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OIL CONSERVATION DIVISION
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JOHN FISK
DAVID R. VANDIVER

December 4, 1989

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

Case 9846

Re: Clifford "ADD" No. 1 Well
Township 19 South, Range 24 East, NMPM
Section 35: SE/4
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 December 27, 1989.

Thank you.

Very truly yours,

FISK & VANDIVER

David R. Vandiver
David R. Vandiver

DRV:pvw
Enclosures

cc w/enclosure: Yates Petroleum Corporation

OIL CONSERVATION DIVISION
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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. 9846

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 19 South, Range 24 East, N.M.P.M.

Section 35: SE/4

containing 160 acres, more or less,
and proposes to drill its Clifford "ADD" No. 1 Well at an orthodox location 660 feet from the south line and 660 feet from the east line (Unit P) of said Section 35 to a depth sufficient to test all formations from the surface through the base of the Canyon formation, at approximately 8,100 feet.

2. A standard 160-acre proration unit comprising the SE/4 of said Section 35 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 SE/4 SE/4 of said Section 35 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.

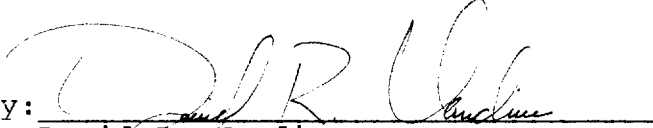
WHEREFORE, Applicant prays:

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 Canyon formation, underlying SE/4 Section 35, Township 19 South, Range 24 East, N.M.P.M., Eddy County, New Mexico, and in all formations which may be developed on 40-acre spacing underlying SE/4 SE/4 said Section 35, 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: 

David R. Vandiver

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

Attorneys for Applicant

DRINKARD POOL

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ORDER OF THE COMMISSION

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated

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
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30	29	28	27	26	25
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Description: *NW*
1/4 Sec. 36 (R-1532, 12-1-59)*Standard 40 acre sharing!*

COUNTY EddyPOOL North Dagget Draw - Upper PennsylvanianTOWNSHIP 19 SouthRANGE 24 East

NMFM

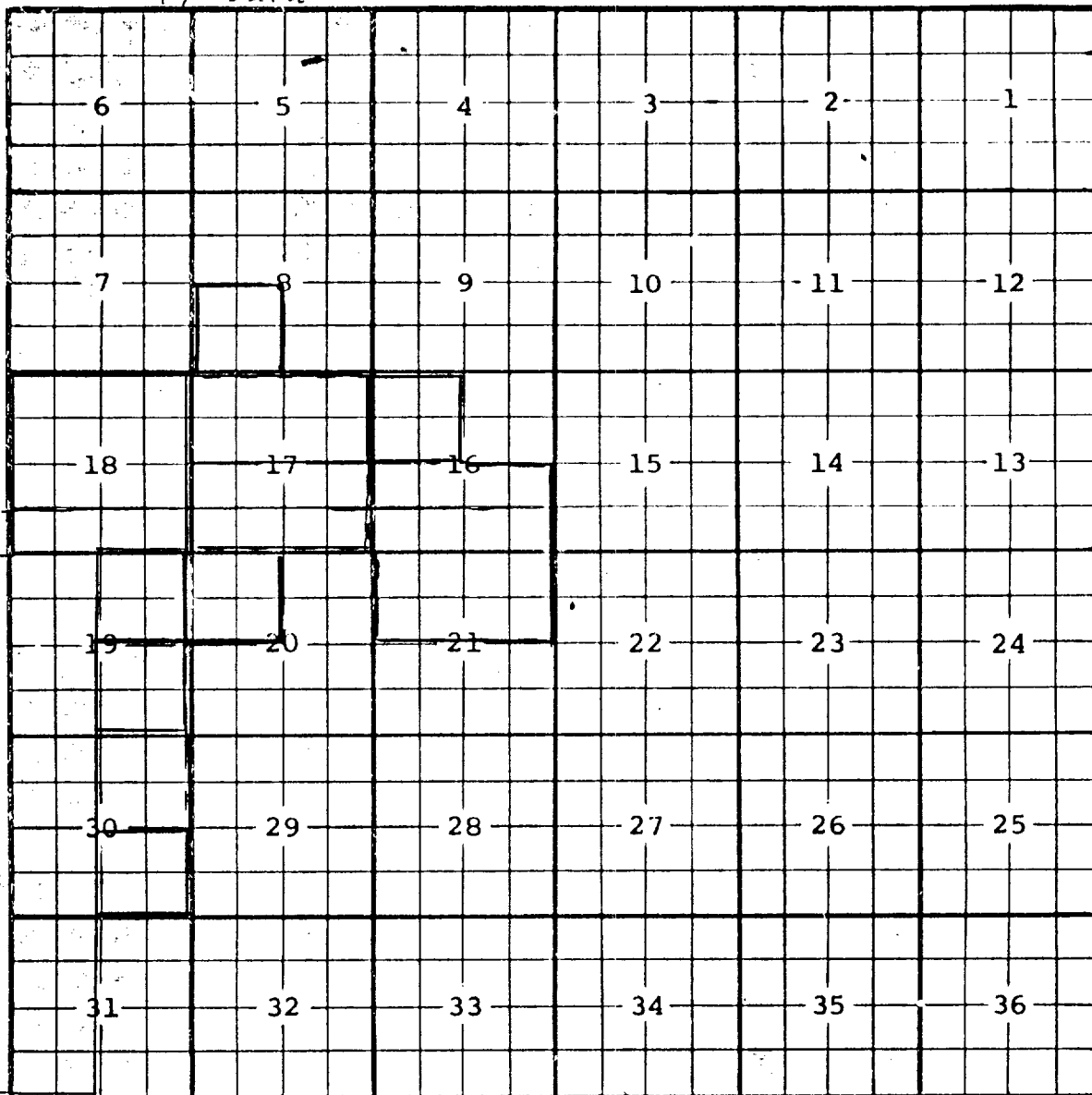
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Description: $\frac{E}{2}$ Sec 24, $\frac{E}{2}$ Sec 25, All Sec 36 (R-4691, 1-1-74)

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

POOL North Dagger Draw - Upper Pennsylvanian

NMPM



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: $\frac{1}{2}$ Sec 17 (R-4821, 8-1-74) Ext: $\frac{5}{2}$ Sec 17 (R-5063, 7-1-75)

Ext: 5E/4 Sec 30 (R-5309, 11-1-76) Ext: NW/4 Sec 16 (R-5667, 4-1-78)

Ext: $\frac{5}{2}$ Sec. 16, $\frac{N}{2}$ Sec. 21 (R-7131, 11-30-82) Ext: $\frac{NE}{4}$ Sec. 19 (A-8391, 1-22-87)

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

EXT: SW/4 sec 8 (R-8827, 12-22-88) EXT: NW/4 sec 20 (R-8945, 5-31-89)

COUNTY *Eddy*

POOL *North Dagger Draw - Upper Pennsylvanian*

TOWNSHIP *20 South*

RANGE *24 East*

NMPM

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

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

SE 1/4 - 35 - M-24

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COUNTY *Eddy*

POOL *Dagger Draw - Wolfcamp Gas*

TOWNSHIP *20 South*

RANGE *24 East*

NMPM

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18	17	16	15	14	13	
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Description: *NW*
4 Sec. 1 (R-3438, 7-1-68)

