AHC (7/28/97

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



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

1639

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

July 1, 1997

David Catanach State of New Mexico OIL CONSERVATION DIVISION 2040 S. Pacheco Street Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Morno Keel

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County.

Should you have any questions, feel free to contact me at (505) 748-1471. Thank you.

Sincerely,

Morris Keith Engineer

MK/th

Enclosures

Tisk Daw Dave James

Took Daw



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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 1, 1997

Chris Williams State of New Mexico OIL CONSERVATION DIVISION P. O. Drawer 1980 Hobbs, NM 88240

Dear Mr. Williams,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County.

Should you have any questions, feel free to contact me at (505) 748-1471. Thank you.

Sincerely,

Morris Keith Engineer

Morus Keich

MK/th

Enclosures



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210 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 1, 1997

Bureau of Land Management 414 W. Taylor Hobbs, NM 88240

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

Morris Keith Operations Engineer

morns Keel



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

RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

S. P. YATES CHAIRMAN OF THE BOARD JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT

July 1, 1997

Burlington Resources
P. O. Box 51810
Midland, TX 79710-1810

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

Morris Keith Operations Engineer

morno Keah



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

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 1, 1997

Perry & Perry, Inc. P. O. Box 371 Midland, TX 79702-0371

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

Morris Keith

Operations Engineer

morns Keak



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

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

July 1, 1997

Estacado, Inc. P. O. Box 5587 Hobbs, NM 88241-5587

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Parsley ARA Federal #1 located in Unit P of Section 26, Township 23 South, Range 32 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

Morris Keith Operations Engineer

mores heart.

State of New Mexico Energy, Minerals and Natural Resources Department Form C-107-A New 3-12-96

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First St., Artesis, NM 88210-2835

OIL CONSERVATION DIVISION

2040 S. Pacheco Santa Fe, New Mexico 87505-6429 APPROVAL PROCESS:

X Administrative Hearing

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

X YES NO

Yates Petroleum Corporation	105 S. Fourth Street	Artesia, NM 88210	
perator	Address		
Parsley ARA Federal	1	P 26-23S-32E	Lea
9359	Well No.	Unit Ltr Sec - Twp - Rge	County
OGRID NO. <u>025575</u> Property Co	de <u>020478</u> API	00 005 00000	Unit Lease Types: (check 1 or more), State, (and/or) Fee
The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Wildcat Delaware 96060		Wildcat Bone Springs 96053
Top and Bottom of Pay Section (Perforations)	8521′-8550′		8971′-10075′
Type of production (Oil or Gas)	Oil		Oil
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure	a. (Current)	а.	a. (Current)
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing:	2500		2600
Measured Current All Gas Zones: Estimated Or Measured Original	b. (Original)	b.	b. {Original}
6. Oil Gravity (API) or Gas BTU Content	42.4		43.0
7. Producing or Shut-In?	Producing		Shut-In
Production Marginal? (yes or no)	Yes		HE YES
* If Shut-In, give date and oil/gas/water rates of last production	Date:	Date:	Date: 5-23-97
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			Rates: 10 BOPD 40 BWPD 25 MCFGPD
* If Producing, give date and oil/gas/water rates of recent test	Date: 6-26-97	Date:	Date:
(within 60 days)	Rates: 7 BOPD 66 BWPD 0 MCFGPD	Rates:	Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: Gas: 0%	0ii: Gas: 0% 0%	0il: Gas: 100%
9. If allocation formula is based upon somet data and/or explaining method and provi	hing other than current or p iding rate projections or oth	ast production, or is based upon some other er required data.	r method, submit attachments with supporti
O. Are all working, overriding, and royalty in If not, have all working, overriding, and ro Have all offset operators been given writi	oyalty interests been notifie	d by certified mail? Yes	No
1. Will cross-flow occur? Yes X N and will the allocation formula be reliable	o If yes, are fluids compa		vill any cross-flowed production be recovered

12. Are all produced fluids from all commingled zones compatible with each other? X Yes No
13. Will the value of production be decreased by commingling? Yes X No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau Land Management has been notified in writing of this application. ———————————————————————————————————
15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).
* 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 all offset operators. * Notification list of working, overriding, and royalty interests for uncommon interest cases. * Any additional statements, data, or documents required to support commingling.
I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE
TELLITORE NO. 1000 1 710 1711

District I PO Box 1980, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Axtoc, 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 Conies

State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

		W	ELL LO	CATION	AND ACE	REAGE DEDI	CATION PL	.AT			
API Number ² Pool Code ³ Pool Name						rme					
30-025-3			96053 Wildcat Bone Springs								
' Property (Code	⁴ Property Name * Well Number									
020478		Parsley ARA Federal						1			
'OGRID	No.		_	_	1 Operator					* Elevation	
025575		Yates Petroleum Corporation 3690'							3690'		
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes		County	
Р	26	238	32E	1 TY-1	760	South	990	Ea	st	Lea	
		1				f Different Fro		T =			
UL or lot no.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/Wes	t line	County	
12 Dedicated Acr	es 13 Joint	os Infill 14	Consolidatio	n Code 14 (Order No.	<u> </u>	<u> </u>	<u> </u>		<u> </u>	
ļ	- ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		~ a franklightin								
NO ALLOY	VABLE '	WILL BE	ASSIGNE	D TO TH	IS COMPLETI	ON UNTIL ALL	INTERESTS H	IAVE BE	EN CO	NSOLIDATED	
						EEN APPROVED					
16							17 OPE	RATOR	CER'	TIFICATION	
							I hereby certify that the information contained herein is				
							true and con	rplese so the l	est of my	v knowledge and belief	
				1							
				}							
								. 4	م	to	
	l			1			Signature	Signature			
	,							Tina Huerta			
							Operati		chnic	ian	
	i						Title	Operations Technician			
							6-	61-9	7		
						•	Date		حجيد		
							18SURY	VEYOR	CER	TIFICATION	
				}			19			on shown on this plat	
				}			me or under	my supervisi	on, and t	ial surveys made by hat the same is true	
	į			}			11	to the best of		1	
	ĺ						REFER T	ro orig	INAL	PLAT	
						<u> </u>	!I	d Seal of Pro	fessional	Surveyer:	
					}						
].		_				ļ	
	i					•				Ì	
				1		•	Certificate N	lumber			
L											

Production curves for each zone are not available. The Wildcat Bone Springs has no production.

District 1 PO Box 1986, Hobbs, NM 88241-1980 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1000 Rio Brazos Rd., Aztoc, NM 87410

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 Copie:

AMENDED REPORT

District IV PO Box 2088, Santa Fe, NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT 1 Pool Code API Number 30-025-33863 Wildcat Delaware 96060 ⁴ Property Code ^a Property Name · Well Number 020478 Parsley ARA Federal 1 'OGRID No. Operator Name · Elevation Yates Petroleum Corporation 025575 3690' ¹⁰ Surface Location Feet from the North/South line UL or lot no. Section Township Range Lot Ida Feet from the East/West line County 26 **23S** 32E 760 South 990 P East Lea Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Ida Feet from the North/South line Feet from the East/West line County 12 Dedicated Acres 15 Joint or Infill 14 Consolidation Code 15 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 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Tina Huerta Printed Name Operations Technician Tuie, 18SURVEYOR 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 of Survey Signature and Scal of Professional Surveyer. Ceruficate Number

Production curves for each zone are not available. The Wildcat Delaware has no production.

Lillie Yates • 9 - 1 - 95 • 62223	Structo Proof. Arascargos Fed. (on 3 14-93	Santa Fe Ener: 12 1 95 8. Kiel, Jr. 85938 Fed 9000 E. 3772	∠ Yakes Pet Soffron Ut P15		71526 d Prignation (Morrow Disc.) 11526 d Prignation (Morrow Disc.) 11526 d Prignation (Morrow Disc.) 11526 d Prignation (Morrow Disc.)	7777 Orig. HBV 20073
• · · · · · · · · · · · · · · · · · · ·	υ.s. ∰	70 50 17 09 18577 08 11-25-61 U. S.	State	"Thyme-Fed." o Corionaer.	31524c 1" Texas Cr. Shori Fed. US, M.I. 10 520c State(S)	US M State
Техасо нвр 1984 8	J.W.McGrawY4 Strate Prod. 9-1-95 62224	: Strata Prod.	55110	: 1	WG ROSS HBP 19472	Meridian 88170 26099 Texas Crude Cax Fed 105310
CoEnergy Cent. 72.25% Penwell Energy Penwell 86924 Fers.	9 Strufts Prod. 9 Strufts Prod. 16 Sees. 16 Sees. 16 Sees. 17 Sees. 18 See	Expri Gerri Sw IO Fred 200 Fred 200 0/A3 1-36	Strata Urraea-Fod Urraea-Fod Urraea-Fod Urraea-Fod	MBD 0536344	Penwell Ener 9 9 1 4 2006 450 42	7777 Drlg.
Ener. Omcar- 210 99 Fed. Santa Fe Ener. Of James Fed. U.S.	U.S.	Stratu Prod. 1 7090so Pili U. S.	Chapter (19 MILL) Company (19	U.S. Stare	Atticion (Hudson Hudson Office of Contract	Pronductive Fed. Osl. Disc. Di
Texaco Lillie Yates 18840 9 · 1 · 95 kellu) 62223	Penweil Ener CoEnergy Cent. 72.7590 4 · j · 99 V·4340 171 <u>89</u>	Strata Prod. 1 1000000 etal 6.1.95 5 5 5 5 5 6 6 6 7 5 6 6 6 7 5 6 6 6 6	P235 Strata Prod. 84729	Yotes Peteral Peters 9 - 93 9:2006 17062 97142 1200 80000	Prongham Mgmt. Corp.	Adoms OE,6 2 Pron 19450 Mgm1
PenwellEner	16	Perwell Ener (1975) (19	(dull) (Superior) (A) (Triste Drow-Fed (A) (B) (B) (F) (F) (B) (F) (F)	Sirdio rico.	700" 63 Instant # 18	U.S. Pier
97891 24000 	Sien 23	© Ener. 170 5086 700 100 100 100 100 100 100 100 100 100	Guperiari Frishe Drove-Fed. On Spra Diec. Cappa. Pope 28-89 US-28-89	SC. Helping U.S. 02,2786	HERE J "N.MSt" N.M.ST.	P-M Orig. Teloco-5/ 3-67 105-414
larvard Pet. o Ba Spra Base Senta Fe Enjetal Amoco, DIR 4-1-96 HBP 86153	Honkomer Penwall Caferry College Colle	1	(CoEnergy Cent, 72.25%) Penwell Ener. 3 · 1 · 2006 96240 96239 67529 680 99	Panwell Ener: CoEnergy Cent, 72,2590; 96,926 96,926 130,99	3794 Fromoharn Conoco (Mgmr, 775200 H8P CO68848 PIE 068848 P20 068848	Ouer Wagner I Jr., efal Santo to 16050' 2386
1-20 Tomcat-Fed. 20 Kirklin Fed.Fstill	Penwell Ener.	-22	23 (cent., 72.25%)	"Diamond tail- Fed." Penwell Ener 3 24	Capacol · A 19-17	Toco, LLC (Amer. Quaso Brianinstool (Marrow Disc) 22.6 MH. Santa Freener
20 Kirkin red Faill 10 4847 10 4847 10 4861 Fe Energy 1 - 33 10 - - 33 1	U.S.	CERTIFUL CHINY 2:5% Series 6 Series 6 U. S.	o' "Diamondtail U.S. Fed."	PSI 86154 Johnston J Plamonatail - Fields" Fed."	DelDisc. Will F271. #Marshall-Fed." Convil. ### DelDisc. Property of the convil. ###################################	18 94187
Hervard Pet. to Bn. Sprg. Base Amoco. D/R HBP	Yates Pet, etal 1-Apj Burlington	Meradian, 1/2 Continental, 1/2 HBP 063228	Yates Pet.	State(S) U.S.(S)); M Catalogy (Conoco) (4) 86154 7022 \$ 063228	W. H. Briminstool, (5) Rise VI. Conoco Au-Trend Rit. H B P Caneco Rel. 31224	
0559539 (Amoca) HBP 0559539)	77063(status) 91.95 (misser) 92.25 (misser) 62225 (misser) 6225 (misser) 6225 (misser) 7706 (misser) 7706 (misser) 7706 (misser) 7706 (misser) 7706 (misser) 7706 (misser) 7706 (misser) 7706	27	230₩	H.L. Johnston J. (Union) Webrite 3 70 5167 0/A 4-11-63 Centy. 25 - F05200 -	Pronghorn: (Pronghorn: Mgmt.Corp) to 5200	29
Server of fet. Enthberty Hereard Pet. Enthberty Homes Fed.	ZAPJI	Merchan	Continents () H8 PURION 063228 Powner & MC Carver	P-M Origi Conoco HRP Union HBP	J. Star 7 Penwei	,
M Disc (00) U.S.	"Cont'l Fed." U. S.	Meridian' 0/1 9.1 9.5 9.	10 90 60	Story	U:5. MI 19-17-2006 W.H. U.S 25148	u.s.
Dreyfus Nat. Dr	Yates Burlington Pet., etal 9.1.95 9.1.93 62225 77063 2.99	Burlington O5	Pennzon) Ph Drig, O3226 Ph Pennson Ph Pennso	(Pure)	V.4907 V.4907 11228	Kirklin Drig, Stata E. 70 5236 Dat 31 40 014 10-2-69 Santa Fe Ener:
	33	7/A10200 314 T/A10200	P. M. Dela 35 6-1-97 69095 20 183 13 P. M. Drig 13 P. M. Drig 13 P. M. Drig 15 Februaries	Swo	Santa Fe Ener Snake weed 51	V-2796 ISISE 32
State M.I		Union Fed 3 "Diagnondtail- 27 Fed." "Diagnond-Fed." U.S. F242	Particip DA 6-22-61 03226 Fed Payne U.S	"Tricte Oraw. St"	ال مدرية	··
U.S.(S) 14 4 1944, 199 44 199444 Burlington 7-1-17 V-4047 9-1-93	U.S. Burlington Good Good Burlington	Burlington	Burlington	State MI US (5) State of made in made in session in facts. Section Union	Sime 1990 1990 1986 1986 1986 1986 1986 1986 1986 1986	### 1919# 15 Penwell 12-1-20
475 95 90812 ************************************	I (400 22° 1	Burlington 6 - 1. 2005 194850	7. Hodge 137 9	Pericent Union 11: 1-94 82913 0371175 1	5 · 1 · 2001 39274; 3 V · 4854 8491	v. 5008 215 71 Cumfei alke Maralu 99
L.Oreyfus Net Gas 9 1 97 8 9 1 7 4	Maxwilson Guif Feo. TD4995	Cogtill U.S.M. Bearden	2 Ohio-St	MGS Confirmation (monoton for a feet a fee	77 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
2.0 2.0	2.0	2.U	Jed MM-St. ()-EH State M.I U.S (S)	U.S. Fize	Selfondo)	Sreen
Burlington 55.953 Meridian Tobero 1000000000000000000000000000000000000	Burlington Burlington 7 · 1 · 93 6 1 /2004 55953 93212 115 99	Burlington 6 2004 93212 115 <u>9</u> 0	Chevron Union O1917 BUGGO Primal Ener- homes homes	Chevron 02889 %2 0583548 (Union) "Ted-Honagan" (Wimberly"	9 grker c parties 1/2 9 grker c parties 1/2 9 server c parties 1/2 10 server c	+46 Enror Santa 5-1 Sunray Gx V-4 MM-54- 89 78 3210 845-20-62
1938 10361 8	9	Gulf Aprogen-Fee Onne 4-92 O 'Chevron H B P 01917	Hanagan Wimberly-Fed.	Hankamer Jubiles Comoco Guif &	Guitan Diesen	70 32 20 es
9. 1. 93 90812 "Matha-Fed 65.22 U.S.	Z.U	U.S. M. U.S. M. U.S. M. Share, S. Bearden Bearden U.S.	Ozen Ozen		Fed. 28 (1992)	Se
Millennium Ener. HBP 15253		Gulf Prilips 03/66 2505 03/66 2505 03/66 03/660 03/660	Pronghart Managan 3 Conoco 9 4 8 P 0553642	Chevron Primal Ener.	P.R.Bass 5-199 V-3-908 Mark 1 125 22	Tortes Pirt, cital 4: 1: 70 V. 4:44 85 ES
Burlington ** 11: 1 - 26 66925	16 24	32 15 (Gulf.) Fed Henagon 3.8	14 6 C.F. James (S)	Corrocco Chevron HBF H.B.P. 0553647 91917	18 t _{i w} arang	Termeco 17 Sf-Lowe D 5230 Das-14-53
		Exxon Marks 4		L	السيسا	!

YATES PETROLEUM CORPORATION APPLICATION FOR ADMINISTRATIVE APPROVAL DOWNHOLE COMMINGLING PARSLEY ARA FEDERAL #1 LEA COUNTY, NEW MEXICO

Bureau of Land Management 414 W. Taylor Hobbs, NM 88240

Burlington Resources P. O. Box 51810 Midland, TX 79710-1810 Perry & Perry, Inc. P. O. Box 371 Midland, TX 79702-0371

Estacado, Inc. P. O. Box 5587 Hobbs, NM 88241-5587