

PLWJO 504133781

DHC-3394

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
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TREASURER

January 22, 2005

David Catanach  
State of New Mexico  
OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Wildcat Atoka and Wildcat Morrow pools in our Willie State Unit No. 3 located in Unit A of Section 6, Township 12 South, Range 35 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4281.

Sincerely,

Sam Brandon  
Operations Engineer

SB

Enclosures

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District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 South First Street, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
☒ Single Well  
☐ Establish Pre-Approved Pools  
EXISTING WELLBORE  
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation 105 South Fourth Street  
Operator Address  
Willie State Unit 3 A 6 12S 35E Lea  
Lease Well No. Unit Letter-Section-Township-Range County  
OGRID No. 025575 Property Code API No. 30-025-36684 Lease Type ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Atoka		<del>Wildcat Morrow</del> FOUR LAKES - Morrow
Pool Code	96049		97082
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	12014-33', 12075-80', 12086-88', 12092-96'		12334-40, 42-46', 50-66', 70-76', 82-96'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA	NA	4083
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NA	NA	NA
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 09/28/04 Rates: 37 BOPD, 6 BWPD 2070 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas To be submitted upon completion % %	Oil Gas % %	Oil Gas To be submitted upon completion of Atoka interval % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sam Brandon TITLE Operations Engineer DATE : January 22, 2005  
TYPE OR PRINT NAME: Sam Brandon TELEPHONE NO. (505)-748-4281

Allocations will be submitted upon completion of Atoka interval. Production curves for the well are not attached since all zones are new completions.