

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

CONSERVATION DIVISION
RECEIVED

MAY 10 1995 8 52



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

May 4, 1995

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

Attention: Mr. Michael Stogner

Re: Application for Unorthodox
Location Drilling Permit
Allie Lee ABH #2 - 3800' Yeso Test
Township 18 South, Range 26 East
Section 34: 1090' FNL & 1717 FWL
Eddy County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation attempted to permit the captioned well at a location 990' FNL and 1650' FWL of Section 34, T18S-R26E, Eddy County, New Mexico. However, this location fell within the rights-of-way of two (2) product pipe lines and we are forced to move to an existing location of 1090' FNL and 1717' FWL which is unorthodox for the drilling of this 3800' Yeso Oil Well.

Please find enclosed a waiver from the offset leasehold operator waiving objection to granting an APD to drill at this location.

We respectfully request administration approval for the drilling of this proposed test.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:dke
enclosure(s)

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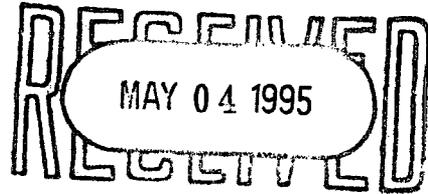
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TREASURER

April 24, 1995

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

Attention: Mr. David Catanach



Re: Application for Unorthodox
Location Drilling Permit
Allie Lee ABH #2
Township 18 South, Range 26 East
Section 34: 1090' FNL and 1717' FWL
Eddy County, New Mexico

Gentlemen:

Southwest Royalties, Inc., as an Offset Leasehold Operator has been advised of Yates Petroleum Corporation's intent to drill the above referenced well at a location 1090' FNL and 1717' FWL of Section 34-T18S-R26E, Eddy County, New Mexico.

This letter is to advise that Southwest Royalties, Inc. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:dke
enclosure(s)

SOUTHWEST ROYALTIES, INC.

BY:
DATE: 5-2-95

MARTIN YATES, III
1912 - 1985
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April 24, 1995

915-686-9927 5-2-95 Philip S. was pursuing

Southwest Royalties, Inc.
P.O. Drawer 11390
Midland, Texas 79702-8390

Attention: Philip Schlichting

Re: Allie Lee ABH #2 well
Township 18 South, Range 26 East
Section 34: NE/4NW/4
Eddy County, New Mexico

Gentlemen:

Yates Petroleum Corporation attempted to permit the captioned well at a location 990' FNL and 1650' FWL of Section 34-T18S-R26E, Eddy County, New Mexico. However, this location fell within the right-of-way of an existing pipeline and we are forced to move to an existing location of 1090' FNL and 1717' FWL.

This location is unorthodox and we are required to get waivers from all offset leasehold operators before the New Mexico Oil Conservation Division will approve the new location.

We respectfully request that you sign the enclosed waiver and return to our office for further handling. Enclosed is a stamped, self addressed envelope for your convenience in returning this waiver to us.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:dke
enclosure(s)

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

file

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
		API Number 30 - 0 15-28426
Property Code 11983	Property Name Allie Lee ABH	Well No. 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	18S	26E		1090	North	1717	West	Eddy

⁸ Proposed 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
					⁹ Proposed Pool 1 Atoka, Glorieta, Yeso				
					¹⁰ Proposed Pool 2 3250				

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3369
¹⁶ Multiple No	¹⁷ Proposed Depth 3800	¹⁸ Formation Yeso	¹⁹ Contractor Undesignated	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1200'	900 sx.	Circulate
7 7/8"	5 1/2"	15.5#	3800'	500 sx.	Circulate

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to drill a Yeso test. Approximately 1200' of 8 5/8" casing will be ran and cement circulated. Production casing of 5 1/2" will be ran to TD and cemented, perforated, and stimulated as needed to gain production.

MUD PROGRAM: 0-1200' with spud mud; 1200' to TD with fresh water.

BOPE PROGRAM: The BOPE will be installed on the 8 5/8" casing and tested daily for operational.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Clifton R. May

Printed name:

Clifton R. May

Title:

Regulatory Agent

Date:

4-20-95

Phone:

505-748-1471

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer 00, Arco, NM 88211-0019
 District III
 1000 Rio Hondo Rd., Arco, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-28426		Pool Code 3250		Pool Name ATOKA, GLORIA, YESO	
Property Code		Property Name ALLIE LEE "ABH"			Well Number 2
OCRID No. 025575		Operator Name YATES PETROLEUM CORPORATION			Elevation 3369

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
C	34	18 S	26E		1090	NORTH	1717	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

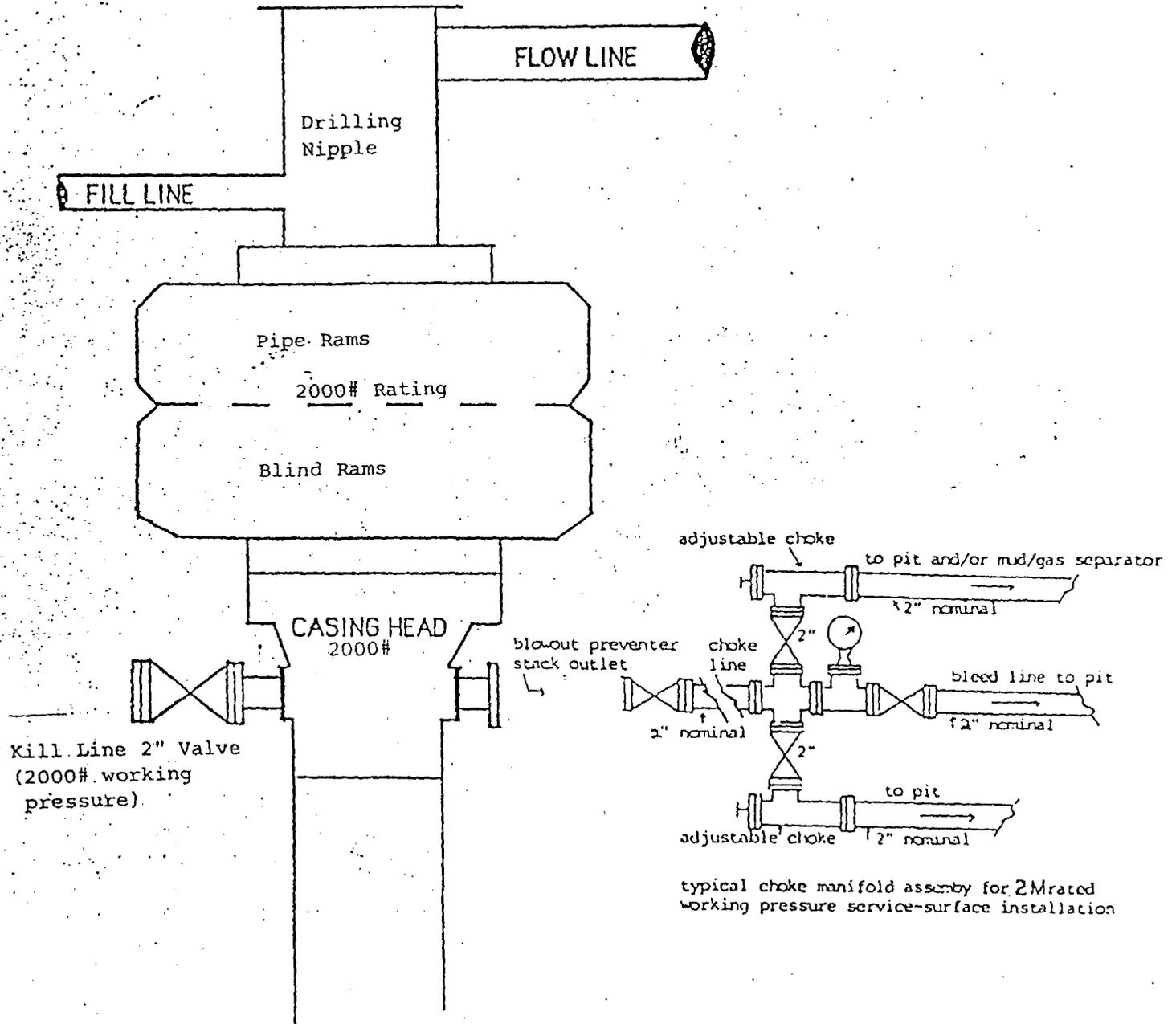
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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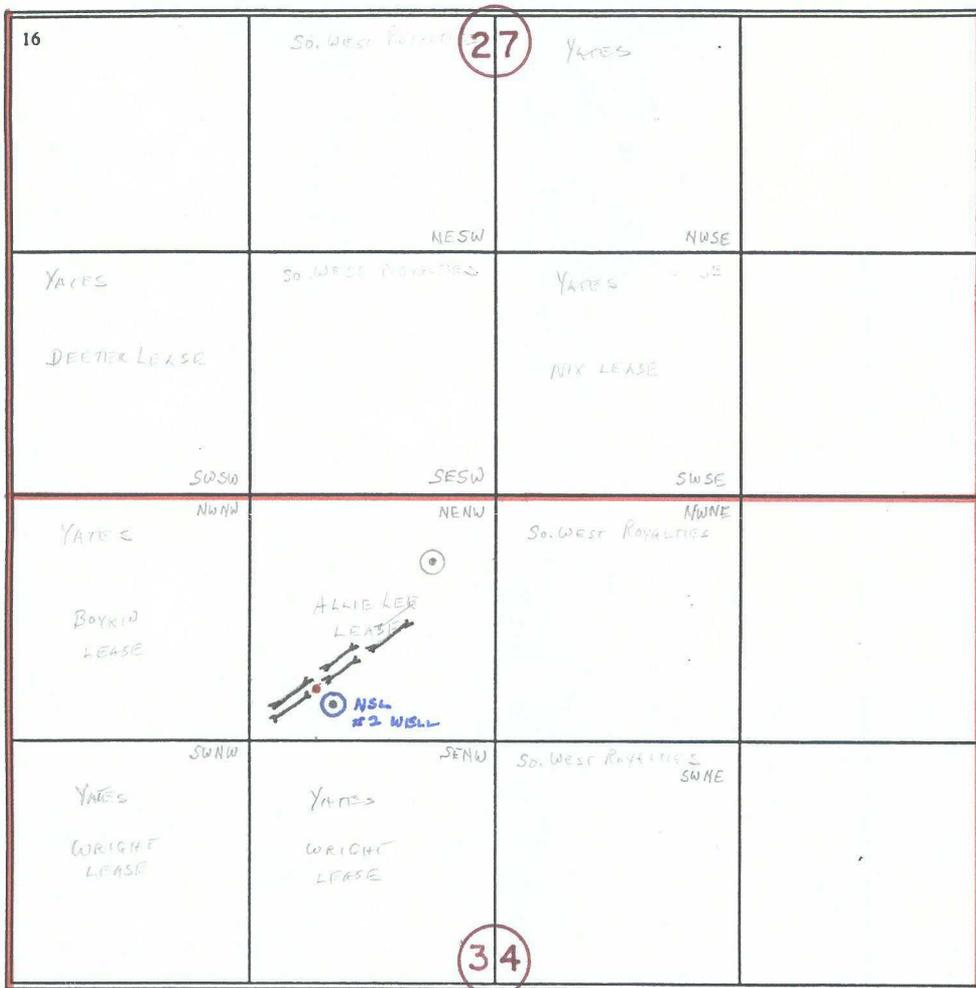
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	Signature 	
	Printed Name Clifton R. May	
	Title Regulatory Agent	
Date 4-20-95		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.
Date of Survey 4/12/95		Signature and Title of Surveyor
Certificate No. REB6689		

YATES PETROLEUM CORPORATION



**BLOWOUT PREVENTER
2M SYSTEM**



- RED DOT - ORIGINAL LOCATION OF 990'N 1650'W LANDED ON TOP OF A PIPELINE
- ⊙ Non-STANDARD LOCATION TO CLEAR PIPELINES
- PIPE LINES

Oil and gas lease listings grid with columns for lease numbers (e.g., 285, 18, 26, 23, 30, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100) and rows of lease details including owner names (e.g., H.E. Yates, K.C. Res., Pennzoil, ATOKA GRBG UNIT, DAYTON, Marathons, Terra Res., Neaburg, Rio Pecos, Santa Fe Land Imp. Co.), acreage, and other lease information.