

Entered August 4, 1980
JWR

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. 6919
Order No. R-6418

(NOMENCLATURE)

APPLICATION OF YATES PETROLEUM
CORPORATION FOR DOWNHOLE COMMINGLING
OR CONSOLIDATION OF TWO POOLS,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 4, 1980,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of August, 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 authority to commingle Wolfcamp and Cisco gas produc-
tion in the wellbore of its Anderson State "CS" Com Well
No. 1-Y, located 1980 feet from the North line and 1800
feet from the East line of Section 14, Township 18 South,
Range 24 East, NMPM, Fordinkus-Cisco Gas Pool, Eddy County,
New Mexico, or, in the alternative, seeks that said
Fordinkus-Cisco Gas Pool be consolidated with the Penasco
Draw Permo-Penn Gas Pool which lies approximately one mile
to the East.

(3) That said Penasco Draw Permo-Penn Gas Pool was
created and defined by the Division to include wells such
as the aforesaid Anderson State "CS" Com Well No. 1-Y which
are capable of gas production from the Lower Permian
(Wolfcamp) formation and from the Upper Pennsylvanian (Cisco)
formation, both in marginal quantities and with similar
reservoir pressures.

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(4) That the abolishment of the Fordinkus-Cisco Gas Pool and the concomitant extension of the Penasco Draw Permo-Penn Gas Pool to include, among other lands, the lands currently contained in said Fordinkus Pool is reasonable, may permit the completion in and production from marginal zones that would otherwise be uneconomical to produce, and otherwise prevent waste, and will not impair correlative rights, and should be approved.

(5) That the Fordinkus-Cisco Gas Pool should be abolished, and the Penasco Draw Permo-Penn Gas Pool as heretofore created, defined, and described, should be extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 13: All
Section 14: E/2
Section 22: E/2
Sections 23 and 24: All
Section 25: N/2

IT IS THEREFORE ORDERED:

(1) That the Fordinkus-Cisco Gas Pool in Eddy County, New Mexico, as hereto created, defined, and described, is hereby abolished.

(2) That the Penasco Draw Permo-Penn Gas Pool in Eddy County, New Mexico, as heretofore created, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 13: All
Section 14: E/2
Section 22: E/2
Sections 23 and 24: All
Section 25: N/2

That that portion of the application in this case relating to downhole commingling in applicant's Anderson State "CS" Well No. 1-Y is hereby dismissed.

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

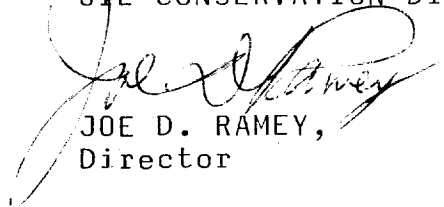
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DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Director

S E A L

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