

A. J. LOSEE
EDWARD B. STEWART

LAW OFFICES
LOSEE AND STEWART
CARPER BUILDING - P. O. DRAWER 239
ARTESIA, NEW MEXICO

21 September 1962

2655

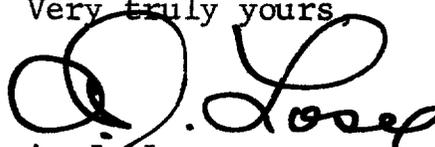
Mr. A. L. Porter, Jr., Secretary
Oil Conservation Commission of New Mexico
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Enclosed herewith you will find Application in triplicate of Martin Yates, III and S. P. Yates to pool the NE/4 of Section 30, Township 19 South, Range 32 East for a common source of supply designated as the Lusk-Strawn Pool.

With a carbon of this letter, we are furnishing Kerr-McGee Oil Industries, Inc. and Phillips Petroleum Company, the other owners of an interest in this spacing unit, with copies of this application.

Very truly yours


A. J. Losee

AJL/bk

Enclosures

cc Kerr-McGee Oil Industries, Inc.
Kerr-McGee Building
Oklahoma City 2, Oklahoma
Attn: Mr. Breen M. Kerr

Phillips Petroleum Company
200 Permian Building
Midland, Texas

Messrs. Martin Yates, III and
S. P. Yates
309 Carper Building
Artesia, New Mexico

DOCKET MAILED

Date 9/28/62

JL

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
MARTIN YATES, III, AND S. P. YATES :
FOR AN ORDER POOLING THE NE/4 SECTION :
30, TOWNSHIP 19 SOUTH, RANGE 32 EAST, :
N.M.P.M., LEA COUNTY, NEW MEXICO, FOR :
THE DEVELOPMENT OF THE LUSK-STRAWN :
POOL. :

Case No. 2655

APPLICATION

COMES MARTIN YATES, III, and S. P. YATES by their attorneys, Losee and Stewart, and state:

1. That by Orders No. 2175 and 2175-B, the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as "Commission", established regular 160 acre drilling, proration and spacing units for the further development of a common source of supply designated by the Commission as the Lusk-Strawn Pool, and the NE/4 Section 30, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico, is one of the units so created.

2. That Applicants are the owners of the oil and gas operating rights in the common source of supply designated as the Lusk-Strawn Pool underlying United States Oil and Gas Lease NM 01218 embracing, among other lands, the NE/4 NE/4 of said Section 30, and underlying United States Oil and Gas Lease NM 0107698-A embracing the SW/4 NE/4 of said Section 30.

3. That Phillips Petroleum Company and Kerr-McGee Oil Industries, Inc., are the owners of the oil and gas

operating rights in the common source of supply designated as the Lusk-Strawn Pool underlying United States Oil and Gas Lease NM 01218-A embracing the NW/4 NE/4 said Section 30, and underlying United States Oil and Gas Lease NM 0107698 embracing, among other lands, the SE/4 NE/4 said Section 30.

4. That Applicants have been unable to arrange with Kerr-McGee Oil Industries, Inc., for the development of the NE/4 Section 30, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico, for oil production in the common source of supply designated as the Lusk-Strawn Pool.

5. That Applicants and Phillips Petroleum Company now propose to drill a well therein to produce from the Strawn formation, expected to be encountered at approximately 11,100 feet below the surface at an approximate cost for a completed well of \$267,000.00, and for a dry hole of \$189,000.00 and now desire this Commission to enter an order pooling and adjudicating the rights of all owners in the NE/4 said Section 30 in respect to the Lusk-Strawn Pool and designating these Applicants as the operator.

6. That the pooling of the NE/4 said Section 30 in the Strawn formation is necessary to protect the correlative rights, prevent waste and to avoid the drilling of unnecessary wells.

7. That the owners of the oil and gas operating rights in the common source of supply designated as the Lusk-Strawn Pool underlying the NE/4 said Section 30, other than Applicants, are as follows:

Kerr-McGee Oil Industries, Inc.
Kerr-McGee Building
Oklahoma City 2, Oklahoma

Phillips Petroleum Company
200 Permian Building
Midland, Texas.

WHEREFORE, Applicants pray:

1) That this Application be set for hearing before an examiner duly appointed by the Commission and that notice of said hearing be given as required by law.

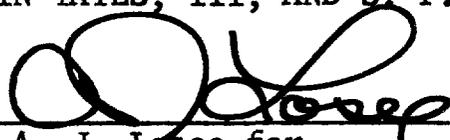
2) That upon hearing this Commission enter an order pooling and adjudicating the rights of all owners of the oil and gas operating rights in the NE/4 Section 30, Township 19 South, Range 32 East, N.M.P.M., Lea County, New Mexico, in respect to the Lusk-Strawn Pool and designating these Applicants as the operator thereof.

3) And for such other relief as may be just in the premises.

DATED this 21st day of September, 1962.

MARTIN YATES, III, AND S. P. YATES

By



A. J. Losee for
LOSEE AND STEWART
P. O. Drawer 239
Artesia, New Mexico