

CONSERVATION DIVISION

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE

8 50

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505
TELECOPY
(505) 746-6316

MARY LYNN BOGLE

September 2, 1994

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Mack Energy Corporation Amend-
ing Pool Rules or, in the alternative, to
Establish a Temporary Allowable, for the East
Jim Yates Pool, Lea County, New Mexico

Dear Mr. LeMay:

I am enclosing herewith Mack Energy Corporation's Application as
referenced hereinabove, in duplicate.

Please return a copy to me for my file.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:kth
Encl.

BEFORE THE OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF)
MACK ENERGY CORPORATION SEEKING TO)
AMEND POOL RULES OR, IN THE) CASE NO.
ALTERNATIVE, TO ESTABLISH A TEMPORARY) - 6 1994
ALLOWABLE, FOR THE EAST JIM YATES)
POOL, LEA COUNTY, NEW MEXICO)

APPLICATION

COMES NOW Mack Energy Corporation by its attorneys, Losee, Carson, Haas & Carroll, P. A. (Ernest L. Carroll) and in support hereof, respectfully states:

1. Applicant is the operator of the Bate Federal Well No. 1, located in Unit N, 1980' from the West line and 660' from the South line of Section 26, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, which well is producing from the East Jim Yates Pool. The East Jim Yates field provides for 80-acre spacing and an allowable of 80 barrels of oil per day.

2. Applicant has recently recompleted the Bate Federal No. 1 Well, replacing the rod pump with a submersible pump. Said well is presently producing 3,000 barrels of water per day, and 160 barrels of oil per day. Said oil production is in excess of standard statewide rules.

3. The applicant seeks to amend the pool rules of the East Jim Yates Pool to allow for a higher allowable than that established under standard statewide pool rules.

4. Alternatively, applicant seeks to temporarily increase the allowable of the Bate Federal No. 1 Well so as to allow testing of the Bate Federal No. 1 Well to determine if production

at less than 160 barrel of oil rate per day is feasible without damaging the formation.

5. Approval of this application will afford applicant the opportunity to produce its just and equitable share of oil, will prevent waste, and will protect correlative rights.

WHEREFORE, applicant prays that this application be set for a hearing before an examiner and that notice of said hearing be given as required by law, and that upon hearing the Division enter its order increasing the allowable in the East Jim Yates Pool or, in the alternative, granting temporary allowable in order to complete the testing of the Bate Federal No. 1 Well, and for such other and further relief as may be just in the premises.

Respectfully submitted,

LOSEE, CARSON, HAAS & CARROLL, P.A.

By: 

Ernest L. Carroll

P. O. Drawer 239

Artesia, New Mexico 88211-0239

(505)746-3505

Attorneys for Applicant