

Notify Patrick Co's  
& also list on 2nd  
page of letter

Rebels  
also mailed  
to all Dutch Companies  
6/1/62

Case No.

2583

petition, Transcript,  
and Exhibits, Etc.

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. 2583  
Order No. R-2280

APPLICATION OF S. P. YATES  
FOR PERMISSION TO DRILL A  
WELL IN THE POTASH-OIL AREA,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 14, 1962, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

Now, on this 17th day of July, 1962, the Commission, a quorum being present, 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 the applicant, S. P. Yates, has requested that Case No. 2583 be dismissed.

IT IS THEREFORE ORDERED:

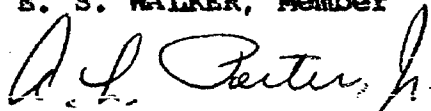
That Case No. 2583 is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
EDWIN L. MECHEM, Chairman

  
E. S. WALKER, Member

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

esr/

GOVERNOR  
EDWIN L. MECHEM  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission

LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER



STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

P. O. BOX 871  
SANTA FE

July 17, 1962

Mr. A. J. Losse  
Losse and Stewart  
Attorneys at Law  
Carper Building - P. O. Drawer 239  
Artesia, New Mexico

Re: Case No. 2583 and 2584  
Order No. R-2280 and R-2281  
Applicant:

S. P. Yates and Harvey E. Yates  
(Dismissed)

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Commission order recently entered in the subject case.

Very truly yours,

*A. L. Porter, Jr.*

A. L. PORTER, JR.  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC       

OTHER

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
June 14, 1962

REGULAR HEARING

IN THE MATTER OF:

Application of S. P. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the SW/4 SE/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

CASE 2583

IN THE MATTER OF:

Application of Harvey E. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the NE/4 SE/4 of Section 9, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

CASE 2584

BEFORE:

Governor Edwin L. Mechem  
Mr. A. L. (Pete) Porter  
Mr. E. S. (Johnny) Walker

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: We're going to call next Case 2583. Case 2583 and 2584, we have had requests for dismissal on both of the cases.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691



MR. MORRIS: Application of S. P. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico.

If the Commission please, both of the subject wells are located on Federal land, and the U. S. Geological Survey has notified the operator of each proposed well that the U. S. Geological Survey will not approve the drilling of the well. Inasmuch as the U.S.G.S. has already acted, Mr. S. P. Yates and Mr. Harvey E. Yates request that the subject cases be dismissed.

MR. PORTER: Cases 2583 and 2584 will be dismissed.

\* \* \* \* \*

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision; that the same is a true and correct record of said proceedings to the best of my knowledge, skill and ability.

WITNESS my hand and notarial seal this 25th day of June, 1962.

*Ada Dearnley*  
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691



A. J. LOSEE  
EDWARD B. STEWART

LAW OFFICES  
LOSEE AND STEWART  
CARPER BUILDING - P. O. DRAWER 239  
ARTESIA, NEW MEXICO

1 June 1962

Mr. A. L. Porter, Jr., Secretary  
Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Re: Applications of Harvey E. Yates and  
S. P. Yates et al for Drilling Loca-  
tion within the Potash-Oil Area.

Dear Mr. Porter:

Under date of May 10, 1962 I transmitted triplicate copies of applications of Harvey E. Yates and S. P. Yates et al for approval of drilling locations within the Potash-Oil Area:

1. The NE/4 SE/4 Section 9, Township 19 South, Range 30 East, N.M.P.M.
2. The SW/4 SE/4 Section 21, Township 19 South, Range 30 East, N.M.P.M.

The proposed location of Mr. Harvey E. Yates was included in Federal Oil and Gas Lease NM 02337. We have this date received from Mr. John A. Anderson, Regional Oil and Gas Supervisor, a decision denying the approval of Mr. Harvey E. Yates' Notice of Intention to Drill. A photocopy of this denial is enclosed for your files.

The location of S. P. Yates et al is included in Federal Oil and Gas Lease NM 02041. We have this date received from Mr. John A. Anderson, Regional Oil and Gas Supervisor, a decision denying approval of Mr. S. P. Yates' Notice of Intention to Drill this well. A photocopy of this denial is enclosed for your files.

In view of these decisions of the Geological Survey, it now appears that any decision by the New Mexico Oil Conservation Commission approving either of these locations would be of no force. Accordingly, and on behalf of Mr. Harvey E. Yates and Mr. S. P. Yates, we hereby request that the captioned applications be withdrawn and



Mr. A. L. Porter, Jr., Secretary  
Oil Conservation Commission  
1 June 1962  
Page 2

the pending cases be dismissed. Unless I hear from you to the contrary, I will assume that the June 14, 1962 hearing before the New Mexico Oil Conservation Commission on these two cases has been vacated.

Very truly yours



A. J. Losee

AJL:jat

Enclosure

cc: Mr. John A. Anderson  
Mr. M. L. Armstrong  
Mr. T. E. Lusk  
Mr. R. H. Blackman  
Mr. Harvey E. Yates  
Mr. S. P. Yates



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico

May 29, 1962

Mr. Harvey E. Yates  
309 Carper Building  
Artesia, New Mexico

Dear Mr. Yates:

Under date of November 13, 1961, you filed a Notice of Intention to Drill well Federal No. 1 in the NE1/4 sec. 9, T. 19 S., R. 30 E., N.M.P.M., Eddy County, New Mexico, on land included in lease New Mexico 02337, to a depth of 2,350 feet to test the Yates formation.

The proposed location is in the potash area prescribed by the Secretary of the Interior in his order of October 18, 1951, and is also in the area covered by New Mexico Oil Conservation Commission Order No. R-111-A.

In our opinion the drilling of the well would result in undue waste of potash deposits and constitute a hazard to, or unduly interfere with, mining operations being conducted for the extraction of potash deposits.

Pursuant to authority delegated to the Regional Oil and Gas Supervisor on May 10, 1962, 27 F.R. 4814, I hereby deny approval of the Notice of Intention to Drill described in the foregoing.

Very truly yours,

(SIGNED) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Washington  
Mr. A. J. Losee, Drawer 239, Artesia



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico

IN REPLY REFER TO:

May 29, 1962

S. P. Yates Et Al  
309 Carper Building  
Artesia, New Mexico

Gentlemen:

Under date of November 13, 1961, you filed a Notice of Intention to Drill well No. 1 Knox Federal in the S<sup>W</sup> 1/4 sec. 21, T. 19 S., R. 30 E., N.M.P.M., Eddy County, New Mexico, on land included in lease New Mexico 02041.

The proposed location is in the potash area prescribed by the Secretary of the Interior in his order of October 18, 1931, and is also in the area covered by New Mexico Oil Conservation Commission Order No. 2-111-A.

In our opinion the drilling of the well would result in undue waste of potash deposits. Accordingly, pursuant to authority delegated to the Regional Oil and Gas Supervisor on May 10, 1962, 27 F.R. 4814, I hereby deny approval of the Notice of Intention to Drill described in the foregoing.

Very truly yours,

(Sgd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Mr. A. J. Losee,  
Drawer 239  
Artesia, N. M.

No. 18-62

DOCKET: REGULAR HEARING - THURSDAY - JUNE 14, 1962  
OIL CONSERVATION COMMISSION - 9 A.M., MORGAN HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO

- ALLOWABLE:**
- (1) Consideration of the oil allowable for July, 1962.
  - (2) Consideration of the allowable production of gas for July, 1962, for ten prorated pools in Lea and Eddy Counties, New Mexico. Consideration of the allowable production of gas for nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico for July, 1962, also presentation of purchaser's nominations for the six-month period beginning August 1, 1962 for that area.

**CASE 2049:** (Reopened)  
Application of the Oil Conservation Commission on its own motion to reconsider the special rules and regulations for the Devils Fork-Gallup Pool, Rio Arriba County, New Mexico.

Case 2049 will be reopened pursuant to Order No. R-1670-B to permit interested parties to appear and present testimony relative to the effectiveness of the special rules and regulations for the Devils Fork-Gallup Pool.

**CASE 1641:** (Reopened)  
Application of the Oil Conservation Commission on its own motion to reconsider the special rules and regulations for the Angels Peak-Gallup Oil Pool, San Juan County, New Mexico.

Case 1641 will be reopened pursuant to Order No. R-1410-C to permit interested parties to appear and present testimony relative to the effectiveness of the special rules and regulations for the Angels Peak-Gallup Oil Pool.

**CASE 2583:** Application of S. P. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the SW/4 SE/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

**CASE 2584:** Application of Harvey E. Yates for permission to drill a well in the potash-oil area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill a well to the Yates formation in the NE/4 SE/4 of

-2-

Docket No. 18-62

CASE 2584: (Cont.)

Section 9, Township 19 South, Range 30 East, Eddy County, New Mexico, which well would be located within the potash-oil area as defined by Order No. R-111-A, as amended.

CASE 2585: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending and abolishing certain existing pools in Lea and Roosevelt Counties, New Mexico.

- (a) Create a new oil pool for Pennsylvanian production, designated as the West Allison-Pennsylvanian Pool, and described as:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
Section 31: NW/4

- (b) Create a new oil pool for Drinkard production, designated as the Goodwin-Drinkard Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM  
Section 30: NW/4

- (c) Create a new oil pool for Devonian production, designated as the Monument Draw-Devonian Pool, and described as:

TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM  
Section 17: SE/4

- (d) Abolish the East Prairie-Pennsylvanian Pool, described as:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
Section 23: SW/4

- (e) Extend the North Anderson Ranch-Wolfcamp Pool, to include:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM  
Section 28: N/2 SW/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM  
Section 1: Lots 4 & 5

- (f) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
Section 36: E/2 NW/4

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM

Section 32: S/2

Section 34: NW/4

- (g) Extend the North Justis-Devonian Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

Section 1: SW/4

Section 2: SE/4

- (h) Extend the North Justis-Fusselman Pool to include:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 35: SE/4

- (i) Extend the North Justis Tubb-Drinkard Pool to include:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 35: SW/4

- (j) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 23: E/2 NE/4

Section 24: NW/4

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM

Section 4: W/2 NE/4

- (k) Extend the South Prairie-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM

Section 22: N/2

Section 23: W/2

- (l) Extend the Triste Draw-Delaware Pool to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 26: SE/4

- (m) Extend the Vacuum-Abo Pool to include:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 2: NE/4

-4-

Docket No. 18-62

**CASE 2586:** Northwestern New Mexico nomenclature case calling for an order extending existing pools in Rio Arriba and San Juan, Counties.

- (a) Extend the Fulcher Kutz-Pictured Cliffs Pool to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
Section 31: W/2

- (b) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
Section 4: All  
Section 9: N/2

- (c) Extend the Flora Vista-Mesaverde Pool to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM  
Section 28: N/2

- (d) Extend the South Blanco-Tocito Oil Pool to include:

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM  
Section 1: S/2  
Section 2: S/2  
Section 3: SE/4

P  
C  
A

**POTASH COMPANY OF AMERICA**

MINE AND REFINERY, P. O. BOX 31 • CARLSBAD, NEW MEXICO • TU 5-2111

May 11, 1962

R. H. BLACKMAN  
RESIDENT COUNSEL

A. L. Porter Jr.  
Secretary Director of the New Mexico  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: R-111-A - SW/4SE/4 Sec. 21, T.19.S., R.30 E.

Dear Mr. Porter:

Under date of November 22, 1961, we objected to the drilling of an oil and gas test well on the SW/4SE/4 of Section 21, T.19, S.R.30 E.

Mr. A. J. Lossee of Artesia has requested that we waive the arbitration before the Secretary Director of the New Mexico Oil Conservation Commission as provided in Order R-111-A and consent to hearing of the application of his client, Mr. Harvey Yates, at the regular June hearing of the Commission. This letter will evidence our consent to waiver of arbitration, and to hearing the case at the regular hearing on June 14, 1962.

Very truly yours

*R. H. Blackman*  
R. H. Blackman  
Resident Counsel

RHB:eh

cc: A. J. Lossee, Attorney-at-Law, Artesia, New Mexico  
V. A. Zandon, Southwest Potash Company  
T. E. Lusk, Attorney-at-Law, Carlsbad, New Mexico  
Donald S. Stubbs  
John W. Hall



MEMBER: AMERICAN POTASH INSTITUTE



A. J. LOSEE  
EDWARD B. STEWART

LAW OFFICES  
LOSEE AND STEWART  
CARPER BUILDING - P. O. DRAWER 239  
ARTESIA, NEW MEXICO

10 May 1962

*Case 7583*  
1962 MAY 11 AM 8:15  
OFFICE OCC

*Set for  
June regular  
AJL*

Mr. Richard Morris, Attorney  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Mr. Morris:

In accordance with my telephone conversation with Mr. A. L. Porter, Jr., enclosed you will please find triplicate copies of each of the following:

1. Application of Harvey E. Yates for approval of the NE/4 SE/4 Section 9, Township 19 South, Range 30 East, N.M.P.M., as a drilling location within the Potash-Oil Area.
2. Application of S. P. Yates for approval of the SW/4 SE/4 Section 21, Township 19 South, Range 30 East, N.M.P.M., as a drilling location within the Potash-Oil Area.

We request that this matter be set for hearing before the Commission and understand that the cases will be heard on June 14, 1962. In the event the protestants have no objection to a consolidation for hearing of these two cases, then you may take this letter as the applicant's stipulation for such a consolidation.

With a carbon copy of this letter, we are furnishing each of the protestants with a copy of the application involving their respective potash leases. We are also furnishing the USGS and your Artesia office with copies of this application.

Thank you in advance for your attention to this matter.

Very truly yours,

*A. J. Losee*  
A. J. Losee

*Lochets  
mailed  
6/1/62*  
AJL/bk

Enclosures

Mr. Richard Morris, Attorney

-2-

10 May 1962

cc Mr. James Knauf  
USGS  
Carper Building  
Artesia, New Mexico

M. L. Armstrong  
Oil Conservation Commission  
Artesia, New Mexico

Mr. T. E. Lusk  
Attorney at Law  
112 N. Canyon  
Carlsbad, New Mexico

Mr. R. H. Blackman  
Potash Company of America  
Box 31  
Carlsbad, New Mexico

Yates Petroleum Corporation  
309 Carper Building  
Artesia, New Mexico

*Reckels*  
*Marked*  
*6/1/62*  
*OK*

RECEIVED  
NOV 11 AM 10 15

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
S. P. YATES FOR APPROVAL OF THE  
SW/4 SE/4 SECTION 21, TOWNSHIP 19  
SOUTH, RANGE 30 EAST, N.M.P.M., EDDY  
COUNTY, NEW MEXICO, AS A DRILLING  
LOCATION WITHIN THE POTASH-OIL AREA  
AS DEFINED BY THE OIL CONSERVATION  
COMMISSION ORDER R-111-A.

Case No. 2583

APPLICATION

COMES S. P. YATES by his attorneys, Losee and  
Stewart, and respectfully state:

1. That Applicant is the owner of Federal Oil and  
Gas Lease NM 02041, covering among other lands the SW/4 SE/4  
Section 21, Township 19 South, Range 30 East, N.M.P.M., Eddy  
County, New Mexico.

2. That on November 17, 1961, the Applicant filed  
his Notice of intention to drill a well to test the Yates  
formation, expected to be encountered at 2075 feet below the  
surface in the center of the said SW/4 SE/4 Section 21, and  
a Plat showing the location of said well, with the Artesia  
office of the Oil Conservation Commission, hereinafter refer-  
red to as "Commission". That said drilling location is in  
the Potash-Oil Area as defined in Commission Order No. R-111-A.  
That copies of said Notice of intention to drill and Plat are  
attached as Exhibits "A" and "B", respectively, and by refer-  
ence are made a part hereof.

3. That a copy of said Notice of intention to drill and Plat were mailed by registered mail to Potash Company of America, the potash lessee holding a lease on land within one mile of said proposed well location. That on November 22, 1961, Potash Company of America did protest the drilling of the well at the proposed location for the reason that it will result in undue waste of potash deposits of substantial value, a copy of said protest being attached as Exhibit "C" and by reference made a part hereof.

4. That Applicant waives the arbitration conference provided for in Commission Order No. R-111-A and requests that this matter be set for hearing. That Potash Company of America has orally advised the Applicant that it likewise waives the arbitration conference.

WHEREFORE, Applicant prays the order of the Commission, as follows:

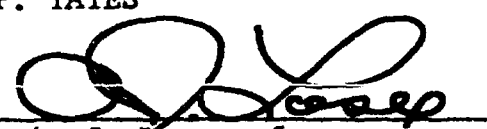
a) That this matter be set for hearing before the Commission and due notice be given thereof as required by law.

b) That the Commission approve the SW/4 SE/4 Section 21, Township 19 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, as a drilling location for Applicant within the Potash-Oil Area as defined by Commission Order No. R-111-A.

c) And for such other relief as may be just in the premises.

S. P. YATES

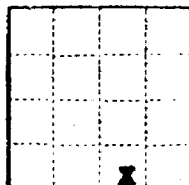
By



A. J. Losee of  
LOSEE AND STEWART  
P. O. Drawer 239  
Artesia, New Mexico

Form 9-551a  
(Feb. 1941)

Budget Bureau No. 45-228.4  
Approval expires 12-31-42



(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Land Office **Santa Fe**  
Lease No. **SR 22641**  
Unit **2**

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF	
NOTICE OF INTENTION TO CHANGE PLANS		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF		SUBSEQUENT REPORT OF ALTERING CASING	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE		SUBSEQUENT REPORT OF ABANDONMENT	
NOTICE OF INTENTION TO PULL OR ALTER CASING		SUPPLEMENTARY WELL HISTORY	
NOTICE OF INTENTION TO ABANDON WELL			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

November 13, 1942

**Esan Federal**  
Well No. **1** is located **660** ft. from **N** line and **1900** ft. from **E** line of sec. **22**  
**SW 22** **19S** **30E** **T.2N., R.2E.**  
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)  
**Blount** **Blount** **New Mexico**  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is **3319** ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudlogging jobs, cementing points, and all other important proposed work)

Intentions are to drill to approximately 2575' to test the Artesian Formation, unless oil is found at a lesser depth. We plan to set a 1 1/2" surface casing at approximately 390' and circulate cement. If producer, a 1 1/2" cas. will be set through pay zone, cement circulated, and production established by perforating and stimulation.

In addition to casing program as outlined above, a 7" salt protection string will be cemented with a minimal amount of cement at approximately 1420' (sufficient to be 100' below base of salt). If production is indicated, the salt string will be pulled prior to running the 4 1/2" production string as above. All drilling & cementing procedures will be in accordance with GCS order No. 1-111-1.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company **S.F. Yates & Co**  
Address **309 Carper Building**  
**Artesia, New Mexico**

By *R.W. Landerberg*  
Title **Geologist**

GPO 452046

EXHIBIT "A"

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
LANDS PP	
FILE	
U.S.S.	
LAND OFFICE	
TRANSPORTER	
OPERATION OFFICE	
OPERATOR	

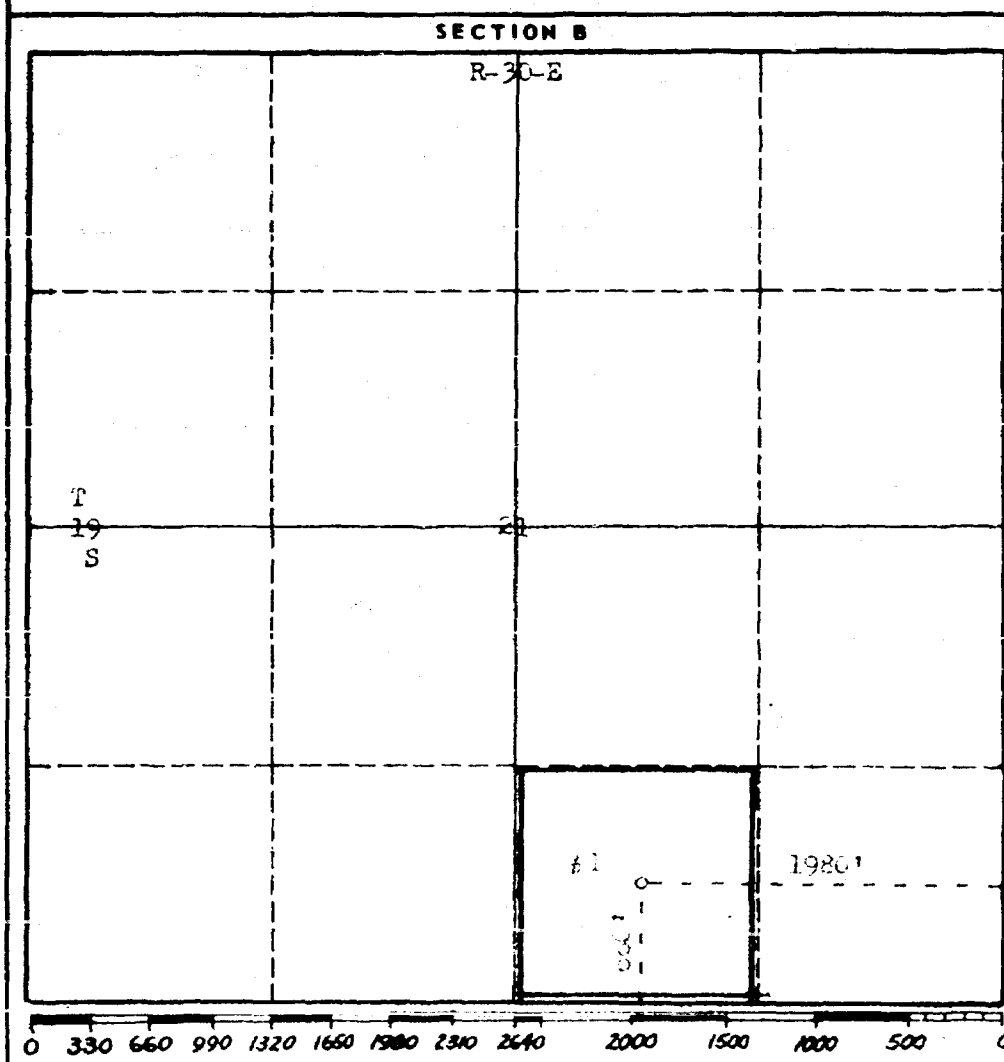
**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128  
 Revised 8/1/57

SECTION A				
Operator <b>S.P. Yates Etal</b>		Lease <b>Knox Federal</b>		Well No. <b>1</b>
Tract Letter <b>0</b>	Section <b>21</b>	Township <b>T-13-S</b>	Range <b>R-30-E</b>	County <b>Eddy</b>
Actual Footage Location of Well: <b>660</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3318.7</b>	Producing Formation	Pool	Dedicated Acreage: <b>40</b> Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ☐ ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ☐ NO ☐ If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description



**CERTIFICATION**

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

*R.W. Landenberger Jr.*  
 Name  
**R.W. Landenberger Jr.**  
 Position  
**Geologist**  
 Company  
**S.P. Yates**  
 Date  
**11-13-61**

I hereby certify that the well location shown on the plat in SECTION B 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  
**November 11, 1961**  
 Registered Professional Engineer  
 and/or Land Surveyor  
*Paul J. Huxford*  
 Certificate No. **3230**

**BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO**

IN THE MATTER OF THE NOTICE  
OF INTENTION TO DRILL A TEST  
WELL IN THE SW<sup>1</sup>/<sub>4</sub> OF SECTION  
21, T. 19 N., R. 30 E., HERN  
COUNTY, NEW MEXICO FILED BY  
S. P. IATSE, ET AL.

**CASE NO.**

# COLLECTION OF POTASH COMPANY OF AMERICA

Potash Company of America, a Colorado Corporation, authorized to do business in the State of New Mexico hereby objects to the drilling of an exploratory test well in the SW<sup>1/4</sup> of Section 21, T. 19 S., R. 30 E., Mddy County, New Mexico and states:

1. The land described above is within the oil-potash area as set forth in New Mexico Oil Conservation Commission Order No. N-111-A, as amended.
2. Potash Company of America is the owner and holder of U. S. Government potash lease No. E.M. 028616 covering said land.
3. The drilling of a test well at any point in the tract above described will result in under waste of potash deposits of substantial value.

Respectfully submitted

**FOURTH COMPANY OF AMERICA**

**DATED: November 22, 1961**

**L. H. Klineham,**  
Resident Counsel

EXHIBIT "C"