

CASE NO.

6508

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company) CASE
for an unorthodox well location and a) 6508
non-standard proration unit, Eddy County,)
New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

MR. STAMETS: Call Case 6508.

MS. TESCHENDORF: Case 6508. The application of Harvey E. Yates Company for an unorthodox well location, and a nonstandard proration unit, Eddy County, New Mexico.

The applicant has requested that the case be dismissed.

MR. STAMETS: I believe the case is dismissed because they failed to file an application.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (605) 471-2462
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
CERTIFY that the foregoing and attached Transcript of
Hearing before the Oil Conservation Division was reported
by me; that said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability, knowledge, and skill, from my notes taken at the
time of the hearing.

Sally W. Boyd
Sally W. Boyd, C.S.R.

BEFORE EXAMINER STAMETS OIL CONSERVATION DIVISION EXHIBIT NO. _____ CASE NO. _____ Submitted by _____ Hearing Date _____

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6508,
heard by me on 3-28 1977.
Richard H. Stamets, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

EXAMINER HEARING

IN THE MATTER OF:

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BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

1 MR. STAMETS: Call Case 6508.

2 MS. TESCHENDORF: Case 6508. The application
3 of Harvey E. Yates Company for an unorthodox well location,
4 and a nonstandard proration unit, Eddy County, New Mexico.

5 The applicant has requested that the case
6 be dismissed.

7 MR. STAMETS: I believe the case is dis-
8 missed because they failed to file an application.

9 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
8020 Plaza Blanca (505) 471-2452
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. _____

CASE NO. _____

Submitted by _____

Hearing Date _____

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87101

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6508
Order No. R-5980

APPLICATION OF HARVEY E. YATES COMPANY
FOR AN UNORTHODOX WELL LOCATION AND A
NON-STANDARD PRORATION UNIT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 28, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of April, 1979, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That a timely written application was not received and
Case No. 6508 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 6508 is hereby dismissed without prejudice.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

fd/

Dockets Nos. 14-79 and 15-79 are tentatively set for hearing on April 11 and 18, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 28, 1979

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

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

- CASE 6500: Application of Gulf Oil Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Division waived existing well-spacing requirements and found that the drilling of additional wells was necessary to effectively and efficiently drain those portions of the proration units in the Central Drinkard Unit located in Sections 28, 29, 32 and 33, Township 21 South, Range 37 East, Lea County, New Mexico, which could not be so drained by the existing wells.
- CASE 6501: Application of Delta Drilling Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the Williamson State Unit Well No. 1, the surface location of which is 660 feet from the North and West lines of Section 30, Township 16 South, Range 33 East, Lea County, New Mexico, and directionally drill said well in such a manner as to bottom it in the Morrow formation within 100 feet of a point 1980 feet from the North and West lines of said Section 30, the N/2 of the section to be dedicated to the well.
- CASE 6502: Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves 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 6503: Application of Sundance Oil Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4207 feet to 4228 feet in its Cone Federal Well No. 8 located in Unit P of Section 31, Township 7 South, Range 32 East, Tomahawk-San Andres Pool, Roosevelt County, New Mexico.
- CASE 6504: Application of Phoenix Resources Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Buckhorn Canyon Unit Area No. 2, comprising 23,009 acres, more or less, of Federal and State lands in Township 19 South, Ranges 19 and 20 East, Chaves County, New Mexico.
- CASE 6505: Application of Doyle Hartman for vertical pool limit redefinition, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order extending the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, to include the lowermost 200 feet of the Seven Rivers formation and the concomitant contraction of the vertical limits of the Jalmat Gas Pool underlying the following described lands in Township 23 South, Range 36 East: Section 35: SW/4, S/2 SE/4, and NW/4 SE/4; Section 36: W/2 SW/4; and in Township 24 South, Range 36 East: Section 1: NW/4, S/2 NE/4, and NW/4 NE/4; Section 2: W/2.
- CASE 6506: Application of Bedford, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Ram Well No. 1-A located in Unit C of Section 8, Township 26 North, Range 12 West, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6507: Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Hanlad State Well No. 1 located in Unit K of Section 2, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.
- CASE 6508: Application of Harvey E. Yates Company for an unorthodox well location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 62.75-acre non-standard gas proration unit comprising Lots 1 and 2 of Section 19, Township 18 South, Range 29 East, Eddy County, New Mexico, to be dedicated to its Depco Federal Well No. 1 to be located 330 feet from the North line and 660 feet from the West line of said Section 19.

CASE 6509: Application of Harvey E. Yates Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new gas pool in the Yates formation for its Depeco Federal Well No. 1 located in Unit D of Section 19, Township 18 South, Range 29 East, Eddy County, New Mexico, and for promulgation of special pool rules, including provision for 80-acre gas well spacing.

CASE 6480: (Continued from February 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its State 22 Well No. 1 located in Unit P of Section 22, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.

CASE 6482: (Continued from February 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Mobil 27 State Well No. 1 located in Unit A of Section 27, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.

CASE 6072: (Continued from March 14, 1979, Examiner Hearing)

In the matter of Case 6072 being reopened pursuant to the provisions of Order No. R-5643 which order created the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, with provisions for 80-acre spacing. All interested parties may appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

CASE 6492: (Continued from March 14, 1979, Examiner Hearing)

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 San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 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 6510: 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 for the Wolfcamp through Mississippian formations of its Rio Pecos Federal "KO" Well No. 1, to be located 660 feet from the North line and 1300 feet from the East line of Section 28, Township 18 South, Range 27 East, Eddy County, New Mexico, the E/2 of said Section 28 to be dedicated to the well.

CASE 6511: Application of Yates Petroleum Corporation for a dual completion and downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Tom Brown "GO" Com. Well No. 1 located in Unit C of Section 22, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, to produce gas from the Lower Morrow formation through tubing and to commingle and produce the Strawn and Upper Morrow zones in the annulus of said well.

CASE 6512: 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 its Hilliard "EF" Federal Well No. 2, to be located 330 feet from the North line and 2310 feet from the West line of Section 14, Township 21 South, Range 22 East, to test the Wolfcamp through Mississippian formations, Eddy County, New Mexico, the W/2 of said Section 14 to be dedicated to the well.

CASE 6513: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Stebbins CQ Fed. Well No. 1 located in Unit B of Section 20, Township 20 South, Range 29 East, East Burton Flats Field, Eddy County, New Mexico.

CASE 6514: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of North Burton Flats-Atoka and East Burton Flats-Morrow production in the wellbore of its Williamson BC Fed. Well No. 4 located in Unit K of Section 7, Township 20 South, Range 29 East, Eddy County, New Mexico.

CASE 6515: Application of Southland Royalty Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 31, Township 31 North, Range 11 West, San Juan County, New Mexico, to be dedicated to its Grenier Well No. 23 drilled at a location 1190 feet from the South and West lines of said Section 31. 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 6516: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Maduro Unit Area, comprising 2,560 acres, more or less, of Federal and State lands in Township 19 South, Range 33 East, Lea County, New Mexico.

CASE 6452: (Continued and Readvertised)

Application of Burleson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SW/4 of Section 25, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico. Applicant further seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N or in the alternative, the drilling of its Harrison Well No. 4 in Unit L, of Section 25 is necessary to effectively and efficiently drain that portion of the previously approved 160-acre proration unit which cannot be drained by the old unit well.

Called Bob Strand

3/16/79

Requested Cases 6508
and 6509 be continued
to April 11th.

Address

Warrant No. _____

or	DESCRIPTION	AMOUNT		ENCUMBRANCE REVERSAL SECTION:
		Dollars	Cents	
				A. <input type="checkbox"/> Reverse total previous encumbrance of total balance remaining after previous partial encumbrance reversal(s)
				B. <input type="checkbox"/> Reverse amount of this voucher only (Explain in space below) _____ _____ _____ _____ _____ _____ _____

Payee Sign Here	I certify that the above bill is correct and just and that payment therefor has not been received.	Signature of Payee must be in ink or indelible pencil
	Payee _____	Per _____ Title _____

I, or We, certify that the above articles were received in good condition after due inspection thereof, or the services rendered as stated; that they were necessary and proper and that the amounts claimed are just and reasonable and that no part thereof has been paid.

APPROVED: _____	Agency _____
Title _____	Title _____

Called in by Robert Strand
3/6/59

Harvey E. Yates Co.
Creation of new gas pool
Yates production

Travis-Yates Gas Pool
Lots 1 and 2 of Section 19
T18S-R29E

Discovery Well - Harvey E. Yates Co.
Depco Fed. #1-D
19-T18S-R29E

Special Pool Rules
80-acre spacing

Non-Standard Proration Unit
Lots 1 and 2 62.75 acres
19-18S-29E
Unorthodox Location
330/N + 660/W
19-18S-29E

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6508

Order No. R-5980

APPLICATION OF HARVEY E. YATES COMPANY
FOR AN UNORTHODOX WELL LOCATION AND A
NON-STANDARD PRORATION UNIT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 28, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of _____, 1979, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That a timely written application was not received and
Case No. 6508 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 6508 is hereby dismissed without prejudice.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION