

CASE 5676: YATES PET. CORP. FOR
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO

CASE NO.

5676

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 12, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Corpora-) CASE
tion for an unorthodox gas well location) 5676
Eddy County, New Mexico.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Joel M. Carson, Esq.
LOSEE & CARSON, P.A.
Attorneys at Law
300 American Home Bldg.
Artesia, New Mexico

sid morish reporting service
General Court Reporting Service
825 Calle Mejor No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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RAY BECK

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EXHIBIT INDEX

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Yates' Exhibit No. Two, Map	7
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1 MR. NUTTER: Now, we will proceed with Case Number
2 5676, Mr. Carson.

3 MR. CARR: Case 5676, application of Yates Petroleum
4 Corporation for an unorthodox gas well location, Eddy County,
5 New Mexico.

6 MR. CARSON: Mr. Examiner, my name is Joel Carson
7 with the firm of Losee and Carson, Artesia and I have one
8 witness to be sworn and that is Mr. Ray Beck.

9 (THEREUPON, the witness was duly sworn.)

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11 RAY BECK

12 called as a witness, having been first duly sworn, was
13 examined and testified as follows:

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15 DIRECT EXAMINATION

16 BY MR. CARSON:

17 Q. Would you state your name, please?

18 A. Ray Beck.

19 Q. And by whom are you employed?

20 A. Yates Petroleum.

21 Q. In what capacity?

22 A. Geologist.

23 Q. Have you previously testified before this Commission?

24 A. I have.

25 Q. And have your qualifications been acceptable to the

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1 Commission?

2 A. They have.

3 MR. CARSON: Are the witness's qualifications
4 acceptable?

5 MR. NUTTER: Yes, they are. Please proceed.

6 Q. (Mr. Carson continuing.) Mr. Beck, would you tell
7 the Commission or the Hearing Officer the purpose of this
8 application, Number 5676?

9 A. Yates Petroleum Corporation seeks approval of the
10 unorthodox gas well location of its Dakota No. 1 Federal GC
11 to be drilled six, sixty from the south and east lines of
12 Section 32, Township 17 South, Range 25 East, Eddy County,
13 New Mexico. The east half of the section will be dedicated
14 to the well.

15 Q. Mr. Beck, I hand you what has been marked as
16 Applicant's Exhibit Number One and ask if you would explain
17 what that exhibit purports to show?

18 A. Exhibit Number One is a land plat showing the
19 proposed location and its relationship to the surrounding
20 leasehold situation.

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22 Two and ask if that was prepared by you or under your super-
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1 map shows?

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5 well will penetrate the entire Pennsylvanian section and possibly
6 be completed in the Lower Penn sands and the main reason for
7 the exception location is to encounter a quality interval in
8 the gas productive Permo-Penn Antelope Sink zone carbonates
9 trending southwest from Artesia.

10 The Permo-Penn interval is referred to as the
11 Antelope Sink zone because it is stratigraphically equivalent
12 to the overall interval which produces in the Tom Brown
13 Antelope Sink well in the southwest-northeast of 18 and 19
14 South, 24 East, Eddy County.

15 Exhibit Number Two shows the Antelope Sink zone
16 porosity feet in solid contours and the structure is dotted
17 contours. The map also shows the three main facies, that is
18 the tight shelf facies to the northwest and a narrow band of
19 more porous productive basin marginal bioherms and
20 non-productive basinal fill material out in front.

21 The wells colored in red are completed in the
22 Antelope Sink zone, the wells enclosed in squares are
23 potentially completeable in the Antelope Sink zone.

24 The overall gas productive trend runs northeast-
25 southwest with the quality of the porosity varying from well-

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3 porosity runs more or less subnormal to the overall trend. Such
4 an area of better porosity is located to the southeast of the
5 Yates State CY Well in the northwest of the southwest of
6 Section 32, 17 South, 25 East.

7 The State CY has been completed in the Antelope Sink
8 zone for a measured deliverability of six hundred and nineteen
9 thousand cubic feet per day. According to the map, therefore,
10 the exception location should encounter the improved Antelope
11 Sink zone porosity relative to the State CY Well which lies in
12 the same local area of porosity.

13 Q Mr. Beck, I hand you Applicant's Exhibit Three and ask
14 if that exhibit was prepared by you or under your supervision?

15 A Yes, it was prepared by me.

16 Q Would you explain to the Hearing Office what that
17 exhibit purports to show?

18 A Exhibit Number Three is a cross section AA Prime
19 running northwest to southeast more or less normal to the
20 facies trends shown. The Antelope Sink zone top interval
21 indicated on the cross section is merely to give a third
22 dimension to the previous exhibit.

23 Q Mr. Beck, in your opinion will the granting of this
24 application prevent the economic loss caused by the drilling
25 of unnecessary wells, avoid the augmentation of the risk

1 arising from the drilling of an excessive number of wells and
2 otherwise prevent waste and protect correlative rights?

3 A. I believe it will.

4 MR. CARSON: I would like to move the introduction
5 of these exhibits, Mr. Hearing Officer.

6 MR. NUTTER: Yates' Exhibits One through Three will
7 be admitted into evidence.

8 (THEREUPON, Yates' Exhibits One through
9 Three were admitted into evidence.)

10 MR. CARSON: We have no further questions.

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12 CROSS EXAMINATION

13 BY MR. NUTTER:

14 Q. Mr. Beck, on your Exhibit Number Three you have
15 this one line which cuts through the Antelope Sink zone
16 labeled on your exhibit and it is identified as NMOCC 10, what
17 would be the explanation of that, please?

18 A. The New Mexico Oil Conservation Commission, the
19 study of industry geologists to pick some tops which could be
20 used over the southeastern part of the State, especially in
21 the Pennsylvanian and it is the pick that they came up with
22 for the top of the Penn. We believe that the Antelope Sink
23 zone started off in the Pennsylvanian-Cisco and just kept
24 right on growing up into the Wolfcamp so that is why we used
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2 Q Actually then, according to this exhibit, this
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5 A That's true.

6 Q And the advertisement for this case was for a well
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18 Permo-Penn completion if it were completed here in this so-called
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 8676
heard by me on 5/12, 1976
Heater, Examiner
New Mexico Oil Conservation Commission

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REPORTER'S CERTIFICATE

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do hereby certify that the foregoing and attached Transcript
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of the said proceedings to the best of my knowledge, skill and
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Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5674.
heard by me on 5/12, 1974.

, Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
May 20, 1976

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Joel Carson
Losee & Carson
Attorneys at Law
P. O. Drawer 239
Artesia, New Mexico 88210

Re: CASE NO. 5676
ORDER NO. R-5216

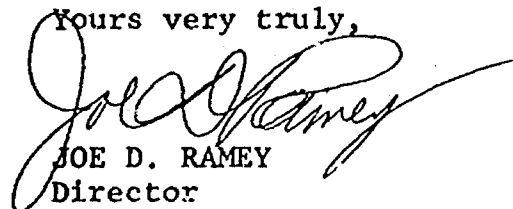
Applicant:

Yates Petroleum Corporation

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC

Other

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. 5676
Order No. R-5216

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 12, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of May, 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Yates Petroleum Corporation, seeks approval of an unorthodox gas well location for its Federal "GC" Com Well No. 1 at a point 660 feet from the South line and 660 feet from the East line of Section 32, Township 17 South, Range 25 East, NMPM, to test the Wolfcamp and Pennsylvanian formations, Eddy County, New Mexico.

(3) That the E/2 of said Section 32 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic

-2-

Case No. 5676
Order No. R-5216

loss caused by the 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.

IT IS THEREFORE ORDERED:

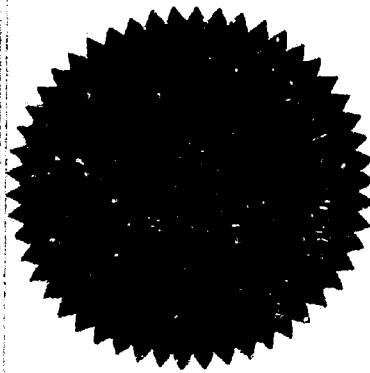
(1) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for the Yates Petroleum Corporation Federal "GC" Com Well No. 1 to be located at a point 660 feet from the South line and 660 feet from the East line of Section 32, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico.

(2) That the E/2 of said Section 32 shall be dedicated to the above-described well.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

[illegible]

0312	W. J. ...	Yates	2-22-81	2-18-78	AR...
BEFORE EXAMINER NUT					
04877DA	C.A.	EXAMINATION COMMISS			
Yates	Yates Orig 1/2	EXHIBIT NO. 1			
Yates	M. Yates	5676			
S. Cover	M.R.E.	Superior			
0630	NO.	Lincoln County			
0630	NO.	E.R. Fong			

[illegible]

A J LOSEE
JOEL M CARSON
CHAD DICKERSON

LAW OFFICES
LOSEE & CARSON, P.A.
300 AMERICAN HOME BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88210

AREA CODE 505
746-3508

22 April 1976

Mr. Joe D. Ramey, Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed, please find original and two copies of application of Yates Petroleum Corporation for an unorthodox gas well location in Eddy County, New Mexico.

We understand this matter will be heard at the May 12, 1976, examiner hearing.

Very truly yours,

LOSEE & CARSON, P.A.


A. J. Losee

AJL:jw
Enclosures

cc: Yates Petroleum Corporation

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
UNORTHODOX GAS WELL LOCATION IN EDDY : CASE NO. _____
COUNTY, NEW MEXICO :
_____ :

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof respectfully states:

1. That applicant is the operator of the Pennsylvanian
system underlying:

Township 17 South, Range 25 East, N.M.P.M.

Section 32: E/2

2. Applicant proposes to drill its Federal "GC"
Com. Well in the E/2 at a location 660 feet from the South and
East lines of said Section 32, and to dedicate the E/2 of said
Section 32 to the well.

3. Applicant seeks an exception to the well location
requirements of Rule 104-C of the Oil Conservation Commission
to permit the drilling of the well at the above mentioned un-
orthodox location to a depth sufficient to adequately test the
Morrow formation of the Pennsylvanian system.

4. That a standard 320-acre proration unit comprising
the E/2 of said Section 32 should be dedicated to the Federal
"GC" Com. Well.

5. That 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 the 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 Commission enter its order granting applicant permission to drill its Federal "GC" Com. Well at the above unorthodox location, and to dedicate the $\frac{E}{2}$ of said Section 32 to said well, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

LOSEE & CARSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
UNORTHODOX GAS WELL LOCATION IN EDDY :
COUNTY, NEW MEXICO :

CASE NO. _____

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof respectfully states:

1. That applicant is the operator of the Pennsylvanian
system underlying:

Township 17 South, Range 25 East, N.M.P.M.

Section 32: S/2

2. Applicant proposes to drill its Federal "GC"
Com. Well in the S/2 at a location 660 feet from the South and
East lines of said Section 32, and to dedicate the S/2 of said
Section 32 to the well.

3. Applicant seeks an exception to the well location
requirements of Rule 104-C of the Oil Conservation Commission
to permit the drilling of the well at the above mentioned un-
orthodox location to a depth sufficient to adequately test the
Morrow formation of the Pennsylvanian system.

4. That a standard 320-acre proration unit comprising
the S/2 of said Section 32 should be dedicated to the Federal
"GC" Com. Well.

5. That 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 the 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 Commission enter its order granting applicant permission to drill its Federal "GC" Com. Well at the above unorthodox location, and to dedicate the S/2 of said Section 32 to said well, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

LOSEE & CARSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN :
UNORTHODOX GAS WELL LOCATION IN EDDY : CASE NO. _____
COUNTY, NEW MEXICO :

APPLICATION

COMES YATES PETROLEUM CORPORATION, by its attorneys,
and in support hereof respectfully states:

1. That applicant is the operator of the Pennsylvanian
system underlying:

Township 17 South, Range 25 East, N.M.P.M.

Section 32: E/2

2. Applicant proposes to drill its Federal "GC"
Com. Well in the E/2 at a location 660 feet from the South and
East lines of said Section 32, and to dedicate the E/2 of said
Section 32 to the well.

3. Applicant seeks an exception to the well location
requirements of Rule 104-C of the Oil Conservation Commission
to permit the drilling of the well at the above mentioned un-
orthodox location to a depth sufficient to adequately test the
Morrow formation of the Pennsylvanian system.

4. That a standard 320-acre proration unit comprising
the E/2 of said Section 32 should be dedicated to the Federal
"GC" Com. Well.

5. That 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 the 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 Commission enter its order granting applicant permission to drill its Federal "GC" Com. Well at the above unorthodox location, and to dedicate the S/2 of said Section 32 to said well, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 

LOSEE & CARSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

Dockets Nos. 15-76 and 16-76 are tentatively set for hearing on May 26 and June 9, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 12, 1976

9 A.M. - OIL CONSERVATION COMMISSION 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, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1976, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5676: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal GC Com Well to be drilled 660 feet from the South and East lines of Section 32, Township 17 South, Range 25 East, Eddy County, New Mexico, to test the Morrow formation, the E/2 of said Section 32 to be dedicated to the well.

CASE 5677: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Dunken Nose Unit Area comprising 6393 acres, more or less, of State and Fee lands in Township 17 South, Ranges 18 and 19 East, Chaves County, New Mexico.

CASE 5678: Application of Amoco Production Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate its State "E" Tract 18 Well No. 15, the surface location of which is 330 feet from the North line and 2310 feet from the West line of Section 1, Township 17 South, Range 36 East, Lovington-Abo Pool, Lea County, New Mexico, by directionally drilling said well and bottoming it in the Abo formation within 100 feet of a point 600 feet from the North line and 2310 feet from the West line of said Section 1.

CASE 5679: Application of Amoco Production Company for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire South Deep Unit Well No. 9 to be drilled 660 feet from the North line and 990 feet from the West line of Section 5, Township 18 South, Range 29 East, South Empire-Morrow Gas Pool, Eddy County, New Mexico, the W/2 of said Section 5 to be dedicated to the well.

CASE 5680: Application of Amoco Production 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 W/2 of Section 21, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to David Fasken's Cemetery Federal Com Well No. 1 located in Unit L of said Section 21. 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. Also to be considered will be the designation of David Fasken as operator of the well and a charge for the risk involved in drilling said well.

CASE 5681: Application of A. H. Rains for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates formation through the open-hole interval from approximately 550 feet to 561 feet in his Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, Magruder-Yates Pool, Eddy County, New Mexico.

CASE 5098: (Reopened)

In the matter of Case 5098 being reopened pursuant to the provisions of Order No. R-4682, which order established special rules for the Red Tank-Morrow Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.

CASE 5473: (Reopened)

In the matter of Case 5473 being reopened pursuant to the provisions of Order No. R-5029, which order established special rules and regulations for the West Knowles-Drinkard Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

Case 5676

Jimmy Noce -

Jules Telephone Company
unsubscribed
Fed CC Conn

660 FSL + EL

E/2

32 - 175 - 25E
Marrow Test

jr
dr/

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:

[Signature]

CASE NO. 5676

Order No. R- 5216

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

[Signature]

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 12, 1976,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of May, 1976, the Commission,
a quorum being present, having considered the testimony, the record, and
the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Yates Petroleum Corporation, seeks
approval of an unorthodox gas well location/ 660 feet from the South

line and 660 feet from the East line of Section 32, Township

17 South, Range 25 East, NMPM, to test the

and Pennsylvanian formations, Pool,
Eddy County, New Mexico.

(3) That the E/2 of said Section 32 is to be dedicated to the
well.

(4) That a well at said unorthodox location will better enable
applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox
location.

et c point

Poolcamp

-2-

Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the 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.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the ^{Wolfcamp} ~~Lower Permian and Pennsylvanian~~ ^{Horizon} ~~the Yates Petroleum Corporation~~ Federal "GC" Com Well ^{No. 1} formations is hereby approved for ~~a well~~ to be located at a point 660 feet from the South line and 660 feet from the East line of Section 32, Township 17 South, Range 25 East, NMPM, Pool, Eddy County, New Mexico.

(2) That the E/2 of said Section 32 shall be dedicated to the above-described well.

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

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