

Entered March 13, 1981

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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. 7147  
Order No. R-6621

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR AN UNORTHODOX  
WELL LOCATION AND SIMULTANEOUS  
DEDICATION, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of March, 1981, 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 approval of an unorthodox Pennsylvanian gas well location for a well to be drilled 1650 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks to simultaneously dedicate the S/2 of said Section 35 to the above-described well and to its "JX" Well No. 1 located in Unit N of said Section 35, both in the Boyd-Morrow Gas Pool, Eddy County, New Mexico.

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

(5) That no offset operator objected to the proposed unorthodox location or simultaneous dedication.

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(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(s), will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

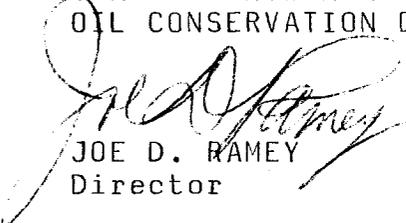
(1) That Yates Petroleum Corporation is hereby authorized an unorthodox Pennsylvanian gas well location 1650 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 25 East, NMPM, Eddy County, New Mexico.

(2) That the S/2 of said Section 35 shall be simultaneously dedicated to said well and to applicant's "JX" Well No. 1 located in Unit N of said Section 35 in the Boyd-Morrow Gas Pool.

(3) That jurisdiction of this cause is 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 herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

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