

Y. CASE 5550: YATES PET. CORP. FOR
TWO UNO~~UNO~~RODOX GAS WELL LOCATIONS
EDDY COUNTY, NEW MEXICO.

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CASE NO.

5550

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 24, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum
Corporation for two unorthodox gas
well locations, Eddy County, New Mexico

CASE
5550

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	Thomas Derryberry, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 MR. NUTTER: We will call the next Case, Number
2 5550.

3 MR. DERRYBERRY: Case 5550, application of Yates
4 Petroleum Corporation for two unorthodox gas well locations,
5 Eddy County, New Mexico.

6 Mr. Examiner, the Applicant has requested that this
7 Case be dismissed.

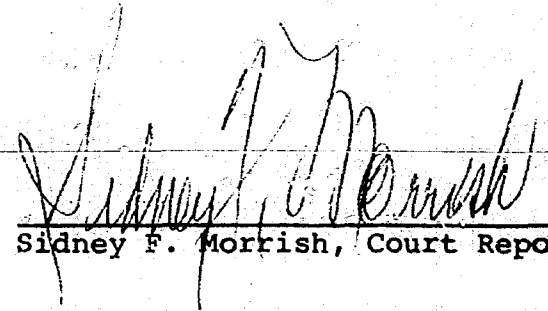
8 MR. NUTTER: Case Number 5550 will be dismissed.
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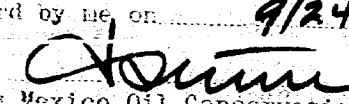
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State of New Mexico)
) ss.
County of Santa Fe)

I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner Hearing of Case No. 5550
heard by me on 9/24, 1975
, Examiner:
New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

OIL CONSERVATION COMMISSION

P. O. BOX 2038 - SANTA FE

87501

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
September 30, 1975



STATE GEOLOGIST
EMERY C. ARNOLD

Joel M. Carson
Losee & Carson
Attorneys at Law
Post Office Box 239
Artesia, New Mexico 88210

Re: CASE NO. 5550
ORDER NO. R-5097

Applicant:

Yates Petroleum Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/Ed

Copy of order also sent to:

Hobbs OCC	x
Artesia OCC	x
Aztec OCC	

Other

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5550
Order No. R-5097

APPLICATION OF YATES PETROLEUM
CORPORATION FOR TWO UNORTHODOX GAS
WELL LOCATIONS, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 24, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of September, 1975, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 5550 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

EMBRY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 10, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum
Corporation for two unorthodox gas
well locations, Eddy County, New Mexico

CASE
5550

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	William F. Carr, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 987-9212

1 MR. NUTTER: We will call the next Case, Number
2 5550.

3 MR. CARR: Case 5550, application of Yates
4 Petroleum Corporation for two unorthodox gas well locations,
5 Eddy County, New Mexico.

6 Mr. Examiner, we have been called by Mr. Joel
7 Carson, representing the applicant, requesting that this
8 Case be continued to September 24, 1975.

9 MR. NUTTER: Case Number 5550 will be continued
10 to the Examiner Hearing scheduled to be held at this same
11 place at nine o'clock A.M., September 24, 1975.

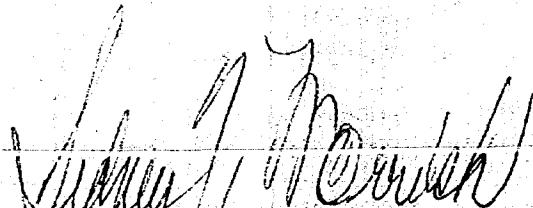
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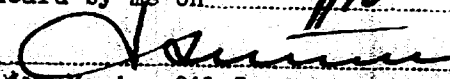
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State of New Mexico)
) ss.
County of Santa Fe)

I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5550.
heard by me on 9/10, 1975.
, Examiner
New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

CASE 5560: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled at a point 660 feet from the South and West lines, or in the alternative, 1980 feet from the South line and 660 feet from the West line of Section 19, Township 17 South, Range 26 East, Eddy County, New Mexico, to have dedicated the S/2 of said Section 19.

CASE 5561: Application of Yates Petroleum Corporation for amendment of certain provisions of Rule 104 C.II.(a) of the General Rules and Regulations for acreage and well location requirements for gas development wells in Southeastern New Mexico. Applicant, in the above-styled cause, seeks to amend Rules 104 B.I(a) and 104 C.II(a) to include the Wolfcamp formation under the standard 320-acre gas spacing and well location requirements for Southeastern New Mexico, or in the alternative, the applicant seeks special rules for gas wells completed in the Wolfcamp formation in Township 17 South, Ranges 25 and 26 East, Township 18 South, Ranges 24, 25, and 26 East, and Township 19 South, Ranges 23, 24, and 25 East, Eddy County, New Mexico, providing for 320-acre spacing and well location requirements.

CASE 5550: (Continued from September 10, 1975 Examiner Hearing)

Application of Yates Petroleum Corporation for two unorthodox gas well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Achen-Fry Deep Well No. 2 and its Arco EC Well No. 2 to be located, respectively, 660 feet from the South and East lines of Section 13 and 1980 feet from the South line and 660 feet from the East line of Section 36, the latter adjacent to the West Atoka-Morrow Gas Pool, both in Township 17 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Sections 13 and 36 to be dedicated respectively, to said wells.

CASE 5533: (Continued from the August 13, 1975 Examiner Hearing)

Application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger formation underlying the N/2 of Section 21, Township 12 South, Range 26 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit F of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

RECEIVED
AUG 22 1975

LAW OFFICES

LOSEE & CARSON, P.A. OIL CONSERVATION COMM.

300 AMERICAN HOME BUILDING

P. O. DRAWER 239

ARTESIA, NEW MEXICO 88210

Santa Fe

AREA CODE 505

746-3508

A. J. LOSEE
JOEL M. CARSON
CHAD DICKERSON

21 August 1975

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Enclosed for filing, please find three copies of the application of Yates Petroleum Corporation for two unorthodox gas well locations in Eddy County, New Mexico.

We ask that this case be set for hearing before an examiner and that you furnish us with a docket of the hearing.

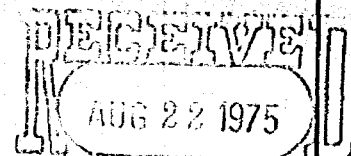
Yours truly,

LOSEE & CARSON, P.A.


Joel M. Carson

JMC:jw
Enclosures

cc w/enclosure: Mr. Jack W. McCaw



OIL CONSERVATION COMM.
Santa Fe

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR TWO :
UNORTHODOX GAS WELL LOCATIONS, : CASE NO. _____
EDDY COUNTY, NEW MEXICO :
_____ :

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof, respectfully states:

1. That applicant is an operator of a majority of
the interest in the Pennsylvanian formation underlying:

Township 17 South, Range 25 East, N.M.P.M.

Section 36: S/2
Section 13: S/2

2. Applicant proposes to drill its Arco "EC" No. 2
at a location 1,980 feet from the South line and 660 feet from
the East line of said Section 36, and to dedicate the S/2 of
said Section 36 to the well.

3. Applicant also proposes to drill its Achen-Fry
No. 2 Deep Well at a location 660 feet from the South and East
lines of said Section 13, and to dedicate the S/2 of said
Section 13 to the well.

4. Applicant seeks an exception to the well location
requirements of Rule 104 C-II(a) of the Oil Conservation Com-
mission to permit the drilling of the wells at the above mentioned
unorthodox locations to a depth sufficient to adequately test
the Morrow formation of the Pennsylvanian system.

5. That standard 320-acre proration units comprising
the S/2 of Sections 36 and 13, respectively, should be dedicated

to the Arco "EC" No. 2 and the Achen-Fry No. 2 Deep, respectively.

6. The approval of this application will afford applicant the opportunity to produce its just and equitable share of gas, will prevent 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.

WHEREFORE, applicant prays:

A. ~~That this application be set for hearing before~~ an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill its Arco "EC" No. 2 at the above mentioned unorthodox location and to dedicate the S/2 of said Section 36 to said well, which is reasonably presumed to be productive of gas from the Morrow formation, and that the Commission enter its order granting applicant permission to drill its Achen-Fry No. 2 Deep at the above mentioned unorthodox location and to dedicate the S/2 of said Section 13 to said well, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

LOSEE & CARSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

DOCKET MAILED

Date 9/12/75

Dockets Nos. 22-75 and 23-75 are tentatively set for hearing on September 24 and October 8, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 10, 1975

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for October, 1975.
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1975.

CASE 5548: Application of Tenneco Oil Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Florence Well No. 38A, located 1622 feet from the North line and 2010 feet from the West line of Section 14, Township 30 North, Range 8 West, Undesignated Mesaverde Pool, San Juan County, New Mexico, the W/2 of said Section 14 to be dedicated to the well.

CASE 5549: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5550: Application of Yates Petroleum Corporation for two unorthodox gas well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Achen-Fry Deep Well No. 2 and its Arco EC Well No. 2 to be located, respectively, 660 feet from the South and East lines of Section 13 and 1980 feet from the South line and 660 feet from the East line of Section 36, the latter adjacent to the West Atoka-Morrow Gas Pool, both in Township 17 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Sections 13 and 36 to be dedicated, respectively, to said wells.

for 9/10

Joel Carson for Rasee

8/15/75

Gates Petr Corp

Case 5550

Arco EC #2

1980 FSL 660 FEL

adj to
W Aiken
narrow
gas pool.

→ 36-17S-25E dedicate S/2

Achen-Fry #2 Deep

660' FSL & 660 FEL

13-17S-25E dedicate S/2

2 unorthodox locations

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5550

Order No. R- 5097

APPLICATION OF YATES PETROLEUM
CORPORATION FOR TWO UNORTHODOX GAS
WELL LOCATIONS, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 24, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 1975, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5550 is hereby dismissed.

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