Entered June 5, 1980

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. 6902 Order No. R-6363

APPLICATION OF HARVEY E. YATES COMPANY FOR A DUAL COMPLETION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of June, 1980, 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 authority to complete its Young Deep Unit Well No. 1, located in Unit D of Section 10, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Bone Springs formation and gas from the Morrow formation through parallel strings of tubing with separation of the zones by means of a packer.
- (3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harvey E. Yates Company, is hereby authorized to complete its Young Deep Unit Well No. 1,

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located in Unit D of Section 10, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Bone Springs formation and gas from the Morrow formation through parallel strings of tubing with separation of the zones to be achieved by means of a packer set at approximately 12,801 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for gas pools in Southeastern New Mexico.

(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

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