

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



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

DHC 7/10/00

2774

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

June 16, 2000

RECEIVED
JUN 19 2000

David Catanach
State of New Mexico
OIL CONSERVATION DIVISION
2040 S. Pacheco Street
Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Townsend Permo Upper Penn and Big Dog Strawn, South pools in our Shell Lusk ANB #2 located in Unit E of Section 11, Township 16 South, Range 35 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4174.
Thank you for your consideration of this request.

Sincerely,

Albert R. Stall
Operations Engineer

ARS/th

Enclosures

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TREASURER

June 16, 2000

Tim Gum
State of New Mexico
OIL CONSERVATION DIVISION
811 S. First Street
Artesia, NM 88210

Dear Mr. Gum,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Townsend Permo Upper Penn and Big Dog Strawn, South pools in our Shell Lusk ANB #2 located in Unit E of Section 11, Township 16 South, Range 35 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4174.
Thank you for your consideration of this request.

Sincerely,

Albert R. Stall
Operations Engineer

ARS/th

Enclosures

Form C-107A
Revised May 15, 2000

APPLICATION TYPE

X Single Well
____ Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

OGRID No. 025575 Property Code 24637 API No. 30-025-34631 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Townsend Permo Upper Penn		<i>Und</i> Big Dog Strawn, South
Pool Code	59847		96690
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10,890'-10,912		11,371'-11,445'
Method of Production (Flowing or Artificial Lift)	Flowing – dual completion Artificial Lift after commingle		Flowing – dual completion Artificial Lift after commingle
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	41.2° API		41.2° API
Producing, Shut-In or New Zone	Producing		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: 06/08/00 Rates: 6 bo, 322 mcf, 0 bw	Date: Rates:	Date: 06/08/00 Rates: 114 bo, 502 mcf, 0 bw
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 5% 39%	Oil Gas % %	Oil Gas 95% 61%

ADDITIONAL DATA

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 X 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 Albert R. Hall TITLE Operations Engineer DATE 6/16/00

TYPE OR PRINT NAME Albert R. Stall TELEPHONE NO. (505) 748-4174

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-025-34631		2 Pool Code 59847		3 Pool Name Townsend Permo Upper Penn	
4 Property Code 24637		5 Property Name Shell Lusk ANB			6 Well Number 2
7 OGRID No. 025575		8 Operator Name Yates Petroleum Corporation			9 Elevation 3990'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	16S	35E		1950	North	350	West	Lea

11 Bottom Hole Location If Different From Surface

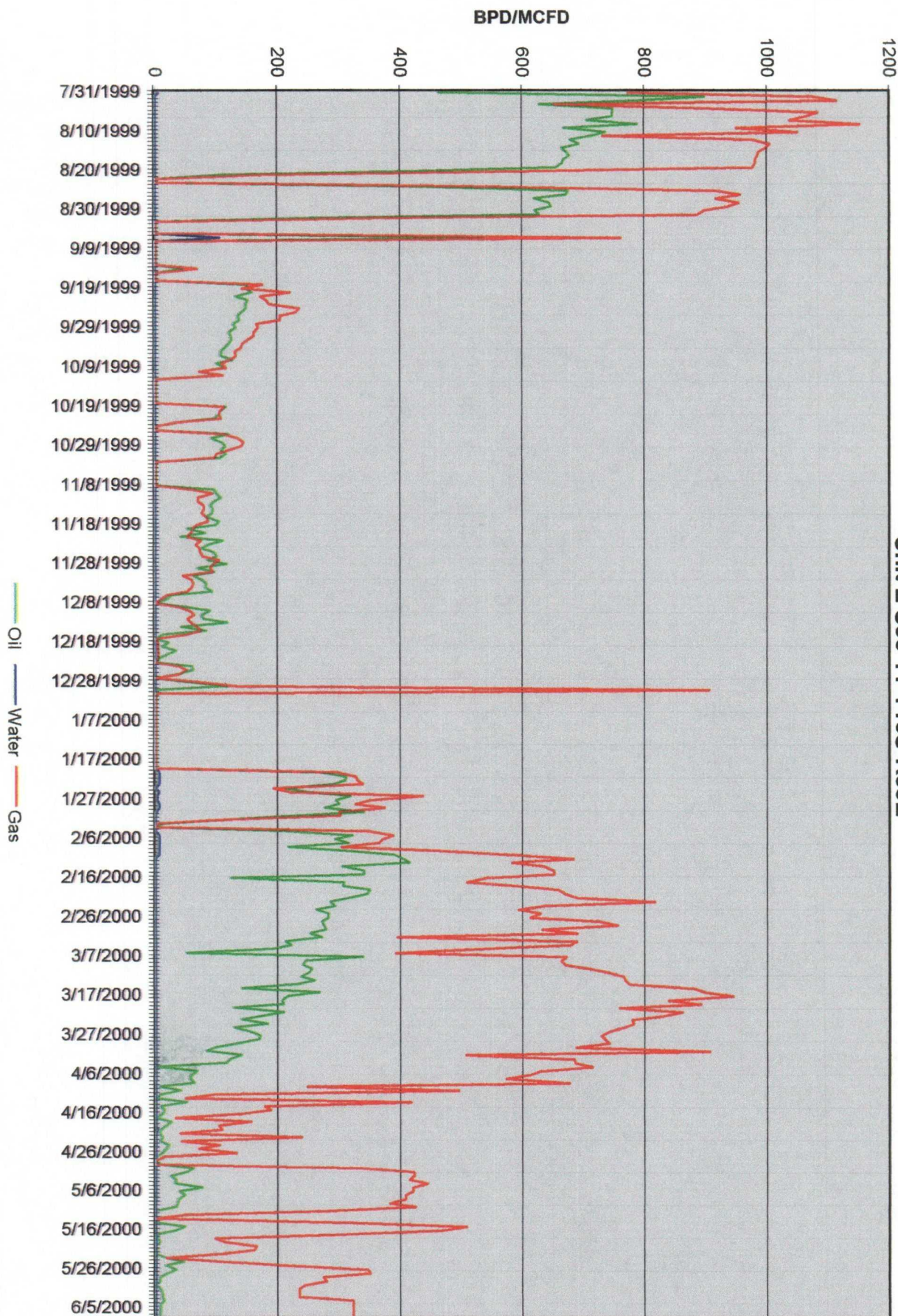
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>Tina Huerta</u> Signature Tina Huerta Printed Name Operations Technician Title <u>6-16-00</u> Date
					18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

SHELL LUSK ANB COM #2
Townsend Permo Upper Penn Daily Production
 Unit E Sec 11-T16S-R35E



District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-
Revised February 10, 1988
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Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34631	Pool Code 96690	Pool Name Big Dog Strawn, South
Property Code 24637	Property Name Shell Lusk ANB	Well Number 2
GRID No. 025575	Operator Name Yates Petroleum Corporation	Elevation 3990'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	11	16S	35E		1950	North	350	West	Lea

¹¹ Bottom Hole Location If Different From Surface

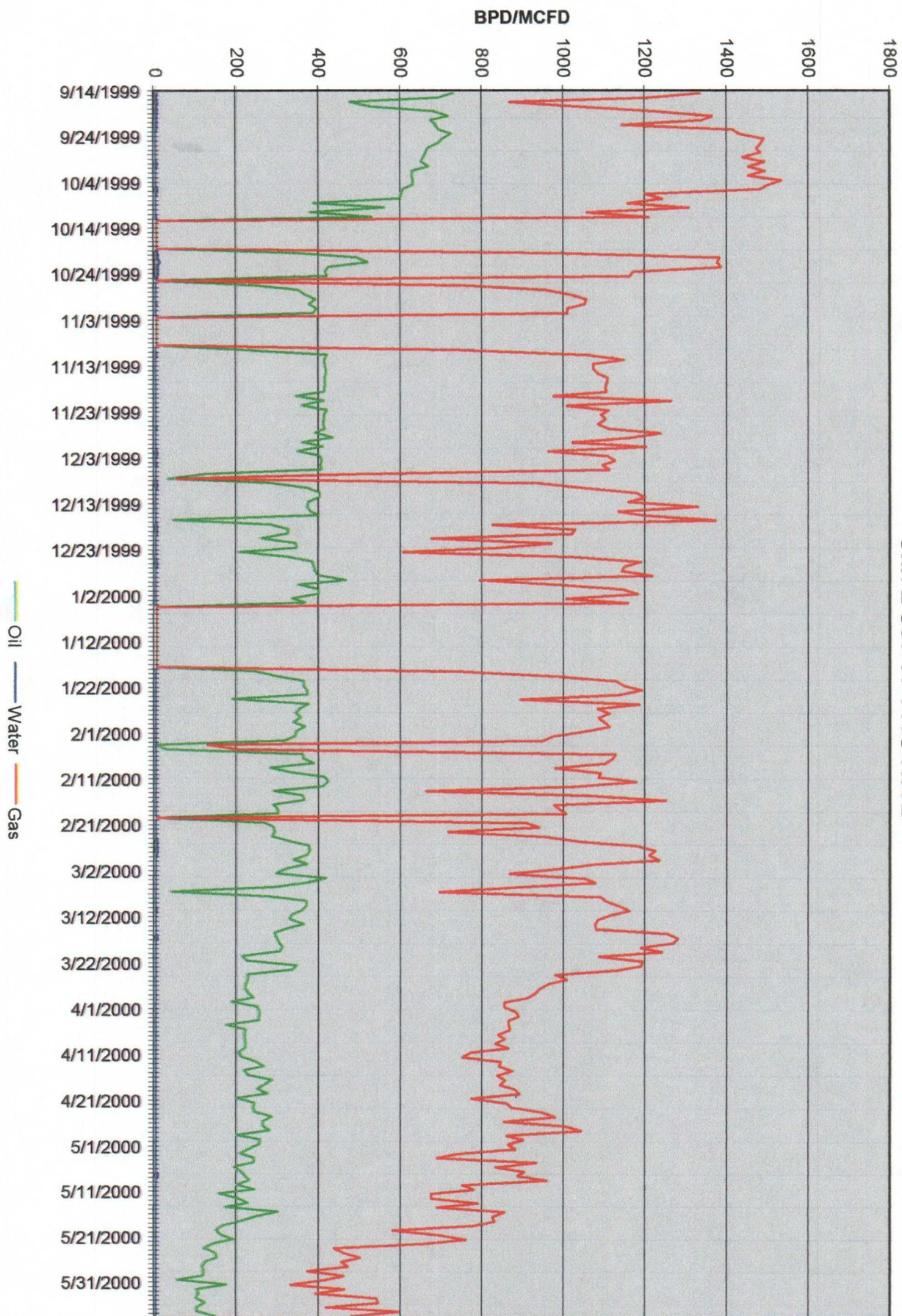
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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¹⁶					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Tina Huerta</i> Signature Tina Huerta Printed Name Operations Technician Title 6-16-00 Date
					¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

SHELL LUSK ANB COM #2
Big Dog Strawn, South Daily Production
Unit E Sec 11-T16S-R35E



YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
SHELL LUSK ANB #2
LEA COUNTY, NEW MEXICO

Sandra Abbondandolo
968 Beauvoir Dr.
Calabash, NC 28467

Ronald C. Agel
279 Marlborough St.
Boston, MA 02116-1702

Lynne M. and Mark E. Baalman
4650 N. Flintwood Road
Parker, CO 80134

Barmar, Inc.
5410 Ledgestone Dr.
Fort Worth, TX 76132-2345

Roy G. Barton, Jr.
1919 N. Turner Street
Hobbs, NM 88240-2712

Citadel Oil and Gas Corp.
P. O. Box 3052
Denver, CO 80201

Edward N. David
116 West First Street
Roswell, NM 88201

David Petroleum Corp.
116 West First Street
Roswell, NM 88201

James Leslie Dow
P. O. Drawer 311
Alto, NM 88312

Heirs and Devisees of Mary Dow Byers
P. O. Box 667
Kilmarnock, VA 22482

Christopher R. F. Eckels
Box 30
Cedaredge, CO 81413

Bud and Mary Lou Flocchini
P. O. Box 26158
San Jose, CA 95159-6158

Mark G. Gorski
1100 Castleford Road
Midland, TX 79705

Mary Jane Hand
P. O. Box 2505
Ruidoso Downs, NM 88346

Harle, Inc.
22230 SW Taylors Drive
Tualatin, OR 97062

William N. and Susan E. Heiss
P. O. Box 2954
Casper, WY 82602

Larry T. Hunnicut
5616 Amistad Rd. NE
Albuquerque, NM 87111-1558

Douglas C. Koch
P. O. Box 540244
Houston, TX 77254-0244

Christa L. Leavell
P. O. Box 470
Robinson, IL 62454

Heirs or Devisees of Bobbie Dow Logan
411 N. Washington
Rutherfordton, NC 28139

Dorothy Lee Lusk
P. O. Box 537
Tesque, NM 87574

M.W. Oil Investment Co.
518 17th Street
Suite 540
Denver, CO 80202

Marathon Oil Company
Dept. 0882
P. O. Box 120001
Dallas, TX 75312-0882

McMillan Prod. Co., Inc.
118 West First Street
Roswell, NM 88201

Michael Allan McMillan
118 West First Street
Roswell, NM 88201

Edsel B. and Leaslee Neff
403 Tierra Berrenda
Roswell, NM 88201

Louis A. Oswald, III
P. O. Box 36157
Denver, CO 80236-0157

Oswald Family Trust
P. O. Box 36157
Denver, CO 80236-0157

George M. O'Brien
P. O. Box 1743
Midland, TX 79702

Permian Exploration Corp.
118 West First Street
Roswell, NM 88201

Fay R. Power
P. O. Box 54
Lovington, NM 88260

Carol Rodgersen
22761 La Quinta
Mission Viejo, CA 92691

Jonathan S. & Carol Roderick
6154 W. 83rd Way
Arvada, CO 80003

YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
SHELL LUSK ANB #2
LEA COUNTY, NEW MEXICO

Jay L. Root
P. O. Box 1968
Albuquerque, NM 87103

Norwest Bank Texas NA,
Successor Trustee of the Testamentary
P. O. Box 1241
Trust Division
Lubbock, TX 79408-1241

Jill Renee Harris Silver
17859 Orna Drive
Granda Hills, CA 91344

June Danglade Speight
P. O. Drawer 1687
Lovington, NM 88260

Jane P. Bowers Stoneman
525 E. Cherry Lynn Rd.
Phoenix, AZ 85012

Carlsbad National Bank
Trustee of Jean S. Sullivan
P. O. Box 1359
Carlsbad, NM 88220

Toles-Com-Ltd., LLC
P. O. Box 1300
Roswell, NM 88202-1300

Richard L. & Elizabeth L. Mantelli Vandenberg
1777 S. Harrison
Suite P-300
Denver, CO 80201

R.M. & Jaqueline Williams
5 Dovekie Ct.
Nantucket, NM 02554

Wytex Oil Company
P. O. Box 36157
Denver, CO 80236-0157

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DENNIS G. KINSEY
TREASURER

June 16, 2000

To: Working Interest Owner
Royalty Interest Owner
Overriding Royalty Interest Owner

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Shell Lusk ANB #2 located in Unit E of Section 11, Township 16 South, Range 35 East, Lea County. Please find a copy of application enclosed. This will serve as notification to any interest owner.

Should you have any questions, or need additional information, please call me at (505) 748-4174.

Sincerely,

Albert R. Stall
Operations Engineer

ARS/th