BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
RECEIVED

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IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASÉ NO. 10180

APPLICATION

HARVEY E. YATES COMPANY by its undersigned attorneys, pursuant to N.M.S.A. § 70-2-17 (1978), hereby makes application for an order pooling all of the mineral interests from the surface to the base of the Delaware formation in and under the NW/4 SW/4 of Section 12, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

- 1. Applicant owns or represents approximately 25% of the working interest from the depth of 3595 feet to the base of the Delaware formation under the NW/4 SW/4 of Section 12, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to its West Taylor 12 Well No. 1 to be drilled at a standard location in the NW/4 SW/4 of Section 12, to a depth of approximately 5,000 feet to test all formations from 3,595 feet to the base of the Delaware formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the NW/4 SW/4 of said Section 12, except for the following working interest owners:

Meridian Oil Inc. 2919 Allen Parkway

Suite 900

50% from 3595 feet to base of

Houston, Texas 77019

Delaware formation

Chevron U.S.A., Inc.

Post Office Box 1150

25% from 3595 feet to base of

Midland, Texas 79702

Delaware formation

- 4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
- 5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on December 19, 1990, and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as may

be proper.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR HARVEY E. YATES COMPANY

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASE NO. 26/80

Maria Bala

AMENDED APPLICATION

HARVEY E. YATES COMPANY by its undersigned attorneys, pursuant to N.M.S.A. § 70-2-17 (1978), hereby makes application for an order pooling all of the mineral interests from the depth of 3,595 feet to the base of the Delaware formation in and under the NW/4 SW/4 of Section 12, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

- 1. Applicant owns or represents approximately 25% of the working interest from the depth of 3595 feet to the base of the Delaware formation under the NW/4 SW/4 of Section 12, and Applicant has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to its West Taylor 12 Well No. 1 to be drilled at a standard location in the NW/4 SW/4 of Section 12, to a depth of approximately 5,000 feet to test all formations from 3,595 feet to the base of the Delaware formation.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other interest owners in the NW/4 SW/4 of said Section 12, except for the following working interest owners:

Meridian Oil Inc. 2919 Allen Parkway

Suite 900 50% from 3595 feet to base of

Houston, Texas 77019 Delaware formation

Chevron U.S.A., Inc.

Post Office Box 1150 25% from 3595 feet to base of

Midland, Texas 79702 Delaware formation

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on December 19, 1990, and, after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as may

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