CASE 5846: HARVEY E. YATES COMPANY FOR LY AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO

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CASE NO.

5846

APPlication, Transcripts, Small Exhibits,

ETC.

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2	NEW MEXICO OIL CON		SSION	
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	IN THE MATTER OF:)	
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	Application of Harvey E.)	CASE
7	for an unorthodox gas we	11 location,)	5846
8	Eddy County, New Mexico.) }	
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	BEFORE: Richard L. Stamets, E	xaminer		
10		,		
11	TRANSCRIP	T OF HEARING		
12	,			
	APPEA	RANCES		
13	For the New Mexico Oil	Lynn Teschendo	rf. E	au.
14	Conservation Commission:	Legal Counsel		
	,	State Land Off	ice B	uilding
15		Santa Fe, New	Mexic	0
16	For the Applicant:	Joel M. Carson	Fea	
	Lor one apprount.	LOSEE & CARSON	_	•
17		Attorneys at L		
		300 American H		uilding
18		Artesia, New M	exico	
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MR. STAMETS: We will call next Case 5846.

MS. TESCHENDORF: Case 5846, application of Harvey
E. Yates Company for an unorthodox gas well location, Eddy
County, New Mexico.

MR. CARSON: Mr. Hearing Examiner, my name is Joel Carson, I'm with Losee & Carson P.A., Artesia, New Mexico, appearing on behalf of the applicant. I have one witness, Mr. Lattu, who was previously sworn in Case Number 5868.

MR. STAMETS: The record in Case 5846 will show that Mr. Lattu has been sworn and he has previously been qualified as an expert geologist.

ANDREW LATTU

called as a witness, having been previously sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. CARSON:

Q Mr. Lattu, would you explain the purpose of this application, Number 5846?

A. The purpose of this application is to drill an unorthodox location to test the Morrow sands, the location being six, sixty from the south line and fourteen hundred and thirty-two feet from the west line of Section 30, Township 17 South, Range 29 East of Eddy County, New Mexico.

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Q.	And you are	dedicating	the south	half	of the
section,	is that righ	t?			

- A. Yes.
- Q. To be called the Empire South Deep Unit No. 13, is that correct?
 - A. Yes.
- Q. Would you please refer to your Exhibit Number One and I ask if that was prepared by you or under your supervision?
 - A. Yes, it was.
- Q. Would you please explain to the Hearing Examiner what that exhibit purports to show?
- A. This is a map that shows the outer dashed lines showing the working interest unit of the South Empire Deep, the red line showing the proration unit for this South Empire Deep Well No. 13 as being in the south half of Section 30.
 - Q Go ahead.
- A. Also the offset operators in Section 25 are listed as Arco, Depco and Yates Petroleum and Husky.
- Q. I refer you to your Exhibit Number Two. Was
 Exhibit Number Two prepared by you or under your supervision?
 - A. It was.
- Q. Would you explain to the Hearing Examiner what that purports to show?
- A. This is an Isopach of the B-4 sand zone, which is an Upper Morrow sand. It shows it as a north-south trending

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19.

channel sand through this South Empire Deep Unit area and it shows the well location as being located in about the center of this channel.

- Q. Now, Mr. Lattu, don't you show on one of your maps there a plugged well, Amoco well, in the south half of Section 30?
- A. Yes, Amoco drilled the No. 7 South Empire Deep Unit Well and it is in the B-4 zone a sand. The log analysis shows that there is porosity and gas effect on the neutron density in this Exhibit Number Three. This sand was not tested by Amoco and I feel that the log indicates that there is gas present and this well could be productive.
- Q. And that's shown by your Exhibit Number Three which was prepared by you or under your supervision?
 - A. Yes, it was.

MR. STAMETS: Is that the well that is circled in the south half of Section 30 on Exhibit Number Two?

- A. Yes, it shows ten feet of clean sand in that zone.
- Q (Mr. Carson continuing.) Mr. Lattu, do you believe that the approval of this application would afford the applicant an opportunity to produce their just and equitable share of gas, prevent economic loss caused by the drilling of unnecessary wells, would avoid the augmentation of risk arising from the drilling of an excessive number of wells and would otherwise prevent waste and protect correlative rights?

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MR. CARSON: I would like to move the introduction of these exhibits, Mr. Examiner.

> MR. STAMETS: The exhibits will be admitted. (THEREUPON, Applicant's Exhibits One through Three were admitted into evidence.

MR. CARSON: I have no further questions of the witness.

CROSS EXAMINATION

BY MR. STAMETS:

Mr. Lattu, the previous case concerned a similar nonstandard location to the south of here which resulted from a nonstandard or an unorthodox shaped governmental half section. Is the same thing true in this case?

No, I feel that in this case the location we have A. picked is the best location to test this particular sand.

So this is because of geological evidence? Q. ·

A. Yes.

MR. STAMETS: Any further questions of the witness? In your testimony did you confirm that the location would be six, sixty from the south and fourteen, thirty-two from the west?

Yes, I did.

MR. STAMETS: Okay. Any other questions of the

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witness? He may be excused.

(THEREUPON, the witness was excused.)

MR. STAMETS: Is there anything further in this case? We will take the case under advisement.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attach? 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 hereby certify that the foregoing in the Exeminer hearing of Case No. Spanning on Case No. Spanning of Case No. Spanning of Case No. Spanning Commission

	Page
2	BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico February 2, 1977
3	EXAMINER HEARING
4	
5	IN THE MATTER OF:
6)
7	Application of Harvey E. Yates Company) CASE for an unorthodox gas well location,) 5846 Eddy County, New Mexico.)
8)
9	
10	BEFORE: Daniel S. Nutter, Examiner
11	TRANSCRIPT OF HEARING
12	
13	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
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MR. NUTTER: We will call next Case Number 5846.

MS. TESCHENDORF: Case 5846, application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico.

They have asked that this be continued to the February 16th hearing.

MR. NUTTER: Case Number 5846 will be continued to the Examiner Hearing scheduled to be held at this same place at nine o'clock A.M., Februrary 16th, 1977 and it will be readvertised. There is a change in the location.

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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

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i do nereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 19.77.

New Mexico Oil Conservation Commission



DIRECTOR

JOE D. RAMEY

OIL CONSERVATION COMMISSION

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

87501

LAND COMMISSIONER
PHIL R. LUCERO



STATE GEOLOGIST
EMERY C. ARNOLD

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

CASE NO. 5846
ORDER NO. R-5375

Applicant:

Harvey E. Yates Company

Dear Sir:

JDR/fd

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

Yours very truly,

JOE D. RAMEY

Director

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC

0ther____

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. 5846 Order No. R-5375

APPLICATION OF HARVEY E. YATES COMPANY FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>22nd</u> day of February, 1977, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harvey E. Yates Company, seeks approval of an unorthodox gas well location for its South Empire Deep Unit Well No. 13 to be drilled 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 29 East, NMPM, to test Wolfcamp and Pennsylvanian formations, South Empire Field, Eddy County, New Mexico.
- (3) That the S/2 of said Section 30 is to be dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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.

-2-Case No. 5846 Order No. R-5375

IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for Wolfcamp and Pennsylvanian formations is hereby approved for the Harvey E. Yates Company South Empire Deep Unit Well No. 13 to be located at a point 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 29 East, NMPM, South Empire Field, Eddy County, New Mexico.
- (2) That the S/2 of said Section 30 shall be dedicated to the above-described well.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

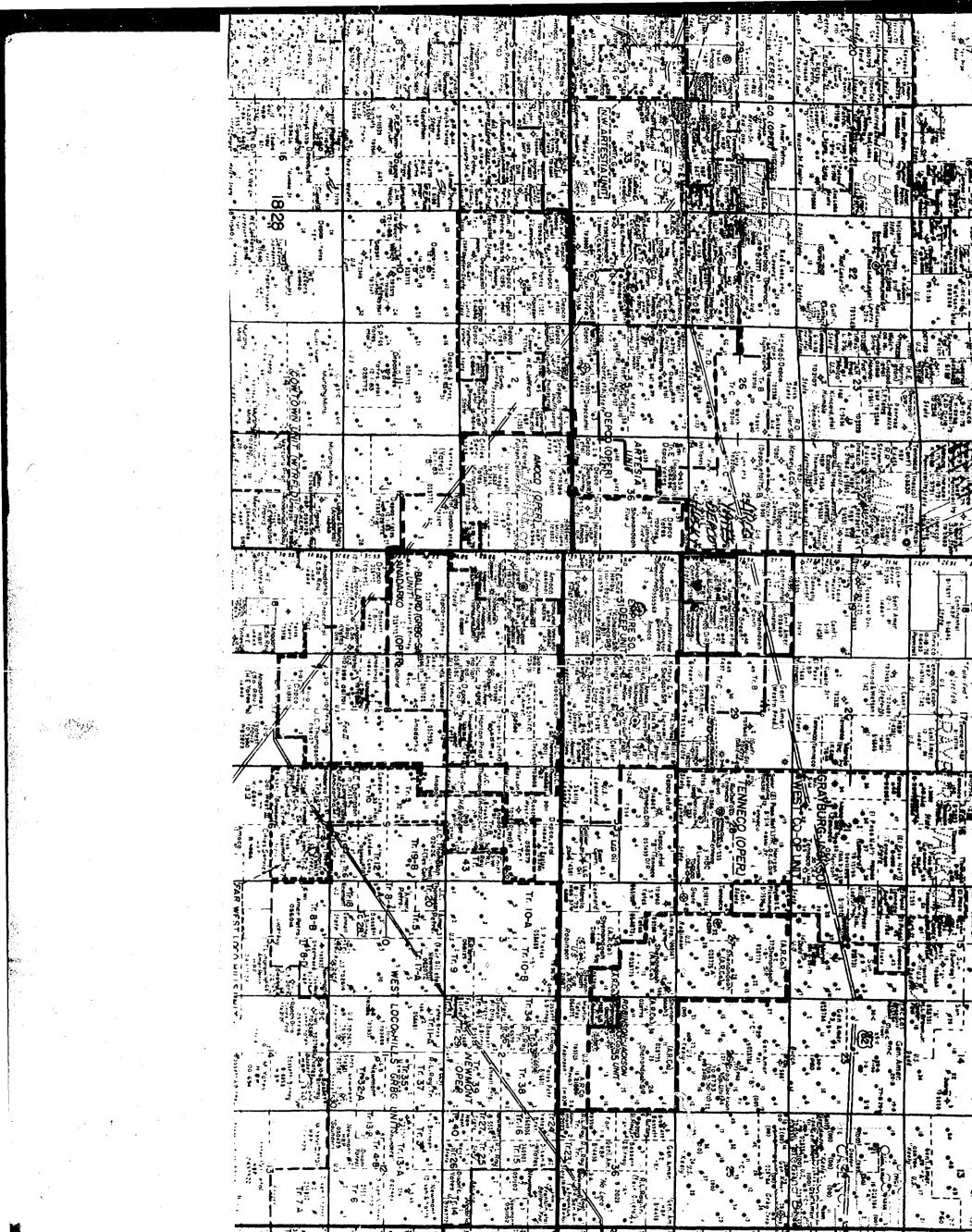
PHIL R. LUCERO, Chairman

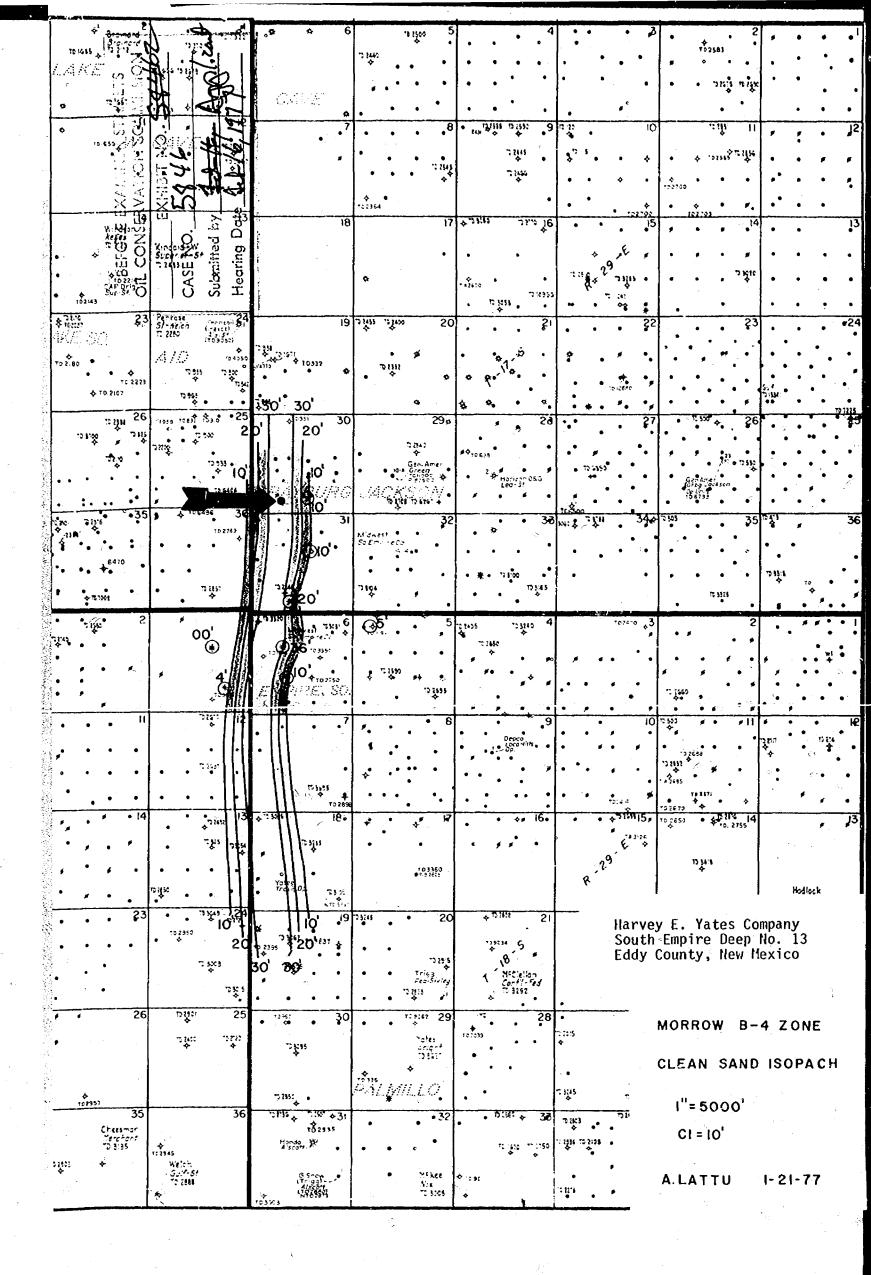
EMERY C. ARNOLD, Member

Eury Clurs

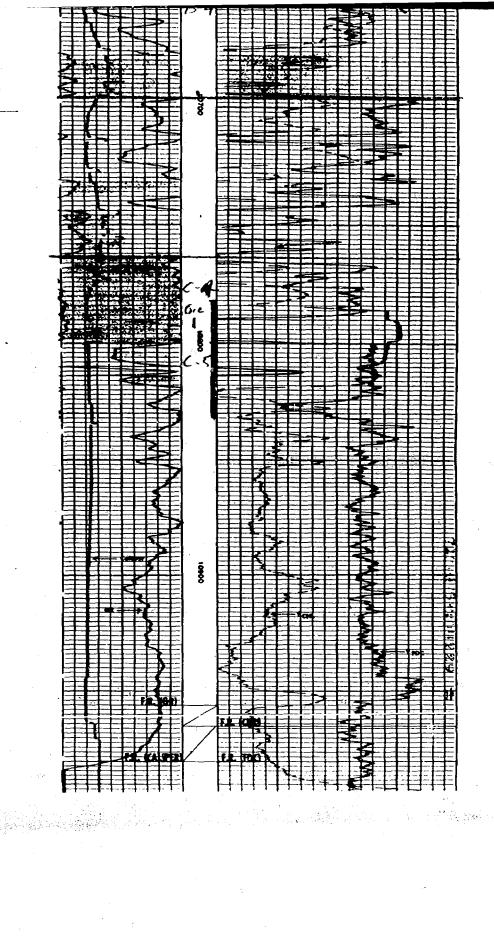
JOE D. RAMEY, Member & Secretary

SEAL





Amoco Production Company
South Empire Doep Unit #7
30 - 17,-29 Elly Co, N.M.



- Application of Hanson Oil Corporation for a salt water disposal well, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the

 Delaware formation in the open hole interval from 1926 to 1978 feet in its Sulphate Sister Well

 No. 1, located in Unit E of Section 13, Township 25 South, Range 26 East, Eddy County, New Mexico.
- CASE 5862: Application of Palmer 011 and Gas 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 Federal 1 Well No. 1 located 1525 feet from the South line and 820 feet from the East line of
 Section 1, Township 31 North, Range 13 West, Blanco Mesaverde and Basin-Dakota Pools, San Juan County,
 New Mexico.
- Application of Amerada Hess Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla Apache "B" Well No. 16, completed as an oil well in the Dakota formation at a point 1850 feet from the South line and 1500 feet from the West line of Section 29, Township 25 North, Range 5 West, Rio Arriba County, New Mexico, said well having been projected as a Basin-Dakota gas well at a standard gas well location for said pool.
- Application of Agua, Inc. for the amendment of Order No. R-5137, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the further amendment of Order No. R-5137, which authorized the disposal of produced salt water into the San Andres formation through the open-hole interval from approximately 4000 feet to 5000 feet in applicant's Blinebry-Drinkard SWD System Well No. A-22, located in Unit A of Section 22, Township 22 South, Range 37 East, Blinebry-Drinkard-Langlie Mattix Area, Lea County, New Mexico. Said order, as amended, limited surface injection pressures to 800 psi, and applicant seeks its amendment to permit surface injection pressures up to 1500 psi.
- CASE 5865: Application of Inexco 0il Co. for 320-acre spacing, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the adoption of 320-acre spacing and proration units for the West Tonto-Pennsylvanian Gas Pool, Lea County, New Mexico. In the absence of objection, the Cormission will adopt such 320-acre spacing.
- CASE 5866: Application of Union Texas Petroleum for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection string in a well it proposes to drill in Unit D of Section 33, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 5867: Application of Texas 0il & Gas 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 S/2 of Section 19, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico, to be dedicated to its Forrest Well No. 1 to be located in Unit N of said Section 19. Also to be considered will be the cost of 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 completion of said well.
- CASE 5820: (Continued from the February 2, 1977, Examiner Hearing.)

Application of Texas Ull & Gas 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 5868: Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico.
Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Travis Deep
Unit Well No. 1 to be drilled 1980 feet from the South line and 1684 feet from the West line of
Section 18, Township 18 South, Range 29 East, Eddy County, New Mexico, the S/2 of said Section 18 to
be dedicated to the well.

CASE 5846: (Continued and Readvertised)

Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire South Deep Unit Well No. 13 to be drilled 660 feet from the South line and 1432 feet from the West line of Section 30, Township 17 South, Range 29 East, South Empire Field, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 5846

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, 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 29 East, N.M.P.M.

Section 30: S/2

- 2. Applicant proposes to drill its Empire South
 Deep Unit No. 13 Well at a location 1,432 feet from the West
 line and 660 feet from the South line of said Section 30 and
 to dedicate the S/2 of said Section 30 to the well.
- 3. Applicant seeks an exception to the well location requirement of Rule 104-C of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
- 4. That a standard 320-acre proration unit comprising the S/2 of said Section 30 be dedicated to the Empire South Deep Unit No. 13 Well.
- 5. That the approval of this application will afford the 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 Empire South Deep Unit No. 13 Well at the above mentioned unorthodox location and to dedicate the S/2 of said Section 30 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.

HARVEY E. YATES COMPANY

A. J. Losee

LOSEE & CARSON, P.A.

P. O. Drawer 239

Artesia, New Mexico 88210

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 5846

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, 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 29 East, N.M.P.M.

Section 30: S/2

- 2. Applicant proposes to drill its Empire South
 Deep Unit No. 13 Well at a location 1,432 feet from the West
 line and 660 feet from the South line of said Section 30 and
 to dedicate the S/2 of said Section 30 to the well.
- 3. Applicant seeks an exception to the well location requirement of Rule 104-C of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
- 4. That a standard 320-acre proration unit comprising the S/2 of said Section 30 be dedicated to the Empire South Deep Unit No. 13 Well.
- 5. That the approval of this application will afford the 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 Empire South Deep Unit No. 13 Well at the above mentioned unorthodox location and to dedicate the 8/2 of said Section 30 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.

HARVEY E. YATES COMPANY

A. J. Losee

LOSEE & CARSON, P.A.

P. O. Drawer 239

Artesia, New Mexico 88210

- Application of Texaco Inc. for an unorthodox location, San Juan County, New Mexico. Applicant, the above-styled cause, seeks approval for the unorthodox location of its Navajo Tribe "BS" Well Applicant, in CASE 5845: No. 5 to be drilled 1340 feet from the South line and 1300 feet from the West line of Section 23, Township 26 North, Range 18 West, Tocito Dome Penn "D" Pool, San Juan County, New Mexico.
- CASE 5846: Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its South Empire Deep Unit Well No. 13 to be drilled 660 feet from the South line and 1597 feet from the West line of Section 30, Township 17 South, Range 29 East, South Empire Field, Eddy County, New Maxico, the S/2 of said Section 30 to be dedicated to the well.
- CASE 5810: (Continued from the January 19, 1977, Examiner Hearing)

Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Stonewall "EP" Com Well No. 1, located in Unit F of Section 30, Township 20 South, Range 28 East, Eddy County, New Mexico, to produce gas from the North Burton Flat-Wolfcamp Gas Pool and an undesignated Morrow gas pool.

- Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Gossett "EU" Well No. 1, located in Unit K of Section 26, Township 17 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from the Lower Wolfcamp or Upper Pennsylvanian and the Lower Pennsylvanian formations through the casing-tubing annulus and tubing, respectively.
- Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. CASE 5848: Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Pipkin HE Well No. 1 to be drilled 660 feet from the South and West lines of Section 4, Township 18 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Section 4 to be dedicated to the well.
- Application of King Resources Company for a unit agreement, Chaves County, New Mexico. Applicant, in CASE 5849: the above-styled cause, seeks approval of the Long Canyon Unit Area comprising 18,880 acres, more or less, of State and Federal lands in Townships 19 and 20 South, Ranges 19 and 20 East, Chaves County, New Mexico.
- Application of Pennzoil Company for adoption of pool rules, Lea County, New Mexico. Applicant, in the CASE 5850: above-styled cause, seeks approval for the adoption of pool rules for the North Mescalero-Cisco Pool, Lea County, New Mexico, including provision for a special gas-oil ratio limit of 4,500 to one.
- CASE 5117: (Reopened)

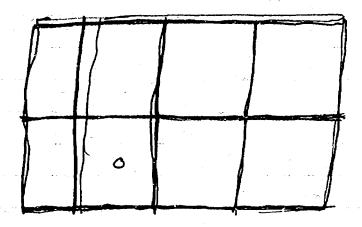
In the matter of Case 5117 being reopened pursuant to the provisions of Order No. R-4691-A, which order extended the temporary special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said North Dagger Draw-Upper Pennsylvanian Pool should not be developed on less than 160-acre proration units and why the special depth bracket allowable should be retained.

- Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Tapacito-Pictured Cliffs, Blanco Mesaverde, CASE 5851: and Basin-Dakota production in the wellbore of his Tribal Wells Nos. 1 and 2 located in Unit D of Section 16 and Unit L of Section 9, respectively, Township 26 North, Range 3 West, Rio Arriba County,
- CASE 5852: Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Wildhorse-Gallup and Basin-Dakota production in the wellbore of his Apache Wells Nos. 3 and 4, located in Units D and L, respectively, of Section 19, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 5853: Application of Carl Engwall for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection casing string in a well he proposes to drill in Unit L of Section 27, Township 20 South, Range 34 East, Lynch-Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 5854: Application of Palmer Oil and Gas Company for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Stevenson Well No. 2 to be drilled 1850 feet from the North line and 1150 feet from the West line of Section 8. Township 26 North, Range 2 West, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico, the N/2 of said Section 8 to be dedicated to the well.

Beo. Nates

Feb 16th

SE 5W 30-17-29



1432FW 660 FSL
165 further west

For F. 6 2, 1977

Case 5846

Phone in by Jerry Losee 1-10-77

Repplication of Harvey E. Vater Company
for an un or the dex gas well location.

South Empire Deep 2/4; f Well No 13

to be drilled 1597 FWL

660 F S L Sec 30-175-296

S. Empire Field Eddy County, Ny,

5/2 Sec 30 to be dedicated.

RL5

Sign College

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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

dr/)

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

A.

CASE NO 5846

Order No. R- 5375

APPLICATION OF HARVEY E. YATES COMPANY FOR AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

16.63

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BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 1977 at Santa Fe, New Mexico, before Examiner Daniel S. Nuffer RA.S.

NOW, on this day of <u>February</u>, 1977, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harvey E. Yates Company , seeks for its South Empire Deep Unit Well No. 13 to be drilled approval of an unorthodox gas well location / 660 feet from the South 1432.

 line and 1597 feet from the West line of Section 30 , Township

17 South , Range 29 East , NMPM, to test the Wolferm Policy Pennsylvanian formations, South Empire Field, Policy Eddy County, New Mexico.

- (3) That the $\frac{S/2}{}$ of said Section $\frac{30}{}$ is to be dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.

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

the Harvey E Yates Pennsylvanian

(1) That an unorthodox gas well location for the Wolfcund and applicant's South Empire Deép Unit Well No. 13
applicant's South Empire Deép Unit Well No. 13
formations is hereby approved for Axmen to be located at a point 660
1432
feet from the South line and 1597 feet from the West
line of Section 30 , Township 17 South , Range 29 East
NMPM, South Empire Field, xxxxxx Eddy County,
New Mexico.

- (2) That the $\frac{S/2}{}$ of said Section $\frac{30}{}$ shall be dedicated to the above-described well.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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