

DATE IN 11/29/06	SUSPENSE 12/15/06	ENGINEER WWS	LOGGED IN 11/29/06	TYPE SWD	APP NO. PWTJ 0700368133
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ABOVE THIS LINE FOR DIVISION USE ONLY

extended for notice

1027-A

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.

Print or Type Name

Signature

Title

Date

e-mail Address

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
JOHN A. YATES
PRESIDENT
REYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

November 29, 2006

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

Re: Cordova SWD No. 1
API 30-015-23751
SWD-1027

Dear Mr. Jones,

I would like to amend the current order SWD-1027. It currently states that Yates Petroleum has the authority to dispose of water in the Delaware from 2,452' down to 4,152'. And that our maximum injection pressure can not exceed 490 psi.

I would like to change the disposal interval to 3,294' down to 5,074'. This entire interval is all Delaware and includes the ~~Bel~~ Cherry Canyon and the Brushy Canyon.

I have included a map with the area of review on it; there are no wells are with in a 1/2 mile radius. Amoco tried to produce the same perforations that we are now proposing to inject into, they produced 100% water. The test are listed on the well bore sketch. Due to the fact there are no wells inside the area of review and production test proved that the intervals are only water bearing, I beleive that the proposed change would not be detrimental to any party and should be allowed.

If you have any questions or need additional information, please call me at (505) 748-4219.

Sincerely,

Mike Hill
Area Engineer
mhill@ypcnm.com

Enclosures

asked MIKE
FOR Legal
RE-NOTICE
11/31/06

59 max

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



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DENNIS G. KINSEY
TREASURER

RECEIVED

DEC 18 2006

December 14, 2006

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

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

Re: Cordova SWD #1

Dear Mr. Jones

Enclosed please find an Affidavit of Publication for the Cordova SWD #1 of 25-24S-27E, Eddy County, New Mexico. If you have any questions or need additional information, please call me at (505) 748-4361.

Sincerely,

Debbie Chavez
Engineering Technician

Enclosures

Affidavit of Publication

NO. 19513

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The
Artesia Daily Press, a daily newspaper of general
circulation, published in English at Artesia, said county
and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said
Artesia Daily Press, a daily newspaper duly qualified
for that purpose within the meaning of Chapter 167 of
the 1937 Session Laws of the state of New Mexico for
1 Consecutiv week/days on the same
day as follows:

First Publication December 3 2006

Second Publication _____

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this

8th Day December 2006

Barbara Ann Beans

Notary Public, Eddy County, New Mexico

My Commission expires September : 23, 2007

Copy of Publication:

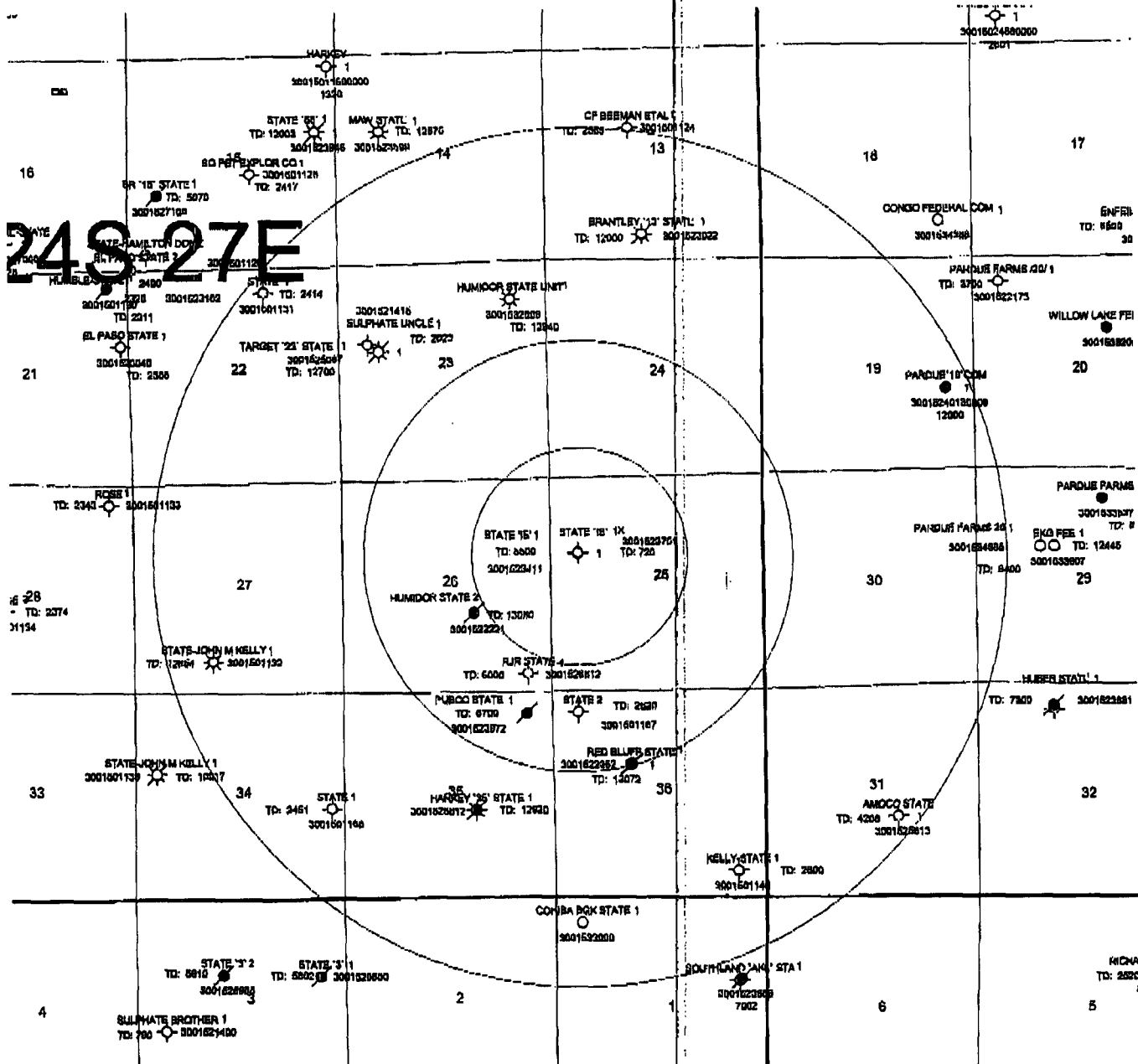
Legal Notice

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well the Cordova SWD No. 1 located 2,005' FNL & 660' FWL, Unit E, Section 25 Township 24 South, Range 27 East of Eddy County, New Mexico, will be used for salt-water disposal. Disposal waters from the Delaware Sands will be re-injected into the Delaware Sand at a depth of 3,294-5,074' with a maximum pressure of 1,526 psi and a maximum rate of 5,000 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505-5472, within 15 days. Additional information can be obtained by contacting James M. Hill at (505) 748-4219.

Published in the Artesia Daily Press, Artesia, N.M. December 3, 2006.

Legal 19513



YATES PETROLEUM

Cordova SWD #1
(Formerly Amoco's State IS #1Y)

Author:
Debbie Chavez

M. Hill

Date:
29 November, 2006

WELL NAME: Cordova SWD #1 FIELD: Wildcat
 LOCATION: Unit letter E, 2,005' FNL & 660' FWL Sec 25-24S-27E Eddy County
 GL: 3,143.8' ZERO: KB:
 SPUD DATE: 04/13/81 COMPLETION DATE: 07/03/81
 COMMENTS: API No. 30-015-23751
(Formerly Amoco's State IS #1v)

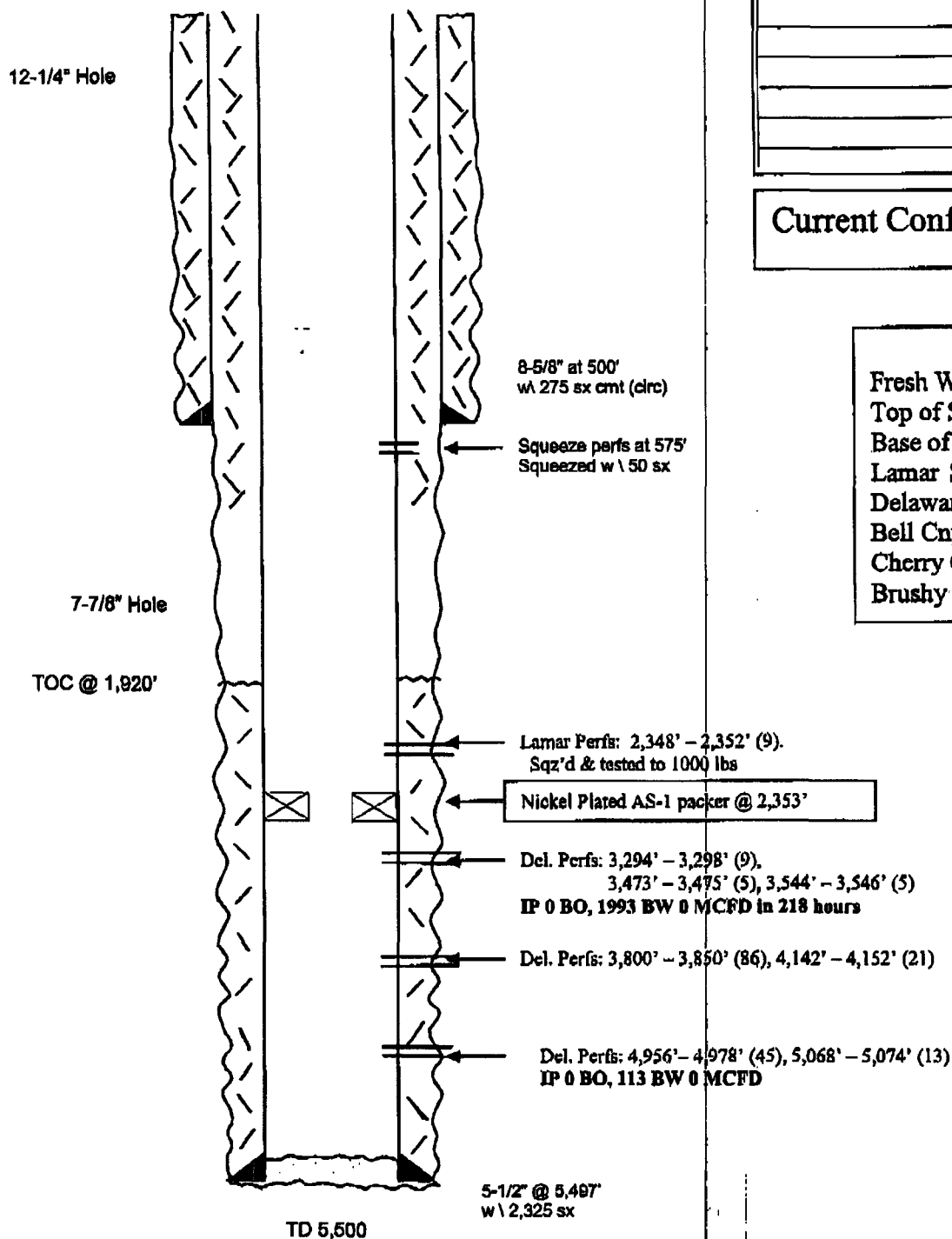
CASING PROGRAM

8 5/8" 24 # K-55, ST&C	500'
2 3/8" 4.70# 1ft., N-80, EUE	10790'

Current Configuration

Tops:

Fresh Water	300'
Top of Salt	584'
Base of Salt	2,320'
Lamar Shale	2,376'
Delaware	2,430'
Bell Cny	2,452'
Cherry Cny	3,196'
Brushy Cny	4,412'



Not to Scale
 11/29/06
 DC/M.H.H.

Cordova SWD No. 1
Unit Letter E, 2,005' FNL & 660' FWL
Section 25-24S-27E

Pressure Data on Acid treatments pumped on Delaware Perforations.

Perforations	Fluid Type	Fluid Volume Pumped Gallons	Break Down Pressure PSI	Average Rate BPM	Average Pressure PSI	Instantiations Shut in Pressure PSI	15 min. Shut in Pressure PSI
4,956' - 5,074'	7-1/2% HCL	2500	750	6	1600	760	541
3800' - 4,152'	7-1/2% HCL	2500	650	6	1200	660	630
3,473' - 3,546'	7-1/2% HCL	1500	2200	6	1900	756	731
3,294' - 3,298'	7-1/2% HCL	1000	1498	6	1600	843	807
3,294' - 5,074'	7-1/2% HCL	1000	660	6	1560	738	703

Stage No.

PETROPLEX ACIDIZING, INC.

SERVICE REPORT

STATION Livingston SERVICE RECEIPT NO. 46730 DATE 9-13-06
 COMPANY Yates STATE WV COUNTY Eddy
 LEASE Cordova SWD WELL NO. 1 POOL
 COMPANY REPRESENTATIVE Curtis Tate SERVICE ENGINEER David Duncanson

Casing O.D. 5.5 Wt. 141 Depth Cement
 Liner O.D. Wt. From To
 Tubing Size 2 7/8 Depth 21867 Perf. - Open kind
 Hyd. Hold Down: Make Depth
 Upper Packer: Make Depth
 Lower Packer: Make Depth
 No. Shots From To
 Casing Perforations
 Open Hole: Size From To
 Open Hole: Size From To
 Type Fluid in Tbg. In Csg.
 Other Information

Date Drilled Formation
 Pay Section From To
 Present Total Depth P. B. From
7.50 Gals. 7.5% NEELE DRINK Type
 Gals. Type
 Lbs. Material
 Lbs. Material
 Other Material 11 Seals 7
 Pumps used on Tbg. 11-300
 Pumps used on Csg.
 Tbg. Bbls. Csg. Bbls. Open Hole Bbls.
 Vol. of Pay Zone Bbls. Vol. to Spot Bbls.
 Vol. to Flush Bbls. Over Flush Bbls.

Tested Connections

TIME A.M.-P.M.	PRESSURES		BARRELS OF FLUID PUMPED		REMARKS	Tbg.	Csg.
	Casing	Tubing	In Formation	Per Reading	Per Minute		
7:00							
8:03		7379		1.1	0.0	On location. Safety is a state-primed	
8:33		7379		2.2	6.1	Test lines	
8:37		730		3	1.3	on water on tubing	(1st stage)
8:39		1895		3.1	6.0	on Acid	
8:40		1634		30.2	5.7	on Ball 1/3	
8:43		1562		35.2	5.7	Acid on	
8:46		1547		42.3	5.7	Ball 1/3 on	
8:49		1522		5.9	5.6	PSI check	
8:50		1476		64.4	5.4	on water	
8:51		3412.7		72.6	5.4	PSI check	
8:52		4039		78.3	5.7	PSI check	
8:53		6020		80.7	0	Ball 1/3	
8:56		1602		85	5.6	on water	
8:57		1527		80.2	5.8	PSI check	
8:58		780		92.8	0	Shut down	
9:03		603		92.8	0		
9:08		586		92.8	0		
9:13		574		92.8	0		
10:23		740		1.7	4.8	on water on tubing	(2nd stage)
10:26		630		1.2	2.0	on Acid	
10:28		1343		5.6	0.0	on Ball 1/3	
10:29		1294		15.1	5.8	PSI check	
10:31		1304		23.2	6.0	Acid on	
10:32		1287		28.2	5.8	Ball 1/3 on	
10:33		1250		36.4	5.5	PSI check	

Instant Shut Down Pressure
 Pressures Minutes After ISDP
 Maximum Pressures and Avg. Injection Rate
 Minimum Pressures
 Total Load: Acid Bbls. Oil - Water Bbls.

①

Stage No.

PETROPLEX ACIDIZING, INC.

Page No.

SERVICE REPORT

STATION Levelland SERVICE RECEIPT NO. 46230 DATE 9-13-06
 COMPANY Yates STATE TX COUNTY Eddy
 LEASE Carthage SWD WELL NO. 1 POOL 1
 COMPANY REPRESENTATIVE Curtis Tule SERVICE ENGINEER Dan Warner

Casing O.D. _____ Wt. _____ Depth _____ Cement _____
 Liner O.D. _____ Wt. _____ From _____ To _____
 Tubing Size _____ Depth _____ Perf. - Open End _____
 Hyd. Hold Down: Make _____ Depth _____
 Upper Packer: Make _____ Depth _____
 Lower Packer: Make _____ Depth _____
 No. Shots _____ From _____ To _____
 Casing Perforations _____
 Open Hole: Size _____ From _____ To _____
 Open Hole: Size _____ From _____ To _____
 Type Fluid in Tbg _____ In Csg _____
 Other Information _____

Date Drilled _____ Formation _____
 Pay Section From _____ To _____
 Present Total Depth _____ P. B. From _____
 Gals. _____ Type _____
 Gals. _____ Type _____
 Lbs. _____ Material _____
 Lbs. _____ Material _____
 Other Material _____
 Pumps used on Tbg. _____
 Pumps used on Csg. _____
 Tbg. _____ Bbls. Csg. _____ Bbls. Open Hole _____ Bbls.
 Vol. of Pay Zone _____ Bbls. Vol. to Spot _____ Bbls.
 Vol. to Flush _____ Bbls. Over Flush _____ Bbls.

BARRELS OF FLUID PUMPED

Tested Connections

TIME	PRESSURES	In	Per	Per	REMARKS	Tbg.	Csg.
A.M./P.M.	Casing	Tubing	Formation	Reading	Minute		
10:31	—	1246	—	42.4	5.8	PST check	
10:32	—	1222	—	5.9	5.8	on water	Avg PST = 1200
10:38	—	1222	—	6.8	5.8	PST check	Avg Rate = 5.8
10:39	—	1266	—	7.1	5.9	PST check	Total Load = 91.2
10:40	—	1266	—	26.6	5.9	all balls on	
10:42	—	1282	—	91.2	0	Shut down	TSTP = 660
10:48	—	662	—	91.2	0	5 min	5 min = 6.53
12:11	182	—	—	14	2.2	on water 25 bbls	2nd stage
12:23	—	—	—	37	0	Shut down	
12:47	—	8	—	4	2.2	on acid on tubing	
12:49	—	2210	—	15.1	1.2	on balls	
12:51	—	2886	—	2.3	5.4	PST check	
12:52	—	2602	—	20.7	5.8	acid on	
12:53	—	2556	—	25.2	5.8	balls on	
12:54	—	1938	—	30.2	6.0	PST check	
12:55	—	1998	—	36	6.0	on water	
12:58	—	5890	—	48.3	0	Shut down	
1:01	—	1827	—	51.9	5.8	on water	Avg PST = 1900
1:02	—	1633	—	62.2	5.9	PST check	Avg Rate = 5.8
1:04	—	1518	—	68.6	5.7	PST check	Total Load = 78.9
1:05	—	220	—	78.7	0	Shut down	TSTP = 756
1:06	—	231	—	78.7	0	5 min	5 min = 7.31
1:07	—	1408	—	1.0	1.8	on acid on tubing	1st stage
1:07	—	1822	—	5.0	1.8	on balls	
1:08	—	1866	—	11.5	1.8	PST check	
1:09	—	2015	—	19.9	1.8	Shut down	
						Instant Shut Down Pressure	
						Pressures	Minutes After ISDP
						Maximum Pressures and Avg. Injection Rate	
						Minimum Pressures	
						Total Load: Acid	Bbls. Oil - Water
							Bbls.

②

PETROPLEX ACIDIZING, INC.

SERVICE REPORT

STATION Lovington SERVICE RECEIPT NO. 46230 DATE 9-13-06
 COMPANY Fates STATE NM COUNTY Eddy
 LEASE Cordova WELL NO. 3611 POOL
 COMPANY REPRESENTATIVE Lactis Zale SERVICE ENGINEER David Shaver

Casing O.D.	Wt.	Depth	Cement
Liner O.D.	Wt.	From	To
Tubing Size	Depth	Perf. - Open End	
Hyd. Hold Down: Make	Depth		
Upper Packer: Make	Depth		
Lower Packer: Make	Depth		
	No. Shots	From	To
Casing Perforations			
Open Hole: Size	From	To	
Open Hole: Size	From	To	
Type Fluid in Tbg.		In Csg.	
Other Information			

Date Drilled	Formation
Pay Section From	To
Present Total Depth	P. B. From
Gals.	Type
Gals.	Type
Lbs.	Material
Lbs.	Material
Other Material	
Pumps used on Tbg.	
Pumps used on Csg.	
Tbg.	Bbls. Csg.
Vol. of Pay Zone	Bbls. Vol. to Spot
Vol. to Flush	Bbls. Over Flush

TIME A.M.-P.M.	PRESSURES		BARRELS OF FLUID PUMPED		
	Casing	Tubing	In Formation	Per Hour	Per Minute
1:50	—	1689	—	24.9	6.0
1:51	—	1644	—	29.1	6.1
1:52	—	1472	—	36.7	5.6
1:52	—	1466	—	39.6	5.6
1:54	—	1481	—	42.2	5.2
1:54	—	1599	—	50.7	5.1
1:55	—	1620	—	54.6	5.6
1:56	—	1523	—	62.4	5.2
1:58	—	1543	—	70.3	5.2
2:00	—	842	—	76.7	0
2:05	—	807	—	76.7	0

REMARKS

Tested Connections

Tbg. Csg.

Bull 1500
PST check
open water
PST check
PST check
All Bulbs on
PST check
PST check
PST check
Shut down
5

11.2 PST = 16.00
Avg rate = 5.6
Test Load = 76.7
ISDP = 84.3
Surge = 807

Instant Shut Down Pressure

Pressures Minutes After ISDP

Maximum Pressures and Avg. Injection Rate

Minimum Pressures

Total Load: Acid Bbls, Oil - Water Bbls.

(3)

Yates Petroleum Corporation

105 South Fourth Street, Artesia, New Mexico 88210

FAX

2006 NOV 29

PM 3:48
Date: 11/29/06

Number of Pages: 8

To: Will Jones

From: Mike Hill

Phone:

Phone: 505-748-4219

Fax: (505) 476-3462

Fax: 505-748-4585

Re: Cordova SWD #1 letter and pressure data.