

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

CASE NO. 77162

APPLICATION

COMES NOW YATES PETROLEUM CORPORATION, ("Yates") makes application to the Oil Conservation Division for an order approving an unorthodox well location in the Morrow formation, West Atoka-Morrow Gas Pool and for authority to simultaneously dedicate two Morrow wells to a standard 320-acre spacing unit and in support thereof states:

1. Yates is the operator of a standard 320-acre spacing unit in the Morrow formation, West Atoka-Morrow Gas Pool comprised of the N/2 of Section 18, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico which is dedicated to its Vandiver CN Com Well No. 1 located 1650 feet from the North line and 660 feet from the West line of said section 18 which currently produces from the Morrow formation.

2. Yates proposes to drill the Vandiver CN Com Well No. 2 in the Morrow formation at an unorthodox gas well location 1242 feet from the North line and 808 feet from the East line of said Section 18.

3. Yates seeks an exception to Division General Rule No. 104(C)(2) to allow the existing 320-acre Morrow gas spacing unit comprising the N/2 of Section 18 to be simultaneously dedicated to the Vandiver CN Well No. 1 and the Vandiver CN Well No. 2.

4. Approval of this application to permit Yates to produce reserves from the Morrow formation, which otherwise will not be produced and is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Yates Petroleum Corporation requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on December 15, 1994 and, after notice and hearing as required by law and the rules of the Division, that this application be granted.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR YATES
PETROLEUM CORPORATION