

Entered September 17, 1979
JCR

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. 6619
Order No. R-6109

APPLICATION OF HARVEY E. YATES COMPANY
FOR AN UNORTHODOX WELL LOCATION AND
A NON-STANDARD PRORATION UNIT, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 8, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 19th day of September, 1979, the Division
Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Harvey E. Yates Company, seeks
approval of a 62.75-acre non-standard gas proration unit com-
prising Lots 1 and 2 of Section 19, Township 18 South, Range 29
East, NMPM, to be dedicated to its DEPCO Federal Well No. 1 at
an unorthodox location 330 feet from the North line and 660 feet
from the West line of said Section 19.

(3) That the entire non-standard proration unit may reason-
ably be presumed productive of gas from the proposed Travis-Yates
Gas Pool and that the entire non-standard gas proration unit can
be efficiently and economically drained and developed by the
aforesaid well.

(4) That approval of the subject application will afford
the applicant the opportunity to produce his just and equitable
share of the gas in the proposed Travis-Yates Gas Pool, will

-2-

Case No. 6619
Order No. R-6109

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 a 62.75-acre non-standard gas proration unit for the Yates formation comprising Lots 1 and 2 of Section 19, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to a well previously drilled at an unorthodox location 330 feet from the North line and 660 feet from the West line of said Section 19.

(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 DIVISION



JOE D. RAMEY
Director

S E A L

fd/