CASE 5825: HARVEY E. YATES CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

CASE NO.

5825

APPlication, Transcripts, Small Exhibits,

ETC.

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	Page1
1	BEFORE THE
	NEW MEXICO OIL CONSERVATION COMMISSION
2	Santa Fe, New Mexico January 5, 1977
3	Candaly 3, 1377
	EXAMINER HEARING
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5)
	IN THE MATTER OF:
6	Application of Harvey E. Yates Company) CASE
7	for compulsory pooling, Eddy County,) 5825
	New Mexico.
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9	
	BEFORE: Daniel S. Nutter, Examiner
10	
11	TRANSCRIPT OF HEARING
12	APPEARANCES
13	
	For the New Mexico Oil Lynn Teschendorf, Esq.
14	Conservation Commission: Legal Counsel for the Commission State Land Office Building
15	Santa Fe, New Mexico

sid morrish reporting service

General Court: Reporting Service:
825 Calle Mejia, No. 122, Salta Fe, New Mexico 875
Phone 505, 987,9212

MR. NUTTER: We will call next Case 5825.

MS. TESCHENDORF: Case 5825, application of Harvey

E. Yates Company for compulsory pooling, Eddy County, New Mexico.

We have also heard from the applicant in this case and they have requested that we dismiss the case.

MR. NUTTER: Case Number 5825 will be dismissed.

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

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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, C.S.R

i do nereby certify that the foregoing 1:

a complete record of the proceedings in
the Examiner hearing of Case No. 5825

New Mexico bil Conservation Commission

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

DIRECTOR
JOE D. RAMEY

Other_

PHIL R. LUCERO
January 18, 1977



STATE GEOLOGIST EMERY C. ARNOLD

Mr. Joel M. Carson Losee & Carson Attorneys at Law Post Office Drawer 239	Re;	ORDER NO. R-532	!5 !7	
Artesia, New Mexico 88210		Applicant:		
		Harvey E. Yates	Company	
Dear Sir:				
Enclosed herewith are Commission order rece				
Yours very truly,			A STATE OF THE STA	e de la companya de La companya de la co
JOE D. RAMEY Director				
JDR/fd				
Copy of order also se	nt to:			
Hobbs OCC X Artesia OCC X Aztec OCC				**

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. 5825 Order No. R-5347

APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of January, 1977, 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. 5825 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ANNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAD

dr/

LAW OFFICES

LOSEE & CARSON, P.A.

A.J. LOSEE
JOEL M. CARSON
CHAD DICKERSON

300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88210

AREA CODE 505 746-3508

December 21, 1976



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

Gentlemen:

Enclosed for filing, please find three copies of an application of Harvey E. Yates Company for compulsory pooling 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,

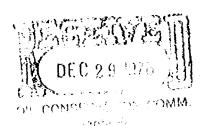
LOSEE & CARSON, P.A.

Joel M. Carson

JMC:bjm Enclosures

cc w/enclosure: Mr. George Yates

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BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF	:		
HARVEY E. YATES COMPANY FOR COMPULSORY	:	CASE NO.	
POOLING IN EDDY COUNTY, NEW MEXICO	:		

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by its attorneys, and in support hereof, respectfully states:

- 1. That except as hereinafter noted, applicant is the owner or operator of the entire working interest from the surface through the Pennsylvanian formation underlying the S/2 of Section 36, Township 17 South, Range 26 East, N.M.P.M., to be dedicated to an orthodox well located 990 feet from the South line and 1,650 feet from the East line of said spacing unit, comprising the S/2 of said Section 36.
- 2. Harvey E. Yates Company, J. C. Barnes Oil Company, Exxon Company U.S.A., Kilroy Oil Company of Texas, William B. Barnhill, and Universal Resources are the owners of the oil and gas leasehold estate comprising the S/2 of said Section 36, and a portion of said owners have not agreed to pool their interests with applicant.
- 3. To avoid the drilling or unnecessary wells, to protect correlative rights, and to afford the owner of each interest in the S/2 of said Section 36 the opportunity to recover or receive without unnecessary expense a just and fair

share of the gas in said pool, all mineral interests, whatever they may be, from the surface through the Pennsylvanian formation underlying the S/2 of said Section 36, should be pooled.

- 4. That any non-consenting working interest owner that does not pay his share of the estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof, as the reasonable charge for the risk involved in the drilling of the well.
- 5. That applicant be authorized to withhold from production the proportionate share of a reasonable supervision charge attributable to each non-consenting working interest.

WHEREFORE, applicant prays:

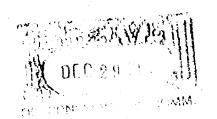
- A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.
- B. That upon hearing the Commission enter its order pooling all mineral interests, whatever they may be, from the surface through the Pennsylvanian formation underlying the S/2 of Section 36, Township 17 South, Range 26 East, N.M.P.M., to form a 320-acre gas spacing unit to be dedicated to applicant's well.
- C. And for such other and further relief as may be just in the premises.

HARVEY E. YATES COMPANY

LOSEE & CARSON, P.A. P. O. Drawer 239

Artesia New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF : HARVEY E. YATES COMPANY FOR COMPULSORY : CASE ! POOLING IN EDDY COUNTY, NEW MEXICO :

CASE	NO.		
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APPLICATION

COMES NOW HARVRY E. YATES COMPANY, by its attorneys, and in support hereof, respectfully states:

- 1. That except as hereinafter noted, applicant is the owner or operator of the entire working interest from the surface through the Pennsylvanian formation underlying the 6/2 of Section 36, Township 17 South, Range 26 East, N.M.P.M., to be dedicated to an orthodox well located 990 feet from the South line and 1,650 feet from the East line of said spacing unit, comprising the S/2 of said Section 36.
- 2. Harvey E. Yates Company, J. C. Barnes Oil Company, Exxon Company U.S.A., Kilroy Oil Company of Texas, William B. Barnhill, and Universal Resources are the owners of the oil and gas leasehold estate comprising the S/2 of said Section 36, and a portion of said owners have not agreed to pool their interests with applicant.
- 3. To avoid the drilling of unnecessary wells, to protect correlative rights, and to afford the owner of each interest in the S/2 of said Section 36 the opportunity to recover or receive without unnecessary expense a just and fair

(1)

they may be, from the surface through the Pennsylvanian formation underlying the S/2 of said Section 36, should be pooled.

- 4. That any non-consenting working interest owner that does not pay his share of the estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof, as the reasonable charge for the risk involved in the drilling of the well.
- 5. That applicant be authorized to withhold from production the proportionate share of a reasonable supervision charge attributable to each non-consenting working interest.

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 pooling all mineral interests, whatever they may be, from the surface through the Pennsylvanian formation underlying the S/2 of Section 36, Township 17 South, Range 26 Fast, N.M.P.M., to form a 320-acre gas spacing unit to be dedicated to applicant's well.
- C. And for such other and further relief as may be just in the premises.

HARVEY E, YATES COMPANY

LOSER & CARSON, P.A.

P. O. Drayer 239

Artesia, New Mexico 88210

Attorneys for Applicant

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BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING IN EDDY COUNTY, NEW MEXICO

CASE NO.

APPLICATION

COMES NOW MARVEY E. YATES COMPANY, by its attorneys, and in support hereof, respectfully states:

- 1. That except as hereinafter noted, applicant is the owner or operator of the entire working interest from the surface through the Pennsylvanian formation underlying the S/2 of Section 36, Township 17 South, Range 26 East, N.M.P.M., to be dedicated to an orthodox well located 990 feet from the South line and 1,650 feet from the East line of said spacing unit, comprising the S/2 of said Section 36.
- 2. Harvey E. Yates Company, J. C. Barnes Oil Company, Exxon Company U.S.A., Kilroy Oil Company of Texas, William B. Barnhill, and Universal Resources are the owners of the oil and gas leasehold estate comprising the 5/2 of said Section 36, and a portion of said owners have not agreed to pool their interests with applicant.
- 3. To avoid the drilling of unnecessary wells, to protect correlative rights, and to afford the owner of each interest in the S/2 of said Section 36 the opportunity to recover or receive without unnecessary expense a just and fair

share of the gas in said pool, all mineral interests, whatever they may be, from the surface through the Pennsylvanian formation underlying the S/2 of said Section 36, should be pooled.

- 4. That any non-consenting working interest owner that does not pay his share of the estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof, as the reasonable charge for the risk involved in the drilling of the well.
- 5. That applicant be authorized to withhold from production the proportionate share of a reasonable supervision charge attributable to each non-consenting working interest.

WHEREPORE, 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 pooling all mineral interests, whatever they may be, from the surface through the Pennsylvanian formation underlying the S/2 of Section 36, Township 17 South, Range 26 East, N.M.P.M., to form a 320-acre gas spacing unit to be dedicated to applicant's well.
- C. And for such other and further relief as may be just in the premises.

HARVEY E. YATES COMPANY

LOSEE CARRON, P.A.

P. O. Drawer 239

Artesia, New Mexico 88210

Attorneys for Applicant

Dockets Nos. 3-77 and 5-77 are tentatively set for hearing on January 19 and February 2, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION MEARING - TUESDAY - JANUARY 4, 1977

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

Application of Raymond Faves for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to construct and operate an earthen evaporation pit in the NE/4 SW/4 of Section 2, Township 20 South, Range 30 East, Eddy County, New Mexico, for the disposal of produced water from oil and gas wells in Eddy and Lea Counties, New Mexico.

Docket No. 2-77

DOCKET: EXAMINER REARING - WEDNESDAY - JANUARY 5, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROCM, 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:

CASE 5820: (Continued & Readvertised)

Application of Texas Cil & Cas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5825:

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 36, Township 17 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5826:

Application of Atlantic Richfield Company for three unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 185-acre Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Wells Nos. 1, 3, and 4 located at uncrthodox locations in Units E, K, and M, respectively, of said Section 19.

CASE 5827:

Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State 176 Wells Nos. 2, 3, 4, and 6 located at unorthodox locations in Units 0, J, G, and C, respectively, of said Section 19.

CASE 5828:

Application of Atlantic Richfield Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Robinsor Gas Com Well No. 1 to be drilled 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East, Crayburg-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 27 to be dedicated to the well.

January 19, 1977

CASE 5825 (Continued and Readvertised) Newspapers:
Santa Fe
Artesia

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennxyivaniin sylvanian formations underlying the S/2 of
Section 36, Township 17 South, Range 26 East, AtokaPennsylvanian Gas Pool, Eddy County, New Mexico, to be
dedicated to a well to be drilled at a standard location thereon. 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 applicant as operator of the well
and a charge for risk involved in drilling said well.

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for compulsory Booling, Eddy County,

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Market Committee Committee

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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.

THE PURPOSE OF CONSIDERING:	
CASE NO. 5825	
Order No. R- <u>5347</u>	
APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. ORDER OF THE COMMISSION	-
BY THE COMMISSION:	
This cause came on for hearing at 9 a.m. on <u>January 5</u> , lat Santa Fe, New Mexico, before Examiner <u>Daniel S. Nutter</u>	9_
NOW, on this day of, 19_77, 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. 5825 is hereby dismissed.	
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.	