

**STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:**

**CASE NO. 12883  
ORDER NO. R-11801**

**APPLICATION OF YATES PETROLEUM CORPORATION FOR AN  
UNORTHODOX GAS WELL LOCATION, CHAVES COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on June 27, 2002, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 17th day of July, 2002, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

**FINDS THAT:**

- (1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.
- (2) The applicant, Yates Petroleum Corporation ("Yates"), seeks approval of an unorthodox gas well location within the Pecos Slope-Abo Gas Pool for its existing Jasper "ARJ" Federal Well No. 2 (API No. 30-005-63143) located 760 feet from the North line and 2240 feet from the East line (Unit B) of Section 25, Township 8 South, Range 26 East, NMPM, Chaves County, New Mexico.
- (3) The NE/4 of Section 25 is to be dedicated to the well forming a standard 160-acre spacing and proration unit within the Pecos Slope-Abo Gas Pool.
- (4) The Jasper "ARJ" Federal Well No. 2 is located within the Pecos Slope-Abo Gas Pool. The Pecos Slope-Abo Gas Pool is currently governed by "*The Special Rules and Regulations for the Pecos Slope-Abo Gas Pool*" as contained within Division Order No. R-9976-C, which require standard 160-acre gas spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the quarter section, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.