

Entered / November 4, 1974
A.L.P.

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. 5351
Order No. R-4902

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 30, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of November, 1974, 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 Ferguson DY
Com Well No. 1 to be drilled 1980 feet from the North line and
660 feet from the East line of Section 7, Township 18 South,
Range 26 East, NMPM, to test the Morrow formation, West
Atoka-Morrow Gas Pool, Eddy County, New Mexico.
- (3) That the N/2 of said Section 7 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. 5351

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IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for applicant's Ferguson DY Com Well No. 1 to be drilled at a point 1980 feet from the North line and 660 feet from the East line of Section 7, Township 18 South, Range 26 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

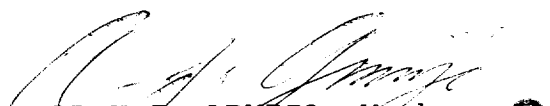
(2) That the N/2 of said Section 7 shall be dedicated to the above-described well.

(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

I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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