

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6920
Order No. R-6384

APPLICATION OF YATES PETROLEUM
CORPORATION FOR A DUAL COMPLETION
AND UNORTHODOX WELL LOCATION,
CHAVES COUNTY, NEW MEXICO.

RECEIVED

JUN 24 1980

ORDER OF THE DIVISION

O. C. D.
ARTESIA, OFFICE

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 4, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Yates Petroleum Corporation, seeks authority to complete its 5 Mile Draw Federal "LX" Well No. 1, located in Unit O of Section 34, Township 6 South, Range 25 East, NMPM, Chaves County, New Mexico, as a dual completion (conventional) to produce gas from the Abo formation through the casing-tubing annulus and gas from the Pennsylvanian formation through 2 7/8-inch tubing, with separation of the zones to be achieved by means of a packer set at approximately 4600 feet.
- (3) That the applicant also seeks approval for the unorthodox location of said well in the Abo formation 800 feet from the South line and 2100 feet from the East line of said Section 34.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

S E A L
Id/

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
JOE D. RAMEY
Director

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

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

(2) That approval is hereby given for the unorthodox loca-
tion of said well in the Abo formation 800 feet from the South
line and 2100 feet from the East line of said Section 34, the
SE/4 of the section to be dedicated to the well in the Abo.

PROVIDED FURTHER, that the applicant shall take packer
leakage tests upon completion and annually thereafter during the
Annual Gas Well Shut-In Pressure Test Period for Southeast New
Mexico.

PROVIDED HOWEVER, that the applicant shall complete, operate,
and produce said well in accordance with the provisions of Rule
112-A of the Division Rules and Regulations insofar as said rule
is not inconsistent with this order;

(1) That the applicant, Yates Petroleum Corporation, be
hereby authorized to complete its 5 mile Deep Federal "LX" well
No. 1, located in Unit 0 of Section 34, Township 6 South, Range
25 East, NMM, Chaves County, New Mexico, as a dual completion
(conventional) to produce gas from the Abo formation through
the casing-tubing annulus and gas from the Permian formation for a-
tion through 2 7/8-inch tubing set in a packer located at
approximately 6600 feet.

IT IS THEREFORE ORDERED:

(5) That approval of the subject application will not
waive and protect correlative rights.

FILED
JAN 10 1954
OIL & GAS DIVISION
SANTA FE, N.M.