

4-17-96

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

YATES  
OF THE BOARD  
.. YATES  
IDENT  
N YATES  
ICE PRESIDENT  
PATTERSON  
ETARY  
3. KINSEY  
SURER

RECEIVE

MAR 28 1996

OIL CONSERVATION  
SANTA FE

Ben -  
Will send you site  
security diagrams when I  
get them all together  
(Attachment 3)

J. Kinsey

Case 11538

Oil Conservation Di  
P. O. Box 6429  
Santa Fe, NM 87505-6429

ATTENTION: Mr. Ben Stone

RE: Surface Commingling, Lease Commingling,  
Pool Commingling and Off-Lease Measurement  
of Gas  
Livingston Ridge Area  
Eddy and Lea County, New Mexico

Dear Ben:

Yates Petroleum Corporation respectfully requests administrative approval for surface commingling, lease commingling, pool commingling and off-lease measurement of gas for wells located in the Livingston Ridge Area of Eddy and Lea County, New Mexico. Please see Attachment I for a complete description of all wells involved in this commingling and off-lease measurement of gas.

The purpose of the surface commingling, lease commingling, pool commingling and off-lease measurement of gas is that due to economic conditions, the gas purchaser (GPM) required Yates Petroleum Corporation to lay gathering lines to their meter located in the SWNW of Section 6-T22S-R32E, Eddy County, New Mexico, from each battery.

Gas is measured at each well by an allocation meter before flowing through a central delivery point meter at their respective battery before going to GPM's meter (No. 45285). All gas is transported via Yates' pipeline prior to reaching GPM's meter. This metering ensures that all production from each of the wells is equitably accounted for with no significant effect on your revenue. The production is from the same producing zone which is the Delaware with the exception of the Grace Federal #1 which produces from the Morrow formation.

In accordance with the Oil Conservation Division's Rules 303-B, 309-B and 309-C, the following diagrams and maps are attached for your information:



ATTACHMENT I

Rosemary AJB Federal #1  
NWSW of Section 6-T22S-R32E  
Eddy County, New Mexico  
Lease No.: NM-64605  
Livingston Ridge Delaware, NE

Cleary AKC Federal #1  
NWSE of Section 17-T22S-R32E  
Lea County, New Mexico  
Lease No.: NM-86148  
Livingston Ridge Delaware, East

Martha AIK Federal #1  
SESE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65417  
Livingston Ridge Delaware

Martha AIK Federal #2  
NESE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65417  
Livingston Ridge Delaware

Martha AIK Federal #3  
SWSE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Livingston Ridge Delaware

Martha AIK Federal #4  
NWSE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65417  
Livingston Ridge Delaware

Martha AIK Federal #5  
SENE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65417  
Livingston Ridge Delaware

Martha AIK Federal #6  
NENE of Section 11-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65417

Bonneville AKK Federal #2  
SESE of Section 24-T21S-R31E  
Eddy County, New Mexico  
Lease No.: NM-31375  
Lost Tank Delaware

Grace Federal #1  
SWNE of Section 20-T22S-R32E  
Lea County, New Mexico  
Lease No.: NM-078968A, NM-078968C  
and NM-90  
Red Tank Morrow

Wolf AJA Federal #4  
NESE of Section 25-T21S-R31E  
Eddy County, New Mexico  
Lease No.: NM-61358  
Lost Tank Delaware

Wolf AJA Federal #5  
SENE of Section 25-T21S-R31E  
Eddy County, New Mexico  
Lease No.: NM-61358  
Lost Tank Delaware

Wolf AJA Federal #7  
SESE of Section 24-T21S-R31E  
Eddy County, New Mexico  
Lease No.: NM-61358  
Lost Tank Delaware

Graham AKB State #1  
NENE of Section 2-T22S-R31E  
Eddy County, New Mexico  
Lease No.: V-2705  
Lost Tank Delaware

Graham AKB State #2  
SENE of Section 2-T22S-R31E  
Eddy County, New Mexico  
Lease No.: V-2705  
Lost Tank Delaware

Kiwi AKX State #1  
SESE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #2  
NESE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

ATTACHMENT I - CONTINUED

Kiwi AKX State #3  
SENE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #4  
SWSE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #5  
NSE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #6  
SESW of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #7  
SWNE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Kiwi AKX State #9  
NENE of Section 16-T22S-R32E  
Lea County, New Mexico  
Lease No.: VB-134  
Livingston Ridge Delaware, East

Mary AIV State #1  
SWNE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: LG-9280  
Lost Tank Delaware

Mary AIV State #3  
NWNE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: LG-9280  
Lost Tank Delaware

Mary AIV State #5  
NENE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: LG-9280  
Lost Tank Delaware

Lost Tank AIS State #1  
NESE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #2  
SWSE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #3  
SESW of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #4  
NESW of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #5  
SWSW of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #6  
NWSE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: V-1673  
Lost Tank Delaware

Lost Tank AIS State #8  
SESE of Section 36-T21S-R31E  
Eddy County, New Mexico  
Lease No.: LG-9280  
Lost Tank Delaware

Dolores AIL Federal #1  
NENE of Section 14-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65418  
Livingston Ridge Delaware

Dolores AIL Federal #2  
NESE of Section 14-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65418  
Livingston Ridge Delaware

Dolores AIL Federal #3  
SENE of Section 14-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-65418  
Livingston Ridge Delaware

ATTACHMENT I - CONTINUED

Unocal AHU Federal #1  
NWNE of Section 1-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-43556  
Lost Tank Delaware

Unocal AHU Federal #2  
NENE of Section 1-T22S-R31E  
Eddy County, New Mexico  
Lease No.: NM-43556  
Lost Tank Delaware

Lotus ALT State #2  
SWNE of Section 32-T22S-R32E  
Lea County, New Mexico  
Lease No.: V-2443  
Livingston Ridge Delaware, Southeast

Flora AKF State #1  
SESW of Section 2-T22S-R31E  
Eddy County, New Mexico  
Lease No.: V-2597  
Lost Tank Delaware

Flora AKF State #2  
NESW of Section 2-T22S-R31E  
Eddy County, New Mexico  
Lease No.: V-2597  
Lost Tank Delaware

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE

ATTACHMENT IV

Richard K. Barr  
4307 Valley Drive  
Midland, TX 79707

Hayes Properties, Inc.  
P. O. Box 3700  
Midland, TX 79702

Carl and Gloria Schellinger  
P. O. Box 447  
Roswell, NM 88201

UTI Energy Corporation  
485 Devon Park Drive  
Wayne, PA 19087

Robert W. Kent  
P. O. Box 630741  
Houston, TX 77263

Nortex Corporation  
1415 Louisiana - Suite 3100  
Houston, TX 77002

William F. Brainerd & his wife  
P. O. Box 1891  
Roswell, NM 88202-1891

First National Bank of Lubbock  
Successor Trustee of Testamentary Trust  
created U/T/W's of J. E. Simmons &  
Beulah H. Simmons  
P. O. Box 1241  
Lubbock, TX 79408-1241

Holder Petroleum Corporation  
1106 W. Avenue K  
Lovington, NM 88260-1716

Union Oil Company of California  
P. O. Box 4531  
Houston, TX 77210-4531

Diane Wolf  
Erving Wolf Properties  
1001 Fannin St. - Suite 2000  
Houston, TX 77002-6709

Bonneville Fuels Corporation  
1660 Lincoln St. - Suite 1800  
Denver, CO 80264-1801

Rolla R. Hinkle, III  
A Single Man  
P. O. Box 59  
Roswell, NM 88202-0059

Morris and Holly K. Schertz  
P. O. Box 2588  
Roswell, NM 88201

Scott E. Wilson  
4306 Crestgate  
Midland, TX 79707-3483

Meridian Oil, Inc.  
P. O. Box 840656  
Dallas, TX 75284-0656

Texas Independent Exploration  
1600 Smith - Suite 3800  
Houston, TX 77002

Oxy USA, Inc.  
P. O. Box 845541  
Dallas, TX 75284-5541

First Roswell Company  
P. O. Box 1797  
Roswell, NM 88202-1797

Texaco Exploration & Production Co.  
P. O. Box 200778  
Houston, TX 77216-0778

Adele J. Young  
3101 Old Pecos Trail - #808  
Santa Fe, NM 87505

W. J. Langley  
Trustee of D & J Trust  
4544 Cathedral Drive  
Dallas, TX 75214

Z 149 003 153



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Richard K. Barr</i>	
Street and No. <i>4307 Valley Drive</i>	
P.O. State and ZIP Code <i>Midland, TX 79707</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>L. Livingston Ridge</i> <i>DB lead</i>	

PS Form 3800, March 1993



Z 149 003 154



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Conneville Fuels Corp.</i>	
Street and No. <i>1660 Lincoln St. - Suite 1800</i>	
P.O. State and ZIP Code <i>Denver, CO 80264-1801</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>066 lease - Livingston Ridge</i>	

PS Form 3800, March 1993

Z 149 003 155



### Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

PS Form 3800, March 1993

Sender <i>Boys Properties, Inc.</i>	
Street or P.O. Box No. <i>P.O. Box 3700</i>	
P.O. State and ZIP Code <i>Midland, TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>866 lease - Livingston Ridge</i>	

Z 149 003 156



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Rella P. Gentle III</i>	
Street and No. <i>P.O. Box 59</i>	
P.O. State and ZIP Code <i>Roswell, NM 88202-0059</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>off lease - Livingston Ridge</i>	

PS Form 3800, March 1993

Z 149 003 157



### Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to: <i>Gloria Schellenger</i>	
Street and No.: <i>P.O. Box 447</i>	
P.O., State and ZIP Code: <i>Roswell, NM 88201</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date: <i>March 25, 1996</i> <i>W lease Duranston</i> <i>Kidex</i>	

PS Form 3800, March 1993

Z 149 003 158



### Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sender's Name <i>Mr. &amp; Mrs. Kelly Schertz</i>	
Street and No. <i>P.O. Box 2508</i>	
P.O. State and ZIP Code <i>Roswell, NM 88201</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 25, 1996</i> <i>off lease - Livingston Ridge</i>	

P6 Form 3800, March 1993

Z 149 003 159



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>UTZ Energy Corporation</i>	
Street and No. <i>405 Devon Park Drive</i>	
P.O., State and ZIP Code <i>Wayne, PA 19087</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>off lease - Swington</i> <i>Ridge</i>	

PS Form 3800, March 1993

Z 149 003 160



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Scott E. Wilson</i>	
Street and No. <i>4306 Crestgate</i>	
P.O., State and ZIP Code <i>Midland, TX 79707-3483</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>Bb lease - Livingston</i> <i>Ridge</i>	

PS Form 3800, March 1993

Z 149 003 161



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Robert W. Kent</i>	
Street and No. <i>P.O. Box 630741</i>	
City, State and ZIP Code <i>Houston, TX 77263</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>766 Leake - Livingston</i> <i>Ridge</i>	

PS Form 3800, March 1993



Z 149 003 162



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

To	
Meridian Tel. Inc.	
Street and No.	
P.O. Box 840656	
P.O. State and ZIP Code	
Dallas, TX 75284-0656	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
March 26, 1996	
off lease - Rowenston Ridge	

PS Form 3800, March 1993

Z 149 003 163



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Send to <i>Northey Corporation</i>	
Street and No. <i>1415 Louisiana - Suite 3100</i>	
P. O., State and ZIP Code <i>Houston, TX 77002</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>066 lease - Livingston</i> <i>Reddy</i>	

PS Form 3800, March 1993

Z 149 003 164



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Texas Independent Exploration</i>	
Street and No. <i>1600 Smith - Suite 3000</i>	
P.O., State and ZIP Code <i>DHouston, TX 77002</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>off lease - Houston</i> <i>Ridge</i>	

PS Form 3800, March 1993

Z 149 003 165



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

To: <i>William F. Brainerd</i>	
Street and No. <i>P.O. Box 1091</i>	
City, State and Zip Code <i>Roswell, NM 88202-1091</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>Ab Lease, Livingston Ridge</i>	

PS Form 3800, March 1993

Z 149 003 166



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>City USA, Inc.</i>	
Street and No. <i>P.O. Box 845541</i>	
P.O., State and ZIP Code <i>Dallas, TX 75284-5541</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>off lease - Livingston</i> <i>Edg</i>	

PS Form 3800, March 1993

Z 149 003 246



### Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

SENT TO <i>First National Bank of Lubbock</i>	
SYMBOL NO. <i>P.O. Box 1241</i>	
P.O. STATE AND ZIP CODE <i>Lubbock, TX 79408-1241</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>off lease - Livingston Ridge</i>	

PS Form 3800, March 1993

Z 149 003 247



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>First Russell Company</i>	
Street and No. <i>P.O. Box 1797</i>	
P.O. State and ZIP Code <i>Russell, NM 88702-1797</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>db lease - Kingston</i> <i>Kidg</i>	

PS Form 3800, March 1993

Z 149 003 248



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Send to <i>Golden Petroleum Corp.</i>	
Street and No. <i>1106 W. Avenue K</i>	
P.O. State and ZIP Code <i>Kingston, NM 88260-1216</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>866 lease - Kingston Ridge</i>	

PS Form 3800, March 1993



Z 149 003 249



### Receipt for Certified Mail

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Send to <i>Texaco Expl. &amp; Prod. Co.</i>	
Street and No. <i>P.O. Box 200 778</i>	
P.O. State and ZIP Code <i>Houston, TX 77216-0778</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>26 lease. Livingston</i> <i>Kidg</i>	

PS Form 3800, March 1993

Z 149 003 250



**Receipt for Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>Union Tel Co. of California</i>	
Deliver to <i>P.O. Box 4531</i>	
P.O., State and ZIP Code <i>Dawson, TX 77210-4531</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 25, 1996</i> <i>46 lease - Rowington</i> <i>Kidney</i>	

PS Form 3800, March 1993

Z 149 003 456



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sender's Name <i>Chad J. Young</i>	
Street and No. <i>3101 Old Press Road # 808</i>	
City, State and ZIP Code <i>Santa Fe, NM 87505</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>Old Press - Livingston Ridge</i>	

PS Form 3800, March 1993

Z 149 003 457



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
March 25, 1996	
066 lease - Burroughs Ridge	
Houston, TX 77002-6709	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Street and Apt. No.	1001 Penn St. - Suite 2000
City, State and ZIP Code	Houston, TX 77002-6709
Susan Wolf Susan Wolf Properties	

PS Form 3800, March 1993

Z 149 003 458



**Receipt for  
Certified Mail**

No Insurance Coverage Provided  
Do not use for International Mail  
(See Reverse)

Sent to <i>W. J. Sandey</i>	
Street and No. <i>4544 Cathedral Drive</i>	
P. O., State, and ZIP Code <i>Dallas, TX 75214</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>March 26, 1996</i> <i>BB lead - Livingston</i> <i>Ridge</i>	

PS Form 3800, March 1993

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



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

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

March 22, 1996

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, NM 87504-1148

ATTENTION: Mr. Pete Martinez

RE: Surface Commingling, Lease Commingling,  
Pool Commingling and Off-Lease Measurement  
of Gas  
Livingston Ridge Delaware Area  
Eddy and Lea County, New Mexico

Dear Pete:

Yates Petroleum Corporation respectfully requests administrative approval for surface commingling, lease commingling, pool commingling and off-lease measurement of gas for wells located in the Livingston Ridge Area of Eddy and Lea County, New Mexico. Please see Attachment I for a complete description of all wells involved in this commingling and off-lease measurement of gas.

The purpose of the surface commingling, lease commingling, pool commingling and off-lease measurement of gas is that due to economic conditions, the gas purchaser (GPM) required Yates Petroleum Corporation to lay gathering lines to their meter located in the SWNW of Section 6-T22S-R32E, Eddy County, New Mexico, from each battery.

Gas is measured at each well by an allocation meter before flowing through a central delivery point meter at their respective battery before going to GPM's meter (No. 45285). All gas is transported via Yates' pipeline prior to reaching GPM's meter. This metering ensures that all production from each of the wells is equitably accounted for with no significant effect on your revenue. The production is from the same producing zone which is the Delaware with the exception of the Grace Federal #1 which produces from the Morrow formation.

The following diagrams and maps are attached for your information:

ATTACHMENT V



## COMMINGLE PRE-APPLICATION

STATE LAND OFFICE RULES 1.053-1.055 APPLY TO COMMINGLING OIL AND GAS PRODUCTION FROM NEW MEXICO STATE LANDS. PLEASE PROVIDE THE FOLLOWING INFORMATION SO THAT WE CAN DETERMINE WHETHER OR NOT A COMMINGLE APPLICATION PACKAGE SHOULD BE SUBMITTED.

1. BRIEFLY DESCRIBE WHAT YOU PROPOSE TO DO.  
PLEASE SEE ATTACHED LETTER FOR INFORMATION

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2. FILL IN THE FOLLOWING INFORMATION FOR EACH WELL.

PLEASE SEE ATTACHMENT I

WELL NUMBER	LEGAL DESCRIPTION	LESSEE OF RECORD	N.M. LEASE NUMBER	FORMATION

NAME: Rusty Klein

COMPANY: Yates Petroleum Corporation

PHONE NUMBER: 505-748-4205 (direct); 505-748-1471 (direct)

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE OIL, GAS AND MINERALS DIVISION AT (505) 827-5744.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

NM-65418

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Dolores AIL Federal #1

9. API Well No.

30-015-26547

10. Field and Pool, or Exploratory Area

Livingston Ridge Delaware

11. County or Parish, State

Eddy Co., NM

**SUBMIT IN TRIPLICATE**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.

105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 430' FEL of Section 14-T22S-R31E (Unit A, NENE)

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Off-lease measurement of gas  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water  
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Please see the attached application for surface commingling and off-lease measurement of gas.

ATTACHMENT VI

Also have requested permission from the New Mexico Oil Conservation Division and the Commissioner of Public Lands

14. I hereby certify that the foregoing is true and correct

Signed Rusty Steer Title Production Clerk Date March 18, 1996

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

APPLICATION FOR SURFACE COMMINGLING AND  
OFF LEASE MEASUREMENT OF GAS

Yates Petroleum Corporation is respectfully requesting approval for surface commingling and off lease measurement of gas for the following wells:

<u>WELL NAME</u>	<u>LOCATION</u>	<u>LEASE NUMBER</u>	<u>FORMATION</u>	<u>MCFPD</u>
Rosemary AJB Fed #1	L-6-22S-32E	NM-64605	Delaware	4
Cleary AKC Federal #1	J-17-22S-32E	NM-86148	Delaware	5
Martha AIK Federal #1	P-11-22S-31E	NM-65417	Delaware	39
Martha AIK Federal #2	I-11-22S-31E	NM-65417	Delaware	34
Martha AIK Federal #3	O-11-22S-31E	NM-65417	Delaware	33
Martha AIK Federal #4	J-11-22S-31E	NM-65417	Delaware	33
Martha AIK Federal #5	H-11-22S-31E	NM-65417	Delaware	34
Martha AIK Federal #6	A-11-22S-31E	NM-65417	Delaware	37
Bonneville AKK Fed #2	P-24-21S-31E	NM-31375	Delaware	46
Grace Federal #1	G-20-22S-32E	NM-078968A, NM-90 & NM-078968C	Morrow	5
Wolf AJA Federal #4	I-25-21S-31E	NM-61358	Delaware	12
Wolf AJA Federal #5	H-25-21S-31E	NM-61358	Delaware	13
Wolf AJA Federal #7	P-24-21S-31E	NM-61358	Delaware	42
Graham AKB State #1	A-2-22S-31E	V-2705	Delaware	48
Graham AKB State #2	H-2-22S-31E	V-2705	Delaware	68
Kiwi AKX State #1	P-16-22S-32E	VB-134	Delaware	160
Kiwi AKX State #2	I-16-22S-32E	VB-134	Delaware	77
Kiwi AKX State #3	H-16-22S-32E	VB-134	Delaware	21
Kiwi AKX State #4	O-16-22S-32E	VB-134	Delaware	18
Kiwi AKX State #5	J-16-22S-32E	VB-134	Delaware	27
Kiwi AKX State #6	N-16-22S-32E	VB-134	Delaware	24
Kiwi AKX State #7	G-16-22S-32E	VB-134	Delaware	18
Kiwi AKX State #9	A-16-22S-32E	VB-134	Delaware	25
Mary AIV State #1	G-36-21S-31E	LG-9280	Delaware	1
Mary AIV State #3	B-36-21S-31E	LG-9280	Delaware	13
Mary AIV State #5	A-36-21S-31E	LG-9280	Delaware	6
Lost Tank AIS St. #1	I-36-21S-31E	V-1673	Delaware	80
Lost Tank AIS St. #2	O-36-21S-31E	V-1673	Delaware	19
Lost Tank AIS St. #3	N-36-21S-31E	V-1673	Delaware	18
Lost Tank AIS St. #4	K-36-21S-31E	V-1673	Delaware	22
Lost Tank AIS St. #5	M-36-21S-31E	V-1673	Delaware	20
Lost Tank AIS St. #6	J-36-21S-31E	V-1673	Delaware	23
Lost Tank AIS St. #8	P-36-21S-31E	V-1673	Delaware	112
Dolores AIL Federal #1	A-14-22S-31E	NM-65418	Delaware	52
Dolores AIL Federal #2	I-14-22S-31E	NM-65418	Delaware	155
Dolores AIL Federal #3	H-14-22S-31E	NM-65418	Delaware	54
Unocal AHU Federal #1	B-1-22S-31E	NM-43556	Delaware	29
Unocal AHU Federal #2	A-1-22S-31E	NM-43556	Delaware	86
Lotus ALT State #2	G-32-22S-32E	V-2443	Delaware	29
Flora AKF State #1	N-2-22S-31E	V-2597	Delaware	67
Flora AKF State #2	K-2-22S-31E	V-2597	Delaware	84

A map is enclosed showing the location of the wells that contribute production to this surface commingling and off lease measurement of gas.

Gas is measured at each well by an allocation meter before flowing through a central delivery point at their respective battery before going to GPM's meter (No. 45285) location in the SWNW of Section 6-T22S-R32E, which is approximately 1/2 mile north

Surface Commingling, Etc.:

Page 2:

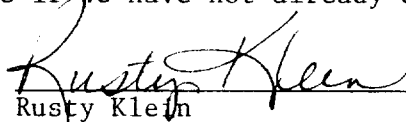
March 18, 1996

of the Rosemary AJB Federal #1 location.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced leases.

We understand that the requested approval will not constitute the granting of any right of way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right of way approval to the BLM's Realty Section in your office if we have not already done so.

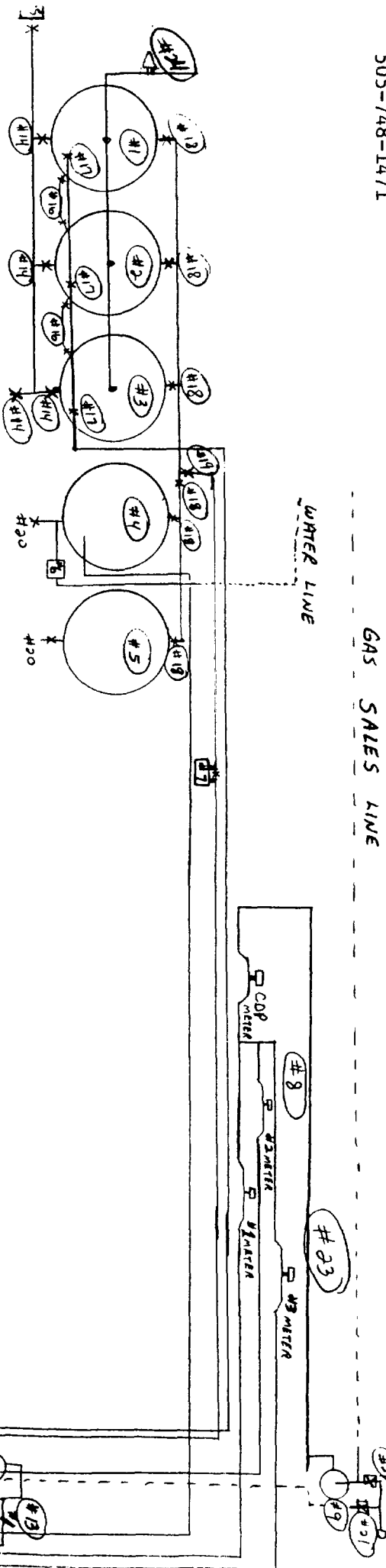


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Rusty Klein  
Production Clerk

March 18, 1996

LOCATION OF SITE SECURITY PLAN:  
 Yates Petroleum Corporation  
 105 South Fourth Street  
 Artesia, NM 88210  
 505-748-1471



YATES PETROLEUM CORPORATION  
 Dolores AIL Federal Battery  
 Section 14-T22S-R31E  
 Eddy County, New Mexico  
 NM-65418

1	500 BBL STOCK TANK - # 25720
2	" " " " - # 25719
3	" " " " - # 25729
4	" " " " UNDER STORAGE TANK
5	210 BW STOCK TANK
6	WATER DISPOSAL PUMP
7	CIRCULATING PUMP
8	GAS MEASUREMENT EQUIPMENT
9	SECONDARY LOW PRESS. SEP.
10	LOW PRESS. SEP.
11	HEATER - TREATER
12	FRESH WATER KNOCK-OUTS
13	FLOW LINE HEATER
14	SALES VALVES - CLOSED & SEALED EXCEPT DURING SALES
15	OIL PRESSURE SALES PUMP
16	EQUALIZER LINES - CLOSED & SEALED DURING OIL SALES
17	OIL TRAP LINES VALVES - CLOSED & SEALED DURING SALES
18	DRAIN VALVES - CLOSED & SEALED - EXCEPT DURING OIL SALES
19	VALVE TO CIRCULATION PUMP
20	WATER TANK VALVES - CLOSED & SEALED
21	PRESSURE RELIEF VALVES
22	LIQUID PIPING SYSTEM - EXHAUST SYSTEM IS CLOSED
23	GAS PIPING SYSTEM - ENTIRE SYSTEM IS CLOSED
24	BACKWARD RELIEF VALVE