

CASE 355: Harvey E. Yates application re
unorthodox location 2615' from S and W
lines 16-19S-30E, Eddy County (Benson pool)

Case No.

355

Application, Transcript,
Small Exhibits, Etc.

April
Meeting

Case 350

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF HARVEY E. YATES FOR THE
APPROVAL OF AN UNORTHODOX LOCATION

NO. _____

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF
NEW MEXICO:

The petitioner hereby makes application for the approval
of an unorthodox location of a well to be drilled for oil and
gas, said location to be 25 feet South of the North line and
25 feet West of the East line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 16,
Township 19 South, Range 30 East, N.M.P.M., said location being
located closer to the boundary lines of the 40 acre unit in-
volved than is permitted by general rules and regulations, and,
in support of said petition, respectfully states:

1. That the 40 acre unit on which said well is to be
drilled is a part of State Oil and Gas Lease B-9646-2 and that
petitioner is the record owner of said lease.

2. That petitioner is the record owner of said lease
and is the record owner and operator of the producing oil and
gas lease offsetting and immediately adjacent on the North and
East of said unorthodox location.

3. That petitioner desires to drill said well at the
aforesaid unorthodox location for the following reasons, to-wit:

(a) That petitioner has previously drilled a dry
hole at the approximate center of the NE ten acres of the NE $\frac{1}{4}$ SW $\frac{1}{4}$
of said Section 16; that said well encountered the pay expected
but that said formation was with slight porosity; that by drill-
ing closer to other producing wells in the same formation it is
anticipated that said formation will produce.

(b) That by drilling at said unorthodox location
it is expected to encounter said formation higher on structure
and therefore will more nearly obtain the maximum ultimate

LAW OFFICES
DONALD S. BUSH
SUITE 216 BOOKER BUILDING
ARTESIA, NEW MEXICO

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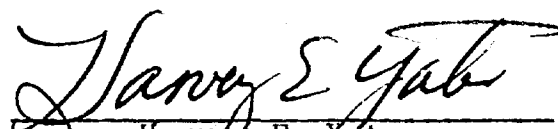
1 recovery of the oil and gas therefrom.

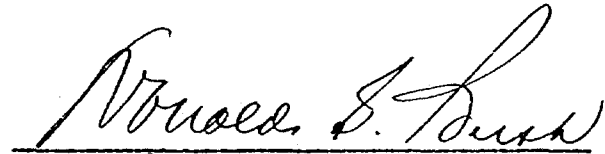
2 (c) That encountering said formation higher on
3 structure will substantially reduce the amount of water normally
4 encountered in said formation.

5 (d) That said unorthodox location will round out the
6 drainage pattern in said field and therefore will more nearly
7 obtain the maximum, ultimate recovery of the oil and gas there-
8 from.

9 In consideration of the foregoing statements, your petitioner
10 respectfully requests the Commission to give Notice as is required
11 by the rules and regulations of the Commission; that a hearing
12 on the matter be held; that the petitioner be permitted to offer
13 proof of the facts herein stated and that the Commission make
14 the following finding and order, to-wit:

15 That the request for the unorthodox location, as herein set
16 out, be approved and that an order be executed allowing said
17 location to be drilled.

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21 Harvey E. Yates
22 Petitioner

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23 Donald S. Bush
24 216 Booker Building
25 Artesia, New Mexico
26 Attorney for Petitioner
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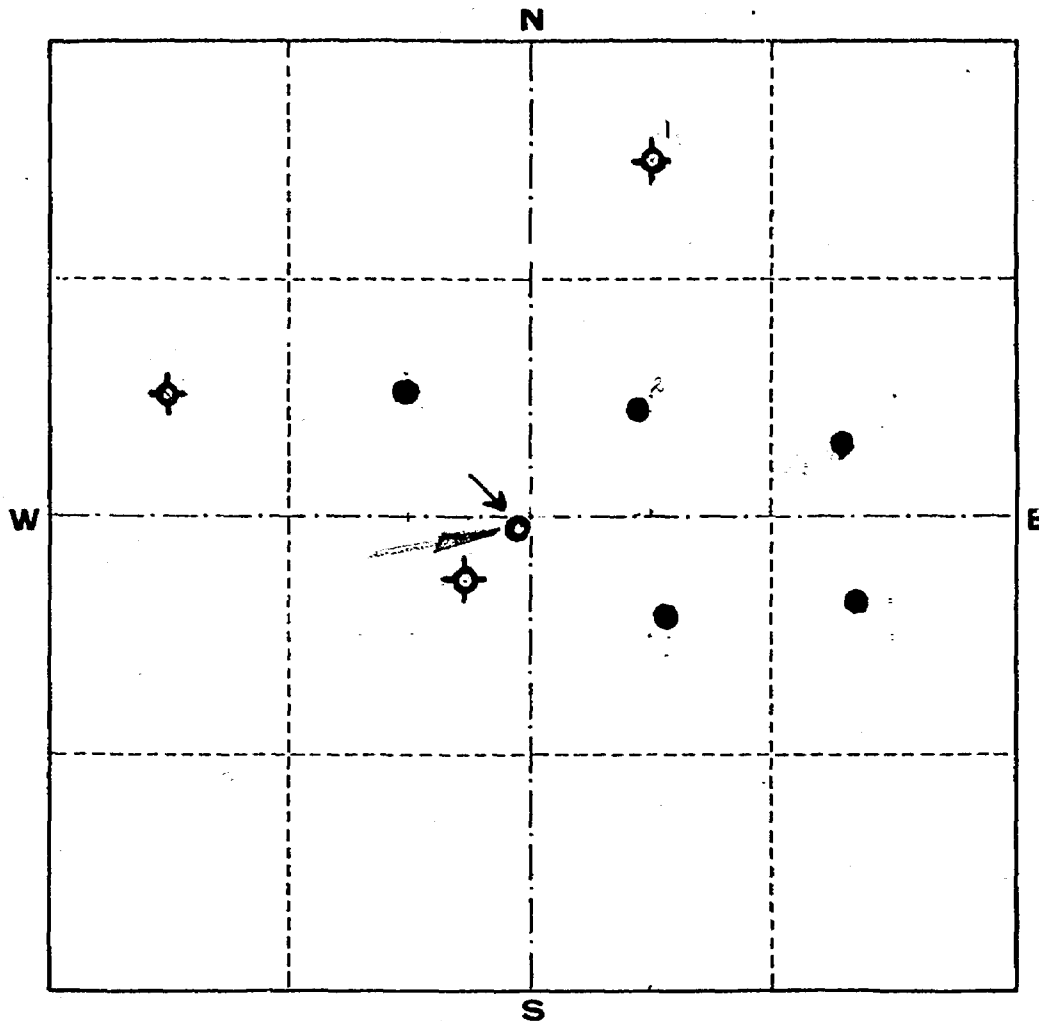
Case #355
Exhibit (1)

State New Mexico
County Eddy
Field Benson

BENSON AREA

WELL NO. _____

Section 16 T. 19 S R. 30 E P.M.



SCALE 1 INCH=1000 FEET

Proposed Unorthodox Location 25'S of
NL & 25' W of EL of NE 1/4 of SW 1/4
of Sec. 16, T19S R30E

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

April 2, 1952

Mr. Harvey E. Yates
Booker Building
Artesia, N. M.

Dear Harvey:

RE: OCC Case 355

Your application for an unorthodox location for your projected well 2615 feet from the south and west lines of Section 16, Twp. 19 S, 30 E, has been set for hearing April 15, 1952, as Case 355.

Proper legal advertisement has been issued.

Very truly yours,

W. B. Macey

WBM:mr

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Y

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION
OF NEW MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 355
ORDER NO. R-148

THE APPLICATION OF HARVEY E. YATES
FOR APPROVAL OF AN UNORTHODOX WELL
LOCATION 2615 FEET FROM THE SOUTH AND
WEST LINES OF SEC. 16, TWP. 19 SOUTH,
RANGE 30 EAST, NMPM, BENSON POOL,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 1st day of May 1952, the Commission, a quorum being present, having considered the testimony adduced at said hearing and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Harvey E. Yates is the owner of all leases within a 660-foot radius of the proposed unorthodox location.

(3) That heretofore Harvey E. Yates drilled a dry hole in the NE/4 NE/4 SW/4 of Section 16, Township 19 South, Range 30 East, NMPM, Eddy County, New Mexico, to the producing horizon of the Benson Pool, said well encountering only a slight show of oil in the Benson Pool producing horizon.

(4) That such unorthodox location will tend to result in more efficient drainage of the area, promote conservation, will not result in interference with correlative rights of adjoining lessees, and should be approved.

IT IS THEREFORE ORDERED:

(1) That an unorthodox location for Harvey E. Yates, to be located 2615 feet from the south and west lines of Section 16, Township 19 South, Range 30 East, NMPM, Benson Pool, Eddy County, New Mexico, be and the same hereby is approved.

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

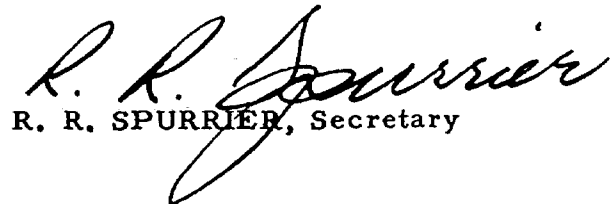
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



GUY SHEPARD, Member



R. R. SPURRIER, Secretary

S E A L

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF PROCEEDINGS
CASE NO. 355

April 15, 1952

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROWWELL BLDG
PHONES 7-9645 AND 5-8546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

April 15, 1952

In the Matter of:

Harvey E. Yates' application for
approval of unorthodox location
2615' from the S and W lines of
16-19S-30E, NMPPM, Eddy County,
New Mexico in the Benson Pool.

Case No. 355

(Notice of Publication read by Mr. Graham.)

MR. BUSH: Mr. Donald S. Bush, Artesia, representing
Harvey E. Yates. This is a simple application for an unorthodox
location as read from the Docket. That puts this unorthodox
location within 25 feet of the north and east 40-acre division
lines of the northeast quarter southwest quarter of Section 16,
Township 19, South Range 30 East in the Benson Pool. In support
of this application I have Mr. Yates, the petitioner, here as a
witness, and if Mr. Yates can be sworn we will put on his testi-
mony.

H A R R Y E . Y A T E S ,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. BUSH:

Q Will you state your name to the Commission, please.

A Harry E. Yates.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9546 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Q Where do you live?

A Artesia.

Q What is your business?

A Oil producer.

Q Are you also a geologist?

A Yes, sir.

MR. BUSH: Does the Commission wish me to qualify Mr. Yates or are you sufficiently familiar with his qualifications to qualify him as an expert?

MR. SPURRIER: His qualifications are accepted.

Q Are you the owner and operator of the Benson Pool in Section 16, Township 19 South, Range 30 East, NMPM, Eddy County, New Mexico?

A Yes, sir.

Q How many producing wells do you have on the Benson lease?

A Three producing now, five in all.

Q Did you prepare this plat of the wells on the Benson lease and the proposed unorthodox location?

A Yes, sir.

Q The unorthodox location requested is not on the Benson, is that correct?

A Is not.

Q Is not on the Benson lease?

A What do you mean?

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9646 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Q It is on a different lease from the lease on which these producing wells are located?

A That is right. It is a state lease, though.

Q The unorthodox location is requested on state lease B-9646, No. 2 assignment, is that correct?

A Yes, sir.

Q Do you own all of the offset locations. Are you the record owner of all the offset locations to this proposed unorthodox location?

A Yes, sir.

Q And have you in the past drilled a well that turned out to be a dry hole in the northeast ten acres of this 40-acre unit?

A Yes, sir.

Q Are the royalties under the two leases involved here payable to the state of New Mexico, payable to the same institution?

A Yes, sir.

Q Did you check the land office records on that?

A Yes.

Q At what depth do you produce those wells there, Mr. Yates?

A Average depth is 1850 feet.

Q And out of what formation do you produce them?

A Upper Seven Rivers.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9646 AND 5-9646
ALBUQUERQUE NEW MEXICO

Q Upper Seven Rivers?

A Yes, sir.

Q What factors are involved that have led you to make this application for the unorthodox location?

A The unorthodox location is moved toward the high of the field and I expect will raise approximately 20 feet in doing so.

Q What was the difference between the dry hole you drilled southwest of the proposed unorthodox location and this well located northeast of the proposed unorthodox location?

A Approximately 50 feet.

Q You anticipate by moving to the unorthodox location that you will get about 20 feet higher on structure?

A Yes, sir.

Q Are there any other factors that are involved in making this application?

A In the dry hole I had a fair show of oil and just a fair show, and I believe I am moving toward the porosity up dip and I believe that I can make a well there.

Q Do you encounter water throughout all this production here?

A Yes, sir.

Q Do you feel that by getting higher on formation you will reduce the quantity of water encountered there?

A Yes, sir.

ADA DEARNLEY & ASSOCIATES
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PHONES 7-9646 AND 5-9846
ALBUQUERQUE, NEW MEXICO

Q Does this unorthodox location conform to the apparent drainage pattern of this Benson Pool, Mr. Yates?

A It has a tendency to round out the present location, if that can be done.

Q Do you feel that if permission is granted to drill this well it will result more nearly in your maximum ultimate recovery of the oil under there?

A That is my opinion.

MR. BUSH: I offer in evidence what is marked as Exhibit No. 1, being the plat referred to in this testimony.

MR. SPURRIER: Without objection it will be received.

Q You ask the Commission for an order allowing you to drill this unorthodox location as set out in the petition?

A Yes, sir.

MR. BUSH: I believe that is all the testimony we have.

MR. SPURRIER: Any question of the witness? Any further comment in this case? If not, the witness may be excused and the case will be taken under advisement.

We will skip 356 until later. I stand corrected, the next case on the Docket is Case 356.

(Witness excused.)

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

STATE OF NEW MEXICO)
 :
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 355 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on April 15, 1952, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 21st day of April, 1952.


REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9645 AND 5-9846
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BEFORE THE
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REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9645 AND 5-9646
ALBUQUERQUE, NEW MEXICO