

Entered January 14, 1976
JLR

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. 5609
Order No. R-5151

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 January 7, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1976, 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 Nellor "EO" Well, 1980 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North line and 660 feet from the West line of Section 30, Township 17 South, Range 26 East, NMPM, to test the Wolfcamp and Pennsylvanian formations, West Atoka Field, Eddy County, New Mexico.
- (3) That the N/2 of said Section 30 is to be dedicated to the well.
- (4) That a well at either of said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to either of the proposed unorthodox locations.
- (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

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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 Wolfcamp and Pennsylvanian formations is hereby approved for applicant's Nellor "EO" Well to be located at a point 1980 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North line and 660 feet from the West line of Section 30, Township 17 South, Range 26 East, NMPM, West Atoka Field, Eddy County, New Mexico.

(2) That the N/2 of said Section 30 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, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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