

Entered January 24, 1978  
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. 6126  
Order No. R-5625

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 January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of January, 1978, 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, requests dismissal of its application for an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico.
- (3) That said application should be dismissed without prejudice.
- (4) That the applicant further seeks approval of an unorthodox gas well location 1460 feet from the South line and 1980 feet from the West line of said Section 21, to test the Wolfcamp and Pennsylvanian formations, Kennedy Farms Field, Eddy County, New Mexico.
- (5) That the W/2 of said Section 21 is to be dedicated to the well.
- (6) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (7) That no offset operator objected to the proposed unorthodox location.



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(8) That approval of the subject application for unorthodox location 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.

IT IS THEREFORE ORDERED:

(1) That the application of Yates Petroleum Corporation for an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, is hereby dismissed without prejudice.

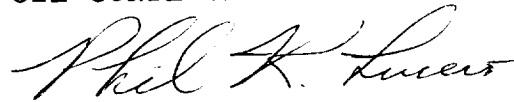
(2) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for the Yates Petroleum Corporation Siegenthaler "IS" Well No. 2 to be located at a point 1460 feet from the South line and 1980 feet from the West line of said Section 21, Kennedy Farms Field, Eddy County, New Mexico.

(3) That the W/2 of said Section 21 shall be dedicated to the above-described well.

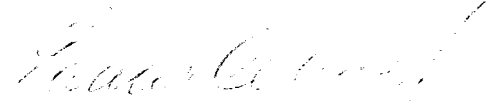
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

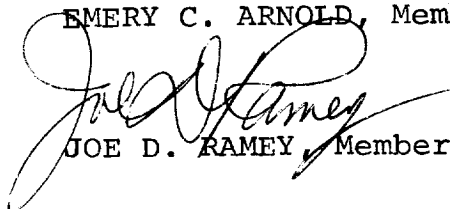
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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