

*Case No. 9964*

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

May 24, 1990

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Attention: Ken Beardemphl, Landman

*RE: Unorthodox gas well location, Lusk "AHB" Federal Well No. 1,  
800' FNL - 1650' FEL (Unit B) Section 35, Township 19 South,  
Range 32 East, NMPM, Lea County, New Mexico.*

Dear Mr. Beardemphl:

We are in receipt of your application on the subject well for an unorthodox gas well location to test the Morrow formation.

After reviewing this application I am unable to grant approval in this matter, General Rule 104.F. and Memorandum 1-90 do not contain provisions covering your particular situation. Therefore this application will be set for hearing before an Examiner on the next available docket scheduled for June 13, 1990.

Please provide notice as required by General Rule 1207(a)2.

Should you have any questions concerning this matter, please contact me.

Sincerely,



Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Hobbs  
US Bureau of Land Management - Carlsbad  
William J. LeMay - OCD Director

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

100 MAY 22 PM 9 01

May 10, 1990

Mr. Michael E. Stogner  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

9964

Re: Non-standard location  
Lusk "AHB" Federal #1  
800' FNL and 1650' FEL  
Section 35-T19S-R32E  
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation requests administrative approval for the non-standard location as provided for under NMOCD Rule 104F.

The reason for this request is that the well was applied for by Anadarko Petroleum Corporation for a 40 acre spacing unit Delaware test. They did not wish to drill it at the last moment and Yates decided to drill it at the last moment to keep the lease. Our geologist decided to test to the Morrow as a wildcat location. This has changed the spacing from 40 acres to 320 acres. As it is a federal lease, and time was short, with the 30 day policy on any new Application to Drill by the Bureau of Land Management, we had to drill this location.

Enclosed please find a copy of the plat (Form C-102) and a copy of the lease map. I have also enclosed a list of all offset operators and a copy of the certification slips that we have notified them of our non-standard location by certified mail, via a copy of this letter.

If you have any questions concerning this matter, please do not hesitate to call. Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

  
Ken Beardemphl  
Landman

KB/sdf

Enclosures

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

## DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

## DISTRICT III

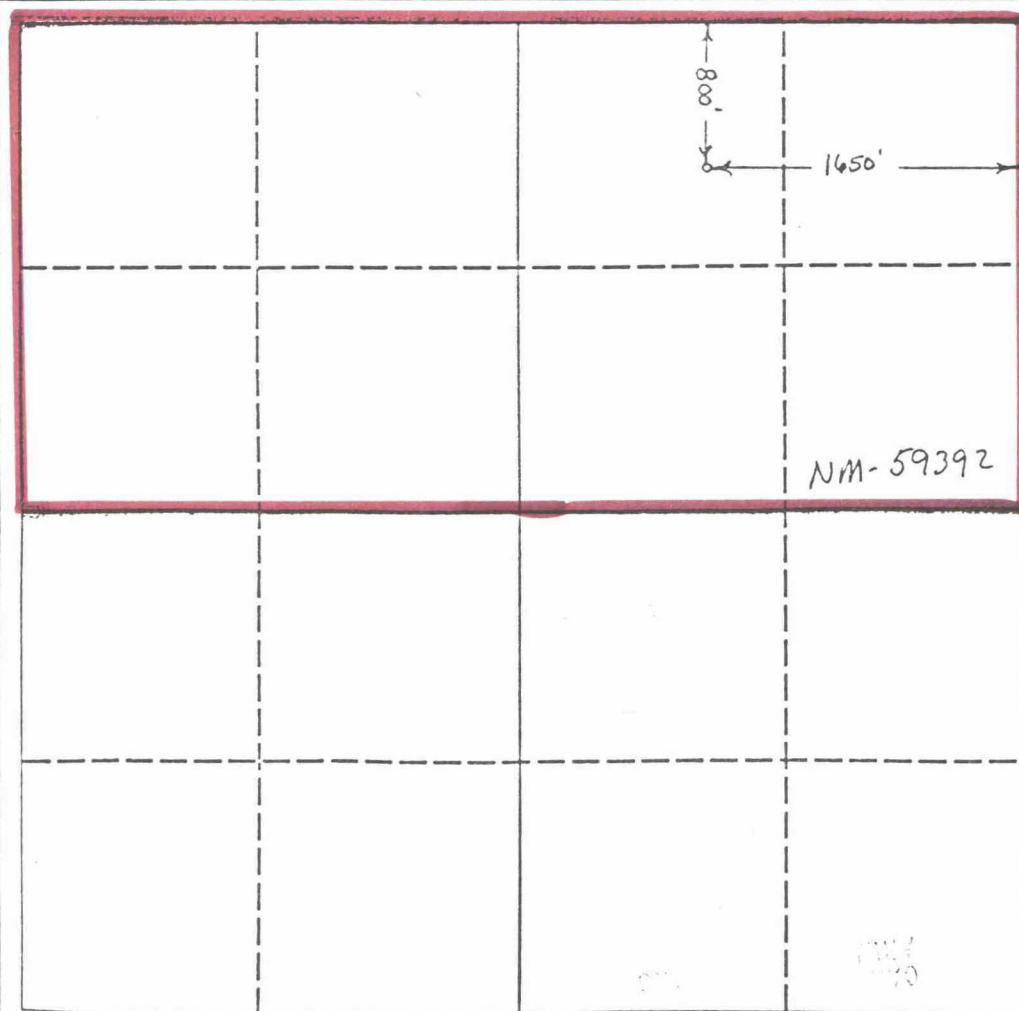
1000 Rio Brazos Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Yates Petroleum Corporation			Lease Lusk "AHB" Federal		Well No. 1
Unit Letter B	Section 35	Township 19S	Range 32E	County NMNM	Lea
Actual Footage Location of Well: 800 feet from the North line and 1650 feet from the East line					
Ground level Elev. 3565.9	Producing Formation Morrow	Pool Wildcat		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
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 interest, has been approved by the Division.



### OPERATOR CERTIFICATION

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

Signature  
Ken Beardemphl  
Printed Name  
Landman  
Position  
Yates Petroleum Corporation  
Company  
2-26-90  
Date

### SURVEYOR CERTIFICATION

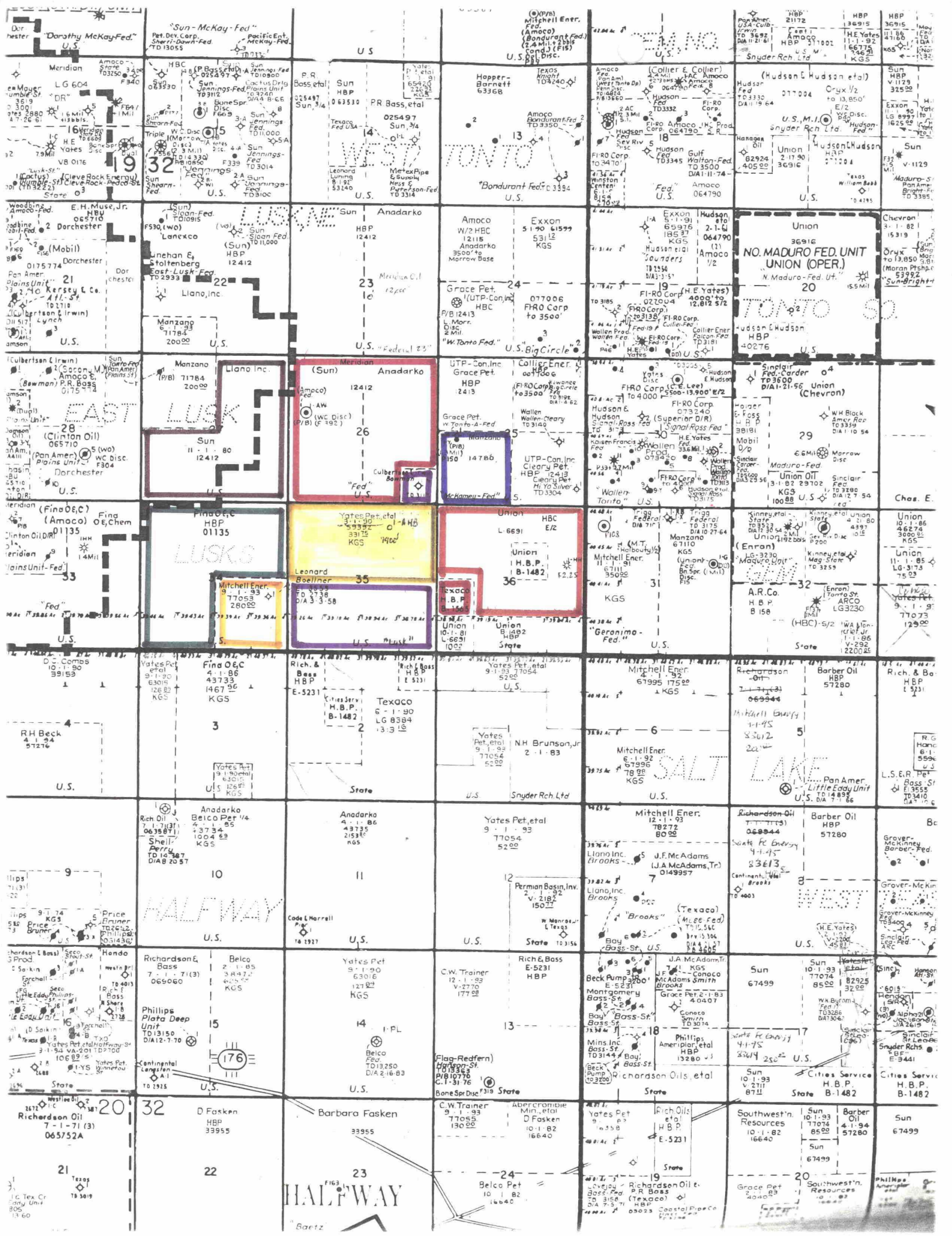
I hereby certify that the well location shown on this plat was plotted from field notes, actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
Signature & Seal of Professional Surveyor  
Refer to Original Plat  
Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

RECEIVED





OFFSET OPERATORS

Texaco Inc.  
P. O. Box 2100  
Denver, Colorado 80201

Anadarko Petroleum Corporation  
P. O. Box 2497  
Midland, Texas 79702

Oryx Energy Company  
P. O. Box 2880  
Dallas, Texas 75221-2880

Unocal '76  
P. O. Box 3100  
Midland, Texas 79702

Meridian Oil Inc.  
21 Desta Drive  
Midland, Texas 79705

Mitchell Energy Corporation  
P. O. Box 4000  
The Woodlands, Texas 77387

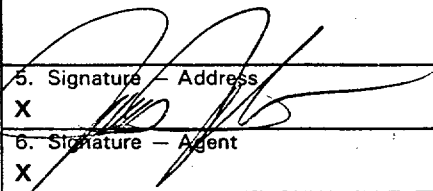
Manzano Oil Corporation  
1717 W. Second Street  
Roswell, New Mexico 88201

Fina Oil and Chemical Co.  
P. O. Box 2159  
Dallas, Texas 75221

Oil Conservation Division  
P. O. Drawer DD  
Artesia, New Mexico 88210

3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

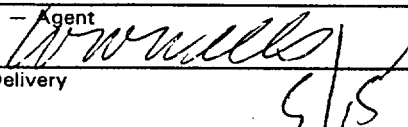
1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Unocal '76 P. O. Box 3100 Midland, Texas 79702	4. Article Number P 574 254 456 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Address X 	8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1
6. Signature — Agent X	
7. Date of Delivery MAY 14 1990	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

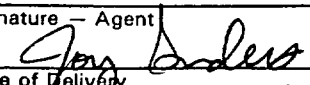
1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Meridian Oil Inc. 21 Desta Drive Midland, Texas 79705	4. Article Number P 574 254 454 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Address X	8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1
6. Signature — Agent X 	
7. Date of Delivery 5/15	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Manzano Oil Corporation 1717 W. Second Street Roswell, New Mexico 88201	4. Article Number P 574 254 452 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Address X	8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1
6. Signature — Agent X 	
7. Date of Delivery 5-10-90	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Oryx Energy Company  
P. O. Box 2880  
Dallas, Texas 75221-2880

4. Article Number

P 574 254 455

Type of Service:

- ☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address

X

6. Signature — Agent

X

7. Date of Delivery

MAY 14 1990

8. Addressee's Address (ONLY if requested and fee paid)

Non-standard location  
Lusk "AHB" Fed. #1

PS Form 3811, Mar. 1988

\* U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

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1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Oil Conservation Division  
P. O. Drawer DD  
Artesia, New Mexico 88210

4. Article Number

P 574 254 450

Type of Service:

- ☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address

X

6. Signature — Agent

X

7. Date of Delivery

5-14-90

8. Addressee's Address (ONLY if requested and fee paid)

Non-standard location  
Lusk "AHB" Fed. #1

PS Form 3811, Mar. 1988

\* U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

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1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:

Anadarko Petroleum Corporation  
P. O. Box 2497  
Midland, Texas 79702

4. Article Number

P 574 254 457

Type of Service:

- ☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address

X

6. Signature — Agent

X

7. Date of Delivery

MAY 15 1990

8. Addressee's Address (ONLY if requested and fee paid)

Non-standard location  
Lusk "AHB" Fed. #1

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1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Texaco Inc. P. O. Box 2100 Denver, Colorado 80201		4. Article Number P 574 254 458	
5. Signature — Address X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature — Agent X T. DURST		Always obtain signature of addressee or agent and DATE DELIVERED.	
7. Date of Delivery MAY 15 1990		8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1	

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

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3. Article Addressed to:  Fina Oil and Chemical Company P. O. Box 2159 Dallas, Texas 75221		4. Article Number P 574 254 449	
5. Signature — Address X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature — Agent X [Signature]		Always obtain signature of addressee or agent and DATE DELIVERED.	
7. Date of Delivery MAY 14 1990		8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1	

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  Mitchell Energy Corporation P. O. Box 4000 The Woodlands, Texas 77387		4. Article Number P 574 254 453	
5. Signature — Address X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature — Agent X [Signature]		Always obtain signature of addressee or agent and DATE DELIVERED.	
7. Date of Delivery 5-15-90		8. Addressee's Address (ONLY if requested and fee paid) Non-standard location Lusk "AHB" Fed. #1	



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2691  
Order No. R-2373  
20-573-0

APPLICATION OF EL PASO NATURAL GAS  
COMPANY FOR THE CREATION OF A NEW  
GAS POOL AND ESTABLISHMENT OF SPECIAL  
RULES AND REGULATIONS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 8, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 21st day of November, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That a new gas pool for Morrow production should be created and designated the Lusk-Morrow Gas Pool.

(3) That since March, 1961, the date of the first completion in the Morrow formation in the proposed pool, several wells have subsequently been completed in the Morrow formation and are capable of producing gas therefrom.

(4) That El Paso Natural Gas Company seeks the promulgation of temporary special rules and regulations for the Lusk-Morrow Gas Pool to provide for 640-acre gas proration units and the allocation of allowables to non-marginal wells in the proportion that each well's acreage factor bears to the total of the acreage factors for all non-marginal wells in the subject pool.

(5) That the evidence presented concerning the economic loss that will occur as a result of drilling of unnecessary wells

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CASE No. 2691  
Order No. R-2373

justifies the establishment of 640-acre gas proration units in the subject pool for a temporary period of 18 months.

(6) That during the 18-month period in which this order will be in effect, all operators in the subject pool should gather all available information relative to drainage and recoverable reserves in said pool.

(7) That this case should be reopened at an examiner hearing in May, 1964, at which time the operators in the subject pool should be prepared to appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre gas proration units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production is hereby created and designated as the Lusk-Morrow Gas Pool consisting of the following-described area:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 18: All  
Section 19: All  
Section 20: All  
Section 29: All

(2) That Special Rules and Regulations for the Lusk-Morrow Gas Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS  
FOR THE  
LUSK-MORROW GAS POOL

RULE 1. Each well completed or recompleted in the Lusk-Morrow Gas Pool or in the Morrow formation within one mile of the Lusk-Morrow Gas Pool, and not nearer to or within the limits of another designated Morrow pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Lusk-Morrow Gas Pool shall be located on a standard proration unit consisting of approximately 640 contiguous surface acres substantially in the form of a square which is a legal section of the United States Public Lands Survey. For purposes of these rules, a unit containing 632 through 648 acres shall be considered a standard unit.

RULE 3. Each well completed or recompleted in said pool shall be located not closer than 330 feet to the outer boundary

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CASE No. 2691  
Order No. R-2373

of the SW/4 NE/4, NW/4 SE/4, NE/4 SW/4, or SE/4 NW/4 of the section. Any well drilling to or completed in the Strawn or Morrow formations on the date of this order is hereby granted an exception to the well location requirements of this rule.

RULE 4. For good cause shown, the Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when the application is for a non-standard unit comprising less than 640 acres. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director of the Commission may approve the application if, after a period of 30 days, no offset operator has entered an objection to the formation of such non-standard unit.

The acreage factor assigned to any such non-standard unit shall bear the same ratio to a standard acreage factor in the Lusk-Morrow Gas Pool as the acreage in such non-standard unit bears to 640 acres.

RULE 5. In the event of subsequent prorationing of the Lusk-Morrow Gas Pool, the allowable assigned to a non-marginal well shall be in the same ratio that its acreage factor bears to the total of the acreage factors for all non-marginal wells in the pool.

RULE 6. The vertical limits of the Lusk-Morrow Gas Pool shall be the Morrow formation.

(3) That this case shall be reopened at an examiner hearing in May, 1964, at which time the operators in the subject pool may appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre gas proration units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

S E A L

E. S. WALKER, Member

esr/

A. L. PORTER, Jr., Member & Secretary

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2691  
Order No. R-2373-A

APPLICATION OF EL PASO NATURAL GAS  
COMPANY FOR THE CREATION OF A NEW  
GAS POOL AND ESTABLISHMENT OF SPECIAL  
RULES AND REGULATIONS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 7, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of May, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2373, dated November 21, 1962, temporary Special Rules and Regulations were promulgated for the Lusk-Morrow Gas Pool.

(3) That pursuant to the provisions of Order No. R-2373, this case was reopened to allow the operators in the subject pool to appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.

(4) That the temporary Special Rules and Regulations for the Lusk-Morrow Gas Pool, promulgated by Order No. R-2373, should be continued in effect for an additional one-year period in order

-2-

CASE No. 2691

Order No. R-2373-A

to allow the operators in the subject pool sufficient time to gather additional information concerning the reservoir characteristics of the pool.

(5) That this case should be reopened at an examiner hearing in May, 1965, at which time the applicant and all interested parties should appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.

IT IS THEREFORE ORDERED:

(1) That the temporary Special Rules and Regulations for the Lusk-Morrow Gas Pool promulgated by Order No. R-2373 shall be continued in full force and effect for an additional one-year period.

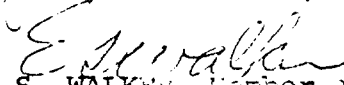
(2) That this case shall be reopened at an examiner hearing in May, 1965, at which time the applicant and all interested parties may appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.


(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member

  
A. L. PORTER, Jr., Member & Secretary

S E A L

esr/



A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2691  
Order No. R-2373-A

APPLICATION OF EL PASO NATURAL GAS  
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GAS POOL AND ESTABLISHMENT OF SPECIAL  
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-2-

CASE No. 2691

Order No. R-2373-A

to allow the operators in the subject pool sufficient time to gather additional information concerning the reservoir characteristics of the pool.

(5) That this case should be reopened at an examiner hearing in May, 1965, at which time the applicant and all interested parties should appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.

IT IS THEREFORE ORDERED:

(1) That the temporary Special Rules and Regulations for the Lusk-Morrow Gas Pool promulgated by Order No. R-2373 shall be continued in full force and effect for an additional one-year period.

(2) That this case shall be reopened at an examiner hearing in May, 1965, at which time the applicant and all interested parties may appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*E. S. Walker*  
E. S. WALKER, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2691  
Order No. R-2373-B

APPLICATION OF EL PASO NATURAL GAS  
COMPANY FOR THE CREATION OF A NEW  
GAS POOL AND ESTABLISHMENT OF SPECIAL  
RULES AND REGULATIONS, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 12, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of May, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2373, dated November 21, 1962, temporary Special Rules and Regulations were promulgated for the Lusk-Morrow Gas Pool, Lea County, New Mexico.

(3) That by Order No. R-2373-A, dated May 13, 1964, said temporary Special Rules and Regulations were continued in full force and effect for an additional one-year period.

(4) That pursuant to the provisions of Order No. R-2373-A, this case was reopened to allow the operators in the subject pool to appear and show cause why the Lusk-Morrow Gas Pool should not be developed on 160-acre proration units.

-2-

CASE No. 2691

Order No. R-2373-B

(5) That the evidence establishes that one well in the Lusk-Morrow Gas Pool can efficiently and economically drain and develop 640 acres.

(6) That the Special Rules and Regulations promulgated by Orders Nos. R-2373 and R-2373-A have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

(7) That to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Orders Nos. R-2373 and R-2373-A should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Lusk-Morrow Gas Pool promulgated by Orders Nos. R-2373 and R-2373-A are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

S E A L

A. L. PORTER, Jr., Member & Secretary

esr/

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6730  
Order No. R-6197

APPLICATION OF PETROLEUM DEVELOPMENT  
CORPORATION TO LIMIT 640-ACRE SPACING,  
EDDY AND LEA COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of November, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2373, dated November 21, 1962, the Division created the Lusk-Morrow Gas Pool and promulgated special rules therefor, including a provision for 640-acre spacing and proration units, and said rules were made permanent by Order No. R-2373-B, dated May 19, 1965.

(3) That said rules were made applicable to wells completed or recompleted in the Lusk-Morrow Gas Pool or in the Morrow formation within one mile of said pool and not nearer to nor within the limits of another designated pool.

(4) That the applicant in this case, Petroleum Development Corporation, seeks the amendment of the special rules for the Lusk-Morrow Gas Pool to cause said rules to be applicable only to those wells completed or recompleted within the boundaries of said pool, and not to wells completed or recompleted outside such boundaries but within one mile thereof.



Case No. 6730  
Order No. R-6197

(5) That the Lusk-Morrow Gas Pool, as presently defined by the Division, comprises the following described area:

EDDY COUNTY  
TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Sections 24 and 25: All

LEA COUNTY  
TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Sections 9 and 10: All  
Sections 15 and 16: All  
Sections 18 through 21: All  
Sections 27 through 30: All  
Section 32: All

(6) That no operator in the Lusk-Morrow Gas Pool nor within one mile thereof objected to applicant's proposal.

(7) That the limitation of the applicability of the special rules for the subject pool to said pool's boundaries as they currently exist will not impair correlative rights nor cause waste, but indeed may prevent waste by permitting the drilling for and production of gas which might otherwise remain unrecovered, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations for the Lusk-Morrow Gas Pool, Eddy and Lea Counties, New Mexico, as promulgated by Division Order No. R-2373 dated November 21, 1962, and made permanent by Order No. R-2373-B, dated May 19, 1965, are hereby limited to the following described area:

EDDY COUNTY  
TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Sections 24 and 25: All

LEA COUNTY  
TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Sections 9 and 10: All  
Sections 15 and 16: All  
Sections 18 through 21: All  
Sections 27 through 30: All  
Section 32: All

-3-

Case No. 6730  
Order No. R-6197

(2) That Rule 1 of said Special Rules and Regulations is hereby amended to read in its entirety as follows:

"RULE 1. Each well completed or recompleted in the Lusk-Morrow Gas Pool shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth."

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

S E A L

fd/

Form 1000-1  
November 1983  
Formerly 1000-1

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
Other instructions on re-  
verse side

1. DATE OF REPORT  
2. NAME OF OPERATOR  
3. NAME OF WELL  
4. NAME OF FIELD  
5. LEASE DESIGNATION AND SERIAL NO.

NM - 59392

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Yates Petroleum Corporation	8. FARM OR LEASE NAME Lusk "AHB" Federal
3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, New Mexico 88210	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below) At surface 800' FNL & 1650' FEL	10. FIELD AND POOL, OR WILDCAT Undesignated Wildcat Morrow
14. PERMIT NO.	15. ELEVATIONS (Show whether OF, RT, GR, etc.) 3565.9
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 35-T19S-R32E	12. COUNTY OR PARISH Eddy Co
	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input checked="" type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input checked="" type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. 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.)\*

Yates Petroleum Corporation wishes to change the proposed casing and cementing program, the mud program, propose new tops and a new total depth of 13,900'. Also, find attached a new Exhibit B - Blowout Preventor.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of casing	Weight per foot	Setting Depth	Quantity of Cement
17-1/2	13-3/8	54.50#	1140	1150 sx circulated
12-1/4	8-5/8	32#	4900	2500 sx circulated
7-7/8	5-1/2	17 & 20#	TD	As warranted

MUD PROGRAM: FW to 1140'; Brine to 4900', cut brine to TD.

Yates Petroleum Corporation wishes to propose new tops, and they are the following:

Rustler	1055
Yates	2850
Delaware	4710
Bone Springs	7610
Wolfcamp	10850
Strawn	11730
Atoka	12420
Morrow	12770
TD	13900

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

SIGNED

TITLE Landman

DATE 2-23-90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

\*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Yates Petroleum Corporation			Lease Lusk "AHB" Federal		Well No. 1
Unit Letter B	Section 35	Township 19S	Range 32E	County Lea	

Actual Footage Location of Well:

800 feet from the North line and		1650 feet from the East line	
Ground level Elev. 3565.9	Producing Formation Morrow	Pool Wildcat	Dedicated Acreage: 320 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).

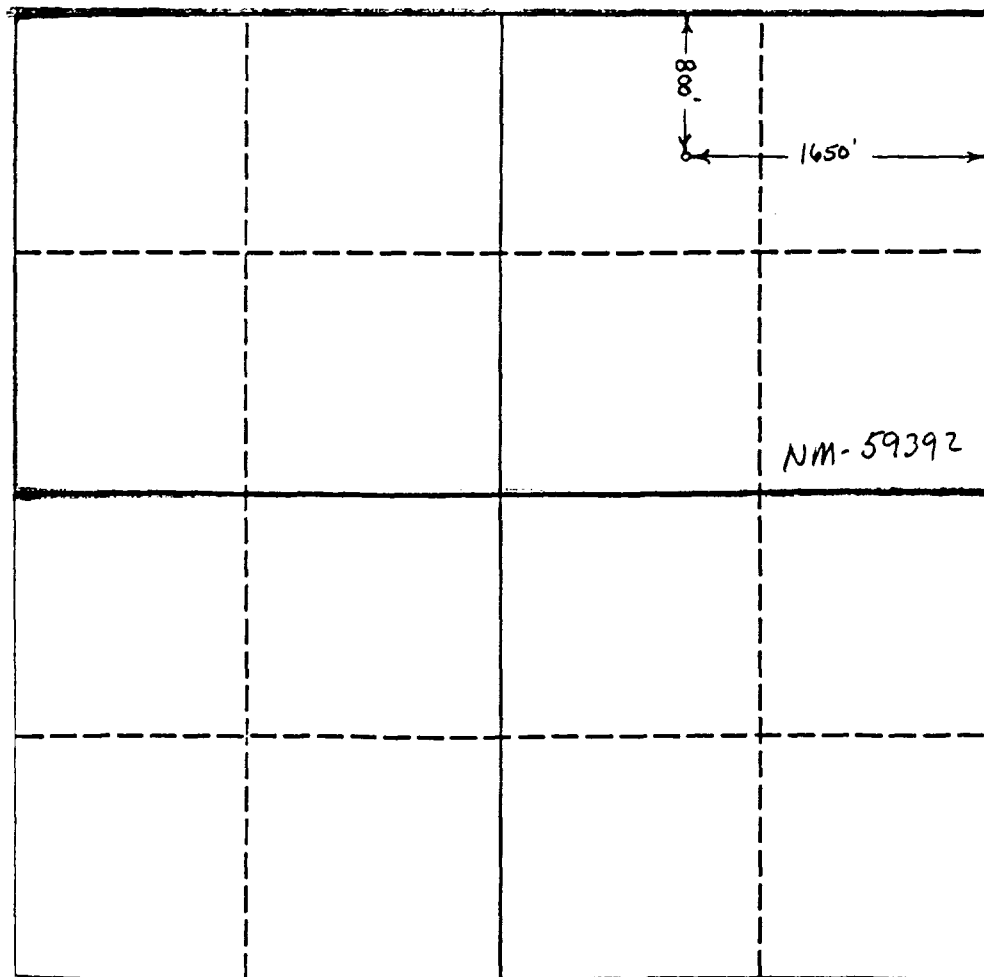
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?

☐ Yes ☐ No

If answer is "yes" type of consolidation

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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
Ken Beardemphl

Printed Name

Landman

Position

Yates Petroleum Corporation

Company

2-26-90

Date

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 knowledge and belief.

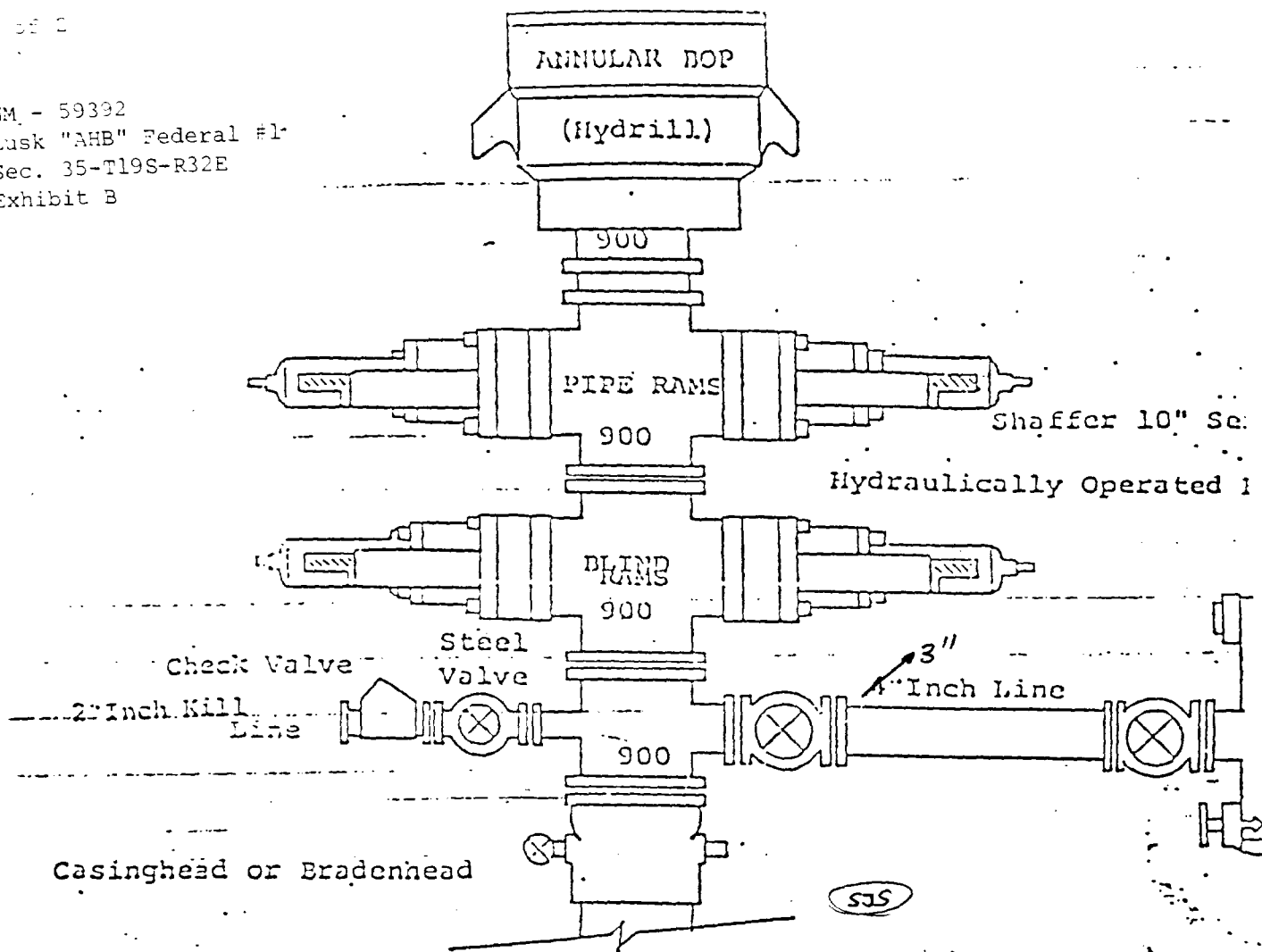
Date Surveyed

Signature & Seal of  
Professional Surveyor

Refer to Original Plat

Certificate No.

NM - 59392  
Lusk "AHB" Federal #1  
Sec. 35-T19S-R32E  
Exhibit B



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing.

EXHIBIT B



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDAY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
See APPLICATION FOR PERMIT for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. NAME OF OPERATOR Yates Petroleum Corporation	3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, New Mexico 88210	4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below. At surface 800'FNL & 1650'FEL	5. PERMIT NO.	6. ELEVATIONS (Show whether OF, RT, GR, etc.) 3565.9 GL	7. UNIT AGREEMENT NAME	8. FARM OR LEASE NAME Lusk "AHB" Fed.	9. WELL NO. 1	10. FIELD AND POOL, OR WILDCAT Wildcat	11. SEC., T., E., M., OR BLK. AND SURVEY OR AREA Sec. 35-T19S-R32E	12. COUNTY OR PARISH Haley	13. STATE NM
--	--	--	--	---------------	--	------------------------	--	------------------	---	---	-------------------------------	-----------------

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>
(Other) <input type="checkbox"/>	Name Change <input type="checkbox"/>	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. 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.)\*

Yates Petroleum Corporation wishes to change the well name:

FROM: Yates "35" Federal #1

TO: Lusk "AHB" Federal #1

RECEIVED

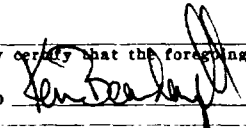
ACCEPTED FOR RECORD

FEB 26 1990

CARLSBAD, NEW MEXICO

ILLEGIBLE

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

SIGNED 	TITLE Landman	DATE 2-22-90
(This space for Federal or State office use)		
APPROVED BY	TITLE	DATE 2-22-90
CONDITIONS OF APPROVAL, IF ANY:		

\*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ORIGINAL RECEIVING  
OFFICE FOR NUMBER  
OF COPIES REQUIRED  
(Other instructions on re-  
verse side)  
DIVISION

BLM Roswell District  
Modified Form No.  
NM50-3160-4

5. LEASE DESIGNATION AND SERIAL NO

NM-59392

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Yates "35" Federal

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND  
RURBY OR AREA

35-19S-32E

12. COUNTY OR PARISH 13. STATE

Lea

NM

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Anadarko Petroleum Corporation

3a. Area Code & Phone No.

505/748-3368

3. ADDRESS OF OPERATOR

P.O. Drawer 130, Artesia, New Mexico 88211-0130

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.  
See also space 17 below.)  
At surface

800' FNL & 1650' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, RT, OR, etc.)

3565.9' GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON\*

CHANGE PLANS

XX

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

(NOTE: Report results of multiple completion on Well  
Completion or Reconpletion Report and Log form.)

17. 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.)\*

Anadarko originally filed an Application for Permit to Drill (APD) on this Yates "35" Federal Well No. 1. We no longer intend to drill this well. Instead, we hereby relinquish our previously submitted APD to Yates Petroleum Corporation of Artesia, New Mexico. Mr. Ken Beardemphl with Yates will handle matters forthwith.

RECEIVED FOR RECORD  
FEB 26 1990  
CARLSBAD, NEW MEXICO

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

SIGNED

*James E. Sucklee*

TITLE

Area Supervisor

DATE

02/22/90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM 59392		
1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Anadarko Petroleum Corporation (505) 748-3368			7. UNIT AGREEMENT NAME		
3. ADDRESS OF OPERATOR P.O. Drawer 130, Artesia, New Mexico 88211-0130			8. FARM OR LEASE NAME Yates "35" Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface At proposed prod. zone 800' FNL & 1650' FEL			9. WELL NO. 1		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles South of Maljamar, New Mexico			10. FIELD AND POOL, OR WILDCAT East Lusk Bone Spring Wildcat		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 800'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 35-19S-32E		
16. NO. OF ACRES IN LEASE 320			12. COUNTY OR PARISH Lea		
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None			19. PROPOSED DEPTH 7900'		
20. ROTARY OR CABLE TOOLS Rotary			21. APPROX. DATE WORK WILL START* February 24, 1990		
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 3565.9 GL			23. PROPOSED CASING AND CEMENTING PROGRAM		

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" ST&C	48#, H-40	0'-1140'	CIRCULATE
12-1/4"	9-5/8" ST&C	36#, K-55	0'-3100'	Setting intermediate
12-1/4"	9-5/8" ST&C	36#, S-80	3100'-4600'	CIRCULATE is optional
12-1/4"	9-5/8" ST&C	40#, S-80	4600'-4900'	(hole size will not chg.)
7-7/8"	5-1/2" ST&C	15.5#, K-55	0'-6600'	See steps
7-7/8"	5-1/2" ST&C	17#, K-55	6600'-7900'	Cement - SEE BELOW*

\*SEE NEXT PAGE (Exhibit F)

For proposed cementing program  
as well as proposed casing options.APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

IN ABOVE SPACE-DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNER Jerry E. Duchsles TITLE Area Supervisor DATE 2/01/90

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 2-22-90

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Arriba Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>ANADARKO PETROLEUM CORP.</b>			Lease <b>YATES "35" FEDERAL</b>			Well No. <b>1</b>		
Unit Letter <b>B</b>	Section <b>35</b>	Township <b>19 SOUTH</b>	Range <b>32 EAST</b>	County <b>NMPM</b>		<b>LEA</b>		
Actual Footage Location of Well: <b>800</b> feet from the <b>NORTH</b> line and <b>1650</b> feet from the <b>EAST</b> line								
Ground level Elev. <b>3565.9</b>		Producing Formation <b>BS LM/ DELAWARE</b>			Pool <b>WILDCAT</b>		Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or ink 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
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 interest, has been approved by the Division.

OPERATOR CERTIFICATION

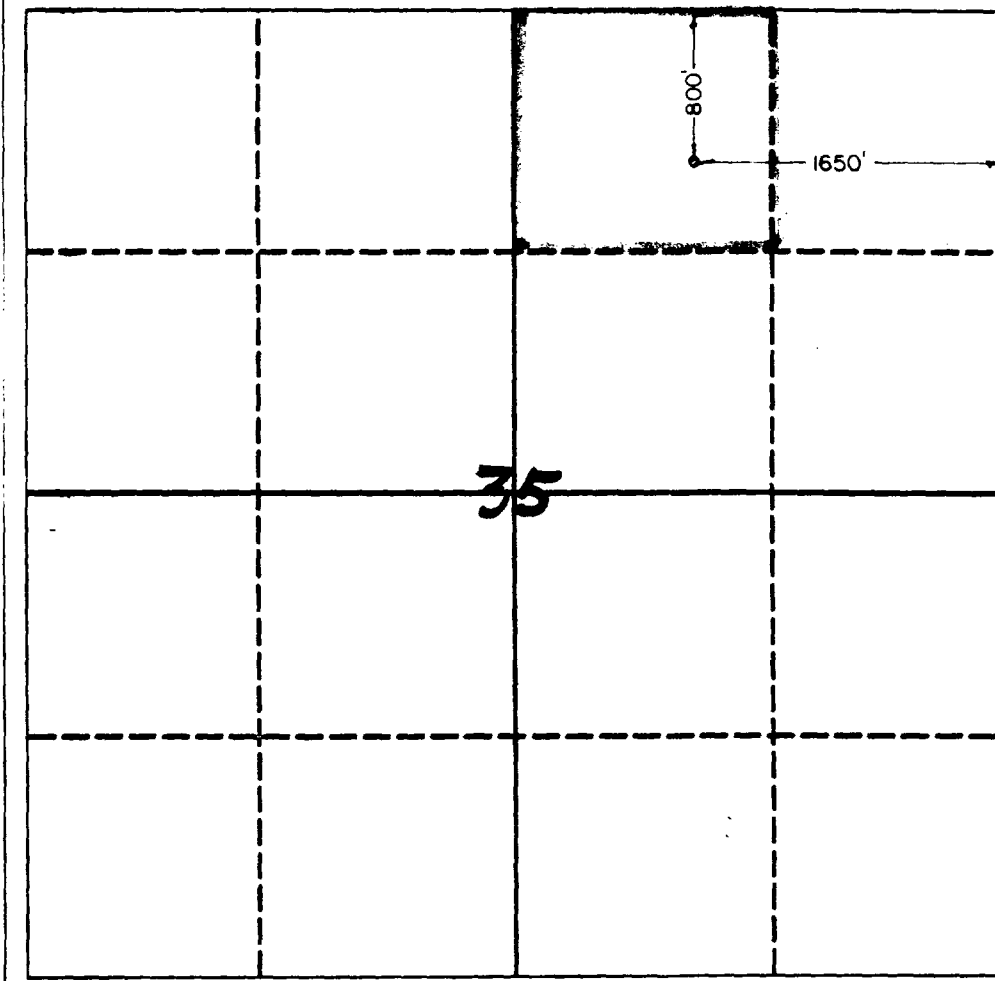
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Jerry E. Buckles*  
Printed Name  
**Jerry E. Buckles**  
Position  
**Area Supervisor**  
Company  
**Anadarko Petro. Corp.**  
Date  
**February 1, 1990**

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 knowledge and belief.

Date Surveyed  
**1/29/90**  
Signature & Seal of Professional Surveyor  
*[Signature]*  
Certificate No.  
**364**



OPTION #1 (omit 9-5/8")

13-3/8" Surface Casing: Circulate to the surface using 700 sx Class C w/4% gel, 2% CaCl & ¼#/sx Flocele. Tail-in w/300 sx Class C w/2% CaCl and ¼#/sx Flocele.

9-5/8" Intermediate Casing: Omit

5-1/2" Production Casing: Cement 1st Stage from TD (7900') to 3300' using 940 sx Howco Lite with ¼#/sx Flocele. Tail-in w/425 sx Class C w/.5% Halad-322 and 3#/sx KCL. Open DV Tool and cement 2nd Stage from 3300' to surface using 2300 sx Howco Lite w/15#/sx Salt, ¼#/sx Flocele, and 5#/sx Gilsonite. Tail-in w/100 sx Class C w/2% CaCl.

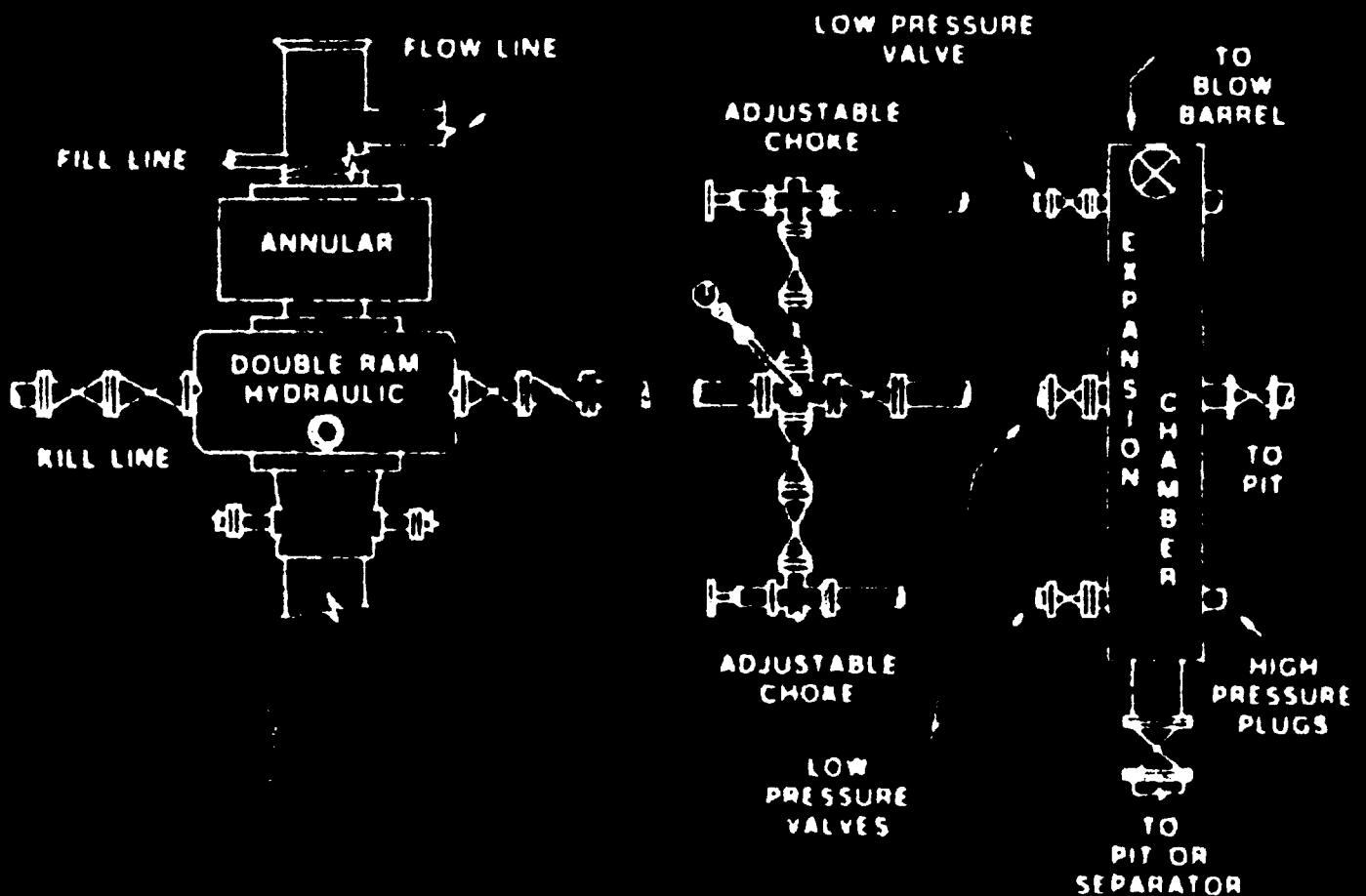
OPTION #2 (w/9-5/8")

13-3/8" Surface Casing: Circulate to the surface using 700 sx Class C w/4% gel, 2% CaCl and ¼#/sx Flocele. Tail-in w/300 sx Class C w/2% CaCl and ¼#/sx Flocele.

9-5/8" Intermediate Casing: Cement 1st Stage from 4900' to 3000' using 250 sx Howco Lite, 15#/sx Salt, ¼#/sx Flocele, and 5#/sx Gilsonite. Tail-in with 300 sx Class C w/2% CaCl. Open DV tool. Cement 2nd Stage from 3000' to surface w/900 sx Halco Lite w/15#/sx Salt, ¼#/sx Flocele, and 5#/sx Gilsonite. Tail-in w/100sx Class C w/2% CaCl.

5-1/2" Production Casing: Cement from TD (7900') to 4600' using 225 sx Howco Lite w/¼#/sx Flocele. Tail-in w/425 sx Class C w/.5% Halad-322 and 3#/sx KCL.





Standard Blowout Preventer Stack

ILLEGIBLE

yftes "35" Fed. #1

Exhibit C

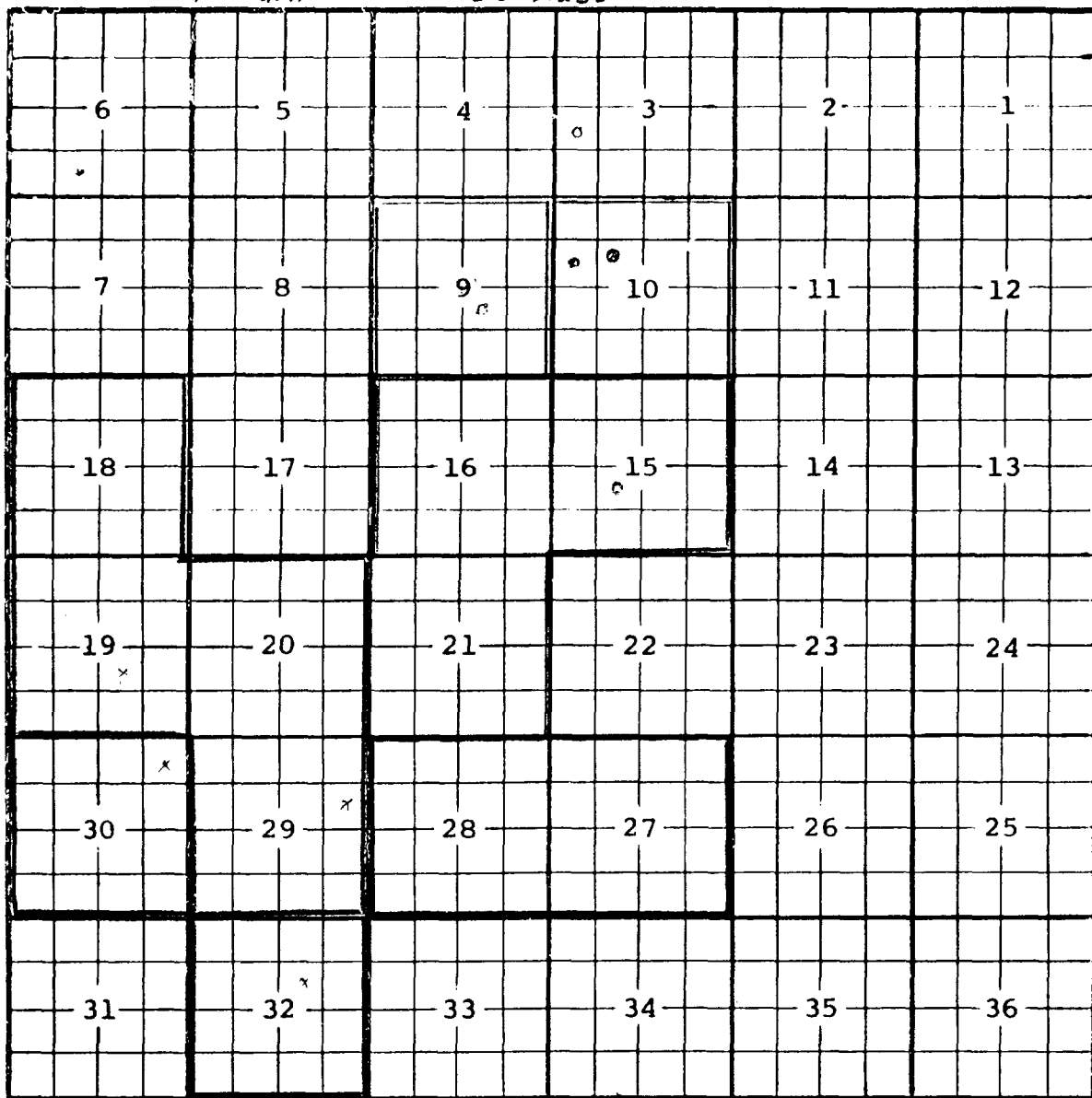
County Lea Pool GEM - Morrow GASTOWNSHIP 19 S Range 32 E NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext:  $\frac{E}{2}$  sec 36 (R-6876, 1-22-82)

COUNTY *Lea*POOL *Lusk-Morrow Gas*TOWNSHIP *19 South*RANGE *32 East*

NMFM



*Description: All Sec. 18, 19, 20 & 29 (R-7373, 11-21-62).*

*Ext: All Secs. 27 & 28, (R-2449, 4-1-63) - All Sec. 30 (R-3219, 5-1-67)*

*- All Sec. 32 (R-4032, 10-1-70) - All Secs 15, 16 & 21 (R-4339, 7-17-72)*

*Ext: All Sec 9 (R-5252, 9-1-76) Ext: All Sec 10 (R-5729, 6-1-78)*

*Special Rule limited to  
Pool Bonnds  
Only*

County Lea Pool East Lusk - Morrow Gas

TOWNSHIP 19 S Range 32 E NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Desc. W/2 sec. 24 (R-6724-7-16-81)

Ext: W/2 Sec. 25 (R-7158, 12-8-82)









STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE  
JUN 31 AM 9 17

5-28-90

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC \_\_\_\_\_  
DHC \_\_\_\_\_  
NSL ☒ \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

Case 9964

*ms.*

Gentlemen:

I have examined the application for the:

*Yates Petroleum Corp. Lease AHB Federal #1-B 35-19-32*  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

*OK*

Yours very truly,

*Jerry Sexton*  
Jerry Sexton  
Supervisor, District 1

/ed