Case 13020 -- Yates Belco AIA Federal #1

Well Location:

1980 S & 1980 E, Section 14-20S-32 E

Lea County, New Mexico

API Number:

30-025-26826-0002

History of Well:

1. Originally drilled by Belco Petroleum
Original name = Federal PL 14 #1
Spud Date = April 2, 1981
Total Depth = 13250 feet
Morrow DST's = 12885-12917 and 12880-12916
Drill & Abandon: Completion Date = February 16, 1983
Intermediate Casing: 13 3/8" at 3120 ft & 7 5/8" at 11074
Only logs from base of 7 5/8" to TD

- Yates re-entered well in August of 1990
 Produced Wolfcamp open hole from 11273-11706
 IP = 180 BOPD, 270 Mcf/D and 240 BWPD on August 29, 1990
 Produced 3254 BO
- 3. In February 1991, Yates tested Bone Spring at 9602-10233 In March-September, tested Delaware at 7313-7500 Produced 1583 BO
- 4. On October 4, 1991, Yates opened Delaware at 4928-4956 Well flowed about 200 BOPD and 150 BWPD Completed February 4, 1992 with IP = 210 BOPD, 95 BWPD Well has produced 461 MBO from Salt Lake Delaware pool

Spacing and Production:

- 1. No offset wells have been drilled BLM rejects drilling because of potash
- 2. Spacing is state-wide 40 acres with depth-bracket allowable of 80 BOPD
- 3. Well produced above allowable from October 1991 to March 1997
- 4. Yates has restricted production to 80 BOPD since April 1997
- Wells can still produce 120 BOPD.
 Well is clearly draining far more than 40 acres

Increasing spacing unit to 80 acres will raise allowable to 160 BOPD Increased allowable will benefit Federal Government, state and industry