

CASE 7242: HARVEY E. YATES COMPANY FOR
AN UNORTHODOX GAS WELL LOCATION, LEA
COUNTY, NEW MEXICO

Case No.

7242

Application

Transcripts

Small Exhibits

ETC

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 May 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company)
for an unorthodox gas well location,)
Lea County, New Mexico.)

CASE
7242

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Robert Strand, Esq.
HEYCO
Roswell, New Mexico

MR. NUTTER: Call Case Number 7242.

MR. PADILLA: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico.

MR. NUTTER: Case Number 7242 has previously been heard and readvertised.

Are there any appearances in Case 7242 at this time?

MR. STRAND: Mr. Examiner, Robert Strand, attorney from Roswell, appearing for the applicant.

I would request that that particular case be dismissed.

MR. NUTTER: You want it dismissed, then?

MR. STRAND: Yes, there is an order in effect already covering that unorthodox location, approximately a year old.

MR. NUTTER: Case Number 7242 will be dismissed.

You represented the applicant in that case, is that correct, Mr. Strand?

MR. STRAND: Yes, it is.

MR. NUTTER: Okay.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-13
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7247
heard by me on 5/20 1981.

[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 May 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company)
for an unorthodox gas well location,)
Lea County, New Mexico.)

CASE
7242

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Robert Strand, Esq.
HEYCO
Roswell, New Mexico

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MR. NUTTER: Call Case Number 7242.

MR. PADILLA: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico.

MR. NUTTER: Case Number 7242 has previously been heard and readvertised.

Are there any appearances in Case 7242 at this time?

MR. STRAND: Mr. Examiner, Robert Strand, attorney from Roswell, appearing for the applicant.

I would request that that particular case be dismissed.

MR. NUTTER: You want it dismissed, then?

MR. STRAND: Yes, there is an order in effect already covering that unorthodox location, approximately a year old.

MR. NUTTER: Case Number 7242 will be dismissed.

You represented the applicant in that case, is that correct, Mr. Strand?

MR. STRAND: Yes, it is.

MR. NUTTER: Okay.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7242
heard by me on 5/20 1981.

[Signature] Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

May 26, 1981

POST OFFICE BOX 2014
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Re
Mr. Robert H. Strand, Attorney
Harvey E. Yates Company
P. O. Box 1933
Roswell, New Mexico 88201

Re: CASE NO. 7242
by ORDER NO. B-6692

Applicant:

Harvey E. Yates Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>3</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other

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. 7242
Order No. R-6692

APPLICATION OF HARVEY E. YATES
COMPANY FOR AN UNORTHODOX GAS
WELL LOCATION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 20, 1981,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of May, 1981, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 7242 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L
fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
6 May 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Com-
pany for an unorthodox gas well
location, Lea County, New Mexico.

CASE
7242

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: Call next Case 7242.

MR. PADILLA: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico.

MR. STAMETS: Because of a readvertisement, this case will be continued to the May 20th Examiner Hearing.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7242
heard by me on 5-6 1981.
Richard L. Hammett Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
6 May 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Com-
pany for an unorthodox gas well
location, Lea County, New Mexico.

CASE
7242

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: Call next Case 7242.

MR. PADILLA: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico.

MR. STAMETS: Because of a readvertisement, this case will be continued to the May 20th Examiner Hearing.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

Dockets Nos. 17-81 and 18-81 are tentatively set for June 3 and 17, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 20, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7242: (Readvertised)

Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Wolfcamp-Mississippian location of its McDonald Well No. 1 to be drilled 660 feet from the South line and 990 feet from the East line of Section 33, Township 13 South, Range 36 East, the S/2 of said Section 33 to be dedicated to the well.

CASE 7243: (Readvertised)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian and Mississippian formations underlying the S/2 of Section 33, Township 13 South, Range 36 East, for a gas completion and/or all mineral interests in the Pennsylvanian-Devonian formations underlying the SE/4 SE/4 of said Section 33 for an oil completion. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7253: Application of Bandera Energy Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 27, Township 16 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7254: Application of Mesa Petroleum Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 15, Township 30 North, Range 11 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7255: Application of Gulf Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the W/2 of Section 26, Township 18 South, Range 32 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7256: Application of Petro-Lewis Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry, Drinkard, and Abo production in the wellbore of its Gulf Sarkeys Well No. 2 located in Unit F of Section 25, Township 21 South, Range 37 East.

- CASE 7257: (This case will be dismissed and a different well will be docketed for hearing later.)

Application of Cities Service Company for a salt water disposal well, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Entrada formation at approximately 5300 feet in its Federal "M" Well No. 1 in Unit P of Section 21, Township 19 North, Range 5 West.

CASE 7225: (Continued from April 22, 1981, Examiner Hearing)

Application of Knox Industries, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Morrow location of its Maddox Well No. 1 to be drilled 1980 feet from the South line and 660 feet from the West line of Section 12, Township 23 South, Range 34 East, Northeast Antelope Ridge Field, the S/2 of said Section 12 to be dedicated to the well.

CASE 7258: Application of HNG Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 32, Township 21 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling said well.

CASE 7086: (Continued from April 8, 1981, Examiner Hearing)

Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7259: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit New Mexico State University and Fireman's Fund Insurance Company to appear and show cause why two certain geothermal wells, being the New Mexico State University Well No. TG-3 and Well No. DT-4, both located in the NW/4 of Section 14, Township 29 South, Range 8 West, Luna County, New Mexico, should not be ordered plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7260: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting vertical limits, and extending horizontal limits of certain pools in Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Antelope Ridge-Atoka Gas Pool. The discovery well is Monsanto Company Back Basin Well No. 1 located in Unit I of Section 20, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 20: E/2

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Antelope Ridge-Strawn Gas Pool. The discovery well is Estoril Production Corporation Curry Federal Well No. 1 located in Unit I of Section 22, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 15: S/2
Section 22: All

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Montoya production and designated as the Fowler-Montoya Pool. The discovery well is Gulf Oil Corporation Lillie Well No. 1 located in Unit D of Section 23, Township 24 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 23: NW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Grama Ridge-Atoka Gas Pool. The discovery well is Minerals, Inc. Llano 33 State Well No. 1 located in Unit J of Section 33, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 33: S/2

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the McMillan-Wolfcamp Gas Pool. The discovery well is Marbob Energy Corporation State CJ Com Well No. 1 located in Unit G of Section 24, Township 20 South, Range 26 East, NNPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NNPM
Section 24: N/2

(f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Osudo-Bone Spring Pool. The discovery well is Jake L. Hamon Hamon-Samedan-Petty Well No. 1 located in Unit N of Section 8, Township 20 South, Range 36 East, NNPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NNPM
Section 8: SW/4

(g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the West Palmillo-Wolfcamp Pool. The discovery well is Bass Enterprises Production Company Palmillo State Well No. 1 located in Unit J of Section 1, Township 19 South, Range 28 East, NNPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NNPM
Section 1: NW/4 SE/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Scoggin Draw-Atoka Gas Pool. The discovery well is Amoco Production Company Federal F Gas Com Well No. 1 located in Unit G of Section 3, Township 18 South, Range 27 East, NNPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NNPM
Section 3: E/2

(i) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Cisco production and designated as the East Tannehill-Cisco Pool. The discovery well is Energy Reserves Group, Inc. El Paso State Well No. 1 located in Unit F of Section 8, Township 6 South, Range 34 East, NNPM. Said pool would comprise:

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NNPM
Section 8: SE/4

(j) ABOLISH the Carlsbad-Canyon Gas Pool in Eddy County, New Mexico, described as: (acreage to be added to East Carlsbad-Wolfcamp Gas Pool)

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NNPM
Section 21: S/2

(k) ABOLISH the Carlsbad Permo-Pennsylvanian Gas Pool in Eddy County, New Mexico, described as: (acreage to be added to East Carlsbad-Wolfcamp Gas Pool)

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NNPM
Section 15: All

(l) EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NNPM
Section 36: S/2

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NNPM
Section 31: S/2

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NNPM
Section 1: E/2
Section 12: E/2

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NNPM
Section 6: W/2
Section 7: N/2

- (m) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4

- (n) EXTEND the Bull's Eye-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 2 SOUTH, RANGE 28 EAST, NMPM
Section 12: N/2 SE/4

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 7: NW/4 SW/4

- (o) EXTEND the North Caprock-Mississippian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 5: SE/4

- (p) EXTEND the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 14: N/2
Section 15: All
Section 16: E/2
Section 20: E/2
Section 21: All

- (q) EXTEND the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 33: E/2

- (r) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 20: E/2 NE/4

- (s) EXTEND the Diamond Mound-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 6: S/2

- (t) EXTEND the Dublin Ranch-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 22: S/2
Section 27: N/2

- (u) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 23: NW/4 SW/4

- (v) EXTEND the Hare-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 21: S/2

- (w) EXTEND the South Kemitz Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 30: E/2

- (x) EXTEND the North McMillan-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

- (y) EXTEND the Maljamar-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 28: W/2

- (z) EXTEND the Malaga-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 10: S/2
Section 23: N/2

- (aa) EXTEND the North Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 17: SE/4

- (bb) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 5: Lots 1, 2, 3, 4, 5, 6, 7,
and 8

- (cc) CONTRACT the vertical limits of the Shugart-Pennsylvanian Gas Pool to include the Morrow formation only and redesignate said pool as Shugart-Morrow Gas Pool, and extend the horizontal limits of said pool to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 26: N/2

- (dd) EXTEND the North Shugart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 7: E/2
Section 18: All

- (ee) EXTEND the East Weir-Blaine Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 7: N/2 N/2
Section 8: N/2 N/2
Section 9: W/2 NW/4

Dockets Nos. 16-81 and 17-81 are tentatively set for May 20 and June 3, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 6, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 7235: Application of Public Lands Exploration Inc. for a unit agreement, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the O'Connell Ranch Unit Area, comprising 640 acres, more or less, of State and fee lands in Township 11 North, Range 25 East, said unit being for the purpose of conducting an enhanced oil recovery project by the injection of steam.
- CASE 7236: Application of Belco Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its James Ranch Well No. 11 located in Unit E of Section 36, Township 22 South, Range 30 East, to produce gas from the Atoka and Morrow formations thru parallel strings of tubing.
- CASE 7237: Application of Conoco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its State F-1 Well No. 10 located in Unit V of Section 1, Township 21 South, Range 36 East, to produce oil from the Hardy-Drinkard Pool and an undesignated Tubb pool thru parallel strings of tubing.
- CASE 7238: Application of Holly Energy, Inc. for directional drilling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Salt Lake South Deep Well No. 1, the surface location of which is 2189 feet from the North line and 500 feet from the East line of Section 6, Township 21 South, Range 32 East, South Salt Lake-Morrow Gas Pool, in a northerly direction to bottom it within 150 feet of the center of Unit A (Lot 1) of said Section 6, Lots 1 thru 8 to be dedicated to the well.
- CASE 7239: Application of Troy Strickland and E. V. Isbell for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 75.5-acre non-standard proration unit comprising Lot 3 and that portion of Lot 4 North of the San Juan River mid-channel, all in Section 14, Township 29 North, Range 15 West, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 7240: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Blanco-Pictured Cliffs production in the wellbore of its Sunray B Well No. 6 located in Unit G of Section 1, Township 30 North, Range 10 West.
- CASE 7241: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Mississippian location of its Austin State 18 Well No. 1 to be drilled 1980 feet from the South line and 1650 feet from the East line of Section 18, Township 14 South, Range 36 East, the S/2 of said Section 18 to be dedicated to the well.
- CASE 7242: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Wolfcamp-Pennsylvanian location of its McDonald Well No. 1 to be drilled 660 feet from the South line and 990 feet from the East line of Section 33, Township 13 South, Range 36 East, the S/2 of said Section 33 to be dedicated to the well.
- CASE 7243: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian and Mississippian formations underlying the S/2 of Section 33, Township 13 South, Range 36 East, for a gas completion and/or all mineral interests in the Devonian formation underlying the SE/4 SE/4 of said Section 33 for an oil completion. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7217: (Continued from April 8, 1981, Examiner Hearing)
- Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Morrow location of its Travis Ohio State Com Well No. 1 to be drilled 660 feet from the South and West lines of Section 13, Township 18 South, Range 28 East, the S/2 of said Section 13 to be dedicated to the well.

- CASE 7244:** Application of Crescent Energy Corp. for an unorthodox oil well location and non-standard oil production unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Bough "C" location of a well to be drilled 2630 feet from the North line and 1980 feet from the East line of Section 32, Township 8 South, Range 37 East, Allison-Pennsylvanian Field, the SW/4 NE/4 and NW/4 SE/4 of said Section 32 to be dedicated to the well.
- CASE 7245:** Application of The Superior Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 21, Township 20 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well. (This case will be dismissed.)
- CASE 7246:** Application of Getty Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Getty 32 State Com. Well No. 1 located in Unit C of Section 32, Township 21 South, Range 32 East, to produce gas from the Atoka and Morrow formations.
- CASE 7247:** Application of Getty Oil Company for a gas well classification, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of its State 29-J Well No. 1, an oil well located in Unit J of Section 29, Township 24 South, Range 33 East, as a retrograde gas condensate well with the S/2 of said Section 29 to be dedicated to the well.
- CASE 7248:** Application of Inesco Oil Company for pool creation, special pool rules, and an oil discovery allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Federal 10 State Com. Well No. 1 located in Unit L of Section 10, Township 21 South, Range 26 East, and the promulgation of special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of approximately 42,290 barrels of discovery allowable to the aforesaid well.
- CASE 7249:** Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 21, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7250:** Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7251:** Application of Southern Union Exploration Company of Texas for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 36, Township 24 North, Range 1 West, to be dedicated to its Mobil Federal Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7252:** Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying portions of Townships 24 and 25 North, Ranges 7, 8, 9, and 10 West, containing 135,040 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

PHONE (505) 623-6601

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P.O. BOX 1933 SECURITY NATIONAL BANK BUILDING ROSWELL, NEW MEXICO 88201

April 23, 1981

RECEIVED
APR 24 1981
OIL CONSERVATION DIVISION
SANTA FE

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 7242

Re: Application for
Unorthodox location
660 FSL and 990 FEL
Sec. 33, T-13S, R-36E,
Lea County, New Mexico

Gentlemen:

Enclosed for filing is an original and two copies of the above referenced application.

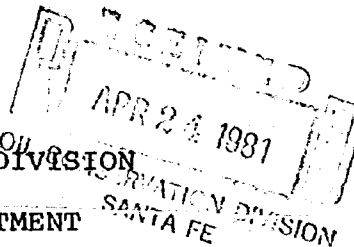
This application was previously called in to your office and is set for hearing on the May 6, 1981 docket.

Sincerely,

Robert H. Strand
Robert H. Strand *pc*
Attorney

RHS/smb
Encl.

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION OF :
HARVEY E. YATES COMPANY :
FOR AN UNORTHODOX BAS WELL LOCATION, : Case No. 2242
LEA COUNTY, NEW MEXICO :

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney
and respectfully states:

1. Applicant is the operator of the Pennsylvanian
and Mississippian formations underlying:

Township 13 South, Range 36 East, N.M.P.M.

Section 33: S/2

2. Applicant proposes to drill its McDonald Unit #1
well at a location 660 feet from the South line and 990 feet
from the East line of said Section 33 to a depth sufficient to
adequately test the Pennsylvanian and Mississippian formations
which are reasonably expected to be productive of gas.

3. Applicant seeks an exception to the well location
requirements of Rule 104-C.2(a) of the Oil Conservation Divi-
sion to drill said well to the Pennsylvanian and Mississippian
formations at the above described unorthodox location.

4. A standard 320 acre gas proration unit comprising
the above described lands should be dedicated to such well.

5. The approval of this application will afford
applicant the opportunity to produce its just and equitable

share of gas, will prevent economic loss caused by 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 said well at a location 660 feet from the South line and 990 feet from the East line of said Section 33 and to dedicate the S/2 of Section 33 to said well.

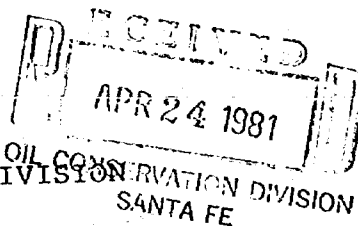
C. For such further relief as the Division deems just and proper.

DATED the 23rd day of April, 1981.

HARVEY E. YATES COMPANY

BY: 

Robert H. Strand
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201



BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
HARVEY E. YATES COMPANY :
FOR AN UNORTHODOX BAS WELL LOCATION, : Case No. 7242
LEA COUNTY, NEW MEXICO :

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney
and respectfully states:

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and Mississippian formations underlying:

Township 13 South, Range 36 East, N.M.P.M.

Section 33: S/2

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C. For such further relief as the Division deems just and proper.

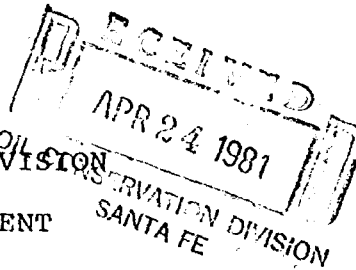
DATED the 3rd day of April, 1981.

HARVEY E. YATES COMPANY

BY: 

Robert H. Strand
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION OF :
HARVEY E. YATES COMPANY :
FOR AN UNORTHODOX GAS WELL LOCATION, : Case No. 7242
LEA COUNTY, NEW MEXICO :

APPLICATION

COMES NOW HARVEY E. YATES COMPANY by its attorney
and respectfully states:

1. Applicant is the operator of the Pennsylvanian
and Mississippian formations underlying:

Township 13 South, Range 36 East, N.M.P.M.

Section 33: S/2

2. Applicant proposes to drill its McDonald Unit #1
well at a location 660 feet from the South line and 990 feet
from the East line of said Section 33 to a depth sufficient to
adequately test the Pennsylvanian and Mississippian formations
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sion to drill said well to the Pennsylvanian and Mississippian
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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 said well at a location 660 feet from the South line and 990 feet from the East line of said Section 33 and to dedicate the S/2 of Section 33 to said well.

C. For such further relief as the Division deems just and proper.

DATED the 23rd day of April, 1981.

HARVEY E. YATES COMPANY

BY: 

Robert H. Strand
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201

4-15-81
Bob Strand

Application of Harvey E Yates Co for

✓ (1) Unorthodox gas well location
McDonald Well No 1 ~~QD~~ 6605
990 E 33 - 135 - 36 E
Lea County Penn-Miss
S/2 dedicated

(2) Compulsory pooling S/2 Sec 33
- 135 - 36 E ~~Lea Co~~ Penn Miss

~~Surface~~ - Devonian

pool SE/SE 33 Surface - Devonian
to be committed to an oil well
to be drilled at a std location
in the SE/SE Sec 33

and for gas well
unorthodox loc

J. M. Huber Corp.
Adobe Oil Corp.

624-0251

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO. 7242

Order No. R- 6692

APPLICATION OF HARVEY E. YATES COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 20
1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of May, 1981, the Division
Director, having considered the record and the recommendations of
the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7242 is hereby dismissed.

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