



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

## **ADMINISTRATIVE ORDER DHC-3220-A**

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

Attention: James H. Hill

*Chosa "ATR" Federal Well No. 1  
API No. 30-015-31215  
Unit L, Section 8, Township 25 South, Range 26 East, NMPM,  
Eddy County, New Mexico  
Chosa Draw-Morrow (Gas 74900), and  
Wildcat-Atoka (Gas) Pools*

Dear Mr. Hill:

Reference is made to your recent application for an amendment to Division Order No. DHC-3220 dated December 7, 2003. Division Order No. DHC-3220 authorized Yates to downhole commingle the Atoka and Morrow formations within the Chosa "ATR" Federal Well No. 1. It is our understanding that production data is now available for the well, and that a production allocation can now be established.

It appears that the proposed production allocation is reasonable and should therefore be approved.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Wildcat-Atoka Gas Pool	Oil-50%	Gas-42%
Chosa Draw-Morrow Gas Pool	Oil-50%	Gas-58%

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 14th day of January, 2004.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Lori Wrotenbery by De*

LORI WROTENBERY  
Division Director

LW/DRC

cc: Oil Conservation Division – Artesia  
Bureau of Land Management - Carlsbad