Entered August 13, 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. 6983 Order No. R-6442

APPLICATION OF HARVEY E. YATES COMPANY FOR AN NGPA DETERMINATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 23, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>13th</u> day of August, 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 a determination by the Division, in accordance with Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that its Betenbough Well No. 1 located in Unit C of Section 32, Township 13 South, Range 36 East, NMPM, Lea County, New Mexico, has discovered a new onshore reservoir from which natural gas was not produced in commercial quantities before April 20, 1977.
- (3) That said well was completed in the Atoka formation with perforations from 12,315 feet to 12,900 feet, and a plugged-back depth of 13,050 feet after having been drilled to a total depth of 13,698 feet.
- (4) That although there are several wells in the general vicinity of the subject well which have penetrated the Atoka formation, none of said wells was capable of commercial production therefrom.

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(5) That the combined geological and engineering data presented in this case establishes that said Betenbough Well No. 1 has been completed in a new onshore reservoir as defined by the provisions of Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

- (1) That the Harvey E. Yates Company Betenbough Well No. 1, located in Unit C of Section 32, Township 13 South, Range 36 East, NMPM, Lea County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.
- (2) That jurisdiction of this cause is hereby 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.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

JOE D. RAMEY Director

SEAL