

CASE 6777: HARVEY E. YATES COMPANY FOR  
AN NGPA DETERMINATION, EDDY COUNTY, NEW  
MEXICO

CASE NO.

6777

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO  
 ENERGY AND MINERALS DEPARTMENT  
 OIL CONSERVATION DIVISION  
 STATE LAND OFFICE BLDG.  
 SANTA FE, NEW MEXICO  
 3 January 1980

EXAMINER HEARING

-----  
 IN THE MATTER OF: )

Application of Harvey E. Yates Com- ) CASE  
 pany for an NGPA determination, ) 6777  
 Eddy County, New Mexico. )  
 -----

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
 Division:

Ernest L. Padilla, Esq.  
 Legal Counsel to the Division  
 State Land Office Bldg.  
 Santa Fe, New Mexico 87501

For the Applicant:

Robert E. Strand, Esq.  
 Harvey E. Yates Company  
 P. O. Box 1933  
 Roswell, New Mexico 88201

## I N D E X

ANDREW LATTU

Direct Examination by Mr. Strand

3

Cross Examination by Mr. Stamets

10

## E X H I B I T S

Applicant Exhibit One, Cross Section

4

Applicant Exhibit Two, Structure Map

9

MR. STAMETS: We'll call next Case 6777.

MR. PADILLA: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico.

MR. STRAND: Mr. Examiner, in the prior two cases Mr. Lattu was sworn and qualified. May we consider Mr. Lattu still under oath and qualified?

MR. STAMETS: Yes, the record in Case 6777 should show Mr. Lattu is sworn and qualified.

MR. STRAND: Mr. Examiner, in Case Number 6777 Harvey E. Yates Company is requesting an NGPA determination for its Amoco 22 State No. 2 Well, finding that production from such well is from a new on-shore reservoir.

ANDREW LATTU

being called as a witness and having previously been sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. STRAND:

Q Mr. Lattu, would you please state the location of the Amoco 22 State No. 2 Well?

A Okay. This well is located in Eddy County, New Mexico, Township 23 South, Range 27 East, Section 22, 1980 from the north and east lines of Section 22.

Q Mr. Lattu, what is the spud date of the well?

A All right, this well was spudded on 20th of June, 1979.

Q Could you also state the producing interval in that well?

A Okay, the well was drilled to a TD to fully test the Morrow Sands and these sands were not found productive in this well; however, in drilling through the Strawn zone we had a strong gas show and upon the failure of the Morrow and Atoka to produce, we then perforated and tested the Strawn and it appears that we do have a commercial gas well from the Strawn.

And this interval is from 10,977 to 11,094 feet.

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A It is Strawn carbonate. Exhibit Number One is a cross section, which I have an index map on the cross section showing this subject well is indicated by an arrow at the top of this cross section. This cross section covers all the surrounding wells.

The Strawn was -- or the Strawn formation is known to produce locally where --

MR. STAMETS: Mr. Lattu, could you put that cross section up on the wall, please?

A. Okay.

All right, this well is hung on a datum of a minus -- this cross section is hung on a datum of -7400 feet. That is a structural datum, not the top of the Wolfcamp. The Wolfcamp formation continues above sections of the log that are not shown on this cross section.

The formation tops of the Strawn, Atoka, Atoka Lime, Morrow, and then the B Sands and C Shale and C Sands in the Morrow are indicated.

The Strawn formation in this area consists of a shelf lime with occasional local buildups of Ivanovia or some other mechanism that caused a bit of permeability and porosity to be preserved within this carbonate.

Generally, when Strawn production is found, it's found while an operator is looking for Morrow Sand production. The Strawn reservoir usually does not extend for more than just one well or two wells drilled very close together; possibly two wells. The two wells that we have drilled in Section 22, the first well did not have any shows drilling through the Strawn carbonate, even though the gamma ray appears clean in the productive well.

This particular well, when we drilled into the Strawn, we had a very strong gas kick; some gas to

surface in the mud.

Now, we attempted a DST but were unable to bring the mud weight up to -- we brought the mud to a weight of 11.8 pounds per gallon and it would still not hold the Strawn in. At that time the Bone Springs carbonate broke down and we started losing mud into that formation. We went ahead and drilled it and got it partially logged and pipe in the hole and were very pleased with ourselves not losing the rig.

So we felt, at the time that we were running the pipe, that we did have a possible Strawn productive zone. This is the first well to my knowledge in this area that has had any kind of significant show from the Strawn.

As you can see, the zone is present but has not been either tested by drill stem test or perforations within this area and is therefore a new reservoir.

Q Mr. Lattu, is it your opinion that the wells that are shown on the cross section and on your index map are the wells that have significance as to the definition of a reservoir from which the Amoco 22 No. 2 produces?

A Yes, I feel this shows this reservoir has not been encountered by any previous well, in the surrounding area, and as I testified earlier, it tends to be a very local producing zone.



Q Mr. Lattu, are you able to determine from the logs that the Strawn is a producing interval?

A Well, we do see some porosity here just a little better than is seen on the other well, but the fact that we had a very strong gas show when we drilled into it is --

MR. STAMETS: Do you have any other logs that show the presence of hydrocarbons in the Strawn?

A No. This particular porosity log showing a little bit of porosity development right there is the best indicator, and that with the show we encountered while drilling.

MR. STAMETS: And what do you see on the other logs, particularly the two closest logs? I believe that would be Well No. 3 and 4 on your cross section, reading from the right.

A Well, on Well No. 3 it appears to be very tight with possibly only 1 percent porosity. In the other well we drilled in the same section there, it shows possibly 1 percent porosity and it's not as clean as we encountered. Ours isn't as clean as the Huskie well, which had several zones that they had shows and drill stem test and perforated, but this zone did not encounter any shows in the drilling of the well and the Huskie Well was dry and abandoned.

MR. STAMETS: What about the fourth well, what's the status of it?

A. Well, that well is a Morrow gas well. It's producing mostly from the Morrow B Sands series.

MR. STAMETS: Who's the operator?

A. We are.

MR. STAMETS: Did you have any -- do you intend to go back in that well and test the Strawn at some point in time?

A. Well, we didn't have a show during drilling through it, but when these sands and anything that we have in the Atoka are completely depleted, we would evaluate that kind of possibility, maybe trying to see if anything's there, although by logs there is no indication that the same reservoir is present.

MR. STAMETS: Do you have your perforations shown?

A. Yes, they're shown in red on the exhibit.

On the first well we drilled the neutron was showing zero porosity, and the density showing approximately 2 percent.

On this well here the neutron is showing approximately 4 percent porosity and 2 percent on the density.

Again, it wouldn't be too exciting just

looking at the log, but knowing what happened when we drilled through it is encouraging that we would find something.

Q Mr. Lattu, referring to Exhibit Number Two, would you please describe that exhibit?

A Exhibit Number Two is a geologic structure map. It is contoured on top of the Lower Morrow Sands. In Exhibit Number One this would be the top of the C Sands.

It shows to the west a fairly strong structural nose moving down dip to the east to a structural low in Section 15, which was the Huskie well, and then a little structural pullout -- I haven't shown it as a closure but it could be -- is a small closure existing in Section 22. I have a red circle drawn here, which I feel indicates the boundary of the Strawn reservoirs encountered in the Harvey E. Yates Amoco 22-2. Since it was not -- no indication that the reservoir is present in the first well we drilled, I did not include that probably productive area of this reservoir. The structure is fairly small so on the subsurface control.

Q Mr. Lattu, this is your estimate of the extent of the reservoir?

A Yes, it is.

Q And there is no control as such to the south and the southeast, is that correct?

A The nearest control point is down in Section 36, which is a dry hole drilled by Coquina and it --

the Strawn zone is not present there.

Q Mr. Lattu, to your knowledge was any natural gas produced in commercial quantities from this reservoir you've outlined prior to April 20th, 1977?

A No, it was not.

Q Has this particular reservoir been penetrated by any old wells, and when I talk about old wells, I refer to spudded prior to February 19, 1977?

A No, it has not.

Q Mr. Lattu, did you prepare Exhibits Numbers One and Two?

A Yes, I did.

MR. STRAND: Mr. Examiner, I'd move the admission of Exhibits One and Two.

MR. STAMETS: These exhibits will be admitted in evidence.

MR. STRAND: I believe that's all I have.

# CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Lattu, looking at some of these closer wells on your Exhibit Number One, and looking at the dates the logs were run, it appears as though most of these are fairly recent wells. This one appears to have been, what,

1979?

A. '78 or '79.

Q. And the Huskie well, which is the third well on the cross section, is an older well logged in '75, but you said it was plugged and abandoned.

A. Yes, it was.

Q. And then the other well in Section 22, which you drilled, was completed in '79.

A. Yes, it was.

Q. So even if that had encountered this same reservoir, it would qualify as a new reservoir.

A. Yes, it would.

Q. If you had --

A. If it was present.

Q. Okay.

Section -- now, it looks like the rest of these were all logged -- the earliest one I see here is September of '77.

A. Yes. All these -- this has been the most recent development in this particular area of Eddy County, just in the last year or two.

Q. So all of these wells were drilled after the NGPA dates.

A. All the producing wells were, the exception being the dry hole which Huskie drilled in '75.

Q.

All right.

MR. STAMETS: Are there other questions of this witness? He may be excused.

Anything further in this case?

MR. STRAND: No, Mr. Examiner.

MR. STAMETS: The case will be taken

under advisement.

(Hearing concluded.)

## REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the Oil Conservation Division was reported  
by me; that the said transcript is a full, true, and correct  
record of the hearing, prepared by me to the best of my  
ability from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.  
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 6727  
heard by me on 1-3 1980.  
Richard A. Stewart, Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
 ENERGY AND MINERALS DEPARTMENT  
 OIL CONSERVATION DIVISION  
 STATE LAND OFFICE BLDG.  
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Anything further in this case?

MR. STRAND: No, Mr. Examiner.

MR. STAMETS: The case will be taken under advisement.

(Hearing concluded.)

## REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the Oil Conservation Division was reported  
by me; that the said transcript is a full, true, and correct  
record of the hearing, prepared by me to the best of my  
ability from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_,  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division



BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

January 18, 1980

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Mr. Robert H. Strand, Attorney  
Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: CASE NO. 6777  
ORDER NO. R-6248

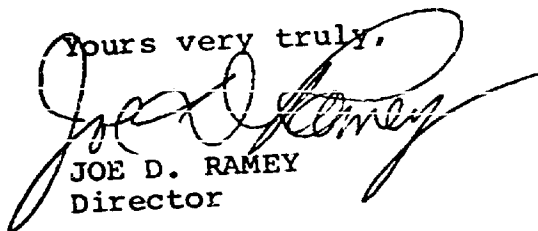
Applicant:

Harvey E. Yates Company

Dear Sir:

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

Yours very truly,

  
JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD       x        
Artesia OCD       x        
Aztec OCD           

Other

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. 6777  
Order No. R-6248

APPLICATION OF HARVEY E. YATES  
COMPANY FOR AN NGPA DETERMINATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of January, 1980, 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 the applicant, Harvey E. Yates Company, seeks a determination by the Division, in accordance with Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that its Amoco 22 State Well No. 2, located in Unit G of Section 22, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, has discovered a new onshore reservoir from which natural gas was not produced in commercial quantities before April 20, 1977.

(3) That said well was completed in the Atoka formation with perforations from 10,971 to 11,094 feet, and a total depth of 12,370 feet.

(4) That although there are several wells in the vicinity of the subject well which have penetrated the Atoka formation, available well logs do not show porosity or other indications of potential production in such wells.

-2-

Case No. 6777  
Order No. R-6248

(5) That the only nearby well spudded before February 19, 1977, has never been successfully completed in any formation and has produced no gas from the Atoka formation.

(6) That the combined well and well log data presented establishes that said Amoco 22 State Well No. 2 has been completed in a new onshore reservoir as defined by the provisions of Section 102 (c) of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

(1) That the Harvey E. Yates Company Amoco 22 State Well No. 2, located in Unit G of Section 22, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 (c) of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(2) That jurisdiction of this cause is hereby 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

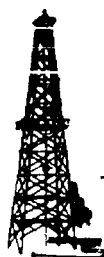
  
JOE D. RAMEY  
Director

  
S E A L

fd/

**HEYCO**

PETROLEUM PRODUCERS



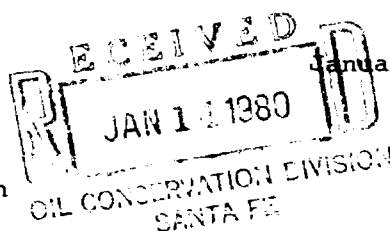
**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201



January 12, 1980

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Richard Stamets

Re: Case #6777  
NGPA Determination  
Amoco State 22 #2

Dear Mr. Stamets:

I am submitting the information contained in this letter as a supplement to the evidence submitted at the January 3, 1980 hearing of the above referenced case.

The testimony of Mr. Andrew C. Lattu referred to the subject reservoir as a "Strawn" reservoir. We recognize that the Division has designated the Amoco 22 State #2 well as having been completed in the Atoka formation, as opposed to the Strawn formation. We therefore request that our testimony as to the Strawn reservoir be construed as referring to the producing reservoir, irregardless of the particular geological classifications made by the Division, and Mr. Lattu.

Additionally, the following tabulation shows the spud dates of the wells from which Mr. Lattu utilized data in defining the extent of the producing reservoir:

Mesa - Marquess Com #1 660 FSL & 1980 FWL Sec. 9, T-23S, R-27E	11/06/77
Gulf Eddy "GF" State #1 1980 FWL & 810 FNL Sec. 16, T-23S, R-27E	08/05/77
Gulf Eddy "GF" #2 1980 FSL & 1980 FWL Sec. 16, T-23S, R-27E	02/12/78
Mobil "21" State #1 1980 FWL & 660 FNL Sec. 21, T 23S, R-27E	12/17/77

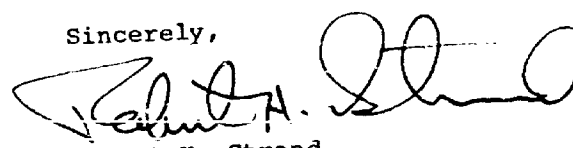


Page 2  
January 12, 1980  
Mr. Richard Stamets

Mobil "21" State #2 1980 FSL & 1980 FWL Sec. 21, T-23S, R-27E	06/10/78
Amoco "22" State #1 1980 FNL & 660 FWL Sec. 22, T-23S, R-27E	03/16/78
Husky "Forehand" #1 1980 FSL & 1980 FWL Sec. 15, T23S, R-27E	08/13/76
Cerro Com #1 760 FWL & 2080 FNL Sec. 11, T-23S, R-27E	08/20/78

If you have any questions, please advise.

Sincerely,

  
Robert H. Strand  
Attorney

RHS/lh

NGPA-1 #14

**HEYCO**

PETROLEUM PRODUCERS



**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

December 11, 1979

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*Case 6777*

Attention: Mr. Dick Stamets

RE: NGPA Application  
§102 New onshore Reservoir  
§103 New onshore Production  
Amoco 22 State #2 Well  
E/2 Sec. 22, T-23S, R-27E  
Eddy County, New Mexico

Dear Mr. Stamets:

Enclosed please find original and two copies of the above referenced applications. The §102 New onshore Reservoir is to be considered our primary application, and the §103 is to be considered an alternative application in the event the §102 application is denied.

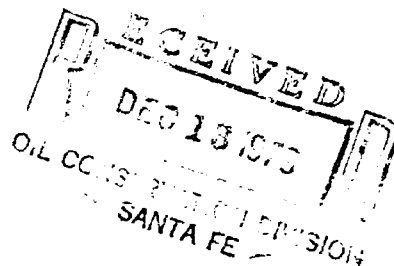
We have previously requested by telephone that the §102 application be set for examiner hearing on January 3, 1980. At that time we will present the geological exhibits relating to this application.

Sincerely,

Robert H. Strand

RHS/lh  
A #13

Enclosures



NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 7698, Santa Fe, New Mexico 87501  
APPLICATION FOR WELLHEAD  
PRICE CEILING CATEGORY DEDICATION

Primary

1. FOR DIVISION USE ONLY

DATE OF APPLICATION  
DETERMINATION  
CONTESTED  
PARTICIPANTS

Harvey E. Yates Company

P. O. Box 1933, Roswell, New Mexico 88201

1980

East

22

North

23S

1980

27E

11. Name and Address of Transporter(s)  
Llano, Inc., P. O. Drawer 1320, Hobbs, New Mexico 88240

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NCPA Section No.) 102

2. All Applications must contain:

- ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK  
☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT  
☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111  
☒ d. AFFIDAVITS OF MAILING OR DELIVERY

3. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)

☐ a. Location Plat

4. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)

☐ a. C-122 Multipoint and one point back pressure test (Not prepared as of this date, will be submitted when available.)

5. NEW ONSHORE PRODUCTION WELL

☐ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ b. No. of order authorizing infill program

6. STRIPPER GAS

☐ a. C-116 GAS-OIL RATIO TEST

☐ b. PRODUCTION CURVE FOR 12-MONTH PERIOD

☐ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED  
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY  
KNOWLEDGE AND BELIEF.

George M. Yates  
NAME OF APPLICANT (Type or Print)

Vice President  
Title

11, 1979  
Date

Signature

State

Amargo 22 State

Und. So. Carlsbad  
Morrow

Eddy

DIVISION USE ONLY

- ☐ Approved  
☐ Disapproved

The information contained herein includes  
all of the information required to be  
filed by the applicant under Subpart B  
of Part 274.

EXAMINER

Exhibit B

FFRC 121

1.0 API well number: (If not available, leave blank - 14 digits.)	10-015-22917			
2.0 Type of determination being sought (Use the codes found on the front of this form.)	102 Section of NGPA		4 Category Code	
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	11,094 feet			
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	Name: Harvey E. Yates Company P. O. Box 1933 Street: Roswell NM 88201 City: State: Zip Code:			
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	None Field Name: Eddy County NM County: State:			
(b) For OCS wells:	Area Name: Block Number: Date of Lease: Mo. Day Yr. OCS Lease Number:			
(c) Name and identification number of this well: (35 letters and digits maximum.)	AMOCO 22 STATE 2			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	None			
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Name: Llano, Inc. Buyer Code:			
(b) Date of the contract:	041278 Mo. Day Yr.			
(c) Estimated annual production:	364 MMcf.			
	(a) Base Price (\$/MMBtu)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	2.268	.133	---	2.401
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	2.268	.133	---	2.401
9.0 Person responsible for this application:	Name: George M. Yates Vice President Signature: [Signature] Date Application is Completed: 11-19-79 Phone Number: 505-624-6601			
Agency Use Only				
Date Received by Juris. Agency				
Date Received by FERC				

APPLICATION PURSUANT TO  
SECTION 102(c)(1)(C) OF  
THE NATURAL GAS POLICY ACT OF 1978 (NGPA)

Well: AMOCO 22 STATE 2  
API No.: 30-015-22917

AFFIDAVIT

STATE OF NEW MEXICO COUNTY OF Eddy

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared GEORGE M. YATFS, who, being by me first duly sworn, deposed and said:

That he is the Vice President of HARVEY E. YATES COMPANY the applicant for the well as described heretofore in this application, and, in that capacity, he is requesting the appropriate Jurisdictional Agency to determine the eligibility of said well for wellhead pricing purposes pursuant to the rules and regulations of said Jurisdictional Agency and the Federal Energy Regulatory Commission and pursuant to the NGPA.

That this application is made pursuant to 18 CFR 274.202 (d).

That prior to drilling said well, he caused to be made/prepared pursuant to his instructions:

- (a) diligent examination of:
  - (1) the real property records maintained in the county where said well is situated.
  - (2) commercially produced ownership and well location maps maintained currently in applicant's office.
  - (3) commercially produced well completion records covering the applicable area and maintained currently in applicant's office.
- (b) a title opinion covering the proposed proration unit prepared by an attorney experienced in oil and gas title examination, based on commercially prepared abstracts covering the county records and where applicable, the records of the appropriate State or Federal Land Management Agency. Said abstracts and title opinions are located in applicant's office.
- (c) application to drill said well with the appropriate governmental agency. Said application was duly approved and copies are on file in applicant's office.

That during the drilling of said well, he caused to be made/prepared pursuant to his instructions:

- (a) a daily drilling log, copies of which are on file in applicant's office. The portion of said log showing the date said well was spudded is attached hereto.
- (b) a directional drilling survey or deviation survey, copies of which are on file in applicant's office and a copy of said survey is attached hereto.

That subsequent to completion of said well, he caused to be made/prepared pursuant to his instructions:

- (a) diligent examination of:
  - (1) production records compiled by the appropriate state agency. Copies of said records are on file in applicant's office and the offices of said agency.
  - (2) examination of royalty and severance tax records to the extent they were examined during the title opinion process referred to above.
- (b) a completion report which was filed with the appropriate governmental agency. Copies are on file in applicant's office and the offices of said agency, and a copy is attached hereto.
- (c) a well location and acreage dedication plat dedicating the subject proration unit and filed with the appropriate governmental agency. Said dedication is on file in applicant's office and the offices of said agency and a copy is attached hereto.
- (d) a title opinion for division order purposes by an attorney experienced in oil and gas title examination utilizing abstracts as described above.
- (e) monthly report of operations and production which have been filed with the appropriate governmental agency. A copy of the report showing first commercial production from the subject reservoir is attached hereto.

That he has also caused to be prepared pursuant to his instructions:

- (a) location plat which locates and identifies the subject well and other wells, data from which is utilized to support this application. Copies of said location plat.

- (b) a summary of geological data supporting this application including the following to the extent reasonably available:

Well log section defining the top and bottom reservoir

Bottom-hole or Surface Pressure Surveys

Well Potential Tests

Formation Structure Map

Subsurface Cross-Section Chart

Gas Analysis

That the above described are the only records and data reasonably available to Applicant, and there are no other public records maintained which are relevant to this application.

That, to the best of his knowledge, information, and belief and on the basis of the results of the search and examination, he answers the following questions:

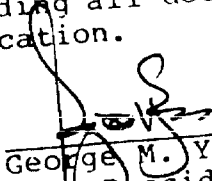
- (1) Was the natural gas produced in commercial quantities from the reservoir before April 20, 1977?  
Answer: NO
- (2) Was the reservoir penetrated before April 20, 1979, by an old well from which natural gas or crude oil was produced in commercial quantities from any reservoir: Answer: NO
- (3) In the event the answer to (2) immediately above is in the affirmative, state if natural gas could have been produced in commercial quantities from the reservoir before April 20, 1977, from any old well described in said question (2). Answer: N/A
- (4) If the natural gas is to be produced through an old well, were suitable facilities for the production and delivery to a pipeline of such natural gas in existence on April 20, 1979? Answer: N/A

That based upon the search and examination described above, he has concluded that to the best of his information and knowledge, that there is substantial evidence to support a determination that the gas to be produced and for which he seeks a determination is from a new onshore reservoir, and that he has no knowledge of any other information not described in the application which is inconsistent with this conclusion.

He further states that he has mailed, or caused to be mailed, postage prepaid, copies of the completed Form FERC 121, Application for Determination of the Maximum Lawful Price Under the Natural Gas Policy Act, to the purchaser(s) and to the co-lessee(s) and/or working interest owners, which are listed separately.

That to the best of his knowledge and belief, all information contained in this application for category determination, pursuant to the NGPA, is true and correct including all documents, testimony, and evidence submitted with the application.

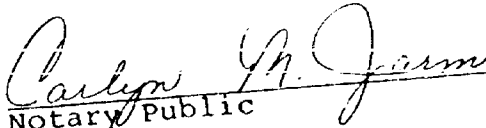
Signed

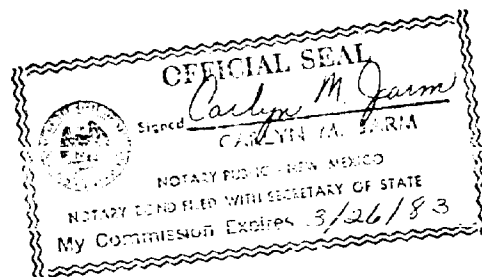
  
George M. Yates  
Vice President

Subscribed in my presence and duly sworn to before me, this  
day 11<sup>th</sup> of December, 1979.

My Commission Expires:

March 26, 1983

  
Notary Public





INDEX OF EXHIBITS

1. Application to Drill
2. Daily Drilling Log (Reservoir Penetration)
3. Directional Drilling Survey and/or Deviation Survey
4. Completion Report
5. Well Location and Acreage Dedication Plat
6. Operations and Production Report  
(First Commercial Production From Reservoir)
7. Well Location Plat (Reservoir Definition)
8. Geological Data
  - Well Log Sections
  - Pressure Surveys
  - Well Potential Tests
  - Structure Map
  - Cross-Section
  - Gas Analysis Data
9. List of Co-Lessees, Working Interest Onwers,  
and Gas Purchasers

EXHIBIT 1

APPLICATION TO DRILL

RECEIVED  
NEW MEXICO OIL CONSERVATION COMMISSION

MAY 8 1979

D. C. C.  
ARTESIA, OFFICE

738 075 22

Form 7-79  
Revised 1-79

STATE X

NO. L-711

7. Unit Agreement Form

8. Form of Lease Form

Amoco 22 State

9. Well No.

2

10. Location of Well

Und. So. Carlisle

11. Section

EG

12. Township

22

13. Range

27E

14. Section

147.5' GL

21A. Kind & Status Plug. Bond

Blanket

19. Proposed Depth

12,500'

20A. Formation

Morrow

21B. Drilling Contractor

MORANCO

6-1-79

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Well: DRILL ☒ DEEPEN ☐ PLUG BACK ☐  
 Well: ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

Harvey H. Yates Company

P. O. Box 1933, Roswell, N.M. 88201

LETTER G LOCATED 1980 FEET FROM THE North LINE

East TWP. 23S RGE. 27E

147.5' GL

21A. Kind & Status Plug. Bond

Blanket

19. Proposed Depth

12,500'

20A. Formation

Morrow

21B. Drilling Contractor

MORANCO

6-1-79

SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT
17 1/2"	48#	375'	
12 1/4"	24#, 28#, 32#	5600'	
7 7/8"	17#, 20#	12,500'	

This well is not dedicated to a gas purchaser.

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

\_\_\_\_\_  
Title Engineer Date May 7, 1979

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE MAY 11 1979

CONDITIONS OF APPROVAL, IF ANY.

Good to market 6/18

EXHIBIT 2

DAILY DRILLING LOG (RESERVOIR PENETRATION)

DAILY DRILLING REPORTS

Memorandum #2

Page #5

HARVEY E. YATES COMPANY  
AMOCO STATE "22" #2

1980' FNL & 1980' FEL,  
Sec. 22, T-23S, R-27E,  
Eddy County, N. M.

7/20/79 Depth-10,765'; formation-li and sh; drlg w/brine water; 375' of progress. Totco: 2° @ 10,416'. Mud wgt-9.9#; vis-29; pH-9 chl-178,000 ppm; 1 1/2% solids. Bit #6: FP-63, in @ 9813', has made 952' in 73 hrs. 23 1/2 hrs-drlg; 1/2 hr-totco.

7/21/79 Depth-11,011' circulating and mixing mud; formation-li and sh; 246' of progress; brine water in hole. Totco: 2° @ 10,877'. 14 hrs-drlg; 3/4 hr-totco; 1/4 hr-service rig; 9 hrs-circulating samples, displacing w/10# brine and starting to mud up.

7/22/79 Depth-11,011' circulating and conditioning mud; formation-li and sh. Mud wgt-11#; vis-38; WL-32; KCl-6%. 24 hrs-circulating and conditioning mud.

7/23/79 Depth-11,011' circulating through chokes. Mud wgt-10.8#; vis-37; WL-25; KCl-4%. 2 1/2 hrs-trips; 21 1/2 hrs-circulating and mixing mud.

7/24/79 Depth-11,150'; formation-li and ch; drlg w/6' to 12' gas flare; 139' of progress. Mud wgt-10.7#; Vis-32; WL-30; KCl-4%. 16 3/4 hrs-drlg; 2 3/4 hrs-trip; 4 1/2 hrs-circulating gas out of hole.

7/25/79 Depth-11,240'; formation-li and sh; 90' of progress. Totco: 1 1/2° @ 11,011'. Mud wgt-10.5#; Vis-33; WL-29; KCl-4%. 12 hrs-drlg; 7 1/2 hrs-trip; 1/4 hr-service rig; 3 3/4 hrs-circulating gas out of hole; 1/2 hr-repair.

7/26/79 Depth-11,350'; formation-sh; 110' of progress. Mud wgt-10.5#; Vis-33; WL-13; KCl 4%. 22 1/2 hrs-drlg; 1/4 hr-service rig; 1 1/4 hrs cleaning pits.

7/27/79 Depth-11,537'; formation-li and sh; 187' of progress. Mud wgt-10.6#; Vis-33; WL-30; KCl-4%. 23 3/4 hrs-drlg; 1/4 hr-service rig.

7/28/79 Depth-11,715'; formation-li and sh; 178' of progress. Mud wgt-10.4#; vis-34; WL-10; KCl-4%. 22 3/4 hrs-drlg; 1/4 hr-service rig; 1 hr-cleaning pit.

7/29/79 Depth-11,815'; formation-li and sh; 100' of progress. Mud wgt-10.4#; vis-33; WL-5.8; KCl-4%. 16 3/4 hrs-drlg; 1/2 hr-trip; 1/4 hr-service rig; 4 3/4 hrs-circulating; 1 3/4 hrs-repair.

7/30/79 Depth-11,850'; formation-li and sh; 35' of progress. Mud wgt-10.4#; vis-34; WL-9; KCl-4%. Totco: 1 1/4° @ 11,841'. 10 3/4 hrs-drlg; 7 1/2 hrs-trip; 1/4 hr-service rig; 4 1/2 hrs circulating gas off bottom; 1 hr-cutting drlg line.

EXHIBIT 3

DIRECTIONAL DRILLING SURVEY and/or DEVIATION SURVEY

WELL NAME AND NUMBER Amoco '22' No.2

LOCATION 1980/N & E Section 22, T23S, R27E, Eddy County, New Mexico  
(New Mexico give U.S.T&R: Texas give S, BLK, SURV. and TWP)

OPERATOR Harvey E. Yates Company

DRILLING CONTRACTOR MORANCO

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

Degrees and Depth	Degrees and Depth	Degrees and Depth	Degrees and Depth
1/2 265	2 2250	1 1/2 7090	1 1/4 11,841
1/2 375	1 1/2 2430	1 1/4 7590	1 12,365
1 1/2 694	1 1/2 2740	1 1/2 8090	
1 990	1 1/4 2966	2 8600	
1/2 1254	1 3469	2 9133	
2 1403	1/2 3947	2 9473	
2 1538	1 4441	2 9813	
2 1/2 1684	1 1/4 4909	2 10,115	
2 1/4 1740	1 5409	2 10,416	
3 1870	3/4 5600	2 10,877	
3 1998	1 1/2 6092	1 1/2 11,011	
1 3/4 2090	1 1/2 6590	1 1/2 11,426	

Drilling Contractor MORANCO

By Jerry Gilbert  
Jerry Gilbert, Vice President, Engineering

Subscribed and sworn to before me this 24 day of August 19 79

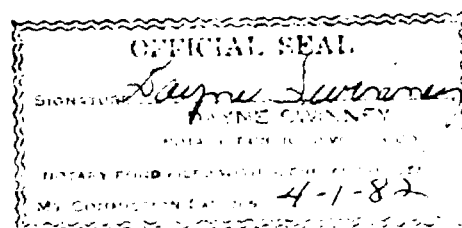


EXHIBIT 4

COMPLETION REPORT



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Form 0-10  
Revised 10-68

WELL NO. **Y-711**

1. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☒ OTHER ☐  
2. TYPE OF COMPLETION  
NEW WELL ☒ ACQUISITION ☐ DEEPEN ☐ PLUG BACK ☐ REPAIR ☐ OTHER ☐

Amoco 22 State

2

Harvey E. Yates Company  
P. O. Box 1933, Roswell, N. M. 88201

Und. S. Carlsbad Mo

3. LOCATION  
TOWNSHIP **G** LOCATED **1980** FEET FROM THE **North** **1980**

Eddy

4. SURFACE LOCATION  
EAST **22** TWP. **23S** RGE. **27E**

5. DATES  
18. DATE OF LOG **6-20-79** 19. DATE OF COMPLETION **8-6-79** 20. DATE OF LOG **10-27-79** 21. DATE OF LOG **3147.8' GL**

22. TOTAL DEPTH **12,370'** 23. DEPTH TO CIBP **CIBP at 11,140'** 24. DEPTH TO SINGLE **Single** 25. DEPTH TO 0'-12,370'

26. TYPE OF LOGGING  
**Strawn 10,971' - 11,094'**

No

27. TYPE OF LOGGING  
**CNL, Natural GR Spectroscopy, R/A Tracer, GR-Depth Control**

No

CASING SIZE	WEIGHT LBS. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT USED
13 3/8"	48#	375'	17 1/2"	350 Sx	None
8 5/8"	24#, 28#, 32#	5609'	11"	2080 Sx in 2 Stages	None
5 1/2"	17#, 20#	12,370'	7 7/8"	1375 Sx in 2 Stages	None

LINER RECORD				TURNING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2 7/8"	10,946'
						10,931'

28. Perforation Record (Interval, size and number)	29. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
10971, 10973, 10978, 10980, 10982, 10984, 10986, 10989, 10991, 10993, 11001, 11003, 11005, 11014, 11021, 11029, 11032, 11051, 11055, 11057, 11059, 11090, 11092, 11094, 72 - 1/2" dia shots	10,000 gals 15% MSR-100 w/500 SCF N <sub>2</sub> /BBL

30. PRODUCTION							
Date First Production	Production Method (Flowing, gas lift, pumping - size and type pump)	Well Status (Prod. or Shut-in)					
10-27-79	Flowing	Shut In					
Date of Test	Hours Tested	Choke Size	Production (bbls/day)	Water (bbls/day)	Gas (bbls/day)	Oil (bbls/day)	Gravity - API (Corr.)
11-15-79	3.0	3/4"	-	437	-	-	-
Flow Testing Press.	Casing Pressure	Test at 14.7 psia	Test at 14.7 psia	Test at 14.7 psia	Test at 14.7 psia	Test at 14.7 psia	Test at 14.7 psia
229	0	-	3496	-	-	-	-

31. Disposition of Gas (Sold, used for fuel, vented, etc.)  
**Vented**

Test Witnessed By  
**John Gray, Jr.**

32. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED **John H. Linder** TITLE **Engineer** DATE **12-3-79**

EXHIBIT 5

WELL LOCATION and ACREAGE DEDICATION PLAT

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Approved by the  
Oil Conservation Commission

All distances must be from the center to center of the well.

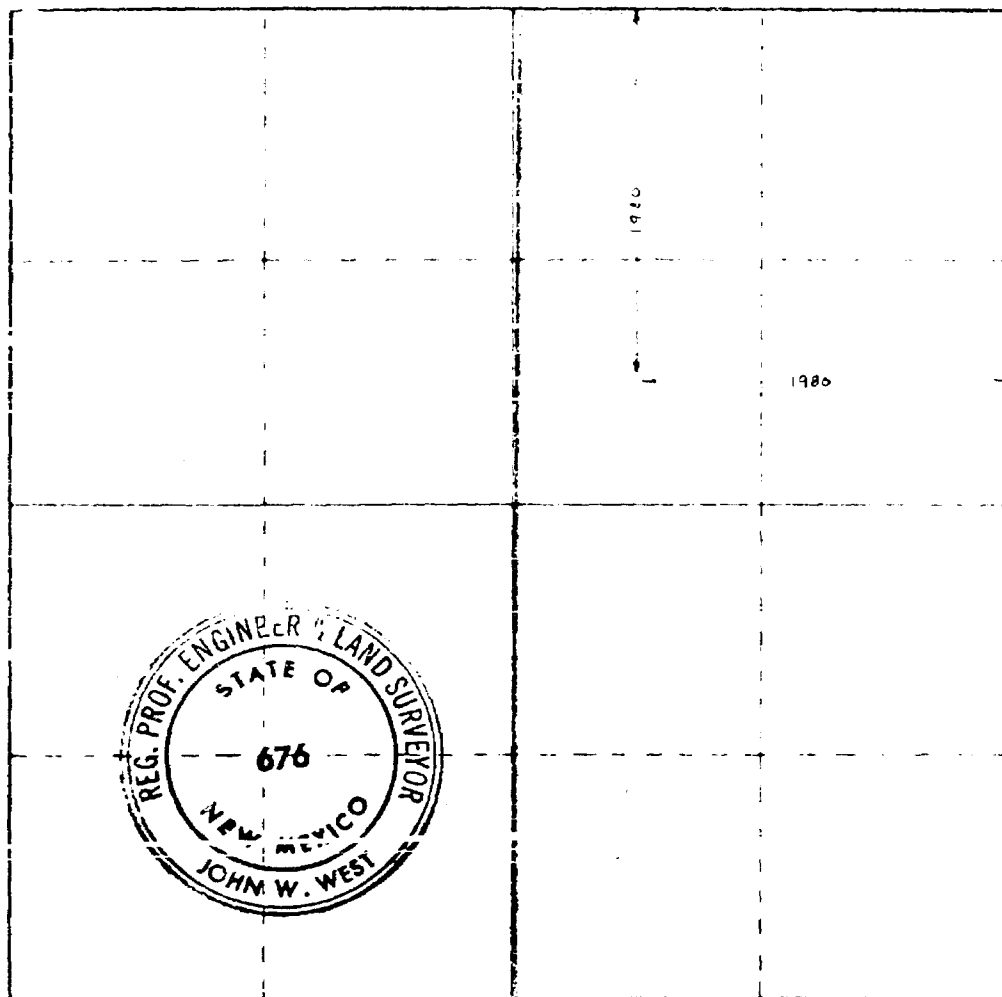
Harvey E. Yates Company		Admco 22 State		Well No. 2
G	22	23 South	27 East	Eddy
1980	North	1980	East	
1147.3	Morrow	Und. So. Carlsbad Morrow	320	

- Outline the acreage dedicated to the subject well by colored pencil or other fine marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereon (both as to working interest and royalty).
- 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 \_\_\_\_\_

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

No allowable well 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.

*Paul T. Harker*

Engineer

Harvey E. Yates Company

May 7, 1979

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.

May 3, 1979

*John W. West*

Certificate No. John W. West 676  
Ronald J. Eldon 3239

EXHIBIT 6

OPERATIONS AND PRODUCTION REPORT  
(First Commercial Production From Reservoir)

No production as of date of this application

EXHIBIT 7

WELL LOCATION PLAT (RESERVOIR DEFINITION)

(Will be presented at Examiner Hearing)

EXHIBIT 8

GEOLOGICAL DATA

WELL LOG SECTIONS

PRESSURE

SURVEYS

WELL POTENTIAL TESTS

STRUCTURE MAP

CROSS-SECTION

GAS ANALYSIS DATA

(Will be presented at Examiner Hearing)

EXHIBIT 9

LIST OF CO-LESSEES, WORKING INTEREST OWNERS,  
AND GAS PURCHASERS



AMOCO 22 STATE #2  
WORKING INTEREST OWNERS

Amoco Production Company  
P. O. Box 68  
Hobbs, New Mexico 88240  
ATTN: Bill Magness

Harvard & LeMay Exploration, Ltd.  
P. O. Box 936  
Roswell, New Mexico 88201

Mountain States Petroleum  
P. O. Box 1936  
Roswell, New Mexico 88201

Read & Stevens, Inc.  
P. O. Box 1518  
Roswell, New Mexico 88201

Clem E. George  
501 C & K Petroleum Building  
Midland, Texas 79701

Bill J. Graham  
P. O. Box 5321  
Midland, Texas 79701

Maurice Hobson  
P. O. Drawer 638  
Alamogordo, New Mexico 88310

Coronado Exploration Corporation  
1007 Marquette NW  
Albuquerque, New Mexico 87102

Lingen Exploration, Inc.  
1177 West Loop South  
Suite 1410  
Houston, Texas 77027

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Fred G. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

George M. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

Harvey E. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

GAS PURCHASER

Llano, Inc.  
P. O. Drawer 1320  
Hobbs, New Mexico 88240

# Memo

From

R. L. STAMETS  
Technical  
Support Chief

To Harvey E Yates  
Amoco 22 State

WC 8998

Pen 10480

Stn 10632

Thok 10940

Mor Li 11549

Cls 11769

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-1-78

RECEIVED

DEC 20 1979

O. C. D.  
ADMIN. OFFICE

PRODUCTION	1
TRANSPORTER	1
OPERATION	1
REGISTRATION OFFICE	1

RECEIVED  
DEC 23 1979  
OIL CONSERVATION DIVISION  
SANTA FE, N.M.

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Harvey E. Yates Company

Address P. O. Box 1933, Roswell, N. M. 88201		
Person(s) for filing (Check proper box)		
New Well	<input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion	<input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Ownership	<input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Amoco 22 State	Well No. 2	Pool Name, including Formation Wildcat Atoka	Kind of Lease State, Federal or Fee State	Lease No. L-711
Location Unit Letter <u>G</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u>				
Line of Section	<u>22</u>	Township	<u>23S</u>	Range
			<u>27E</u>	NMPM, <u>Eddy</u> County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
<u>Llano, Inc.</u>	<u>P. O. Box 1320, Hobbs, N. M. 88240</u>	
If well produces oil or liquids, give location of tanks.	UNIT <u>G</u> Sec. <u>22</u> Twp. <u>23S</u> Rge. <u>27E</u>	Is gas actually connected? <u>yes</u> When <u>12-20-79</u>

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Same Hesh. Dist. Res.
Date Spudded <u>6-20-79</u>	Date Compl. Ready to Prod. <u>10-27-79</u>
Elevations (DF, RAB, RT, GR, etc.) <u>3147.8' GL</u>	Top Oil/Gas Pay <u>10,971'</u>
Perforations <u>10,971' - 11,094'</u>	Depth Casing Shoe
TUBING, CASING, AND CEMENTING RECORD	
HOLE SIZE <u>17 1/2"</u>	CASING & TUBING SIZE <u>13 3/8"</u>
<u>11"</u>	<u>8 5/8"</u>
<u>7 7/8"</u>	<u>5 1/2"</u>
DEPTH SET <u>375'</u>	SACKS CEMENT <u>350 Sx</u>
<u>5609'</u>	<u>2080 Sx - 2 Stages</u>
<u>12,370'</u>	<u>1375 Sx - 2 Stages</u>

V. TEST DATA AND REQUEST FOR ALLOWABLE  
OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed up well  
able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL Estimate 3496 MCFD

Actual Prod. Test - MCF/D <u>437</u>	Length of Test <u>3 Hours</u>	Bbls. Condensate/MCF <u>0</u>	Gravity of Condensate
Testing Method (prior, back prod)	Tubing Pressure (shut-in) <u>5320</u>	Casing Pressure (shut-in)	Choke Size <u>3/4"</u>

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation  
Division have been complied with and that the information given  
above is true and complete to the best of my knowledge and belief.

Indle Yates  
(Signature)

Vice President

December 19, 1979

(Date)

OIL CONSERVATION DIVISION

APPROVED DEC 27 1979, 19  
BY W. A. Gressett  
TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104.  
If this is a request for allowable for a newly drilled or deepened  
well, this form must be accompanied by a tabulation of the deviation  
tests taken on the well in accordance with RULE 111.  
All sections of this form must be filled out completely for allow-  
able on new and recompleted wells.  
Fill out only Sections I, II, III, and VI for changes of owner  
well name or number, or transporter, or other such change of credit.  
Separate Form C-104 must be filed for each pool in multi-  
completed wells.

RECEIVED

DEC 20 1979

C. C. D.  
AREA OFFICE

NAME OF WELL	
LOCATION	
DATE OF COMPLETION	
TRANSPORTER	
OPERATION	
PRODUCTION OFFICE	
EXPIRATION	

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Harvey E. Yates Company

Address  
P. O. BOX 1933, Roswell, N. M. 88201

Reason(s) for filing (Check proper box)	Change in Transporter of:	Other (Please explain)
New Well <input checked="" type="checkbox"/>	Oil <input type="checkbox"/>	
Recompletion <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	
Change in Ownership <input type="checkbox"/>	Dry Gas <input type="checkbox"/>	
	Condensate <input type="checkbox"/>	

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, including Formation	Kind of Lease	Lease No.
Ameyco 22 State	2	Wildcat Atoka	State, Federal or Fee	State L-711
Location	Unit Letter	1980 Feet From The	North Line and	1980 Feet From The
	G			East
Line of Section	22	Township	23S	Range
				27E
				NMPM, Eddy
				County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Liano, Inc.	P. O. Box 1320, Hobbs, N. M. 88240
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit G, Sec. 22, Twp. 23S, Rge. 27E	Yes 12-20-79

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input type="checkbox"/>	Gas Well <input checked="" type="checkbox"/>	New Well <input checked="" type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Reservoir, Diff. Res. <input type="checkbox"/>
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.				
6-20-79	10-27-79	12,370'	CIBP at 11,140'				
Elevations (DF, RAB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth				
3147.8' GL	Atoka	10,971'	10,946'				
Perforations	Depth Casing Shoe						
10,971' - 11,094'							

TUBING, CASING, AND CEMENTING RECORD			SACKS CEMENT
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	
17 1/2"	13 3/8"	375'	350 Sx
11"	8 5/8"	5609'	2080 Sx - 2 Stages
7 7/8"	5 1/2"	12,370'	1375 Sx - 2 Stages

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL Estimate 3496 MCFD		Bbls. Condensate/MCF	Gravity of Condensate
Actual Prod. Test-MCF/D	Length of Test	0	
437	3 HOURS		
Testing Method (prior, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size
	5320		3/4"

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

*Indle Gatz*  
(Signature)

Vice President

December 19, 1979

(Date)

OIL CONSERVATION DIVISION

DEC 27 1979

APPROVED

BY *W. A. Gressitt*

TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE Five.  
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviating tests taken on the well in accordance with RULE III.  
All sections of this form must be filled out completely for all wells on new and recompleted wells.  
Fill out only Sections I, II, III, and VI for changes of ownership, name or number, or transporter, or other such change of condition.  
Separate Forms C-104 must be filed for each pool in multi-completed wells.

Docket No. 1-80

Dockets Nos. 2-80 and 3-80 are tentatively set for January 16 and 30, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 3, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 6770: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit National Petroleum Company and all other interested parties to appear and show cause why its Well No. 1 located 905 feet from the North line and 1155 feet from the West line of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6786: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of its administrative procedure for the approval of infill drilling on existing gas proration units as promulgated by Order No. R-6013 to permit the approval of infill wells as new onshore production wells pursuant to the Natural Gas Policy Act of 1978 without notice and hearing even though such wells have been spudded prior to receiving such approval.
- CASE 6771: Application of Getty Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the E/2 SW/4 of Section 31, Township 24 South, Range 37 East, and the NW/4 NE/4 and NE/4 NW/4 of Section 6, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6772: Application of Reading & Bates Petroleum Co. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the SE/4 of Section 17, Township 24 North, Range 3 West, Chacon-Dakota Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6773: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 20, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6774: Application of Doyle Hartman for an unorthodox location, non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, and the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, to be dedicated to his Federal Jalmat Com Well No. 1 at an unorthodox location 590 feet from the North line and 660 feet from the West line of said Section 6; applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.
- CASE 6768: (Continued and Readvertised)
- Application of Alpha Twenty-One Production Company for two non-standard gas proration units, compulsory pooling, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard gas proration unit comprising the SW/4 SE/4 of Section 21, Township 24 South, Range 37 East, Jalmat Gas Pool, to be dedicated to the El Paso Natural Gas Company Shell Black Well No. 2. Applicant also seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the E/2 SW/4 and NW/4 SE/4 of said Section 21 to form a 120-acre non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the West line of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

CASE 6767: (Continued from December 12, 1979, Examiner Hearing)

Application of Alpha Twenty-One Production Company for two non-standard gas proration units, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 NW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 2, and also a 200-acre unit comprising the S/2 N/2 and NE/4 NW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 1280 feet from the North line and 560 feet from the West line of Section 27. Applicant further seeks a finding that the drilling of the latter well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6487: (Continued from October 17, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6732: (Continued from November 28, 1979, Examiner Hearing)

Application of Dorchester Exploration, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Morton Solid State Unit Well No. 1 located 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, Tres Papalotes-Pennsylvanian Pool.

CASE 6775: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Young Deep Unit Area, comprising 2242 acres, more or less, of Federal lands in Township 18 South, Range 32 East.

CASE 6776: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Young Deep Unit Well No. 1, a Morrow test to be drilled 660 feet from the North and West lines of Section 10, Township 18 South, Range 32 East, the W/2 of said Section 10 to be dedicated to the well.

CASE 6777: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Amoco 22 State Well No. 2 located in Unit G of Section 22, Township 23 South, Range 27 East.

CASE 6778: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Loco Hills Welch Well No. 2 located in Unit N of Section 4, Township 18 South, Range 29 East.

CASE 6745: (Continued from November 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6779: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pronghorn Unit Area, comprising 5,120 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Range 33 East.

CASE 6780: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Serpentine Bends Unit Area, comprising 4,802 acres, more or less, of State and Federal lands in Township 24 South, Ranges 23 and 24 East.

CASE 6781: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 1, Township 20 South, Range 28 East, the E/2 of said Section 1 to be dedicated to the well.

- CASE 6782: Application of Inexco Oil Company for an exception to Order No. R-3221, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit H of Section 7, Township 19 South, Range 33 East.
- CASE 6783: Application of McClellan Oil Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Marlisue State Well No. 6 located 1155 feet from the North line and 2475 feet from the West line of Section 24, Township 14 South, Range 29 East, Double "L"-Queen Associated Pool, the NE/4 NW/4 of said Section 24 to be dedicated to the well.
- CASE 6784: Application of Merriem & Bayless for a non-standard proration unit and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 640-acre non-standard gas proration unit comprising the W/2 of Section 18 and the W/2 of Section 19, Township 32 North, Range 14 West, Barker Creek-Paradox Pool, to be dedicated to its Ute Well No. 7 at an unorthodox location 1685 feet from the South line and 2325 feet from the East line of said Section 19.
- In the alternative, applicant seeks an order force pooling all of said Section 19 to form a standard 640-acre unit.
- CASE 6785: Application of The Harlow Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 18, Township 8 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 2968, Santa Fe, New Mexico 87501

FORM O-112

Case 6777

Alternative AFFIDAVIT OF MAILING OR DELIVERY  
PRICE CEILING CASE BY 111 DEDICATION

1. FOR DIVISION USE ONLY

DATE OF APPLICATION \_\_\_\_\_  
DETERMINATION \_\_\_\_\_  
CONTESTED \_\_\_\_\_  
PARTICIPANTS \_\_\_\_\_

Harvey E. Yates Company

P. O. Box 1933, Roswell, New Mexico 88201

LINE LETTER G 1980 FEET FROM THE North LINE AND 1980 FEET FROM  
East LINE SECTION 22 RANGE 23S 27E

11. Name and Address of Transporter(s)

Llano, Inc., P. O. Drawer 1320, Hobbs, New Mexico 88240

State  
1-711  
Amoco 22 State  
2  
Und. So. Carlsbad  
Morrow  
Eddy

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NGPA Section No.) 103
2. All Applications must contain:
  - ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
  - ☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
  - ☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
  - ☒ d. AFFIDAVITS OF MAILING OR DELIVERY
3. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
  - ☐ a. Location Plat
4. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
  - ☐ a. C-122 Multipoint and one point back pressure test
5. NEW ONSHORE PRODUCTION WELL
  - ☒ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT
  - ☐ b. No. of order authorizing infill program
6. STRIPPER GAS
  - ☐ a. C-116 GAS-OIL RATIO TEST
  - ☐ b. PRODUCTION CURVE FOR 12-MONTH PERIOD
  - ☐ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED  
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY  
KNOWLEDGE AND BELIEF.

George M. Yates

NAME OF APPLICANT (Type or Print)

Title Vice President

Date December 11, 1979

Signed [Signature]

DIVISION USE ONLY

- ☐ Approved  
☐ Disapproved

The information contained herein includes  
all of the information required to be  
filed by the applicant under Subpart B  
of Part 274.

EXAMINER

Exhibit B



FERC-121

1.0 API well number. (If not available, leave blank. 14 digits.)	30-015-22917			
2.0 Type of determination being sought (Use the codes found on the front of this form.)	103 Section of NSGA      Category Code			
3.0 Depth of the deepest completion location. (Only needed if sections 103 or 107 in 2.0 above.)	11,094 feet			
4.0 Name, address and code number of applicant. (35 letters per line maximum. If code number not available, leave blank.)	HARVEY E. YATES COMPANY Name P. O. Box 1933 Street Roswell, NM 88201 City State Zip Code			
5.0 Location of this well. (Complete (a) or (b).)	None			
(a) For onshore wells (35 letters maximum for field name.)	Field Name Eddy County NM County State			
(b) For OCS wells.	Area Name      Block Number Date of Lease Mo. Day Yr.      OCS Lease Number			
(c) Name and identification number of this well. (35 letters and digits maximum.)	AMOCO 22 STATE 2			
(d) If code 4 or 5 in 2.0 above, name of the reservoir. (35 letters maximum.)	None			
6.0 (a) Name and code number of the purchaser. (35 letters and digits maximum. If code number not available, leave blank.)	Llano, Inc. Name      Buyer Code			
(b) Date of the contract.	04 19 79 Mo. Day Yr.			
(c) Estimated annual production:	364 MMcf.			
	(a) Base Price (\$/MMBtu)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (a), (b) and (c)
7.0 Contract prices. (As of filing date. Complete to 3 decimal places.)	2.113	.133		2.246
8.0 Maximum lawful rate. (As of filing date. Complete to 3 decimal places.)	2.113	.133		2.246
9.0 Person responsible for this application.	George M. Yates      Vice President Name      Title Signature October 11, 1979      505-623-6601 Date Application is Completed      Phone Number			
Agency Use Only				
Date Received by Juris. Agency				
Date Received by FERC				

APPLICATION PURSUANT TO  
SECTION 103(c) OF  
THE NATURAL GAS POLICY ACT OF 1978 (NGPA)

Well: AMOCO 22 State 2  
API No: 30-015-22917

AFFIDAVIT

STATE OF NEW MEXICO COUNTY OF EDDY

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared GEORGE M. YATES, who, being by me first duly sworn, deposed and said:

That he is the Vice President of HARVEY E. YATES COMPANY, the applicant for the well as described heretofore in this application, and, in that capacity, he is requesting the appropriate Jurisdictional Agency to determine the eligibility of said well for wellhead pricing purposes pursuant to the rules and regulations of said agency and the Federal Energy Regulatory Commission and pursuant to the NGPA.

That this application is made pursuant to 18 CFR 274.204 (a)-(f).

That to the best of his information and knowledge;

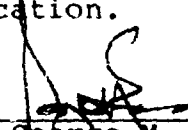
- (a) The surface drilling of the well for which he seeks a determination was begun on or after February 19, 1977.
- (b) The well satisfies any applicable Federal or State well-spacing requirements.
- (c) The well is not within a proration unit:
  - (1) Which was in existence at the time the surface drilling of the well began; and
  - (2) Which was applicable to the reservoir from which natural gas is produced; and
  - (3) Which applied to any other well which either produced natural gas in commercial quantities or the surface drilling of which began after February 18, 1977, and was thereafter capable of producing natural gas in commercial quantities.

That he has concluded to the best of his information and knowledge that there is substantial evidence to support a determination that the natural gas produced from said well is produced from a new onshore production well as defined in the NGPA; and that he has no knowledge of any other information not described in the application which is inconsistent with this conclusion.

That he has mailed, or caused to be mailed, postage prepaid, copies of the completed Form FERC 121, Application for Determination of the Maximum lawful Price Under the Natural Gas Policy Act, and any jurisdictional agency supplemental application form to the Purchaser(s) and to the co-lessee(s) and/or working interest owners, which are listed separately.

That to the best of his knowledge and belief, all information contained in this application for category determination, pursuant to the NGPA, is true and correct including all documents, testimony, and evidence submitted with the application.

Signed

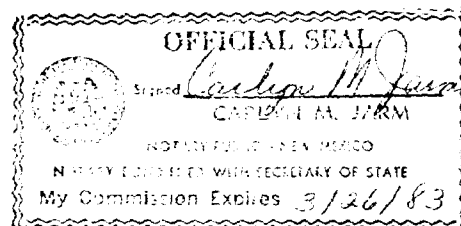
  
George M. Yates  
Vice President

Subscribed in my presence and duly sworn to before me, this  
11<sup>TH</sup> day of December, 1979.

My Commission expires:

March 26, 1983

  
Notary Public



INDEX OF EXHIBITS

1. Application to Drill
2. Completion Report
3. Well Location and Acreage Dedication Plat
4. Well Location Plat (Proration Unit)
5. List of Co-Lessees, Working Interest Owners and  
Gas Purchaser

EXHIBIT 1

APPLICATION TO DRILL

U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)  
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103		New onshore production well
107		High cost natural gas
108		Stripper well

Other Purchasers Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:



EXHIBIT 2

COMPLETION REPORT



6

NO. OF COPIES RECEIVED	
DISTRIBUTION	
DATE	
BY	
FOR	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

WELL NO. **L-711**

1. TYPE OF WELL: ☐ OIL WELL ☒ GAS WELL ☐ OTHER ☐  
2. TYPE OF COMPLETION: ☒ NEW ☐ REPAIR ☐ DEEPEN ☐ PLUG BACK ☐ OTHER ☐

Amoco 22 State  
2  
Und. S. Carlsbad Mo

Harvey E. Yates Company  
P. O. Box 1933, Roswell, N. M. 88201

WELL LETTER **G** LOCATED **1980** FEET FROM LINE **North** **1980**

East **22** TWP. **23S** RGE **27E** **3147.8' GL**  
DATE **6-20-79** TIME **8-6-79** DATE **10-27-79** **0'-12,370'**  
CIBP at **11,140'** **Single**  
**12,370'**

Strawn **10,971' - 11,094'**  
CNL, Natural GR Spectroscopy, R/A Tracer, GR-Depth Control

CASING SIZE	WEIGHT LB. FT.	DEPTH FT.	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	48#	375'	17 1/2"	350 Sx	None
8 5/8"	24#, 28#, 32#	5609'	11"	2080 Sx in 2 Stages	None
5 1/2"	17#, 20#	12,370'	7 7/8"	1375 Sx in 2 Stages	None

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH FT.	PACKER SET
					2 7/8"	10,946'	10,931'

3. Production Record (Material, size and number)  
10971, 10973, 10978, 10980, 10982, 10984, 10986, 10989, 10991, 10993, 11001, 11003, 10971-11094  
11005, 11014, 11021, 11029, 11032, 11051,  
11055, 11057, 11059, 11090, 11092, 11094,  
72 - 1/2" dia shots  
ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.  
AMOUNT AND KIND MATERIAL USED  
10,000 gals 15% MSR-100  
W/500 SCF N<sub>2</sub>/BBL

DATE	PRODUCTION (Flowing gas lift, pumping - size and type pump)	WELL STATUS (Prod. or Shut-in)
10-27-79	Flowing	Shut In
11-15-79	3.0	
229	0	

22. Vented  
I hereby certify that the information shown on both sides of this form is true and correct to the best of my knowledge and belief.  
SIGNED Perk Harder TITLE Engineer DATE 12-3-79

1

This form is to be filed with the appropriate District Office of the Department of Labor to be filed after the completion of the investigation. It shall be accompanied by one copy of all declassified material for a party to whom the will not be declassified, including still photos, etc. All declassified reports shall be examined by the District Office to be filed with the appropriate District Office. For multiple completions, items 1 through 14 shall be reported for each item. The form is to be filed in party to be declassified, state and, where six copies are required, one copy each.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy	T. Canyon	T. Op. Alamo	T. Penn. "GP"
T. Salt 1263	T. Strawn 10937	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt 1955	T. Atoka 11094	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Morrow 11700	T. Cliff House	T. Leadville
T. 7 Rivers	T. Lo Morrow 12176	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. M. Cracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Quartz
T. Glorieta	T. McKee	T. Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinchry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Del Lm 2172	T. Todilto	T.
T. Drinkard	T. Delaware Sand 2234	T. Entrada	T.
T. Abo	T. Bone Springs 5620	T. Wingate	T.
T. Wolfcamp 8994	T. " 1st sd 6643	T. Chinle	T.
T. Penn.	T. " 2nd sd 7205	T. Petrified	T.
T. Cisco (Bough C)	T. " 3rd sd 8662	T. Penn. "A"	T.

## OIL OR GAS SANDS OR ZONES

No. 1, from 10971 to 11094 No. 4, from to  
No. 2, from to No. 5, from to  
No. 3, from to No. 6, from to

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from ..... to ..... feet. ....

No. 2, from ..... to ..... feet. ....

No. 3, from ..... to ..... feet. ....

No. 4, from ..... to ..... feet. ....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	375	375	Surface rock				
375	760		Li, sh & salt				
760	1765		Anhy & salt				
1765	2050		Anhy				
2050	2484		Anhy & li				
2484	4535		Li & sand				
4535	11150		Li & sh				
11150	11240		Li & chert				
11240	11350		Li & shale				
11350	11537		Sh				
11537	12107		Li & sh				
12107	12365		Li, sh & sand				

EXHIBIT 3

WELL LOCATION AND ACREAGE DEDICATION PLAT

NEW MEXICO OIL & GAS COMMISSION FORM NO. 1  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form No. 1  
Revised 1-1-77

All distances must be from the corner to corner or from the corner to the center of the well.

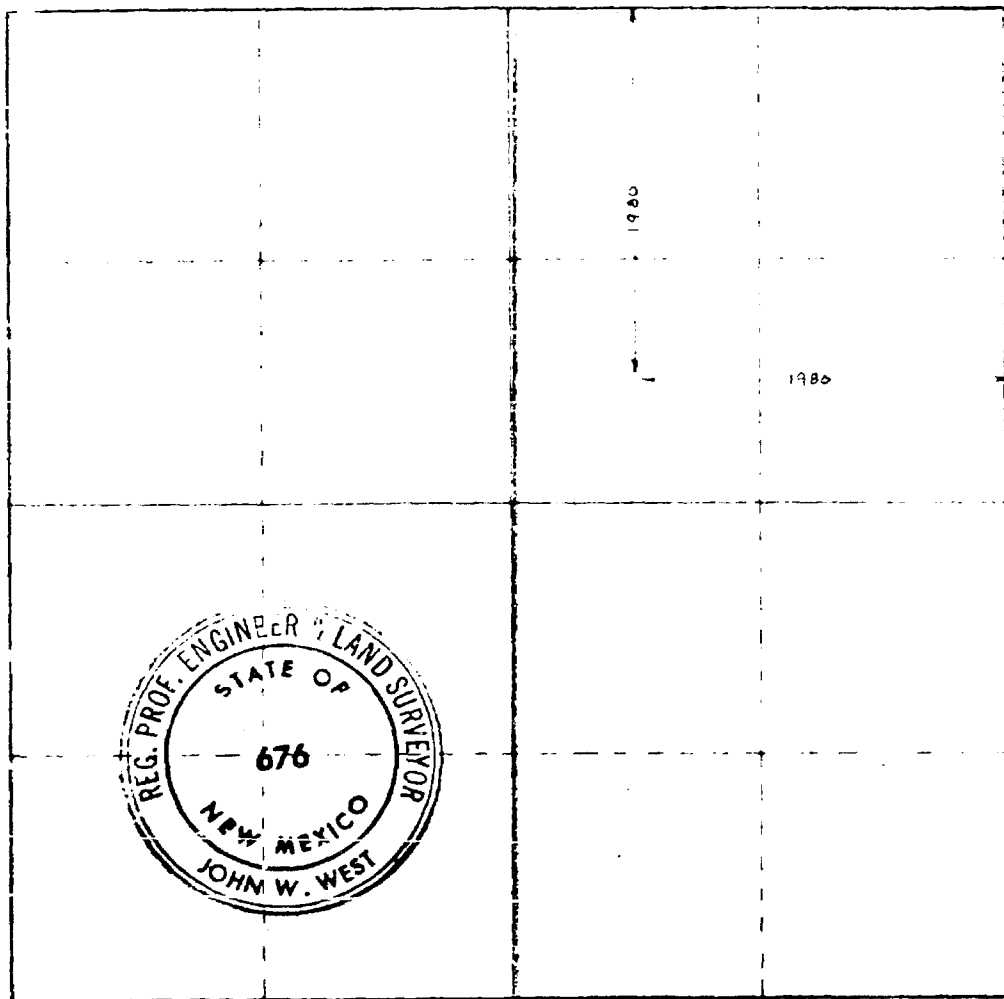
Harvey E. Yates Company		Amoco 22 State		Well No. 2
G	22	23 South	27 East	Eddy
1980	North	1980	East	
3147.3	MORROW	Und. So. Carlsbad Morrow	320	

- Outline the acreage dedicated to the subject well by colored pencil or by burn marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereon (if it is a working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners terminated 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 (if necessary):

Nothing will be assigned to the well until all interests have been consolidated by communitization, unitization, force 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 correct to the best of my knowledge and belief.

*Paul T. Harder*

Engineer

Harvey E. Yates Company

May 7, 1979

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.

May 3, 1979

Registered Professional Engineer and Land Surveyor

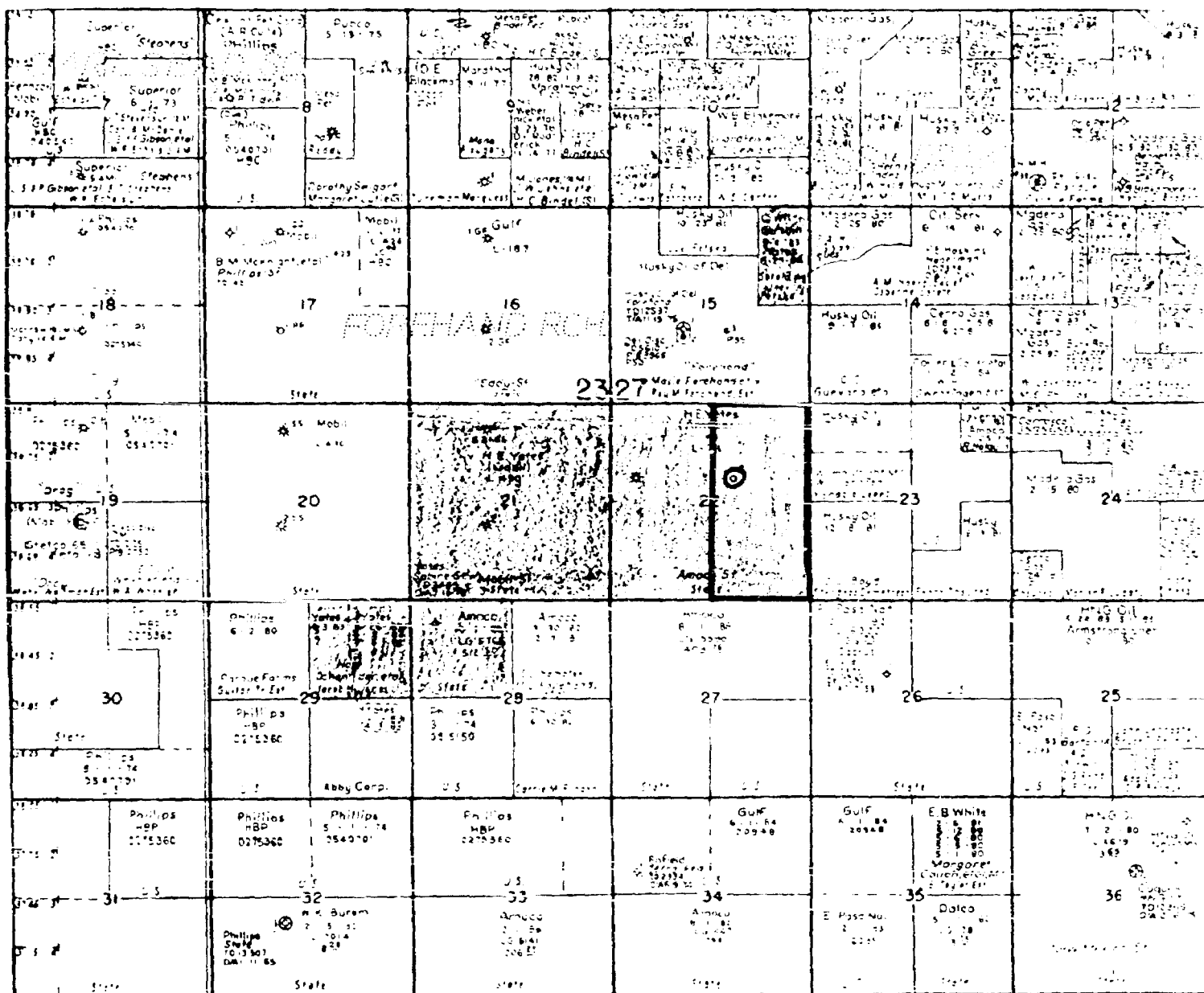
*John W. West*

Certificate No. John W. West 676  
Ronald J. Eidson 3239

100 600 80 1200 1600 2000 2400 2800 3200 3600 4000

EXHIBIT 4

WELL LOCATION PLAT (PRORATION UNIT)



○ AMOCO 22 STATE #2 Well  
1980 FNL and 1980 FEL  
Sec. 22, T-23S, R-27E

— Proration Unit Assigned to the Amoco 22 State #2 Well

EXHIBIT 5

LIST OF CO-LESSEES, WORKING INTEREST OWNERS AND  
GAS PURCHASER

AMOCO 22 STATE #2  
WORKING INTEREST OWNERS

Amoco Production Company  
P. O. Box 68  
Hobbs, New Mexico 88240  
ATTN: Bill Magness

Harvard & LeMay Exploration, Ltd.  
P. O. Box 936  
Roswell, New Mexico 88201

Mountain States Petroleum  
P. O. Box 1936  
Roswell, New Mexico 88201

Read & Stevens, Inc.  
P. O. Box 1518  
Roswell, New Mexico 88201

Clem E. George  
501 C & K Petroleum Building  
Midland, Texas 79701

Bill J. Graham  
P. O. Box 5321  
Midland, Texas 79701

Maurice Hobson  
P. O. Drawer 638  
Alamogordo, New Mexico 88310

Coronado Exploration Corporation  
1007 Marquette NW  
Albuquerque, New Mexico 87102

Lingen Exploration, Inc.  
1177 West Loop South  
Suite 1410  
Houston, Texas 77027

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Fred G. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

George M. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

Harvey E. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

GAS PURCHASER

Llano, Inc.  
P. O. Drawer 1320  
Hobbs, New Mexico 88240



NEW MEXICO OIL COMBINATION DIVISION  
P. O. Box 2688, Santa Fe, New Mexico 87501

FORM O-142

Alternative APPLICATION FOR WELL COMPLETION  
PRICE (CERES) CANNOT BE DETERMINED

1. FOR DIVISION USE ONLY

DATE OF APPLICATION \_\_\_\_\_  
DETERMINATION \_\_\_\_\_  
CONTESTED \_\_\_\_\_  
PARTICIPANTS \_\_\_\_\_

Harvey E. Yates Company

P. O. Box 1933, Roswell, New Mexico 88201

NEUTER G 1980 FEET FROM THE North LINE AND 1980 FEET FROM  
East LINE SECTION 22 TOWNSHIP 23S RANGE 27E

11. Name and Address of Transporter(s)

Llano, Inc., P. O. Drawer 1320, Hobbs, New Mexico 88240

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NGPA Section No.) 103
2. All Applications must contain:
  - ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
  - ☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
  - ☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
  - ☒ d. AFFIDAVITS OF MAILING OR DELIVERY
3. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
  - ☐ a. Location Plat
4. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
  - ☐ a. C-122 Multipoint and one point back pressure test
5. NEW ONSHORE PRODUCTION WELL
  - ☒ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT
  - ☐ b. No. of order authorizing infill program \_\_\_\_\_
6. STRIPPER GAS
  - ☐ a. C-116 GAS-OIL RATIO TEST
  - ☐ b. PRODUCTION CURVE FOR 12-MONTH PERIOD
  - ☐ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED  
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY  
KNOWLEDGE AND BELIEF.

George M. Yates

NAME OF APPLICANT (Type or Print)

Title Vice President

Date December 11, 1979

Signed [Signature]

DIVISION USE ONLY

- ☐ Approved  
☐ Disapproved

The information contained herein includes  
all of the information required to be  
filed by the applicant under Subpart B  
of Part 274.

EXAMINER

Exhibit B

FERC-121

1.0 API well number: (If not available, leave blank. 14 digits.)	30-015-22917			
2.0 Type of determination being sought (Use the codes found on the front of this form.)	103 Section of NGPA		Leasing Code	
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	11,094 feet			
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	HARVEY E. YATES COMPANY Name P. O. Box 1933 Street Roswell, NM 88201 City State Zip Code			
5.0 Location of this well: (Complete (a) or (b).) (a) For onshore wells: (35 letters maximum for field name.)	None Field Name Eddy County NM County State			
(b) For OCS wells	Area Name Block Number Date of Lease 11-1-79 Mo. Day Yr. OCS Lease Number			
(c) Name and identification number of this well: (35 letters and digits maximum.)	AMOCO 22 STATE 2			
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	None			
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	Llano, Inc. Name Buyer Code			
(b) Date of the contract	04/19/79 Mo. Day Yr.			
(c) Estimated annual production:	364 MMcf.			
	(a) Base Price (\$/MMBtu)	(b) Tax	(c) All Other Prices (Indicate + or -)	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	2.113	.133	---	2.246
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	2.113	.133	---	2.246
9.0 Person responsible for this application	George M. Yates Vice President Name Title Signature December 11, 1979 505-623-6601 Date Application is Completed Phone Number			
Agency Use Only				
Date Received by Juris. Agency				
Date Received by FERC				

U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)  
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM:

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 775-5533.

Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103		New onshore production well
107		High cost natural gas
108		Stripper well

Other Purchasers Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Remarks:

APPLICATION PURSUANT TO  
SECTION 103(c) OF  
THE NATURAL GAS POLICY ACT OF 1978 (NGPA)

Well: AMOCO 22 State 2  
API No: 30-015-22917

AFFIDAVIT

STATE OF NEW MEXICO COUNTY OF EDDY

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared GEORGE M. YATES, who, being by me first duly sworn, deposed and said:

That he is the Vice President of HARVEY E. YATES COMPANY, the applicant for the well as described heretofore in this application, and, in that capacity, he is requesting the appropriate Jurisdictional Agency to determine the eligibility of said well for wellhead pricing purposes pursuant to the rules and regulations of said agency and the Federal Energy Regulatory Commission and pursuant to the NGPA.

That this application is made pursuant to 18 CFR 274.204 (a)-(f).

That to the best of his information and knowledge;

- (a) The surface drilling of the well for which he seeks a determination was begun on or after February 19, 1977.
- (b) The well satisfies any applicable Federal or State well-spacing requirements.
- (c) The well is not within a proration unit:
  - (1) Which was in existence at the time the surface drilling of the well began; and
  - (2) Which was applicable to the reservoir from which natural gas is produced; and
  - (3) Which applied to any other well which either produced natural gas in commercial quantities or the surface drilling of which began after February 18, 1977, and was thereafter capable of producing natural gas in commercial quantities.

That he has concluded to the best of his information and knowledge that there is substantial evidence to support a determination that the natural gas produced from said well is produced from a new onshore production well as defined in the NGPA; and that he has no knowledge of any other information not described in the application which is inconsistent with this conclusion.

That he has mailed, or caused to be mailed, postage prepaid, copies of the completed Form FERC 121, Application for Determination of the Maximum lawful Price Under the Natural Gas Policy Act, and any jurisdictional agency supplemental application form to the Purchaser(s) and to the co-lessee(s) and/or working interest owners, which are listed separately.

That to the best of his knowledge and belief, all information contained in this application for category determination, pursuant to the NGPA, is true and correct including all documents, testimony, and evidence submitted with the application.

Signed

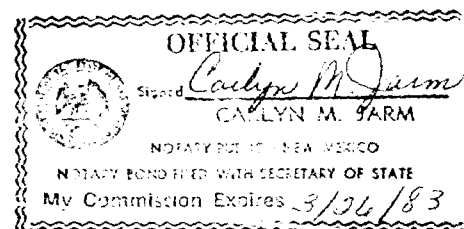
George M. Yates  
Vice President

Subscribed in my presence and duly sworn to before me, this  
11<sup>th</sup> day of December, 1979.

My Commission expires:

March 26, 1983

Carolyn M. Jarm  
Notary Public



INDEX OF EXHIBITS

1. Application to Drill
2. Completion Report
3. Well Location and Acreage Dedication Plat
4. Well Location Plat (Proration Unit)
5. List of Co-Lessees, Working Interest Owners and  
Gas Purchaser

EXHIBIT 1

APPLICATION TO DRILL

Good container 6/18



EXHIBIT 2  
COMPLETION REPORT

1. COUNTY RECEIVED  
2. COUNTY  
3. COUNTY  
4. COUNTY  
5. COUNTY

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. WELL NO. **L-711**  
7. WELL NAME **Amoco 22 State**  
8. WELL TYPE **2**  
9. WELL STATUS **Und. S. Carlsbad M**

10. TYPE OF WELL  
11. DATE OF COMPLETION  
12. NAME OF COMPANY  
13. ADDRESS  
14. CITY

15. WELL NO. **L-711**  
16. WELL NAME **Amoco 22 State**  
17. WELL TYPE **2**  
18. WELL STATUS **Und. S. Carlsbad M**

19. EAST LINE OF SEC. **22** TWP. **23S** R. **27E**  
20. DATE OF COMPLETION  
21. DATE OF RECOMPLETION  
22. DATE OF RECOMPLETION  
23. DATE OF RECOMPLETION  
24. DATE OF RECOMPLETION

25. WELL NO. **L-711**  
26. WELL NAME **Amoco 22 State**  
27. WELL TYPE **2**  
28. WELL STATUS **Und. S. Carlsbad M**

29. TYPE OF WELL  
30. TYPE OF WELL

31. WELL NO. **L-711**  
32. WELL NAME **Amoco 22 State**  
33. WELL TYPE **2**  
34. WELL STATUS **Und. S. Carlsbad M**

CASING SIZE	WEIGHT LBS. FT.	DEPTH SET	BORE SIZE	CEMENTING RECORD	AMOUNT USED
13 3/8"	48#	375'	17 1/2"	350 Sx	None
8 5/8"	24#, 28#, 32#	5609'	11"	2080 Sx in 2 Stages	None
5 1/2"	17#, 20#	12,370'	7 7/8"	1375 Sx in 2 Stages	None

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	10,946'	10,931'

31. Perforation, Isocore (Interval, size and number)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
10971, 10973, 10978, 10980, 10982, 10984, 10986, 10989, 10991, 10993, 11001, 11003, 11005, 11014, 11021, 11029, 11032, 11051, 11055, 11057, 11059, 11090, 11092, 11094, 72 - 1/2" dia shots	10,000 gals 15% MSR-100 w/500 SCF N <sub>2</sub> /BBL

33. PRODUCTION	34. POSITION OF GAS (Solid, used for fuel, vented, etc.)
10-27-79 Flowing 11-15-79 3.0 3/4" 229 0	Shut In John Gray, Jr.

35. List of Attachments  
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED **Paul T. Linder** TITLE **Engineer** DATE **12-3-79**

[illegible]

### Southwestern New Mexico

T. Anh	T. Canyon
T. Salt 1263	T. Strawn 10937
B. Salt 1955	T. Atoka 11094
T. Yates	T. Morrow 11700
T. 7 Rivers	T. Lo Morrow 12176
T. Queen	T. Silurian
T. Grayburg	T. Montoya
T. San Andrew	T. Simpson
T. Gleneta	T. McKee
T. Paddock	T. Littleburg
T. Bluebry	T. Gr. Wash
T. Tubb	T. Del Lm 2172
T. Drinkard	T. Delaware Soil 223
T. Alon	T. Bone Spring 562
T. Wolfcamp 8994	T. " 1st sd 6
T. Penn	T. " 2nd sd 7
T. Cisco (Bough C)	T. " 3rd sd 9

T. Ojo Alamo \_\_\_\_\_  
T. Kirtland-Fruitland \_\_\_\_\_  
T. Pictured Rocks \_\_\_\_\_  
T. Cliff House \_\_\_\_\_  
T. Menefee \_\_\_\_\_  
T. Point Lookout \_\_\_\_\_  
T. Mancos \_\_\_\_\_  
T. Gallup \_\_\_\_\_  
Base Greenhorn \_\_\_\_\_  
T. Dakota \_\_\_\_\_  
T. Morrison \_\_\_\_\_  
T. Toddle \_\_\_\_\_  
T. Entrada \_\_\_\_\_  
T. Wingate \_\_\_\_\_  
T. Chinle \_\_\_\_\_  
T. Permian \_\_\_\_\_  
T. Dismal "A" \_\_\_\_\_

T. Penn. "B"  
T. Penn. "C"  
T. Penn. "D"  
T. Leadville  
T. Madison  
T. Elbert  
T. M. Crocker  
T. Ignacio Quib.  
T. Granite  
T.  
T.  
T.  
T.  
T.  
T.  
T.

Oil or Gas Sales or Leases

No.	from	to	No.	from	to
No. 1	10971	11094	No. 4		
No. 2			No. 5		
No. 3			No. 6		

Include data on rate of water inflow and elevation to which water rose in hole.

Include data on rate of water inflow and elevation to which water rises.

No. 1, from ..... to ..... feet.

No. 2, from ..... to ..... feet.

No. 3, from ..... to ..... feet.

No. 4, from ..... to ..... feet.

FORMATION RECORD (Attach additional sheets if necessary)

FORMATION RECORD (Attach additional sheets if necessary)						
From	To	Thickness in Feet	Formation	From	To	Thickness in Feet
0	375	375	Surface rock			
375	760		Li, sh & salt			
760	1765		Anhy & salt			
1765	2050		Anhy			
2050	2484		Anhy & li			
2484	4535		Li & sand			
4535	11150		Li & sh			
11150	11240		Li & chert			
11240	11350		Li & shale			
11350	11537		Sh			
11537	12107		Li & sh			
12107	12365		Li, sh & sand			

EXHIBIT 3

WELL LOCATION AND ACREAGE DEDICATION PLAT

NEW MEXICO OIL CONSERVATION ACT  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Oil  
Operator's Name  
Well No.

All distances must be from the corner to a corner.

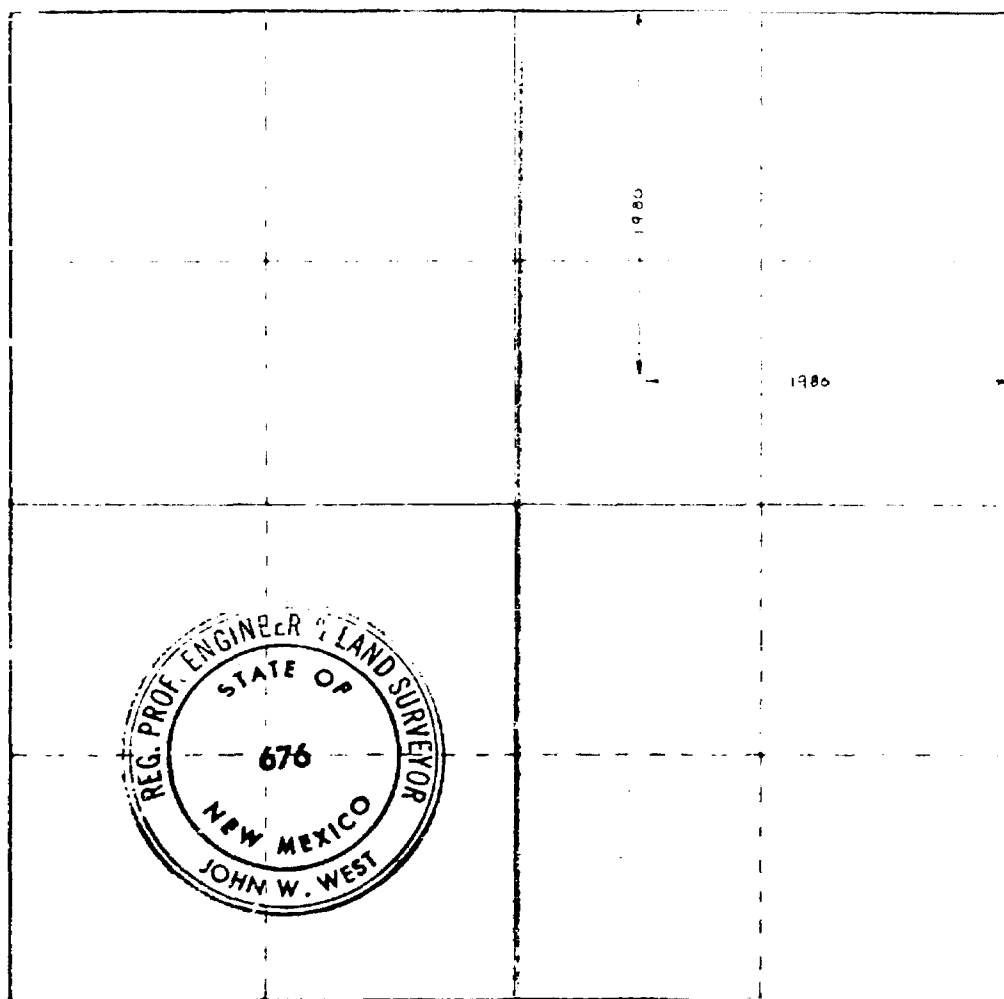
Harvey Yates Company		Amoco 22 State		Well No. 2
G	22	23 South	27 East	Eddy
1980	North	1980	East	
117.3	Morrow	Und. So. Carlsbad Morrow	320	

- Outline the acreage dedicated to the subject well by colored pencil on the four marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership there of (if it is a working interest and royalty).
- 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.

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

No additional well be assigned to the well until all interests have been consolidated (by communitization, unitization, force-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.

*Paul Harder*  
Engineer

Harvey E. Yates Company

May 7, 1979

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.

May 3, 1979

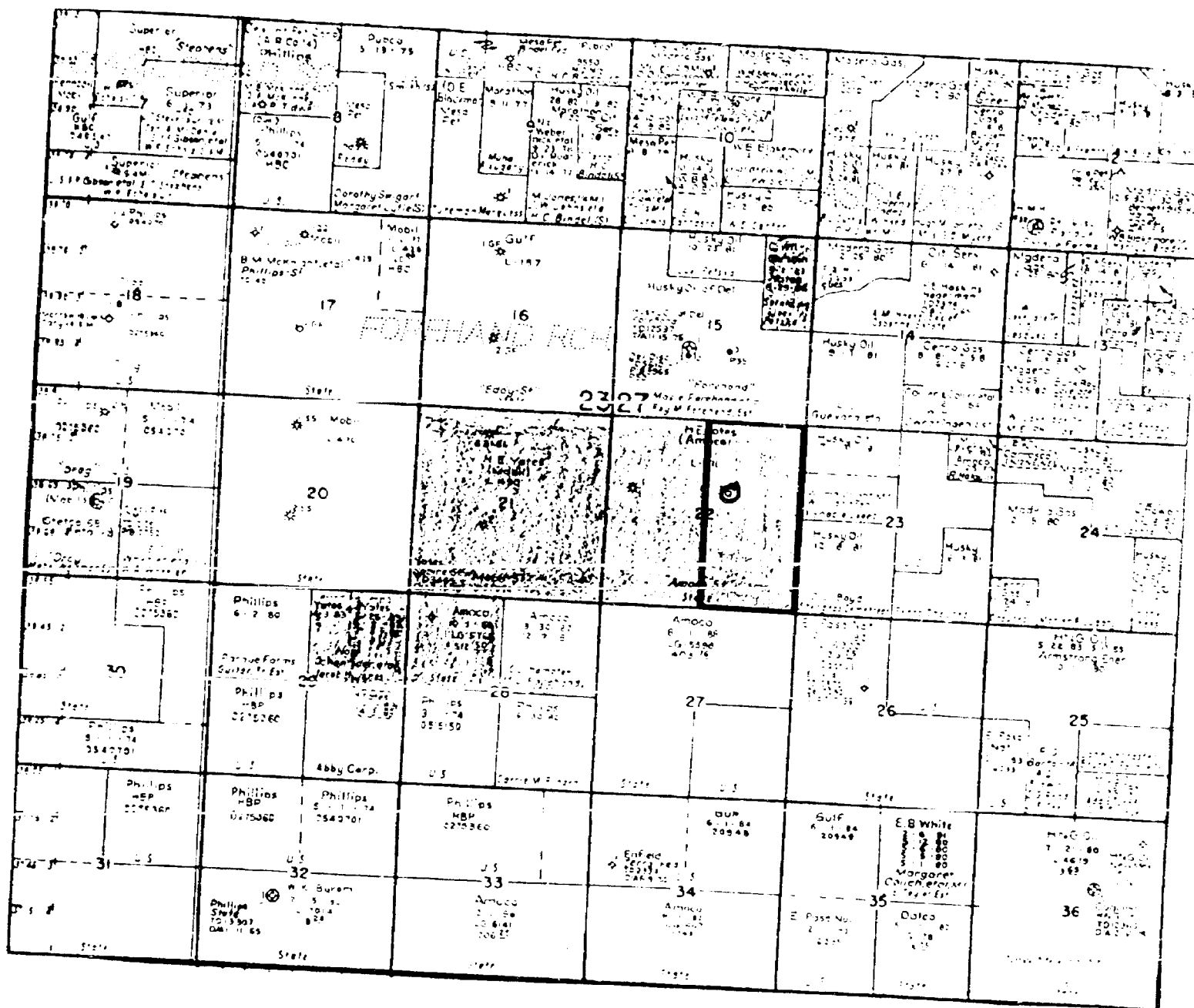
John W. West  
Registered Professional Engineer  
No. 676 State of New Mexico

*John W. West*

Certificate No. John W. West 676  
Ronald J. Sisson 1210

EXHIBIT 4

WELL LOCATION PLAT (PRORATION UNIT)



AMOCO 22 STATE #2 Well  
1980 FNL and 1980 FEL  
Sec. 22, T-23S, R-27E

Proration Unit Assigned to the Amoco 22 State #2 Well

EXHIBIT 5

LIST OF CO-LESSEES, WORKING INTEREST OWNERS AND  
GAS PURCHASER



AMOCO 22 STATE #2  
WORKING INTEREST OWNERS

Amoco Production Company  
P. O. Box 66  
Hobbs, New Mexico 88240  
ATTN: Bill Magness

Harvard & LeMay Exploration, Ltd.  
P. O. Box 936  
Roswell, New Mexico 88201

Mountain States Petroleum  
P. O. Box 1936  
Roswell, New Mexico 88201

Read & Stevens, Inc.  
P. O. Box 1518  
Roswell, New Mexico 88201

Clem E. George  
501 C & K Petroleum Building  
Midland, Texas 79701

Bill J. Graham  
P. O. Box 5321  
Midland, Texas 79701

Maurice Hobson  
P. O. Drawer 638  
Alamogordo, New Mexico 88310

Coronado Exploration Corporation  
1007 Marquette NW  
Albuquerque, New Mexico 87102

Lingen Exploration, Inc.  
1177 West Loop South  
Suite 1410  
Houston, Texas 77027

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Fred G. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

George M. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

Harvey E. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

GAS PURCHASER

Llano, Inc.  
P. O. Drawer 1320  
Hobbs, New Mexico 88240

NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 2680, Santa Fe, New Mexico 87501

Alternative APPLICANT'S STATEMENT OF INTENT  
PRICE CILING CATEGORY DEDICATION

1. FOR DIVISION USE ONLY

DATE OF APPLICATION \_\_\_\_\_  
DETERMINATION \_\_\_\_\_  
CONTESTED \_\_\_\_\_  
PARTICIPANTS \_\_\_\_\_

Harvey E. Yates Company  
P. O. Box 1933, Roswell, New Mexico 88201

UNIT LETTER G 1980 FEET FROM THE North 1980 FEET FROM  
LINE AND RANGE 27E  
East 22 TOWNSHIP 23S

11. Name and Address of Transporter(s)  
Llano, Inc., P. O. Drawer 1320, Hobbs, New Mexico 88240


WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.  
1. Category(ies) Sought (By NPGA Section No.) 103

2. All Applications must contain:

- ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
- ☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
- ☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
- ☒ d. AFFIDAVITS OF MAILING OR DELIVERY
- 3. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
  - ☐ a. Location Plat
- 4. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
  - ☐ a. C-122 Multipoint and one point back pressure test
- 5. NEW ONSHORE PRODUCTION WELL
  - ☒ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT
  - ☐ b. No. of order authorizing infill program \_\_\_\_\_
- 6. STRIPPER GAS
  - ☐ a. C-116 GAS-OIL RATIO TEST
  - ☐ b. PRODUCTION CURVE FOR 12-MONTH PERIOD
  - ☐ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED  
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY  
KNOWLEDGE AND BELIEF.

George M. Yates  
NAME OF APPLICANT (Type or Print)  
Title Vice President  
Date December 11, 1979  
Signed 

DIVISION USE ONLY

- ☐ Approved
- ☐ Disapproved

The information contained herein includes  
all of the information required to be  
filed by the applicant under Subpart B  
of Part 274.

EXAMINER

Exhibit B

State  
1-711  
Amoco 22 State  
2  
Und. So. Carlsbad  
Morrow  
Eddy

FERC-121

1.0 API well number. (If not available, leave blank. 14 digits.)	30-015-22917				
2.0 Type of determination being sought (Use the codes found on the front of this form.)	103 Section of NGPA		Category Code		
3.0 Depth of the deepest completion location. (Only needed if sections 103 or 107 in 2.0 above.)	11,094		feet		
4.0 Name, address and code number of applicant. (35 letters per line maximum. If code number not available, leave blank.)	HARVEY E. YATES COMPANY Name P. O. Box 1933 Street Roswell, NM 88201 City State Zip Code				
5.0 Location of this well. [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	None Field Name Eddy County NM County State				
(b) For OCS wells:	Area Name Block Number Date of Lease: Mo. Day Yr. OCS Lease Number				
(c) Name and identification number of this well. (35 letters and digits maximum.)	AMOCO 22 STATE 2				
(d) If code 4 or 5 in 2.0 above, name of the reservoir. (35 letters maximum.)	None				
6.0 (a) Name and code number of the purchaser. (35 letters and digits maximum. If code number not available, leave blank.)	Llano, Inc. Name Buyer Code				
(b) Date of the contract:	04 19 79 Mo. Day Yr.				
(c) Estimated annual production:	364 MMcf.				
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)	
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	2 1 1 3	. 1 3 3	— . — . — .	2 . 2 4 6	
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	2 1 1 3	. 1 3 3	— . — . — .	2 . 2 4 6	
9.0 Person responsible for this application	George M. Yates Vice President Name Title Date Received by JURS. Agency Date Received by FERC Date Application is Completed 505-624-6601 Phone Number				

U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)  
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM.

General Instructions

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 5.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination

Section of NGPA	Category Code	Description
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
103	5	New reservoir on old OCS Lease
107		New onshore production well
108		High cost natural gas
		Stripper well

Other Purchasers Contracts

Contract Date  
(Mo. Day Yr.)

Purchaser

Buyer Code

Remarks:

APPLICATION PURSUANT TO  
SECTION 103(c) OF  
THE NATURAL GAS POLICY ACT OF 1978 (NGPA)

Well: AMOCO 22 State 2  
API No: 30-015-22917

AFFIDAVIT

STATE OF NEW MEXICO COUNTY OF EDDY

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and County aforesaid, personally came and appeared GEORGE M. YATES, who, being by me first duly sworn, deposed and said:

That he is the Vice President of HARVEY E. YATES COMPANY, the applicant for the well as described heretofore in this application, and, in that capacity, he is requesting the appropriate Jurisdictional Agency to determine the eligibility of said well for wellhead pricing purposes pursuant to the rules and regulations of said agency and the Federal Energy Regulatory Commission and pursuant to the NGPA.

That this application is made pursuant to 18 CFR 274.204 (a)-(f).

That to the best of his information and knowledge;

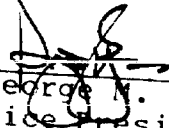
- (a) The surface drilling of the well for which he seeks a determination was begun on or after February 19, 1977.
- (b) The well satisfies any applicable Federal or State well-spacing requirements.
- (c) The well is not within a proration unit:
  - (1) Which was in existence at the time the surface drilling of the well began; and
  - (2) Which was applicable to the reservoir from which natural gas is produced; and
  - (3) Which applied to any other well which either produced natural gas in commercial quantities or the surface drilling of which began after February 18, 1977, and was thereafter capable of producing natural gas in commercial quantities.

That he has concluded to the best of his information and knowledge that there is substantial evidence to support a determination that the natural gas produced from said well is produced from a new onshore production well as defined in the NGPA; and that he has no knowledge of any other information not described in the application which is inconsistent with this conclusion.

That he has mailed, or caused to be mailed, postage prepaid, copies of the completed Form FERC 121, Application for Determination of the Maximum lawful Price Under the Natural Gas Policy Act, and any jurisdictional agency supplemental application form to the Purchaser(s) and to the co-lessee(s) and/or working interest owners, which are listed separately.

That to the best of his knowledge and belief, all information contained in this application for category determination, pursuant to the NGPA, is true and correct including all documents, testimony, and evidence submitted with the application.

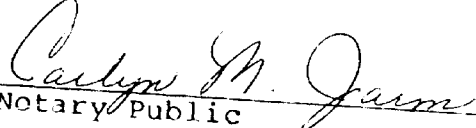
Signed

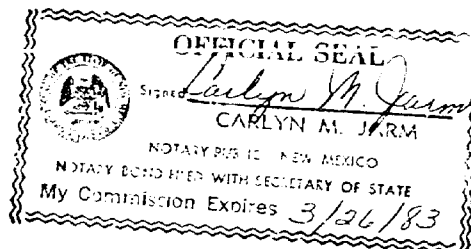
  
George N. Yates  
Vice President

Subscribed in my presence and duly sworn to before me, this 11<sup>th</sup> day of December, 1979.

My Commission expires:

March 26, 1983

  
Notary Public



INDEX OF EXHIBITS

1. Application to Drill
2. Completion Report
3. Well Location and Acreage Dedication Plat
4. Well Location Plat (Proration Unit)
5. List of Co-Lessees, Working Interest Owners and  
Gas Purchaser

EXHIBIT 1

APPLICATION TO DRILL



APPROVED BY	
DATE	
REMARKS	
OPERATION	✓

RECEIVED  
NEW MEXICO OIL CONSERVATION COMMISSION

MAY 8 1979

D. C. C.  
ARTESIA, OFFICE

38 000 000

Form 1-1-1  
Revised 10-6-78

STATE NO.  
L-711

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Well: DRILL ☒ DEEPEN ☐ PLUG BACK ☐  
SINGLE ZONE ☐ MULTIPLE ZONE ☐

Harvey W. Yates Company

P. O. Box 1933, Roswell, N.M. 88201

LOCATED 1980 FEET FROM THE North

East TWP. 23S RGE. 27E

7. Unit Agreement Name

8. Firm or Lease Name  
Amoco 22 State

9. Well No.  
2

10. Estimated Depth, Feet  
Und. So. Carlsb.

11. Estimated Depth, Feet

12. Estimated Depth, Feet

13. Estimated Depth, Feet

14. Estimated Depth, Feet

15. Estimated Depth, Feet

16. Estimated Depth, Feet

17. Estimated Depth, Feet

18. Estimated Depth, Feet

19. Estimated Depth, Feet

20. Estimated Depth, Feet

21. Estimated Depth, Feet

22. Estimated Depth, Feet

23. Estimated Depth, Feet

24. Estimated Depth, Feet

25. Estimated Depth, Feet

26. Estimated Depth, Feet

27. Estimated Depth, Feet

28. Estimated Depth, Feet

29. Estimated Depth, Feet

30. Estimated Depth, Feet

31. Estimated Depth, Feet

32. Estimated Depth, Feet

33. Estimated Depth, Feet

34. Estimated Depth, Feet

35. Estimated Depth, Feet

36. Estimated Depth, Feet

37. Estimated Depth, Feet

38. Estimated Depth, Feet

39. Estimated Depth, Feet

40. Estimated Depth, Feet

41. Estimated Depth, Feet

42. Estimated Depth, Feet

43. Estimated Depth, Feet

44. Estimated Depth, Feet

45. Estimated Depth, Feet

46. Estimated Depth, Feet

47. Estimated Depth, Feet

48. Estimated Depth, Feet

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF PIPE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	REMARKS
17 1/4"	13 3/8"	48#	375'		Cement
12 1/4"	8 5/8"	24#, 28#, 32#	5600'		Minimum
7 7/8"	5 1/2"	17#, 20#	12,500'		Sufficient cover 600' above pay

This well is not dedicated to a gas purchaser.

8-11-79

APPROVED BY THE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW ZONE.

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

Signature: *[Signature]* Title: Engineer Date: May 7, 1979

APPROVED BY: *[Signature]* TITLE: SUPERVISOR, DISTRICT II DATE: MAY 11 1979

CONDITIONS OF APPROVAL, IF ANY:

3rd to 4th 7/24 6/13

EXHIBIT 2

COMPLETION REPORT

---

NO. OF COPIES RECEIVED	
DATE RECEIVED	
NAME	
ADDRESS	
PHONE	
OPERATOR	

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

DATE OF WELL	
WELL NO.	L-711
WELL NAME	

1. TYPE OF WELL	OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>
2. TYPE OF COMPLETION	NEW <input checked="" type="checkbox"/> REPAIR <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OTHER <input type="checkbox"/>

Amoco 22 State  
2

3. NAME OF COMPANY  
**Harvey E. Yates Company**  
4. ADDRESS  
**P. O. Box 1933, Roswell, N. M. 88201**

Und. S. Carlsbad Mo

5. UNIT LETTER	<b>G</b>	6. LOCATED	<b>1980</b>	7. FEET FROM THE	<b>North</b>	8. FEET TO	<b>1980</b>
9. THE	<b>East</b>	10. LINE OF	<b>22</b>	11. TAP	<b>23S</b>	12. REG.	<b>27E</b>
13. DATE OF	<b>6-20-79</b>	14. DATE OF	<b>8-6-79</b>	15. DATE OF	<b>10-27-79</b>	16. DATE OF	<b>3147.8' GL</b>

Eddy

17. TOTAL DEPTH	<b>12,370'</b>	18. DEPTH TO CIBP	<b>CIBP at 11,140'</b>	19. DEPTH TO SINGLE	<b>Single</b>	20. DEPTH TO	<b>0'-12,370'</b>
-----------------	----------------	-------------------	------------------------	---------------------	---------------	--------------	-------------------

21. TYPE OF LOGGING	<b>Strawn</b>	22. DEPTH TO	<b>10,971' - 11,094'</b>
---------------------	---------------	--------------	--------------------------

No

23. TYPE OF LOGGING	<b>CNL, Natural GR Spectroscopy, R/A Tracer, GR-Depth Control</b>
---------------------	-------------------------------------------------------------------

No

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT USED
13 3/8"	48#	375'	17 1/2"	350 Sx	None
8 5/8"	24#, 28#, 32#	5609'	11"	2080 Sx in 2 Stages	None
5 1/2"	17#, 20#	12,370'	7 7/8"	1375 Sx in 2 Stages	None

LINER RECORD					TUBING DEPTH		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	10,946'	10,931'

24. Casing/liner joints (Interval, size and number)	25. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
10971, 10973, 10978, 10980, 10982, 10984, 10986, 10989, 10991, 10993, 11001, 11003, 10971-11094	DEPTH INTERVAL
11005, 11014, 11021, 11029, 11032, 11051, 11055, 11057, 11059, 11090, 11092, 11094, 72 - 1/2" dia shots	AMOUNT AND KIND MATERIAL USED
	10,000 gals 15% MSR-100 w/500 SCF N <sub>2</sub> /BBL

PRODUCTION					
26. Date First Production	27. Production Method (Flowing, gas lift, pumping, etc.)	28. Production (Prod. or Shut-in)	29. Flowing	30. Shut In	31. Flowing
10-27-79	Flowing	Shut In			
11-15-79	3.0	3/4"	437		
Flow Testing Press.	Casing Pressure	Flowing	3496		
229	0				

32. Disposition of Gas (Sold, used for fuel, vented, etc.)	<b>Vented</b>
------------------------------------------------------------	---------------

John Gray, Jr.

33. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.	SIGNED <i>Paul T. Gardner</i>	TITLE <b>Engineer</b>	DATE <b>12-3-79</b>
-----------------------------------------------------------------------------------------------------------------------------------------	-------------------------------	-----------------------	---------------------

[illegible]

Southeastern New Mexico

T. Ojo Alamo \_\_\_\_\_  
T. Kirtland-Fruitland \_\_\_\_\_  
T. Pictured Cliffs \_\_\_\_\_  
T. Cliff House \_\_\_\_\_  
T. Menefee \_\_\_\_\_  
T. Point Lookout \_\_\_\_\_  
T. Mancos \_\_\_\_\_  
T. Gallup \_\_\_\_\_  
Base Greenhorn \_\_\_\_\_  
T. Dakota \_\_\_\_\_  
T. Morrison \_\_\_\_\_  
T. Toddlite \_\_\_\_\_  
T. Entrada \_\_\_\_\_  
T. Wingate \_\_\_\_\_  
T. Chuska \_\_\_\_\_  
T. Permian \_\_\_\_\_  
T. Penn. "A" \_\_\_\_\_

Northwestern New Mexico

T. Penn. "B"  
T. Penn. "C"  
T. Penn. "D"  
T. Leadville  
T. Madison  
T. Elbert  
T. M. Cracken  
T. Idaho City  
T. Granite  
T.  
T.  
T.  
T.  
T.  
T.  
T.

T. And 8994 T. 2nd sd 8662 T. Penn.  
T. Wolfcamp T. " 3rd sd 8662 T. Penn.  
T. Penn. T.  
T. Cisco (Bough C) T.

OIL OR GAS SANDS OR ZONES

No. 1, from 10971 to 11094 No. 4, from  
No. 2, from to No. 5, from  
No. 3, from to No. 6, from

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from ..... to ..... feet

No. 2, from ..... to ..... feet

No. 3, from ..... to ..... feet

No. 4, from ..... to ..... feet

FORMATION RECORD (Attach additional sheets if needed)

	From	To	Thickness in Feet
No. 1			
No. 2			
No. 3			
No. 4			

FORMATION RECORD (Attach additional sheets if necessary)

FORMATION RECORD (Attach additional sheets if needed)				From	To	Thickness in Feet	Formation
0	375	375	Surface rock				
375	760		Li, sh & salt				
760	1765		Anhy & salt				
1765	2050		Anhy				
2050	2484		Anhy & li				
2484	4535		Li & sand				
4535	11150		Li & sh				
11150	11240		Li & chert				
11240	11350		Li & shale				
11350	11537		Sh				
11537	12107		Li & sh				
12107	12365		Li, sh & sand				

EXHIBIT 3

WELL LOCATION AND ACREAGE DEDICATION PLAT

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

TO BE  
SUPERSEDED BY  
THE NEXT PLAT

All dedications must be from the owner or owners of the interest.

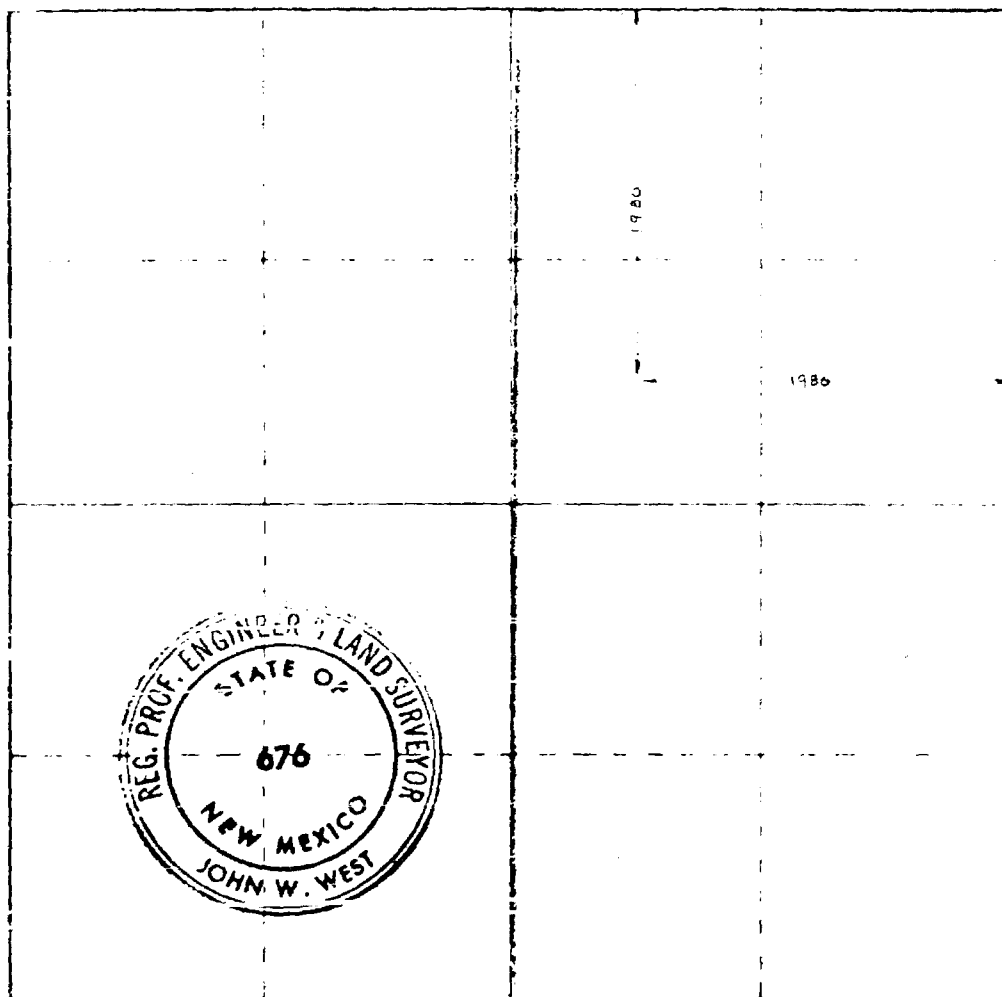
Harvey E. Yates Company		Amoco 22 State		Well No. 2
G	22	23 South	27 East	Eddy
1780	North	1780	East	
317.3	Morrow	Und. So. Carlsbad Morrow	320	

- Outline the acreage dedicated to the subject well by colored pencil or by bare marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership there of (including working interest and royalty).
- 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 \_\_\_\_\_

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

No allowance 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.

*Paul Hansen*

Engineer

Harvey E. Yates Company

May 7, 1979

I hereby certify that the well 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.

May 3, 1979

*John W. West*

John W. West 676  
Ronald J. E. 3232

EXHIBIT 4

WELL LOCATION PLAT (PRORATION UNIT)





EXHIBIT 5

LIST OF CO-LESSEES, WORKING INTEREST OWNERS AND  
GAS PURCHASER

AMOCO 22 STATE #2  
WORKING INTEREST OWNERS

Amoco Production Company  
P. O. Box 68  
Hobbs, New Mexico 88240  
ATTN: Bill Magness

Harvard & LeMay Exploration, Ltd.  
P. O. Box 936  
Roswell, New Mexico 88201

Mountain States Petroleum  
P. O. Box 1936  
Roswell, New Mexico 88201

Read & Stevens, Inc.  
P. O. Box 1518  
Roswell, New Mexico 88201

Clem E. George  
501 C & K Petroleum Building  
Midland, Texas 79701

Bill J. Graham  
P. O. Box 5321  
Midland, Texas 79701

Maurice Hobson  
P. O. Drawer 638  
Alamogordo, New Mexico 88310

Coronado Exploration Corporation  
1007 Marquette NW  
Albuquerque, New Mexico 87102

Lingen Exploration, Inc.  
1177 West Loop South  
Suite 1410  
Houston, Texas 77027

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Fred G. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

George M. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

Harvey E. Yates  
P. O. Box 1933  
Roswell, New Mexico 88201

GAS PURCHASER

Llano, Inc.  
P. O. Drawer 1320  
Hobbs, New Mexico 88240

ROUGH

dr/

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. 6777 *SR*

Order No. R-6248

APPLICATION OF HARVEY E. YATES  
COMPANY FOR AN NGPA DETERMINATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

*ELP*  
*RL*  
This cause came on for hearing at 9 a.m. on January 3,  
19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this \_\_\_\_\_ day of January, 19 80, 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 the applicant, Harvey E. Yates Company, seeks  
a determination by the Division, in accordance with Sections  
2 (6) and 102 of the Natural Gas Policy Act of 1978, and the  
applicable rules of the Federal Energy Regulatory Commission,  
that its Amoco 22 State Well No. 2, located in Unit G of  
Section 22, Township 23 South, Range 27 East, NMPM, Eddy County,  
New Mexico, has discovered a new onshore reservoir from which  
natural gas was not produced in commercial quantities before  
April 20, 1977.

(3) That said well was completed in the Atoka formation with perforations from 10971 to 11094 feet, and a plugged back depth of 10890 feet after having been drilled to total depth of 12,370 feet.

(4) That although there are several wells in the vicinity of the subject well which have penetrated ~~and are~~

*The Atoka formation, available well logs do not show porosity or other indications of potential production in such wells.*

*See Finding (6) below*

(5) *That the only nearby well spudded before February 19, 1977, has never been successfully completed in any formation and has produced no gas from the Atoka formation.*

completed in a new onshore reservoir as defined by the provisions of Section 102 (c) of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

(1) That the Harvey E. Yates Company Amoco 22 State Well No. 2, located in Unit G of Section 22, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 (c) of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(2) That jurisdiction of this cause is hereby 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 herein-above designated.

# Memo

From

FLORENE DAVIDSON  
ADMINISTRATIVE SECRETARY

To

Called in by Bob Strand  
December 7, 1979

Harvey E. Yates Company  
New Onshore Reservoir

Amoco 22 State #1-G

1980/N + E

Section 22 - T235 - R27E

OIL CONSERVATION COMMISSION-SANTA FE