

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
811 South First Street, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

**OIL CONSERVATION DIVISION**

2040 South Pacheco  
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes  No

**APPLICATION FOR DOWNHOLE COMMINGLING**

Yates Petroleum Corporation 105 South Fourth Street  
Operator Address

Wager AWG State 4 D 34 9S 26E Chaves  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code \_\_\_\_\_ API No. 30-005-63306 Lease Type:  Federal  State  
Fee

DATA ELEMENT	UPPER ZONE ✓	INTERMEDIATE ZONE UNDES.	LOWER ZONE ✓
Pool Name	Pecos Slope Abo	Foor Ranch Wolfcamp Gas	Foor Ranch Pre-Permian (Cisco)
Pool Code	82730	76750	76730
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4412-4760'	5398-5474	5682-5704'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A	N/A	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing	New Zone	Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Rates: 88 mcf 0 bo 0 bw	Rates: 50 mcf 0 bo 0 bw	Rates: 71 mcf 0 bo 0 bw
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 42%	Oil Gas % 24%	Oil Gas 34%

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

**Attachments:**

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE James W. Pringle TITLE Operations Engineer DATE June 25, 2004  
TYPE OR PRINT NAME James W. Pringle TELEPHONE NO. (505)-748-4182

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**OC**

**Wager AWG State #4**

**30-005-63306**

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication**  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement**  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery**  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_**

2004 JUL 30 PM 1 24

**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners**
- [B]  Offset Operators, Leaseholders or Surface Owner**
- [C]  Application is One Which Requires Published Legal Notice**
- [D]  Notification and/or Concurrent Approval by BLM or SLO**  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,**
- [F]  Waivers are Attached**

**[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

**James W. Pringle**

*James W. Pringle*  
 Signature

**Operations Engineer**

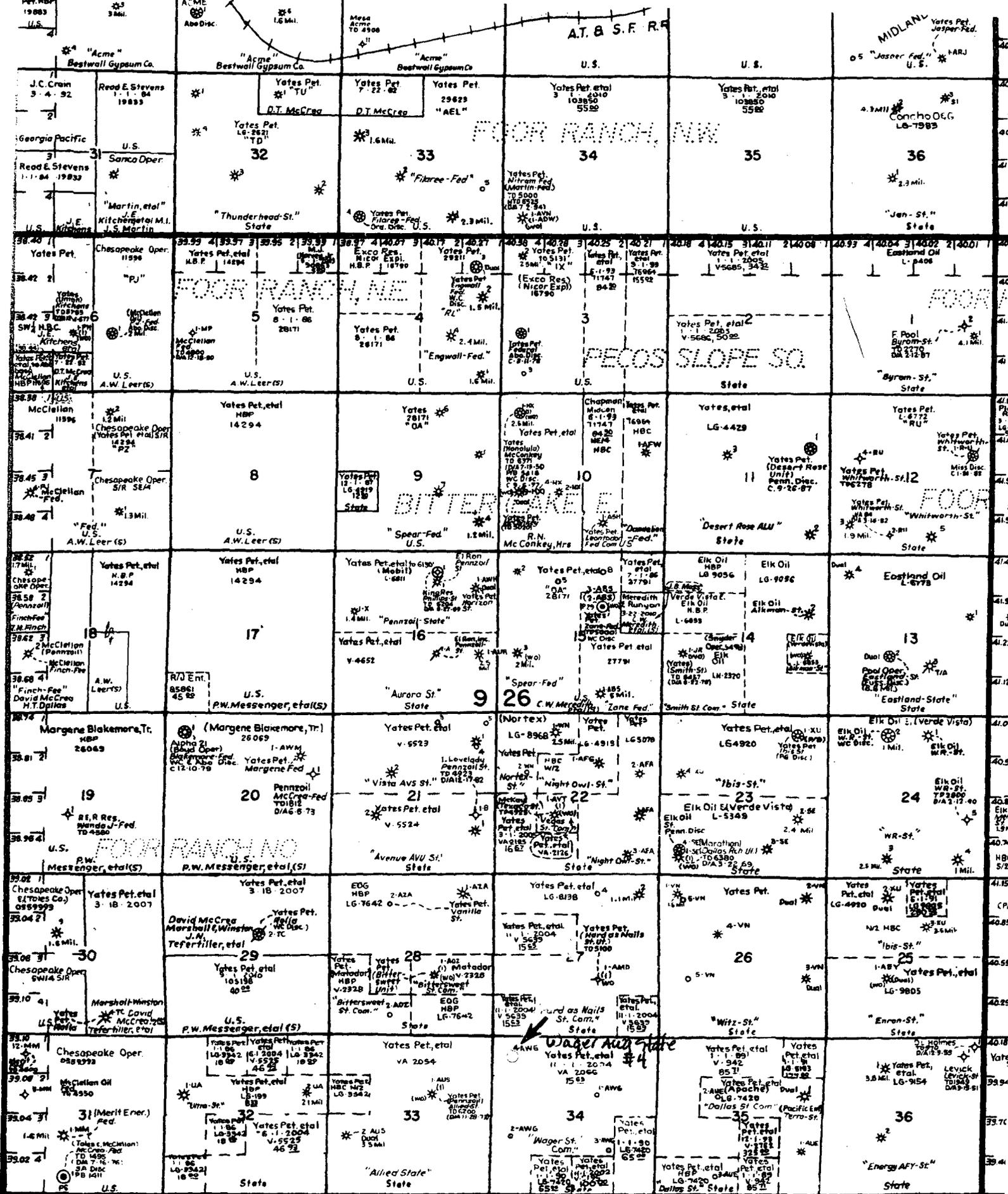
**6/23/04**

Print or Type Name

Title

Date

e-mail Address



R-26-E

ON ALL NON LIBRARY MAP PRODUCTS  
INCLUDING PZ MAPS AND WILDCAT MAPS

77636

THIS MAP IS DELIVERED TO THE MIDLAND MAP COMPANY COPYRIGHT. ANY REPRODUCTION OF THIS MAP OTHER THAN THE RESTRICTED

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

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

June 25, 2004

David Catanach  
State of New Mexico  
OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Pecos Slope Abo, Foor Ranch Wolfcamp Gas and the Foor Ranch Pre-Permian (Cisco) pools in our Wager AWG State #4 located in Unit D of Section 34, Township 9 South, Range 26 East, Chaves County.

If you have any questions or need additional information, please call me at (505) 748-4182.

Sincerely,

A handwritten signature in black ink that reads 'James W. Pringle'.

James W. Pringle  
Operations Engineer

JWP/cm

Enclosures

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



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SECRETARY  
DENNIS G. KINSEY  
TREASURER

June 25, 2004

Tim Gum  
State of New Mexico  
OIL CONSERVATION DIVISION  
811 S. First Street  
Artesia, NM 88210

Dear Mr. Gum,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Pecos Slope Abo, Foor Ranch Wolfcamp Gas and the Foor Ranch Pre-Permian (Cisco) pools in our Wager AWG State #4 located in Unit D of Section 34, Township 9 South, Range 26 East, Chaves County.

If you have any questions or need additional information, please call me at (505) 748-4182.

Thank you.

Sincerely,

A handwritten signature in black ink that reads 'James W. Pringle'. The signature is written in a cursive, flowing style.

James W. Pringle  
Operations Engineer

JWP/cm

Enclosures

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



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RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

June 25, 2004

Pete Martinez  
State of New Mexico  
Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, NM 87504-1148

Dear Mr. Martinez,

Pursuant to the State Land Office Rule Nos. 1.053, 1.054 and 1.055, you will find enclosed the \$30.00 filing fee and a copy of the commingling application for the Wager AWG State #4..

Should you have any questions, feel free to contact me at (505) 748-4182. Thank you.

Sincerely,

A handwritten signature in cursive script that reads 'James W. Pringle'.

James W. Pringle  
Operations Engineer

JWP/cm

District I  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

District II  
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

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

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-005-63306</b>		<sup>3</sup> Pool Name <b>Pecos Slope Abo</b>	
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Wager AWG State</b>		<sup>6</sup> Well Number <b>4</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>		<sup>9</sup> Elevation <b>3786'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>34</b>	<b>9S</b>	<b>26E</b>		<b>660</b>	<b>North</b>	<b>660</b>	<b>West</b>	<b>Chaves</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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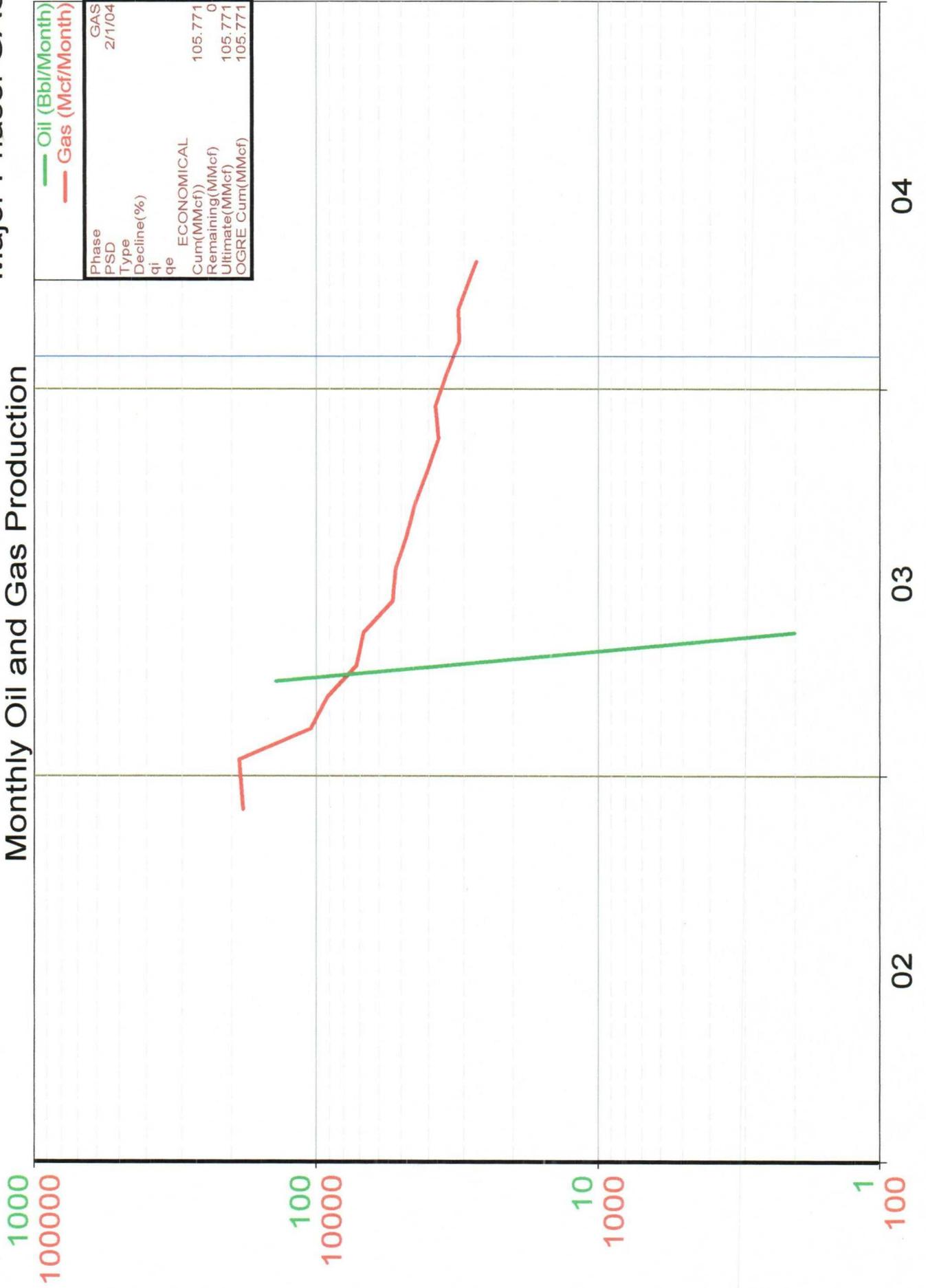
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u>Cherry Matchus</u></p> <p>Printed Name <b>Cherry Matchus</b></p> <p>Title <b>Engineering Technician</b></p> <p>Date: <u>6/25/04</u></p>
				<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

Property 1  
WAGER AWG STATE 4

Pecos Slope Abo  
Monthly Oil and Gas Production

Major Phase: GAS



Phase	GAS
PSD	2/1/04
Type	
Decline(%)	
qi	
qe	
ECONOMICAL	
Cum(MMcf)	105.771
Remaining(MMcf)	0
Ultimate(MMcf)	105.771
OGRE Cum(MMcf)	105.771

District I

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Form C-102  
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1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to Appropriate District Office  
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Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-005-63306</b>		<sup>3</sup> Pool Name <b>Foor Ranch Pre-Permian (Cisco)</b>	
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Wager AWG State</b>		<sup>6</sup> Well Number <b>4</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>		<sup>9</sup> Elevation <b>3786'</b>

<sup>10</sup> Surface Location

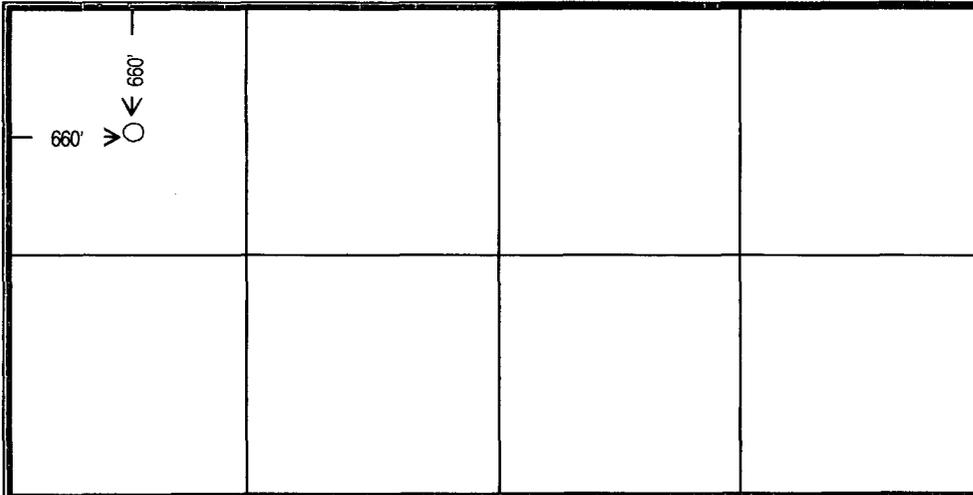
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>34</b>	<b>9S</b>	<b>26E</b>		<b>660</b>	<b>North</b>	<b>660</b>	<b>West</b>	<b>Chaves</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<sup>17</sup> OPERATOR CERTIFICATION

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

Signature Cherry Matchus  
Cherry Matchus

Printed Name  
Engineering Technician

Title  
Date: 6/25/04

<sup>18</sup> SURVEYOR CERTIFICATION

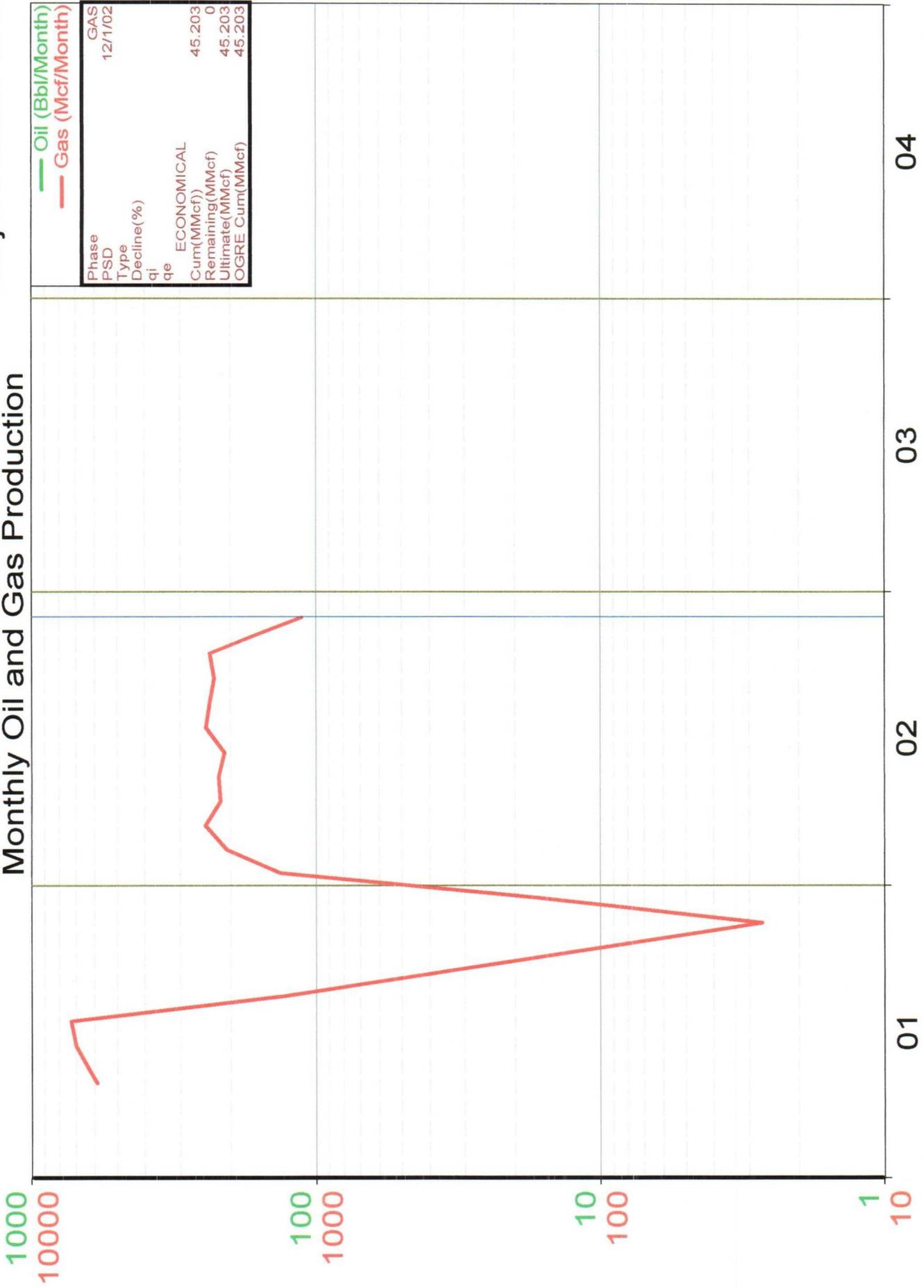
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey  
Signature and Seal of Professional Surveyor:

Certificate Number

Property 3  
 WAGER AWG STATE 4  
 Foor Ranch Pre-Permian (Cisco)  
 Monthly Oil and Gas Production

Major Phase: GAS



Phase	GAS
PSD	12/1/02
Type	
Decline(%)	
qi	
qe	
ECONOMICAL	
Cum(MMcf)	45.203
Remaining(MMcf)	0
Ultimate(MMcf)	45.203
OGRE Cum(MMcf)	45.203

**District I**  
1625 N. French Dr., Hobbs, NM 88240

**State of New Mexico**  
**Energy, Minerals & Natural Resources Department**

Form C-102  
Revised August 15, 2000

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**OIL CONSERVATION DIVISION**  
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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-005-63306</b>		<sup>3</sup> Pool Name <b>Foor Ranch Wolfcamp Gas</b>	
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Wager AWG State</b>		<sup>6</sup> Well Number <b>4</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>		<sup>9</sup> Elevation <b>3786'</b>

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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u><i>Cherry Matchus</i></u> <b>Cherry Matchus</b></p> <p>Printed Name <b>Engineering Technician</b></p> <p>Title</p> <p>Date: <u>6/25/04</u></p>
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

The Foor Ranch Wolfcamp Gas is a new zone and production curves are not available.

**YATES PETROLEUM CORPORATION**

(505) 748-1471  
105 SO. 4TH - ARTESIA, NEW MEXICO - 88210

95692

CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	CUMMINS WAGER #4	06/04	30.00	.00	30.00
			TOTAL FOR CHECK		30.00

**CODES**

- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.  
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.



32-2  
1110

95692



(505) 748-1471  
105 SOUTH 4TH STREET  
ARTESIA, NEW MEXICO - 88210

DATE 6/22/2004 VENDOR NO. 570495  
\*\*\*\*\*00DOLLARS\*\*\*\*\*00CENTS

PAY TO THE ORDER OF:  
MARTINEZ, PETE  
STATE OF NM COMMISSIONER OF  
PO BOX 1148  
SANTA FE NM 87504 1148

AMOUNT  
\*\*\*\*\*30.00

*Tom Kelly*

⑈095692⑈ ⑆111000025⑆ 00479075102⑈