

Entered July 1, 1983
JMR

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. 7871
Order No. R-3169-A

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN EXCEPTION
TO RULE 104.C.I., EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 25, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of July, 1983, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, was discovered on May 23, 1959.

(3) That said pool has experienced drilling and expansion to date.

(4) That the applicant, Yates Petroleum Corporation, operates all but six of the approximately 150 wells in said pool.

(5) That the majority of the applicant's acreage has been developed to a density of one well per each 10 acres.

(6) That the applicant seeks an exception from Division Rule 104 C.I. for said pool in order to permit the pool to be developed on a 40-acre five-spot pattern.

(7) That the evidence presented indicated that granting the applicant's request would substantially improve primary

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recovery from the pool and facilitate secondary or enhanced recovery.

(8) That the application should be approved.

IT IS THEREFORE ORDERED:

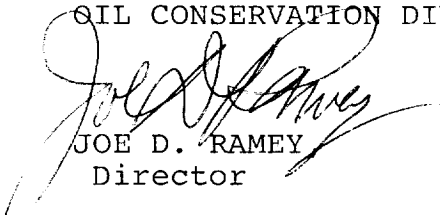
(1) That the Eagle Creek-San Andres Pool, as heretofore defined and described, is hereby exempted from the provisions of Rule 104 C.I. and operators in said pool may drill up to five wells on any quarter-quarter section or lot.

(2) That the effective date of this order shall be July 1, 1983.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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