

January 24, 1989

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 9605

Re: Township 20 South, Range 24 East, NMPM
Section 2: S/2
Eddy County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Compulsory Pooling, Eddy County, New Mexico. Also enclosed is an extra copy of the Application which we would appreciate your returning to us in the enclosed stamped self-addressed envelope after inserting the docket number.

Please set this matter for hearing before an Examiner on February 15, 1989.

Thank you.

Sincerely yours,

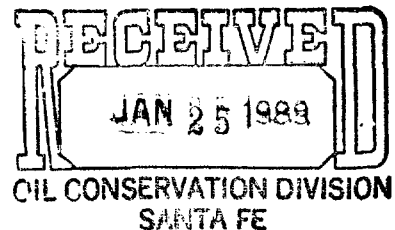
DICKERSON, FISK & VANDIVER



Chad Dickerson

CD:pvw
Enclosures

cc w/enclosure: Ms. Kathy Colbert



BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR COMPULSORY POOLING, EDDY :
COUNTY, NEW MEXICO :

CASE NO.

JAN 25 1965
9605

RECEIVED
OIL CONSERVATION DIVISION

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of the following described lands in Eddy County, New Mexico:

Township 20 South, Range 24 East, N.M.P.M.

Section 2: S/2

containing 320 acres, more or less,
and proposes to drill a well at an orthodox location in NW/4 SE/4 to a depth sufficient to test all formations from the surface through the base of the Morrow formation, at approximately 9,600 feet.

2. A standard 320-acre proration unit comprising the S/2 of said Section 2 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of oil and gas from any formation developed on 320-acre spacing; a standard 160-acre proration unit comprising SE/4 of said Section 2 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of oil and gas

from any formation developed on 160-acre spacing; and a standard 40-acre proration unit comprising NW/4 SE/4 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of oil and gas from any formation developed on 40-acre spacing.

3. There are interest owners in the unit who have not agreed to pool their interests.

4. Applicant should be designated the operator of the well and the proration unit.

5. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense, his just and fair share of the oil and gas in said unit, all mineral interests, whatever they may be, should be pooled.

6. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

7. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

8. The approval of this Application will afford Applicant the opportunity to produce its just and equitable share

of oil and gas, will prevent 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.

WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface down to the base of the Morrow formation, underlying S/2 Section 2, Township 20 South, Range 24 East, N.M.P.M., Eddy County, New Mexico; in all formations which may be developed on 160-acre spacing underlying SE/4 said Section 2; and in all formations which may be developed on 40-acre spacing underlying NW/4 SE/4 of said Section 2, or such lesser portion as may be productive of oil and gas and dedicated to Applicant's well.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 
Chad Dickerson

DICKERSON, FISK & VANDIVER
Seventh and Mahone, Suite E
Artesia, New Mexico 88210
(505) 746-9841

Attorneys for Applicant

COUNTY *Eddy*

POOL *Canyon-Wolfcamp*

TOWNSHIP *19 South*

RANGE *24 East*

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: *NW 4 Sec. 36 (R-1532, 12-1-59)*

*length
from mile*

COUNTY Eddy POOL Dagger Draw - Wolfcamp Gas

POOL

Dagger Draw - Wolfcamp Gas

TOWNSHIP 20 South

RANGE 24 East

NMPPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a boustrophedon pattern: Row 1 (top) contains 6, 5, 4, 3, 2, 1; Row 2 contains 7, 8, 9, 10, 11, 12; Row 3 contains 18, 17, 16, 15, 14, 13; Row 4 contains 19, 20, 21, 22, 23, 24; Row 5 contains 30, 29, 28, 27, 26, 25; Row 6 (bottom) contains 31, 32, 33, 34, 35, 36. A red square is drawn, covering the cells containing the numbers 2 and 11.

Description: $\frac{NW}{4}$ Sec. 1 (R-3438, 7-1-68)

COUNTY Eddy POOL North Dagger Draw - Upper Pennsylvanian
 TOWNSHIP 19 South RANGE 24 East NMFM

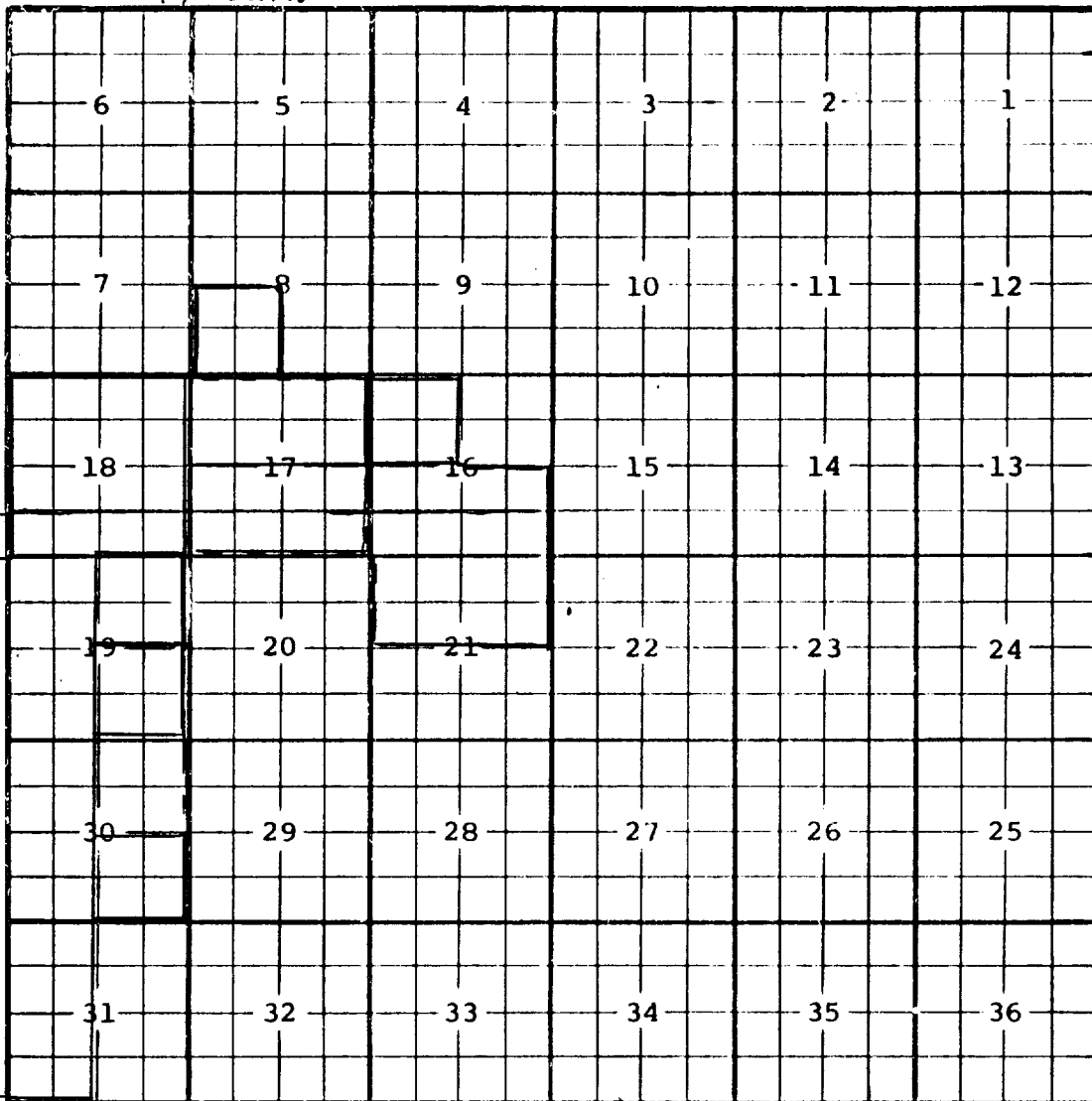
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{E}{2}$ Sec 24, $\frac{E}{2}$ Sec 25, All Sec 36 (R-4691, 1-1-74)

Ext: $\frac{SE}{4}$ Sec 13 (R-5417, 4-1-77) EXT: $\frac{W}{2}$ Sec 25 (R-8665, 6/9/88)

COUNTY EddyPOOL North Dagger Draw - Upper PennsylvanianTOWNSHIP 19 SouthRANGE 25 East

NMFM



Description: All Sec 18, $\frac{w}{2}$ Sec 19, $\frac{w}{2}$ Sec 30, $\frac{w}{2}$ Sec 31 (R-4691, 1-1-74)

Ext: $\frac{N}{2}$ Sec 17 (R-4821, 8-1-74) Ext: $\frac{S}{2}$ Sec 17 (R-5063, 7-1-75)

Ext: $\frac{SE}{4}$ Sec 30 (R-5309, 11-1-76) Ext: $\frac{NW}{4}$ Sec 16 (R-5667, 4-1-78)

Ext: $\frac{S}{2}$ Sec 16, $\frac{N}{2}$ Sec 21 (R-7131, 11-30-82) Ext: $\frac{NE}{4}$ Sec 19 (R-8391, 1-22-87)

Ext: $\frac{SE}{4}$ Sec 19 (R-8484, 8-13-87) Ext: $\frac{NE}{4}$ Sec 30 (R-8665, 6/9/88)

EXT: $\frac{SW}{4}$ sec 8 (R-8827, 12-22-88)

POOL North Dagger Draw - Upper Pennsylvanian

RANGE 24 East

NMFM

A 6x6 grid of numbered squares. The squares are numbered 1 through 36, starting from the top-left and moving right across each row, then down to the next row. The numbers are: Row 1: 1, 2, 3, 4, 5, 6; Row 2: 7, 8, 9, 10, 11, 12; Row 3: 13, 14, 15, 16, 17, 18; Row 4: 19, 20, 21, 22, 23, 24; Row 5: 25, 26, 27, 28, 29, 30; Row 6: 31, 32, 33, 34, 35, 36. A red rectangle is drawn around the top-right corner of the grid, enclosing squares 2, 3, 4, and 5. The rectangle has a red border and diagonal hatching in the top-right corner.

Description: $N/2$ Sec 1 (R-4691, 1-1-74)

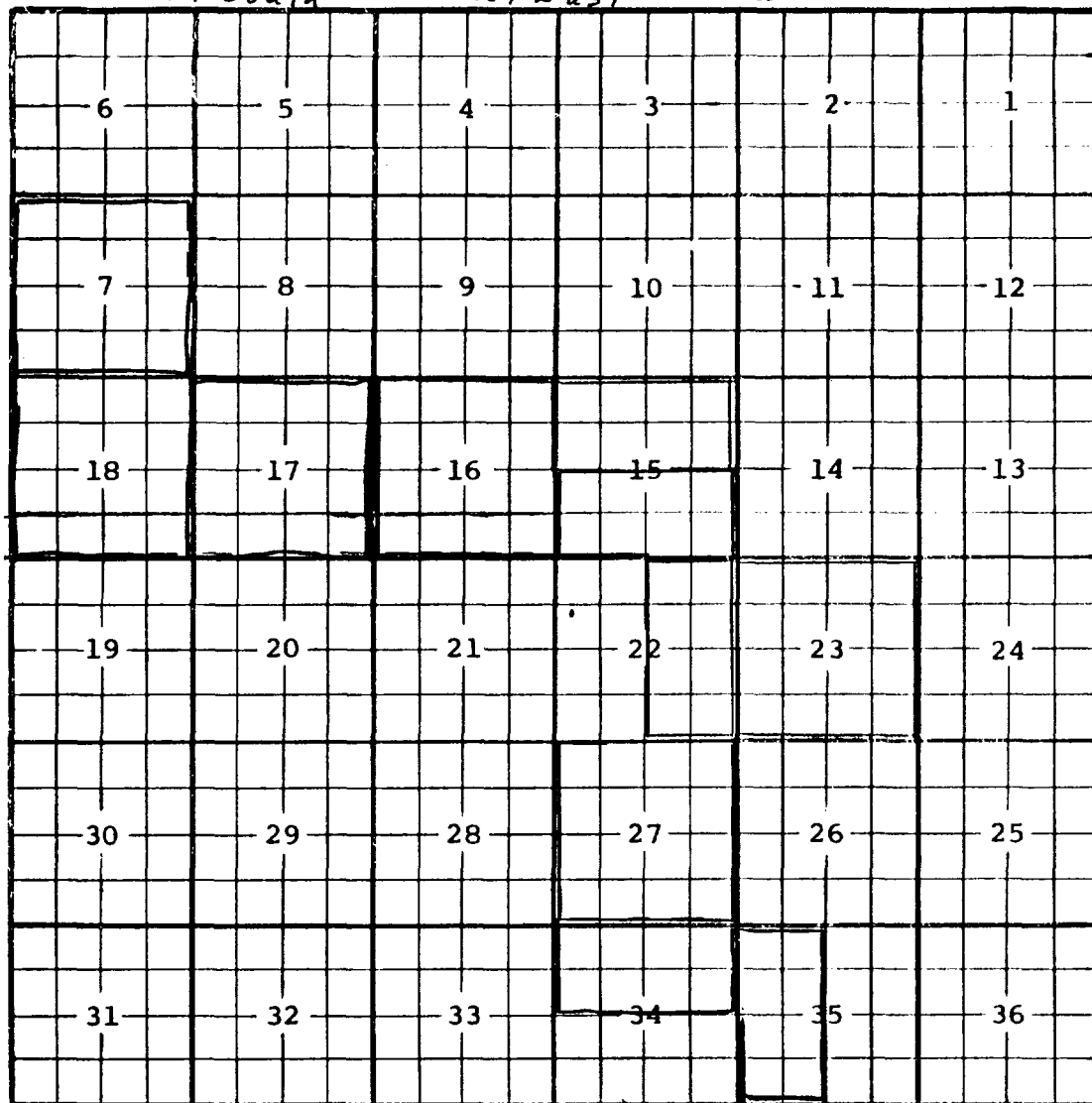
County Eddy Pool Hoag Tank-Morrow GasTOWNSHIP 19 South Range 23 East NMPM

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
*						
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Ext: $\frac{E}{2}$ Sec. 11, All Sec. 12 (A-7875, 4-16-85)

COUNTY *Eddy*POOL *Hoag Tank-Morrow Gas*TOWNSHIP *19 South*RANGE *24 East*

NMPM



Description: $\frac{E}{2}$ Sec 22 (R-5015, 6-1-74)

Ext: All Sec 23 (R-5309, 11-1-76) Ext: $\frac{S}{2}$ Sec 15 (R-5781, 9-1-78)

Ext: All Sec 27 (R-6576, 2-10-81) Ext: All Sec 16 (R-6652, 4-20-81)

EXT: $\frac{N}{2}$ sec 34 (R-7009, 6-19-82) Ext: $\frac{N}{2}$ Sec. 15 (A-7131, 11-30-82)

Ext: $\frac{W}{2}$ Sec. 35 (A-7158, 12-8-82)

Ext: Sec: 7 all, Sec: 17 + 18 all (R-7222, 2-25-83)

COUNTY Eddy POOL Cemetery - Morrow GasTOWNSHIP 19 South RANGE 24 East NMFM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: $\frac{1}{2}$ Sec 36 (R-5417, 4-1-77)

COUNTY EddyPOOL Cemetery - Morrow GasTOWNSHIP 20 SouthRANGE 24 East

NMFM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: All Sec 1 (R-5417, 4-1-77) Ext: $\frac{N}{2}$ Sec 24 (R-5667, 4-1-78)

Ext: $\frac{N}{2}$ Sec 36 (R-5781, 9-1-78) Ext: $\frac{S}{2}$ Sec 36 (R-5988, 5-1-79)

County <u>Eddy</u>		Pool <u>Cemetery - Morrow Gas</u>			
Township <u>20 South</u>		Range <u>25 East</u>		NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: All Sec. 17 (R-2679, 4-1-64)

Ext: $\frac{W}{2}$ Sec. 16 (R-3139, 11-1-66) Ext: All Sec 20, 29 & 30 (R-4807, 6-11-74)

Ext: All Sec 8 (R-4821, 8-1-74) Ext: $\frac{S}{2}$ Sec 5 (R-4861, 11-1-74)

Ext: $\frac{N}{2}$ Sec 5 (R-4937, 2-1-75) Ext: $\frac{E}{2}$ Sec 7, $\frac{W}{2}$ Sec 21 (R-4969, 4-1-75)

Ext: $\frac{S}{2}$ Sec 18 (R-5063, 7-1-75) Ext: $\frac{N}{2}$ Sec 28 (R-5124, 12-1-75)

Ext: All Sec 31, $\frac{W}{2}$ Sec 32 (R-5162, 3-1-76)

Ext: All Sec 19 $\frac{E}{2}$ Sec 32 (R-5252, 9-1-76)

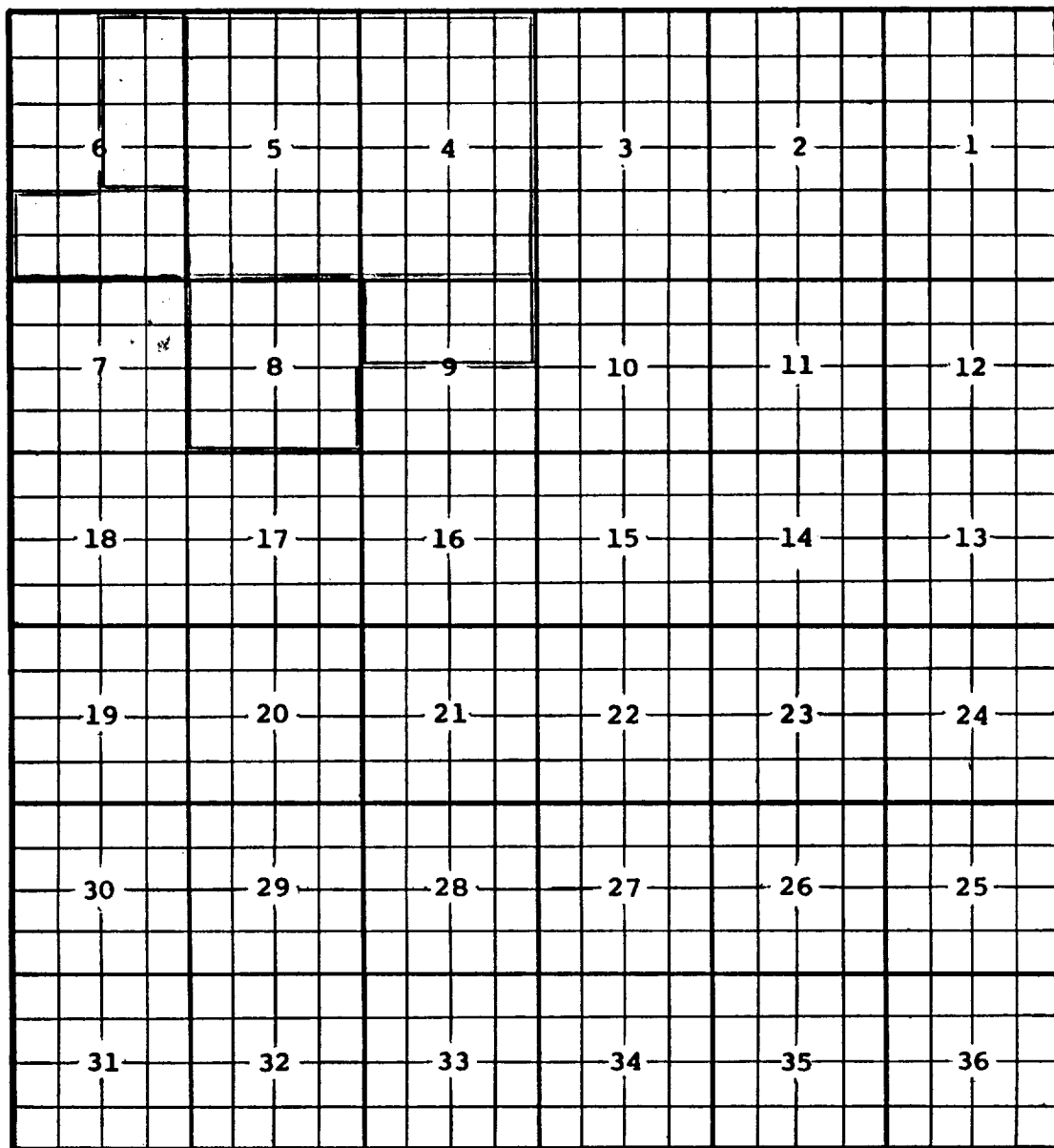
Ext: Sec. 3 $\frac{S}{2}$, Sec. 4 All (R-7076-9-27-82)

Ext: $\frac{N}{2}$ Sec. 3 (R-7248, 3-30-83) Ext: $\frac{W}{2}$ Sec. 2 (R-7279, 5-17-83)

Ext: $\frac{W}{2}$ Sec 11, $\frac{N}{2}$ Sec 14, $\frac{E}{2}$ Sec 15 (R-8747, 9/19/88)

COUNTY EddyPOOL Cemetary - Morrow GasTOWNSHIP 21 SouthRANGE 24 East

NMPM



Ext: All Secs 4 & 5 (R-5162, 3-1-76)

Ext: Lots 1, 2, 7, 8, 9, 10, 15 & 16 Sec 6 (R-5417, 4-1-77)

Ext: $\frac{5}{2}$ Sec 6 (R-5667, 4-1-78) Ext: $\frac{1}{2}$ Sec 9 (R-5891, 1-1-79)

Ext: All Sec 8 (R-5885, 12-31-78)

County Eddy Pool Dagger Draw-Strawn Gas

TOWNSHIP 19 South Range 25 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: $\frac{5}{2}$ Sec. 32 (R-7502, 4-20-84)

County Eddy Pool North Cemetery - Atoka Gas
TOWNSHIP 19 South Range 24 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: N/2 Sec 36 (A-5988, 5-1-79)

County Eddy Pool North Cemetery-Atoka Gas
 TOWNSHIP 19 South Range 25 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{N}{2}$ Sec 33 (R-5226, 7-1-76)

Ext: $\frac{N}{2}$ Sec 34 (R-5511, 9-1-77) Ext: All Sec 28, $\frac{N}{2}$ Sec 31, $\frac{N}{2}$ Sec 32
 (R-5988, 5-1-79) Ext: $\frac{W}{2}$ Sec. 15, $\frac{W}{2}$ Sec. 22, $\frac{W}{2}$ Sec. 27 (R-8391, 1-22-87)

COUNTY *Eddy*POOL *Dagger Draw - Morrow Gas*TOWNSHIP *20 South*RANGE *25 East*

NMPM

6	5	4	3	2	1	
o						
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Description: $\frac{3}{4}$ Sec. 6 (R-2833, 1-1-65)Ext: $\frac{1}{4}$ Sec. 6 (R-2985, 1-1-65)

