

By SPQ

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
YATES PETROLEUM CORPORATION FOR A
NON-STANDARD UNIT, OR IN THE ALTER-
NATIVE, FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO

CASE NO. 8304

STATE LEASE

AMENDED APPLICATION

NSL - 1933

RULE 104 FI

Release Immediately

COMES NOW Yates Petroleum Corporation, by its attor-
neys, and in support hereof, respectfully states:

1. Applicant is the operator of the Delaware forma-
tion, underlying:

Township 20 South, Range 27 East, N.M.P.M.

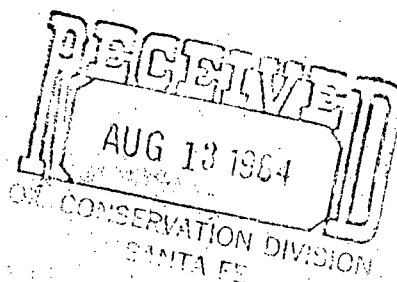
Section 36: NE/4 NE/4 AND S/2 NE/4 dedicated
containing 40 acres, more or less,

and has drilled its Citdel "ZG" State No. 1 Well as an oil well
at a point located 330 feet from the north line and 330 feet from
the east line of said Section 36, with an anticipated standard
40-acre oil proration unit.

2. Applicant is also the operator of the Delaware
formation underlying S/2 NE/4 of said Section 36.

3. In the drilling of its Citdel "ZG" State No. 1
Well as an oil well, Applicant encountered gas, and it has become
necessary that Applicant dedicate a standard 160-acre gas prora-
tion unit to the well.

This NSL was necessary because the well
was drilled as an oil well and instead
was a gas well. SPQ



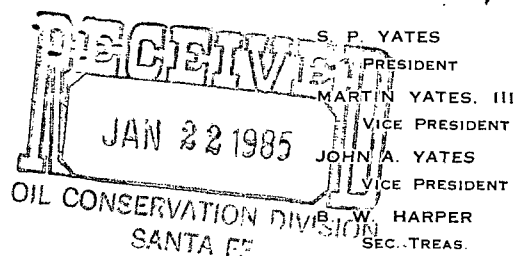
Release February 16 1985

B4 DC



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



NJL-1933

RWE-104 F(E)

January 17, 1985

✓ Mr. Richard Stamets, Secretary -Director
New Mexico Oil Conservation Division
PO Box 2088
Santa Fe, New Mexico 87501

Re: Citdel "ZG" State #1
330' FNL and 330' FEL
Section 36-T20S-R27E
Eddy County, NM

Dear Sir,

Yates Petroleum Corporation would appreciate an administrative approval for a proposed unorthodox Bone Springs non-standard location as provided for under NMOC Rule 104F.

The above captioned well was originally drilled to the Delaware formation and tested as a dry hole. It was then completed in the Bone Springs as a gas well. The Bone Springs is considered to be a non-standard location. We would appreciate your favorable consideration concerning this well.

Enclosed please find a copy of the lease map showing offsetting lease operators. Offsetting lease operators have been notified of our intentions by certified mail, via a xerox copy of this letter.

Thank you for your help in this matter.

Sincerely yours,

YATES PETROLEUM CORPORATION

Cy Cowan
Regulatory Agent

CC/gaa

XC: Exxon Co. - USA
Cities Service
Gulf Oil Exploration & Production Co.
Pubco - Public Lands Exploration Inc.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

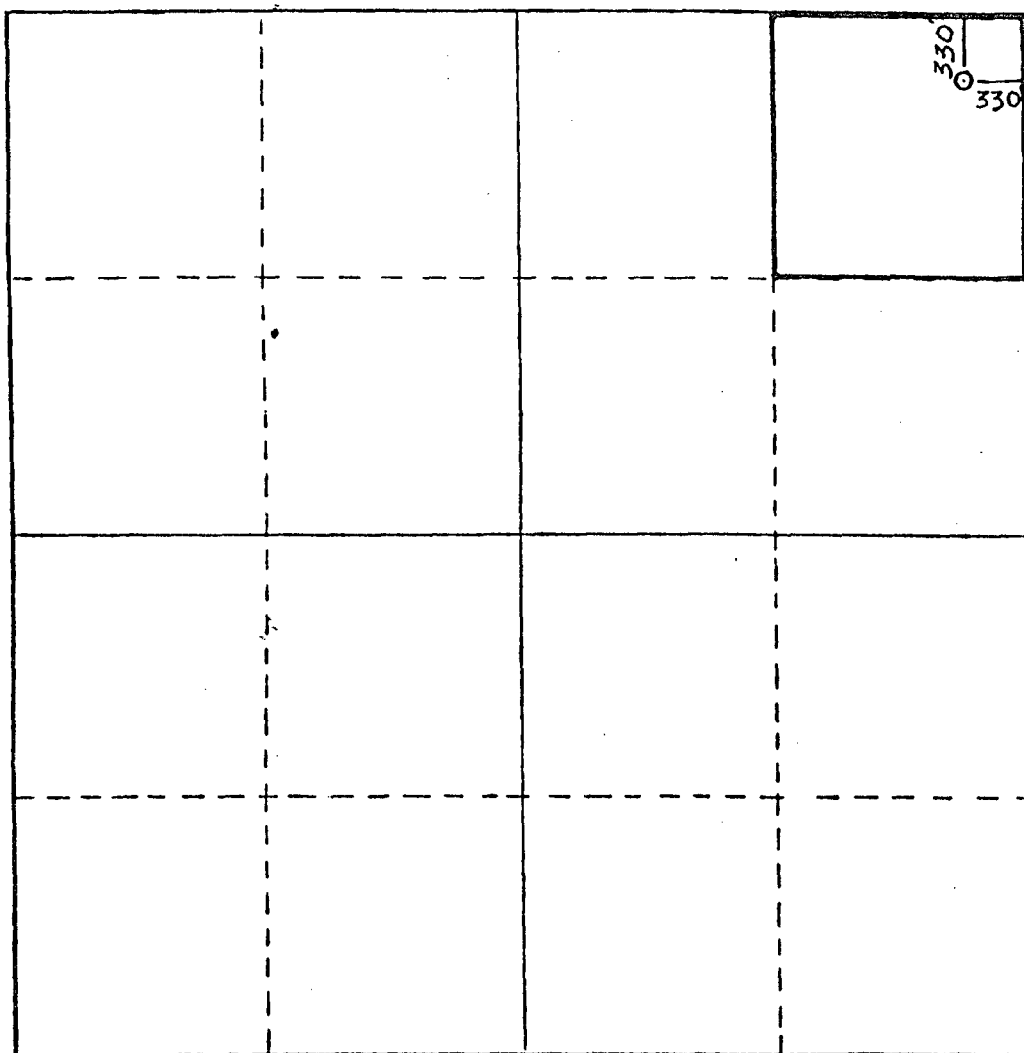
Operator YATES PETROLEUM CORPORATION		Lease Citdel ZG State		Well No. 1
Unit Letter A	Section 36	Township 20 South	Range 27 East	County Eddy
Actual Footage Location of Well: 330 feet from the North line and 330 feet from the East line				
Ground Level Elev. 3289.	Producing Formation DELAWARE	Pool UNDES DELAWARE	Dedicated Acreage: .40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Cy Cowan

Name

Cy Cowan

Position

Regulatory Agent

Company

Yates Petroleum Corp.

Date

3/8/84

DAN R. REDDY
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 knowledge and belief.
PROFESSIONAL

Date Surveyed

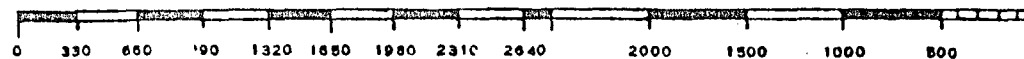
March 7, 1984

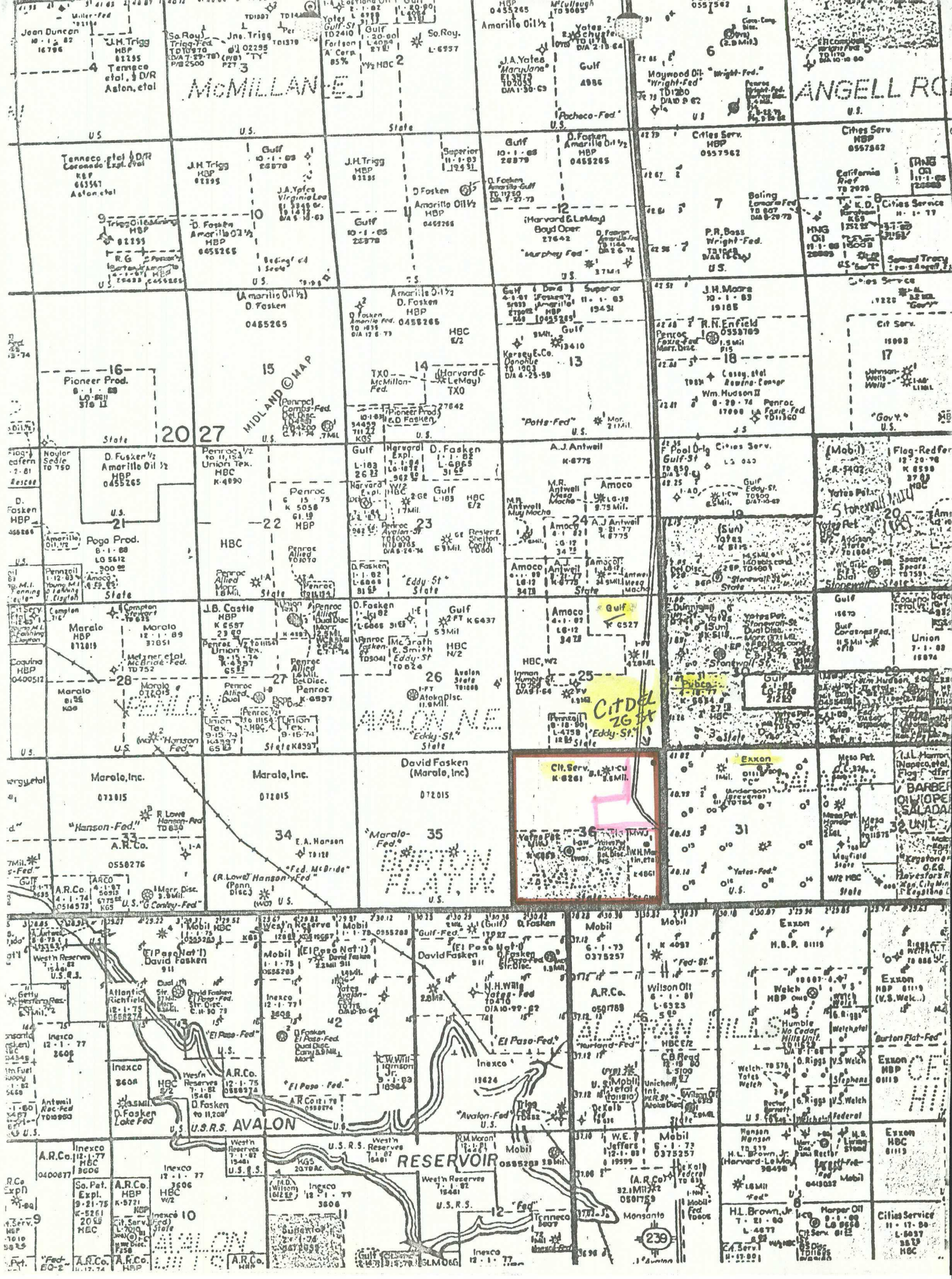
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412





OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
K-6261

1. TYPE OF WELL

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. TYPE OF COMPLETION

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER ☐

Name of Operator

Yates Petroleum Corporation

Address of Operator

207 South 4th St., Artesia, NM 88210

Location of Well

WIT LETTER A LOCATED 330 FEET FROM THE North LINE AND 330 FEET FROMRANGE East LINE OF SEC. 36 TWP. 20S RGE. 27E NMPM

12. County

Eddy

5. Date Spudded 3-11-84 16. Date T.D. Reached 3-23-84 17. Date Compl. (Ready to Prod.) 5-18-84 18. Elevations (DF, RKB, RT, GR, etc.) 3289' GR 19. Elev. Casinghead

20. Total Depth 5100' 21. Plug Back T.D. 5051' 22. If Multiple Compl., How Many 23. Intervals Drilled By Rotary Tools 0-5100' Cable Tools

4. Producing Interval(s), of this completion - Top, Bottom, Name

4871-5026' Bone Springs

25. Was Directional Survey Made

No

5. Type Electric and Other Logs Run

CNL/FDC; DLL

27. Was Well Cored

No

8. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.5#	408'	17-1/2"	325	
8-5/8"	24#	2390'	12-1/4"	800	
5-1/2"	17#	5100'	7-7/8"	710	

9. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	4843'	4850'

31. Perforation Record (Interval, size and number)

5023-26' w/10 .50" Holes
4871-80' w/10 .50" Holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
5023-26'	w/1000g. 15% acid
4871-80'	w/1500g. 15% acid
4871-5026'	SF w/1000g. 15% acid, 4000g. gel KCL, 70000# 20/40 sd.

13. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)						Well Status (Prod. or Shut-in)	
5-18-84		Flowing						SIWOPLC	
Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio		
8-3-84	24	1/4"	→	3	424	1	141330/1		
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)			
275	Pkr	→	3	424	1	44°			

4. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented - will be sold

Test Witnessed By

Don Weaver

5. List of Attachments

Deviation Survey

6. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED

TITLE

Production Supervisor

DATE

8-6-84

All distances must be from the outer boundaries of the Section.

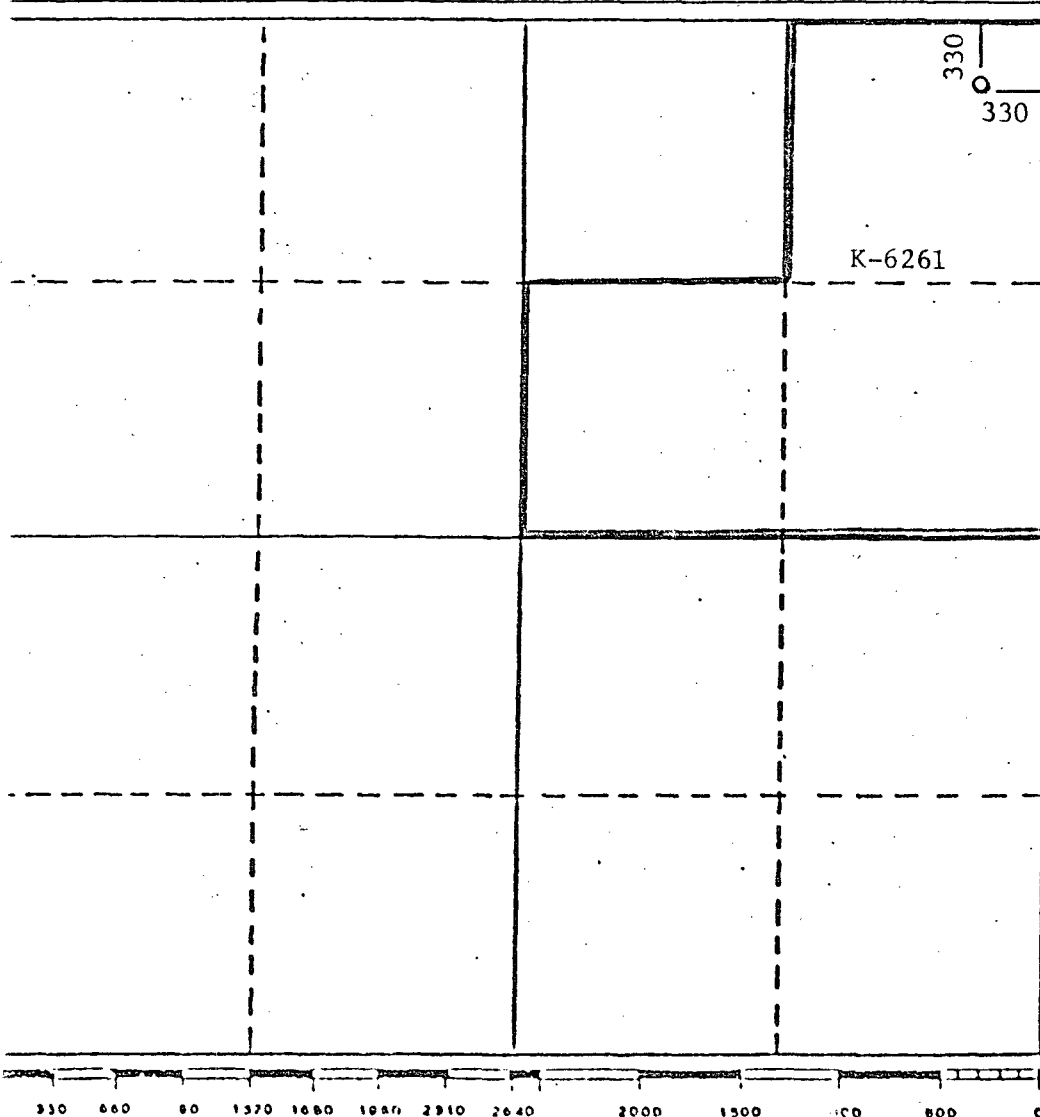
Operator Yates Petroleum Corporation		Lease Citdel ZG State		Well No. 1
Unit Letter A	Section 36	Township 20 South	Range 27 East	County Eddy
Actual Footage Location of Well: 330 feet from the North line and 330 feet from the East line				
Ground Level Elev. 3289'	Producing Formation Bone Springs		Pool Undes. Bone Springs	Dedicated Acreage: 120 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Name

Juanita Goodlett

Position

Production Supervisor

Company

Yates Petroleum Corporation

Date

8-6-84

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 knowledge and belief.

REFER TO ORIGINAL PLAT

Date Surveyed dated 3/7/84

Registered Professional Engineer
and/or Land Surveyor

Certificate No.



CITIES SERVICE OIL AND GAS CORPORATION

BOX 1919

MIDLAND, TEXAS 79702

August 17, 1984

(915) 685-5600

RECEIVED AUG 20 1984

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210

Attention: Ms. Janet Richardson

Re: Farmout Agreement dated
February 8, 1984, covering
N/2 Section 36, EXCEPT
NE/4 NW/4, T-20-S, R-27-E
Eddy County, New Mexico
Citdel "ZG" No. 1 Well

Gentlemen:

Pursuant to a recent telephone conversation with Ms. Richardson of your office, she stated that Yates Petroleum would like for Cities Service to farm out their interest under a "save and except" 40-acre tract under the Contract. Our Management has reviewed and rejected your request for us to farm out this acreage, since we have a producing well on this 40-acre tract. Our Management is of the opinion that Yates should ask the New Mexico Oil Conservation Commission for a reduced allowable for the subject well.

If you should have any questions concerning this matter, you may contact me at (915)-685-5765.

Yours very truly,

CITIES SERVICE OIL AND GAS CORPORATION

Danny Kidwell
Landman

DK:eh

LAW OFFICES

LOSEE, CARSON & DICKERSON, P. A.

300 AMERICAN HOME BUILDING

P. O. DRAWER 239

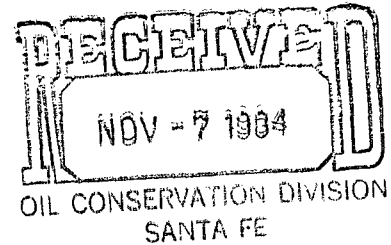
ARTESIA, NEW MEXICO 88211-0239

AREA CODE 505

746-3508

A. J. LOSEE
JOEL M. CARSON
CHAD DICKERSON
DAVID R. VANDIVER
ELIZABETH LOSEE
REBECCA DICKERSON

November 5, 1984



Mr. Gilbert P. Quintana, Examiner
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 8304
Yates Petroleum Corporation
Citdel "ZG" State No. 1 Well
Township 20 South, Range 27 East, NMPM
Section 36: 330 FNL - 330 FEL
Eddy County, New Mexico

Dear Mr. Quintana:

This will serve as the formal request of Yates Petroleum Corporation for administrative approval of the unorthodox location of the captioned well. Hearing on the application for a nonstandard unit was held September 5, 1984.

As you will recall, this well was located as an orthodox oil well, but was dry in the Delaware and completed as a Bone Springs gas well.

Thank you.

Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A.


Chad Dickerson

CD:pvm
Enclosure

cc: Ms. Janet Richardson