# CASE NO.

7444

APPlication,
Transcripts,
Small Exhibits,

ETC



# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

December 29, 1981

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 ISOSI 827-2434

Mr. Chad Dickerson	
Losee, Carson à Die	ckerson
Attorneys at Law	
P. O. Drawer 239	and the second second
Artesia. New Mexico	

Re: CASE NO. 7444 ORDER NO. R-6862

Applicant:

Yates Petroleum Corporation

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 x
Artesia OCD x
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. 7444 Order No. R-6862

APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 16, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of December, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

SEAL

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

#### IT IS THEREFORE ORDERED:

That Case No. 7444 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY,

Director

OIL CONSERVATION DIVISION
SANTA FE

LAW OFFICES

#### LOSEE, CARSON & DICKERSON, P. A.

300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

746-3508

A.J.LOSEE
JOEL M.CARSON
CHAD DICKERSON
DAVID R.VANDIVER

November 30, 1981

Mr. Joe D. Ramey, Director Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 Care 7444

Re: Yates Petroleum Corporation
Compulsory Pooling Application
Rio Peros "SH" Fed. No. 1 Well
E/2 Sec. 30, T-18-S, R-27-E, NMPM

Eddy County, New Mexico

Dear Mr. Ramey:

Please dismiss the above case entitled "In the Matter of the Application of Yates Petroleum Corporation for Compulsory Pooling, Eddy County, New Mexico," which seeks an order force pooling the interest of Flag-Redfern Oil Company in connection with the captioned well.

Thank you.

Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A.

Chad Dickerson

CD:pvm

cc: Yates Petrolcum Corporation

Dockets Nos. 1-82 and 2-82 are tentatively set for January 6, and January 20, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKST: EXAMINER HEARING - WEDNESDAY - DECEMBER 16, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for January, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for January, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7439: Application of Bass Enterprises Production Company for an amendment of Division Order No. R-6776,
  Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division
  Order No. R-6776 which authorized the directional drilling of its James Ranch Well No. 13 in Section
  36, Township 22 South, Range 30 East, to provide for an amended surface location 1440 feet from the
  North line and 860 feet from the West line of Section 6, Township 23 South, Range 31 East.
- CASE 7440: Application of Morris R. Antwell for compulsory pooling, Lea County, New Mexico.

  Applicant, in the above styled cause, masks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SW/4 NE/4 of Section 5, Township 20 South, Range 38 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 7441: Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 NW/4 of Section 5, Township 20 South, Range 38 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 7442: Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the SE/4 of Section 23, Township 5 South, Range 24 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 7443: Application of Dalton H. Cobb for compulsory pooling, Guadalupe County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 of Section 20, Township 8 North, Range 22 East, to be dedicated to a well drilled at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entering said well.
  - Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.
    Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp—
    Penn formations underlying the E/2 of Section 30, Township 18 South, Range 27 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 7445: Application of Harvey E. Yatos Company for an NGPA determination, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier \* Al No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.

CASE 7410: (Continued from November 19, 1991, Examiner Hearing)

Application of 8.0.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from November 19, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, 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 7423: (Continued from November 19, 1981, Examiner Hearing - This Case will be dismissed)

Application of Conoco, Inc. for a waterflood project, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinebry oil and gas pool by the injection of water into the Blinebry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38.East, and Sections 2 and 3. Township 21 South, Range 37 East.

- CASE 7448: Application of Energy Reserves Group, Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.
- CASE 7449: Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration
  units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12,
  the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township
  20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4. SZ/4 SW/4, and NW/4 SE/4.
- CASE 7446: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting, and extending vertical and horizontal limits of certain pools in San Juan, Rio Arriba, McKinley, and Sandoval Counties, New Mexico:
  - (a) That the South Gallegos Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby abolished.
  - (b) That the South Gallegos Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM Section 24: SE/4 Section 25: E/2

(c) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM Section 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMFM Section 36: W/2 SW/4

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(d) That the South Gallegoe-Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 2: S/2

Section 3: SE/4

Section 10: NE/4

Section 13: W/2

and the vertical limits of said pool are hereby extended to include the Pictured Cliff formation and said pool is redefined as the South Gallegos-Fruitland -Pictured Cliffs Gas Pool.

(e) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Nacimiento production, is hereby created and designated as the Gavilan Nacimiento Pool, comprising the following described area:

TOWNSHIP 24 NORTH, RANGE I WEST, MMPH

Section 6: SW/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 1: SE/4

Section 12: N/2

(f) That the Aztec Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, described and defined, is hereby extended to include:

TOWNSHIP 29 MORIE, RANGE 10 HEST, WITH

Section 30: SE/4

Section 31: NE/4

(g) That the Actec Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 12: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NHPM

Section 7: SE/4

Section 21: NW/4 and SE/4

Section 28: E/2

(h) That the BS Mesa Gallup Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 1: NW/4

Section 2: All

Section 6: SW/4

(i) That the Beautiful Mountain Mississippian Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby redesignated the Beautiful Mountain Mississippian Gas Pool and is extended to include:

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM Section 32: N/2 S/2 and SW/4 SW/4 and SE/4 SE/4

(j) That the Ballard Pictured Cliffs Gas Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 24: NE/4

TOWNSHIP 24 MORTH, RANGE 5 WEST, MMPH

Section 15: SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 35: S/2

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

Section 0: NE/4

Section 14: NW/4 and SE/4

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(k) That the Bisti Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOMMSHIP 24 MORTH, RANGE 10 WEST, NMPM Rection 6: N/2 NE/4

TOWNSHIP 25 NORTH, RANGE 10 WEST, HHPM Section 31: SE/4

(1) That the Slanco Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANCE 9 WEST, NMPN Section 3: SE/4
Section 10: NE/4

(m) That the Blanco Mesa Verde Gas Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM Section 4: S/2 Section 5: S/2

Section 10: W/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 14: \$/2
Section 25: All

Section 26: All Section 35: All Section 36: All

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Section 2: S/2 Sections 7 to 16: All

Section 22: All

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM Section 22: N/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NHPM Section 13: W/2

Section 14: All Section 23: N/2 Section 24: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM Saction 23: N/2

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM Section 30: W/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM

Section 14: All Section 15: E/2 Section 23: All

(n) That the Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 17: NW/4 Section 18: SE/4

#### TOMBISHIP 29 NORTH, RANGE 8 WEST, MMPK

Section 3: W/2

Section 4: E/2

Section 9: M/2

Section 10: Mi/4

Section 33: E/2

Section 34: W/2 and SE/4 Section 35: SN/4

#### TORREHIP 30 WORTH, BANGE 9 WEST, HAPM

Section 11: SW/4

#### TOMMSHIP 30 NORTH, RANGE 10 WEST, HMPM

Section 6: NW/4

#### TOWNSHIP 31 NORTH, RANGE 9 WEST, HMPN

Section 28: SE/4

#### TOMMSHIP 31 NORTH, RANGE 12 WEST, NHPM

Section 12: NE/4

#### TOWNSHIP 32 NORTH, RANGE 11 WEST, NAPH

Section 10: E/2

(0) That the South Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

#### TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPH

Section 19: SW/4

Section 30: W/2

Section 31: NW/4

#### TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 24: S/2

#### TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 2: N/2

Section 3: N/2

Section 4: NE/4

#### TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 14: W/2

Sections 15, 16, & 17: All

Section 21: N/2

Section 22: N/2

#### TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 3: SE/4

Section 26: S/2 and NW/4 Section 27. All

Saction 28: E/2

Section 33: E/2

Sections 34 & 35: All

Section 36: SW/4

#### TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 14: NW/4

Section 24: All

#### TOWNSHIP 27 NORTH, RANGE 5 WEST, NMFM

Section 34: NW/4

#### TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 8: SE/4

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TOMMSHIP 28 NORTH, RANGE 6 WEST, NHPH

Section 25: SE/4 Section 36: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NNPM

Section 19: W/2

Section 30: NM/4

TOWNSHIP 28 NORTH, RANGE 8 WEST, NIGH

Section 11: E/2

Section 12: All

Section 13: All

Section 14: ME/4

Section 24: NE/4

(p) That the Bloomfield Chacra Cas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Sections 15 & 16: All

Section 17: SE/4

Section 22: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NEEM

Section 14: W/2

Section 15: E/2

Section 22: E/2

Section 23: W/2

Section 25: N/2

Section 26: W/2

Section 27: NE/4 and S/2 Section 34: All

Section 35: W/2 and SE/4

(q) That the Cha Cha Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

#### TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM

Section 11: E/2

Section 12: S/2 and NW/4

Section 14: N/2

(r) That the Chacon Dakota Associated Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

#### TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 1: W/2

Section 2: E/2

#### TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 3: NE/4

Section 11: NW/4

Section 23: SE/4

Section 35: SE/4

#### TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 16: SW/4

Section 17: SE/4

Section 21: All

Section 22: SW/4

Section 27: W/2 and SE/4

Section 28: E/2

Section 34: E/2

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(s) That the Escrito Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NHPM Section 28: S/2 NE/4 Section 35: W/2 NW/4

(t) That the Flora Vista Fruitland Gas Pool in San Juan County, New Maxico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM Section 3: W/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NNPM Section 34: W/2

(u) That the Flora Vista Gallup Gas Pool in San Juan County, New Mexico, as heretofore classfied, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM Section 1: SW/4 Section 2: SE/4

(v) That the Fulcher Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM Section 16: W/2

(w) That the Gallegos Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12, WEST, NMPM Section 23: E/2 NE/4

(x) That the Gavilan-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM Section 6: SW/4

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM Section 9: NW/4

(y) That the Gobernador Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM Section 31: SE/4

(z) That the Gonzales Mesa Verde Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 30: SE/4 Section 31: NE/4

(aa) That the West Kutz Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TCWNSHIP 29 NORTH, RANGE 12 WEST, NMPM Section 19: S/2

(bb) That the Kutz Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM Section 4: NW/4 NE/4

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> (cc) That the West Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

> > TOWNSHIP 27 NORTH, RANGE 11 WEST, NHPM Section 32: NE/4

> > TOWNSHIP 27 NORTH, RANGE 12 WEST, NICH Section 9: W/2 Section 16: NW/4

> > TOWNSTIP 29 NORTH, RANGE 12 WEST, NIPM Section 20: SE/4

> > TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPH Section 18: 5W/4 Section 19: N/2

> > TOWNSHIP 29 NORTH, RANGE 14 WEST, NIMPH Section 13: All Section 24: N/2

(dd) That the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

> TUWNSHIP 24 NUKTH, KANGE 4 WEST, MOTO Section 27: N/2 S/2

(ee) That the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include: .

> TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 7: N/2

Section 8: W/2 Section 17: NE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 4: All Section 8: S/2

Section 10: NW/4 and SE/4

Section 14: NW/4 Section 15: NE/4

Section 25: SE/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 13: SW/4

Section 21: NW/4 Section 23: E/2

Section 24: N/2

Section 26: E/2

Section 31: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 35: SE/4 Section 36: S/2

(ff) That the South Los Pinos Fruitland-Pictured Cliffs Gas Pool in San Juan County, New Mexico as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM

Section 25: S/2 Section 32: SE/4

Section 33: NE/4

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(gg) That the Lybrook Gallup Oil Pool in Sandoval, San Juan, and Rio Arriba Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

#### TOWNSHIP 23 NORTH, RANGE 6 WEST, NNPM Section 6: B/2 SW/4 Section 7: ME/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 MEST, NMPM
Section 1: W/2 SW/4 and SW/4 NN/4
Section 6: NW/4 and W/2 NE/4 and SE/4 NE/4
Section 8: NE/4 and N/2 SE/4
Section 12: NN/4 NW/4
Section 14: W/2
Section 15: N/2 NE/4

#### TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPN

Section 29: SW/4 SE/4 Section 30: S/2 S/2 Section 31: All Section 32: W/2 E/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 23: S/2 S/2
Section 25: W/2 NW/4 and SW/4 and S/2 SE/4
Section 26: E/2 NE/4

Section 26: E/2 NE/4 Section 36: All

(hh) That the Miguel Creek Gallup Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

## TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM Section 20: E/2 SE/4 Section 28: NW/4 NW/4 Section 29: E/2 NE/4 and NW/4 NE/4

(ii) That the Nageezi Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 8 HEST, NMPM
Section 5: W/2
Section 6: N/2
Section 8: NE/4
Section 9: W/2 and NE/4
Section 16: NW/4
TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 32: All

(jj) That the Otero Chacra Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 4: N/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 28: W/2
Sections 29 & 30: All Section 32: NW/4 and E/2
Section 33: W/2 and SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM Section 22: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM Section 5: NE/4
Section 9: All Section 10: SW/4

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(kk) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NAPH Section 1: W/2 NW/4 and SE/4 NW/4 Section 2: N/2 NE/4

(11) That the Pajarito Pennsylvanian D 011 Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TCWNSHIP 29 NORTH, RANGE 17 WEST, MRPM Section 31: NW/4 NE/4

(mm) That the Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NHTH Section 16: W/2 Section 17: E/2

(nn) That the North Pinna Fruit and Cos Tool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NORTH Section 33: W/2

(oo) That the Rusty Chacra Gas Pool in Sandoval County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 21 NORTH, RANGE 6 WEST, NMPM Section 4: SW/4 Section 5: S/2 and NW/4 Section 6: All Section 7: NW/4 Section 9: E/2

TOWNSHIP 22 NORTH, RANGE 6 WEST, NMPM
Section 17: SW/4
Section 18: NW/4 and SE/4
Section 20: NW/4 and SE/4
Section 27: SW/4
Section 28: S/2
Section 29: S/2
Section 30: NW/4 and SE/4
Section 31: E/2
Section 31: E/2
Section 34: N/2
Section 35: N/2 and SE/4
Section 36: SW/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 10: N/2
Section 11: NW/4
Section 12: SW/4
Section 17: S/2
Section 27: S/2 and NW/4
Section 28: E/2
Section 34: NE/4

(pp) That the Tapacito Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM Section 5: SW/4 Section 6: SE/4 Section 9: SW/4 Section 16: N/2 and SE/4 Page 11 of 16 Examiner Hearing - Wednesday - December 16, 1981

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMTH

Section 3: All

Section 4: E/2 and NW/4

Section 5: NE/4 Section 9: NE/4

Section 10: N/2

TOWNSHIP 28 NORTH, RANGE 5 WEST, NHPH

Section 31: NW/4

Section 32: 8/2

(qq) That the Ute Dome Dakota Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPN

Section 26: SE/4

Section 34: NE/4

(rr) That the WAW fruitiand rictured Cliffs was roof in san Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NIPM

Section 25: 5/2

Section 26: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 4: SE/4

Section 10: 5/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 30: NW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 4: SW/4

Section 5: S/2

Section 7: NE/4

Section 8: All

Section 9: W/2 and SE/4

Section 15: N/2

Section 17: NE/4

CASE 7447: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County. New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Draper Mill-Upper Pennsylvanian Gas Pool with vertical limits defined as from the top of the Pennsylvanian formation at 14,128 feet to the top of the Morrow formation at 15,003 feet as found on log of discovery well the HNG Oil Company Vaca Draw 16 State Well No. 1 located in Unit E of Section 16, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM Section 16: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Dora-Pennsylvanian Pool. The discovery well is Enserch Exploration Inc. Annie Harvey Well No. 1 located in Unit J of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, HAPM Section 6: SE/4 Page 12 of 16 Examiner Hearing - Wednesday - December 16, 1981

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Montoys production and designated as the Lightcop Montoya Gas Pool. The discovery well is Aikman Petroleum, Inc. Sanders Well No. 1 located in Unit E of Section 8, Township 8 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM Section 8: W/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oll pool for Cherry Canyon production and designated as the Loving-Cherry Canyon Pool. Further, to assign approximately 18,240 barrels of discovery allowable to the discovery well, the Pogo Production Company NEL Well No. 2 located in Unit I of Section 9, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 9: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Midway Strawn Pool. The discovery well is David Fasken Consolidated State well No. 2 located in Unit A of Section 8, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, PANCE 37 DAST, HERN Section 8: NE/4

(f) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Pecos Slope-Abo Gas Pool. The discovery well is Yates Petroleum Corporation Federal HY Well No. 2 located in Unit O of Section 33, Township 7 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM Section 35: SE/4 Section 36: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 31: SW/4

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPM

Section 1: All

Section 2: E/2 and SW/4 Section 9: SE/4

Section 9: 36/4

Section 10: All Section 11: All

Section 12: All

Section 13: All

Section 14: All

Section 15: All

Section 16: E/2

Section 21: E/2

Section 22: All

Section 23: All

Section 24: All

Section 25: All

Section 26: All

Section 27: All

Section 28: E/2

Section 31: S/2 Section 32: S/2

Section 33: E/2 and SW/4

Section 33: E/2 and

Section 34: All Section 35: All

Section 36: All

TOWNSHIP 5 SOUTH, RANGE 25 EAST, NMPM

Section 6: W/2

Section 7: NW/4

Section 31: W/2 and SE/4

Section 32: S/2

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> TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPM Section 1: All

TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM Section 1 thru Section 36: All

TOWNSHIP 7 SOUTH, RANGE 25 EAST, NMPH Section 1+ All Section 2: All Section 3: All Section 4: All Section 5: All Section 6: E/2 Section 7: N/2 Section 8: All Section 9: All Section 10: All Section 11: All Section 12: All Section 13: N/2 and SE/4 Section 14: N/2 Section 15: N/2 Section 16: YII Section 17: All Section 20: N/2

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NNPM Section 18: S/2

(g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the West Pecos Slope-Abo Gas Pool. The discovery well is Mesa Petroleum Company Rock Federal Well No. 1 located in Unit J of Section 7, Township 8 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM Section 12: NW/4 and E/2

Section 13: E/2

Section 21: All Section 28: All Section 33: All

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 6: S/2 Section 7: All Section 8: S/2

Section 18: N/2 and SW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring Oil production and designated as the Red Bluff-Bone Spring Pool. The discovery well is HCW Exploration, Inc. Dorstate Well No. 1 located in Unit H of Section 27, Township 25 South, Range 28 East, NMPM. said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM Section 27: NE/4

(i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Willow Lake-Bone Spring Pool. The discovery well is Maddox Energy Corporation Union Federal Well No. 1 located in Unit H of Section 33, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPH Section 33: NE/4

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(j) CONTRACT the vertical limits of the North Shoebar Pennsylvanian Pool in Lea County, New Mexico, to the Strawn formation only and redesignate pool to the Northwest Shoebar-Strawn Pool. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM Section 15: SE/4

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPH

Section 28: S/2 Section 29: E/2 Section 32: E/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM Section 2: Lots 9, 10, 15, 16, and

SE/4

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

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM Section 13: E/2

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM Section 17: All

(m) EXTEND the Bunting Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM

Section 30: S/2 Section 31: N/2

(n) EXTEND the West Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 30: E/2

(o) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM

Section 25: N/2 SW/4 and NW/4 Section 26: NE/4 and S/2

Section 27: S/2 SE/4

(p) EXTEND the Diamond Mound-Morrow Gas Pool in Chaves County. New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM Section 35: N/2

(q) EXTEND the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 36: E/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 31: NW/4

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(r) EXTEND the Inbe-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, PANCE 33 EAST, NMPM Section 14: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 30: E/2

(t) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, PANGE 28 EAST, NMPM Section 30: N/2

(u) Marin the West Medina-Rimebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 8: SE/4 Section 9: SW/4

(v) EXTEND the Nadine-Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM Section 22: NE/4

(w) EXTEND the Oil Center-Blinebry Pool in Les County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 11: E/2 SW/4

(x) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 11: NE/4

(y) EXTEND the Penasco Draw-San Andres-Yeso Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RINGE 24 EAST, NMPM Section 35: S/2 NE/4 and SE/4 Section 36: S/2

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

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM Section 6: E/2 Section 7: E/2

(aa) EXTEND the Sawyer-San Andres Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM Section 36: NE/4

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> (bb) EXTEND the North Shoebar-Wolfcamp Pool in Lea County, New Mexico, to include thereine

> > TOWNSHIP 16 SOUTH, RANGE 35 EAST, NHPM Section 15: SE/4

(cc) EXTEND the Tomahawk-San Andres Pool in Chaves County, New Mexico, to include

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPH Section 36: SW/4

(dd) EXTEND the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

> TOMESHIP 16 SOUTH, RANGE 35 EAST, NMPM Section 23: N/2

(ee) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

> TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPH Section 22: S/2

Section 27: All Section 34: E/2

Section 35: W/2

TOWNSHIT 19 SOUTH, BANGE 29 EAST, NMPM Section 2: N/2 Section 3: All

(ff) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico to include therein:

> TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM Section 7: NE/4

LAW OFFICES

LOSEE, CARSON & DICKERSON, HOA

300 AMERICAN HOME BUILDING P. O. DRAWER 239 OIL CONDUCT

SANTA FS

ARTESIA, NEW MEXICO BUSIO

November 11, 1981

Mr. Joe D. Ramey Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Pass 7444

Re: Tates Petrolcum Corporation Rio Pecos "SH" Fed. No. 1 Well

Dear Mr. Ramey:

JOEL M. CARSON

CHAD DICKERSON

DAVID R. VANDIVER

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Compulsory Pooling in Eddy County, New Mexico.

We ask that this case be set for hearing before an examiner and that you furnish us with a docket of said hearing.

Thank you.

Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A. Men

Chad Dickerson

CD:pvm Enclosures

GR. CARLY COLLEGE DIVISION SANTA FE

## OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

case no. 9444

#### APPLICATION

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

- 1. Applicant has the right to drill its Rio Pecos
  "SH" Fed. No. 1 Well as a gas well, to a depth sufficient to
  test the Morrow formation, which is to be located at a point
  1,980 feet from the south line and 660 feet from the east line
  of Section 30, Township 18 South, Range 27 East, N.M.P.M.,
  Eddy County, New Mexico.
- 2. The applicant has dedicated the E/2 of said section to this well, and there is an interest owner in the proration unit who has not agreed to pool its interest. The party who has not agreed to pool its interest, and its address is as follows:

Flag-Redfern Cil Company P.O. Box 2280 Midland, Texas 79702

- 3. Applicant should be designated the operator of the well and the proration unit.
- 4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense, its just and fair share of the gas in said unit, all mineral interests, whatever they may be, from the Wolfcamp through the Morrow formations underlying the E/2 of said Section 30, should be pooled.
- 5. That any non-consenting working interest owner that does not pay its share of estimated well costs should

have withheld from production its share of the reasonable well costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

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 pooling all mineral interests, whatever they may be, from the Wolfcamp through the Morrow formations underlying the E/2 of said Section 30, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, to form a 320-acre spacing unit dedicated to applicant's well.
- C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: Chad Dickerson

LOSEE, CARSON & DICKERSON, P.A. P. O. Drawer 239

sekew

Artesia, New Mexico 88210

Attorneys for Applicant

They of Solz

#### STATE OF NEW MEXICO FNERGY 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. 7444 Order No. R-6862

APPLICATION OF YATES PETROLEUM CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 16, 1981, at Santa Fe, New Mexico, before Examiner Richard I. Stamets.

NOW, on this <u>day of December, 1981</u>, 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. 7444 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY, Director

SEAL

Conforman

AN NGPA DETERMINATION, EDDY COUNTY, NEW

DOCKET MAILED

Date 2/5/82 3/5/82 4/2/82 5/14/82