

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6715: (DE NOVO)

Application of Texaco Inc. for an unorthodox gas well location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Loomis Fed.

Well No. 1 to be drilled 1600 feet from the North line and 660 feet from the West line of Section 5,

Township 21 South, Range 32 East, South Salt Lake-Morrow Gas Pool, the N/2 of said Section 5 to be

dedicated to the well.

Upon application of Texaco Inc. and Bass Enterprises Production Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 15-80

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 21, 1980

9 A.M. - OIL CONSERVATION DIVISION 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:

ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1980, from fifteen provated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for June, 1980, from four provated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6891: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Midwest Refining Company and all other interested parties to appear and show cause why the State Well No. I located in Unit A of Section 16, Township 33 South, Range 14 West, Hidalgo County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6859: (Continued from April 9, 1980, Examiner Hearing)

Application of R & G Drilling Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1890 feet from the North line and 1830 feet from the East line of Section 28, Township 28 North, Range 11 West, Rutz-Fruitland Pool, the NE/4 of said Section 28 to be dedicated to the well.

CASE 6886: (Continued from May ?, 1980, Examiner Hearing)

Application of Aminoil USA, Inc. 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 and Pennsylvanian formations underlying the S/2 of Section 10, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at an unorthodox location 2080 feet from the South line and 1773 feet from the East line of said Section 10. 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.

EASE 6884: (Continued from May 7, 1980, Examiner Hearing)

Application of Supron Energy Corporation for compulsory pooling and a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesiverde and Dakota formations underlying the N/2 of Section 4, Township 30 North, Range 11 West, to be dedicated to a proposed dual completion 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 6892: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the South Blanco-Pictured Cliffs Pool underlying the SW/4 of Section 27, Township 24 North, Range 2 West, 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 6878: (Readvertised)

Application of Stevens Oil Company for a non-standard gas proration unit and unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 SW/4 and S/2 NW/4 of Section 25, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, to be dedicated to its O'Brien "F" Well No. 4 at an unorthodox location 1650 feet from the South line and 2310 feet from the West line of said Section 25.

- CASE 6893: Application of Stevens Oil Company to amend Order No. R-5353, Chaves County, New Mexico.

 Applicant, in the above-styled cause, seeks a revision of the special rules for the Twin Lakes-San Andres Associated Pool as promulgated by Order No. R-5353 to provide that each well, oil or gas, shall be located no nearer than 330 feet to any quarter-quarter section line, except that any well drilled in a known gas productive area shall be located within 150 feet of the center of the quarter-quarter section.
- CASE 6894: Application of Sun Oil Company for an unorthodox well location, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the unorthodox location of its JenningsFederal "B" Well No. 1, a Yates test to be drilled 2440 feet from the South line and 2290 feet from
 the West line of Section 15, Township 19 South, Range 32 East, Lusk Field, the NE/4 SW/4 to be dedicated to the well.
- CASE 6895: Application of Sun Gas Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks findings that the drilling of its J. A. Akens Well No. 10 located in Unit N of Section 3, Township 21 South, Range 36 East, was necessary to effectively and efficiently drain that portion of an existing proration unit which could not be drained by the existing well.
- CASE 6896: Application of John E. Schalk for a non-standard gas proration unit and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Blanco Mesaverde gas proration unit comprising the NE/4 of Section 8, lownship 25 North, Range 3 West, to be dedicated to his Gulf Well No. 2 to be drilled at an unorthodox location 1925 feet from the North line and 790 feet from the East line of said Section 8.
- CASE 6897: Application of McClellan Oil Corporation for two compulsory pollings, Chaves County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 1200 feet below the surface to the base of the Abo formation underlying the SW/4 and the SE/4 of Section 30, Township 6 South, Range 26 East, each to be dedicated to a proposed gas well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervicion. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 6898: Application of Conoco Inc. for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Heyer B-28 Well No. 4 to be drilled 560 feet from the North line and 1980 feet from the West line of Section 28, Township 20 South, Range 37 East, Eumont Gas Pool, to be simultaneously dedicated with its Meyer B-28 Well No. 1 in Unit G to the NE/4 and E/2 NW/4 of said Section 28.
- CASE 6899: Application of Ystes 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 Horrow test well to be drilled 660 feet from the South and East lines of Section 9, Township 17 South, Range 26 East, the E/2 of said Section 9 to be dedicated to the well.
- CASE 6900: Application of Yates Petroleum Corporation for a non-standard oil proration unit, unorthodox well location, and downhole commingling, Les County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-scre non-standard oil proration unit comprising the N/2 SE/4 of Section 22, Township 16 South, Range 33 East, Kemnitz Field, to be dedicated to its Sombrero "MS" State Well No. 1 at an unorthodox location 1650 feet from the South and East lines of said Section 22. Applicant also seeks approval for the downhole commingling of Wolfcamp and Cisco production in the wellbore of said well.

- Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks an orde, pooling all mireral interests in the Wolfcamp thru Hississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 East, fo 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 6902: Application of Harvey E. Yates Company for a dual completion, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its
 Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, to
 produce gas from the Morrow formation and oil from the Bone Springs formation thru parallel strings of
 tubing.
- CASE 6903: 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 a Pennsylvanian
 Hississippian test well to be drilled 660 feet from the South line and 990 feet from the East line of
 Section 33, Township 13 South, Range 36 East, the S/2 of said Section 33 to be dedicated to the well.
- CASE 6904: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the McDonald Unit Area, comprising 1,440 acres, more or less, of fee lands in Townships 13 and 14 South, Range 36 East.
- Application of Harvey E. Yates Company for a unit agreement, Chaves County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the Buffalo Lake Unit Area, comprising 2,560 acres, more or less, of Federal, State, and fee lands in Township 15 South, Range 27 East.

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 21 May 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Tates Company for compulsory pooling, Lea County, New Mexico.

CASÉ 6901

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 37501

For the Applicant:

Robert Strand, Esq. Rsowell, New Mexico

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MR. STAMETS: Call next Case 6901.

MR. PADILLA: Application of Harvey E.

Yates Company for compulsory pooling, Lea County, New Mexico.

MR. STRAND: Mr. Examiner, I wish to move

that that particular case be continued until the second

hearing in June, if possible.

MR. STAMETS: That will be June the 25th,

and your request is approved.

(Hearing concluded.)

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CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

Svery W. Rayd C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 690; heard by me on 5 -21 19 80.

Oil Conservation Division

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 21 May 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.

CASE 6901

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

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

For the Applicant:

Robert Strand, Esq. Rsowell, New Mexico

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MR. STAMETS: Call next Case 6901.

MR. PADILLA: Application of Harvey E.

Yates Company for compulsory pooling, Lea County, New Mexico.

MR. STRAND: Mr. Examiner, I wish to move

that that particular case be continued until the second hearing in June, if possible.

MR. STAMETS: That will be June the 25th, and your request is approved.

(Hearing concluded.)

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CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

> 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___ , Examiner

Oil Conservation Division

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Dockets Nos. 20-80 and 21-80 are tentatively set for July 9 and 23, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 25, 1980

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

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

CASE 6891: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Midwest Refining Company, United States Fidelity & Guaranty Company, and all other interested parties to appear and show cause why the State Well No. 1 located in Unit A of Section 16, Township 33 South, Range 14 West, Hidalgo County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- CASE 6929: Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco

 Messverde and Basin-Dakota production in the wellbore of its NCRA Well No. 1-E located in Unit G

 of Section 22, Township 26 North, Range 7 West, by using the Dakota gas for gas lift of Messverde
 liquids after metering on the surface.
- CASE 6930: Application of Amoco oduction Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire South Deep Unit Well No. 21 to be drilled 660 feet from the North and East lines of Section 36, Township 17 South, Range 28 East, the E/2 of said Section 36 to be dedicated to the well.
- CASE 6931: Application of H. L. Harvey for downhole commingling, San Juan County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Fruitland and Bloomfield-Farmington production in the wellbore of his Jones Well No. 3 located in Unit B of Section 13, Township 29 North, Range 11 West.
- CASE 6917: (Continued from June 4, 1980, Examiner Hearing)

Application of Yates Petroleum Corporation for an NGPA determination, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Goat Roper

"LP" Com. Well No. 1 located in Unit P of Scotion 30, Township 17 South, Range 26 East.

- CASE 6932: 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 State "JM" Well No. 2, a Morrow test to be drilled 660 feet from the South and East lines of Section 25, Township 18 south, Range 24 East, the S/2 of said Section 25 to be dedicated to the well.
- CASE 6933: Application of Yates Petroleum Corporation for two compulsory poolings, Eddy County, New Mexico.

 Applicant, in the above-style cause, seeks an order pooling all mineral interests in the Morrow formation underlying two 320-acre proration units, being the N/2 and the S/2 of Section 2, Township 19 South, Range 25 East, each to be dedicated to well to be drilled at a standard location thereon.

 Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.
- CASE 6934: Application of Coronado Exploration Corporation for three compulsory peelings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying three 40-acre proration units, being the NW/4 SE/4 of Section 6, the NE/4 SE/4 of Section 28, and the SW/4 NW/4 of Section 33, all in Township 11 South, Range 28

 East, each 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 wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 6901: (Continued from May 21, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 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.

- Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and undesignated Gallup production in the wellbore of its June Joy Well No. 2 located in Unit B of Section 25, Township 24 North, Range 10 West.
- Application of Dugan Production Corporation for compulsory pooling, San Juan County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 26, Township 30 North, Range 14 West, 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6916: (Continued from June 4, 1980, Examiner Hearing)

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 the Drinkard and Blinebry production in the wellbore of its State DC Well No. 1, a quadruple completion located in Unit F of Section 19, Township 21 South, Range 37 East.

- CASE 6937: Application of R. N. Hilliu for an unorthodox location and dual completion, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his

 DWV Well No. 4 to produce gas from the Wolfcamp and Morrow formations thru tubing and the annulus,

 respectively. Applicant further seeks approval of the unorthodox location of said well in the

 Wolfcamp and Pennsylvanian formations at a point 800 feet from the South line and 2000 feet from

 the East line of Section 34, Township 19 South, Range 28 East.
- CASE 6938: Application of Anadarko Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Dalport Federal Well No. 1 660 feet from the South and West lines of Section 20, Township 13 South, Range 31 East, Southeast Chaves Queen Gas Area, the W/2 of said Section 20 to be dedicated to the well.
- CASE 6939: Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests at a depth from 2400 feet to 5000 feet below the surface, Turkey Track Field, underlying the NE/4 SE/4 of Section 10, Township 19 South, Range 29 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 5940:

 Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Younship 20 South, Range 38 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6941: A plication of Ellwade Corporation for a non-standard gas provation unit, Eddy County, New Mexico.

 Ai licant, in the above-styled cause, seeks approval of a 129.52-acre non-standard gas provation unit comprising the W/2 of partial Section 33, Township 26 South, Range 30 East, Ross Draw-Wolfcamp area, to be dedicated to its Ross Draw Well No. 1 located in Unit C of said Section 33.
- CASE 6942: Application of Benson-Montin-Greer Drilling Corporation for amendment of Order No. R-2565-B, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rule 2 of the Special Pool Rules for the West Puerto Chiquito-Mancos Oil Pool as promulgated by Order No. R-2565-B to provide that all 320-acre spacing and proration units in said pool would comprise either the W/2 or the S/2 of a governmental section, provided however, that one injection well would have dedicated thereto the N/2 of Section 1, Township 24 North, Range 1 West, and also that the short 400-acre sections on the South side of Township 27 North, Range 1 West, would each comprise a single spacing unit.
- CASE 6943:

 Application of Benson-Montin-Greer Drilling Conference of Lands and Lands

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- CASE 6944: Application of Benson-Montin-Greer Drilling Corporation for a pressure maintenance project, Rio Arriba County, New Nexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of gas, air, LPG, water, or chemicals into the Mancos formation thru 7 wells on its East Puerto Chiquito-Mancos Unit Area.
- CASE 6945: Application of ARCO Oil and Gas Company for salt water disposal, Les County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formation in the interval from 3550 feet to 4000 feet in its Fletcher Well No. 4 in Unit J of Section 27, Township 20 South, Range 34 East, Lynch Field.
- Application of Knox Industries, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be recompleted in the Morrow formation at a point 1980 feet from the North line and 660 feet from the CASE 6946: East line of Section 1, Township 19 South, Range 34 East, the N/2 of said Section 1 to be dedicated to the well.
- CASE 6947: Application of Knox Industries, Inc. for pool contraction and creation and an NGPA determination, from the La Rica-Norrow Gas Pool and creating a new gas pool from said lands together with a determination that applicant's NM State Well No. 1 located in Unit F of Section 2, Township 19 South, Range 34 East, has discovered a new onshore reservoir pursuant to Section 102 of the NGPA.
- Application of Maralo, Inc. for dual completions and simultaneous dedication, Lea County, New Mexico. CASE 6948: Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) and simultaneous dedication in the Jalmat Pool of four wells in its Jalmat Yates Unit to produce oil from, and later on to inject water into, its Yates formation waterflood, and to produce oil from the Seven Rivers formation from two of the wells, the Nos. 19 and 20 located in Units C and D and to produce gas from the Seven Rivers from the other two wells, the Nos. 25 and 31 located in Units F and K, all in Section 18, Township 25 South, Range 37 East.
- CASE 6949: Application of Grace Petroleum Corporation for four compulsory poolings, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Escrito-Gallup Pool underlying four 80-acre proration units, being the E/2 NE/4, the S/2 NI/4, and the W/2 NW/4 of Section 28, and the W/2 SE/4 of Section 29, all in Township 24 Novin, Range 7 West, each 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 wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.
- Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, CASE 6950: 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 North line and 1980 feet from the East line of Section 4, Township 25 South, Range 31 East, the E/2 of said Section 4 to be dedicated to the well.
- CASE 6951: Application of Bass Enterprises Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 21, Township 22 South, Range 30 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6952: Application of Exxon Corporation for a non-standard gas provetion unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 378.11-acre non-standard gas proration unit comprising Lots 1 and 2 and the N/2 NE/4 of Section 31, and Lots 1, 2, 3, 4, and the N/2 N/2 of Section 32, all in Township 26 South, Range 26 East, Morrow formation, to be dedicated to its Kilepost Pederal Com 2 Well No. 1 located in Unit A of said Section 31.
- CASE 6925:

Application of Caribou Four Corners, Inc. for two exceptions to Rule 306, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 306 of the Division Rules and Regulations to permit the permanent flaring of gas from its Kirtland Wells Nos. 1 and 2, located in Units A and B, respectively, of Section 13, Township 29 North, Range 15 West.

Page 4 of 4 Examiner Hearing - Mednesday - June 25, 1980

Docket No. 19-80

CASE 6914: (Continued from June 4, 1980, Examiner Hearing)

Application of Wilson Oil Company for a non-standard proration unit and unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-atendard gas proration unit comprising the S/2 of Section 29, Township 20 South, Range 36 East, North Osudo-Norrou Gas Fool, to be dedicated to its State JD Well No. 1 at an unorthodox location 1650 feat from the South line and 1980 feet from the West line of said Section 29.

CASE 6896: (This case will be continued to the July 9, 1980, Examiner Hearing)

Application of John E. Schalk for a non-standard gas proration unit and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Blanco Messaverde gas proration unit comprising the NE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to his Gulf Well No. 2 to be drilled at an unorthodox location 1925 feet from the North line and 790 feet from the East line of said Section 8.

CASE 6487: (Continued from April 23, 1980, 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, Tourship 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and effici all drain that portion of the proration unit which cannot be so drained by the existing well.

Page ______1____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
25 June 1980

EXAMINER HEARING

IN THE WAT A OF:

Application of Harvey E. Yates Company)
for compulsory pooling, Lea County,
New Mexico.

CASE 5901

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

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

MALLY W. BITYD, C.S.F Rt. 1 Bei 193-B Santa Ft, New Merico 57501 Phone (305) 455-7409

MR. STAMETS: Call next Case 6901, being in the matter of application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. At the request of the applicant, this case is continued to the July 23rd Examiner Hearing. (Hearing concluded.) 11 12 13 21 22 23

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CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

Solly W. Boyd C.S.P

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case to. 6201 Oil Conservation Division , Examiner

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 25 June 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company) for compulsory pooling, Lea County,) New Mexico.

CASE 6901

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

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

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MR. STAMETS: Call next Case 6901, being in the matter of application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.

At the request of the applicant, this case is continued to the July 23rd Examiner Hearing.

(Hearing concluded.)

Page ______3____

CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

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

Oll Conservation Division

SALLY W. BOYD, C.S.
Rt. 1 Box 193-B
Simon Pt. New Nextscs 87201
Phone (805) 435-7409

Docket No. 22-80

Dockets No. 24-80 and 25-80 are tentatively set for August 6 and 20, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - HONDAY - JULY 21, 1980

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

CASE 6967: Application of Amoco Production Company for a carbon dioxide gas unit agreement, Union, Harding, and Quay Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the Bravo Dome Carbon Dioxide Gas Unit Area, comprising 1,174,225 acres, more or less, of State, Federal, and fee lands situate in all or portions of the following townships: in Union County: Township 18 North, Ranges 34 thru 37 East; Township 19 North, Canges 34, 35, and 36 East; Townships 20 and 21 North, Ranges 34 and 35 East; Townships 22 and 23 North, Ranges 30 thru 35 East; Township 24 North, Ranges 31 thru 34 East; in Harding County: Townships 17 thru 21 North, Ranges 29 thru 33 East; and in Quay County: Township 16 North, Ranges 34, 35, and 36 East; and Township 17 North, Ranges 34 thru 37 East.

The lands proposed to be included in said Bravo Dome Carbon Dioxide Gas Unit Area are more specifically described in documents on file with, and available for public inspection in, the offices of the Oil Conservation Division, State Land Office Building, Santa Fe, New Mexico.

D-41-- No 12-00

DOCFET: EXAMINER HEARING - WEDNESDAY - JULY 23, 1980

9 A.M. - OIL CONSERVATION DIVISION 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 6968: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Bloom-field Oil and Gas Company and all other interested parties to appear and show cause why the Sheetz Well No. 1 located in Unit M of Section 14, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6969: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit
Associated Oil & Gas Company of New Mexico, Inc., Houston Fire and Casualty Insurance Company, and all
other interested parties to appear and show cause why the Vigil Well No. 1 located in Unit J of Section
14, Township 12 North, Range 6 East, Sandoval County, should not be plugged and abandoned in accordance
with a Division-approved plugging program.

CASE 6970: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Union Oil and Mining and all other interested parties to appear and show cause why the Carl Lanier Well No. 1 located in Unit B of Section 6. Township 29 North, Range 9 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6971: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Aztec.

Development Company and all other interested parties to appear and show cause why the Finch Well No.

1 located in Unit O of Section 15, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6972: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Coal Creek Oil Company and all other interested parties to appear and show cause why the W. E. Duggen Well Mo. 2 located in Unit H of Section 20, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6973: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit all interested parties to appear and show cause why a well drilled by unknown parties and located in Unit E of Section 16, Township 30 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6974: Application of C & K Petroleum, Inc. for a unit agreement, Chaves County, New Mexico.
Applicant, in the above-styled cause, seeks approval for the White Draw Unit Area, comprising 13,404 acres, more or less, of State, Federal, and fee lands in Township 3 South, Ranges 27 and 28 East.

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Examples Heaving - Westnesday - July 23, 1988

Case 6975: Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement, Chames County, New Mexico. 7,575 case. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Grynbers and Associates for a unit agreement. Application of Jack Gr

Application of R. W. Hillin for an Application, Eddy County, New Mexico.

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Application of R. W. Hillin for an New Action of Reservoir determination, Eddy County, New Mexico.

Application of R. W. Hillin for an New Action of Reservoir determination, Eddy County, New Mexico. Application of Senson Vineral Group, Inc. for suit water disposed, Sensoval County, water into the Application of Senson Vineral Group, Inc. for suit year of produced salt water into the Application in the Application in the interval from 1636 feet to 1743 feet in its yearjo well be. L in Unit F of Section 3, Township 22 North, East 1988, Rusty Charts Pool.

Application of Benson Eineral Group, Inc. for salt water disposal, Samboral County, New Mexico.

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Application of Wolfson Oil Company for sale water disposal, Roosevelt County, New Mexico. the San Application of Wolfson Oil Company for sale water dispose of produced sale water into the San Applicant, in the above-styled cause, seeks aution allow feet in its Mountain-Federal Well No. L in Applicant, in the interval from 4108 feet of allow feet in its Mountain-Federal Well No. L in Applicant, in the interval from 4108 feet of Applicant Andrea Fool.

Application of Wolfson Oil Company for sale water disposal, Roosevelt County, New Mexico.

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Application of Mobbe Oil Company for compelsory proling, Les County, New Mexico.

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Application of Conoco Inc. for a deal complection and undertunder well location, Less County, N-19 Well with the shore-styled cause, location 490 feet from the Swerth Line and 660 feet from the shore-styled cause, location 490 feet from the from the Language Beaution of 12 to we delited at an undertunder location 490 feet from the E/2 of smit Section 29 to be desicated for it to we delited at an undertunder location the E/2 of smit Section 29 to be desicated for it for the desired at the section 29 to be desired at the section 29 to be desired at the section 30 feet to be delited at a section 30 feet to be se (Conclude from July 9, 1986, Exeminer Reserves)

Application of Bads Enterprises Production Company for a dual completion, Eddy County, New Sexico-Applicant, in the above-styled cause, seeks approved for the dual completion of its Palmillo State Applicant, in the above-styled cause, seeks approved to some the grant to grow the casing-cubing Well No. 1 located in Unit J of Section 1, from an anderignated Wolfcamp pool thru the casing-cubing the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing through the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool thru the casing-cubing through the North Turkey Track-Yorkow fool and oil from an anderignated Wolfcamp pool through the North Turkey Track-Yorkow fool and oil from the Casing-cubing through the North Turkey Track-Yorkow fool and oil from the Casing-cubing through the North Turkey Track-Yorkow fool and oil from the Casing-cubing through the North Turkey Track-Yorkow fool and oil from the North Turkey Track-Yorkow fool and the North Turkey Turkey Turkey Turkey Turk 6463 CASE 6480:

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Application of Mess Enterprises Production Company for an unorthodox gas well location, Eddy County, seeks approval for the unorthodox location of a New Mexicon, in the above-styled cause, seeks approval for the unorthodox location of a Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, and Mexicon of a special for the unorthodox location of a special Mexicon. Applicant, in the above-styled cause, seeks approval for the unorthodox location of the Mexicon. Applicant, in the above-styled cause, seeks approval for the unorthodox location of the Mexicon. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a special for the unorthodox location of the unorthodox location of a special for the unorthodox location of the unorthod (continued from July 9, 1980, Exeminer Hearing) Application of Bass Enterprises menduction Company for a special gas-oil ratio limitation, Eddy to the Bass Enterprises menduction Company for a special gas-oil ratio limitation the showersiying cause, seeks a special gas-oil ratio limitation bounty, New Mexico. Applicant, in the showersiying cause, seeks a special gas-oil ratio limitation bounty, the way for the Palaillo-Bone Springs Pool, of 8000 to one for the Palaillo-Bone Springs Pool. CASE 6930:

EASE 6981:

Page 3 of 9 Examiner Hearing - Wednesday - July 23, 1980

Docket No. 23-80

CASE 6982: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Aminoil USA to appear and show cause why its 1980 Plan of Operation/Development for its Willow Lake Unit Area, Eddy County, New Mexico, should not be disapproved.

Links with the assessment

CASE 6901: (Continued from June 25, 1980, Examiner Hearing)

Application of Barvey E. Yates Company for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 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 6954: (Continued from July 9, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for amendment of Order No. R-6303, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6303 which authorized the directional drilling of a well, the surface location of which is 660 feet from the North line and 1980 feet from the West line of Section 32, Township 13 South, Range 36 East. Applicant seeks approval for the bottom hole location of the well at a point 654 feet from the North line and 2158 feet from the West line of said Section 32.

CASE 6921: (Continued from July 9, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for complusory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Mississippian formations underlying the S/2 of Section 33, Township 13 South, Range 36 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 990 feet from the East line of Section 33. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6983: Application of Harvey E. Ystes Company for an NGPA determination, Les County, New Mexico.

Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Hississippian for ation for its Betenbough Well No. 1 located in Unit C of Section 32, Township 13 South,

CASE 6984: Application of Harvey E. Tates Company for designation of a tight formation, Les County, New Mexico.

Applicant, in the above styled cause, seeks the designation of the Mississippian formation underlying
Townships 13, 14, and 15 South, Ranges 35 and 36 East, containing 138,240 acres, more or less, as a
tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 6929: (Readvertised)

Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco Messwerde and Basin-Dakota production in the wellbore of its NCRA Well No. 1-E located in Unit C of Section 22, Township 26 North, Range 7 West, by using the Dakota gas for gas lift of Messwerde liquids after metering on the surface.

CASE 6985: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order extending certain pools in McKinley, Rio Arriba, San Juan, and Sandoval Counties, New Mexico:

(a) EXTERD the Aztec-Farmington Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM Section 18: SE/4

(b) EXTEND the Aztec-Pruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM Section 34: W/2

(c) EXTEND the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NOXTH, RANGE 10 WEST, NAMPH Section 1: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 35: S/2

Page 4 of 9 Examiner Hearing - Wednesday - July 23, 1980

(d) EXTEND the Ballard-Pictured Cliffs Pool in San Juan, Rio Arriba, and Sandoval Counties, New

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM Section 8: Section 9:

(e) EXTEND the Barker Creek Paradox Pool in San Juan County, New Mexico, to include therein: TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM Section 19: All

(f) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM Section 5: N/2 NW/4

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM Section 31: N/2 SW/4

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM Section 36: N/2 NW/4

(g) EXTEND the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include

TOWNSHIP 26 NORTH, RANGE 2 WEST, RMPM Section 5: All (Partial Section)

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM Section 18: All Section 19: All

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 24: E/2

(h) EXTEND the Blanco-Pictured Cliffs Pool in San Juan and Rio Arribe Counties, New Mexico, to

TOWNSHIP 29 MORTH, RANGE 8 WEST, MMPM Section 4: SW/4

TOMBISHIP 30 NORTH, RAJCE 9 WEST, NHPM Section 4: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, MMPM Section 22: SW/4

TOWNSHIP 32 NORTH, RANGE 12 WEST, NAPPH Section 36: S/2

(i) EXTEND the South Blanco-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties,

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM Section 11: W/2

(j) EXTEND the Chaco wash-Mesaverde Oil Pool in McKinley County, New Mexico, to include therein:

(k) EXTEND the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, to

TOWNSHIP 24 MORTH, RANGE 3 WEST, NMPM Section 28: W/2

Page 5 of 9 Examiner Hearing - Wednesday - July 23, 1980

Dockst No. 23-80

(1) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM Section 25: SW/4

(m) EXTERN the South Gallegos-Fruitland Pool in San Juan County. New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, MMPM

Section 2: N/2 Section 3: NE/4

Section 11: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NHPM Section 35: NE/4

(n) EXTEND the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 12: SE/4 Section 13: NE/4

(o) EXTEND the Kutz-Farmington Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM Section 26: S/2

(p) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 12 WEST, MITH

Section 10: W/2

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM Section 33: NW/4

(q) EXTEND the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 MORTH, RANGE 3 WEST, MMPM Section 7: 5/2 Section 17: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NNIPM Section 7: SE/4

TOWNSHIP 25 HORTH, RANGE 4 WEST, NMPM Section 26: W/2

Section 35: MM/4

(r) EXTEND the South Los Pinos Fruitiand-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NAPH

Section 34: SW/4 Section 35: E/2

(s) EXTEND the Lybrook-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 7 WEST, MIPH Section 6: NE/4 NE/4

(t) EXTERD the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM Section 1: W/2 NW/4 and SE/4 NW/4

(u) EXTERD the Selt Creek-Dakota Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 17 WEST, NMPM Section 4: SE/4 NM/4 and SW/4 NE/4

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Pocket No. 23-80

(v) EXTEND the Star-Messverde Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 19 NORTH, RANGE 6 WEST, NMPM Section 9: SE/4 SW/4

CASE 6986:

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Forty Niner Ridge-Bone Spring Pool. The discovery well is Getty Oil Company Forty Niner Ridge Unit Well No. 2 located in Unit G of Section 21, Township 23 South, Range 30 East, IMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM Section 21: NE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Mississippian production and designated as the Gladiola-Mississippian Pool. The discovery well is Skelton Oil Company 2. Taylor Well No. 2 located in Unit G of Section 7, Township 12 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM Section 7: NE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Pawnee-Strawn Gas Pool. The discovery well is Gifford, Mitchell & Wisenbaker White Eagle Well No. 1 located in Unit F of Section 22, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPH Section 22: N/2

(d) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Penjack-Abo Gas Pool. The discovery well is McClellan Oil Corporation Penjack Well No. 1 located in Unit D of Section 6, Township 10 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 25 EAST, MMPM Section 36: SE/4

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NHPM Section 31: SW/4

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM Section 1: E/2 and NW/4 Section 2: NE/4

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM Section 6: NM/4

(e) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the North Peterson-Pennsylvanian Pool. The discovery well is Enserch Exploration, Inc. Amoco State Well No. 1 located in Unit L of Section 16, Township 4 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM Section 16: SW/4

(f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Red Hills-Morrow Gas Pool. The discovery well is Amoco Production Company Andrikopoulos Federal Well No. 1 located in Unit L of Section 24, Township 25 South, Range 33 East, Mark. Said yould comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NHPM Section 24: W/2 (g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sand Point-Atoka Gas Pool. The discovery well is Perry R. Bass Big Eddy Unit Well No. 72 located in Unit R of Section 3, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 3: S/2

(h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Young-Morrow Gas Pool. The discovery well is Harvey E. Yates Company Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 16: W/2

(i) EXTEND the Airstrip-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, HMPM Section 26: SE/4

(j) EXTEND the Baldridge Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM Section 11: All Section 12: W/2 Section 13: W/2

(k) EXTEND the Mid Bell Lake-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 18: N/2 and SW/4

(1) EXTERD the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM Section 33: SW/4

(m) EXTERD the West Bitter Lake-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM Section 17: SE/4 NE/4

(n) EXTEND the Boyd-Morrow Gas Fool in Eddy County, New Mexico, to include therein:

TUNNSPIP 18 SOUTH, RANGE 25 EAST, MMPN Section 35: 5/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM Section 2: All

(o) EXTERD the Brunson-Fusselman Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 9: NW/4

(p) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM Section 31: All

(q) EXTERD the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NHPM Section 31: SE/4

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Docket No. 23-80

(r) EXTEND the Diamond Mound-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 6: Lots 3, 4, 5, 6, 11, 12, 13, and 14

(s) EXTEND the Diamond Hound-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 5: Lots 1, 2, 7, 8, 9, 10, 15, and 16

(t) EXTEND the East Eagle Creek Atoka-Morrow Gas Fool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM Section 22: All Section 23: W/2

(u) EXTEND the Gem-Morrow Gas Pool in Les County, New Mexico, to include therein:

TO/NSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 32: N/2

(v) EXTEND the East Grama Ridge-Morrow Cas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 36: S/2

(w) EXTEND the Indian flats-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 25: N/2 Section 26: E/2

(x) EXTEND the Indian Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 23: E/2 Section 26: E/2

(y) EXTEND the Southwest Indian Flats-Horrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, BANGE 28 EAST, MMPH Section 9: All Section 10: V/2

(s) EXTERD the La Rica-Morrow Gas Pool in Lea County, New Mexico. to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM Section 2: All

- (aa) EXTEND the vertical limits of the Nadine-Drinkard Pool in Lea County, New Mexico, to include the Abo formation and redesignate said pool as the Nadine Drinkard-Abo Pool.
- (5b) EXTEND the Penasco Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM Section 1: N/2

(cc) EXTEND the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM Section 30: SW/4 Section 31: NW/4 and N/2 SW/4 Page 9 of 9 Examiner Hearing - Wednesday - July 23, 1980

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Docket No. 23-80

(dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM Section 18: 5/2 SE/4 Section 20: E/2 NW/4 and SW/4 NW/4

(ee) EXTEND the Railroad Mountain-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 2: W/2 SW/4 Section 3: E/2 SE/4 and SE/4 NE/4

(ff) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM Section 29: S/2

(gg) EXTEND the Richard Knob Atoka-Norrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM Section 13: All

(hh) EXTEND the Round Tank-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM Section 19: SW/4 SE/4

(ii) EXTEND the Sand Point-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANCE 28 EAST, NMPH Section 2: Lots 11, 12, 13, 14, and SW/A

(jj) EXTEND the vertical limits of the Sioux Tansill-Yates Pool in Lea County, New Mexico, to include the Seven Rivers formation and redesignate pool as the Sioux Tansill-Yates-Seven Rivers Pool, and extend the horizontal limits of said pool to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM Section 16: SW/4

(kk) EXTEND the Tomahawk-San Andres Pool in Rousevelt County, New Mexic), to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, MHPM Section 19: SE/4

(11) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 25: NE/4

(mm) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 27: N/2
Section 28: N/2
Section 33: N/2
Section 34: N/2

(nn) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 24: SE/4 SW/4

Section 25: N/2 and N/2 SW/4

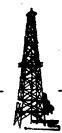
TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM Section 18: S/2 SW/4 and SW/4 SE/4 Section 19: NW/4 and N/2 SW/4

Section 31: SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM Section 1: SE/4 NE/4, NE/4 SE/4 and S/2 S/2

)

HEYCO



HARVEY E. YATES COMPANY

PETROLEUM PRODUCERS

P. O. 80X 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

ROSWELL, NEW MEXICO 88201

May 6, 1980

New Mexico Oil Conservation Division State Land Office Building Santa Fe, New Mexico

Case 6901

Application for Re:

Compulsory Pooling T14S, R36E, N.M.P.M. Section 19: E/2 Lea County, NM

Gentlemen:

Enclosed for filing is an original and two copies of the above referenced application. We have previously called this application in by telephone and it is set for hearing on the May 21, 1980 Docket.

Robert H. Strand

RHS/sj Enclosures

BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF

THE STATE OF NEW MEXICO

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

Case No. 6901

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney and respectfully states:

- 1. Applicant proposes to drill a well situated 1,980 FSL and 660 FEL, Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, to the Mississippian formation and dedicate the E/2 of Section 19 to said well.
- 2. Applicant is the owner of, and/or holds the contractual right, to drill and develop the Wolfcamp through Mississippian formations underlying the following described lands situated within the E/2 of Section 19:

Description Interest Owned Type of Interest Net Acres
W/2 SE/4 100% Working Interest 80

3. Applicant has obtained voluntary consent to pooling of interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19, with the exception of the parties named below, whose addresses, and interests owned, according to the light and belief, are as follows:

Company P.O. Box 1900 Midland, TX 79702

- 4. Applicant has been unable to obtain voluntary agreement for pooling of the interests described in paragraph 3 immediately above, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent wast, all interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19 should be pooled pursuant to the provisions of \$70-2-17 N.M.S.A., 1978.
- 5. Applicant should be designated operator of said pooled lands.
- 6. The risk and expense of drilling and completing the proposed well is great, and if the owners of the interests described in paragraph 3 above, or any other unknown owners of interests in the proposed proration unit, do not choose to pay their share of the costs of drilling and completing said proposed well, then applicant should be allowed a reasonable charge for supervision of said well, and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing said well.

WHEREFORE, Applicant Prays:

- A. That this application be set for hearing before an examiner and that notice of said nearing be given as required by law.
- B. That upon such hearing the Division enter its pooling all interests in the Wolfcamp through Mississippian formation(s) underlying the E/2 of Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, designating applicant as Operator of said pooled lands, making provision for applicant to recover its costs from production, including an appropriate risk factor, and provisions for payment of operating costs and costs of supervision from production, to be allocated among the interest owners as their interests may be determined.

C. For such further relief as the Division deems just and proper.

DATED this 6H day of May . 1980.

HARVEY E. YATES COMPANY

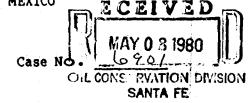
Robert H. Strand Attorney for Applicant P. O. Box 1933 Roswell, New Mexico

RHS/1h OCD-1 #30

BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF

THE STATE OF NEW MEXICO

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



APPLICATION

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- 1. Applicant proposes to drill a well situated 1,980 FSL and 660 FEL, Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, to the Mississippian formation and dedicate the E/2 of Section 19 to said well.
- 2. Applicant is the owner of, and/or holds the contractual right, to drill and develop the Wolfcamp through Mississippian formations underlying the following described lands situated within the E/2 of Section 19:

Description Interest Owned Type of Interest Net Acres
W/2 SE/4 100% Working Interest 80

3. Applicant has obtained voluntary consent to pooling of interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19, with the exception of the parties named below, whose addresses, and interests owned, according to Applicant's information and belief, are as follows:

Net Interest Type of Interest Acres Description Owner Owned Working Interest 160 NE/4 100% Superior Oil Company P.O. Box 1900 Midland, TX 79702

- 4. Applicant has been unable to obtain voluntary agreement for pooling of the interests described in paragraph 3 immediately above, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent wast, all interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19 should be pooled pursuant to the provisions of \$70-2-17 N.M.S.A., 1978.
- 5. Applicant should be designated operator of said pooled lands.
- 6. The risk and expense of drilling and completing the proposed well is great, and if the owners of the interests described in paragraph 3 above, or any other unknown owners of interests in the proposed proration unit, do not choose to pay their share of the costs of drilling and completing said proposed well, then applicant should be allowed a reasonable charge for supervision of said well, and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing said well.

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- 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 such hearing the Division enter its pooling all interests in the Wolfcamp through Mississippian formation(s) underlying the E/2 of Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, designating applicant as Operator of said pooled lands, making provision for applicant to recover its costs from production, including an appropriate risk factor, and provisions for payment of operating costs and costs of supervision from production, to be allocated among the interest owners as their interests may be determined.

For such further relief as the Division deems just and proper.

DATED this 6 day of May, 1980.

HARVEY E. YATES COMPANY

Robert H. Strand Attorney for Applicant P. O. Box 1933 Roswell, New Mexico

RHS/1h OCD-1 #30

BEFORE THE OIL CONSERVATION DIVISION

ENERGY AND MINERALS DEPARTMENT OF

THE STATE OF NEW MEXICO OIL CONC. P.V. TON DIVISION IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney and respectfully states:

- 1. Applicant proposes to drill a well situated 1,980 FSL and 660 FEL, Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, to the Mississippian formation and dedicate the E/2 of Section 19 to said well.
- 2. Applicant is the owner of, and/or holds the contractual right, to drill and develop the Wolfcamp through Mississippian formations underlying the following described lands situated within the E/2 of Section 19:

Description	Interest Owned	Type of Interest	Net Acres
W/2 SE/4	100%	Working Interest	80

3. Applicant has obtained voluntary consent to pooling of interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19, with the exception of the parties named below, whose addresses, and interests owned, according to Applicant's information and belief,

Owner	Description	Owned	Interest	Acres
Superior Oil Company P.O. Box 1900 Hidland, TX 7970	NE/4 2	100%	Working Interest	160

- 4. Applicant has been unable to obtain voluntary agreement for pooling of the interests described in paragraph 3 immediately above, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent wast, all interests in the Wolfcamp through Mississippian formations underlying the E/2 of said Section 19 should be pooled pursuant to the provisions of \$70-2-17 N.M.S.A., 1978.
- 5. Applicant should be designated operator of said pooled lands.
- 6. The risk and expense of drilling and completing the proposed well is great, and if the owners of the interests described in paragraph 3 above, or any other unknown owners of interests in the proposed proration unit, do not choose to pay their share of the costs of drilling and completing said proposed well, then Applicant should be allowed a reasonable charge for supervision of said well, and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing said well.

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 such hearing the Division enter its pooling all interests in the Wolfcamp through Mississippian formation(s) underlying the E/2 of Section 19, Township 14 South, Range 36 East, N.M.P.M., Lea County, New Mexico, designating applicant as Operator of said pooled lands, making provision for applicant to recover its costs from production, including an appropriate risk factor, and provisions for payment of operating costs and costs of supervision from production, to be allocated among the interest owners as their interests may be determined.

C. For such further relief as the Division deems just and proper.

DATED this 61 day of May

HARVEY E. YATES COMPANY

Attorney for Applicant P. O. Box 1933 Roswell, New Mexico

RHS/1h OCD-1 #30

Called in by Bob Strand on April 28, 1980

Harvey E. Yates Co.

Compulsory Pooling

Wolfcamp thru Missippian

Underlying E/2 of Section 19
T145-R36E

Lea County

DRAFT

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO.	6901
Order No.	R-6425

30

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

ORDER OF THE DIVISION



19 80 , at Santa I	me on for hearing at 9 a.m. on July 23 e, New Mexico, before Examiner Richard L. Stamets day of July 1980, the Division considered the record and the recommendations of being fully advised in the premises,
	licant's request for dismissal should be granted.
IT IS THERE	is hereby <u>dismissed</u> . 6901 is hereby <u>dismissed</u> . ta Fe, New Mexico, on the day and year hereinabove