

NSL 10/20/99

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

SEP 30 1999



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

September 29, 1999

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

CERTIFIED MAIL
Return Receipt Requested

Case 12291

RE: Application for Unorthodox Location
R.L. Burns ATL #1
Wildcat Mississippian Pool
E/2 Section 11, T16S, R35E
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully requests administrative approval for an unorthodox Mississippian gas well, the R.L. Burns ATL #1. The proposed well is located on fee minerals, 330' FSL and 330' FEL of Section 11, Township 16 South, Range 35 East.

Yates Petroleum Corporation proposes to re-enter the captioned well which was drilled by R.L. Burns Corporation in November, 1973 and plugged in January 1974. We will re-enter using a pulling unit and a reverse unit to drill out plugs to the 8 5/8" casing at 1438', dress off stub and tie back to the 8 5/8" casing from 1438' to the surface. We will then drill out plugs to the 8 5/8" shoe plug at 4663', pressure test casing, and rig down pulling unit. We will bring in a drilling rig, drill out the plugs to the original TD of 12,111' and deepen to the Mississippian formation at approximately 12,700', run logs and run 5" casing.

Yates concludes that it is cheaper to re-enter this well than to drill a new well and would be in the best interest of conservation.

Notification to the offset operators to the south, east and southeast was made by certified mail on September 29, 1999, including a copy of this application letter with all attachments.

Yates requests that this unorthodox location be administratively approved if no objections are received within the cited twenty (20) days as required by OCD regulations, or earlier if waivers are received.

Enclosed are Forms C-101, C-102, land plat and notification list of offset operators including letters of waiver.

Please call me at (505) 748-4351 if you need further information.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Robert Bullock
Landman

RB:bn
enclosure(s)

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Yates Petroleum Corporation 105 S. 4th Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30 - 0 25-24559
⁴ Property Code	⁵ Property Name R.L. Burns ATL	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	16S	35E		330'	South	330'	East	Lea

⁸ Proposed 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
⁹ Proposed Pool 1 Wildcat Mississippian					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3971'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,700'	¹⁸ Formation Mississippian	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	375' In Place	325 sx	Circulated
11"	8 5/8"	28# & 32#	4762' In Place	500 sx	Circulated
7 7/8"	5 1/2"	17#	12,700'	750 sx	TOC 7000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED PAGE 2.

Will file for NSL with the New Mexico Energy, Minerals, and Natural Resources Department.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Ken Beardemphl

Title: Landman

Date: September 23, 1999. Phone: (505) 748-1471

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: Expiration Date:

Conditions of Approval :
Attached ☐

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 API Number 30-025-24559		2 Pool Code		3 Pool Name	
4 Property Code		5 Property Name R.L. Burns ATL			6 Well Number 1
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 3971'

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
P	11	16S	35E		330'	South	330'	East	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 320	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
		Signature <i>Ken Beardemphl</i>
		Printed Name Ken Beardemphl
		Title Landman
		Date September 23, 1999
		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.
		Date of Survey
		Signature and Seal of Professional Surveyer <i>Refer to Original Plat</i>
		Certificate Number

DRILLING PROGRAM

R.L. Burns ATL #1

Page 2

Yates Petroleum Corporation proposes to re-enter the captioned well which was drilled by R.L. Burns Corporation in November, 1973 and plugged in January 1974. Will re-enter using a pulling unit and a reverse unit to drill out plugs to the 8 5/8" casing at 1438', dress off stub, and tie back to the 8 5/8" casing from 1438' to the surface. Will then drill out plugs to the 8 5/8" shoe plug at 4663', pressure test casing, and rig down pulling unit. Will bring in a drilling rig, drill out the plugs to the original TD of 12,111' and deepen to the Mississippian Formation at approximately 12,700', run logs and run 5" casing.

MUD PROGRAM: Will use Cut Brine, 9.3 ppg, viscosity 29-33.

BOPE PROGRAM: 5000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.

Operator R.L. BURNS CORPORATION			Lease WITT		Well No. 1
Unit Letter O	Section 11	Township 16 S	Range 35 E	County LEA	

Actual Well Location of Well:

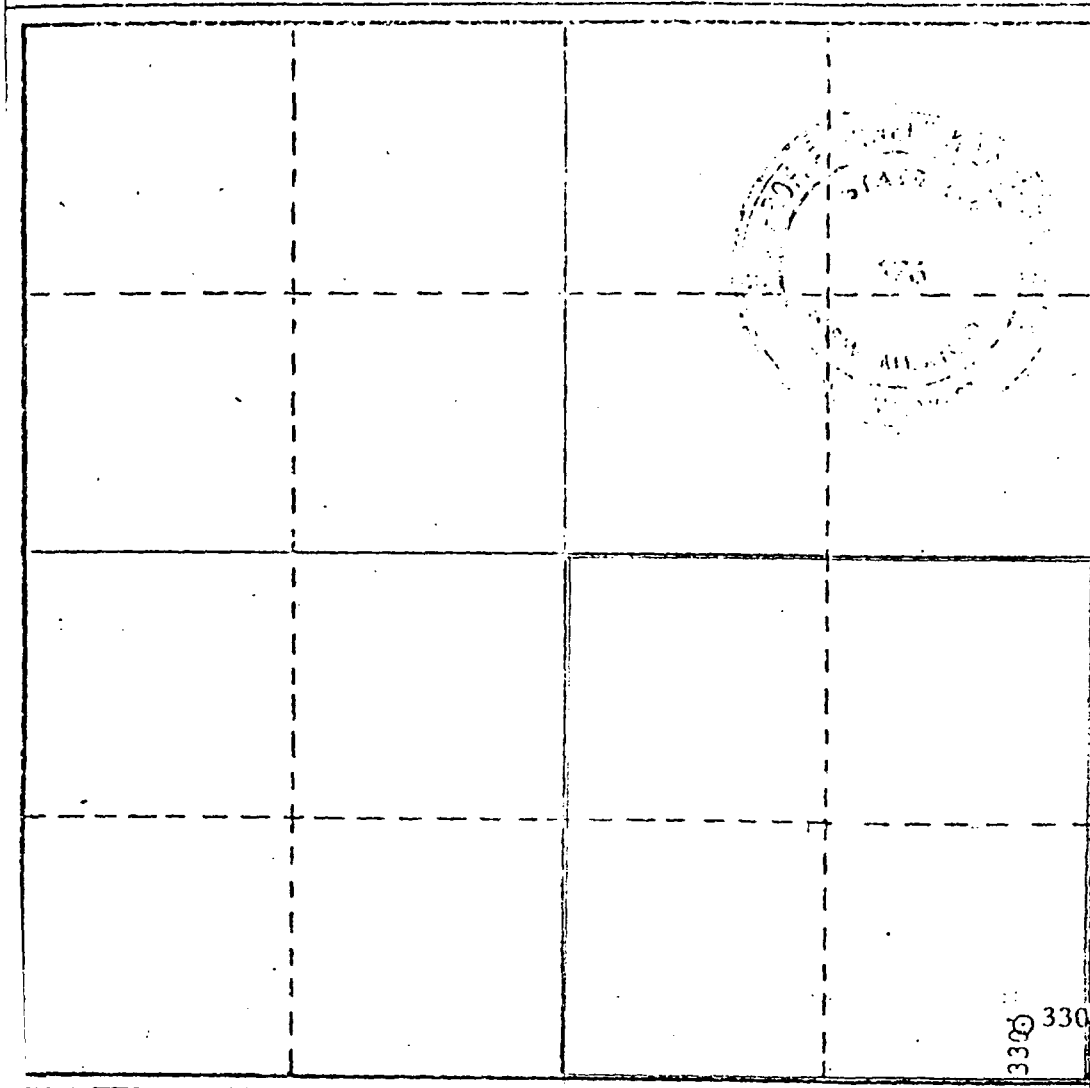
330 feet from the SOUTH line and		330 feet from the EAST line	
Ground Level Elev. 3971.6'	Producing Formation Strawn	Pool Unders. North Shoe Bar Penn	Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name

John W. West

Position

Agent

Company

R. L. Burns Corporation

Date

November 27, 1973

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 knowledge and belief.

Date Surveyed

OCTOBER 10, 1973

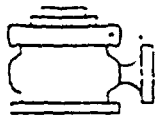
Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No.

676

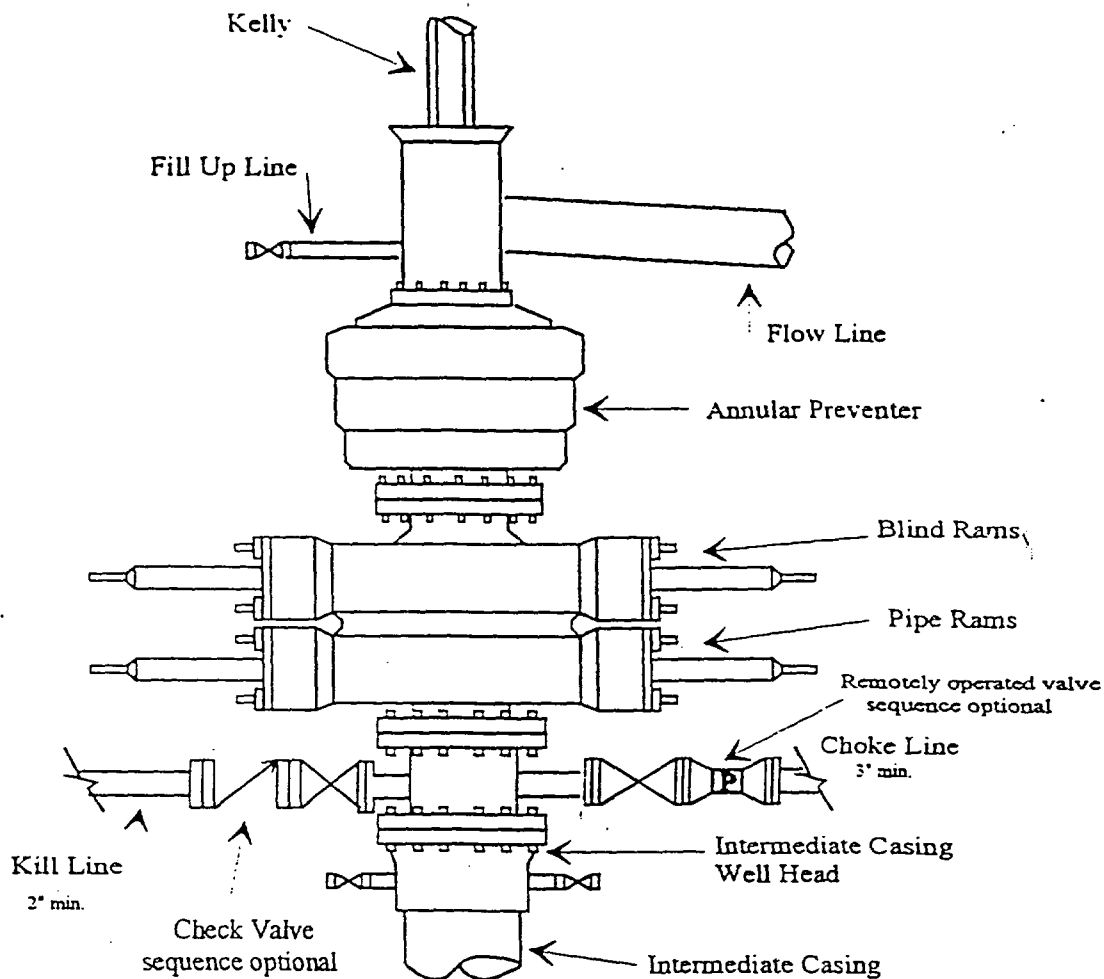
330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



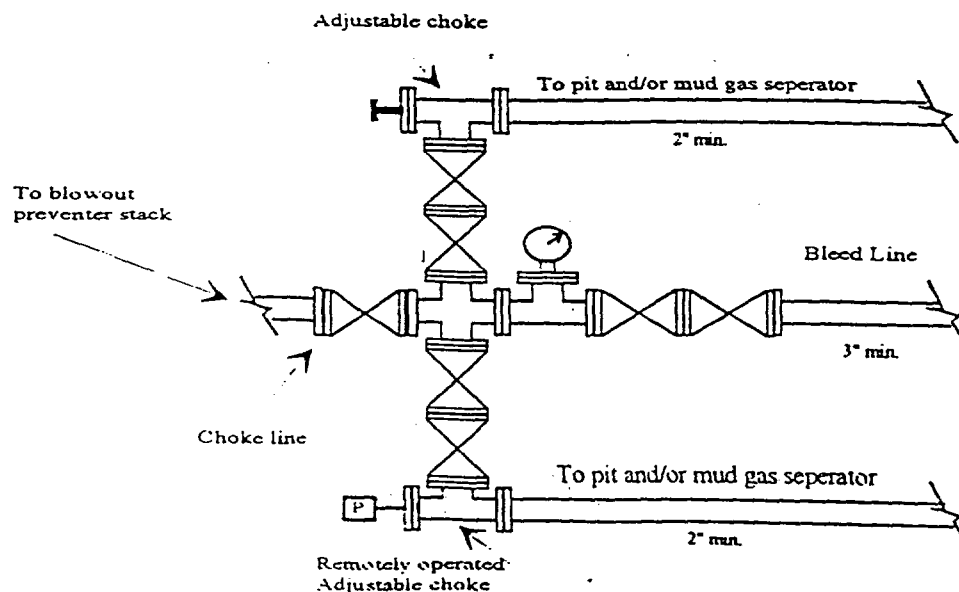
Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features



This figure is a detailed map of West Virginia, showing the locations of numerous oil and gas wells, leases, and company names. The map is divided into sections by county lines and major roads. Key locations include Charleston, Morgantown, and Parkersburg. The map includes a legend for well types (e.g., oil, gas, water) and a scale bar. The map is titled "West Virginia Oil and Gas Fields" and is dated 1999.

The map shows a dense network of wells and leases across the state. Major companies listed include Chesapeake, ConocoPhillips, and Ameristar. The map also shows the locations of major cities and towns, as well as the state capital, Charleston. The map is a valuable resource for anyone interested in the oil and gas industry in West Virginia.

*Notification List
Offset Operators*

*Merit Energy Company
2510 W. Ohio Avenue
Midland, Texas 79701*

*David H. Arrington Oil and Gas, Inc.
PO Box 2071
Midland, Texas 79702*

*Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, Oklahoma 73154-0496*

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



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TREASURER

September 29, 1999

Merit Energy Company
2510 W. Ohio Avenue
Midland, Texas 79701

RE: Offset Operator Notification
Unorthodox Location
R.L. Burn ATL #1
Township 16 South, Range 35 East
Section 11: 330' FSL & 330' FEL
Lea County, New Mexico

Gentlemen:

Yates Petroleum Corporation plans to re-enter the existing wellbore at the unorthodox location described above. This location does not comply with the well spacing requirements set forth in NMOCD Rule 104.B(1)(a) (Revised 1/96).

If you have no objections to this unorthodox location, please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the NMOCD within twenty (20) days from the date of this notice.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

The undersigned hereby waives any objection to the unorthodox location proposed by Yates Petroleum Corporation

MERIT ENERGY COMPANY

By: _____

Title: _____

Date: _____

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



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September 29, 1999

David H. Arrington Oil and Gas, Inc.
PO Box 2071
Midland, Texas 79702

RE: Offset Operator Notification
Unorthodox Location
R.L. Burn ATL #1
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Lea County, New Mexico

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enclosure(s)

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DAVID H. ARRINGTON OIL AND GAS, INC.

By: _____

Title: _____

Date: _____

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



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ARTESIA, NEW MEXICO 88210
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TREASURER

September 29, 1999

Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, Oklahoma 73154-0496

RE: Offset Operator Notification
Unorthodox Location
R.L. Burn ATL #1
Township 16 South, Range 35 East
Section 11: 330' FSL & 330' FEL
Lea County, New Mexico

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Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

The undersigned hereby waives any objection to the unorthodox location proposed by Yates Petroleum Corporation

CHESAPEAKE OPERATING, INC.

By: _____

Title: _____

Date: _____