

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



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

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

July 20, 1989

RECEIVED

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

JUL 21 1989
OIL CONSERVATION DIV.
SANTA FE

Attention: Mr. Michael Stogner

Re: Non-Standard Location
Powell-Kissinger BS #2
990' FSL & 1650' FEL
Section 33-T17S-R25E
Eddy County, New Mexico

Dear Mr. Stogner:

This well has had an Administrative Order NSL-1975 since January 24, 1985 for the Morrow formation. We have re-completed the well in the Permo-Penn formation and request administrative approval for the same E/2 of the Powell-Kissinger BS #2 as provided for Order Rule 104F.

The reason was for geological reason in the Order ^{NSL-1975} ~~NSC~~ 4975 and as the well is there already, I wish the same for this formation.

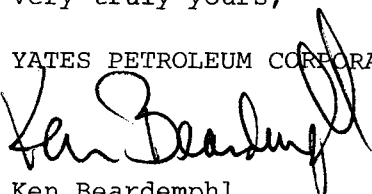
I have enclosed a copy of the lease map showing no changes and respectfully request an administrative approval for the Permo-Penn formation.

If you have any questions concerning this, please call me.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION


Ken Beardemphl
Landman

KB/mw

Enclosure

[illegible]

Release 1-23-85

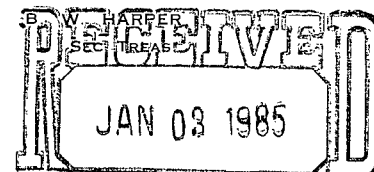
By DRC



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT



OIL CONSERVATION DIVISION

January 2, 1985

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

NSL-1975 SANTA FE
RULE-104 F(II)
Dedicated Acreage - 320 acres
E/2, Section 33 - T17S-R25E
For hand

Re: Powell-Kissinger BS #2
990' FSL and 1650' FEL
Sec. 33-T17S-R25E
Eddy County, New Mexico

Dear Sir,

Yates Petroleum Corporation would appreciate an administrative approval for a proposed unorthodox Morrow location as provided for under NMOCD Rule 104F.

Our preferred location for this well was 990' FNL and 1650' FEL. Our reason for requesting the non-standard location is geological. Geological data is being sent under separate cover.

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.

Formations we expect to drill through are: San Andres, Glorieta, Abo, Wolfcamp, Cisco, Lower Canyon Strawn, Atoka, Morrow, Chester lime

Thank you for your help in this matter.

Sincerely,

YATES PETROLEUM CORPORATION

Cy Cowan
Regulatory Agent

CC/gaa
Enclosures

cc: Amoco Production Company
Gulf Oil Exploration & Production Co.

[illegible]

**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.

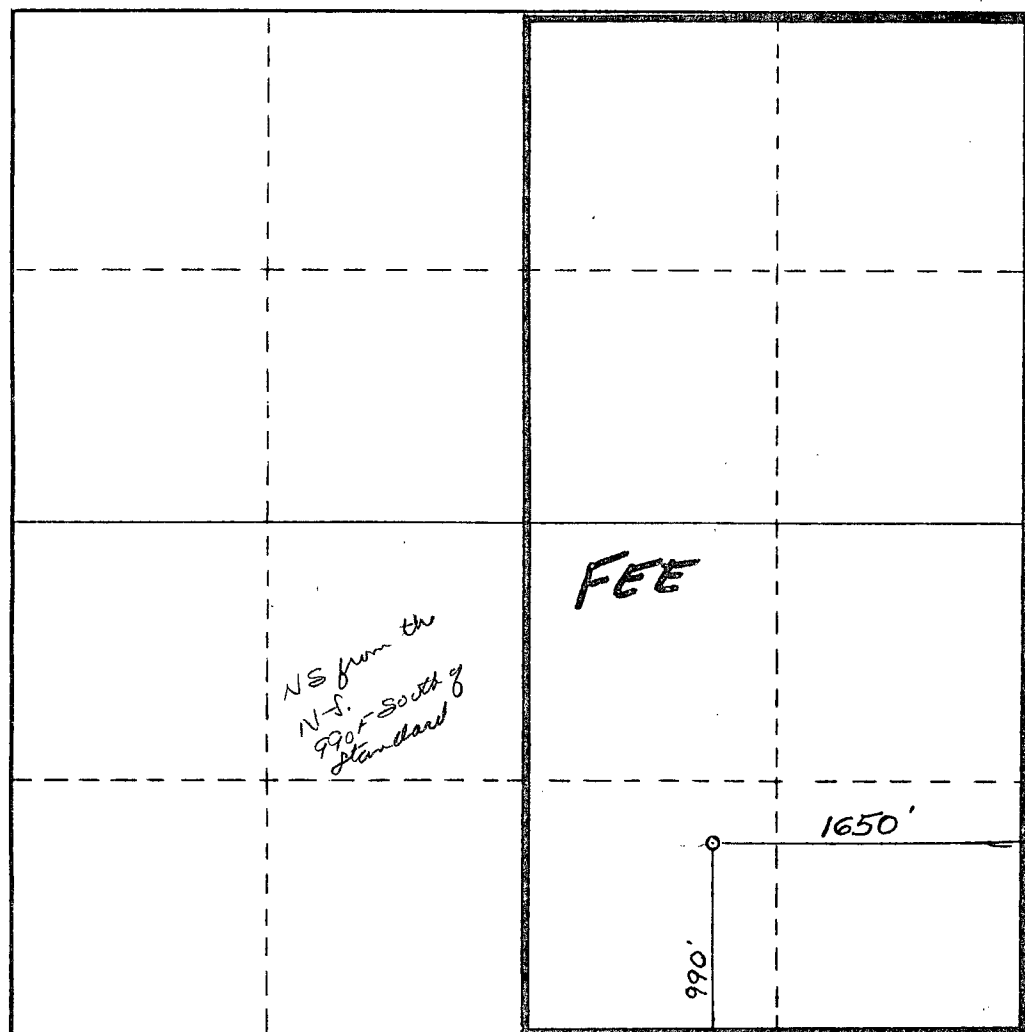
Operator YATES PETROLEUM CORPORATION			Lease Powell Kissinger BS		Well No. 2
Unit Letter 0	Section 33	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 990 feet from the South line and 1650 feet from the East line					
Ground Level Elev. 3552	Producing Formation Morrow		Pool UNDES RICHARD KNOB ATOKIA MORROW		Dedicated Acreage: 320 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.

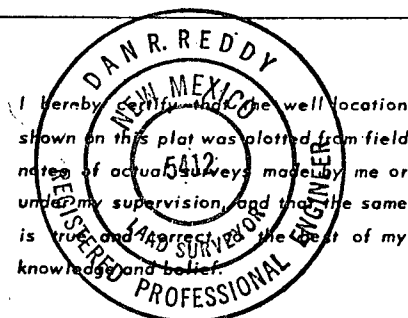
Cy Conner

Name

Position

Company

Date



Date Surveyed

Dec. 21, 1984

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.

NMPE&LS #5412





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

January 10, 1985

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Request for Administrative
Approval for Unorthodox location
Powell-Kissinger "BS" #2
Township 17 South, Range 25 East, NMPM
Section 33: SE/4
Eddy County, New Mexico

Gentlemen:

Enclosed please find a request for Administrative approval for the unorthodox location for the Powell-Kissinger "BS" #2, being located 990 feet from the South line and 1650 feet from the East line in Section 33, Township 17 South, Range 25 East, Eddy County, New Mexico for geologic conditions.

The enclosed letter and maps from Mr. Ray Beck, Yates Petroleum Corporation Chief Geologist will further discuss the geologic conditions.

Thank you.

Very truly yours,

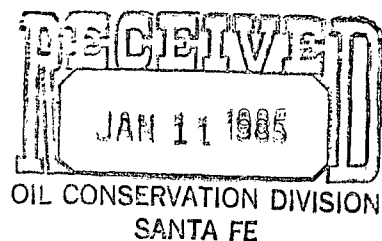
YATES PETROLEUM CORPORATION


Ken Beardemphl
Landman

KB/dc

cc: New Mexico Oil Conservation Division
324 West Main Street
Artesia, New Mexico 88210

With attachments





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

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S. P. YATES
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JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

GEOLOGIC CONDITIONS
FOR THE
UNORTHODOX LOCATION
OF THE
YATES PETROLEUM CORPORATION POWELL-KISSINGER "BS" #2
990' FSL & 1650' FEL Section 33-17S-25E

Yates Petroleum Corporation respectfully requests administrative approval for the unorthodox location of its proposed Powell-Kissinger "BS" #2 to be drilled 990 feet from the South line and 1650 feet from the East line of Section 33, Township 17 South, Range 25 East, Eddy County, New Mexico. The East half of Section 33 would be dedicated to the well.

The necessity for this non-standard location is based upon geologic conditions pertaining to a Permo-Penn (Lower Wolfcamp-Upper Cisco) limestone bank in Northern Eddy County; however, the well will be drilled through the base of the Pennsylvanian.

Exhibit #1 is a land plat showing the proposed location and its relationship to the surrounding acreage situation. Yellow denotes acreage in which Yates has full or partial operating rights. The proration unit is outlined in red.

Exhibit #2 is a combined porosity and structure map. Solid lines are contoured on feet of porosity in the Permo-Penn bank facies. As indicated on the map the Federal "CR" #4 (unit K, Sec 33 17-25) and the Sower "FB" #1 (unit E, Sec 34 17-25) had an absence

of porosity and permeability in the bank facies. However, the Griffin "JJ" #1 (unit F, Sec 4 18-25) had 16 feet of porosity with permeability ranging up to good in quality and has produced approximately 0.9 BCF of gas.

A well drilled at the proposed location should encounter approximately the same porosity and permeability as the Griffin "JJ" well on trend to the Southwest and, thus, should produce economic reserves of gas from the Permo-Penn limestone bank facies.

The structure contours indicate that the proposed location is on a broad terrace at Permo-Penn level.

Exhibit #3 is a stratigraphic crosssection showing the pertinent correlations and the "tite" bank to porous bank to basin relationships prevailing in the area of the proposed location.

In summary, the proposed non-standard location is the best allowable location to find Permo-Penn gas in the East half of Section 33, should recover the greatest amount of hydrocarbon product from the proration unit and thereby prevent waste and protect correlative rights.

The above discussion and Exhibits #2 and #3 were prepared by Ray Beck and Exhibit #1 was prepared under his direction. Ray Beck is employed by Yates Petroleum Corporation as a geologist in Artesia, New Mexico, and has been accepted as an expert witness by the New Mexico Oil Conservation Division on previous occasions.

T-17-S

T-18-S



PERMO-PENN PENETRATIONS

16 ← FT. OF $\phi > 4\%$ ON FDC CURVE

-28 15 ← ALTITUDE BELOW SEA LEVEL OF TOP OF PERMO-PENN LS. BANK FACIES

SOME-GOOD ← NOTE ON QUALITATIVE PERMEABILITY FROM DLL

PERMO-PENN PRODUCERS

20 ← ISO-POROSITY CONTOURS OF PERMO-PENN BANK FACIES : C. I. = 10 FT.

-2800 ← STRUCTURE CONTOURS ON TOP PERMO-PENN BANK : C. I. = 100 FT.

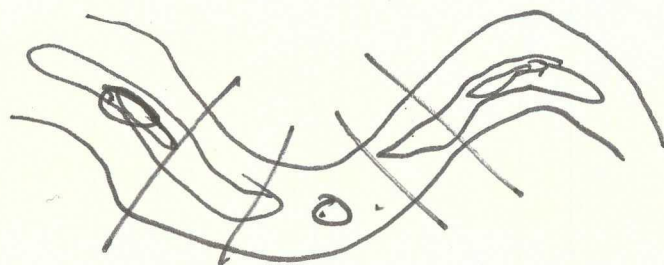


EXHIBIT #2
Administrative
Unorthodox Location
Yates Powell-Kissinger "BS" #2

