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CHAD DICKERSON JOHN FISK DAVID R VANDIVER REBECCA REESE DICKERSON

February 17, 1988

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Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 Cuse 9330

Re:

Eland "AFC" Federal Com. No. 1 Well Township 20 South, Range 29 East, NMPM

Section 13: W/2 Eddy County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for an Unorthodox Well Location, Eddy County, New Mexico.

We ask that this matter be set for hearing before an Examiner on March 16, 1988.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

Chad Dickerson

CD:pvw Enclosures

cc w/enclosure: Mr. Ray Beck

Ms. Janet Richardson

# BEFORE THE OIL CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO

case no. 9330

### APPLICATION

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

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

## Township 20 South, Range 29 East, N.M.P.M.

Section 13: W/2

containing 320 acres, more or less,

and proposes to drill its Eland "AFC" Federal Com. No. 1 Well, at a point located 660 feet from the north line and 660 feet from the west line of said Section 13.

2. The Applicant seeks an exception to the well location requirements of Rule 104 of the Oil Conservation Division to permit the drilling of the well at the above mentioned unorthodox location for all formations from the base of the Wolfcamp through the base of the Morrow formation, which may be developed on 320-acre spacing.

- 3. A standard 320-acre proration unit comprising the W/2 of said Section 13 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of oil and gas from the base of the Wolfcamp formation through the base of the Morrow formation.
- 4. 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 granting Applicant permission to drill its Eland "AFC" Federal Com. No. 1 Well at a point 660 feet from the north line and 660 feet from the west line of said Section 13, and to dedicate the W/2 of Section 13 to said well for production from all formations which may be developed on 320-acre spacing.

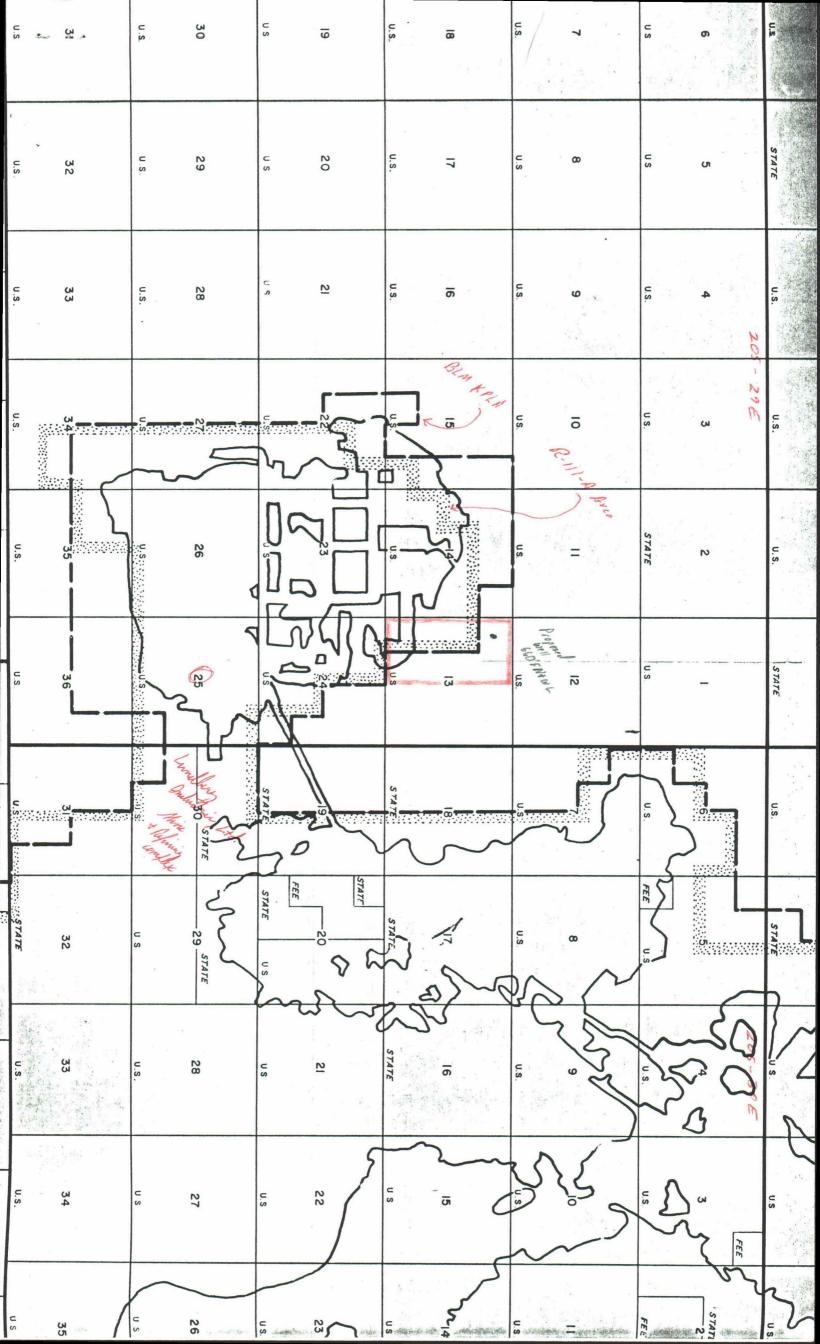
C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

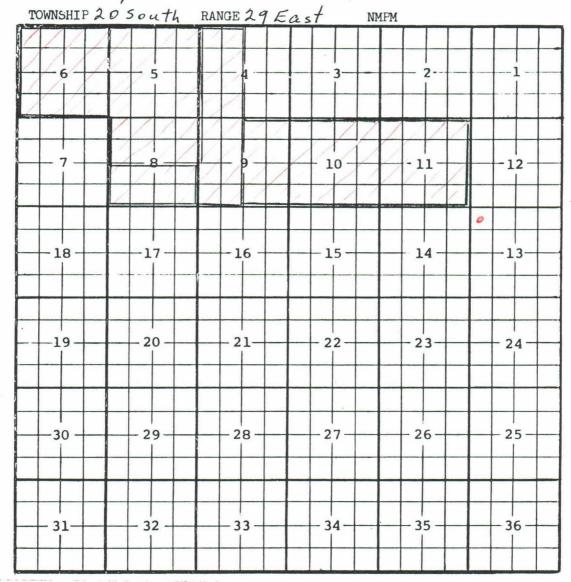
Chad Dickerson

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

Attorneys for Applicant



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Description: 5/2 Sec 8 (R-5252, 9-1-76) Ext: W/2 Sec 4, W/2 Sec 9 (R-5511, 9-1-77)		
Ext: All Sec. 6, All Sec. 6, Nz sec. 8 (A-7307, 6-14-83)	No.	Sheint
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Burton-Delaware East Burton-Delaware Burton-Yates East Burton Flat-Atoka Gas · East Burton Flat-Morrow Gas East Burton Flat-Strawn Gas East Burton Flat-Wolfcamp Gas Getty-Morrow Gas Getty-Yates Golden Lane-Atoka Gas South Parkway-Strawn Scanlon-Delaware Scanlon-Morrow Gas Scanlon-Strawn Gas Scanlon-Tansill Gas Burton Flat-Upper Strawn Gatuna Canyon-Wolfcamp Getty-Bone Spring South Parkway-Wolfcamp

#### 20-30

Barber-Yates

Dos Hermanos-Morrow Gas

Dos Hermanos Yates-Seven Rivers

Golden Lane-Atoka Gas

Golden Lane-Morrow Gas

Golden Lane-Strawn Gas

Hale-Tansill Gas

P.C.A.-Yates