

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

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

**CASE NO. 12083  
Order No. R-11096**

**APPLICATION OF YATES PETROLEUM  
CORPORATION FOR COMPULSORY POOLING  
AND AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on November 5, 1998, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 19<sup>th</sup> day of November, 1998, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

**FINDS THAT:**

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) Cases No. 12081, 12082 and 12083 were consolidated at the time of the hearing for the purpose of testimony.

(3) The applicant, Yates Petroleum Corporation, seeks an order pooling all mineral interests underlying the N/2 of Section 13, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, in all formations and/or pools developed on 320-acre spacing including the Atoka and Morrow formations, Undesignated Cemetery-Morrow Gas Pool. This unit is to be dedicated to Yates Petroleum Corporation's existing Ceniza "AGZ" Com Well No. 3 (API No. 30-015-26467) which has been re-entered to test these formations at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 13.

(4) At the hearing, the applicant testified that it has reached a voluntary agreement with all interest owners within the proposed proration unit and therefore requested that the portion of its application seeking to compulsory pool the N/2 of Section 13 be dismissed.