

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
---------	----------	----------	-----------	------	--------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Sam Brandon
 Print or Type Name

Sam Brandon
 Signature

Operations Engineer
 Title

07/26/02
 Date

 e-mail Address

District I (505) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II (505) 748-1283
1301 W. Grand Avenue, Artesia, NM 88210
District III (505) 334-6178
1000 Rio Brazos Road, Aztec, NM 87410
District IV (505) 827-8198
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-106
Revised March 17, 1999

189 ACT Permit No.

NOTICE OF INTENTION TO UTILIZE AUTOMATIC CUSTODY TRANSFER EQUIPMENT

Operator Yates Petroleum Corporation

Address 105 S. Fourth Street, Artesia, NM 88210 County Eddy

Lease(s) to be served by this ACT Unit Flora AKF State

Pool(s) to be served by this ACT Unit Delaware

Location of ACT System: Unit N Section 2 Township 22 South Range 31 East

Order No. authorizing commingling between leases if more than one lease is to be served by this system.

N/A Date _____

Order No. authorizing commingling between pools if more than one pool is to be served by this system

N/A Date _____

Authorized transporter of oil from this system EOTT Energy Corporation

Transporter's address P.O. Box 1188, Houston, Texas 77252

Maximum expected daily through-put for this system: 575 bbls/day

If system fails to transfer oil due to malfunction or otherwise, waste by overflow will be averted by:

CHECK ONE: A. ☐ Automatic shut-down facilities as required by Section (3) h-1 of "RULE 309-A"
B. ☒ Alternative (3) h-2, providing adequate available capacity to receive production during maximum unattended time of lease operation

If "A" above is checked, will flowing wells be shut-in at the header manifold or at the wellhead?

Maximum well-head shut-in pressure _____

If "B" above is checked, how much storage capacity is available above the normal high working level of the

surge tank 1167 BBLS.

What is the normal maximum unattended time of lease operation? _____ Hours.

What device will be used for measuring oil in this ACT unit?

CHECK ONE: ☒ Positive displacement meter ☐ Weir-type measuring vessel
☐ Positive volume metering chamber ☐ Other; describe _____

Remarks: _____

OPERATOR:

I hereby certify above information is true and complete to best of my knowledge and subject ACT system will be installed and operated in accordance with Rule 309-A. Approval of this Form C-106 does not eliminate necessity of an approved C-104 prior to running any oil or gas from this system.

Signature Sam Brandon

Printed Name & Title Sam Brandon, Operations Engineer

Date 07/26/02 Telephone (505) 748-4281

OIL CONSERVATION DIVISION

Approved by: [Signature]

Title: _____

Date: AUG 16 2002

INSTRUCTIONS: Submit 4 copies of Form C-106 with following attachments to appropriate district office. See Rule 309-A.

- 1) Lease plat showing all wells which will be produced in ACT system.
- 2) Schematic diagram of battery and ACT equipment showing all major components and means employed to prove accuracy of measuring device.
- 3) Letter from transporter agreeing to utilization of ACT system as shown on schematic diagram.

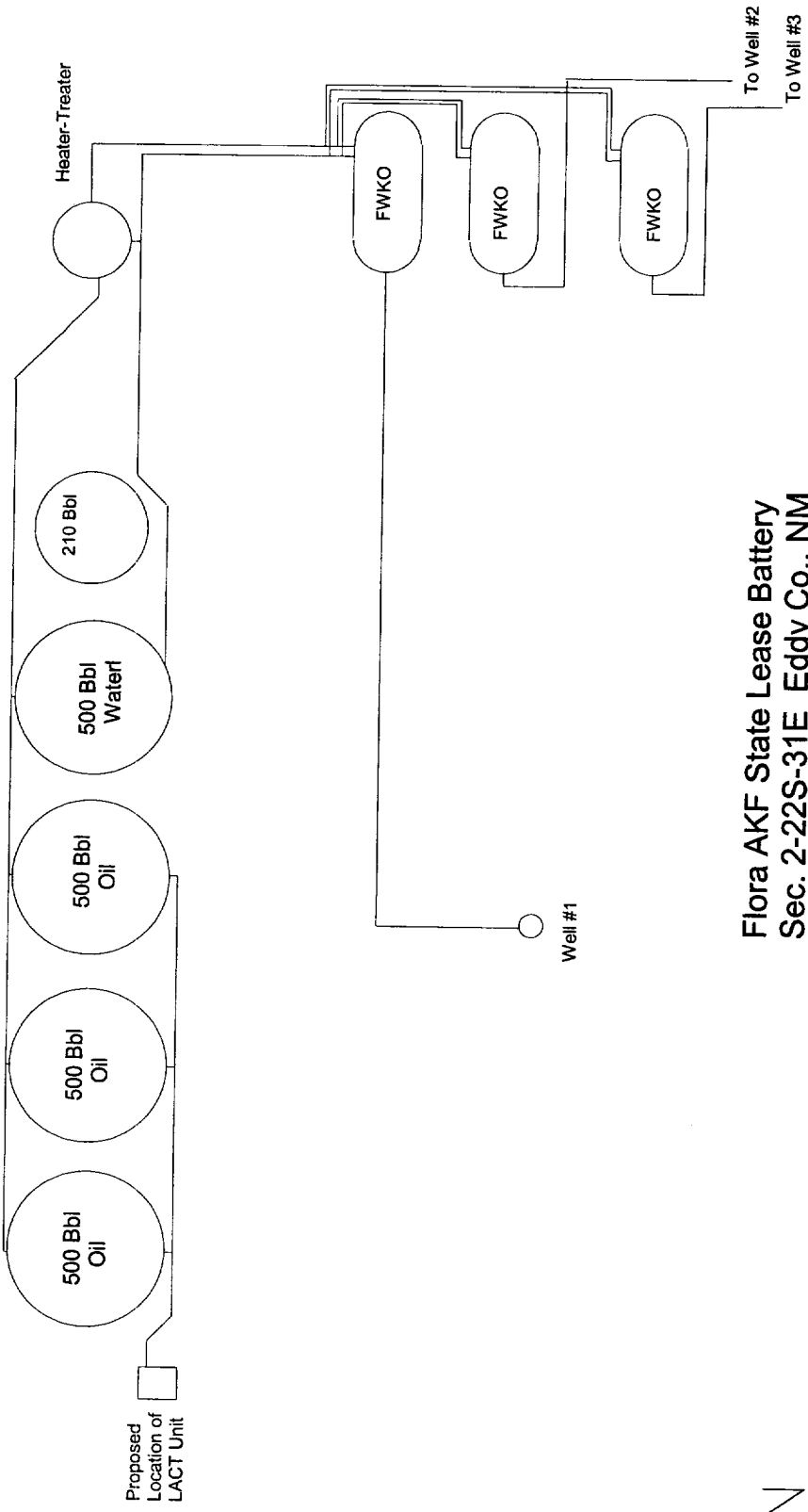
Notify OCD 24 hrs prior to initial proving.
505-748-1283

30 Phillips, et al Marbob, et al 0653006 U.S.	29 Mark Smith Rich. E. B. & Sons H.P. F 52 II (Phillips) Paga Pro Concho Res 12-1-2002 V-5205 310 SL U.S.	28 Paga Prod. 3-1-2007 38188 2800 U.S.	27 Richardson Oil 7-1-83 067052 Paga Prod 10-1-81 10193 Paga Prod. 7-23-83 50347 U.S.	26 Paga Prod 10-1-81 10193 Huber Corp. 5-1-83 14322 Paga Prod Fed 10-1-83 04325 04326-82 U.S.	25 Yates Pet. et al 10-1-81 V-101 4275 Yates Pet. et al 10-1-81 V-101 4275 U.S.
31 Phillips, et al Marbob, et al 0653006 U.S.	32 Mark Smith Rich. E. B. & Sons H.P. F 52 II (Phillips) Paga Pro Concho Res 12-1-2002 V-5205 310 SL U.S.	33 Phillips, et al Marbob, et al 0653006 U.S.	34 Yates Pet. et al 10-1-81 V-101 4275 Yates Pet. et al 10-1-81 V-101 4275 U.S.	35 Paga Prod. (Phillips) V-3604 57812 U.S.	36 Yates Pet. et al 10-1-81 V-101 4275 Yates Pet. et al 10-1-81 V-101 4275 U.S.
CABIN LAKE U.S.	5 Concho Res 9-1-96 81952 3928 U.S.	4 Concho Res 9-1-96 81952 3928 U.S.	3 Concho Res 9-1-96 81952 3928 U.S.	2 Yates Pet. et al 10-1-81 V-101 4275 U.S.	1 Yates Pet. et al 10-1-81 V-101 4275 U.S.
7 Yates Pet. et al 10-1-81 V-101 4275 U.S.	8 Yates Pet. et al 10-1-81 V-101 4275 U.S.	9 Superior 9-1-75 0417508 U.S.	10 Superior 9-1-75 0417508 U.S.	11 Yates Pet. et al 10-1-81 V-101 4275 U.S.	12 Yates Pet. et al 10-1-81 V-101 4275 U.S.
18 SR Bass Thru Line, et al HBU 065509 U.S.	17 Richardson Oil HBU 065507 U.S.	16 Superior 9-1-75 0417508 U.S.	15 Superior 9-1-75 0417508 U.S.	14 Yates Pet. et al 10-1-81 V-101 4275 U.S.	13 Yates Pet. et al 10-1-81 V-101 4275 U.S.
19 SR Bass Thru Line, et al HBU 065509 U.S.	20 Richardson Oil HBU 065507 U.S.	21 Superior 9-1-75 0417508 U.S.	22 Superior 9-1-75 0417508 U.S.	23 Yates Pet. et al 10-1-81 V-101 4275 U.S.	24 Yates Pet. et al 10-1-81 V-101 4275 U.S.
30 SR Bass Thru Line, et al HBU 065509 U.S.	29 Superior 9-1-75 0417508 U.S.	28 Superior 9-1-75 0417508 U.S.	27 Superior 9-1-75 0417508 U.S.	26 Yates Pet. et al 10-1-81 V-101 4275 U.S.	25 Yates Pet. et al 10-1-81 V-101 4275 U.S.

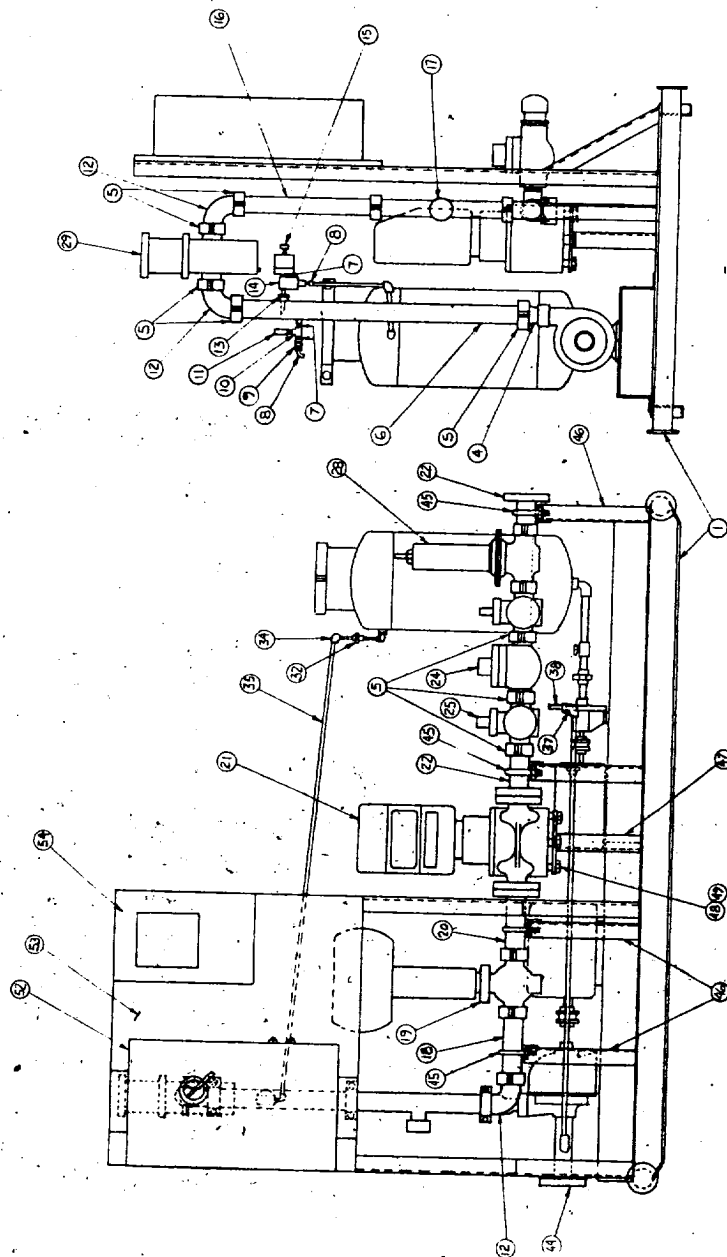
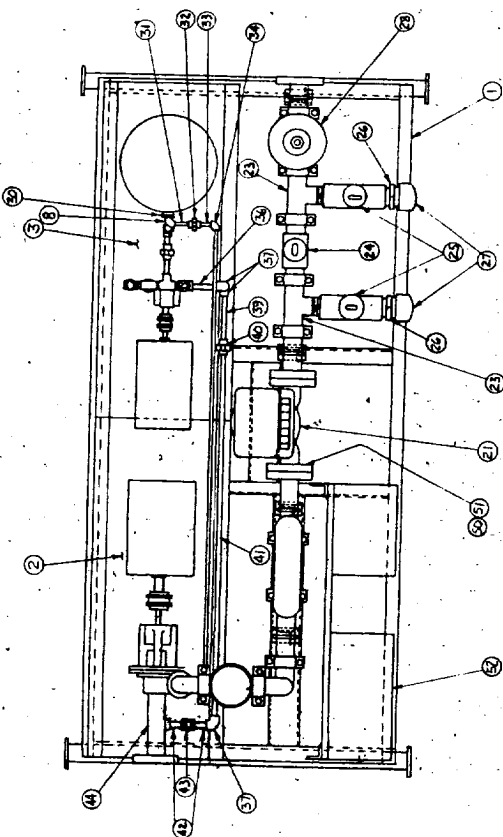
Letter from Transporter agreeing to utilization of ACT system as shown on schematic diagram.

**Letter from EOTT Energy Corp. sent directly to :
NMOCD-Artesia**

See attached EOTT Energy Corp. LACT specification.



Flora AKF State Lease Battery
Sec. 2-22S-31E Eddy Co., NM



ITEM	DESCRIPTION
1	LACT SKID 2" UNIT L50055-00
2	LACT CHARGE PUMP 3/4" NPT L50053-00
3	LACT SAMPLE TIME PUMP 3/4" NPT L50053-00
4	REDUCER 2" VIC TO 1 1/2" NPT
5	15 CPLG VIC STYLE 7.5 2"
6	LACT SAMPLE PRESSURE PIPE 2" L50061-00
7	3 NPT 1/2" CLOSE QLK STD
8	3 ELL STREET 1/2" STD BLK
9	1 VLV DATE 150 PSI 1/4" PPF
10	TEE 1/2" 150 PSI BLK
11	1 GAUGE 0-100 PSI 2" FACE
12	1 LLL 2" 90° VIC
13	1 LACT SAMPLE PRESS 2" L50059-00
14	1 VLV 150 PSI 1/4" NPT
15	1 REGULATOR 10/50 PSI 1/4" NPT L50057-00
16	1 LACT PIPING 2" VIC TO 1 1/2" L50062-00
17	1 PROME 3/4" 2" 1/2" NPT
18	1 LACT PIPING 3" VIC TO 1 1/2" L50062-01
19	1 VLV 3" 1/2" NPT 1/2" NPT
20	1 LACT PIPING 2" VIC TO FLANGE 8" L50063-00
21	1 METER 2" SMITH SC-13
22	2 LACT PIPING 2" VIC TO FLANGE 6" L50063-01
23	2 TEE 2" VIC TO VIC TO NPT
24	1 VLV 2" BLOCK 1 BLEED VIC ENDS
25	2 VLV 2" PLUS
26	2 ADAPTER COMPOSITE PIPE 1 1/2" NPT TYPE
27	2 CAP LAME 1/2" 1/2" NPT
28	1 VLV 2" VIC 1/2" NPT 1/2" NPT
29	1 STRAINER/VALVE ELIMINATOR 2" 1/2" NPT
30	1 SUSHING 1/2" NPT TO 1/2" PPT BLK 150 PSI
31	1 NPT 1/2" X 1/2" LG SCH 40 BLK TEE
32	1 UNION 1/2" X 1/2" LG SCH 40 BLK TEE
33	1 NPT 1/2" X 1/2" LG SCH 40 BLK TEE
34	1 ELL 1/2" STD BLK PPF
35	1 PIPE 1/2" SCH 40 BLK CUT "LG TEE
36	1 NPT 1/2" X 1/2" LG SCH 40 BLK X 1/2" LG TEE
37	1 ELL 1/2" STD BLK PPF
38	1 NPT 1/2" X 1/2" LG SCH 40 BLK X 1/2" LG TEE
39	1 NPT 1/2" X 1/2" LG SCH 40 BLK X 1/2" LG TEE
40	1 UNION 1/2" STD BLK
41	1 PIPE 1/2" SCH 40 BLK CUT 48" LG TEE
42	2 NPT 1/2" X 1/2" LG SCH 40 BLK X 1/2" LG TEE
43	1 NPT 1/2" X 1/2" LG SCH 40 BLK X 1/2" LG TEE
44	1 LACT 2" NPT TYPE L50060-00
45	3 UNBOL 2" NPT TYPE 27 NUTS
46	1 LACT 2" NPT TYPE L50064-00
47	1 BOLT 2" SMITH 1/2" 1/2" NPT
48	1 BOLT 2" SMITH 1/2" 1/2" NPT
49	1 LVL 1/2"
50	1 STD 1/2" X 3" LG FOR 2" FLANGE
51	1 NUT 1/2" FOR 2" FLANGE
52	1 LACT 2" CONTROL BOX ASSY L50064-00
53	1 LACT 2" CONTROL BOX MOUNTING BOARD
54	1 LACT 2" 85 PSI MONITOR