

Ha CASE 6173: HARVEY E. YATES CO. c.  
FOR AN UNORTHODOX GAS WELL LOCA-  
TION, CHAVES COUNTY, NEW MEXICO

Case NO.

6173

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 8, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company ) CASE  
for an unorthodox gas well location, ) 6173  
Chaves County, New Mexico. )

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

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

For the Applicant: Joel M. Carson, Esq.  
LOSEE & CARSON  
Attorneys at Law  
300 American Home Building  
Artesia, New Mexico

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

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1 MR. NUTTER: We will call the next case, Case 6172.

2 MS. TESCHENDORF: Case 6173, application of Harvey  
3 E. Yates Company for an unorthodox gas well location, Chaves  
4 County, New Mexico.

5 MR. NUTTER: Call for appearances in this case?

6 MR. CARSON: Mr. Examiner, I am Joel Carson, Losee  
7 and Carson, F. A., Artesia, New Mexico, and am appearing on  
8 behalf of the applicant and I have one witness and an amended  
9 application.

10 The purpose of the amended application in this case  
11 is simply to -- this was originally filed with a request for  
12 administrative approval and if the Commission felt it should  
13 be published and it was and the amended application, you  
14 know, is a formal request for a hearing.

15 MR. NUTTER: There are no substantative changes in  
16 the description of the well or the location?

17 MR. CARSON: No, that's correct.

18 MR. NUTTER: Okay, please proceed.

19

20 ANDREW LATTU

21 was called as a witness by the applicant, and having been  
22 first duly sworn, testified upon his oath as follows, to-wit:

23

24 DIRECT EXAMINATION

25 BY MR. CARSON:

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1 Q State your name, please?

2 A Andrew Lattu, and I am a geologist with the Harvey  
3 E. Yates Company in Roswell.

4 Q Mr. Lattu, you have previously testified before  
5 this Commission have you not?

6 A Yes, I have.

7 Q And your qualifications have been accepted, is that  
8 correct?

9 A Yes, they have.

10 Q Mr. Lattu, would you tell the Commission what the  
11 purpose of this application is?

12 A The purpose of this application is to re-enter the  
13 Pan American, U.S. Smelting Well in Section 34, Township 7  
14 South, 30 East and to deepen it to the Mississippian. The  
15 location of this well would make this an unorthodox location  
16 for a Mississippian test.

17 Q What is that location?

18 A Nine ninety from the north and six sixty from the  
19 west in Section 34, Township 7 South, Range 30 East.

20 Q I hand you what has been marked as the Applicant's  
21 Exhibit Number One, and ask if that was prepared by you or  
22 under your supervision?

23 A Yes, it was.

24 Q And what does that exhibit purport to show?

25 A Exhibit Number One is a land plat of the area showing

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1 the proposed location of the re-entry and deepening of the  
2 well and the relation of this location to the surrounding  
3 acreage.

4 Q I refer you to Applicant's Exhibit Number Two and  
5 ask if that exhibit was prepared by you or under your  
6 supervision?

7 A Yes, it was. Exhibit Number Two is a structural  
8 geologic map contoured on the top of the Devonian showing  
9 the relationship of the proposed location in the Lightcap  
10 Field and also to the well down in Section 27, Township 8  
11 South, Range 30 East, which is the Coquina Shell Federal  
12 No. 1, which is a dry hole. Three DST's were conducted in  
13 the Atoka sand. Two of the DST's recovered large amounts  
14 of salt water and formation water and good pressure which  
15 indicates the Atoka sand could be a productive reservoir  
16 in this area.

17 The relationship of the proposed re-entry is  
18 approximately a thousand feet high to this well and we anticipate  
19 being above the potential water level in this sand zone.

20 It also shows the outline of Exhibit Three which  
21 is a cross section AA Prime.

22 Q Referring you to Applicant's Exhibit Number Three  
23 and ask if that was prepared by you or under your supervision?

24 A Yes, it was.

25 Q Would you explain to the Examiner what that exhibit

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1 purports to show?

2 A Exhibit Three is a cross section, east-west, and  
3 it shows the Lightcap Field east to the Yates re-entry  
4 Humble No. 1 Railroad Mountain Unit in Section 8, Township 8  
5 South, 31 East.

6 This cross section shows that we anticipate  
7 approximately three hundred feet of Atoka clastic section  
8 underneath the proposed re-entry and the deepening of the  
9 Crosby well.

10 Q Mr. Lattu, do you believe that the granting of  
11 this application will afford the applicant the opportunity  
12 to produce its just and equitable share of gas and will  
13 prevent economic loss caused by the drilling of unnecessary  
14 wells and avoid the agumentation of risk arising from the  
15 drilling of an excessive number of wells and will otherwise  
16 prevent waste and protect correlative rights?

17 A Yes, I do.

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

20 MR. NUTTER: Applicant's Exhibits One through Three  
21 will be admitted in evidence.

22 MR. CARSON: We have no further questions.

23

24

CROSS EXAMINATION

25 BY MR. NUTTER:

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1 Q Mr. Lattu, the Lightcap Field is producing from  
2 what formation?

3 A From the Devonian.

4 Q And you mentioned that this would be drilled to  
5 the Mississippian and see where the Mississippian is and  
6 if it is not too low you go on into the Devonian, is that it?

7 A No. We don't anticipate going into the Devonian.  
8 The proposed location is low to the Lightcap Field and the  
9 field -- am convinced that the Devonian will be wet there in  
10 the area.

11 Q You won't test the Devonian at all, then?

12 A No, we will not.

13 Q The proposed deepening I see from Exhibit Number  
14 Two, that the current TD on the well is about seventy-eight  
15 hundred, is that correct?

16 A Yes, that's correct.

17 Q And you propose to take it to about eighty-six  
18 hundred, then?

19 A Yes, we do.

20 MR. NUTTER: Any further questions of the witness?  
21 He may be excused. Do you have anything further, Mr.  
22 Carson?

23 MR. CARSON: Nothing.

24 MR. NUTTER: Does anyone have anything they wish  
25 to offer in Case 6173. We will take the case under

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1 advisement.

2 (THEREUPON, the case was concluded.)

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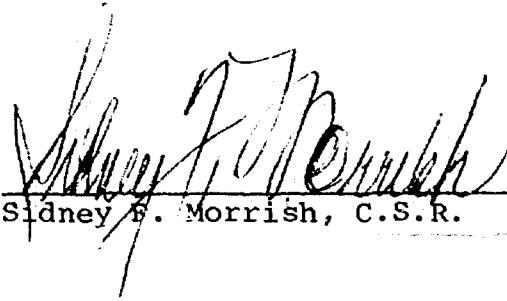
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## REPORTER'S CERTIFICATE

1  
2 I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
3 do hereby certify that the foregoing and attached Transcript  
4 of Hearing before the New Mexico Oil Conservation Commission  
5 was reported by me, and the same is a true and correct record  
6 of the said proceedings to the best of my knowledge, skill and  
7 ability.

8  
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10   
11 Sidney F. Morrish, C.S.R.  
12  
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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 6173  
heard by me on 3/8, 1978.

 Examiner  
New Mexico Oil Conservation Commission

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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:

CASE NO. 6173  
Order No. R-5669

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1978, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 14th day of March, 1978, 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 990 feet from the North line and 660 feet from the West line of Section 34, Township 7 South, Range 30 East, NMPM, to test the Pennsylvanian formation, Cato Field, Chaves County, New Mexico.
- (3) That the W/2 of said Section 34 is to be dedicated to the well.
- (4) That said unorthodox location results from the proposed re-entry and drilling deeper of a previously plugged and abandoned dry hole.
- (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. 6173  
Order No. R-5669

IT IS THEREFORE ORDERED:

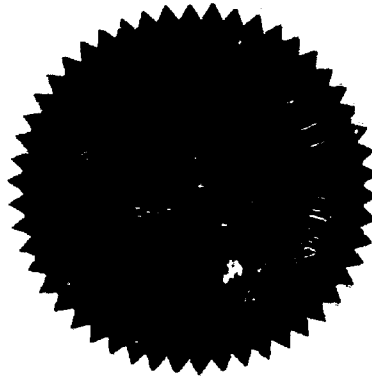
(1) That an unorthodox gas well location for the Pennsylvanian formation is hereby approved for Harvey E. Yates Company for a well to be re-entered and drilled deeper at a point 990 feet from the North line and 660 feet from the West line of Section 34, Township 7 South, Range 30 East, NMPM, Cato Field, Chaves County, New Mexico.

(2) That the W/2 of said Section 34 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.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

*Emery C. Arnold*  
EMERY C. ARNOLD, Member

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

S E A L

jr/

Dockets Nos. 11-78 and 12-78 are tentatively set for hearing on March 22 and April 5, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 8, 1978

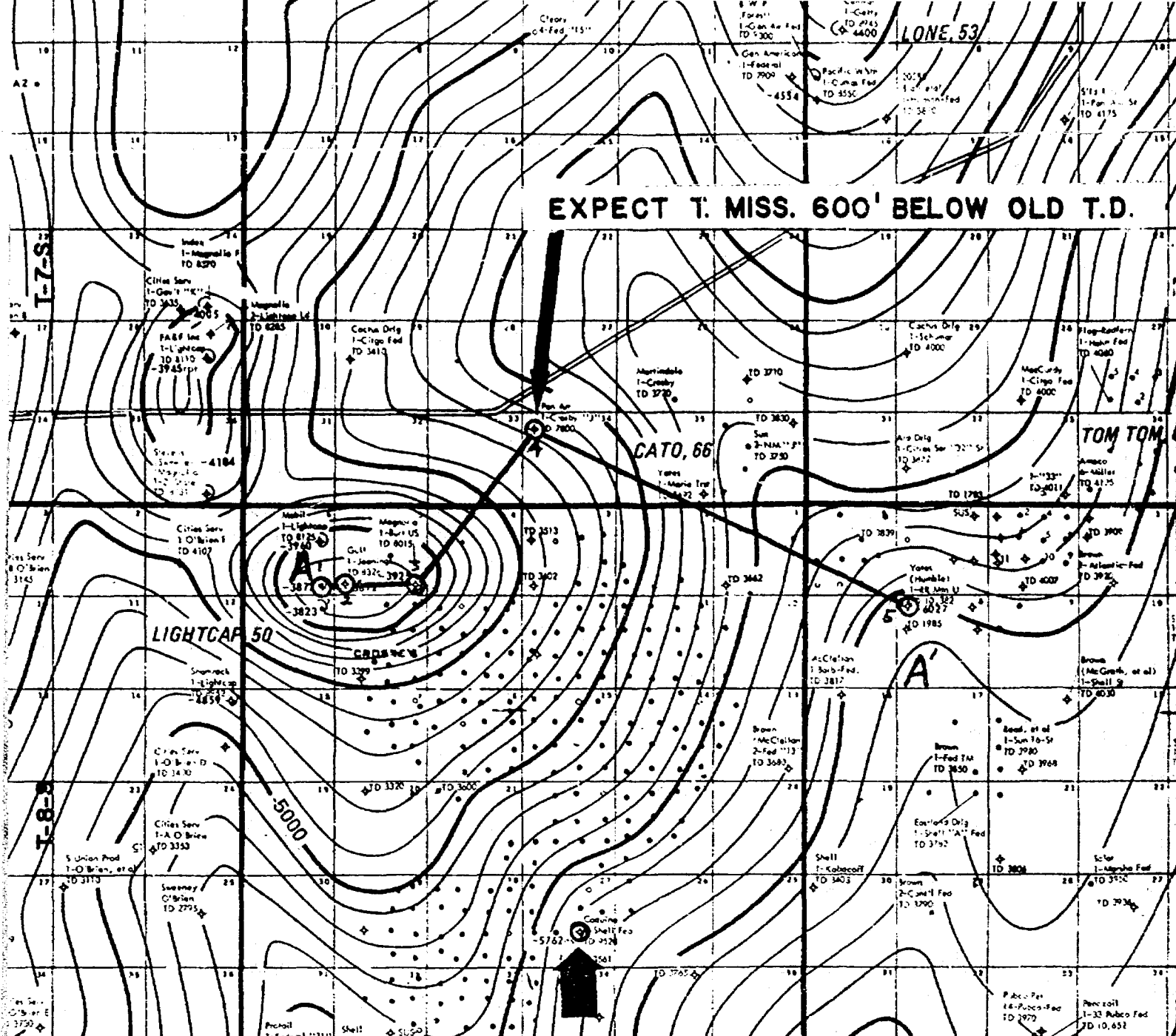
9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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

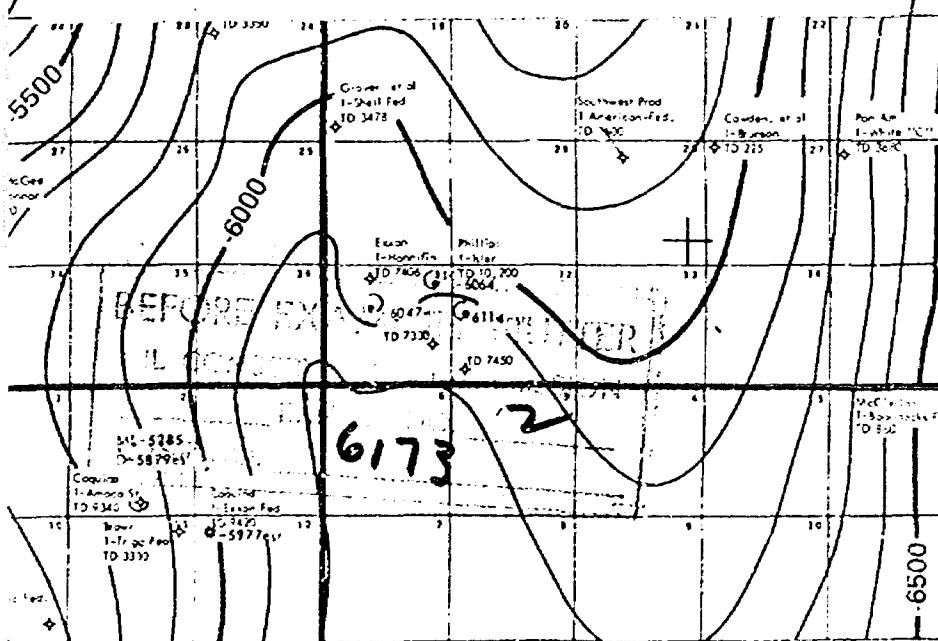
- CASE 6167: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Saguaro Oil Company and all other interested parties to appear and show cause why the Terraco Santa Fe Well No. 1 located in Unit D of Section 31, Township 18 North, Range 8 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6168: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Rutter and Wilbanks Brothers, Maryland Casualty Company, and all other interested parties to appear and show cause why the Magruder State Well No. 1 located in Unit E of Section 36, Township 17 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6169: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Products Refining and Producing Company, and all other interested parties to appear and show cause why the Santa Fe Pacific Wells Nos. 1 and 2 located in Units F and K, respectively, of Section 21, Township 21 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6170: Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 34 East, Lea County, New Mexico.
- CASE 6171: Application of J. M. Huber Corporation for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the SW/4 NE/4, W/2 SE/4 and SE/4 SE/4 of Section 10, Township 23 South, Range 26 East, Yarrow-Delaware Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the East line of said Section 10.
- CASE 6172: Application of Morris R. Antweil 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 E/2 of Section 22, Township 19 South, Range 25 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 6173: Application of Harvey E. Yates Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Crosby Well No. 1 located 990 feet from the North line and 660 feet from the West line of Section 34, Township 7 South, Range 30 East, Cato Field, Chaves County, New Mexico, the W/2 of said Section 34 to be dedicated to the well.
- CASE 6174: Application of Yates Petroleum Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Moore "JD" Well No. 1 to be located 660 feet from the South and East lines of Section 34, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the S/2 of said Section 34 to be dedicated to the well.
- CASE 6096: (Continued from February 8, 1978, Examiner Hearing)
- Application of Texas Oil & Gas Corporation for compulsory pooling, Lea 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 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 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.

U.S. No.	U.S. Name	U.S. Address	U.S. City	U.S. State	U.S. Zip	U.S. Phone	U.S. Fax	U.S. E-mail	U.S. Web	U.S. Other
1	U.S. No. 1	U.S. Name 1	U.S. Address 1	U.S. City 1	U.S. State 1	U.S. Zip 1	U.S. Phone 1	U.S. Fax 1	U.S. E-mail 1	U.S. Web 1
2	U.S. No. 2	U.S. Name 2	U.S. Address 2	U.S. City 2	U.S. State 2	U.S. Zip 2	U.S. Phone 2	U.S. Fax 2	U.S. E-mail 2	U.S. Web 2
3	U.S. No. 3	U.S. Name 3	U.S. Address 3	U.S. City 3	U.S. State 3	U.S. Zip 3	U.S. Phone 3	U.S. Fax 3	U.S. E-mail 3	U.S. Web 3
4	U.S. No. 4	U.S. Name 4	U.S. Address 4	U.S. City 4	U.S. State 4	U.S. Zip 4	U.S. Phone 4	U.S. Fax 4	U.S. E-mail 4	U.S. Web 4
5	U.S. No. 5	U.S. Name 5	U.S. Address 5	U.S. City 5	U.S. State 5	U.S. Zip 5	U.S. Phone 5	U.S. Fax 5	U.S. E-mail 5	U.S. Web 5
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20	U.S. No. 20	U.S. Name 20	U.S. Address 20	U.S. City 20	U.S. State 20	U.S. Zip 20	U.S. Phone 20	U.S. Fax 20	U.S. E-mail 20	U.S. Web 20
21	U.S. No. 21	U.S. Name 21	U.S. Address 21	U.S. City 21	U.S. State 21	U.S. Zip 21	U.S. Phone 21	U.S. Fax 21	U.S. E-mail 21	U.S. Web 21
22	U.S. No. 22	U.S. Name 22	U.S. Address 22	U.S. City 22	U.S. State 22	U.S. Zip 22	U.S. Phone 22	U.S. Fax 22	U.S. E-mail 22	U.S. Web 22
23	U.S. No. 23	U.S. Name 23	U.S. Address 23	U.S. City 23	U.S. State 23	U.S. Zip 23	U.S. Phone 23	U.S. Fax 23	U.S. E-mail 23	U.S. Web 23
24	U.S. No. 24	U.S. Name 24	U.S. Address 24	U.S. City 24	U.S. State 24	U.S. Zip 24	U.S. Phone 24	U.S. Fax 24	U.S. E-mail 24	U.S. Web 24
25	U.S. No. 25	U.S. Name 25	U.S. Address 25	U.S. City 25	U.S. State 25	U.S. Zip 25	U.S. Phone 25	U.S. Fax 25	U.S. E-mail 25	U.S. Web 25
26	U.S. No. 26	U.S. Name 26	U.S. Address 26	U.S. City 26	U.S. State 26	U.S. Zip 26	U.S. Phone 26	U.S. Fax 26	U.S. E-mail 26	U.S. Web 26
27	U.S. No. 27	U.S. Name 27	U.S. Address 27	U.S. City 27	U.S. State 27	U.S. Zip 27	U.S. Phone 27	U.S. Fax 27	U.S. E-mail 27	U.S. Web 27
28	U.S. No. 28	U.S. Name 28	U.S. Address 28	U.S. City 28	U.S. State 28	U.S. Zip 28	U.S. Phone 28	U.S. Fax 28	U.S. E-mail 28	U.S. Web 28





- ATOKA Sds. TESTED TOGETHER IN 3 DST's  
 DST#1 9072-9178', GTS in 7" 145 MCF, rec.  
 4600' SW 1hr. ISIP 3219 2 hr. FSIP 3189\*  
 DST#2 9258-9337', GTS in 10 min. 36 MCF,  
 rec. 120' GCM 1hr. ISIP 1634\* 2 hr. FSIP 2006\*  
 DST#3 9060-9100', test (SP) uppermost sd.  
 rec. 4100' SW, 1hr. ISIP 3248\* 2 hr. FSIP 3234\*



HARVEY E. YATES CO., INC

Roswell, New Mexico

HEYCO 1-Crosby J

OWDD

Chaves Co. New Mexico

Contoured on: Devonian

Contour Interval: 100'

Map Scale: 1" = 8000'

Map by Geomorph Dec. 1977

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
HARVEY E. YATES COMPANY : CASE NO. 6173  
FOR AN UNORTHODOX GAS WELL LOCATION, :  
CHAVES COUNTY, NEW MEXICO :  
:

AMENDED APPLICATION

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

1. Applicant is the operator of the Wolfcamp,  
Pennsylvanian and Mississippian formations underlying:

Township 7 South, Range 30 East, N.M.P.M.

Section 34: W/2

and proposes to drill its Pan Am Crosby No. 1-J Well at a point  
located 990 feet from the North line and 660 feet from the  
West line of said Section 34.

2. The applicant seeks an exception to the well loca-  
tion requirements of Rule 104-C.2(a) of the Oil Conservation  
Commission to permit the drilling of the well at the above men-  
tioned unorthodox location to a depth sufficient to adequately  
test the Wolfcamp, Pennsylvanian and Mississippian formations.

3. A standard 320-acre gas proration unit comprising  
the W/2 of said Section 34 should be dedicated to such well or  
to such lesser portion thereof as is reasonably shown to be  
reasonably productive of gas.

4. 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 a well 990 feet from the North line and 660 feet from the West line of said Section 34 and to dedicate the W/2 of Section 34, which is reasonably presumed to be productive of gas from the Wolfcamp, Pennsylvanian and Mississippian formations.

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

HARVEY E. YATES COMPANY

By: 

Joel M. Carson

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

Attorneys for Applicant

**HEYCO**

PETROLEUM PRODUCERS

**HARVEY E. YATES COMPANY, INC.**
 300  
 SUITE 300 SECURITY NATIONAL BANK BUILDING  
 Mailing Address: P. O. Box 1933

ROSWELL, NEW MEXICO 88201

February 15, 1978

*Set for Hearing 2-16-78  
 RLB Case 6173*

Mr. Joe D. Ramey  
 Director  
 New Mexico Oil Conservation Commission  
 P. O. Box 2088  
 Santa Fe, New Mexico 87501

Re: Pan American Crosby #1-J  
 Sec. 34, T-7S, R-30E  
 Chaves County, New Mexico

Dear Mr. Ramey:

Please be advised that Harvey E. Yates Company hereby makes application for Administrative approval of an unorthodox location, pursuant to Rule 104-F, to permit re-entry and attempted recompletion of the Pan American, Crosby #1-J Well located 990 feet from the North line and 660 feet from the West line of Section 34, T-7S, R-30E, N.M.P.M., Chaves County, New Mexico. The Pan American Crosby #1-j Well was drilled as a gas well to the Wolfcamp formation at a total depth of 7800 feet on 7/23/69. The well has not been plugged and abandoned to date. Harvey E. Yates Company proposes to re-enter the well, deepen the same to the Mississippian Lime, and dedicate the W/2 of Section 34 to the well.

Attached hereto is a plat showing ownership of all leases offsetting the W/2 of Section 34. The names of the operators holding leases offsetting the proposed well are as follows:

T-7S, R-30E, N.M.P.M.

Section 34:	W/2 NE/4	Glenn Petroleum
	E/2 NE/4 )	
	SE/4 )	Harvey E. Yates Company
Section 27:	W/2 )	
	NE/4 )	
	W/2 SE/4 )	Cleary Petroleum
	NE/4 SE/4 )	
	SE/4 SE/4	Harvey E. Yates Company
Section 28:	NE/4 )	
	NE/4 SE/4 )	Cleary Petroleum
	W/2 SE/4 )	
	SE/4 SE/4 )	Harvey E. Yates Company
Section 33:	All	Harvey E. Yates Company

Mr. Joe D. Ramey  
February 15, 1978  
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T-8S, R-30E, N.M.P.M.

Section 4: E/2

Harvey E. Yates

Section 3: E/2 NE/4

Union Texas Petroleum

W/2 NE/4

Allied Chemical and Thelma Crosby

E/2 NW/4

Allied Chemical

W/2 NW/4

Allied Chemical and Thelma Crosby

SW/4

Harvey E. Yates Company

W/2 SE/4

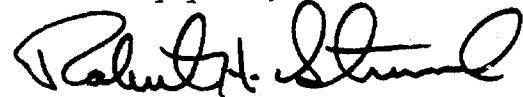
Union Texas Petroleum

E/2 SE/4

Amoco

We are sending all of the offset lease owners copies of this letter by certified mail and request that if they have no objection, they advise you directly and forward a copy of such letter to this office.

Sincerely yours,



Robert H. Strand

RHS/jr  
Attachment

cc: (Certified Mail)

Glenn Petroleum Corporation ✓

Cleary Petroleum Corporation ✓

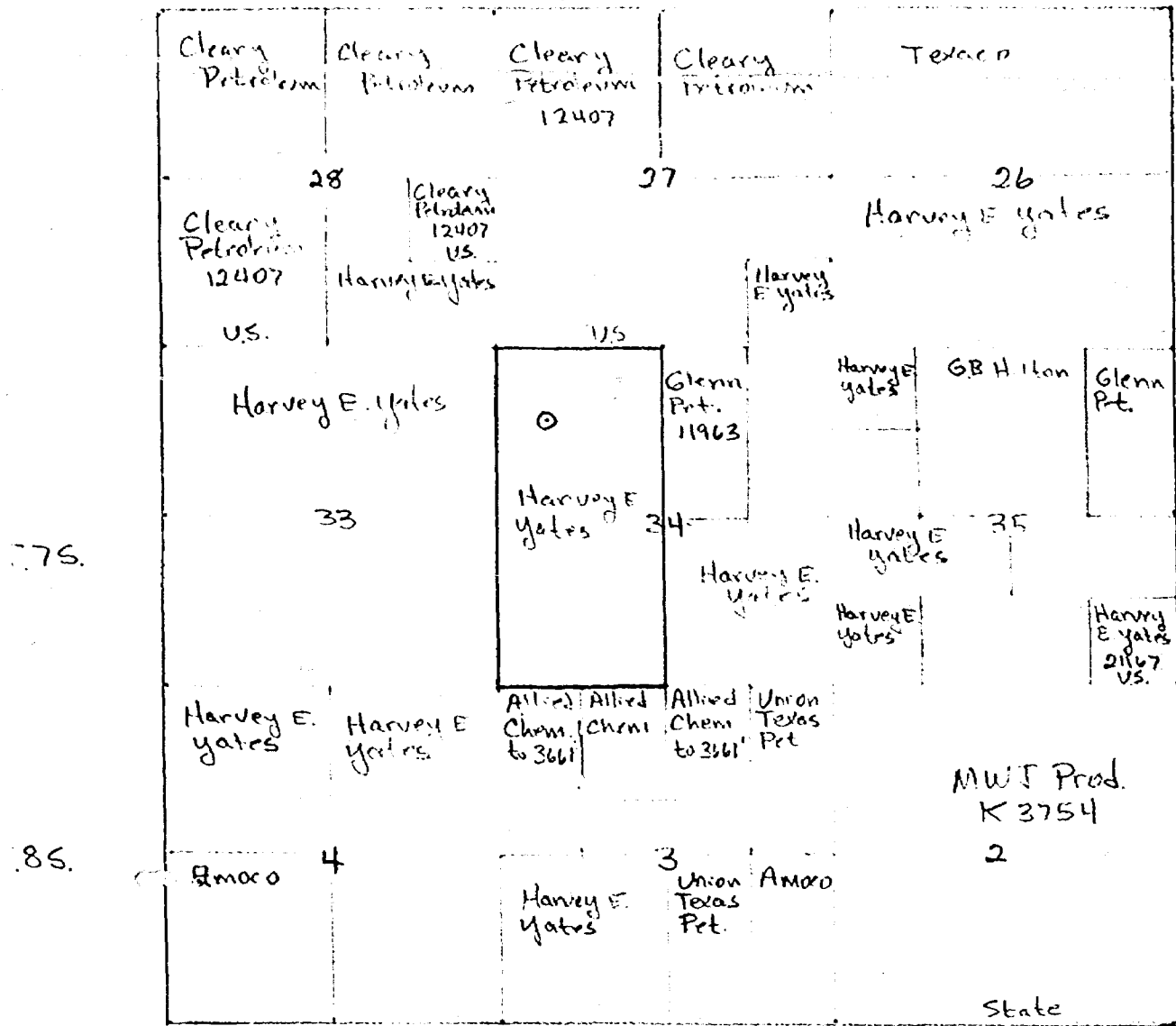
Union Texas Petroleum

Allied Chemical Corporation ✓

Thelma Crosby

Amoco Production Company

R. 30 E



Pan American Crosby #1-J (Re-entry)

○ Unorthodox Location 990' From North Line  
660' From West Line

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. 6173

Order No. R- 5669

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 19 78,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of March, 19 78, 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 990 feet from the North  
line and 660 feet from the West line of Section 34, Township  
7 South, Range 30 East, NMPM, to test the  
       formation, Cato Field X2000  
Chaves County, New Mexico.

(3) That the w/2 of said Section 34 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 production unit.~~  
*and drilling deeper of a previously plugged and abandoned*  
*dry hole.*

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

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Case No. \_\_\_\_\_  
Order No. R- \_\_\_\_\_

(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:

(1) That an unorthodox gas well location for the Pennsylvanian  
for Henry E. Yates Company re-entered and drilled deeper  
formation is hereby approved for a well to be located at a point 990  
feet from the North line and 660 feet from the West  
line of Section 34, Township 7 South, Range 30 East  
NMPM, Cato Field Park, Chaves County,  
New Mexico.

(2) That the W/2 of said Section 34 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.