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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
ALLOWABLE FOR THE MONTHS OF JULY AND :
AUGUST, 1961, FOR ITS GUSHWA NO. 1 :
WELL IN THE ATOKA-PENNSYLVANIAN GAS :
POOL OF EDDY COUNTY, NEW MEXICO. :

CASE NO. 2587

APPLICATION

COMES Yates Petroleum Corporation by its attorneys,
Losee and Stewart, and respectfully states:

1. That applicant is the operator of the Gushwa No. 1 Well, located within a proration unit comprising the S/2 of Section 21, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and producing from the Atoka-Pennsylvanian Gas Pool of Eddy County, New Mexico.

2. That the Gushwa No. 1 Well was completed by applicant on February 20, 1961, and the request for allowable (Form C-104) was filed with the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," on March 22, 1961.

3. That on the date of completion of the Gushwa No. 1 Well, Transwestern Pipeline Company had a gas transportation facility within the said Atoka-Pennsylvanian Gas Pool which was reasonably capable of handling the type of gas produced by such well. Although applicant made repeated written and telephoned requests of Transwestern Pipeline Company to connect said Gushwa No. 1 Well, the said well was not connected to such gas transportation facility until August 12, 1961.

4. That during all times pertinent to this application, the said S/2 Section 21 was included in the gas purchase agreement dated December 6, 1960, between applicant and Transwestern

Pipeline Company. That the said Atoka-Pennsylvanian Gas Pool was prorated, effective July 1, 1961, by Order of the Commission No. R-1670-E.

5. That the Gushwa No. 1 Well was unreasonably discriminated against through denial of access to a gas transportation facility which was capable of handling the type of gas produced by such well for the period from July 1, 1961 to August 12, 1961.

6. That Pan American Petroleum Corporation, Nearburg and Ingram, Ohio Oil Company and Howard Olsen are the offset operators in the Atoka-Pennsylvanian Gas Pool to the well covered by this application. That applicant has furnished such offset operators and Transwestern Pipeline Company with a copy of this application.

WHEREFORE, applicant prays the orders of the Commission as follows:

- a) That this matter be set for hearing before an examiner or the Commission and due notice be given thereof as required by law.
- b) That the Commission find that said Gushwa No. 1 Well was unreasonably discriminated against for the period from July 1, 1961 to August 12, 1961, and establish an allowable for such well for such period, and
- c) For such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By



A. J. Losee
Losee and Stewart
Attorneys at Law
Post Office Drawer 239
Artesia, New Mexico