

Entered December 14, 1983
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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. 8007
Order No. R-7401

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN UNORTHODOX GAS
WELL LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 22, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of December, 1983, 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, Yates Petroleum Corporation, seeks approval of an unorthodox gas well location 2310 feet from the North line and 660 feet from the West line of Section 12, Township 21 South, Range 21 East, NMPM, to test the Wolfcamp, Cisco Canyon, Strawn, Atoka and Morrow formations, Eddy County, New Mexico.
- (3) That at the hearing, the applicant sought and received approval to amend the application to a less unorthodox well location being 2170 feet from the North line and 660 feet from the West line of said Section 12.
- (4) That the W/2 of said Section 12 shall be dedicated to the Morrow formation and the N/2 of said Section 12 is to be dedicated to the Wolfcamp, Strawn, Atoka and Cisco Canyon formations.

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(5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(6) That no offset operator objected to the proposed unorthodox location.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pools, 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:

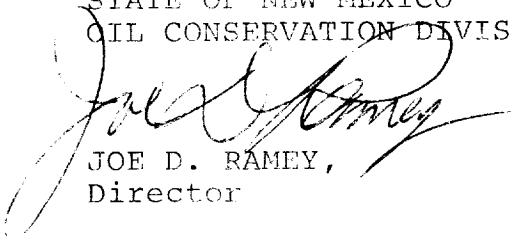
(1) That the application of Yates Petroleum Corporation for an unorthodox gas well location for the Wolfcamp, Cisco-Canyon, Strawn, and Morrow formations is hereby approved for a well to be located at a point 2170 feet from the North line and 660 feet from the West line of Section 12, Township 21 South, Range 21 East, NMPM, Eddy County, New Mexico.

(2) That the W/2 of said Section 12 is to be dedicated to the Morrow formation and the N/2 of said Section 12 to the Wolfcamp, Strawn, Atoka and Cisco Canyon formations.

(3) 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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