

San Antonio, N.M. 9/17/66
118

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. 3454
Order No. R-3140
NOMENCLATURE

APPLICATION OF YATES PETROLEUM CORPORATION
FOR POOL CONSOLIDATION AND EXTENSION, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 7, 1966,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of October, 1966, 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
consolidation of the Four Mile Draw-San Andres and the Penasco-
San Andres Pools, Eddy County, New Mexico, into a single pool
and the extension of the vertical limits of said pool to include
the Yeso formation.

(3) That the reservoir information presently available
establishes that the Four Mile Draw-San Andres and Penasco-San
Andres Pools constitute a common source of supply.

(4) That in order to prevent waste and protect correlative
rights, the Four Mile Draw-San Andres and the Penasco-San Andres
Pools should be consolidated into a single pool, said pool to be

-2-

CASE No. 3454

Order No. R-3140

designated the Penasco Draw San Andres-Yeso Pool and the vertical limits of said pool should be extended to include the Yeso formation.

(5) That the horizontal limits of said consolidated pool should be:

EDDY COUNTY, NEW MEXICO

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 25: All

Section 26: All

Section 34: E/2 and SW/4

Section 35: All

Section 36: NW/4

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 3: N/2 and SW/4

Section 4: E/2

(6) That the vertical limits of said consolidated pool should be that portion of the San Andres formation below the marker encountered at 1190 feet in the Yates Petroleum Corporation Gerard Well No. 1, located in Unit O of Section 25, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico, and all of the Yeso formation.

(7) That the applicant further seeks permission for the open hole completion of wells in said pool throughout the lower San Andres and Yeso pay with a single string of casing set at the top of the pay.

(8) That the completion of oil wells in the Roswell Artesian (underground water) Basin without an oil production casing string and a separate water protection casing string, both properly cemented, does not provide adequate protection to the underground fresh waters.

(9) That the application for the open hole completion of wells in said pool throughout the lower San Andres and Yeso pay with a single string of casing set at the top of the pay should be denied.

IT IS THEREFORE ORDERED:

(1) That the Four Mile Draw-San Andres and Penasco-San Andres Pools are hereby consolidated into a single pool designated the Penasco Draw San Andres-Yeso Pool.

-3-

CASE No. 3454

Order No. R-3140

(2) That the horizontal limits of the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, shall be:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 25: All

Section 26: All

Section 34: E/2 and SW/4

Section 35: All

Section 36: NW/4

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 3: N/2 and SW/4

Section 4: E/2

(3) That the vertical limits of the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, shall be that portion of the San Andres formation below the marker encountered at 1190 feet in the Yates Petroleum Corporation Gerard Well No. 1, located in Unit O of Section 25, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico, and all of the Yeso formation.

(4) That this order, as it pertains to the consolidation of the Four Mile Draw-San Andres and the Penasco-San Andres Pools into a single pool and the extension of the vertical limits of said pool, shall be effective November 1, 1966.

(5) That the application for the open hole completion of wells in said pool throughout the lower San Andres and Yeso pay with a single string of casing set at the top of the pay is hereby denied.

(6) 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

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Gayton B. Hays
GAYTON B. HAYS, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

esr/