

CASE 10862:

Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks authorization to drill to the Morrow formation, Crooked Creek Morrow Gas Pool, its Redbone BP Federal Well No. 2 at a location 1980 feet from the North line and 510 feet from the East line (Unit H) of Section 10, Township 24 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. The N/2 of said Section 10 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately ___ miles _____ of _____, New Mexico.

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& SHERIDAN, P.A.
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October 11, 1993

10862

HAND-DELIVERED

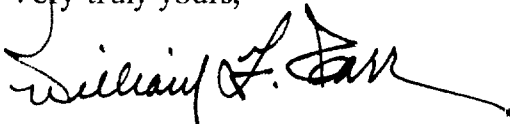
William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: Application of Yates Petroleum Corporation for an Unorthodox Gas Well
Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Yates Petroleum Corporation in the above-referenced case as well as a copy of a legal advertisement. Yates Petroleum Corporation respectfully requests that this matter be placed on the docket for the November 4, 1993 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enc.: Pinson McWhorter
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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

CASE NO. 16862

APPLICATION

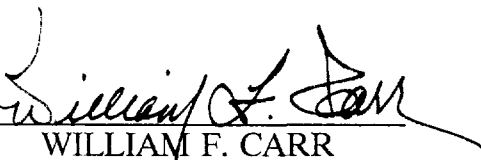
COMES NOW YATES PETROLEUM CORPORATION, through its undersigned attorneys, and hereby makes application for an order approving an unorthodox well location, and in support thereof states:

1. Applicant is the operator of the N/2 of Section 10, Township 24 South, Range 24 East, N.M.P.M., Eddy County, New Mexico and proposes to drill its Redbone BP Federal Well No. 2 as a gas well in the Morrow formation, Crooked Creek Morrow Gas Pool, 1980 feet from the North line and 510 feet from the East line in Unit H of said Section 10.
2. Applicant seeks an exception to the Division's well location requirements to permit the drilling of said well in the Morrow formation at the above-described location.
3. A standard 320-acre proration unit comprised of the N/2 of said Section 10 should be dedicated to the well.
4. Approval of this application will afford Applicant the opportunity to produce its just and equitable share of the gas in the Morrow formation and will otherwise be in the best interest of the conservation, the protection of correlative rights and prevention of waste.

WHEREFORE, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 4, 1993, that notice be given as required by law and the rules of the Division, and that the Division enter its order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By: 
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ATTORNEYS FOR YATES
PETROLEUM CORPORATION