

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

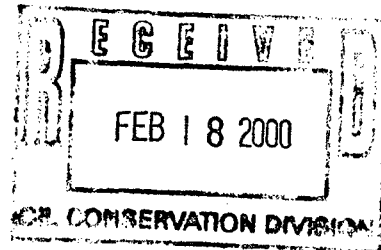
TELEPHONE (505) 748-1471

DHC 3/9/00

de 78

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

February 17, 2000



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

Dear Mr. Catanach,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Windmill ATI State #1 located in Unit J of Section 16, Township 15 South, Range 28 East, Chaves County.

Should you have any questions, feel free to contact me at (505) 748-4174. Thank you.

Sincerely,

Albert R. Stall

Albert R. Stall
Operations Engineer

ARS/th

Enclosures

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



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ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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DENNIS G. KINSEY
TREASURER

February 17, 2000

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

Dear Mr. Gum,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Windmill ATI State #1 located in Unit J of Section 16, Township 15 South, Range 28 East, Chaves County.

Should you have any questions, feel free to contact me at (505) 748-4174. Thank you.

Sincerely,

Albert R. Stall
Operations Engineer

ARS/th

Enclosures

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE
X YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation

105 S. 4th Street, Artesia, NM 88210

Operator

Address

Windmill ATI State

1

J 16-15S-28E

Chaves

Lease

Well No.

Unit Ltr.-Sec-Twp-Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 025575 Property Code API NO. 30-005-63223 Federal State X (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	Cisco		Wildcat Morrow 96070
2. Top and Bottom of Pay Section (Perforations)	7663'-7906'		9075'-9096'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
5. Bottomhole Pressure	a. (Current)	a. (Current)	a. (Current)
Oil Zones - Artificial Lift: Estimated Current	1550 psi (est.)		1800 psi Echometer
Gas & Oil - Flowing: Measured Current	b. (Original)	b. (Original)	b. (Original)
All Gas Zones: Estimated or Measured Original	1800 psi (est.)		2096 psi DST
6. Oil Gravity (EAPI) or Gas BTU Content	TSTM		1212 BTU
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give 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: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 11-4-99 Rates: Swab ½ bwph with slight gas TSTM	Date: Rates:	Date: 12-1-99 Rates: Swab 10 bwph with 2% oil and good gas (not measured)
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 0% Gas: 2%	Oil: % Gas: %	Oil: 100% Gas: 98%

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data. See Attachment

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

11. Will cross-flow occur? Yes X No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable? Yes No (If No, attach explanation)

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 of Land Management has been notified in writing of the application. X Yes No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S).

16. ATTACHMENTS:

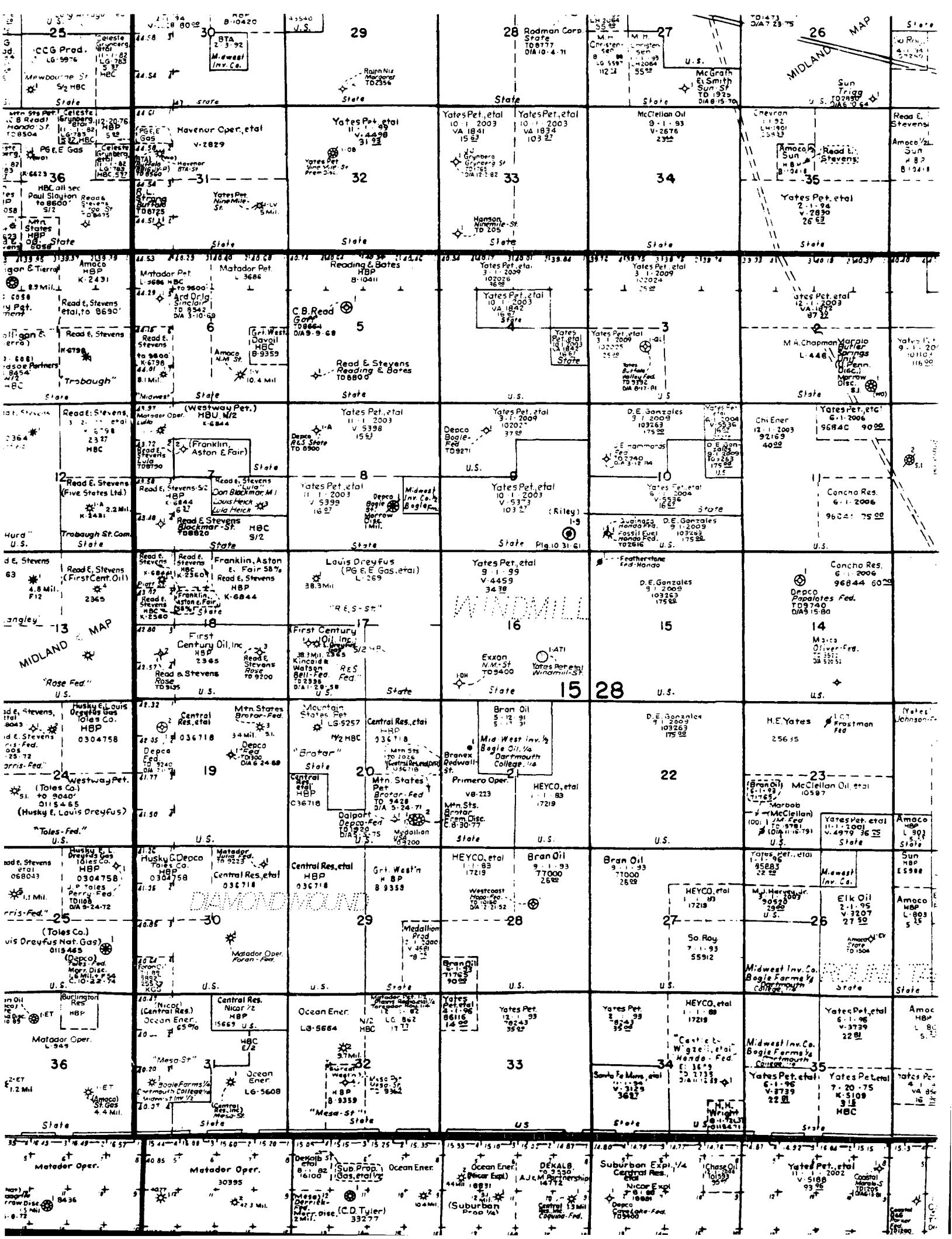
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, date, 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 Albert R. Stall TITLE Operations Engineer DATE 2-14-00

TYPE OR PRINT NAME Albert R. Stall TELEPHONE NO. (505) 748-4174

9. The allocation formula is based on production testing. The Cisco swabbed at a rate of $\frac{1}{2}$ bwph with a slight show of gas. The Morrow swabbed 10 bwph with 2 % oil, and a gas flare reported as good. Morrow gas could not be measured because it was produced while the well was being swabbed. The proposed allocation formula is based on this information by estimating that all oil and 98% of gas is coming from the Morrow.



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

1 API Number 30-005-63223		1 Pool Code		1 Pool Name Cisco			
1 Property Code		1 Property Name Windmill ATI State				1 Well Number 1	
1 OGRID No. 025575		1 Operator Name Yates Petroleum Corporation				1 Elevation 3562'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	16	15S	28E		1650	South	1650	East	Chaves

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	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

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> <u>Tina Huerta</u> Signature Tina Huerta Printed Name Operations Technician Title <u>2-17-00</u> Date
					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> REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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PO Box 1988, Hobbs, NM 88241-1988
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WELL LOCATION AND ACREAGE DEDICATION PLAT

AFT Number 30-005-63223		Pool Code 96070	Pool Name Wildcat Morrow
Property Code	Property Name Windmill ATI State		Well Number 1
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 3562'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
J	16	15S	28E		1650	South	1650	East	Chaves

¹¹ Bottom Hole Location If Different From Surface

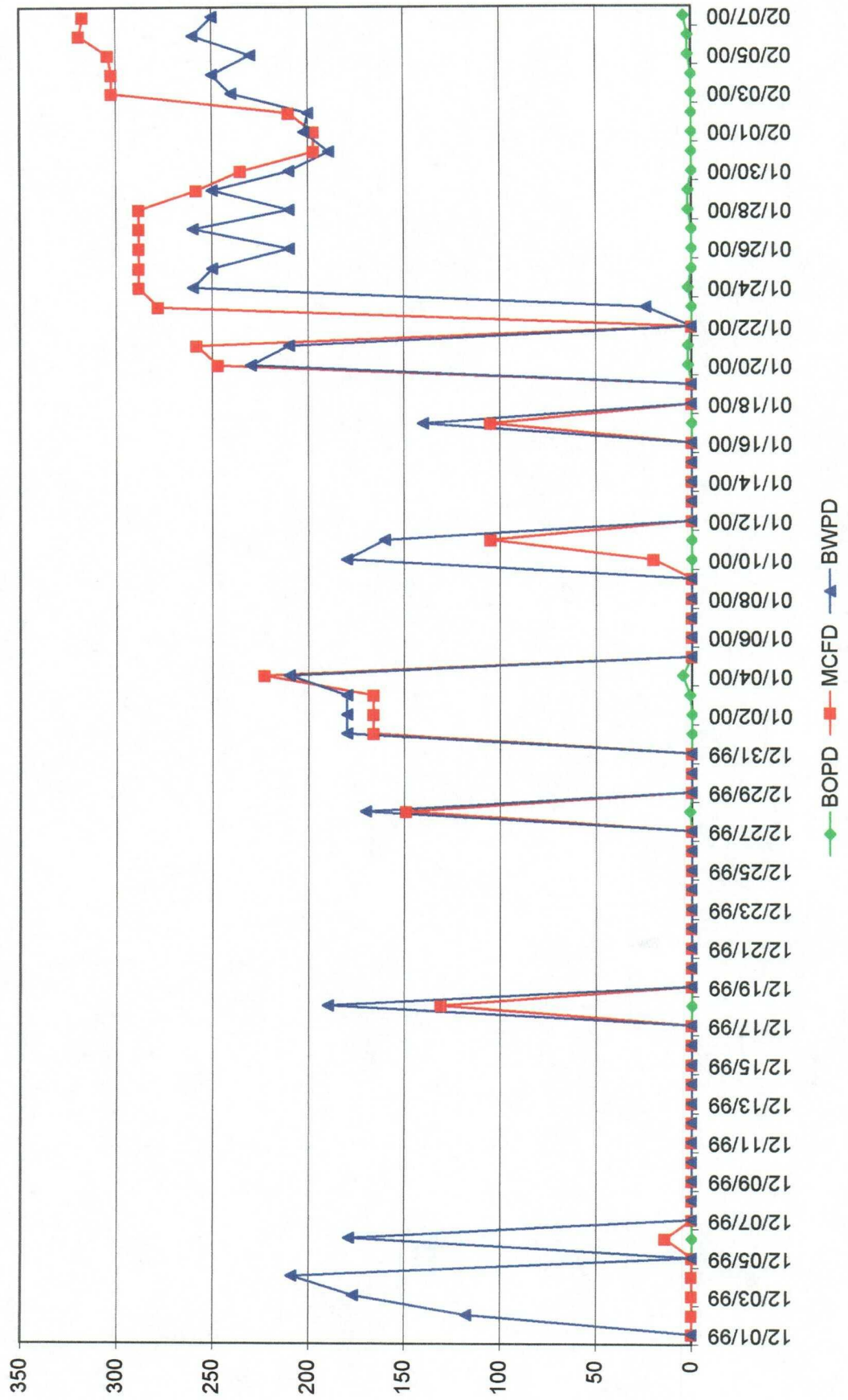
UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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					¹⁸ 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 of Survey Signature and Seal of Professional Surveyor: Certificate Number

WINDMILL ATI STATE #1 Daily Production



Windmill ATI State #1			
Date	BO	MCF	BW
01/21/00	2	258	210
01/22/00	0	0	0
01/23/00	0	278	24
01/24/00	2	288	260
01/25/00	0	288	250
01/26/00	0	288	210
01/27/00	0	288	260
01/28/00	2	288	210
01/29/00	2	258	250
01/30/00	0	235	210
01/31/00	0	197	189
02/01/00	0	197	202
02/02/00	0	210	200
02/03/00	0	302	240
02/04/00	0	302	250
02/05/00	2	304	230
02/06/00	2	319	260
02/07/00	4	317	250

Windmill ATI State #1			
Date	BO	MCF	BW
12/01/99	0	0	0
12/02/99	0	0	118
12/03/99	0	0	177
12/04/99	0	0	209
12/05/99	0	0	0
12/06/99	0	14	179
12/07/99	0	0	0
12/08/99	0	0	0
12/09/99	0	0	0
12/10/99	0	0	0
12/11/99	0	0	0
12/12/99	0	0	0
12/13/99	0	0	0
12/14/99	0	0	0
12/15/99	0	0	0
12/16/99	0	0	0
12/17/99	0	0	0
12/18/99	0	131	190
12/19/99	0	0	0
12/20/99	0	0	0
12/21/99	0	0	0
12/22/99	0	0	0
12/23/99	0	0	0
12/24/99	0	0	0
12/25/99	0	0	0
12/26/99	0	0	0
12/27/99	0	0	0
12/28/99	1	149	170
12/29/99	0	0	0
12/30/99	0	0	0
12/31/99	0	0	0
01/01/00	0	166	180
01/02/00	0	166	180
01/03/00	1	166	180
01/04/00	5	223	210
01/05/00	0	0	0
01/06/00	0	0	0
01/07/00	0	0	0
01/08/00	0	0	0
01/09/00	0	0	0
01/10/00	0	20	180
01/11/00	0	105	160
01/12/00	0	0	0
01/13/00	0	0	0
01/14/00	0	0	0
01/15/00	0	0	0
01/16/00	0	0	0
01/17/00	0	105	140
01/18/00	0	0	0
01/19/00	0	0	0
01/20/00	2	247	230

Windmill ATI State #1			
Date	BO	MCF	BW
01/21/00	2	258	210
01/22/00	0	0	0
01/23/00	0	278	24
01/24/00	2	288	260
01/25/00	0	288	250
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01/31/00	0	197	189
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02/04/00	0	302	250
02/05/00	2	304	230
02/06/00	2	319	260
02/07/00	4	317	250

YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
WINDMILL ATI STATE #1
CHAVES COUNTY, NEW MEXICO

Branex Resources, Inc.
P. O. Box 2328
Roswell, NM 88202-2328

Santa Fe Snyder Corp.
550 W. Texas, Suite 13300
Midland, TX 79701

Louis Dreyfus Natural Gas Corporation
1400 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134-2600

Heyco
P. O. Box 1933
Roswell, NM 88202-1933

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

Mountain States Petroleum Corp.
P. O. Box 1936
Roswell, NM 88202

MARTIN YATES, III
1912 - 1985
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TREASURER

February 17, 2000

Branex Resources, Inc.
P. O. Box 2328
Roswell, NM 88202-2328

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Windmill ATI State #1 located in Unit J of Section 16, Township 15 South, Range 28 East, Chaves County. Please find a copy of application enclosed. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please call me at (505) 748-4174.

Sincerely,

A handwritten signature in cursive script that reads 'Albert R. Stall'.

Albert R. Stall
Operations Engineer

ARS/th

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Santa Fe Snyder Corporation
550 W. Texas, Suite 1330
Midland, TX 79701

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Louis Dreyfus Natural Gas Corporation
1400 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134-2600

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February 17, 2000

Pete Martinez
State of New Mexico
Commissioner of Public Lands
310 Old Santa Fe Trail
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 Windmill ATI State #1.

Should you have any questions, feel free to contact me at (505) 748-4174. Thank you.

Sincerely,

Albert R. Stall
Operations Engineer

ARS/th

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Mountain States Petroleum Corporation
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Roswell, NM 88202

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