

yi CASE 6126: YATES PETROLEUM CORPORATION
FOR COMEULSORY POOLING AND AN
UNORTHODOX LOCATION, EDDY COUNTY

Case Number

6126

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 18, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Corporation
for compulsory pooling and an unorthodox
location, Eddy County, New Mexico.

CASE
6126

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Lynn Teschendorf, 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 Building
Artesia, New Mexico

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I N D E X

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RAY BECK

Direct Examination by Mr. Carson

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EXHIBIT INDEX

Offered Admitted

Applicant Exhibit One, Land Plat

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Applicant Exhibit Two, Map

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1 MR. STAMETS: We will call next Case 6126.

2 MS. TESCHENDORF: Case 6126, application of Yates
3 Petroleum Corporation for compulsory pooling and an un-
4 orthodox location, Eddy County, New Mexico.

5 MR. CARSON: Mr. Hearing Examiner, my name is Joel
6 Carson, Losee and Carson P.A., Artesia, New Mexico, represent-
7 ing the applicant and I have one witness and I would like to
8 make a request as soon as I introduce him, Ray Beck.

9 (THEREUPON, the witness was duly sworn.)

10 MR. CARSON: This case was published for an un-
11 orthodox location as well as for pooling but at this time we
12 would like to request that the application insofar as it
13 applies to compulsory pooling be dismissed with leave given
14 us to refile at such time as it may be necessary.

15 MR. STAMETS: Okay, that portion of Case 6126 deal-
16 ing with compulsory pooling will be dismissed without
17 prejudice.

18
19 RAY BECK
20 called as a witness, having been first duly sworn, was
21 examined and testified as follows:

22 DIRECT EXAMINATION

23 BY MR. CARSON:

24 Q Will you state your name, please?

25 A Ray Beck.

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1 Q Mr. Beck, by whom are you employed?

2 A Yates Petroleum Corporation.

3 Q In what capacity?

4 A Geologist.

5 Q Have you previously testified before this
6 Commission?

7 A Yes, I have.

8 Q Have your qualifications been accepted?

9 A They have.

10 MR. CARSON: Are his qualifications acceptable?

11 MR. STAMETS: The witness is considered qualified.

12 Q (Mr. Carson continuing.) Mr. Beck, would you
13 explain to the Hearing Examiner the purpose of this applica-
14 tion?

15 A In Case 6126 Yates Petroleum Corporation requests
16 approval of an unorthodox gas well location of their
17 proposed No. 2 Siegenthaler IS to be drilled fourteen hundred
18 and sixty feet from the south line and nineteen eighty from
19 the west line of Section 21, Township 17 South, Range 26 East,
20 Eddy County. The west half of Section 21 will be dedicated
21 to the well.

22 Q I refer you to Applicant's Exhibit Number One and
23 ask for you to, if that was prepared by you or under your
24 supervision?

25 A It was prepared under my supervision.

1 Q What does it purport to show?

2 A Exhibit Number One is a land plat showing the
3 proposed location and its relationship to the surrounding
4 leasehold situation. The yellow denotes acreage in which
5 Yates has one hundred percent or some less percentage interest.

6 Q I refer you to Applicant's Exhibit Number Two and
7 ask for you to explain that exhibit?

8 A Exhibit Number Two is a combined isolith and
9 structural map showing in solid contours the varying footage
10 of clean Morrow sands and the dotted contour is a structural
11 attitude on top of the Morrow clastic. Also shown on this
12 exhibit is a typical compensated neutron formation density
13 log from a Kennedy Farms Morrow well. The yellow indicates
14 the clean Morrow sand presently in this well and the accounted
15 footage is twenty feet. The red colored well spots on the
16 map are Morrow gas producers.

17 In reference to the maps it indicates that the
18 best six sixty locations in the west half of Section 21 of
19 the proration unit from the standpoint of encountering the
20 most clean Morrow sand would be six sixty from the south
21 and nineteen eighty from the west line of Section 21. However
22 Yates is prevented from staking the optimal locations because
23 of proximity to either farm buildings or irrigation ditches
24 or roads. In Yates' opinion then in consideration of the
25 geology and the existing farm culture, the proposed unorthodox

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1 would encounter the greatest number of feet of clean Morrow
2 sand in the west half of Section 21.

3 Q Mr. Beck, was this exhibit prepared by you or under
4 your supervision?

5 A It was prepared by me.

6 MR. CARSON: Mr. Examiner, I would like to move
7 the introduction of Exhibits One and Two.

8 MR. STAMETS: These Exhibits will be admitted.

9 (THEREUPON, Applicant's Exhibits One and
10 Two were admitted into evidence.)

11 Q (Mr. Carson continuing.) Mr. Beck, in your
12 professional opinion will the granting of this application
13 prevent the drilling of unnecessary wells, protect correlative
14 rights and prevent waste?

15 A Yes.

16 MR. CARSON: We have no further questions.

17 MR. STAMETS: Any questions of this witness? He
18 may be excused.

19 (THEREUPON, the witness was excused.)

20 MR. STAMETS: Anything further?

21 MR. CARSON: Mr. Examiner, may I mention and refer
22 you back to Applicant's Exhibit One, because you are quite
23 familiar with that area. Right there on the highway, of course,
24 there are many small leases which are expiring in February
25 so we could ask that this application could be expedited. We

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1 would appreciate it.

2 MR. STAMETS: We will do the best we can.

3 If there is nothing further we will take this Case
4 under advisement.

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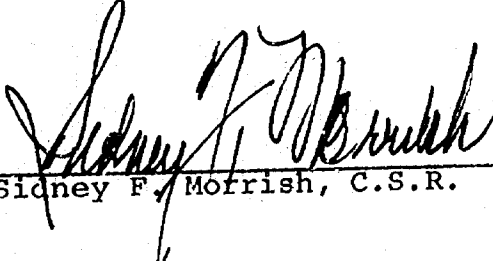
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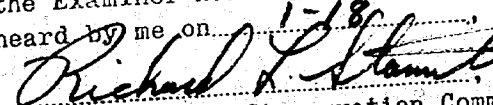
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REPORTER'S CERTIFICATE

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, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6126
heard by me on 1-18, 1978.

Richard L. Stambaugh, Examiner
New Mexico Oil Conservation Commission

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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. 6126
Order No. R-5625

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of January, 1978, 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, requests dismissal of its application for an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That said application should be dismissed without prejudice.

(4) That the applicant further seeks approval of an unorthodox gas well location 1460 feet from the South line and 1980 feet from the West line of said Section 21, to test the Wolfcamp and Pennsylvanian formations, Kennedy Farms Field, Eddy County, New Mexico.

(5) That the W/2 of said Section 21 is to be dedicated to the well.

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

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

-2-

Case No. 6126
Order No. R-5625

(8) That approval of the subject application for unorthodox location 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 the application of Yates Petroleum Corporation for an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, is hereby dismissed without prejudice.

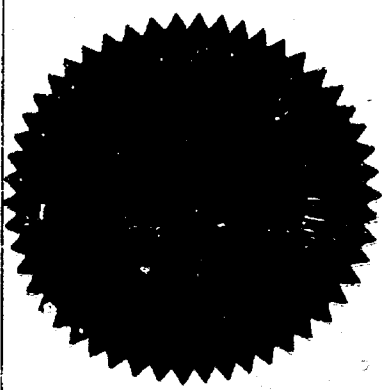
(2) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for the Yates Petroleum Corporation Siegenthaler "IS" Well No. 2 to be located at a point 1460 feet from the South line and 1980 feet from the West line of said Section 21, Kennedy Farms Field, Eddy County, New Mexico.

(3) That the W/2 of said Section 21 shall be dedicated to the above-described well.

(4) 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

PHIL R. LUCERO, Chairman

Emery C. Arnold

EMERY C. ARNOLD, Member

Joe D. Ramey

JOE D. RAMEY, Member & Secretary

S E A L

jr/

Dockets Nos. 4-78 and 5-78 are tentatively set for hearing on February 8 and 22, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JANUARY 11, 1978

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

CASE 5958: (DE NOVO)

Application of Continental Oil Company for downhole commingling. Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gonzales-Mesaverde and Otero-Chacara production in the wellbores of its AXI Apache "J" Wells Nos. 18, 21, and 24 located in Units A, D, and P of Section 8; Nos. 19 and 22 in Units D and L of Section 6; Nos. 20 and 21, in Units C and I of Section 5; and No. 25 in Unit A of Section 7, all in Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

Upon application of Continental Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6026: (DE NOVO)

Application of William G. Rabe and Alice P. Rabe for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of William G. Rabe and Alice P. Rabe this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6027: (DE NOVO)

Application of Great Lakes Chemical Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of Great Lakes Chemical Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 18, 1978

9 A.M. - OIL CONSERVATION COMMISSION 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 February, 1978, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for February, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6123: Application of Stevens Oil Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O'Brien "F" Well No. 1 located 1650 feet from the South line and 330 feet from the East line of Section 35, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, Chaves County, New Mexico, the SE/4 of said Section 35 to be dedicated to the well.

CASE 6124: Application of HNG Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Shoetar Ranch Unit Area comprising 961 acres, more or less, of State lands in Townships 16 and 17 South, Range 35 East, Lea County, New Mexico.

- CASE 6125: Application of Shell Oil Company for an exception to Rule 202(B), San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule No. 202(B), San Juan County, New Mexico, to permit the temporary abandonment of certain wells on its Carson Unit Area in Township 25 North, Ranges 11 and 12 West, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico. Applicant further seeks that any further extensions be administratively approved.
- CASE 6126: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, 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 W/2 of Section 21, Township 17 South, Range 26 East, Eddy County, New Mexico, to be dedicated to its Siegenthaler IS Well No. 2 to be drilled at an unorthodox location 1460 feet from the South line and 1980 feet from the West line 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6127: Application of Southland Royalty Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Aztec Palmillo State Com Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, to produce oil from the Wolfcamp and gas from the Morrow formations.
- CASE 6128: Application of Champlin Petroleum Company for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "36" Well No. 1 located 1980 feet from the South line and 660 feet from the West line of Section 36, Township 21 South, Range 27 East, East Carlsbad Gas Field, Eddy County, New Mexico, the S/2 of said Section 36 to be dedicated to the well.
- CASE 6129: Application of King Resources Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Gardner Draw Unit Area comprising 19,840 acres, more or less, of Federal, State, and fee lands in Townships 19 and 20 South, Ranges 20 and 21 East, Eddy County, New Mexico.
- CASE 6130: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo and Wantz Granite Wash production in the wellbore of its Lockhart B-35 Well No. 5 located in Unit H of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 6131: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Southeast Monument Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 8 wells. Applicant further seeks the establishment of an administrative procedure for adding or substituting injection wells.
- CASE 6132: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Warren Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 4 wells. Applicant further seeks the establishment of an administrative procedure for adding and substituting injection wells.
- CASE 6133: Application of Doyle Hartman for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 of Section 8, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to form a non-standard unit 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6134: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the SE/4 NW/4 of Section 22, Township 25 South, Range 37 East, Langlie Mattix Pool, Lea County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6119: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs, Chacra and Mesaverde production in the wellbore of its Breech Well No. 228, to be located in Unit A of Section 18, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Dakota formation in said well.

CASE 6120: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Mesaverde production in the wellbores of its Breech E Wells Nos. 109 in Unit M of Section 3 and 104 in Unit F of Section 5 and its Breech A Wells Nos. 627 in Unit B of Section 8, 677 and 679 in Units L and J, respectively, of Section 9, and 207 in Unit A of Section 10, all in Township 26 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6121: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in Sections 3, 4, 5, 7 thru 11, 13 thru 18, 21, 22, 24, and 25 in Township 26 North, Range 6 West, and Sections 13, 14, 23, and 24, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 6122: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbores of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33, Unit M of Section 35, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6096: Continued from January 4, 1978, Examiner Hearing

Application of Texas Oil & Gas Corporation 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 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6135: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the extension of the Wagon Mound Dakota-Morrison Gas Pool in Township 21 North, Range 21 East, Mora County, New Mexico.

CASE 6136: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation and extension of certain pools in Lea, Chaves, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Caprock-San Andres Pool. The discovery well is the Elk Oil Company State D.J. Well No. 1 located in Unit H of Section 2, Township 12 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 2: NE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the West Scarborough-Yates Pool. The discovery well is the Gifford, Mitchell and Wisenbaker Horse Back Well No. 2 located in Unit G of Section 33, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 33: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Sombbrero-Morrow Gas Pool. The discovery well is the Phillips Petroleum Company Michel Well No. 1 located in Unit C of Section 13, Township 16 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 13: NW/4

- (d) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Morrow production and designated as the East Vest Ranch-Morrow Gas Pool. The discovery well is the Cockrell Corporation Occidental Federal Well No. 1 located in Unit A of Section 22, Township 14 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 22: N/2

- (e) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

- (f) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 10: NE/4
Section 11: NW/4

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

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 21: W/2

- (h) EXTEND the South Brunson-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SW/4

- (i) EXTEND the West Kemnitz-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 29: S/2
Section 30: SE/4

- (j) EXTEND the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: NW/4

- (k) EXTEND the Tom Tom-San Andria Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 23: SW/4
Section 26: W/2
Section 33: SE/4

- (l) EXTEND the Townsend-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 27: SE/4

- (m) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 15: NW/4

- (n) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

- (o) EXTEND the West Warren-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: SW/4
Section 29: NW/4

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

NEW - 9 1978
CONSERVATION
AREA CODE 505
746-3508

6 January 1978

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

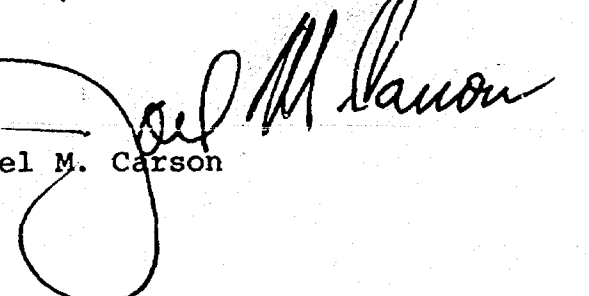
Dear Mr. Ramey:

Enclosed for filing, please find three copies of an Application of Yates Petroleum Corporation for an unorthodox gas well location for its Siegenthaler "IS" No. 2 Well 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.

Yours truly,

LOSEE, CARSON & DICKERSON, P.A.


Joel M. Carson

JMC:bjm
Enclosures

cc w/enclosure: Mr. Randy Patterson

104-9 1323

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
YATES PETROLEUM CORPORATION FOR AN : CASE NO. 6136
UNORTHODOX GAS WELL LOCATION, EDDY :
COUNTY, NEW MEXICO :
:

APPLICATION

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

1. Applicant is the operator of the Pennsylvanian
formation underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 21: W/2

and proposes to drill its Siegenthaler "IS" No. 2 Well at a point
located 1,980 feet from the West line and 1,460 feet from the
South line of said Section 21.

2. The applicant seeks an exception to the well loca-
tion requirements of Rule 104-C.2(a) of the Oil Conservation
Commission to permit the drilling of the well at the above men-
tioned unorthodox location to a depth sufficient to adequately
test the Pennsylvanian formation.

3. A standard 320-acre gas proration unit comprising
the W/2 of said Section 21 should be dedicated to such well or
to such lesser portion thereof as is reasonably shown to be
reasonably productive of gas.

4. 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 a well 1,980 feet from the West line and 1,460 feet from the South line of said Section 21 and to dedicate the W/2 of Section 21, which is reasonably presumed to be productive of gas from the Pennsylvanian formation.

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

YATES PETROLEUM CORPORATION

By: 

Joel M. Carson

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

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 6126

APPLICATION

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

1. Applicant is the operator of the Pennsylvanian
formation underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 21: W/2

and proposes to drill its Siegenthaler "IS" No. 2 Well at a point
located 1,980 feet from the West line and 1,460 feet from the
South line of said Section 21.

2. The applicant seeks an exception to the well loca-
tion requirements of Rule 104-C.2(a) of the Oil Conservation
Commission to permit the drilling of the well at the above men-
tioned unorthodox location to a depth sufficient to adequately
test the Pennsylvanian formation.

3. A standard 320-acre gas proration unit comprising
the W/2 of said Section 21 should be dedicated to such well or
to such lesser portion thereof as is reasonably shown to be
reasonably productive of gas.

4. 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 a well 1,980 feet from the West line and 1,460 feet from the South line of said Section 21 and to dedicate the W/2 of Section 21, which is reasonably presumed to be productive of gas from the Pennsylvanian formation.

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

YATES PETROLEUM CORPORATION

By: 

Joel M. Carson

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

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

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

CASE NO. 6126

APPLICATION

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

1. Applicant is the operator of the Pennsylvanian
formation underlying:

Township 17 South, Range 26 East, N.M.P.M.

Section 21: W/2

and proposes to drill its Siegenthaler "IS" No. 2 Well at a point
located 1,980 feet from the West line and 1,460 feet from the
South line of said Section 21.

2. The applicant seeks an exception to the well loca-
tion requirements of Rule 104-C.2(a) of the Oil Conservation
Commission to permit the drilling of the well at the above men-
tioned unorthodox location to a depth sufficient to adequately
test the Pennsylvanian formation.

3. A standard 320-acre gas proration unit comprising
the W/2 of said Section 21 should be dedicated to such well or
to such lesser portion thereof as is reasonably shown to be
reasonably productive of gas.

4. 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 a well 1,980 feet from the West line and 1,460 feet from the South line of said Section 21 and to dedicate the W/2 of Section 21, which is reasonably presumed to be productive of gas from the Pennsylvanian formation.

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

YATES PETROLEUM CORPORATION

By: 

Joel M. Carson

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

Attorneys for Applicant

1980/W

1460/S

Siegenthaler 15

2

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:

CASE NO. 6126Order No. R- 5625

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of January, 1978, 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.

requests dismissal of its application for
(2) That the applicant, Yates Petroleum Corporation,
~~seeks~~ *in the* an order pooling all mineral interests Wolfcamp and Pennsylvanian
formations underlying the W/2
of Section 21, Township 17 South, Range 26 East,
NMPM, , Eddy County, New
Mexico.

*(3) That said application should be
dismissed without prejudice.*

(3) That the applicant, further seeks
approval of an unorthodox gas well location 1460 feet from the South
line and 1980 feet from the West line of Section 21, Township
 , Range , NMPM, to test the Wolfcamp
and Pennsylvanian formations, Kennedy Farms Field pool,
Eddy County, New Mexico.

(4) That the W/2 of said Section 21 is to be dedicated to the
well.

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

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

Case No. _____

Order No. R- _____

for unorthodox location

(7) 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 the application of Yates Petroleum Corporation for an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East NMPM, Eddy County, New Mexico, is hereby dismissed without prejudice.

(2) That an unorthodox gas well location for the ~~Wolfcamp and Pennsylvanian~~ *the Yates Petroleum Corporation Siggen Weller "IS" Well No 2* formation is hereby approved for ~~a well~~ to be located at a point 1460 feet from the ~~South~~ ^{Said} line and 1980 feet from the West line of Section 21, Township _____, Range _____ ~~NMPM~~ Kennedy Farms Field, ~~Eddy~~ Eddy County, New Mexico.

(3) That the W/2 of said Section 21 shall be dedicated to the above-described well.

(4) 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.

Jan. 18, 1977

746-3508

Case No. _____

NSP: SF
Antonia

Application of Yates Petroleum
Corporation for compulsory pooling and
an unorthodox well location, Eddy Co. N.M.

Applicant, in the above-styled cause,
seeks an order pooling all mineral interest
in the Wolfcamp and Pennsylvanian formation
underlying the W/2 of S 21, T 17S, R 26E

Eddy Co. N.M., to be dedicated to ~~an oil well~~
~~to be drilled~~ its ^{Siegenthaler IS #2} Johnson ~~of a~~ ^{at an unorthodox location} ~~well~~

~~well~~ to be drilled 470 FSL and 2240 FWL
of said S 21. Also to be considered will be the
146.0
1980

cost of drilling _____

Application of Yits Bet

Cap. Unorthodox

W/2 of S21 T17S R26E

Eddy Co. N.M.

1460

1980

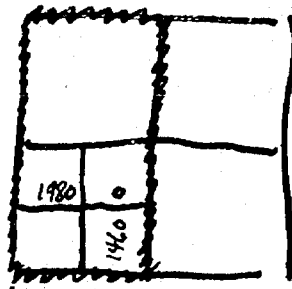
~~470 FSL~~ ~~2240~~ FWL

~~Johnson Jo. Co. No. 1~~
Siegenthaler IS #2

Compulsary

Wolfgang + Pennyhoover from

W/2 of 21, T17S R26E



Called in by Joel Carson

12-22-77

77