

April 25, 1988

Case 9384

Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Witz "VN" State No. 3 Well
Township 9 South, Range 26 East, NMPM
Section 26: S/2
Chaves County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for an Unorthodox Well Location, Chaves County, New Mexico.

We ask that this matter be set for hearing before an Examiner on May 25, 1988.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER



Chad Dickerson

CD:pvw
Enclosures

cc w/enclosure: Ms. Janet Richardson
Ms. Leslie Bentz

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR AN UNORTHODOX WELL LOCATION, :
CHAVES COUNTY, NEW MEXICO :
_____ :

CASE NO. 9354

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of the following lands in Chaves County, New Mexico:

Township 9 South, Range 26 East, N.M.P.M.

Section 26: S/2

containing 320 acres, more or less,
and proposes to drill its Witz "VN" State No. 3 Well, at a point located 1,980 feet from the south line and 660 feet from the east line of said Section 26 to a depth sufficient to test all formations to the base of the Ordovician formation.

2. The Applicant seeks an exception to the well location requirements of Rule 104 of the Oil Conservation Division to permit the drilling of the well at the above mentioned unorthodox

location for all formations from the base of the Abo formation through the base of the Ordovician formation which may be developed on 320-acre spacing.

3. A standard 320-acre proration unit comprising the S/2 of said Section 26 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of oil and gas.

4. The approval of this Application will afford Applicant the opportunity to produce its just and equitable share of oil and gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

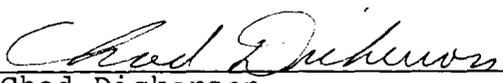
WHEREFORE, Applicant prays:

A. That this Application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order granting Applicant permission to drill its Witz "VN" State No. 3 Well at a point 1,980 feet from the south line and 660 feet from the east line of said Section 26, and to dedicate the S/2 of Section 26 to said well for production from all formations which may be developed on 320-acre spacing.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By: 
Chad Dickerson

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Attorneys for Applicant