



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

FAX

TO: Will Jones

FROM: Nella
Energy Minerals and Natural Resources Department,
Oil Conservation Division

RE: Request for DHC - Yates Pils.

DATE: 8-19-04

Adm. Approval
Judson All State
1-L, 26-10-34

11 Pages (Including Transmittal)

DATE IN 8-4-04	SUSPENSE	ENGINEER	LOGGED IN 8-20-04	TYPE DHC	APP NO. PSEM042332583
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



clw

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 BOR PPR

[D] Other: Specify _____

[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.

Sam Brandon

Sam Brandon
 Signature

Operations Engineer

7/30/04

Print or Type Name

Title

Date

sbrandon@yrcnm.com
 e-mail Address

MARTIN YATES, III
1912 - 1989
FRANK W. YATES
1936 - 1988



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

July 30, 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 the Wildcat Permo Penn, Wildcat Atoka and the Wildcat Morrow pools in our Judson AUU State No. 1 located in Unit L of Section 26, Township 10 South, Range 34 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4281.

Sincerely,

Sam Brandon
Operations Engineer

SB/cm

Enclosures

MARTIN YATES, III
1912 - 1986
FRANK W. YATES
1996 - 1986



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

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SECRETARY
DENNIS G. KINSEY
TREASURER

July 30, 2004

Chris Williams
State of New Mexico
OIL CONSERVATION DIVISION
1625 French Drive
Hobbs, NM 88240

Dear Mr. Williams:

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Wildcat Permo Penn, Wildcat Atoka and the Wildcat Morrow pools in our Judson AUU No. 1 located in Unit L of Section 26, Township 10 South, Range 34 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4281.

Sincerely,

Sam Brandon
Operations Engineer

SB/cm

Enclosures

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1928 - 1986



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

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EXECUTIVE VICE PRESIDENT
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SECRETARY
DENNIS G. KINSEY
TREASURER

July 30, 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 Judson AUU No. 1 located in Unit L of Section 26, Township 10 South, Range 34 East, Lea County.

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

Sincerely,

Sam Brandon
Operations Engineer

SB/cm
Enclosure

District I
1025 N. Grand Drive, Hobbs, NM 88240

District II
311 South First Street, Artesia, NM 88210

District III
1000 Rio Rancho 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

Judson AUU State Com 1 L 26 10S 34E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code _____ API No. 30-025-27125 Lease Type Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Permo Penn <i>Oil</i>	Wildcat Atoka <i>Gas</i>	Wildcat Morrow <i>Gas</i>
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10716-10728'	11610-11622'	12080-12104'
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)	NA	NA	NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NA	NA	NA
Producing, Shut-In or New Zone	New Zone/Shut In	New Zone/Shut In	New Zone/Shut In
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.)	Date: 5/20/04 Rates: Swab 0.5 BO 2 mcf/d	Date: 7/16/03 0 BO 39 mcf/d	Date: 6/23/04 Rates: 0 BO 12 mcf/d
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil: 100% Gas: 3%	Oil: 0% Gas: 74%	Oil: 0% Gas: 23%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
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: Sam Brandon TITLE: Operations Engineer DATE: July 30, 2004
TYPE OR PRINT NAME: Sam Brandon TELEPHONE NO. (505)-748-4281

District I
1626 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

Form C-102
Revised August 15, 2000

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-27125		² Pool Code	³ Pool Name Wildcat Morrow	
⁴ Property Code 25301	⁵ Property Name Judson AUV State Com		⁶ Well Number 1	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 4175'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	26	10S	34E		1980	South	660	West	Lea

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>¹⁶</p> <p>660' > </p> <p>↑</p> <p>1980'</p>	¹⁷ OPERATOR CERTIFICATION		
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p>		
	<p>Signature</p> <hr/> <p>Printed Name</p> <p>Chery Matchus</p>		
	<p>Title</p> <p>Engineering Technician</p> <p>Date</p> <p>7-30-04</p>		
¹⁸ SURVEYOR CERTIFICATION			
<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> <hr/> <p>Signature and Seal of Professional Surveyor:</p>			
<p>See Original Plat</p>			
<p>Certificate Number</p>			

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1625 N. French Dr., Hobbs, NM 88240
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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.

Form C-102
Revised August 15, 2000

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ APT Number 30-025-27125	² Pool Code	³ Pool Name Wildcat Atoka
⁴ Property Code 25301	⁵ Property Name Judson AVU State Com	
⁷ OGRID No. 026575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 1
		⁹ Elevation 4175'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	26	10S	34E		1980	South	660	West	Lea

¹¹ Bottom Hole Location If Different From Surface

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¹⁶ 	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
	Signature Printed Name: Cherry Matchus Title: Engineering Technician Date: 7-30-04	
	¹⁸ SURVEYOR CERTIFICATION <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>	
Date of Survey Signature and Seal of Professional Surveyor: See Original Plat Certificate Number		

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-27125		² Pool Code		³ Pool Name Wildcat Permo Penn	
⁴ Property Code 25301		⁵ Property Name Judson AUU State Com			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4175'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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	¹⁷ OPERATOR CERTIFICATION	
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
	Signature	
	Printed Name Chery Matchus	
Title Engineering Technician		
Date 7-30-04		
¹⁸ SURVEYOR CERTIFICATION		
<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>		
Date of Survey		
Signature and Seal of Professional Surveyor:		
See Original Plat		
Certificate Number		

None of the completed intervals have produced yet so no production curves are available. Allocation based last available tests prior to fracture treatment. Well was flowed to clean up frac fluids and SIWOPL.

TRANSACTION REPORT

P.01

AUG-19-2004 THU 02:11 PM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
AUG-19	02:08	PM	3' 32"	11	RECEIVE	OK		
