

Entered October 27, 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. 5771
Order No. R-5303

APPLICATION OF YATES PETROLEUM CORPORATION
FOR COMPULSORY POOLING AND AN UNORTHODOX
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of October, 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, has requested dismissal of that portion of this case dealing with compulsory pooling.
- (3) That the applicant-seeks approval for the unorthodox location of its proposed Tom Brown "GO" Com Well No. 1 to be drilled to the Morrow formation at a point 835 feet from the North line and 1980 feet from the West line of Section 22, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, the W/2 of said Section 22 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. 5771
Order No. R-5303

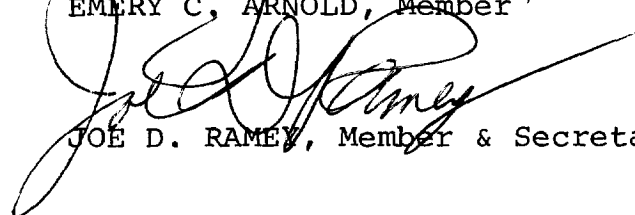
IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for the Morrow formation is hereby approved for applicant's Tom Brown "GO" Com Well No. 1 to be located at a point 835 feet from the North line and 1980 feet from the West line of Section 22, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico.
 - (2) That the W/2 of said Section 22 shall be dedicated to the above-described well.
 - (3) That that portion of the application in this case dealing with compulsory pooling is hereby dismissed.
 - (4) 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 herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/