

Entered March 3, 1979
JOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6483
Order No. R-5944

APPLICATION OF HARVEY E. YATES
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 2, 1979, at Santa Fe, New Mexico, before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 7th day of March, 1979, the Commission, a quorum being present, having considered the testimony, the record, and the exhibits of the hearing, 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 an order pooling all mineral interests in the Wolfcamp, Pennsylvanian, and Mississippian formations underlying the S/2 of Section 8, Township 14 South, Range 36 East, NMPM, Austin Mississippian Gas Pool, Lea County, New Mexico.

(3) That the applicant has the right to drill and proposes to drill a well at a standard location in the S/2 of said Section 8.

(4) That the John H. Hendrix Corporation seeks the pooling and dedication of the E/2 of said Section 8 in Case No. 6488.

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(5) That all of said Section 8 can reasonably be presumed to be productive of gas.

(6) That the evidence indicates that two wells will be required to effectively drain said Section 8.

(7) That the evidence indicates that a commercially productive well can be drilled in the S/2 of said Section 8.

(8) That the evidence indicates that a well drilled in the N/2 of said Section 8 would in all probability not recover gas in commercial quantities.

(9) That by dividing said Section 8 into E/2 and W/2 drilling units, each working interest owner will be better afforded the opportunity to develop his acreage in the section.

(10) That to prevent waste and to better protect correlative rights, said Section 8 should be developed on drilling units comprising the E/2 and the W/2 of the section.

(11) That the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Harvey E. Yates Company for an order pooling all mineral interests in the Wolfcamp, Pennsylvanian and Mississippian formations underlying the S/2 of Section 8, Township 14 South, Range 36 East, NMPM, Austin-Mississippian Gas Pool, Lea County, New Mexico, is hereby denied.


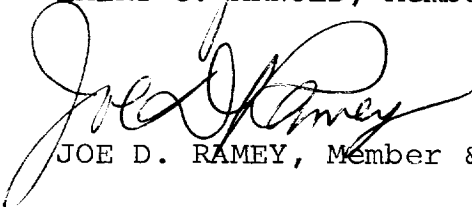
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member

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EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

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