

Release December 17, 1985

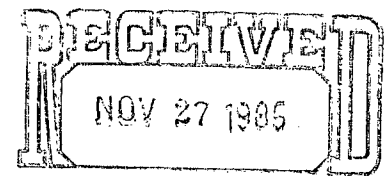
B4 DEC

RIO PECOS CORPORATION

110 WEST LOUISIANA, SUITE 460

MIDLAND, TEXAS 79701

(915) 687-0127



CONSERVATION DIVISION
SANTA FE

- GEOLOGY -

MARK D. WILSON

TODD M. WILSON

HEATHER WILSON ECHOLS

- LAND -

SCOTT E. WILSON

ROGER T. ELLIOTT

November 25, 1985

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL - 2211
RULE-104 F(2)
320 Acres dedicated to well
N/2 Section 34

Re: Application for Administrative Approval of Unorthodox Location
Yates Petroleum Corporation Vacuum-North ~~ADJ~~ "ADJ" State Comm No. 1
N/2 Section 34, T-16-S, R-34-E, Lea County, New Mexico

ADJ State Comm # 1

Dear Mr. Stamets:

By Order No. R-8073 (copy attached), the NMOCDD approved our application for an unorthodox location at 660' FNL & 660' FWL of Section 34, T-16-S, R-34-E, for the Undesignated South Kemnitz Atoka-Morrow Gas Pool, with the N/2 of said Section 34 dedicated to the well. Yates Petroleum Corporation, as Operator, upon staking the location, found a buried gas pipeline owned by Phillips Petroleum Company which runs across our location; therefore, Yates has staked an alternative location at 833' FNL & 660' FWL of said Section 34 to avoid encroaching Phillips' pipeline.

On behalf of Yates, we request administrative approval of the alternative location based upon the above described topographical condition. A new plat showing the alternative location is attached.

We are notifying the offsetting operators of this application by sending them a copy of this application by certified mail. As an offset operator, if you have no objections to this application, please sign the enclosed waiver in triplicate, forward one copy to Mr. Stamets and return one copy to me. The extra copy is for your records.

The offset operators are:

- ✓ Elk Oil Company, P. O. Box 310, Roswell, NM, 88201, Attn: Mr. Joseph J. Kelly
- ✓ Atlantic Richfield Company, P. O. Box 1610, Midland, TX, 79702, Attn: Mr. David C. Douglas
- ✓ Shell Western E & P, Inc., P. O. Box 576, Houston, TX, 77001, Attn: Mr. A. J. Fore
- ✓ Amoco Production Company, P. O. Box 3092, Houston, TX, 77001, Attn: Mr. Jim Allen
- ✓ Pennzoil Company, P. O. Box 1828, Midland, TX, 79702, Attn: Mr. Lonnie L. Whitfield
- ✓ Mobil Producing Texas & New Mexico, Inc., P. O. Box 633, Midland, TX, 79702, Attn: Mr. K. M. Johnston

Forward
from Mobil

Remarks: Division Order R-8073 previously approved an unorthodox location of 660' FNL and 660' FWL of Section 34 for the above referenced well. The well subsequently had to be moved due to surface restrictions to the above described location.

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
Page -2-
November 25, 1985

All of the above offset operators have verbally approved the alternative location. Assuming no objections are forthcoming, please grant Yates approval of the unorthodox well location at 833' FNL & 660' FWL of said Section 34. Please call me at 915-687-0127 if you need additional information.

Very truly yours,

RIO PECOS CORPORATION

A handwritten signature in cursive script that reads "Scott E. Wilson".

Scott E. Wilson
Vice President

SEW/sh

Attachments

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. 8687
Order No. R-8073

APPLICATION OF RIO PECOS
CORPORATION FOR AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on August 28, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 5th day of November, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Rio Pecos Corporation, seeks approval of an unorthodox gas well location 660 feet from the North and West lines of Section 34, Township 16 South, Range 34 East, NMPM, Undesignated South Kemnitz Atoka-Morrow Gas Pool, Lea County, New Mexico.

(3) The N/2 of said Section 34 is to be dedicated to the well.

(4) A well at said unorthodox gas well location will better enable applicant to produce the gas underlying the proration unit.

(5) No offset operator objected to the proposed unorthodox location.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool, 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 THAT:

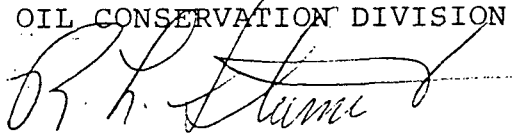
(1) The application of Rio Pecos Corporation for an unorthodox gas well location for the Undesignated South Kemnitz Atoka-Morrow Gas Pool is hereby approved for a well to be located at a point 660 feet from the North and West lines of Section 34, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) The N/2 of said Section 34 shall be dedicated to the above-described well.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

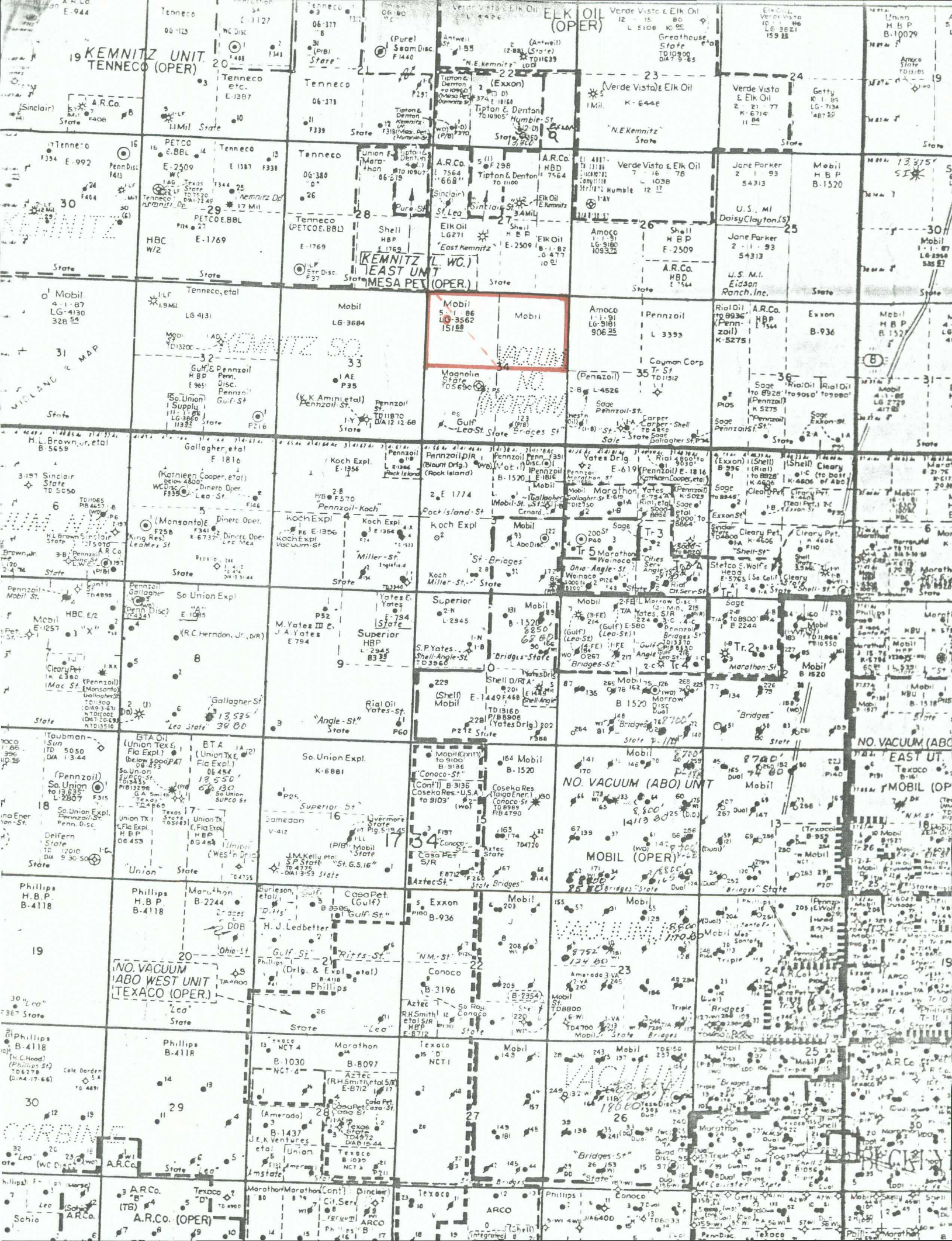
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

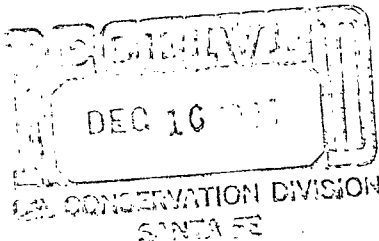
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
Director

S E A L

fd/





Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

R. E. Ogden
Regional Engineering
Manager

December 11, 1985

File: JCA-986.5NM-6246

Re: Unorthodox Location
Vacuum-North "ADJ" Federal No. 1
Lea County, New Mexico

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Stamets:

This is to advise that Amoco Production Company has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Federal No. 1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

We hereby waive any objections to the granting of this application for the above well which will be located:

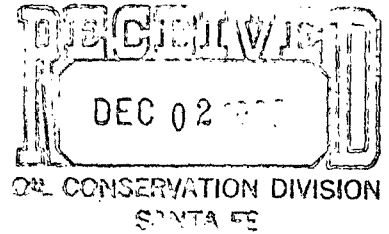
833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

Yours very truly,

MLC/rr

cc: Rio Pecos Corporation
110 West Louisiana
Suite 460
Midland, Texas 79701

WAIVER



Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

This is to advise that the undersigned has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Fed. #1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

We hereby waive any objections to the granting of this application for the above well which will be located:

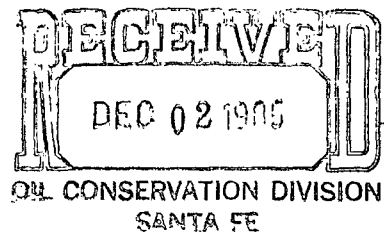
833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

Executed this 26th day of November, 1985.

Company PENNZOIL COMPANY

By Michael D. McElroy

Title District Exploration Manager



W A I V E R

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

This is to advise that the undersigned has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Fed. #1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

We hereby waive any objections to the granting of this application for the above well which will be located:

833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

Executed this 26th day of November, 1985.

Company PENNZOIL COMPANY

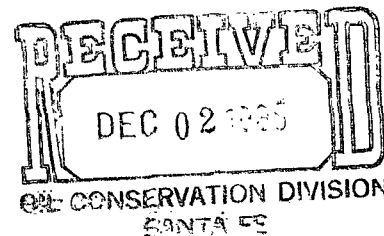
By

Michael L. McLaughlin

Title

District Exploration Manager

W A I V E R



Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

This is to advise that the undersigned has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Fed. #1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

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833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

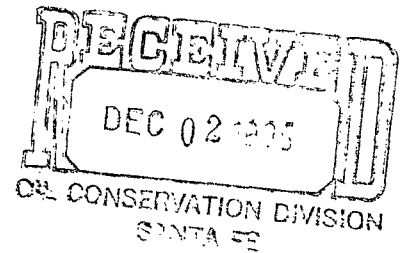
Executed this 26th day of November, 1985.

Company PENNZOIL COMPANY

By

Title District Exploration Manager

W A I V E R



Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

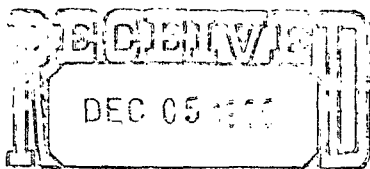
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We hereby waive any objections to the granting of this application for the above well which will be located:

833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

Executed this 27 day of Nov., 1985.

Company ARCO Oil and Gas Co.
By [Signature]
Title Area Engineer



OIL CONSERVATION DIVISION
SANTA FE

W A I V E R

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

This is to advise that the undersigned has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Fed. #1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

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833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

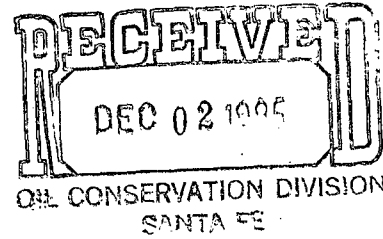
Executed this 3rd day of December, 1985.

Company SHELL WESTERN E&P INC.

By *A. J. Fule*

Title SUPERVISOR REGULATORY & PERMITTING

W A I V E R



Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

This is to advise that the undersigned has been given due notice that Yates Petroleum Corporation has made application for administrative approval of an unorthodox location for Vacuum-North "ADJ" Fed. #1, Undesignated South Kemnitz Atoka-Morrow Gas Pool.

We hereby waive any objections to the granting of this application for the above well which will be located:

833' FNL and 660' FWL of Section 34, T16S, R34E,
Lea County, New Mexico

Executed this 27th day of November, 1985.

Company ELK OIL COMPANY

By 

Title Joseph J. Kelly, President