

y. CASE 6241: YATES PETROLEUM CORP. *tion*
FOR DOWNHOLE COMMINGLING, EDDY
COUNTY, NEW MEXICO

60
Cont July 19

Continued to
August 2
Dismissed

CASE NO.

6241

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

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. 6241
Order No. R-5789

APPLICATION OF YATES PETROLEUM
CORPORATION FOR DOWNHOLE COMMINGLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 2, 1978,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of August, 1978, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

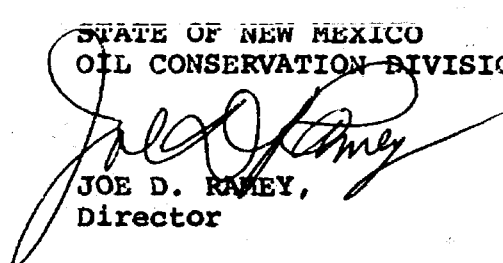
That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6241 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
2 August 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum
Corporation for downhole commingling,
Eddy County, New Mexico.) CASE 6241

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

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MR. NUTTER: We'll call Case Number 6241.

MS. TESCHENDORF: Case 6241. Application of
Yates Petroleum Corporation for downhole commingling,
Eddy County, New Mexico.

The applicant has also requested that this case
be dismissed.

MR. NUTTER: Case Number 6241 will be dismissed.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 986-3404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
 CERTIFY that the foregoing and attached Transcript of
 Hearing before the Oil Conservation Division was reported
 by me; that said transcript is a full, true, and correct
 record of the hearing, prepared by me to the best of my
 ability, knowledge, and skill from my notes taken at the
 time of the hearing.

Sally Walton Boyd CSR
 Sally Walton Boyd, C.S.R.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6241
 heard by me on Aug 2, 1978.
[Signature], Examiner
 New Mexico Oil Conservation Commission

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 730 Bishop's Lodge Road • Phone (505) 988-3404
 Santa Fe, New Mexico 87501

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

August 4, 1978

AUG - 7 1978

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

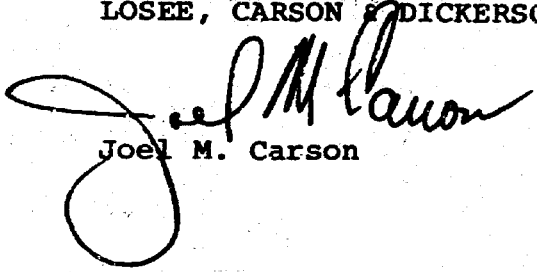
Attention: Ms. Lynn Teschendorf

Dear Lynn:

This letter will confirm our conversation of Tuesday, in which I requested that Causes Nos. 6285 and 6241 on the Commission Docket be dismissed.

Yours truly,

LOSEE, CARSON & DICKERSON, P.A.


Joel M. Carson

JMC:pv

Dockets Nos. 25-78 and 26-78 are tentatively set for hearing on August 16 and 30, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 2, 1978

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

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

CASE 6238: (Continued from June 21, 1978, Examiner Hearing)

Application of Barber Oil, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Saladar Unit Area comprising 240 acres, more or less, of Federal and fee lands in Township 20 South, Range 28 East, Eddy County, New Mexico.

CASE 6226: (Continued from June 21, 1978, Examiner Hearing)

Application of Barber Oil, Inc., for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Saladar Unit, by the injection of water into the Yates formation through five wells located in Units K, L, N and O of Section 33, Township 20 South, Range 28 East, Saladar-Yates Pool, Eddy County, New Mexico.

CASE 6283: Application of Texas Oil & Gas Corporation for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the W/2 of Section 16, Township 20 South, Range 36 East, North Osado-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon.

CASE 6276: (Continued from July 19, 1978, Examiner Hearing)

Application of Jerome P. McHugh for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Chris Well No. 4 to be drilled 1902 feet from the South line and 1650 feet from the East line of Section 9, Township 27 North, Range 3 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, the S/2 of said Section 9 to be dedicated to the well.

Applicant further seeks authority to commingle Blanco Mesaverde and Gavilan-Pictured Cliffs production in the wellbore of said well.

CASE 6277: (Continued from July 19, 1978, Examiner Hearing)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gavilan Pictured Cliffs and Blanco Mesaverde production in the wellbores of his Chris Wells Nos. 3 and 3A, located in Units H and I of Section 21, Township 27 North, Range 3 West, Rio Arriba County, New Mexico.

CASE 6279: (Continued from July 19, 1978, Examiner Hearing)

Application of Hanagan Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 28, Township 21 South, Range 26 East, Avalon Hills-Morrow Pool, Eddy 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 6284: Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Welch "A" Well No. 1 located 480 feet from the North line and 500 feet from the West line of Section 9, Township 18 South, Range 29 East, Eddy County, New Mexico, the W/2 of said Section 9 to be dedicated to the well.

CASE 6285: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Atoka and Permian-Penn gas production in the wellbore of its Federal "HQ" Well No. 1 located in Unit O of Section 5, Township 21 South, Range 22 East, Little Box Canyon Field, Eddy County, New Mexico.

CASE 6241: (Continued from July 19, 1978, Examiner Hearing)

Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Eagle Creek Permian-Penn and West Atoka-Morrow gas production in the wellbore of its Powell DG Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.

Dockets Nos. 24-78 and 25-78 are tentatively set for hearing on August 2 and 16, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 19, 1978

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 August, 1978, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for August, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6274: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Shar-Alan Oil Company, The Travelers Indemnity Co., and all other interested parties to appear and show cause why the Lillian State Well No. 2-X located in Unit P of Section 2 and the Emma McDaniel Well No. 2 located in Unit G of Section 22, both in Township 24 North, Range 1 West, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6241: (Continued from June 7, 1978, Examiner Hearing)

Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Eagle Creek Permo-Penn and West Atoka-Morrow gas production in the wellbore of its Powell DG Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.

CASE 6275: Application of Delta Drilling Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Donaldson "A" Com. Well No. 1 located 1930 feet from the North line and 3 feet from the West line of Section 23, Township 23 South, Range 28 East, Strawn formation, Eddy County, New Mexico, the W/2 of said Section 23 to be dedicated to the well.

CASE 6276: Application of Jerome P. McHugh for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Chris Well No. 4 to be drilled 1902 feet from the South line and 1650 feet from the East line of Section 9, Township 27 North, Range 3 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, the S/2 of said Section 9 to be dedicated to the well.

Applicant further seeks authority to commingle Blanco Mesaverde and Gavilan-Pictured Cliffs production in the wellbore of said well.

CASE 6277: Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gavilan Pictured Cliffs and Blanco Mesaverde production in the wellbores of his Chris Wells Nos. 3 and 3A, located in Units H and I of Section 21, Township 27 North, Range 3 West, Rio Arriba County, New Mexico.

CASE 6253: (Continued and Readvertised)

Application of Merrion & Bayless for a non-standard proration unit and unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 366.44-acre non-standard gas proration unit comprising the W/2 of Sections 30 and 31, Township 26 North, Range 2 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1650 feet from the North line and 750 feet from the East line of said Section 30.

CASE 6278: Application of Consolidated Oil & Gas, Inc., for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jenney Well No. 1-A located in Unit P of Section 13, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Blanco Mesaverde Pool and the Basin-Dakota Pool and to commingle Greenhorn gas production with the aforesaid Dakota production in said well.

CASE 6279: Application of Hanagan Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 28, Township 21 South, Range 26 East, Avalon Hills-Morrow Pool, Eddy 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.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
7 June, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Cor-
poration for downhole commingling
Eddy County, New Mexico.

CASE
6241

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 968-3404
Santa Fe, New Mexico 87501

1 MR. NUTTER: Case 6241.

2 MS. TESCHENDORF: Case 6241. Application of
3 Yates Petroleum Corporation for downhole commingling,
4 Eddy County, New Mexico.

5 The applicant has requested that this case be
6 continued to the July 19th Examiner Hearing.

7 MR. NUTTER: Case Number 6241 will be continued
8 to the Examiner Hearing scheduled to be held at this time
9 and place at 9:00 o'clock a. m., July 19, 1978.

10 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
CERTIFY that the foregoing and attached Transcript of
Hearing before the Oil Conservation Division was reported
by me; that said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability, knowledge, and skill from my notes taken at the
time of the hearing.

Sally Walton Boyd CSR
Sally Walton Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 888-3404
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6241
heard by me on 6/7, 1978.
[Signature] Examiner
New Mexico Oil Conservation Commission



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 746-3558

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

June 6, 1978

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

Attn: Mr. Dan Nutter:

Re: Docket 20-78, Case 6241

Dear Dan:

Confirming our telephone conversation today, please continue Case No. 6241, downhole commingling in our Powell DG Well No. 1. I hope to have some more hearings set up for mid July, therefore we would appreciate having Case No. 6241, continued for July 19, 1978.

Thank you,

Your very truly,

YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

EMM/ob

Dockets Nos. 21-78 and 22-78 are tentatively set for hearing on June 21 and July 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 7, 1978

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

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

- CASE 6235: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Black Diamond Oil Company and all other interested parties to appear and show cause why the Well No. 1 located in Unit C of Section 27, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6236: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Bloomfield Oil & Gas Company and all other interested parties to appear and show cause why the C. Hare Well No. 3 located in Unit N of Section 15 and the H. D. Abrams Well No. 5 located in Unit E of Section 23, both in Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6237: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Finley & Jolansen and all other interested parties to appear and show cause why the Hare Well No. 1 located in Unit C of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6238: Application of Barber Oil, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Saladar Unit Area comprising 240 acres, more or less, of Federal and fee lands in Township 20 South, Range 28 East, Eddy County, New Mexico.
- CASE 6226: (Continued from May 17, 1978 Examiner Hearing)
- Application of Barber Oil, Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Saladar Unit, by the injection of water into the Yates formation through five wells located in Units K, L, N and O of Section 33, Township 20 South, Range 28 East, Saladar-Yates Pool, Eddy County, New Mexico.
- CASE 6239: Application of Robert N. Enfield for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for his North Lake McMillan Unit Area comprising 3194 acres, more or less, of Federal and fee lands in Township 19 South, Ranges 26 and 27 East, Eddy County, New Mexico.
- CASE 6240: Application of Bass Enterprises Production Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Navajo 20 Well No. 1, a Barker Creek oil test to be drilled 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, San Juan County, New Mexico, the SW/4 SE/4 of said Section 20 to be dedicated to the well.
- CASE 6241: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Eagle Creek Permo-Penn and West Atoka-Morrow gas production in the wellbore of its Powell DG Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.
- CASE 6242: Application of C & E Operators, Inc., for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 32, Township 32 North, Range 10 West, San Juan 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 6243: Application of Caulkins Oil Company for four unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Breech "E" Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit J of Section 4, respectively; and its Breech "A" Wells Nos. 207 and 679, located in Unit J of Sections 10 and 9, respectively, all in Township 26 North, Range 6 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico.



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558

May 9, 1978

D. F. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

Case 6241

Mr. Joe C. Ramey Jr., Secretary-Director
New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Attn: R. L. Stamets

Re: Downhole Commingling
Powell DG No. 1, Eagle Creek -
Permo Penn & W. Atoka-Morrow

Dear Richard:

Apparently this application for downhole commingling has been overlooked since I have not seen this case advertised for hearing. The remaining Morrow gas is very small and hardly merits a special hearing. We have a hearing coming up on May 17, and if this case can be heard on that day I'd be happy to go to Santa Fe then and testify. The offset operators were notified about two months ago by copy of the application.

The well is located in the south half of Section 35T 17S-25E. If the case must be advertised, then please schedule for the next docket.

Thank you.

Yours very truly,

YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

EMM/ob



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558

April 24, 1978

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS

Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Commission
Drawer 2088
Santa Fe, New Mexico 87501

Re: Downhole Commingling,
Powell DG, #1

*For Eagle Creek - West Atoka-Morrow
& West Atoka-Morrow
12/1/78
Daniel Mc
5602
5376-20
(we-str)*

Dear Sir:

No
Yates Petroleum Corporation, Artesia, New Mexico, Operator of the Powell DG #1, Unit 0 Section 35-17S-25E, a dual completion in the Eagle Creek Permo-Penn and West Atoka-Morrow seeks approval for downhole commingling. Dual completion was authorized under NMOCC Order R5386. Downhole commingling is permitted for the Eagle Creek Permo Penn but not for the West Atoka Morrow.

The Morrow has declined to about 30 mcfpd against 330 psi line pressure while the Permo Penn flows 200 mcfpd.

There is no water production and hydrocarbon fluids are compatible. A standing valve will be set in the lower packer to prevent loss of Permo-Penn fluids to the Morrow completion. Commingling will be achieved by retrieving the cross-over choke in the upper packer to allow both completions to flow through the tubing.

Offset operator, Superior Oil Company has been notified of this intent by copy of this application.

Commingling both completions will conserve a natural resource and prevent waste by eliminating fuel for extra heater and vapor losses from extra storage tanks.

Yours truly,

YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

✓ Eagle Creek Permo-Penn

✓ West Atoka-Morrow

5/9 Bill Gusselt will advise them.

EMM/ob If they want hearing - will call

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator Yates Petroleum Corp.		Pool Eagle Creek - Permo Penn				County Eddy							
Address 207 South 4th Street, Artesia, NM 88210						TYPE OF TEST - (X) <input checked="" type="checkbox"/> (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>	

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT/BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
Federal CR	1	M	29	17S	25E	3-2-78	F	8/64	700		24	0		0	132	27870 121250
State CY	1	K	32	17S	25E	3-2-78	F	8/64	740		24	0.4		4.7	131	
Powell DG Com	1	O	35	17S	25E	3-2-78	F	8/64	905		24	0		1.6	194	

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Eddie M. Heford
(Signature)

Engineer

(Title)

3-6-78
(Date)

C-116
 Revised 1-1-55

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

Eddie M. Washburn
(Signature)

Engineer

(Title) 3-6-78

ARTESIA

[illegible]



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

April 24, 1978

Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Commission
Drawer 2088
Santa Fe, New Mexico 87501

Re: Downhole Commingling,
Powell DG, #1

Dear Sir:

Yates Petroleum Corporation, Artesia, New Mexico, Operator of the Powell DG #1, Unit 0 Section 35-17S-25E, a dual completion in the Eagle Creek Permo Penn and West Atoka Morrow seeks approval for downhole commingling. Dual completion was authorized under NMOCC Order R5386. Downhole commingling is permitted for the Eagle Creek Permo Penn but not for the West Atoka Morrow.

The Morrow has declined to about 30 mcfpd against 330 psi line pressure while the Permo Penn flows 200 mcfpd.

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Commingling both completions will conserve a natural resource and prevent waste by eliminating fuel for extra heater and vapor losses from extra storage tanks.

Yours truly,

YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

EMM/ob

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator Yates Petroleum Corp.		Pool Eagle Creek - Permo Penn				County Eddy							
Address 207 South 4th Street, Artesia, NM 88210						TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>	

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT/BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
Federal CR	1	M	29	17S	25E	3-2-78	F	8/64	700		24	0		0	132	
State CY	1	K	32	17S	25E	3-2-78	F	8/64	740		24	0.4		4.7	131	27870
Powell DG Com	1	O	35	17S	25E	3-2-78	F	8/64	905		24	0		1.6	194	121250

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Eddie R. Haldup
(Signature)

Engineer

(Title)

3-6-78

(Date)

C113
REVISED 1-1-72

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Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 101 and appropriate pool rules.

Edmund MacLeod
(Signature)

Engineer

(Titled) 3-6-78

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207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 746-3558

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

April 24, 1978

Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Commission
Drawer 2088
Santa Fe, New Mexico 87501

Re: Downhole Commingling,
Powell DG, #1

Dear Sir:

Yates Petroleum Corporation, Artesia, New Mexico, Operator of the Powell DG #1, Unit 0 Section 35-17S-25E, a dual completion in the Eagle Creek Permo Penn and West Atoka Morrow seeks approval for downhole commingling. Dual completion was authorized under NMOCC Order R5386. Downhole commingling is permitted for the Eagle Creek Permo Penn but not for the West Atoka Morrow.

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YATES PETROLEUM CORPORATION

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

EMM/ob

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GAS-OIL RATIO TESTS**

C-116
REVISED 1-1-65

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Eddie M. Hight
(Signature)

Engineer

(Title)

3-6-78

(Date)

C-118
Revised 1-1-55

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Edmund C. Mather
(Signature)

Engineer

(Title) 3-6-78

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
19 July 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum
Corporation for downhole com-
mingling, Eddy County, New Mexico.)

CASE
6241

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

MR. STAMETS: Call next Case 6241.

MS. TESCHENDORF: Case 6241. Application of
Yates Petroleum Corporation for downhole commingling, Eddy
County, New Mexico.

The applicant has requested that the case be
continued to the August 2nd Examiner Hearing.

MR. STAMETS: The case will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill from my notes taken at the time of the hearing.

Sally Walton Boyd C.S.R.
Sally Walton Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. C241, heard by me on 7-19, 1978.
Richard R. Hamm, Examiner
New Mexico Oil Conservation Commission

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501