Entered July 22, 1980

### 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. 6917 Order No. R-6405

APPLICATION OF YATES PETROLEUM CORPORATION FOR AN NGPA DETERMINATION, EDDY COUNTY, NEW MEXICO.

# ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 25, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>22nd</u> day of July, 1980, 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, Yates Petroleum Corporation, 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 Goat Roper "LP" Com Well No. 1, located in Unit P of Section 30, Township 17 South, Range 26 East, NMPM, Eddy 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 Morrow formation with perforations from 8365 feet to 8373 feet, and a pluggedback depth of 8490 feet after having been drilled to a total depth of 8610 feet.

(4) That although there are several wells in the general vicinity of the subject well which have penetrated and are or

-2-Case No. 6917 Order No. R-6405

were completed in the Morrow formation, pressures and productive capacity encountered in said Goat Roper "LP" Com Well No. 1 as compared to said wells are completely distinctive and are indicative of an undrained reservoir.

(5) That the combined geological and engineering data presented establishes that said Goat Roper "LP" Com Well No. 1 has been completed in a new onshore reservoir as defined by the provisions of Section 102 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 Yates Petroleum Corporation Goat Roper "LP" Com Well No. 1, located in Unit P of Section 30, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 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 Well. JOE D. RAMEY Director

SEAL

fd/