

Entered March 25, 1980
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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. 6832
Order No. R-6302

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 12, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of March, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-5832-A, the Division approved an unorthodox location for the Morrow formation for the Yates Petroleum Corporation Cities "JG" Well No. 1 at a point 660 feet from the South line and 660 feet from the East line of Section 13, Township 18 South, Range 24 East, NMPM, Eddy County, New Mexico.

(3) That the applicant herein, Yates Petroleum Corporation, seeks approval of the above-described unorthodox gas well location for the Wolfcamp through Cisco formations.

(4) That the E/2 of said Section 13 is to be dedicated to the well in said formations.

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

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(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 formations, 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 660 feet from the South line and 660 feet from the East line of Section 13, Township 18 South, Range 24 East, NMPM, Eddy County, New Mexico, is hereby approved for the Yates Petroleum Corporation Cities "JG" Well No. 1 in the Wolfcamp through Cisco formations.

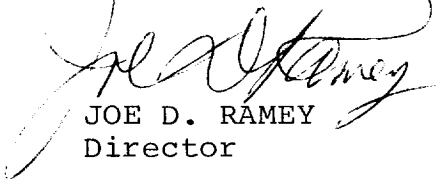
(2) That the E/2 of said Section 13 shall be dedicated to the above-described well.

(3) That the provisions of Division Order No. R-5832-A shall not be applicable to the subject well upon its recompletion in the Wolfcamp through Cisco formations.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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