

Entered June 10, 1975  
JLR

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. 5486  
Order No. R-5036

APPLICATION OF YATES PETROLEUM CORP.  
FOR TWO UNORTHODOX GAS WELL LOCATIONS,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 28, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of June, 1975, 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, Yates Petroleum Corp., seeks approval of an unorthodox gas well location within one mile of the West Atoka-Morrow Gas Pool, to be located in the center of Unit O of Section 25, Township 17 South, Range 25 East, Eddy County, New Mexico, with the E/2 of said Section 25 to be dedicated to the well.

(3) That applicant seeks dismissal of that part of the application which deals with a proposed unorthodox location in Unit M of Section 31, Township 17 South, Range 26 East.

(4) That a well at the proposed unorthodox location will better enable applicant to produce the gas underlying the proration unit.

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

(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

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number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to drill a well at an unorthodox location in the center of Unit O, Section 25, Township 17 South, Range 25 East, NMPM, within one mile of the West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the E/2 of said Section 25 shall be dedicated to said well.

(3) That the application for an unorthodox gas well location in the center of Unit M of Section 31, Township 17 South, Range 26 East, NMPM, is hereby dismissed.

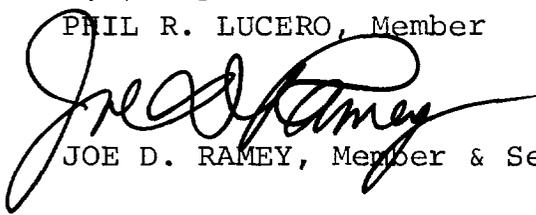
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

  
PHIL R. LUCERO, Member

  
JOE D. RAMEY, Member & Secretary

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