

Entered September 10, 1979
JLR

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. 6620
Order No. R-6104

APPLICATION OF HARVEY E. YATES
COMPANY FOR AN NGPA DETERMINATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 8, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Harvey E. Yates Company, seeks a determination by the Division, in accordance with Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that its Austin Monteith Well No. 1, located in Unit K of Section 8, Township 14 South, Range 36 East, NMPM, Lea County, New Mexico, has discovered a new onshore reservoir from which natural gas was not produced in commercial quantities before April 20, 1977.

(3) That said well was completed in the Mississippian formation with perforations from 13360 to 13390 feet, and a plugged-back depth of 13478 feet after having been drilled to a total depth of 14000 feet.

(4) That although there are several wells in the vicinity of the subject well which have penetrated and are completed in the Mississippian formation, pressures encountered in said Austin-Monteith Well No. 1 are indicative of an un-drained reservoir.

(5) That seismic evidence presented at the hearing

Case No. 6620
Order No. 6104

demonstrated that said Austin Monteith Well No. 1 could be separated from other Mississippian producing wells in the area by a fault.

(6) That the combined seismic and pressure data presented establishes that said Austin-Monteith Well No. 1 has been completed in a new onshore reservoir as defined by the provisions of Section 102 (c) of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

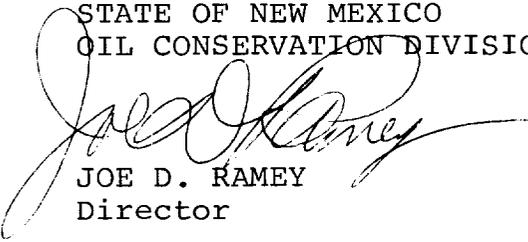
IT IS THEREFORE ORDERED:

(1) That the Harvey E. Yates Company Austin Monteith Well No. 1, located in Unit K of Section 8, Township 14 South, Range 36 East, NMPM, Lea County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 (c) of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

og/