

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Yates Petroleum Corporation
OPERATOR ADDRESS: 105 South Fourth St. Artesia, NM 88210
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Bone Spring #96556	41.7/1366	41.3/1296		
Delaware #96646	41.0/1225			

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Miriam Morales TITLE: Production Analyst DATE: 4/23/15

TYPE OR PRINT NAME Miriam Morales TELEPHONE NO.: (575) 748-1471

E-MAIL ADDRESS: mmorales@yatespetroleum.com

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-33345		* Pool Code 96646	* Pool Name Cottonwood -Wildcat Delaware
* Property Code 14835	* Property Name HARACZ "AMO" FEDERAL		* Well Number 7
* OGRID No. 025575	* Operator Name YATES PETROLEUM CORPORATION		* Elevation 3553

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
F	19	24S	32E		1650	NORTH	2310	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 40	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>¹⁷ 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><i>Clifton R. May</i> Signature Clifton R. May Printed Name Regulatory Agent Title 2-8-96 Date</p>
	<p>¹⁸ 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>2/06/96 Date of Survey Signature and Seal of Professional Surveyor Certificate Number 3640</p>

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 31-2-25-33345		Pool Code 96556	Pool Name Cof Andrew WILDCAT-BONE SPRINGS
Property Code 14835	Property Name HARACZ "AMO" FEDERAL		Well Number 7
GRID No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3553

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
F	19	24S	32E		1650	NORTH	2310	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

Dedicated Acres 40	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

	<p>17 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><i>Clifton R. May</i> Signature Clifton R. May Printed Name Regulatory Agent Title 2-8-96 Date</p>
	<p>18 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>2/06/96 Date of Survey Signature and Seal of Registered Surveyor Certificate Number 3640</p>

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8161 Fax: (575) 393-0720

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-0720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 354-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-015-40963	Pool Code 96556	Pool Name Cotton Draw UNDESIGNATED BONE SPRING	BAST
Property Code 14835	Property Name HARACZ "AMO" FEDERAL		Well Number 10H
OGRD No. 025575	Operator Name YATES PETROLEUM CORP.		Elevation 3575'

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	24	24 S	31 E		200	NORTH	660	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
P	24	24 S	31 E		330	SOUTH	660	EAST	LEA

Dedicated Acres 160 E2E2	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

SURFACE LOCATION
 Lat - N 32°12'34.47"
 Long - W 103°43'30.32"
 NMSPCE - N 440509.80
 E 729457.00
 (NAD-83)

Penetration Point
677' FNL & 657' FEL

Project Area →

Producing Zone →

PROPOSED BOTTOM HOLE LOCATION
 Lat - N 32°11'47.46"
 Long - W 103°43'30.30"
 NMSPCE - N 435759.98
 E 729485.70
 (NAD-83)

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Cy Cowan 8/8/12
 Signature Date

Cy Cowan
 Printed Name
 cy@yatespetroleum.com
 Email Address

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.

GARY L. JONES
 JUNE 21, 2012
 Date Surveyed
 Signature & Seal of Professional Surveyor

GARY L. JONES
 26951
 Certificate No. Gary L. Jones 7977

BASIN SURVEYS 26951

MARTIN YATES, III
1912-1985
FRANK W. YATES
1936-1986
S. P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (575) 748-1471
www.yatespetroleum.com

JOHN A. YATES
CHAIRMAN EMERITUS
JOHN A. YATES JR.
CHAIRMAN OF THE BOARD
PRESIDENT
JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER
JAMES S. BROWN
CHIEF OPERATING OFFICER

April 1, 2015

To whom it may concern:

The percentage ownership in the production from the following wells is identical in working, royalty, and overriding royalty interest as to the formations completed and producing from:

WELL NAME:	Haracz AMO Federal #7	Haracz AMO Federal #10H
LEASE:	NM-57274	NM-57274
LESSOR:	United States of America	United States of America
LESSEE:	Yates Petroleum Corporation	Yates Petroleum Corporation
COVERING:	<u>Township 24 South, Range 32 East, N.M.P.M.</u> Section 19: SE/4NW/4 Lea County, New Mexico	<u>Township 24 South, Range 31 East, N.M.P.M.</u> Section 24: E/2E/2 Eddy County, New Mexico
FORMATION(s):	Delaware and Bone Spring	Bone Spring
POOL(s):	Cotton Draw/Delaware Cotton Draw/Bone Spring, East	Cotton Draw/Bone Spring, East

I certify that this information is true to the best of my knowledge as of the date below.

YATES PETROLEUM CORPORATION



Chuck Moran
Chief Landman

April 1, 2015

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM57274

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
HARACZ AMO FEDERAL 10H

2. Name of Operator Contact: MIRIAM MORALES
YATES PETROLEUM CORPORATION Mail: mmorales@yatespetroleum.com

9. API Well No.
30-015-40963

3a. Address
105 S FOURTH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)
Ph: 575-748-4200

10. Field and Pool, or Exploratory
COTTON DRAW;BONE SPRINGS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 24 T24S R31E NENE 200FNL 660FEL

11. County or Parish, and State
EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Notification to surface pool commingle production for the Haracz AMO #7 and the Haracz AMO #10H. Application has been submitted to OCD.

The commingle production will be measured and sold/transferred at the Haracz AMO tank battery facilities located at SENW, Sec. 19-T24S-R32E.

The ownership is identical.

Please see site facility diagram and other documentation attach.

Royalty values will not be affected by this commingle.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #299158 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (Printed/Typed) MIRIAM MORALES

Signature (Electronic Submission)

Title PRODUCTION ANALYST

Date 04/23/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Well_Name: HARACZ AMO FEDERAL # 007
Location: F-19-24.0S-32E 1650 FNL 2310 FWL

API:

3002533345

Year: 2014
Pool Name COTTON DRAW;BONE SPRING EAST
Month Oil(BBLS) Gas(MCF) Water(BBLS)
August 8 1004 80
September 26 474 260
October 47 1314 455
November 28 2715 261
December 80 2387 383

Year: 2014
Pool Name COTTON DRAW;DELAWARE EAST
Month Oil(BBLS) Gas(MCF) Water(BBLS)
August 34 540 326
September 102 161 1037
October 188 612 1819
November 113 1367 1046
December 318 1285 1533

Year: 2015
Pool Name COTTON DRAW;BONE SPRING EAST
Month Oil(BBLS) Gas(MCF) Water(BBLS)
January 34 1044 325

Year: 2015
Pool Name COTTON DRAW;DELAWARE EAST
Month Oil(BBLS) Gas(MCF) Water(BBLS)
January 134 563 1299
February 129 382 1021

Pool Name COTTON DRAW;DELAWARE EAST
CUM 51252 102221

Pool Name COTTON DRAW;BONE SPRING EAST
CUM 2327 12732

