



NEW MEXICO ENERGY, MINERALS and ^{Yates. 13}
NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 19, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210-2118

Attention: Robert Bullock

Re: Administrative application for an exception to Division Rule 104.C (2) (a)/To Amend Division
Administrative Order NSL-4479.

Dear Mr. Bullock:

This letter acknowledges the receipt of your administrative application dated June 28, 2001 of an unorthodox Morrow/Atoka gas well location for Yates Petroleum Corporation's existing Arreguy "AVM" Well No. 1 (API No. 30-025-29998) located 810 feet from the North line and 510 feet from the East line (Unit A) of Section 25, Township 15 South, Range 34 East, NMPM, Lea County, New Mexico. The Division received your application on June 28, 2001, and assigned it NMOCD reference No. pKRV0-118338451. Please refer to this number in future correspondence with the Division.

Our preliminary review indicates that the information provided in the application is not sufficient to process an administrative order. The following information is necessary:

- (1) an NMOCD Form C-102 or land plat that shows the proposed dedicated acreage for these zones;
- (2) reference to the effected pool or pools name (s); and
- (3) proof of notice per Division Rule 1207.A (2) or satisfactory explanation as to why notice is not necessary in this instance.

Since the submitted information is insufficient to review, the application was ruled as incomplete on July 19, 2001. Please submit the above stated information by Thursday, July 26, 2001.

The Division can not proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs



105 South Fourth Street
Artesia, NM 88210
505-748-1471
FAX 505-748-4572

FAX COVER SHEET

DATE: 7-24-2001

TO: MICHAEL STOGNER

COMPANY: NEW MEXICO OIL CONSERVATION DIVISION

FAX: (505) 476-3471

FROM: ROB BULLOCK

PHONE: 505-748-4351

FAX: 505-748-4572

NUMBER OF PAGES: 5
(including cover page)

COMMENTS: NO. pKRVO-118338451

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
GENNIS G. KINSEY
TREASURER

July 24, 2000

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

VIA FACSIMILE
505-476-3471

RE: No. pKRVO-118338451

Dear Mr. Stogner:

As per your letter of July 19, 2001 please find enclosed the additional information requested from Yates in order to process our administrative order:

- 1) Form C-102 showing the proposed dedicated acreage for these zones.
- 2) The effected pool is the Eidson North Morrow gas pool; The Atoka gas pool is wildcat.
- 3) Yates Petroleum Corporation and its partner, David Petroleum Corporation, are the leasehold owners in the spacing units to the east and north in the direction of encroachment and therefore no notification has been given.

Please find enclosed Form C-102 and a land plat.

Please call me at (505) 748-4351 if you need further information.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RS.bn
enclosure(s)

DISTRICT I

1622 N. French Dr., Hobbs, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

411 South First, Artesia, NM 86210

DISTRICT III

1000 Elc Brazos Rd., Artesia, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-29998	Pool Code	Pool Name Eidson North Morrow Gas Pool
Property Code 26122	Property Name Arreguy "AVM"	Well Number #1
OGRIID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4035.5'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15S	34E		810	North	510	East	Lea

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

Dedicated Acres 320.00	Joint or Infill	Consolidation Code	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

FEE	510'	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Clifton R. May</i> Signature Clifton R. May Printed Name Regulatory Agent Title July 24, 2001 Date
		SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. REFER TO ORIGINAL PLAT Date Surveyed Signature & Seal of Professional Surveyor
		Certificate No. Heinrich L. Jones RLS 3540 GENERAL SURVEYING COMPANY

DISTRICT I

1686 N. French Dr., Hobbs, NM 88240

DISTRICT II

611 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brasos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

For Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-29998	Pool Code	Pool Name Wildcat Atoka
Property Code 26122	Property Name Arreguy "AVM"	Well Number 1
OGRIID No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4035.5'

Surface Location

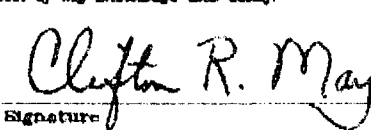
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15S	34E		810	North	510	East	Lea

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

FEE	510			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Clifton R. May Printed Name Regulatory Agent Title July 24, 2001 Date
				SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. REFER TO ORIGINAL PLAT
				Date Surveyor Signature & Seal of Professional Surveyor Certificate No. Herschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY

[illegible]