

Summary -- Case 12751

1. Origin = Basement Gas Play in Pecos Slope/Foor Ranch Area
Yates has drilled 100+ gas wells
2. Yates found a Cisco oil zone in George QJ #10 well
3. Goal = Accommodate new oil pool into 320-acre gas play
4. Yates seeks
 - a. 320-acre spacing for oil
 - b. Authority for 2nd well on other 160 acres (Morrow rules)
 - c. Setbacks of 660 feet from boundaries (Morrow rules)
 - d. Standard GOR limit of 2000 ratio
 - e. Oil allowable of 694 BOPD = Depth bracket allowable of 347 BOPD for each 160 acres in spacing unit
5. Acreage already held by Abo wells – holding acreage not an issue
6. Data to look at
 - a. George QJ #10 produced only gas for a few days
 - b. George QJ #10 has produced 27 MBO in 2+ months
 - c. Latest rate is 382 BOPD and 235 Mcf/D
 - d. Estimate EUR of 232 MBO
 - e. Drainage area is 199 acres
 - f. Single-well pool at this time