

OIL CONSERVATION DIVISION  
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PLEASE REPLY TO: SANTA FE

KENNETH R. BRANDT (1946 - 1981)

December 15, 1989

Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

*Case No. 9847*  
*ms.*

Re: Application of Yates Petroleum Corporation for Unorthodox  
Well Location, Sec. 14, T-17 W, R-37 E, Lea County, New  
Mexico.

Dear Mr. LeMay:

I have been advised that the partners in the above well have  
agreed to drill at a standard location. Accordingly, on behalf of  
the Applicant, Yates Petroleum Corporation, we request that the  
above matter be dismissed.

Thank you for your cooperation.

Very truly yours,

MILLER, STRATVERT, TORGERSON  
& SCHLENKER, P.A.

By *J. Scott Hall*  
J. Scott Hall

JSH/ro

cc: Bill Owen, LDM  
Randy Patterson, Yates Petroleum Corp.  
Bonneville Fuels Corp.  
AH 1980 Program, Inc.



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

**MEMORANDUM**

**TO:** ALL GAS PRODUCERS AND PURCHASERS  
**FROM:** WILLIAM J. LeMAY, DIRECTOR *WJL*  
**SUBJECT:** MORATORIUM FROM SHUT-IN, OVERPRODUCED WELLS IN  
ALL PRORATED GAS POOLS IN NEW MEXICO  
**DATE:** December 15, 1989

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In accordance with the showing that a high-demand emergency currently exists, and under the authority granted the Division Director, pursuant to Rule 11 (G) of the General Rules and Regulations for Prorated Gas Pools (Order No. R-8170), a pool-wide moratorium from shut-in for wells for reasons of overproduction is hereby placed in effect.

This moratorium shall apply to all prorated pools in Southeast and Northwest New Mexico. The moratorium shall be effective immediately and continue through March 15, 1990. The moratorium will not be extended beyond the stated period. Please note this measure is being taken for the emergency demand situations that have been documented to exist in the marketplace. During this period every underproduced well should be produced to the maximum of its ability under existing conditions and excessively overproduced wells are to be produced only during and to the extent necessary to meet the emergency demand. Previous moratoriums have been abused by some operators who have produced excessive amounts of gas during the moratorium from overproduced wells, thus violating the spirit of the moratorium and the correlative rights of offset operators.

Excessively overproduced wells will be curtailed or shut-in after March 31, 1990 to help bring prorated pools into balance but gas production should be managed so that no well will be in excess of 24 times overproduced at the end of March 1990.

