CASE 7100: HARVEY E, YATES COMPANY FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO

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Case NO.

7100

Application

Transcripts

Small Exhibits



1 Page STATE OF NEW MEXICO 1 ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION 2 STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 28 January 1981 3 4 EXAMINER HEARING 5 6 IN THE MATTER OF: 7 Application of Harvey E. Yates Com-) pany for downhole commingling, Eddy) CASE 7100 8 County, New Mexico. `) 9 10 BEFORE: Daniel S. Nutter 11 12 TRANSCRIPT OF HEARING 13 14 APPEARANCES 15 16 Ernest L. Padilla, Esq. For the Oil Conservation 17 Legal Counsel to the Division Division: State Land Office Bldg. 18 Santa Fe, New Mexico 87501 19 20 For the Applicant: 21 22 23 $\gamma_{i} = 2f$

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MR. NUTTER: We'll call next Case Number 7100. MR. PADILLA: Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico. MR. NUTTER: Applicant in this case has requested dismissal. Case Number 7100 will be dismissed. (Hearing concluded.)

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CERTIFICATE

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SALLY W. BOYD, C.S.R. ku. 1 Box 193-B Santa Fe, New Mexico 87501 Phooe (503) 455-7409 I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sovery W. Boyd COR.

1 do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. $\frac{7109}{1981}$.

Examiner Of Conservation Division

1 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 2 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. 3 SANTA FE, NEW MEXICO 28 January 1931 4 EXAMINER HEARING 5 6 IN THE MATTER OF: 7 Application of Harvey E. Yates Com-) pany for downhole commingling, Eddy ું) CASE 8 7100 County, New Mexico. .8 10 BEFORE: Daniel S. Nutter 11 12 TRANSCRIPT OF HEARING 13 14 APPEARANCES · sc. 15 16 For the Oil Conservation Ernest L. Padilla, Esq. 17 Division: Legal Counsel to the Pivision State Land Office Bldg. Santa Fe, New Mexico 87501 For the Applicant:

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Page CERTIFICATE I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conserva-tion Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability. SALLY W. BOYD, C.S.R. Ru. L Box 193-B Smite Fc, New Micrico 87501 Phone (503) 455-7409 I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner locaring of Case to. 7/00. heard by me on 1/18 19.81. And, Examiner Oll Conservation Division

STATE IN STATE

William any service



BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

February 13, 1981

POST OFFICE BOX 2068 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 1505) 827-2434

Re: Mr, Robert H. Strand, Attorney Harvey E. Yates Company P. O. Box 1933 Roswell, New Mexico 88201

Harvey E. Yates Company

7100

R-6578

CASE NO.

ORDER NO.

Applicant:

Dear Sir:

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

Pours very truly, JOE D. RAMEY Director

JDR/fd

Copy of order also sent to:

17

Hobbs OCD <u>x</u> Artesia OCD <u>x</u> Aztec OCD

Other

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. 7100 Order No. R-6578

APPLICATION OF HARVEY E. YATES Company for downhole commingling, Eddy county, New Mexico.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 s.m. on January 28, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 10th day of February, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 7100 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

V.CNO 1 JOE D. RANEY' Director

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in the second



Oil Conversation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Dick Stamets

Re: Case 7100 Eddy County, New Mexico

Gentlemen:

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Harvey E. Yates Company requests that Case 7100 (Application for Downhole Commingling, Eddy County, New Mexico) be dismissed.

Sincerely yours,

Robert H. Strand Attorney-at-Law

RS/djp

Page 1 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 2 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. 3 SANTA FE, NEW MEXICO 14 January 1981 4 EXAMINER HEARING 5 6 IN THE MATTER OF: 7 Application of Harvey E. Yates Com-) 8 pany for downhole commingling, Eddy) CASE 7100 County, New Mexico.) 9 10 BEFORE: Richard L. Stamets 11 12 TRANSCRIPT OF HEARING 13 14 APPEARANCES 15 18 For the Oil Conservation Ernest L. Padilla, Esq. 17 Division: Legal Counsel to the Division State Land Office Bldg. 18 Santa Fe, New Mexico 87501 19 20 For the Applicant: رو 21 22 Ż

Call next Case 7100. MR. STAMETS; MR. PADILLA: Application of Havey E. Yates Company for downhole commingling, Eddy County, New Mexico. MR. STAMETS: At the request of the applicant this case will be continued to the January 28th Examiner Hearing. (Hearing concluded.)

I, SALLY W. BOYD, C.S.R., DO HEREEY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

CERTIFICATE

SALLY W. BOYD, C.S.R. Rt.'I Box 1/3-B Santa Re, New Miakos 67501 Phone (305) 415-7409

Solly W. Boyd C.S.R.

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I do here a substitute that the foregoing is a complete ecord of the proceedings in the Examiner hearing of Case No. , heard by me on 19.81.

Examiner

OII Conservation Division

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J,



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SALLY W. BOYD, C.S.R. Rt. 1 Box 193-B Santa Fe, New Merico 87301 Phone (303) 455-7409

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Page

Oil Conservation Division , Examiner

Docket No. 4-81

Dockets Nos. 5-81 and 6-81 are tentatively set for February 11 and 25, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 28, 1981

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

 CASE 7135: Application of Celeste C. Gryenberg for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, acek approval for the Cotonovod Draw Umit Area, comprising 2353 area, more or less, of State lands in Township 16 South, Nange 24 East. CASE 7135: Continued from January 14, 1981, Examiner Mearing) Application of Shull Oll Company for 2 unit agreement, Bernaillio and Sandoval Counties, New Mexico. Application of Henson Oil Corporation for amendment of R-III-A, Eddy County, New Mexico. Application of Henson Oil Corporation for amendment of R-III-A, Eddy County, New Mexico. Application, in the above-styled cause, seeks approval for the West Mess Unit Area, comprising 26,722 scree, more or less, of State, Pederal, and fee lands in Township 10, 11, and 12 North, Rangee 1 and 2 East. CASE 7135: Application of Henson Oil Corporation for amendment of R-III-A, Eddy County, New Mexico. Applicati, in the above-styled cause, seeks the elimination of the N2/A of Section 26, Township 18 be drilled vithin the NE/A of said Section 26. CASE 7137: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicati, in the above-styled cause, seeks aproval for the downhole comming ing of Charca and Blanco Messured production in the wellbore of its wells located in Sections 1 thus 2, and 26 in Town- ming 24 Morth, Amage 7 Wasi, and 26 Cause 3 thru 35 in Township 27 Morth, Range 6 Mest; CASE 7137: Application of Viser 011 Company for a special gan-01 ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a special gan-01 ratio limitation of 6000 to one, retracetive to Nay 1, 1980, for the Mady-Drinkard Pool. CASE 7051: (Continued from December 30, 1980, Examiner Meering) Application of Pater Lewis Corporation for downhole commingling, Lea County, New Mexico. Application of Pater Lewis Corporation for computery Pooling and a nuoved of	المتعاملة المتداد	49 - Andrew Contraction (Charles States) (Charles Contraction (Charles Contraction) (Charles Charles Charles Co Andrew States) (Charles Charles Contraction) (Charles Contraction (Charles Charles Char
 Application of Shell Oil Company for 4 unit agreement, Bernaililo and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Mess Unit Area, comprising 26,722 acres, more or less, of State, Federal, and fee lands in Townships 10, 11, and 12 North, Ranges 1 and 2 East. CASE 7136: Application of Hanson Oil Corporation for amendment of R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the elimination of the NS/A of Scattor 26, Township 18 South, Range 30 East, from the Potash-Oil Area as defined by Order No. R-111-A as amended. In the alternstive, applicant seeks an exception to the casing and cementing rules of R-111-A for its wells to be drilled within the NS/A of said Section 26. CASE 7137: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole county in the NS/A of Scattons 1, Barco Messwerde production in the vellbores of its wells located in: Sections 1 thru 5, and 7, 5, 21, 22, 24, and 25 in Township 26 North, Range 6 West; Sections 13, IA, 23, 24, and 26 in Town- ship 26 North, Mange 7 West; and Socticus 32 thru 35 in Township 27 North, Range 6 West. CASE 7138: Application of Hiser Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-atyled cause, seeks appecial gas-Oil ratio limitation of 6000 to one, retroactive to Msy 1, 1980, for the Hardy-Drinkard Pool. CASE 7139: Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-atyled cause, seeks approval for the downhole' commingling of Blinkery and brinkard production in the wellbore of its t. G. Warlick "B' Well No. 2 located in Unit C of Sec- tion 19, Township 21 Stutt, Range 75 East. CASE 7139: Application of Yates Petroleum Corporation for computation of the two prorition units pooled by said order, replacing McGl	<u>CASE 7135</u> :	Applicant, in the above-styled cause, seeks approval for the Cottonwood Draw Unit Area, comprising
 Applicant, in the above-styled cause, seeks approval for the West Mess Ubit Area, comprising 26,722 series, more or less, of State, Federal, and fee lands in Townships 10, 11, and 12 North, Ranges 1 and 2 East. CASE 7135: Applicant, in the above-styled cause, seeks the elimination of the NE/A of Section 26, Township 18 South, Range 30 East, from the Potash-Oil Area as defined by Order No. R-III-A as amended. In the alternative, applicant seeks an exception to the casing and cementing rules of R-III-A for its wells to be drilled within the NE/A of said Section 26. CASE 7137: Application of Gaukkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Charca and Blanco Mesaverde production in the vellbors of its wells located in: Sections 1 thur 5, and 7, 8, 12, 22, 24, and 25 in Township 26 North, Range 6 West; Sections 12, 14, 23, 24, and 26 in Township 26 North, Range 7 West; and Gactims 29 thru 35 in Township 27 North, Range 6 Mext. CASE 7138: Application of Wiser Oil Company for a special gas-Oil ratio limitation is 60000 to one, retroactive to May 1, 1980, for the Mardy-Drinkard Pool. CASE 7051: (Continued from December 30, 1980, Examiner Mearing) Application of Petro Lawis Corporation for downhole commingling, Les County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry and Drinkard production in the vellbore of its L. C. Warlick' "B' Well No. 2 located in Uhit C of Section 19, Township 21 South, Range 7 Sat. Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks apperavis. Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order	CASE 7119:	(Continued from January 14, 1981, Examiner Hearing)
 Applicant, in the above-styled cause, seeks the elimination of the NFA of Section 26, Township 18 South, Range 30 East, from the Fotash-Oil Area as defined by Order No. R-111-A as amended. In the alternative, applicant seeks an exception to the casing and cementing rules of R-111-A for its wells to be drilled within the NE/A of said Section 26. CASE 7137: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, Naw Mexico. Applicant, in the above-styled cause, meeks approval for the downhole commingling of Chacra and Blanco Mesawerde production in the wellbores of its wells located in: Sections 11 thr 5, and 7, 6, 21, 22, 24, and 25 in Township 27 North, Range 6 West; Sections 13, 14, 23, 24, and 26 in Township 27 North, Range 6 West; Applicant, in the above-styled cause, seeks approval for the downhole county, New Mexico. Applicant, in the above-styled cause, seeks approval for in Township 27 North, Range 6 West. CASE 7138: Application of Wiser Oil Company for a special gas-oil ratio limitation of 6000 to one, retroactive to May 1, 1980, for the Mary-Drinkard Pool. CASE 7051: (Continued from December 30, 1980, Examiner Nearing) Application of Petro Lewis Corporation for downhole commingling, Les County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all weils on 11 G of Section 19, Township 21 South, Range 27 East. CASE 7139: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Ke367 to designate Yates Petroleum Corporation as operator. CASE 7140: Application of Yates Petroleum Corporation as operator. CASE 7140: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Ke367 to designate Yates Petroleum Corporation as operator. CASE 7140: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location for drilineral interests in the Morow fo	n an	Applicant, in the above-styled cause, seeks approval for the West Mesa Unit Area, comprising 26,722 scres, more or less, of State, Federal, and fee lands in Townships 10, 11, and 12 North, Ranges 1
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County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Horrow formation underlying the N/2 of Section 26, Township 21 South, Range 26 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1650 feet from the East line of said Section 26. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling seid well. MASE 7100: (Continued from January 14, 1981, Examiner Hearing) Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, weeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Travis 24 State Com Well No. 1 in Unit K of Section 24, Township 18 South, Range 28 East. ASE 7141: Application of P & 0 Oil Field Service for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, weeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NW/4	<u>ASE 7139</u> :	County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6367 to designate Yates Petroleum Corporation as the operator of the two provation units pooled by said
Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, weeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Travis 24 State Com Well No. 1 in Unit H of Section 24, Township 18 South, Range 28 East. ASE 7141: Application of P & O Oil Field Service for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NW/4	<u>ASE 7140</u> :	County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 21 South, Range 26 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1650 feet from the East line of said Section 26. 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, designation of applicant as operator of the well, and a charge
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		Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NW/4
		이 이 것은 것 같아. 아이는 방법에 집에 있는 것을 가운 생각에서 가장에 가장 가지 않는 것이다.

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1 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 10 December 1980 EXAMINER HEARING IN THE MATTER OF: Application of Harvey E. Yates Company for downhole commingling, Eddy) CASE 7100 County, New Mexico. BEFORE: Richard L. Stamets TRANSCRIPT OF HEARING 14 APPEARANCES For the Oil Conservation Ernest L. Padilla, Esq. Division: Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501 For the Applicant:

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MR. STAMETS: We'll call next Case 7100. MR. PADILLA: Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico.

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MR. STAMETS: At the request of the applicant, this case will be continued until the January 14th, 1981, Examiner Hearing.

(Hearing concluded.)

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conserva-

CERTIFICATE

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SALLY W. BOYD, C.S.R. Rt. 1 Box 193-B Santa Fe, New Medico 87501 Phone (500) 455-7409 tion Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Socry W. Boyd C.S.R.

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I do hereby certing that the foregoing is a complete record of the proceedings in the Examiner hearing of Case vio. 7100, neard by in charge of Case vio. 7100, 19,80. Discharge for the proceedings in the Examiner hearing of Case vio. 7100, 19,80.

Pade 1 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 2 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. 3 SANTA FE, NEW MEXICO 10 December 1980 4 EXAMINER HEARING 5 6 IN THE MATTER OF: 7 Application of Harvey E. Yates Com-8 pany for downhole commingling, Eddy) County, New Mexico. 9 CASE 7100 10 BEFORE: Richard L. Stamets 11 12 13 TRANSCRIPT OF HEARING 14 APPEARANCES 15 18 For the Oil Conservation Division: Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501 For the Applicant:

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MR. STAMETS: We'll call next Case 7100. MR. PADILLA: Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico. MR. STAMETS: At the request of the applicant, this case will be continued until the January 14th, 1981, Examiner Hearing. (Hearing concluded.)

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3 Page CERTIFICATE I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability. Surry W. Boyd C.S.E. 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 _______ _, Examiner Oll Conservation Division

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SALLY W. BOYD, C.S.R. Rt. 1 Box 193-B Santa Fe, New Mecico 87501 Phone (500) 455-7409

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Q.



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PETROLEUM PRODUCERS

HARVEY E. YATES COMPANY OIL January Z. 1981 //// SANTA FE P. O. BOX 1933 SUITE 300, SECURITY NATIONAL BANK BUILDING

505/823-6601

ROSWELL, NEW MEXICO 88201

Oil Conservation Division P. 0. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Dick Stamets

Re: Case 7100 Eddy County, New Mexico

Gentlemen:

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Harvey E. Yates Company requests that Case 7100 (Application for Downhole Commingling, Eddy County, New Mexico) be continued until the

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Sincerely yours,

al エント Robert H. Strand

Attorney

CJ/jm

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Docket No. 1-81

Dockets Nos. 4-81 and 5-81 are tentatively set for January 28 and February 11, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 14, 1981

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

The following cases will be heard before Richard 3. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the aliowable production of gas for February, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for February, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7117: Application of Culf Oil Corporation for a non-standard gas proration unit, unorthodox location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 320-acre non-stendard proration unit comprising the E/2 of Section 25, Township 20 South, Range 36 East, Eumont Gas Pool, to its L. W. White (NCT-A)Wells No. 2 in Unit I and No. 7 at an unorthodox location 990
- CASE 7118: Application of El Paso Exploration Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Tocito and Basin-Dakota production in the wellbore of its Jicarilla 152 W Well No. 3 in Unit D of Section 7, Township 26 North, Kange 5 West.

feet from the North line and 660 feet from the East line of said Section 25.

- CASE 7119: Application of Shell Oil Company for a unit agreement, Bernalillo and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Mesa Unit Area, comprising 26,722 acres, more or less, of State, Federal, and fee lands in Townships 10, 11, and 12 North, Ranges 1 and 2 East.
- Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. CASE 7120: Applicant, in the above-styled cause, seeks approval for the downhole commingling of undesignated Gallup and Basin-Dakota production in the wellbore of its Merry May Well No. 1 in Unit I of Section 24, Township 24 North, Range 10 West.
- CASE 7121: Application of Plag-Redfern Oil Co. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pinon-Fruitland and Fulcher Kutz-Pictured Cliffs production in the wellbores of its Aloha Wells Nos. 1 and 2 located in Units L and D, respectively, of Section 16, Township 28 North, Range 11 West.
- Application of Elk Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation in the interval from 10,445 feet to 10,516 feet in its C. S. State Well No. 2 in Unit CASE 7122: K of Section 26, Township 14 South, Range 34 East, High Plains-Pennsylvanian Pool.
- CASE 7123: Application of Yates Petroleum Corporation for an unorthodox gas well locabion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "AB" Well No. 7, a Morrow test to be drilled 1980 feet from the North line and 660 feet from the West line of Section 9, Township 18 South, Range 25 East, the N/2 of said Section 9 to be dedicated to the well.
- CASE 7124: Application of Caribou Four Corners, Inc. for two non-standard proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard oil proration units in Section 13, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, as follows: a 56.09-acre unit consisting of those fee lands comprising the NE/4 NW/4 and northermost 16.09 acces of the SE/4 NW/4 of said Section 13, and a 66.33-acre unit consisting of those fee lands comprising the NW/4 NM/4 and northermost 23.33 acres of the SW/4 NW/4 of said Section 13. In the alternative applicant seaks an order directing the escrowing of funds attributable to those lands in the E/2 NW/4 and W/2 NW/4, respectively, of said Section 13 which are not included in the above-described non-standard proration units.

Page 2 of 3 Examiner Hearing - Wednesday - January 14, 1981

CASE 7125:

Application of Western Oil Producers Inc. for the amendment of Order No. R-5399, Les County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-5399 to include production from all of the Pennsylvanian formations in its Amoco State Well No. 1 at an unorthodox location in Unit M of Section 28. Township 16 South, Range 33 East.

CASE 7126:

Application of Franks Petroleum, Inc. for an unorthodox gas well location, Les County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox location 1980 feet from the North line and 1315 feet from the West line, Section 3, Township 21 South, Range 32 East, Hat Mesa-Morrow Gas Pool, the N/2 of said Section 3 to be dedicated to the well.

CASE 7127:

Application of Ellwade Corporation for amendment of Order No. R-6399, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6399 which approved a 129.52-acre non-standard gas provation unit comprising the W/2 of Section 33, Township 26 South, Range 30 East, for the Wolfcamp formation in the Ross Draw Area. Applicant seeks to have said order also apply to all formations of Pennsylvanian age.

CASE 6670:

(Reopened and Readvertised)

In the matter of Case 6670 being reopened and pursuant to the provisions of Order No. R-6183 which order promulgated temporary special rules and regulations for the Red Hills-Devonian Gas Pool in Lea County, New Mexico, including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 7128:

Application of HNG Oil Company for pool creation, special pool rules, assignment of a discovery allowable, and dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks creation of a new Wolfcamp oil pool for its San Simon 6 State Comm. Well No. 1 located 1980 feet from the North line and 660 feet from the East line of Section 6, Township 22 South, Range 35 East, with special rules therefor, including provisions for 160-acre spacing. Applicant further seeks a discovery allowable for said well and approval for its dual completion to produce oil from the Wolfcamp and gas from an undesignated Morrow pool thru parallel strings of tubing.

Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakots CASE 7129: formation underlying the N/2 of Section 28, Township 28 North, Range 8 West, 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, designation of applicant as operator of the well,

and a charge for risk involved in drilling said well.

Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard gas CASE 7130: proration units, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard proration units in the Buffalo Valley-Pennsylvanian Gas Pool, the first being the SE/4 of Section 12, Township 15 South, Range 27 East, to be dedicated to its Trobough "A" Stare Com, Well No. 1 in Unit J, and the other being the NE/4 of said Section 12 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the North and East lines of the section.

Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard gas provision units, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard provision units in the Buffalo Valley-Pennsylvanian Gas CASE 7131: Pool, the first being the SE/4 of Section 1, Township 15 South, Range 27 East, to be dedicated to its Trobough Com. Well No. 1 in Unit J, and the other being the NE/4 of said Section 1 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the North and East lines of the section.

> Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard gas provation units, Chaves County, New Mexico. Applicant, in the above-styled cause, socks approval of two 160-acre non-standard procession units in the Buffalo Valley-Pennsylvanian Gas Pool, the first being the SE/4 of Section 13, Township 15 South, Range 27 East, to be dedicated to its Rose Well No. 1 located in Unit J, and the other being the SW/4 of said Section 13 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the South and West lines of the section.

CASE 7132:

Page 3 of 3 Examiner Hearing - Wednesday - January 14, 1981

CASE 7133:

Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard gas proration units, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard proration units in the Buffalo Valley-Pennsylvanian Gas Pool, the first being the NW/4 of Section 12, Township 15 South, Range 27 East, to be dedicated to its Hurd Well No. 1 in Unit C, and the other being the SW/4 of said Section 12 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the South and West lines of the section.

Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard CASE 7134: gas proration units, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard proration units in the Buffalo Valley-Pennsylvanian Gas Pool, the first being the NW/4 of Section 13, Township 15 South, Range 27 East, to be dedicated to its Langley "Com" Well No. 1 in Unit C, and the other being the NE/4 of said Section 12 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the North and East lines of the section.

CASE 7100:

(Continued from the December 10, 1980, Examiner Hearing)

Application of Harvey E. Yates Company 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 Travis 24 State Com Well No. 1 in Unit H of Section 24, Township 18 South, Range 28 East.

CASE 7086:

(Continued from the December 10, 1980, Examiner Hearing)

Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 6940:

Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Township 20 South, Range 38 East, 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7103:

(Continued from the December 30, 1980, Examiner Hearing)

(Continued from the December 30, 1980, Examiner Hearing)

Application of E. L. Latham, Jr. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Pennsylvanian formations underlying the N/2 of Section 7, Township 22 South, Range 26 East, 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7114:

(Continued from the December 30, 1980, Examiner Hearing)

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 Rio Penasco "JX" Well No. 2, a Morrow test to be drilled 660 feet from the South and East lines of Section 35, Township 18 South, Range 25 East, the S/2 of said Section 35 to be dedicated to the well.



HARVEY E. YATES COMPANY

P. O. BOX 1933 SUITE 300, SECURITY NATIONAL BANK BUILDING

ROSWELL, NEW MEXICO 88201

505/623-6601

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November 14, 1980

State of New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Richard Stanlets

 \mathbb{D} ECEI NOV 181980 OIL CONSERVATION DIVISION SANTA FE Case 7100

Re: Application for Downhole Commingling Eddy County, New Mexico

Dear Mr. Stamets:

Enclosed for filing is original and two copies of the above referenced application. This matter has been set for Examiner hearing on the December 10, 1980 Docket. Thank you.

Sincerely,

Robert H. Strand Attorney

RHS:klo Enclosures BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO



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

Case No. _//00_

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its Attorney and respectfully states:

1. Applicant is the Operator of the TRAVIS 24 STATE COM #1 Well situated 1,980 FNL and 660 FEL, Section 24, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and has the contractual right to produce the Atoka and Morrow zones underlying the E/2 of said Section 24.

2. Applicant is of the opinion that it would be uneconomical to produce the gas from either the Atoka or Morrow formations, unless they can be commingled in the wellbore and produced as one commingled stream.

3. Applicant is further of the opinion that such commingling will not have an adverse effect on the productive capability of either formation.

4. The approval of this application will avoid the risk and cost associated with dual completing said well in the Atoka and Morrow formations, and will promote conservation, 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 Division enter its order granting applicant permission to commingle in the wellbore of its Travis 24 State Com #1 Well gas produced from the Morrow and Atoka formations.

C. For such further relief as the Division deems just and proper.

DATED this _____ day of November, 1980.

HARVEY E. YATES COMPANY

By:

Robert H. Strand Attorney for Applicant P. O. Box 1933 Roswell, New Mexico 88201

RHS:klo

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BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

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

Case No. 7100

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its Attorney and respectfully states:

1. Applicant is the Operator of the TRAVIS 24 STATE COM #1 Well situated 1,980 FNL and 660 FEL, Section 24, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and has the contractual right to produce the Atoka and Morrow zones underlying the E/2 of said Section 24.

2. Applicant is of the opinion that it would be uneco-

nomical to produce the gas from either the Atoka or Morrow formations, unless they can be commingled in the wellbore and produced as one commingled stream.

- 3. Applicant is further of the opinion that such commingling will not have an adverse effect on the productive capability of either formation.

4. The approval of this application will avoid the risk and cost associated with dual completing said well in the Atoka and Morrow formations, and will promote conservation, 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 Division enter its order granting applicant permission to commingle in the wellbore of its Travis 24 State Com #1 Well gas produced from the Morrow and Atoka formations.

C. For such further relief as the Division dooms just and proper.

DATED this _____ day of November, 1980.

HARVEY E. YATES COMPANY

By:

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Robert H. Strand Attorney for Applicant P. O. Box 1933 Roswell, New Mexico 88201

RHS:klo

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1618 X 1 BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

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

÷.

Case No. 7100

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its Attorney and respectfully states:

Applicant is the Operator of the TRAVIS 24 STATE COM
 Applicant is the Operator of the TRAVIS 24 STATE COM
 #1 Well situated 1,980 FNL and 660 FEL, Section 24, Township 18
 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and has
 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and has
 the contractual right to produce the Atoka and Morrow zones
 underlying the E/2 of said Section 24.

2. Applicant is of the opinion that it would be uneconomical to produce the gas from either the Atoka or Morrow formations, unless they can be commingled in the wellbore and produced as one commingled stream.

3. Applicant is further of the opinion that such commingling will not have an adverse effect on the productive capability of either formation.

4. The approval of this application will avoid the risk and cost associated with dual completing said well in the Atoka and Morrow formations, and will promote conservation, 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 Division enter its order granting applicant permission to commingle in the wellbore of its Travis 24 State Com #1 Well gas produced from the Morrow and Atoka formations.

C. For such further relief as the Division deems just and proper.

DATED this _____ day of November, 1980.

HARVEY E, YATES COMPANY

By:

Robert H. Strand Attorney for Applicant P. O. Box 1933 Roswell, New Mexico 88201

RHS:klo

Narvey E. Yates Co. bloronhole Commingling Atoka gas porrow gas Travis 24 St. Com #1 1980/N+6601E 24-7185-R28E Eddy County

Called in by Bob Strand 11/14/80 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

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

CASE	NO.	7100	
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Order No. R- 6578

APPLICATION OF HARVEY E. YATES COMPANY FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

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ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on <u>January 28</u>, 1981 , at Santa Fe, New Mexico, before Examiner <u>Daniel S. Nutter</u>. NOW, on this <u>day of February</u>, 19<u>81</u>, the Division Director, 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. 7100 is hereby dismissed.

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

dr/

DRAFT