



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

July 5, 1983

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Post Office Box 239
Artesia, New Mexico 88210

Re: CASE NO. 7871
ORDER NO. R-3169-A

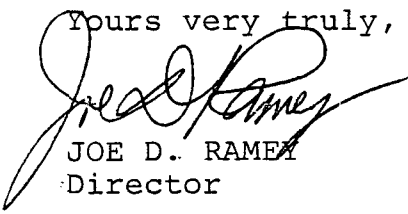
Applicant:

Yates Petroleum Corporation

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD _____

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7871
Order No. R-3169-A

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AN EXCEPTION
TO RULE 104.C.I., EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 25, 1983,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of July, 1983, the Division
Director, having considered 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 the Eagle Creek-San Andres Pool in Eddy County,
New Mexico, was discovered on May 23, 1959.

(3) That said pool has experienced drilling and expansion
to date.

(4) That the applicant, Yates Petroleum Corporation,
operates all but six of the approximately 150 wells in said
pool.

(5) That the majority of the applicant's acreage has been
developed to a density of one well per each 10 acres.

(6) That the applicant seeks an exception from Division
Rule 104 C.I. for said pool in order to permit the pool to be
developed on a 40-acre five-spot pattern.

(7) That the evidence presented indicated that granting
the applicant's request would substantially improve primary

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Case No. 7871

Order No. R-3169-A

recovery from the pool and facilitate secondary or enhanced recovery.

(8) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the Eagle Creek-San Andres Pool, as heretofore defined and described, is hereby exempted from the provisions of Rule 104 C.I. and operators in said pool may drill up to five wells on any quarter-quarter section or lot.

(2) That the effective date of this order shall be July 1, 1983.

(3) 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 hereinafter designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director