CAMPBELL & BLACK, P.A. LAWYERS

> JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBEL. WILLAM F. CARR BRADFORD C. BERGE MARK E SHER DAN WILLIAM P. SLATTERY PATRICIA A. MATTHEWS

Diesimal JEFFERSON PLACE SUITE 1 - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

March 12, 1990

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division

State Land Office Building Santa Fe, New Mexico 87503

Minerals and Natural Resources

RECERT MAR 8 1000

OIL CONSERVATION DIV. SANTA FE

9903

New Mexico Department of Energy,

Re: In the Matter of the Application of Yates Petroleum Corporation, for Directional Drilling, and an Unorthodox Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced application of Yates Petroleum Corporation. Yates Petroleum Corporation respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on April 4, 1990.

V¢ry truly yours,

elian of

WILLIAM F. CARR

WFC:mlh Enclosures cc w/enclosures:

Ms Janet Richardson, Landman Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

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OIL CURSERVATION DIV. SANTA FE

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 9903

APPLICATION

YATES PETROLEUM COMPANY, by its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Gazelle AHG Federal Com Well No. 1, and in support thereof states:

1. Applicant is the operator of the Strawn and Morrow formations underlying the S/2 of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 to test the Morrow and intermediate formations.

2. Applicant proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 from a surface location of 1312 feet from the North line and 1844 feet from the West line to a bottom hole location in the Strawn formation, Burton Flat East Strawn Pool, 1980 feet from the South and East lines and a non-standard bottom hole location in the Morrow formation 1472 feet from the South line and 1540 feet from the East line of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County.

Applicant proposes to dedicate to the Gazelle AHG Federal Com Well No.
 1 a standard proration unit comprised of the S/2 of said Section 15.

4. The directional drilling of this well will enable the Applicant to produce the reserves which underlie the above-referenced proration unit in the most economical and efficient manner.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 4, 1990, that notice be given as required by law and the rules of the Rules of the Division, and that the Division enter its Order granting the applicant permission to directionally drill its Gazelle AHG Federal Com Well No. 1 and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 7

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

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OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

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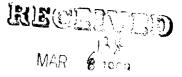
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OIL CONSERVATION DIVISION

SANIA FE DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. <u>990</u>3

APPLICATION

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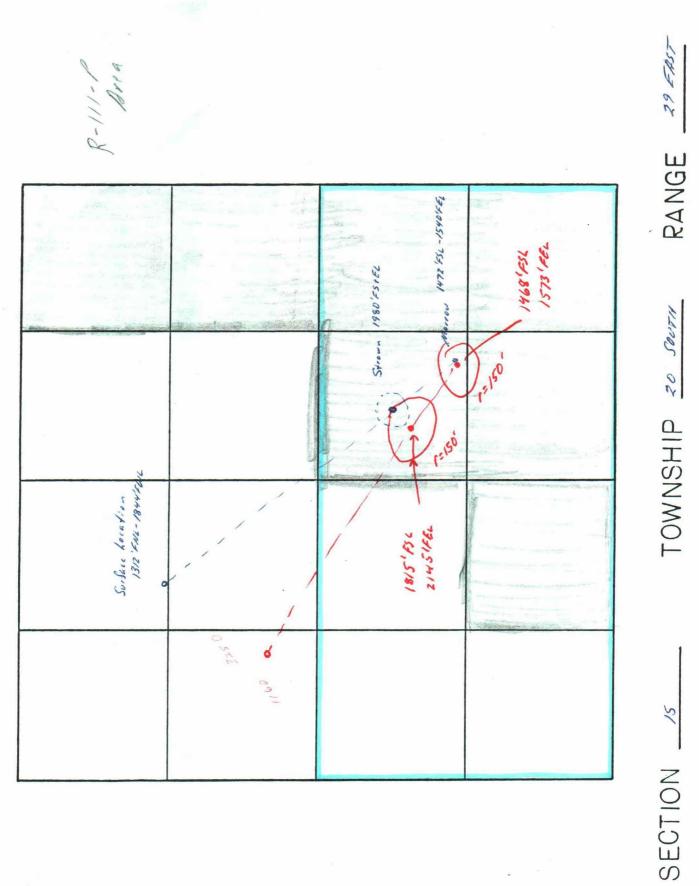
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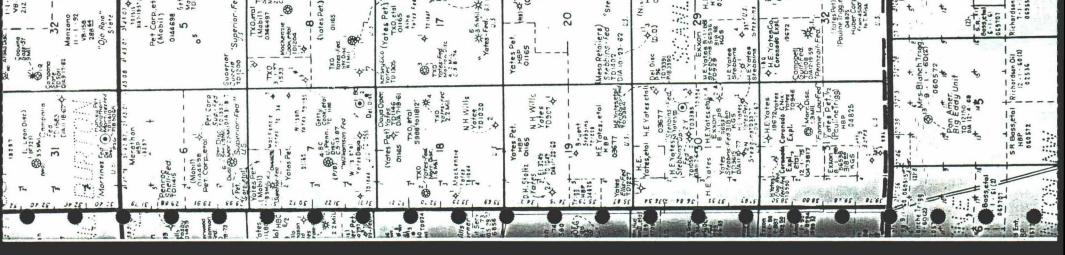
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JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

March 27, 1990

HAND-DELIVERED

CAMPBELL & BLACK, P.A. LAWYERS

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MARK F. SHERIDAN

W LLAM P. SLATTERY

PATRICIA A. MATTHEWS

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

RECEIVED MAR 2 7 1990 OIL CONSERVATION DIVISION 9923

In the Matter of the Application of Yates Petroleum Corporation, for Re: Directional Drilling, and an Unorthodox Location, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is an amended application of Yates Petroleum Corporation in the above-referenced case. Yates Petroleum Corporation respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on April 18, 1990.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures cc w/enclosures:

Ms Janet Richardson, Landman Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

RECEIVED

MAR 2 7 1990

OIL CONSERVATION DIVISION AMENDED APPLICATION

YATES PETROLEUM COMPANY, by its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Gazelle AHG Federal Com Well No. 1, and in support thereof states:

1. Applicant is the operator of the Strawn and Morrow formations underlying the S/2 of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 to test the Morrow and intermediate formations.

2. Applicant proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 from a surface location of 2280 feet from the North line and 1180 feet from the West line to a bottom hole location within 150 feet of a point 1468 feet from the South line and 1573 feet from the East line of said Section 15. Said well will be at a bottom hole location in the Strawn formation, Burton Flat East Strawn Pool, within 150 feet of a point 1815 feet from the South line and 2145 feet from the East line and at a nonstandard bottom hole location in the Morrow formation within 150 feet of a point 1566 feet from the South line and 1734 feet from the East line of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County.

Applicant proposes to dedicate to the Gazelle AHG Federal Com Well No.
 1 a standard proration unit comprised of the S/2 of said Section 15.

4. The directional drilling of this well will enable the Applicant to produce the reserves which underlie the above-referenced proration unit in the most economical and efficient manner.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice be given as required by law and the rules of the Rules of the Division, and that the Division enter its Order granting the applicant permission to directionally drill its Gazelle AHG Federal Com Well No. 1 and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: `

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND **RECEIVED** AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO. MAR 2 7 1990

CASE NO. 9903

OIL CONSERVATION DIVISION

AMENDED APPLICATION

YATES PETROLEUM COMPANY, by its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Gazelle AHG Federal Com Well No. 1, and in support thereof states:

1. Applicant is the operator of the Strawn and Morrow formations underlying the S/2 of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 to test the Morrow and intermediate formations.

2. Applicant proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 from a surface location of 2280 feet from the North line and 1180 feet from the West line to a bottom hole location within 150 feet of a point 1468 feet from the South line and 1573 feet from the East line of said Section 15. Said well will be at a bottom hole location in the Strawn formation, Burton Flat East Strawn Pool, within 150 feet of a point 1815 feet from the South line and 2145 feet from the East line and at a nonstandard bottom hole location in the Morrow formation within 150 feet of a point 1566 feet from the South line and 1734 feet from the East line of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County.

Applicant proposes to dedicate to the Gazelle AHG Federal Com Well No.
 1 a standard proration unit comprised of the S/2 of said Section 15.

4. The directional drilling of this well will enable the Applicant to produce the reserves which underlie the above-referenced proration unit in the most economical and efficient manner.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice be given as required by law and the rules of the Rules of the Division, and that the Division enter its Order granting the applicant permission to directionally drill its Gazelle AHG Federal Com Well No. 1 and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF YATES PETROLEUM CORPORATION, FOR DIRECTIONAL DRILLING, AND AN UNORTHODOX LOCATION, EDDY COUNTY, NEW MEXICO.

RECEIVED

MAR 2 7 1990 CASE NO. 9933

OIL CONSERVATION DIVISION

AMENDED APPLICATION

YATES PETROLEUM COMPANY, by its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Gazelle AHG Federal Com Well No. 1, and in support thereof states:

1. Applicant is the operator of the Strawn and Morrow formations underlying the S/2 of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 to test the Morrow and intermediate formations.

2. Applicant proposes to directionally drill its Gazelle AHG Federal Com Well No. 1 from a surface location of 2280 feet from the North line and 1180 feet from the West line to a bottom hole location within 150 feet of a point 1468 feet from the South line and 1573 feet from the East line of said Section 15. Said well will be at a bottom hole location in the Strawn formation, Burton Flat East Strawn Pool, within 150 feet of a point 1815 feet from the South line and 2145 feet from the East line and at a nonstandard bottom hole location in the Morrow formation within 150 feet of a point 1566 feet from the South line and 1734 feet from the East line of Section 15, Township 20 South, Range 29 East, N.M.P.M., Eddy County.

Applicant proposes to dedicate to the Gazelle AHG Federal Com Well No.
 1 a standard proration unit comprised of the S/2 of said Section 15.

4. The directional drilling of this well will enable the Applicant to produce the reserves which underlie the above-referenced proration unit in the most economical and efficient manner.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, that notice be given as required by law and the rules of the Rules of the Division, and that the Division enter its Order granting the applicant permission to directionally drill its Gazelle AHG Federal Com Well No. 1 and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421