Entered February 22, 1977

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. 5846 Order No. R-5375

APPLICATION OF HARVEY E. YATES COMPANY 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 February 16, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of February, 1977, 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, Harvey E. Yates Company, seeks approval of an unorthodox gas well location for its South Empire Deep Unit Well No. 13 to be drilled 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 29 East, NMPM, to test Wolfcamp and Pennsylvanian formations, South Empire Field, Eddy County, New Mexico.

(3) That the S/2 of said Section 30 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. 5846 Order No. R-5375

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for Wolfcamp and Pennsylvanian formations is hereby approved for the Harvey E. Yates Company South Empire Deep Unit Well No. 13 to be located at a point 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 29 East, NMPM, South Empire Field, Eddy County, New Mexico.

(2) That the S/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 MEXICC OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

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SEAL