

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

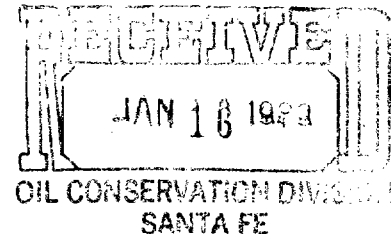


105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

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TREASURER

January 10, 1989

New Mexico Oil Conservation Division
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504



ATTN: David Catanach

Dear Mr. Catanach:

As per our telephone conversation January 4, 1989, please consider this letter as application for off-lease measurement approval of the following 22 wells in Chaves, Eddy and Lea Counties.

Chaves County

1. Blythe SV #1	N	9- 5S-25E
2. Cities UO Federal #1	H	7- 5S-25E
3. Doris RI Federal #4	E	15- 5S-25E
4. East Wind State Unit #1	G	17- 9S-27E
5. Ginger XZ Federal #1	N	31- 5S-24E
6. Huckaby TJ Federal #4	E	20- 8S-26E
7. Leeman OC Federal #4	D	20- 7S-26E
8. Mike Harvey TR Federal #4	F	3- 5S-24E
9. Phillips KH Federal Com #1	H	23-14S-27E
10. Rolla TC #1	O	30- 9S-26E
11. Sandbur ADC State Com #1	M	23- 5S-25E
12. Savage NI Federal #4	C	29- 6S-26E
13. Short RM Federal #1	K	25- 7S-25E
14. Verbena UV Federal #1	H	26- 7S-25E

Eddy County

1. Amigo WT State #1	L	16-19S-27E
2. Bluffside WF Federal #1	E	9-19S-27E
3. Cedar Lake AD1 Federal Com #1	E	28-17S-30E
4. Emma QE Com #2	O	21-19S-24E
5. Jackson Estate EY #17	H	21-17S-25E
6. Powell Kissinger BS #2	O	33-17S-25E
7. Richard Knob AEX State #1	G	34-17S-24E

Lea County

1. Lazy Tree State Unit #1	A	12-13S-32E
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David Catanach
January 10, 1989
-2-

As per Dave Boneau's previous correspondence with you concerning off-lease measurement approval, Transwestern Pipeline Company has agreed to transport gas from Yates' shut-in gas wells provided Yates delivers the gas to existing Transwestern pipeline facilities. TWF will install, read and maintain the metering equipment for gas sales. Yates will lay the gathering lines from the wells to the metering stations. The Transwestern metering stations for the above wells are located off-lease. All flow lines will be maintained by Yates in a safe condition and any leaks or failures will be reported to the NMOCB.

Table I summarizes basic well data for the wells requiring off-lease measurement approval. All facets of production handling, other than the off-lease gas measurement, will remain the same as for existing wells in the area. Any condensate produced will be separated, stored, measured and sold at the wellsite. Transwestern will install a meter house at each measurement point where the pipeline employees will do the actual metering of the natural gas produced.

Table II summarizes the information on the wells involved in off-lease measurements.

In addition to Tables I & II, I have enclosed:

1. general schematic diagram of off-lease gas measurement
2. maps for each well depicting the flowline route from the well to the point of measurement off the lease
3. site security diagrams on federal off-lease wells.

The gathering lines will be constructed of welded tubing laid on the surface except where burying is required by the surface owner or regulatory agency. All necessary rights-of-way will be obtained before these gathering lines are installed.

Yates has applied for off-lease measurement approval from the Bureau of Land Management for the wells where the Federal government owns some or all of the mineral rights. These requests were sent to the BLM offices in Roswell (Chaves County) and Carlsbad (Eddy County), copies of which are enclosed.

Yates has also applied for off-lease measurement approval from the State Land office in Santa Fe for the wells where the State Government owns some or all of the mineral rights. A copy of this request is enclosed.

The request for off-lease measurement approval is based on economic considerations. Many of these wells have been shut-in for a few years, thereby, producing no revenue. Production from these wells not only benefits the owners of the wells, but also allows the public to share in direct benefits through government royalties and production taxes. Some Pecos Slope Abo wells have produced since 1983 via off-lease measurement with no apparent problems. Off-lease measurement for these wells is a reasonable compromise to help sell some New Mexico gas.

David Catanach
January 10, 1989
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Yates Petroleum Corporation respectfully requests your approval of this application. If you need additional information, please do not hesitate to contact me at 748-1471, ext. 180.

Sincerely,

Theresa Padilla

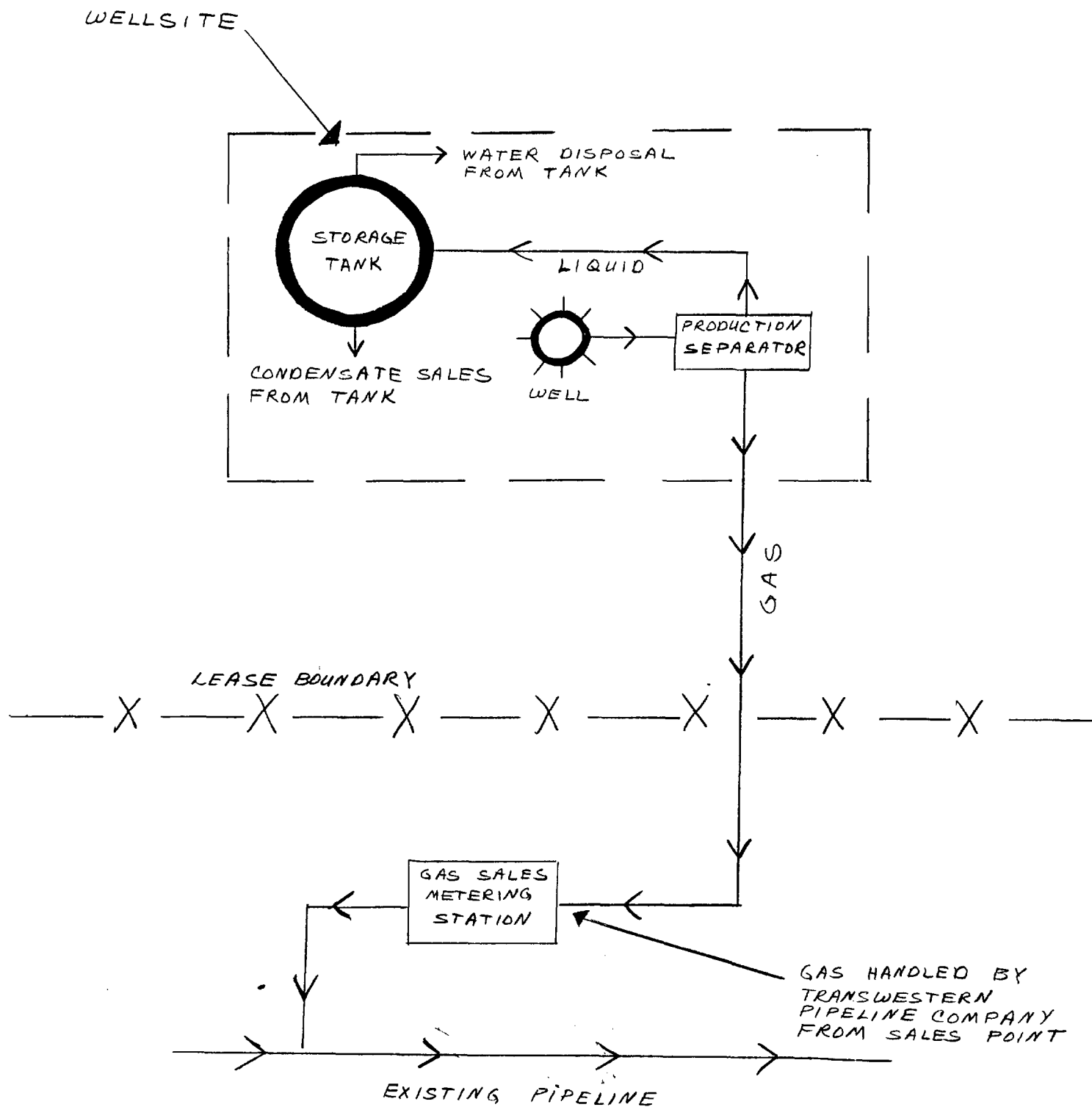
Theresa Padilla
Engineer-in-Training

TP/cvg

Enclosures

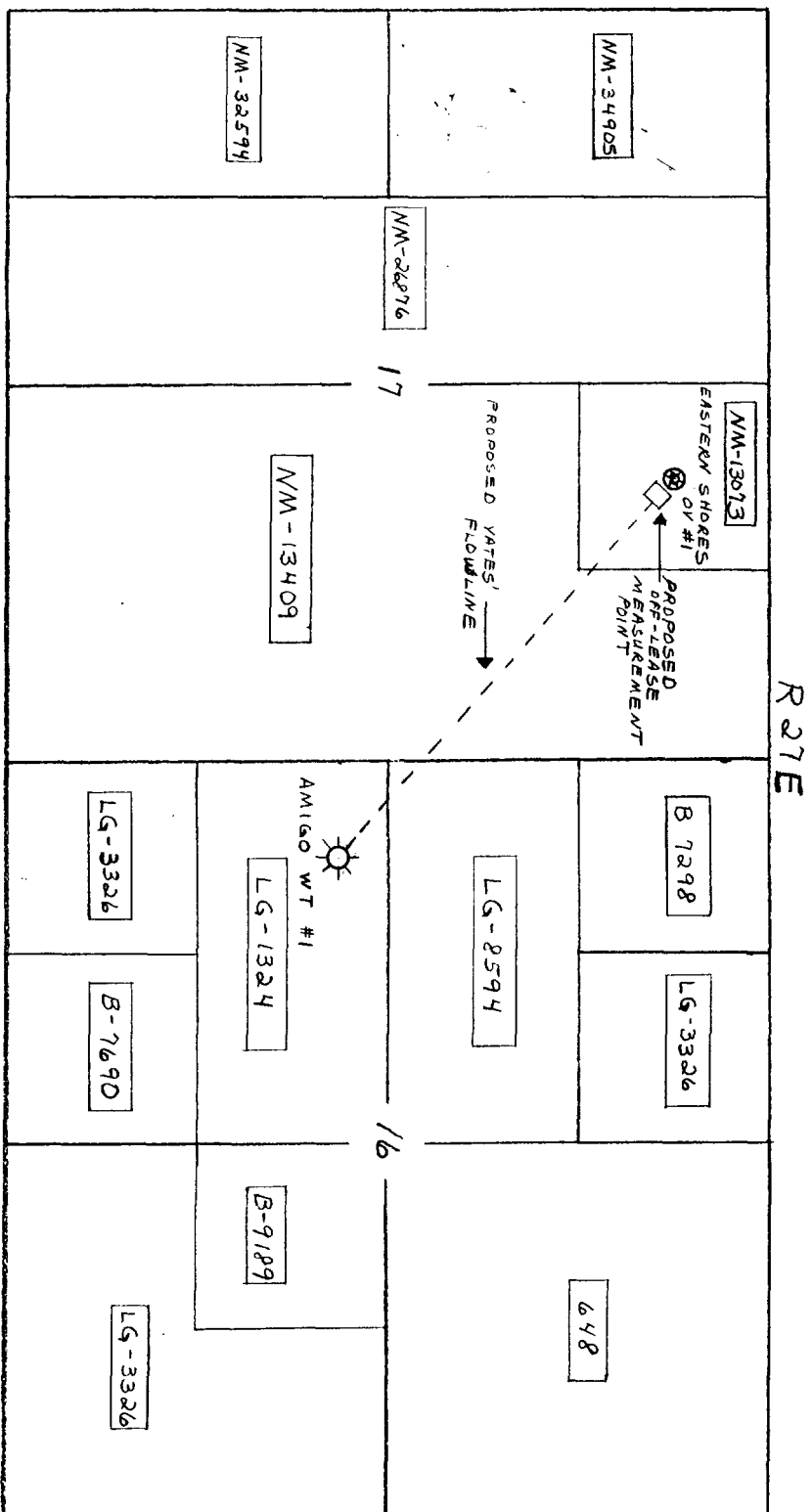
xc: Transwestern Pipeline Company
Terrance L. McGill

SCHEMATIC DIAGRAM OF OFF-LEASE GAS MEASUREMENT



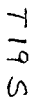
AMIGO WT STATE #1

OFF-LEASE MEASUREMENT



BLUESIDE WEEDER #1

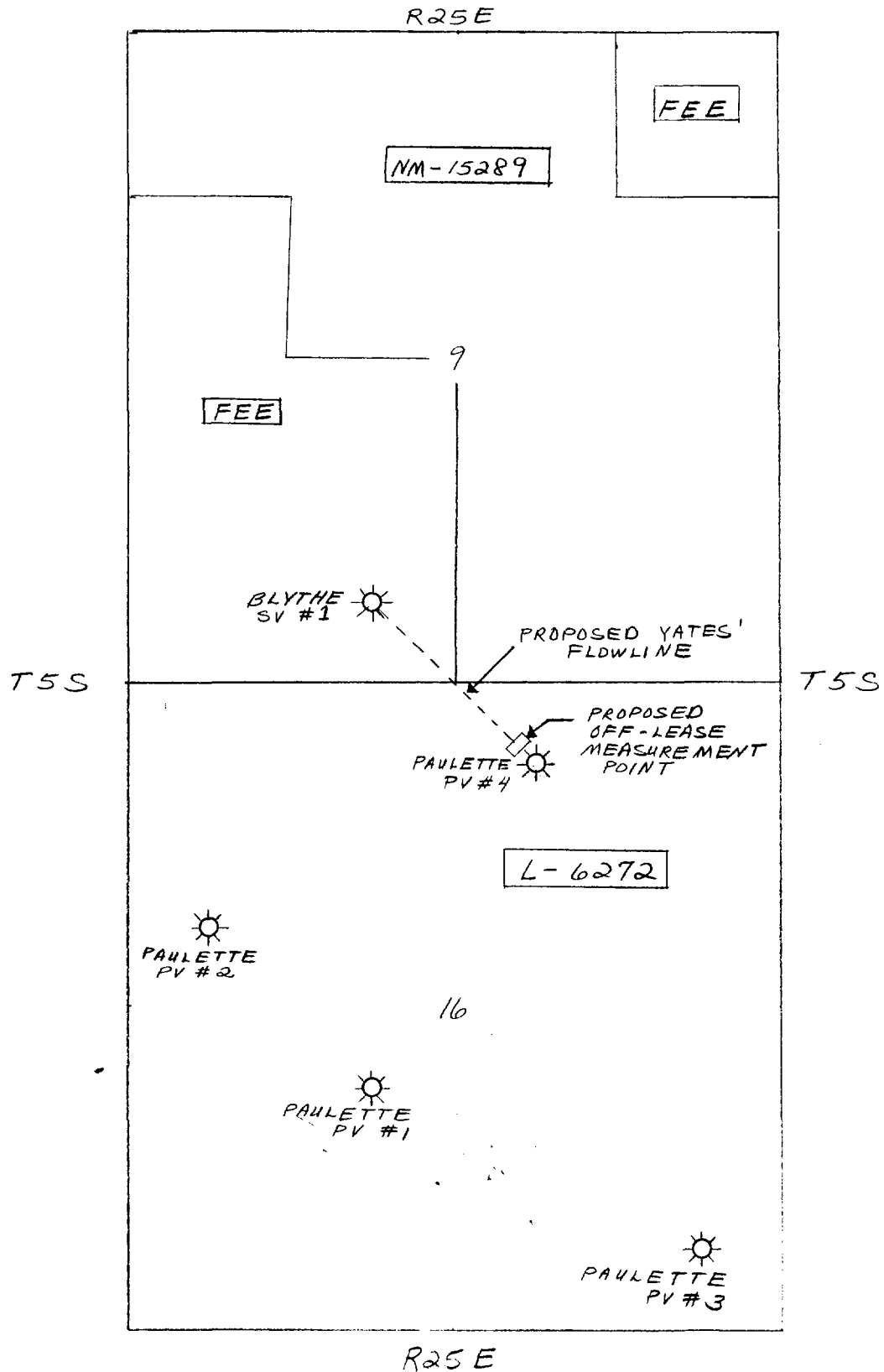
R 27E



T 195

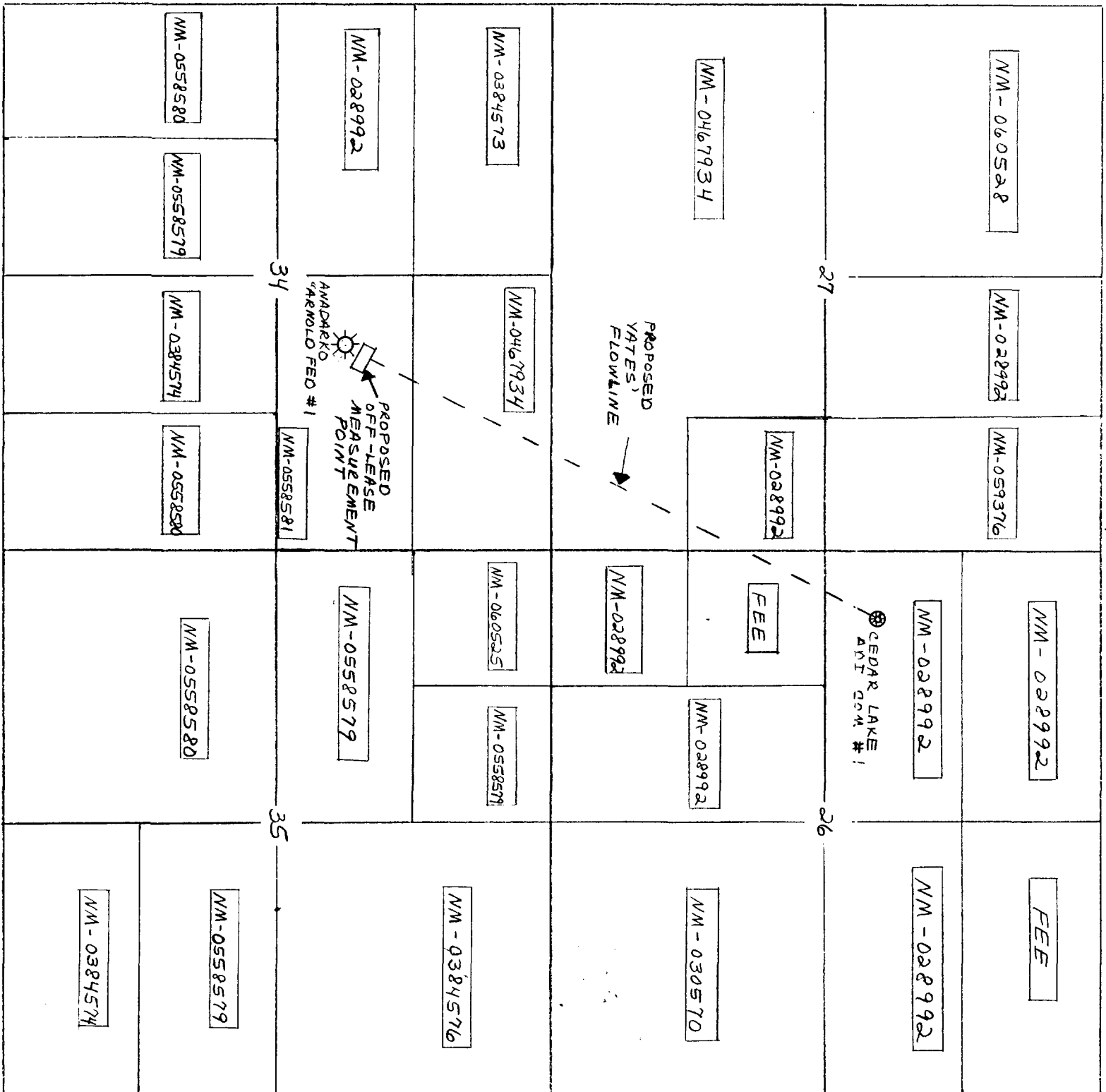
BLYTHE SV #1

OFF-LEASE MEASUREMENT



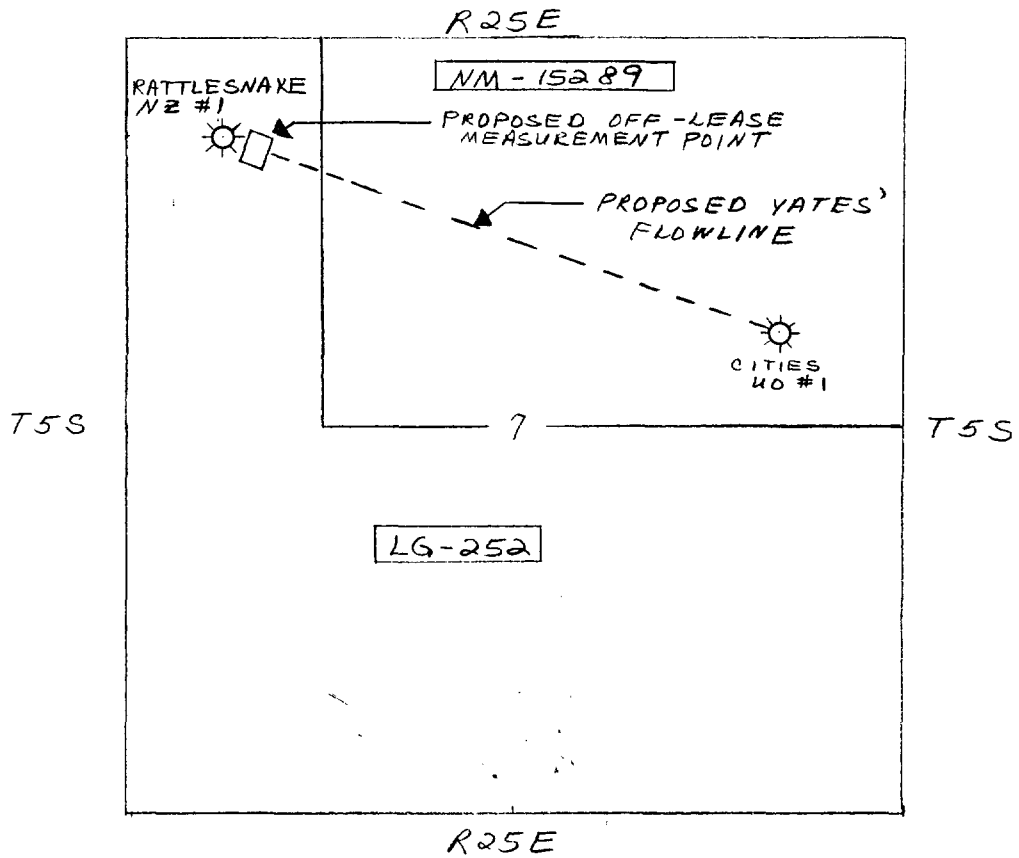
OFF-LEASE MEASUREMENT

T175



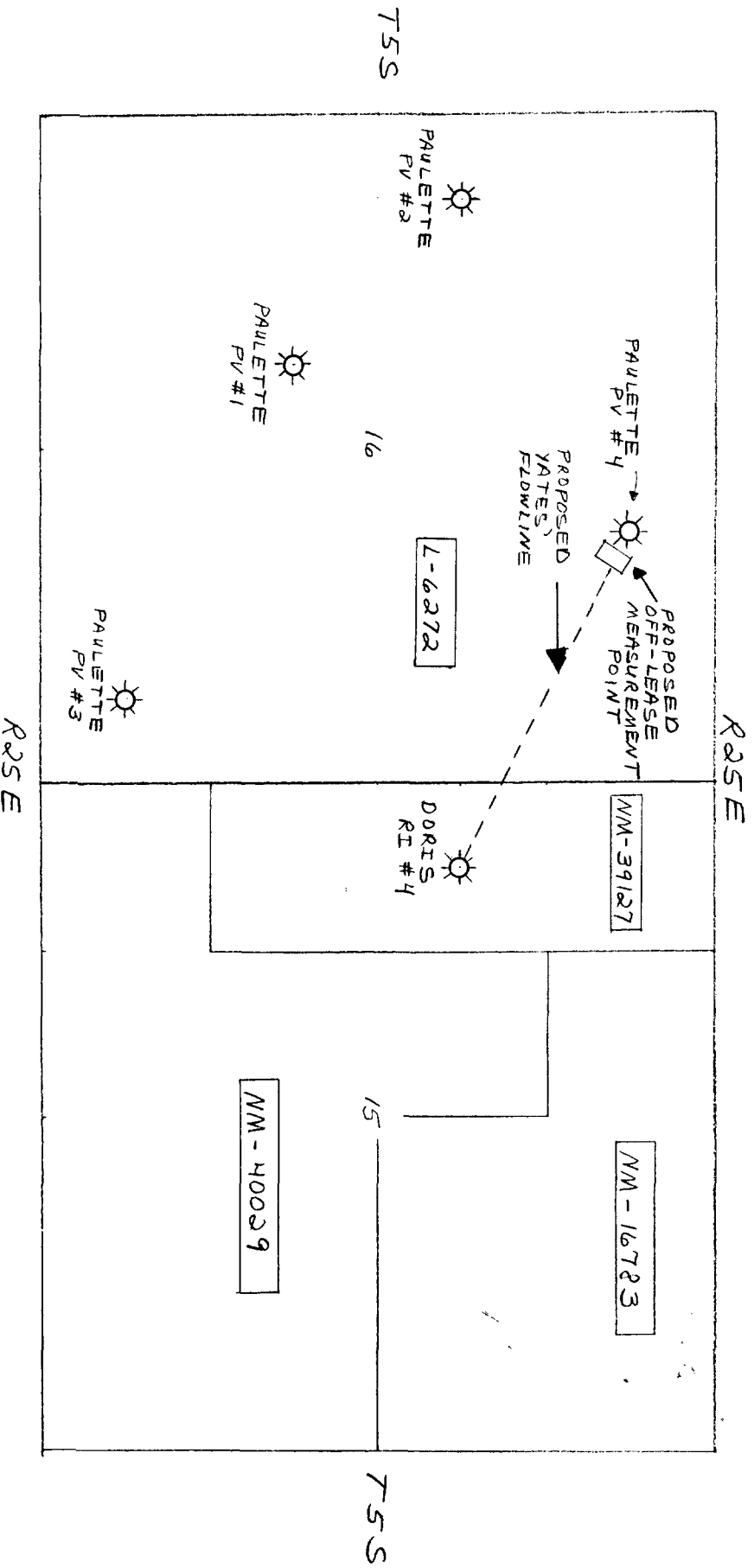
CITIES 40 FEDERAL #1

OFF-LEASE MEASUREMENT



DORIS RI FEDERAL #4

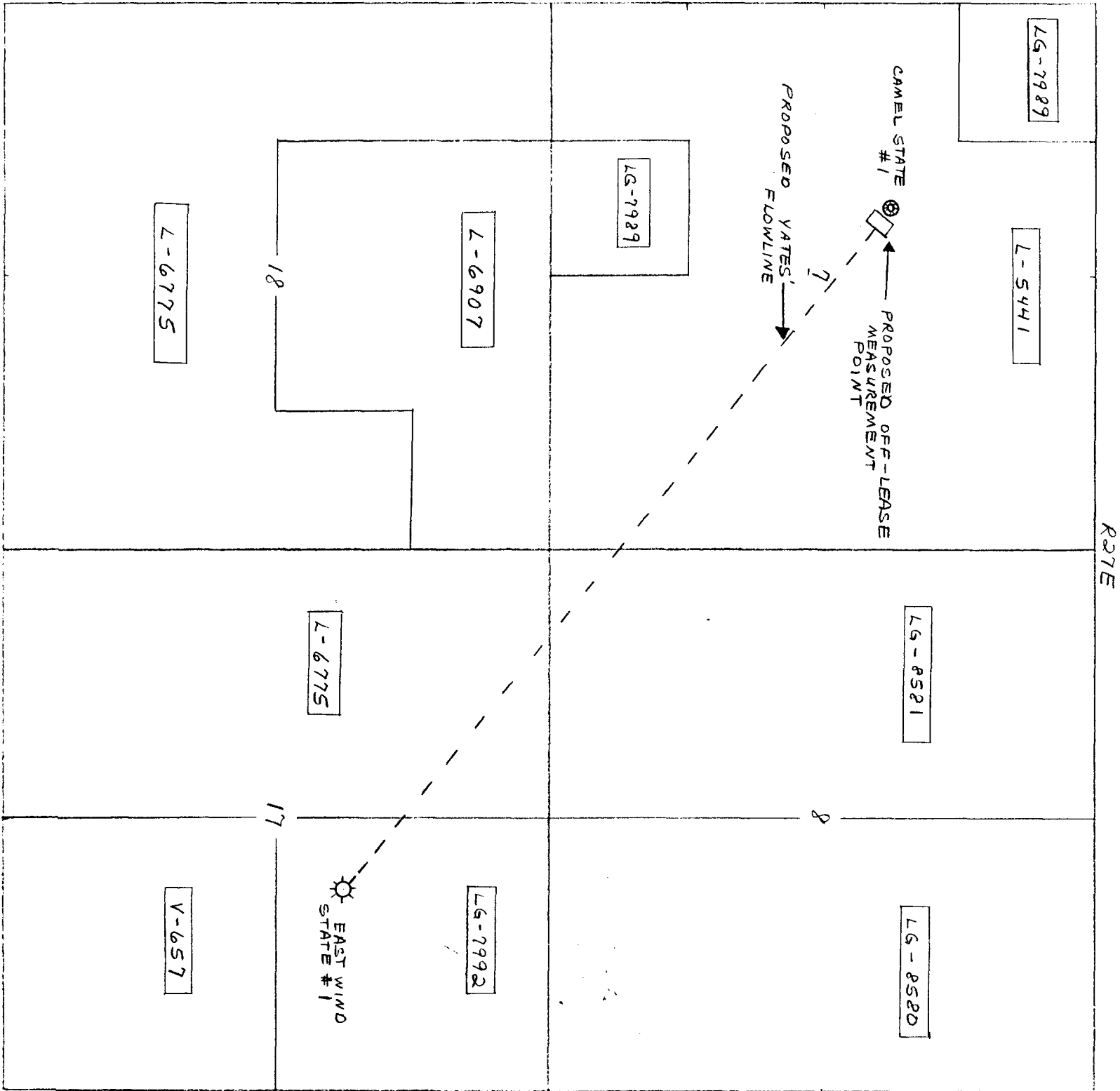
OFF-LEASE MEASUREMENT



EAST WIND STATE UNIT #1

OFF-LEASE MEASUREMENT

T9S



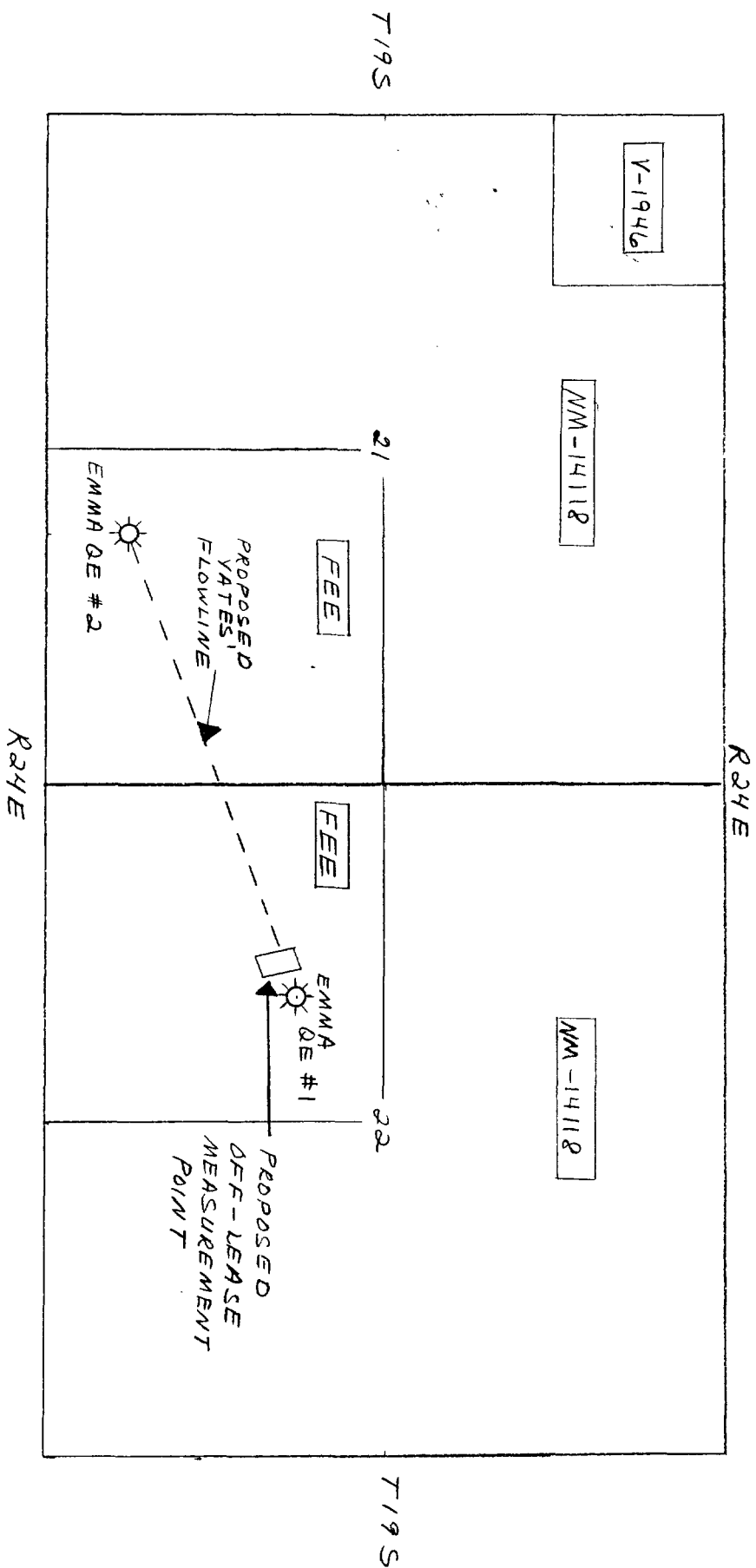
T9S

R37E

R37E

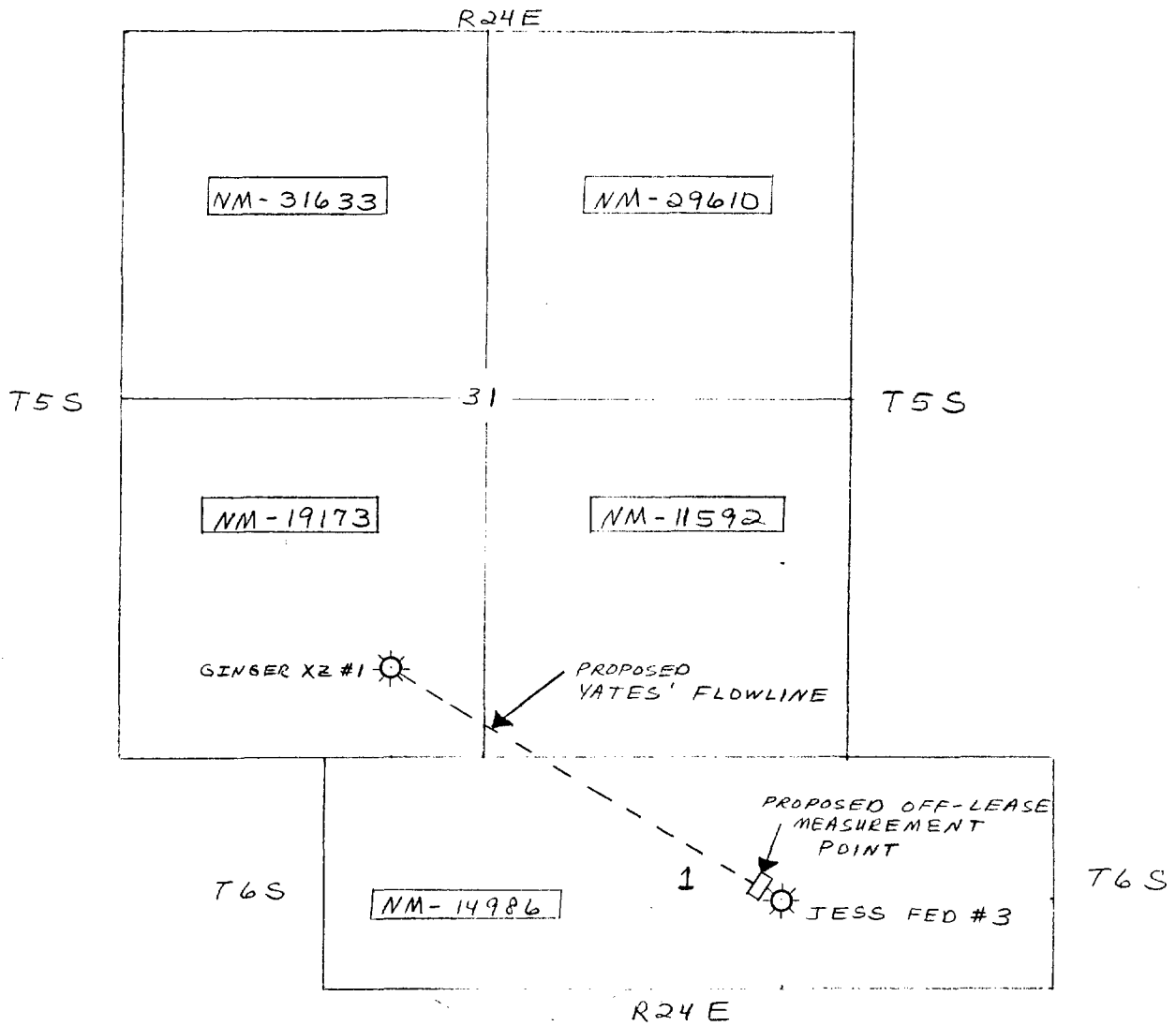
EMMA OE COM. #2

OFF-LEASE MEASUREMENT



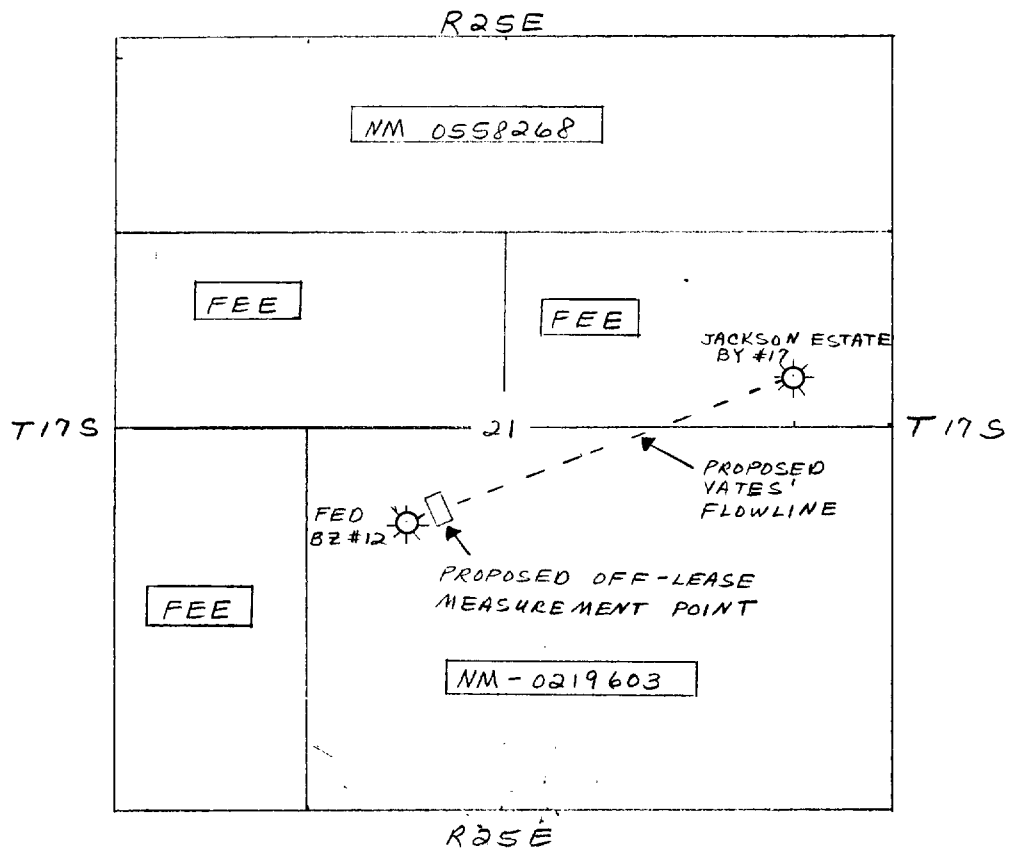
GINGER XZ FEDERAL #1

OFF-LEASE MEASUREMENT



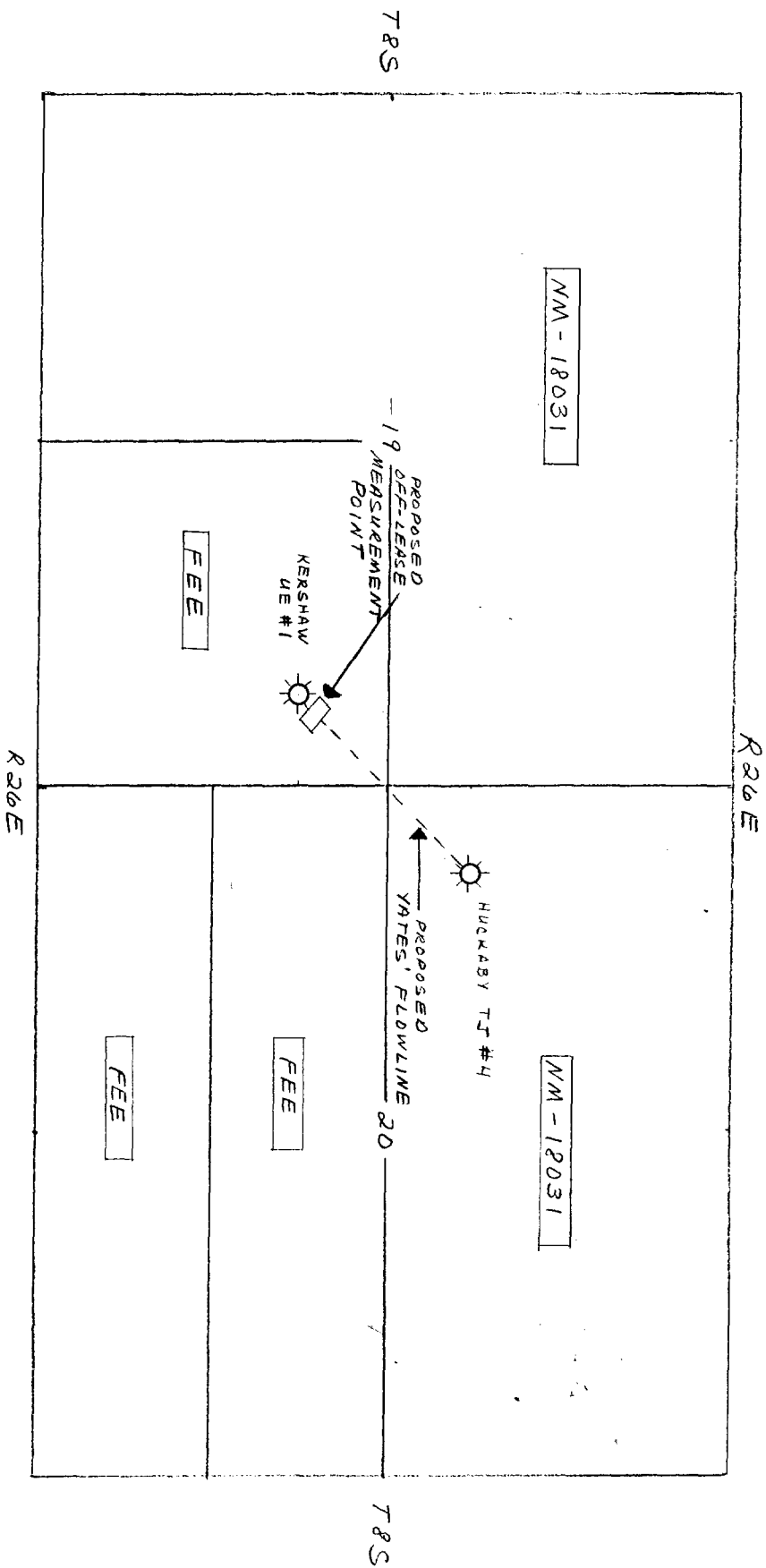
JACKSON ESTATE BY #17

OFF-LEASE MEASUREMENT



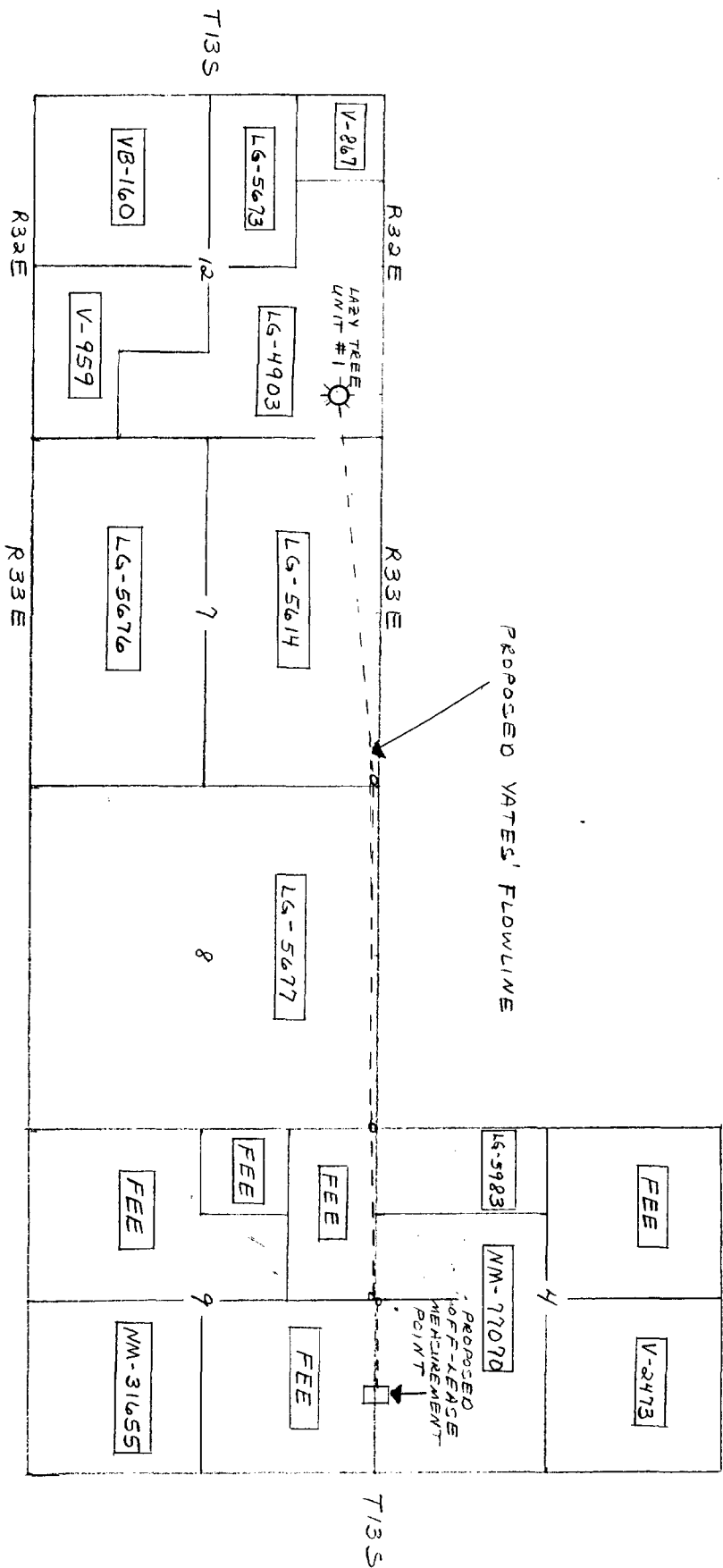
HUCKABY TJ FEDERAL #4

OFF-LEASE MEASUREMENT



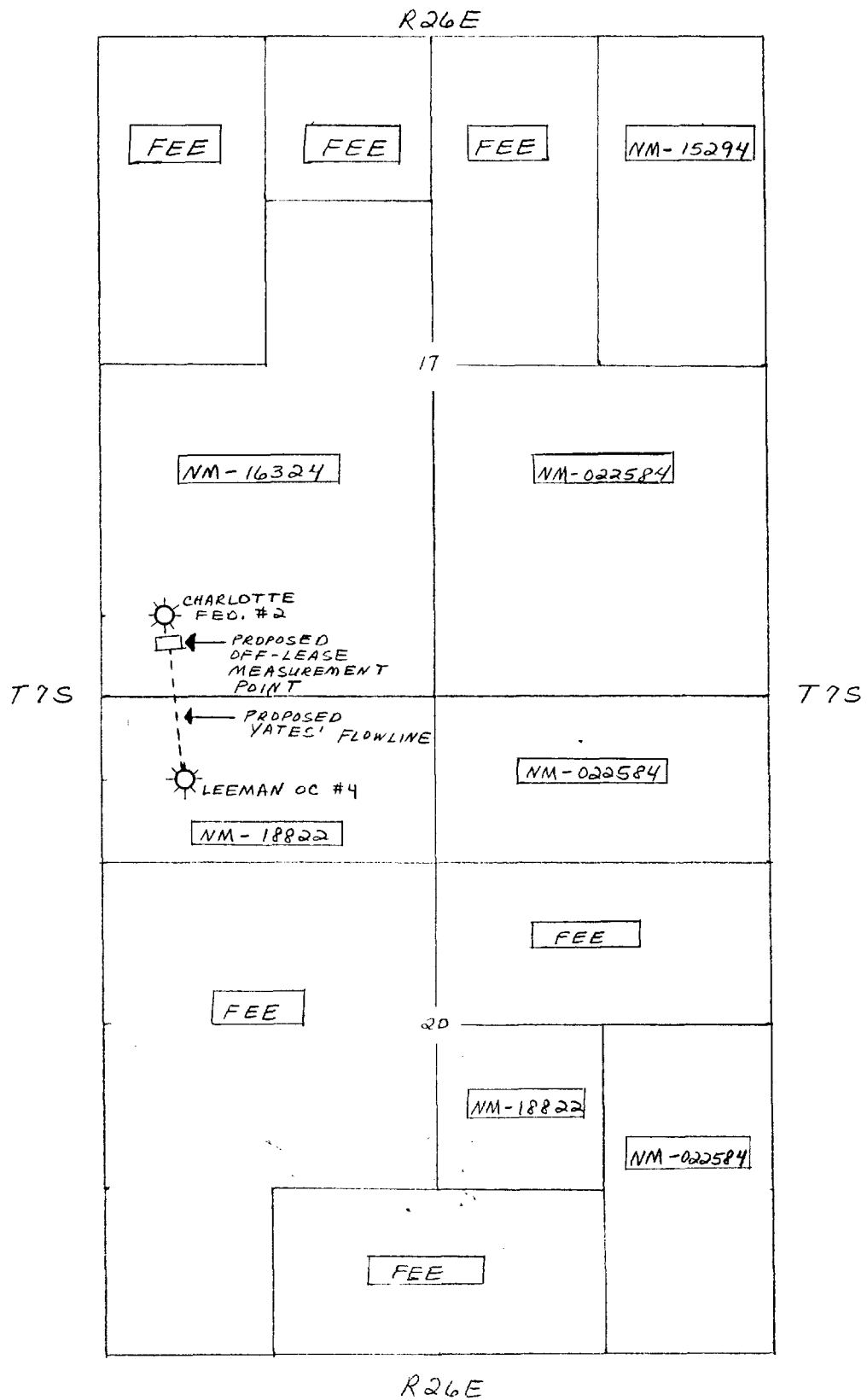
LAZY TREE STATE UNIT #1

OFF-LEASE MEASUREMENT



LEEMAN OC FEDERAL #4

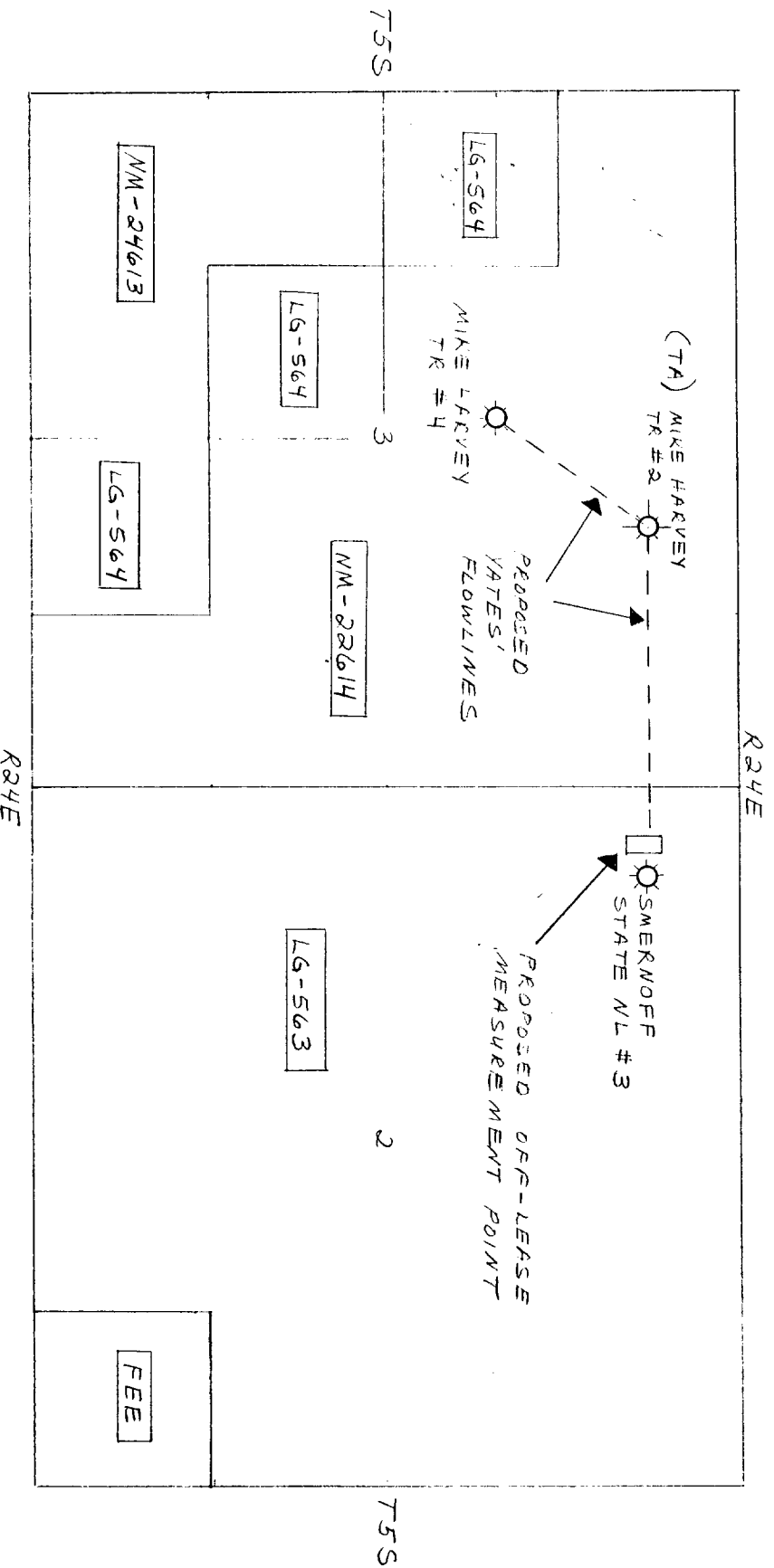
OFF-LEASE MEASUREMENT



MIKE HARVEY TR FEDERAL # 4

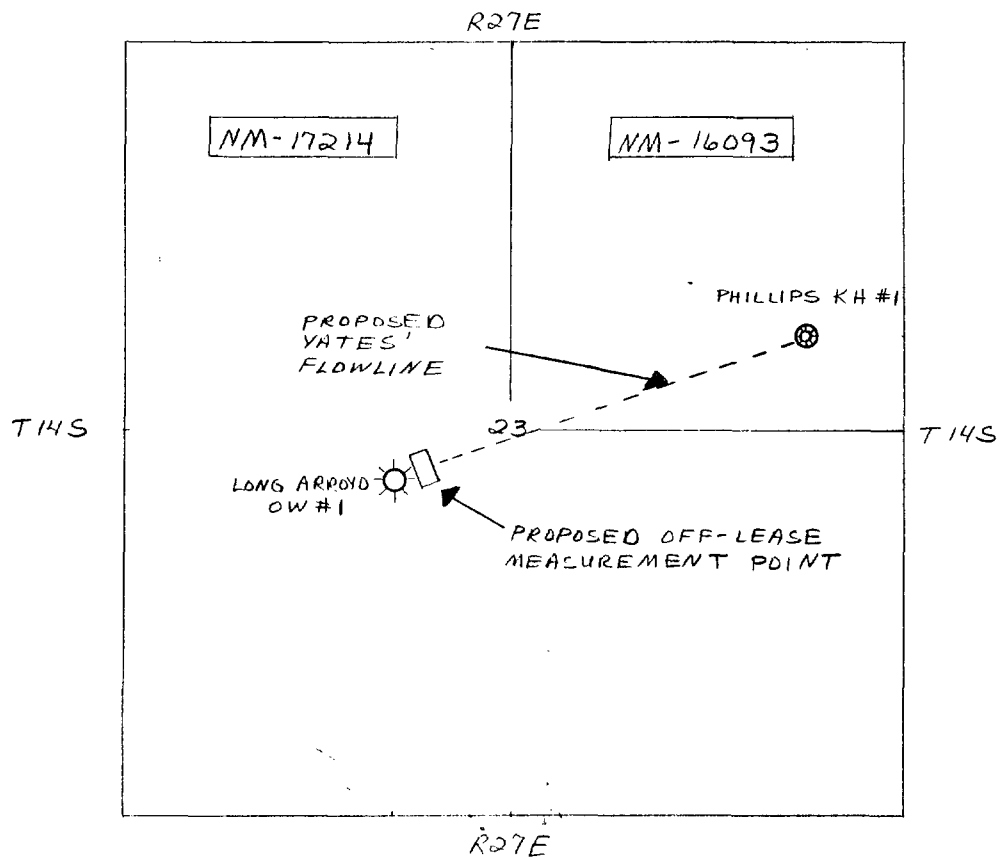
OFF-LEASE MEASUREMENT

NOTE: MIKE HARVEY TR #2 IS TEMPORARILY ABANDONED
THE GAS MEASURED OFF-LEASE IS FROM THE
MIKE HARVEY TR #4 ONLY.



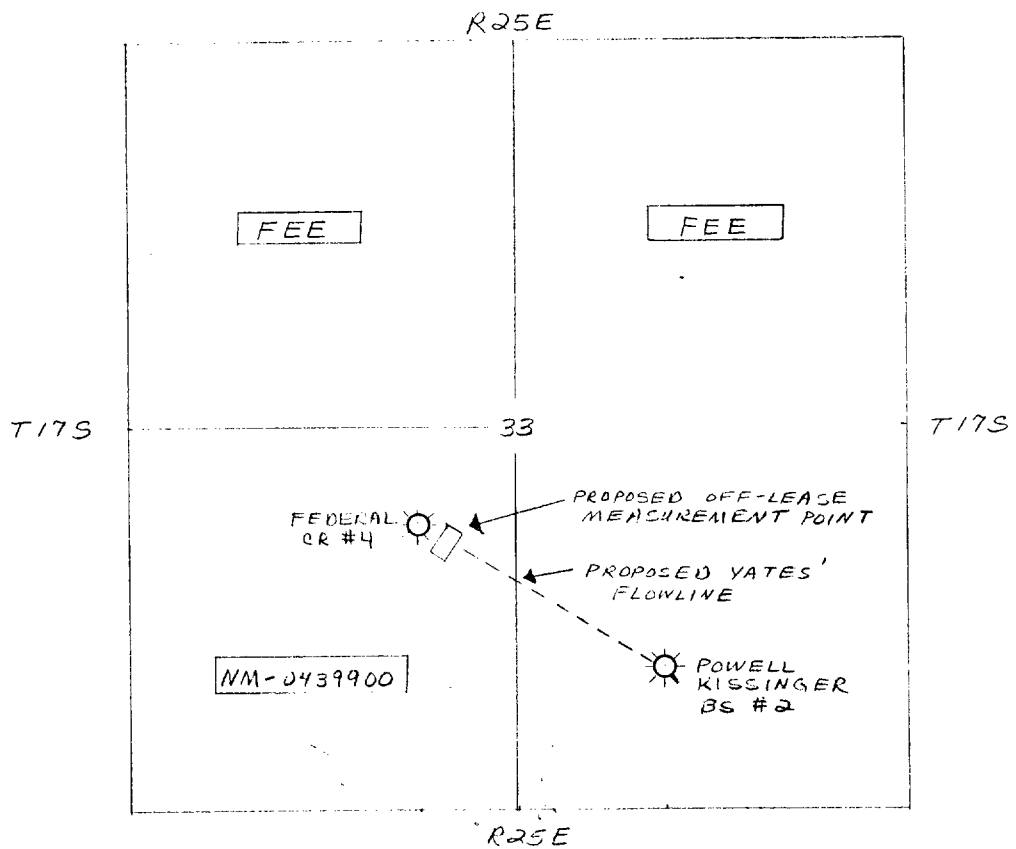
PHILLIPS KH FEDERAL ODM #1

OFF-LEASE MEASUREMENT



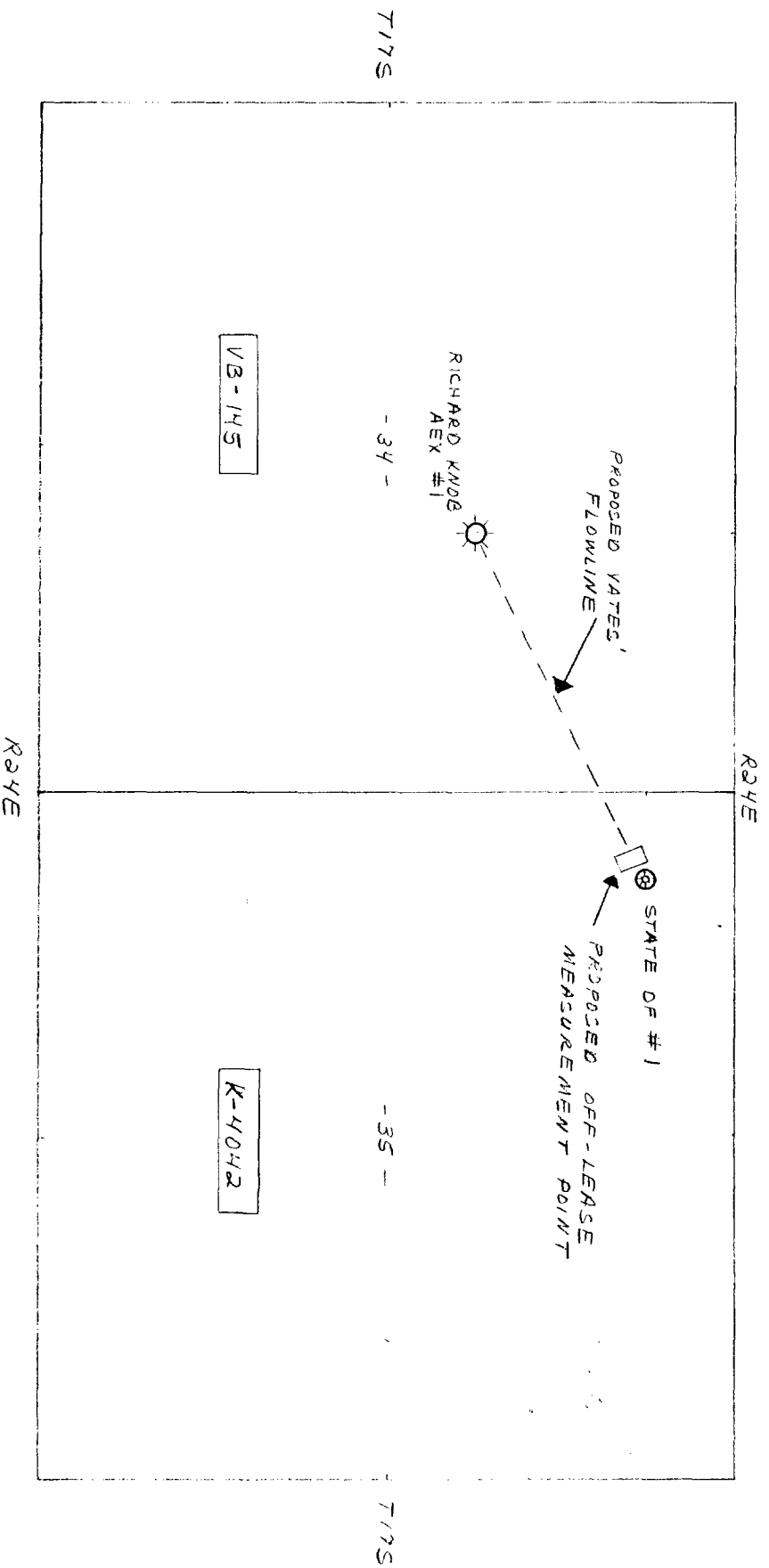
POWELL KISSINGER BS #2

OFF-LEASE MEASUREMENT



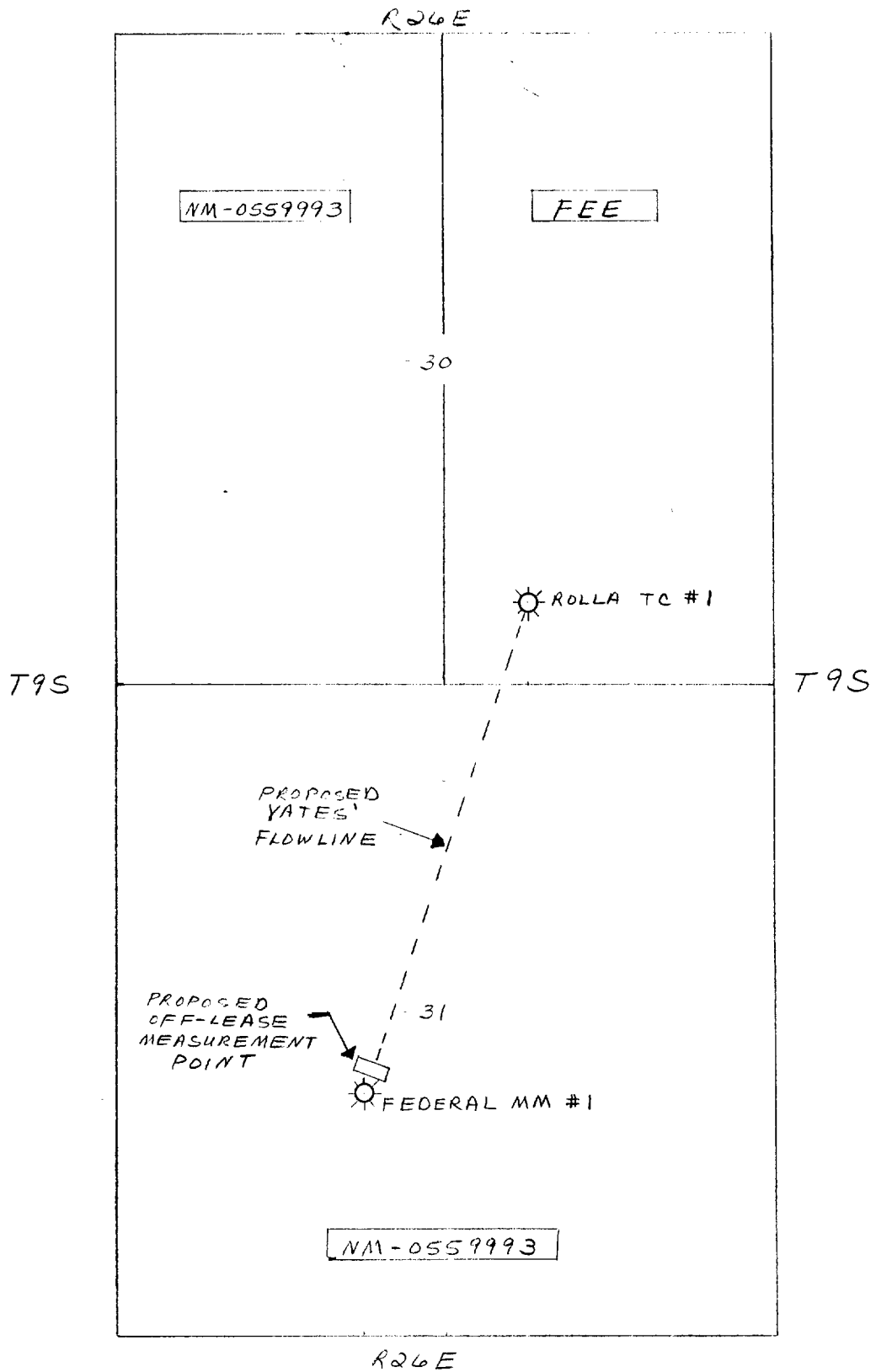
RICHARD KNOB AEX STATE #1

OFF-LEASE MEASUREMENT



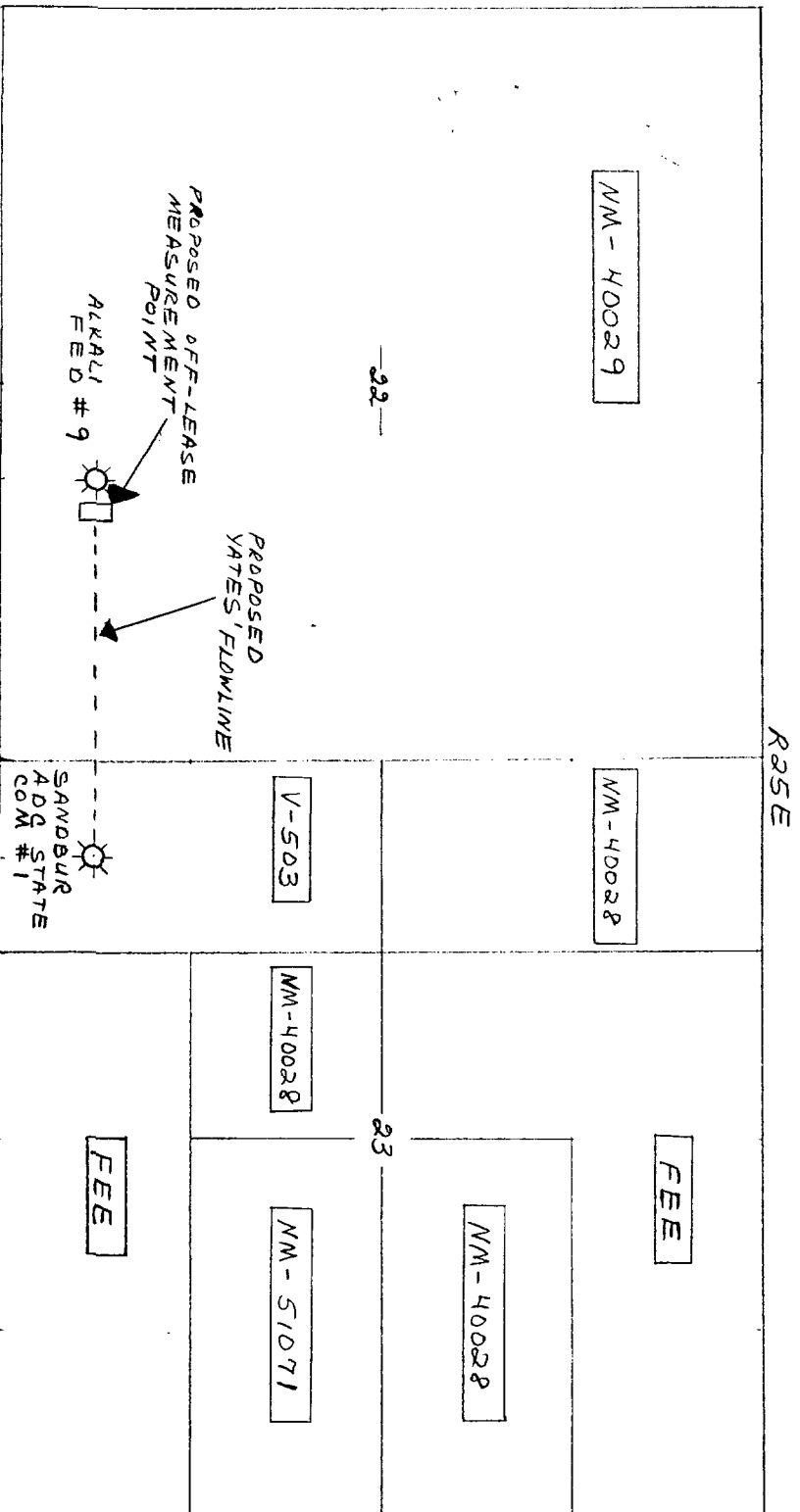
ROLLA TC #1

OFF-LEASE MEASUREMENT



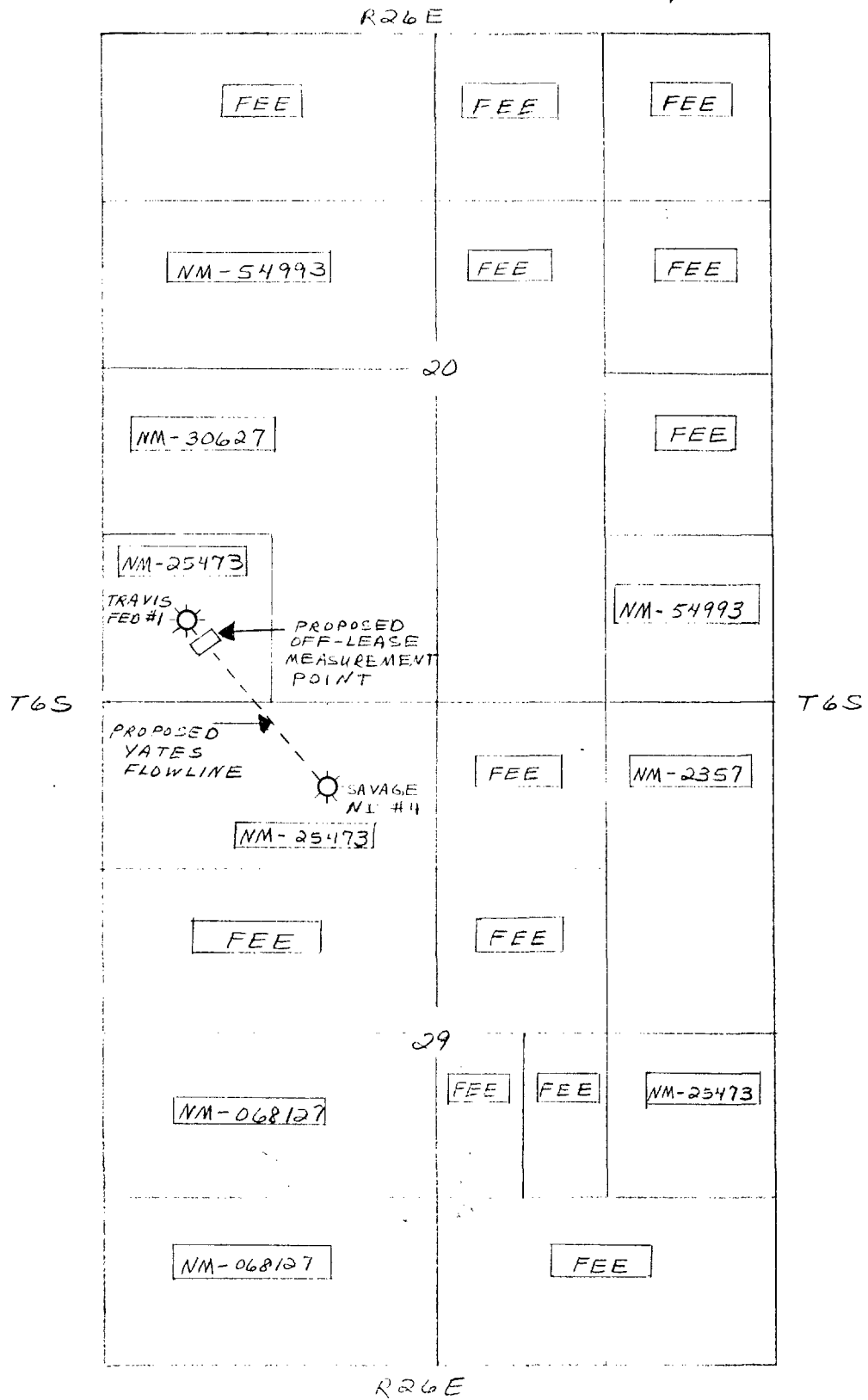
SANDBUR ADD STATE COM #1

OFF-LEASE MEASUREMENT



SAVAGE NI FEDERAL #4

OFF-LEASE MEASUREMENT



SHORT RM FEDERAL #1 & VERBENA UV FEDERAL #1

OFF-LEASE MEASUREMENT

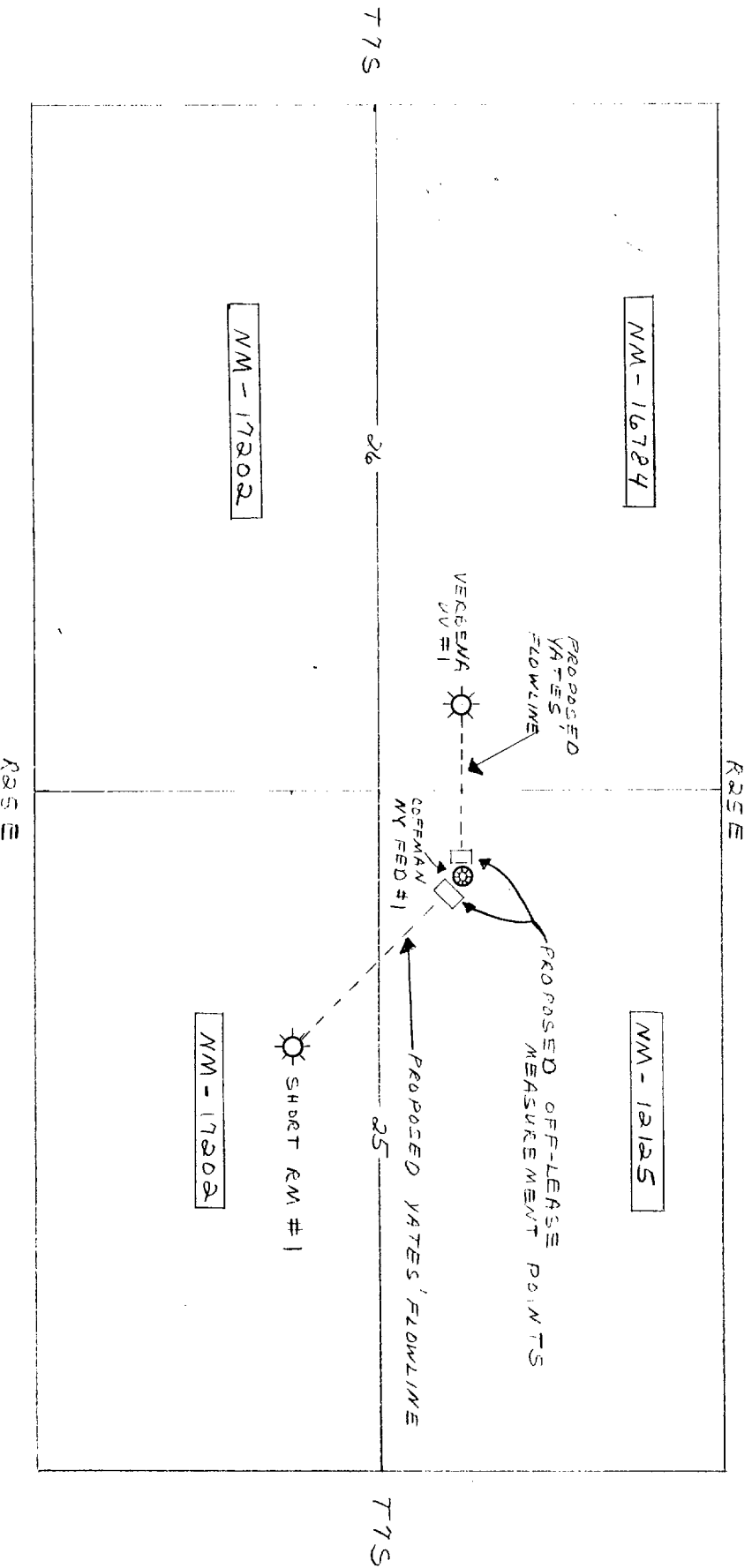


TABLE II

SUMMARY OF LANDS INVOLVED IN OFF-LEASE MEASUREMENT

WELL NAME	LOCATION	LEASE CONTAINING SUBJECT WELL	OTHER LEASES IN SAME SPACING UNIT	LEASES OUTSIDE SPACING UNIT CROSSED BY FLOWLINE	
				LEASE CONTAINING MEASUREMENT POINT	LEASE CONTAINING MEASUREMENT POINT
15. PHILLIPS KH FEDERAL COM #1	1980' FWL & 660' FEL 23-14S-27E	FEDERAL NM-16093	160 A NM-17214	FEDERAL NM-17214	NONE
16. POMELL KISSINGER BS #2	990' FSL & 1650' FEL 33-17S-25E	FEE	NONE	FEDERAL NM-043900	NONE
17. RICHARD KNOB AEX STATE #1	1980' FWL & 1980' FEL 34-17S-24E	STATE VB-145	NONE	STATE K-4042	NONE
18. ROLLA TC #1	660' FSL & 1980' FEL 30-9S-24E	FEE	NONE	FEDERAL NM-055993	NONE
19. SANDBUR ADC STATE #1	660' FSL & 660' FWL 23-5S-25E	STATE V-503	40 A FEE 40 A NM-40028	FEDERAL NM-40029	NONE
20. SAVAGE NI FEDERAL #4	660' FWL & 1780' FWL 29-6S-24E	FEDERAL NM-25473	80 A FEE	FEDERAL NM-25473	NONE
21. SHORT RM FEDERAL #1	1980' FSL & 1980' FWL 29-7S-25E	FEDERAL NM-17202	NONE	FEDERAL NM-12125	NONE
22. VERBENA UV FEDERAL #1	1980' FWL & 660' FEL 26-7S-25E	FEDERAL NM-16784	NONE	FEDERAL NM-12125	NONE

TABLE 11

SUMMARY OF LANDS INVOLVED IN OFF-LEASE MEASUREMENT

WELL NAME	LOCATION	LEASE CONTAINING SUBJECT WELL	OTHER LEASES IN SAME SPACING UNIT	LEASE CONTAINING MEASUREMENT POINT	LEASES OUTSIDE SPACING UNIT CROSSED BY FLOWLINE
1. AMISO MT STATE #1	2310' FSL & 660' FNL 16-195-27E	STATE LG-1324	40 A B-7298 40 A B-7690 80 A LG-3326 80 A LG-8594	FEDERAL NM-13073	FEDERAL NM-13409
2. BLUFFSIDE WF FEDERAL #1	1980' FNL & 660' FNL 9-195-27E	FEDERAL NM-20060	80 A NM-27641	FEDERAL NM-20060	NONE
3. BLYTHE SV #1	660' FSL & 1980' FNL 9-55-25E	FEE	NONE	STATE L-6272	NONE
4. CEDAR LAKE ADJ FEDERAL #1	2140' FNL & 660' FNL 26-175-30E	FEDERAL NM-028992	200 A NM-028992 40 A FEE	FEDERAL NM-0358581	FEDERAL NM-028992 FEDERAL NM-0467934
5. CITIES UD FEDERAL #1	1980' FNL & 860' FEL 7-55-25E	FEDERAL NM-15289	NONE	STATE LG-252	NONE
6. DORIS RI FEDERAL #4	1980' FNL & 660' FNL 15-55-25E	FEDERAL NM-39127	40 A NM-16783 40 A NM-40029	STATE L-6272	NONE
7. EAST MIND STATE UNIT #1	1980' FNL & 1980' FEL 17-95-27E	STATE LG-7992	160 A V-657	STATE L-5441	STATE L-6775 STATE LG-8581
8. EMMA BE CON #2	660' FSL & 1980' FEL 21-195-24E	FEE	160 A NM-14118	FEE	NONE
9. GINGER XZ FEDERAL #1	660' FSL & 1980' FNL 31-55-24E	FEDERAL NM-19173	NONE	FEDERAL NM-14986	FEDERAL NM-11592
10. HUCKABY TJ FEDERAL #4	1980' FNL & 660' FNL 20-85-26E	FEDERAL NM-18031	NONE	FEE	FEE
11. JACKSON ESTATE BY #17	2310' FNL & 660' FEL 21-175-25E	FEE	160 A NM-0558268	FEDERAL NM-0219603	NONE
12. LAZY TREE STATE UNIT #1	660' FNL & 660' FEL 12-135-32E	STATE LG-4903	120 A V-959	FEDERAL NM-77070	STATE LG-5614 STATE LG-5677 FEE
13. LEEMAN DC FEDERAL #4	660' FNL & 990' FNL 20-75-26E	FEDERAL NM-18822	160 A FEE	FEDERAL NM-16324	NONE
14. MIKE HARVEY TR FEDERAL #4	1780' FNL & 2480' FNL 3-55-24E	FEDERAL NM-22614	40 A LG-564	STATE LG-563	FEDERAL NM-22614

TABLE 1

SUMMARY OF BASIC DATA ON WELLS REQUIRING OFF-LEASE MEASUREMENT

WELL NAME	SPACING UNIT	LEASE(S) IN SPACING UNIT	MEASUREMENT POINT	COMPLETION DATE	POTENTIAL MCF/D	FIELD AND POOL	PERFORATIONS (FEET)		
16. POWELL KISSINGER BS #2	E/2	33-17S-25E	320 A FEE	NE/4 SW/4	33-17S-25E	4-12-85	690	UNDES. RICHARD KNOB - ATOKA MORROW	8160-8163 8348-8367
17. RICHARD KNOB AEX STATE #1	E/2	34-17S-24E	320 A VB-145	NW/4 NW/4	35-17S-24E	8-24-88	2000	UNDES. COLLINS RANCH WOLF CAMP	4915-4982
18. ROLLA TC #1	SE/4	30-9S-26E	160 A FEE	NE/4 SW/4	31-9S-26E	4-09-82	317	PECOS SLOPE ABO	4158-4530
19. SANDBUR ADC STATE #1	SW/4	23-5S-25E	40 A FEE 40 A NM-40028 80 A V-503	SW/4 SE/4	22-5S-25E	1-14-86	208	PECOS SLOPE ABO	3750-3759
20. SAVAGE NJ FEDERAL #4	NW/4	29-6S-26E	80 A FEE 80 A NM-25473	SW/4 SW/4	20-6S-26E	5-27-85	183	PECOS SLOPE ABO	3821-3833
21. SHORT RH FEDERAL #1	SW/4	23-7S-25E	160 A NM-17202	SW/4 NW/4	23-7S-25E	1-21-83	301	PECOS SLOPE ABO	3682-3816
22. VERBENA UV FEDERAL #1	NE/4	26-7S-25E	160 A NM-16784	SW/4 NW/4	25-7S-25E	10-28-82	250	PECOS SLOPE ABO	3894-4035

TABLE 1

SUMMARY OF BASIC DATA ON WELLS REQUIRING OFF-LEASE MEASUREMENT

WELL NAME	SPACING UNIT	LEASE(S) IN SPACING UNIT	MEASUREMENT POINT	COMPLETION DATE	POTENTIAL MCF/D	FIELD AND POOL	PERFORATIONS (FEET)	
1. ANISO WT STATE #1	W/2	16-19S-27E 40 A B-7298 40 A B-7690 80 A L6-3326 80 A L6-1324 80 A L6-8594	NW/4 NE/4	17-19S-27E	7-02-83	1100	ANGELL RANCH ATOKA-MORROW	9533-9562
2. BLUESIDE WF FEDERAL #1	W/2	9-19S-27E 80 A NM-27641 240 A NM-20060	SW/4 NW/4	9-19S-27E	2-06-83	490	ANGELL RANCH ATOKA-MORROW, CHESTER	10171-10194
3. BLYTHE SV #1	SW/4	9-SS-25E 160 A FEE	NW/4 NE/4	16-SS-25E	3-15-83	315	PECOS SLOPE ABO	3658-3820
4. CEDAR LAKE AD1 FEDERAL #1	W/2	26-17S-30E 40 A FEE 280 A NM-028992	SW/4 NE/4	34-17S-30E	3-10-86	2680	LOCU HILLS-ATOKA GAS	10673-10681
5. CITIES UD FEDERAL #1	NE/4	7-SS-25E 160 A NM-15289	NW/4 NW/4	7-SS-25E	2-04-83	522	PECOS SLOPE ABO	3714-3877
6. DORIS R1 FEDERAL #4	NW/4	15-SS-25E 40 A NM-16783 40 A NM-40029 80 A NM-39127	NW/4 NE/4	16-SS-25E	3-09-83	212	PECOS SLOPE ABO	3698-3846
7. EAST WIND STATE UNIT #1	E/2	17-9S-27E 160 A V-657 160 A L6-7992	SE/4 NW/4	7-9S-27E	1-23-88	420	FOUR RANCH PRE-PERMIAN, ORDOVICIAN	6180-6214
8. EMMA BE COM #2	S/2	21-19S-24E 160 A FEE 160 A NM-14118	NE/4 SW/4	22-19S-24E	9-30-82	750	UNDES. PENASCO DRAM-PERMO PERM, DISCO-WOLFCAMP	6270-6940
9. GINGER X2 FEDERAL #1	SW/4	31-SS-24E 160 A NM-19173	W/2 E/2	1-6S-24E	11-28-83	313	PECOS SLOPE ABO	3595-3767
10. HICKORY T3 FEDERAL #4	NW/4	20-8S-24E 160 A NM-18031	NE/4 SE/4	19-8S-24E	3-28-83	171	PECOS SLOPE ABO	4212-4492
11. JACKSON ESTATE BY #17	E/2	21-17S-25E 80 A FEE 80 A NM-0558268 160 A NM-0219603	NE/4 SW/4	21-17S-25E	4-06-83	1250	EAGLE CREEK - ATOKA MORROW	7770-7804 8068-8078
12. LAZY TREE STATE UNIT 1	E/2	12-13S-32E 120 A V-959 200 A L6-4903	S/2 SE/4	4-13S-33E	3-03-88	8846	NORTH BAUM - MORROW GAS	11478-11483
13. LEEMAN DC FEDERAL #4	NW/4	20-7S-26E 80 A NM-18822 80 A FEE	SW/4 SW/4	17-7S-26E	10-10-82	313	PECOS SLOPE ABO	3632-3865
14. MIKE HARVEY TR FEDERAL #4	NW/4	3-SS-24E 40 A L6-564 120 A NM-22614	NW/4 NW/4	2-SS-24E	2-05-83	171	PECOS SLOPE ABO	3506-3558
15. PHILLIPS KH FEDERAL COM #1	E/2	23-14S-27E 160 A NM-16093 160 A NM-17214	NE/4 SW/4	23-14S-27E	3-01-79	1100	SPRINGER BASIN - ATOKA MORROW	8050-8058

EXHIBIT "A"

WELL NAME

LOCATION

METERING POINT

Chaves County

Blythe SV #1	Unit N,	9- 5S-25E	Unit B, 16-5S-25E
Cities UO Federal #1	H	7- 5S-25E	Unit B, 7-5S-25E
Doris RI Federal #4	E	15- 5S-25E	Unit B, 16-5S-25E
East Wind State Unit #1	G	17- 9S-27E	Unit C, 7-9S-27E
Ginger XZ Federal #1	N	31- 5S-24E	Unit F12, 1-6S-24E
Huckaby TJ Federal #4	E	20- 8S-26E	Unit L, 19-8S-26E
Leeman OC Federal #4	D	20- 7S-26E	Unit M, 17-7S-26E
Mike Harvey TR Federal #4	F	3- 5S-24E	Unit D, 2-5S-24E
Phillips KH Federal Com #1	H	23-14S-27E	Unit K, 23-14S-27E
Rolla TC #1	O	30- 9S-26E	Unit K, 31-9S-26E
Sandbur ADC State Com #1	M	23- 5S-25E	Unit D, 24-5S-25E
Savage NI Federal #4	C	29- 6S-26E	Unit M, 20-6S-26E
Short RM Federal #1	K	25- 7S-25E	Unit E, 25-7S-25E
Verbena UV Federal #1	H	26- 7S-25E	Unit E, 25-7S-25E

Eddy County

Amigo WT State #1	L	16-19S-27E	Unit B, 17-19S-27E
Bluffside WF Federal #1	E	9-19S-27E	Unit E, 9-19S-27E
Cedar Lake ADI Federal Com #1	E	26-17S-30E	Unit G, 34-17S-30E
Emma QE Com #2	O	21-19S-24E	Unit K, 20-19S-24E
Jackson Estate BY #17	H	21-17S-25E	Unit K, 21-17S-25E
Powell Kissinger BS #2	O	33-17S-25E	Unit K, 33-17S-25E
Richard Knob AEX State #1	G	34-17S-24E	Unit D, 35-17S-24E

Lea County

Lazy Tree State Unit #1	A	12-13S-32E	Site 2014, 4-13S-33E
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ILLEGIBLE

TABLE 1

SUMMARY OF BASIC DATA ON WELLS REQUIRING OFF-LEASE MEASUREMENT

WELL NAME	SPACING UNIT	LEASE(S)		MEASUREMENT POINT	COMPLETION DATE	POTENTIAL MCF/D	FIELD AND POOL	PERFORATIONS (FEET)
		IN SPACING UNIT	OUT SPACING UNIT					
16. POWELL KISSINGER BS #2	E/2	33-17S-25E	320 A FEE	NE/4 SW/4	33-17S-25E	4-12-83	690 UNDES. RICHARD KNOB - ATOKA MORROW	8160-8163 8348-8367
17. RICHARD KNOB AEX STATE #1	E/2	34-17S-24E	320 A VB-145	NW/4 NW/4	35-17S-24E	8-24-88	2009 UNDES. COLLINS RANCH WOLFCAMP	4915-4982
18. ROLLA TC #1	SE/4	30-9S-26E	160 A FEE	NE/4 SW/4	31-9S-26E	4-08-82	317 PECOS SLOPE ABO	4158-4330
19. SANDBUR ADC STATE #1	SW/4	23-5S-25E	40 A FEE 40 A NM-40028 80 A V-503	SW/4 SE/4	22-5S-25E	1-14-86	208 PECOS SLOPE ABO	3750-3759
20. SAVAGE NI FEDERAL #4	NW/4	29-6S-26E	80 A FEE 80 A NM-25473	SW/4 SW/4	20-6S-26E	5-27-85	183 PECOS SLOPE ABO	3821-3833
21. SHORT RM FEDERAL #1	SW/4	23-7S-25E	160 A NM-17202	SW/4 NW/4	23-7S-25E	1-21-83	301 PECOS SLOPE ABO	3682-3816
22. VERBENA UV FEDERAL #1	NE/4	26-7S-25E	160 A NM-16784	SW/4 NW/4	25-7S-25E	10-28-82	250 PECOS SLOPE ABO	3894-4035

TABLE 1

SUMMARY OF BASIC DATA ON WELLS REQUIRING OFF-LEASE MEASUREMENT

WELL NAME	SPACING UNIT	LEASE(S) IN SPACING UNIT	MEASUREMENT POINT	COMPLETION DATE	POTENTIAL MCF/D	FIELD AND POOL	PERFORATIONS (FEET)	
1. AMIGO MT STATE #1	N/2	16-19S-27E 40 A B-7298 40 A B-7690 80 A LG-3326 80 A LG-1324 80 A LG-8594	NW/4 NE/4	17-19S-27E	7-02-83	1100	ANGELL RANCH ATOKA-MORROW	9553-9562
2. BLUFFSIDE WF FEDERAL #1	N/2	9-19S-27E 80 A NM-27641 240 A NM-20060	SW/4 NW/4	9-19S-27E	2-06-83	490	ANGELL RANCH ATOKA-MORROW, CHESTER	10171-10194
3. BLYTHE SV #1	SW/4	9-SS-25E 160 A FEE	NW/4 NE/4	16-SS-25E	3-15-83	315	PECOS SLOPE ABO	3658-3820
4. CEDAR LAKE AD1 FEDERAL #1	N/2	26-17S-30E 40 A FEE 280 A NM-028992	SW/4 NE/4	34-17S-30E	3-10-86	2680	LORD HILLS-ATOKA GAS	10673-10681
5. CITIES UD FEDERAL #1	NE/4	7-SS-25E 160 A NM-15289	NW/4 NW/4	7-SS-25E	2-04-83	522	PECOS SLOPE ABO	3714-3877
6. DORIS RI FEDERAL #4	NW/4	15-SS-25E 40 A NM-16783 40 A NM-40029 80 A NM-39127	NW/4 NE/4	16-SS-25E	3-09-83	212	PECOS SLOPE ABO	3698-3846
7. EAST WIND STATE UNIT #1	E/2	17-9S-27E 160 A V-657 160 A LG-7992	SE/4 NW/4	7-9S-27E	1-23-88	420	FOOR RANCH PRE-PERMIAN, ORDOVICIAN	6180-6214
8. EMMA GE COM #2	S/2	21-19S-24E 160 A FEE 160 A NM-14118	NE/4 SW/4	22-19S-24E	9-30-82	750	UNDES. PENNSCO DRAM-PERMO PENN,CISCO-WOLFCAMP	6270-6940
9. GINGER XZ FEDERAL #1	SW/4	31-SS-24E 160 A NM-19173	N/2 E/2	1-6S-24E	11-28-83	313	PECOS SLOPE ABO	3595-3767
10. HUCKABY TJ FEDERAL #4	NW/4	20-SS-24E 160 A NM-18031	NE/4 SE/4	19-SS-24E	3-28-83	171	PECOS SLOPE ABO	4212-4492
11. JACKSON ESTATE BY #17	E/2	21-17S-25E 80 A FEE 80 A NM-0558268 160 A NM-0219603	NE/4 SW/4	21-17S-25E	4-06-83	1250	EAGLE CREEK - ATOKA MORROW	7770-7804 8068-8078
12. LAZY TREE STATE UNIT 1	E/2	12-13S-32E 120 A V-959 200 A LG-4903	S/2 SE/4	4-13S-33E	3-03-88	8846	NORTH BAUM - MORROW GAS	11478-11483
13. LEEMAN OC FEDERAL #4	NW/4	20-7S-26E 80 A NM-18822 80 A FEE	SW/4 SW/4	17-7S-26E	10-10-82	313	PECOS SLOPE ABO	3632-3865
14. MIKE HARVEY TR FEDERAL #4	NW/4	3-SS-24E 40 A LG-564 120 A NM-22614	NW/4 NW/4	2-SS-24E	2-05-83	171	PECOS SLOPE ABO	3506-3556
15. PHILLIPS KH FEDERAL COM #1	E/2	23-14S-27E 160 A NM-16093 160 A NM-17214	NE/4 SW/4	23-14S-27E	3-01-79	1100	SPEINGER BASIN - ATOKA MORROW	8030-9358

TABLE II

SUMMARY OF LANDS INVOLVED IN OFF-LEASE MEASUREMENT

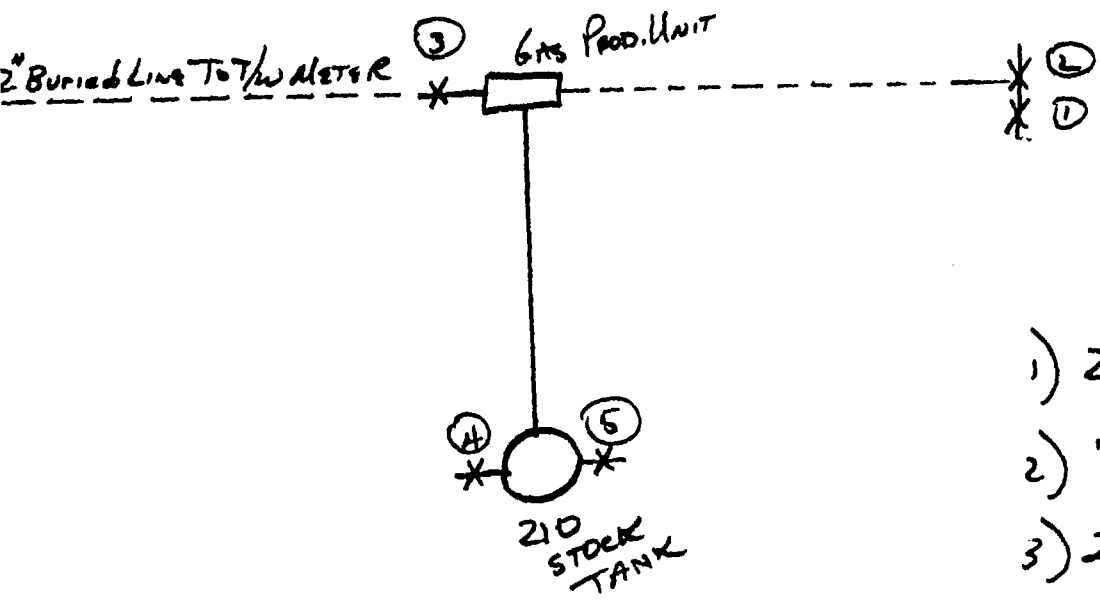
WELL NAME	LOCATION	LEASE CONTAINING SUBJECT WELL	OTHER LEASES IN SAME SPACING UNIT	LEASE CONTAINING MEASUREMENT POINT	LEASES OUTSIDE SPACING UNIT CROSSED BY FLOWLINE
1. AMISO WT STATE #1	2310' FSL & 660' FWL 16-19S-27E	STATE LG-1324	40 A B-7298 40 A B-7690 80 A LG-3326 80 A LG-8594	FEDERAL NM-13073	FEDERAL NM-13409
2. BLUFFSIDE WF FEDERAL #1	1980' FWL & 660' FWL 9-19S-27E	FEDERAL NM-20060	80 A NM-27641	FEDERAL NM-20060	NONE
3. BLYTHE SV #1	660' FSL & 1980' FWL 9-5S-25E	FEE	NONE	STATE L-6272	NONE
4. CEDAR LAKE AD1 FEDERAL #1	2140' FWL & 660' FWL 26-17S-30E	FEDERAL NM-028992	200 A NM-028992 40 A FEE	FEDERAL NM-0358581	FEDERAL NM-028992 FEDERAL NM-0467934
5. CITIES UD FEDERAL #1	1980' FWL & 860' FEL 7-5S-25E	FEDERAL NM-15289	NONE	STATE LG-252	NONE
6. DORIS RI FEDERAL #4	1980' FWL & 660' FWL 15-5S-25E	FEDERAL NM-39127	40 A NM-16783 40 A NM-40029	STATE L-6272	NONE
7. EAST WIND STATE UNIT #1	1980' FWL & 1980' FEL 17-9S-27E	STATE LG-7992	160 A V-657	STATE L-5441	STATE L-6775 STATE LG-8581
8. EMMA GE COM #2	660' FSL & 1980' FEL 21-19S-24E	FEE	160 A NM-14118	FEE	NONE
9. GINGER XZ FEDERAL #1	660' FSL & 1980' FWL 31-5S-24E	FEDERAL NM-19173	NONE	FEDERAL NM-14986	FEDERAL NM-11592
10. HUCKABY TJ FEDERAL #4	1980' FWL & 660' FWL 20-8S-26E	FEDERAL NM-18031	NONE	FEE	FEE
11. JACKSON ESTATE BY #17	2310' FWL & 660' FEL 21-17S-26E	FEE	160 A NM-0558268	FEDERAL NM-0218603	NONE
12. LAZY TREE STATE UNIT #1	660' FWL & 660' FEL 12-13S-32E	STATE LG-4903	120 A V-959	FEDERAL NM-77070	STATE LG-5614 STATE LG-5677 FEE
13. LEEHAN GC FEDERAL #4	660' FWL & 990' FWL 20-7S-26E	FEDERAL NM-18822	160 A FEE	FEDERAL NM-16324	NONE
14. MIKE HARVEY TR FEDERAL #4	1780' FWL & 2480' FWL 3-5S-24E	FEDERAL NM-22674	40 A LG-544	STATE LG-563	FEDERAL NM-22614

TABLE 11

SUMMARY OF LANDS INVOLVED IN OFF-LEASE MEASUREMENT

WELL NAME	LOCATION	LEASE CONTAINING		OTHER LEASES		LEASE CONTAINING		LEASES OUTSIDE	
		SUBJECT WELL	IN SAME SPACING UNIT	MEASUREMENT POINT	CROSSED BY FLOWLINE	SPACING UNIT	CROSSED BY FLOWLINE	MEASUREMENT POINT	CROSSED BY FLOWLINE
15. PHILLIPS KH FEDERAL COM #1	1980' FNL & 660' FEL 23-14S-27E	FEDERAL NM-16093	160 A NM-17214	FEDERAL NM-17214	NONE				
16. POWELL KISSINGER BS #2	990' FSL & 1630' FEL 33-17S-25E	FEE	NONE	FEDERAL NM-0439900	NONE				
17. RICHARD KNOB AEX STATE #1	1980' FNL & 1980' FEL 34-17S-24E	STATE VB-14S	NONE	STATE K-4042	NONE				
18. ROLLA TC #1	660' FSL & 1980' FEL 30- 9S-26E	FEE	NONE	FEDERAL NM-0559993	NONE				
19. SANDBURG ADC STATE #1	660' FSL & 660' FNL 23- 5S-25E	STATE V-503	40 A FEE NM-40028	FEDERAL NM-40029	NONE				
20. SAVAGE NI FEDERAL #4	660' FNL & 1780' FNL 29- 6S-26E	FEDERAL NM-25473	80 A FEE	FEDERAL NM-25473	NONE				
21. SHORT RM FEDERAL #1	1980' FSL & 1980' FNL 25- 7S-25E	FEDERAL NM-17202	NONE	FEDERAL NM-12125	NONE				
22. VERBERNA UV FEDERAL #1	1980' FNL & 660' FEL 26- 7S-25E	FEDERAL NM-16784	NONE	FEDERAL NM-12125	NONE				

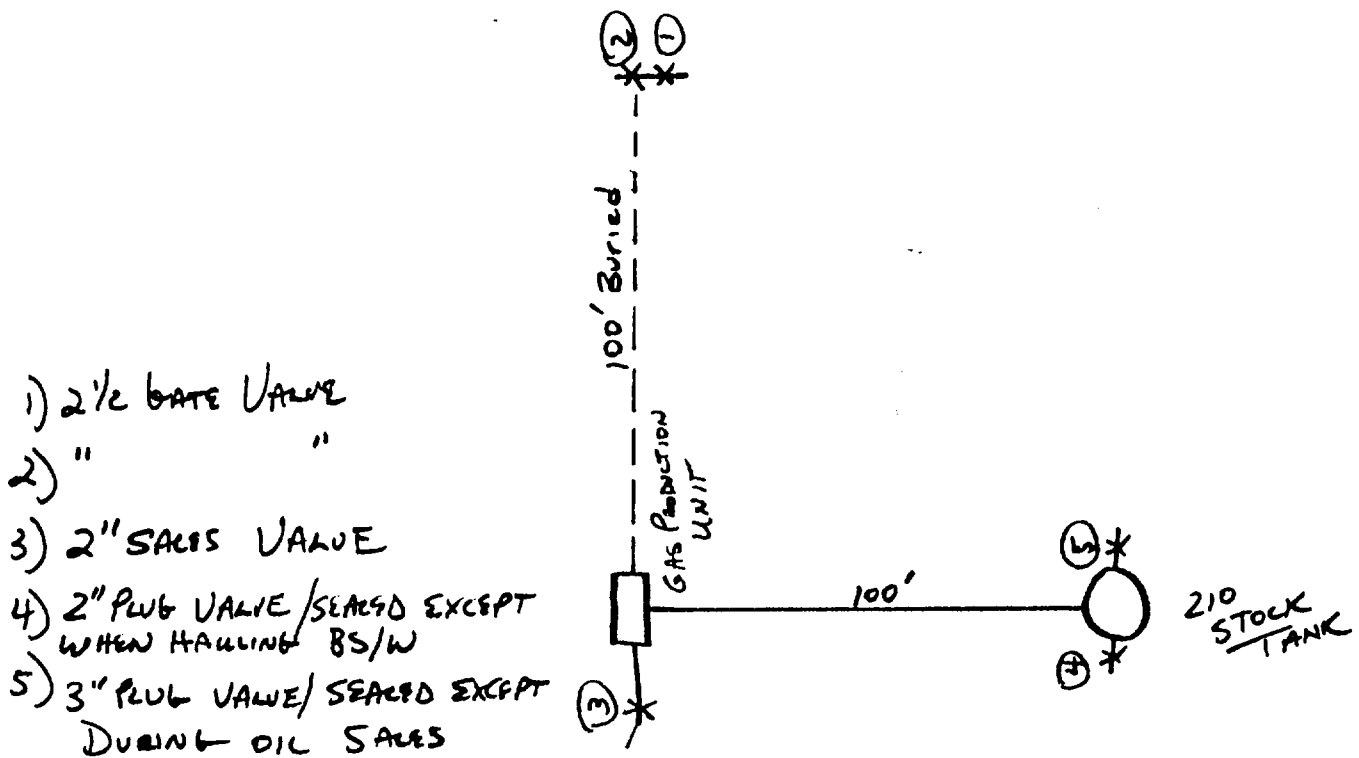
YATES PETROLEUM CORPORATION
Bluffside WF Federal #1, NM-20060
SW/NW, Sec. 9-T19S-R27E
Eddy County, NM



- 1) 2 1/2" GATE VALVE
- 2) " "
- 3) 2" SACS VALVE
- 4) 2" PLUG/SEALED EXCEPT WHEN HAULING BS/W
- 5) 3" PLUG/SEALED EXCEPT DURING OIL SALES

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CEDAR LAKE ADI FEDERAL COM #1
LC-028992-I, Unit E
Sec. 26-T17S-R30E
Eddy County, NM



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YATES PETROLEUM CORPORATION

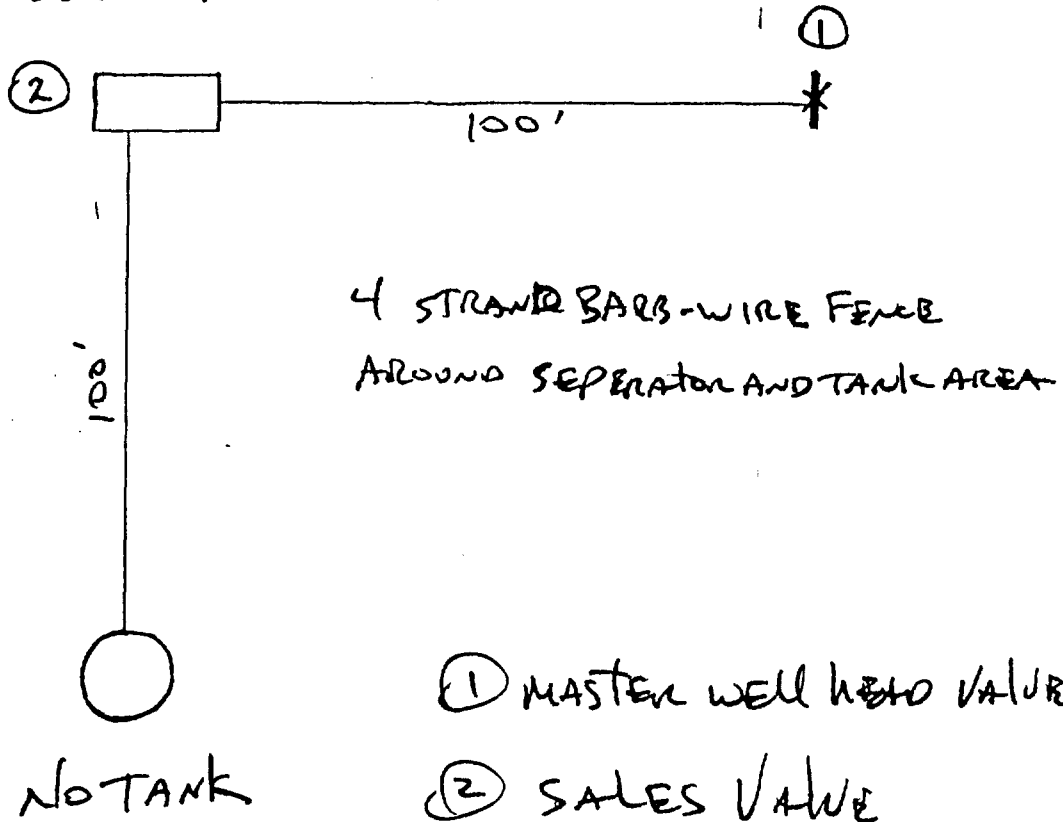
Cities UO Federal #1, NM-15289

SE/NE, Sec. 7-T5S-R25E

Chaves County, New Mexico

CITIES UO #1

T/W METER HOUSE AT YPC Rattlesnake R2 #1

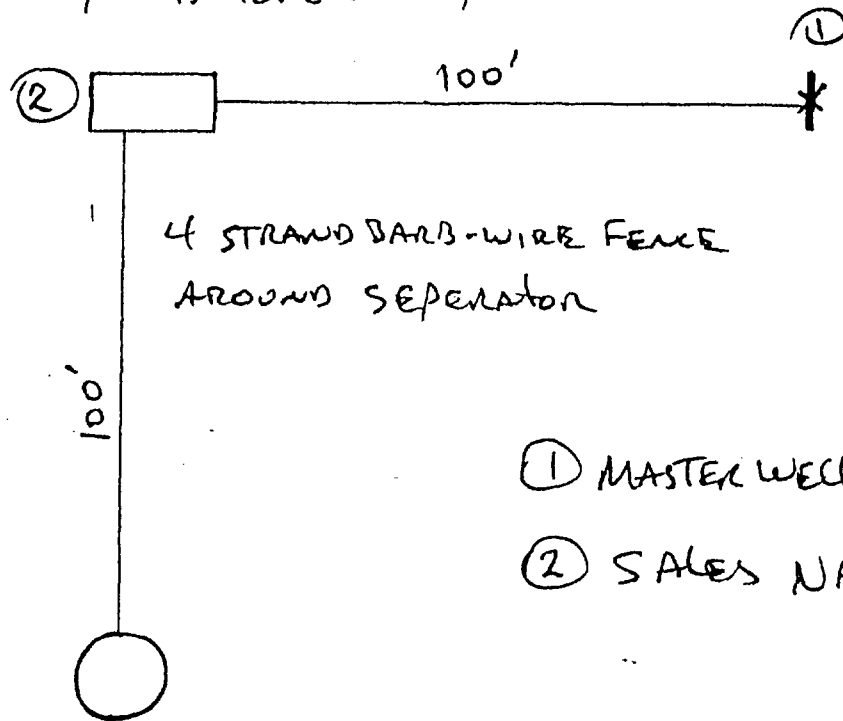


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Doris RI #4

YATES PETROLEUM CORPORATION
Doris RI Federal #4 NM-39127
SW/NW, Sec. 15-T5S-R25E
Chaves County, NM

T/W METER HOUSE AT YPC PALETTE PV #4



(1) MASTER WELL HEAD VALVE

(2) SALES VALVE

No tank

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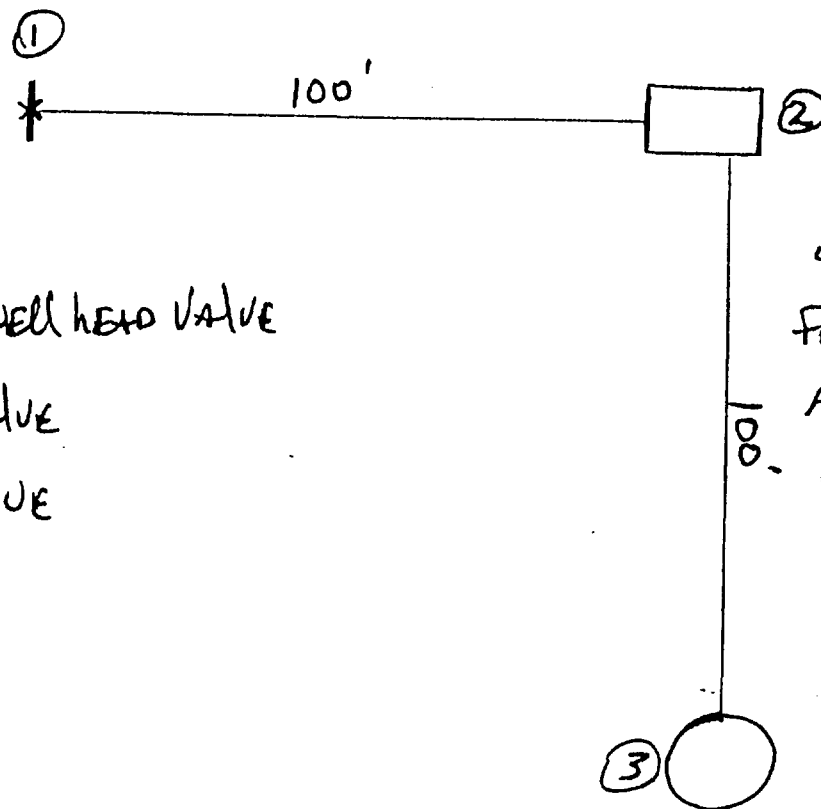
THIS PAGE IS A COPY OF THE
YATES PIPELINE SECURITY
SECURITY PLAN FOR THE
AT 2015-11-11, CHAVES, NM

YATES PETROLEUM CORPORATION

Ginger XZ Federal #1, NM 19173
SE/SW, Sec.31-T5S-R24E, Chaves County, NM

GINGER XZ #1

T/W Meter AT MESA
JESS #3



4 STRAND BARB-WIRE
FENCE AROUND TANK
AND SEPERATION

① MASTER WELL HEAD VALVE

② SALES VALVE

③ BALL VALVE

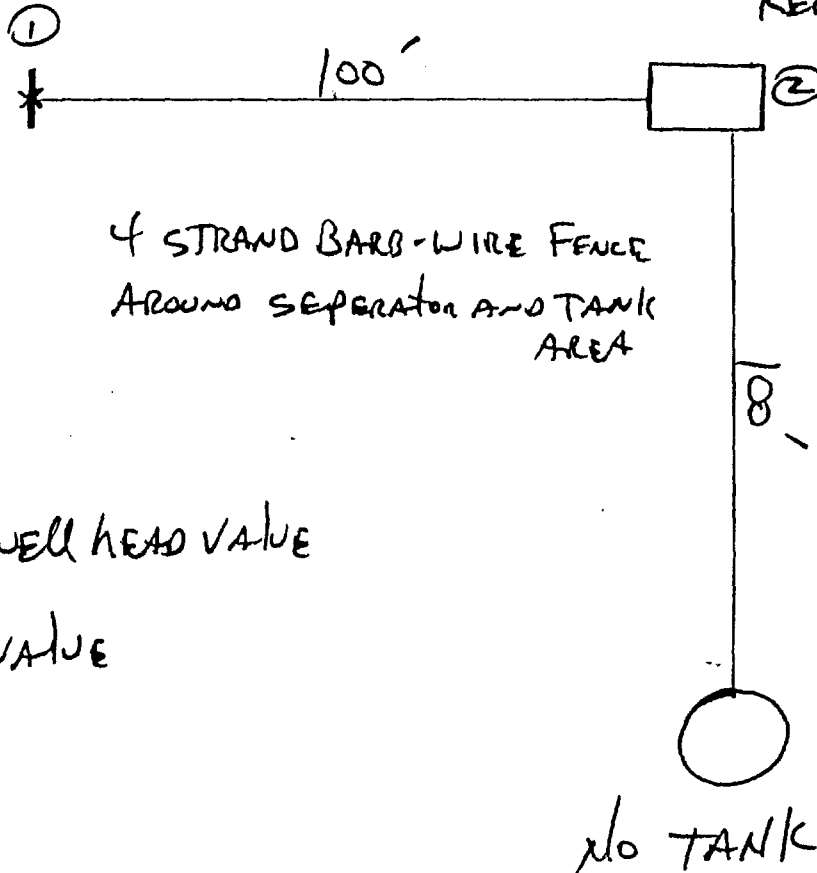
SO BAL TANK

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SECURITY PLAN, WHICH IS ON FILE
AT, 204 S. 4th ST., ARTESIA, NM

YATES PETROLEUM CORPORATION.
Huckaby TJ Federal #4, NM 18031
SW/NW, Sec. 20-T8S-R26E
Chaves County, NM

Huckaby TJ #4

T/W METER house AT YPC
Kershaw UE #1



4 STRAND BARB-WIRE FENCE
AROUND SEPARATOR AND TANK
AREA

① MASTER WELL HEAD VALVE

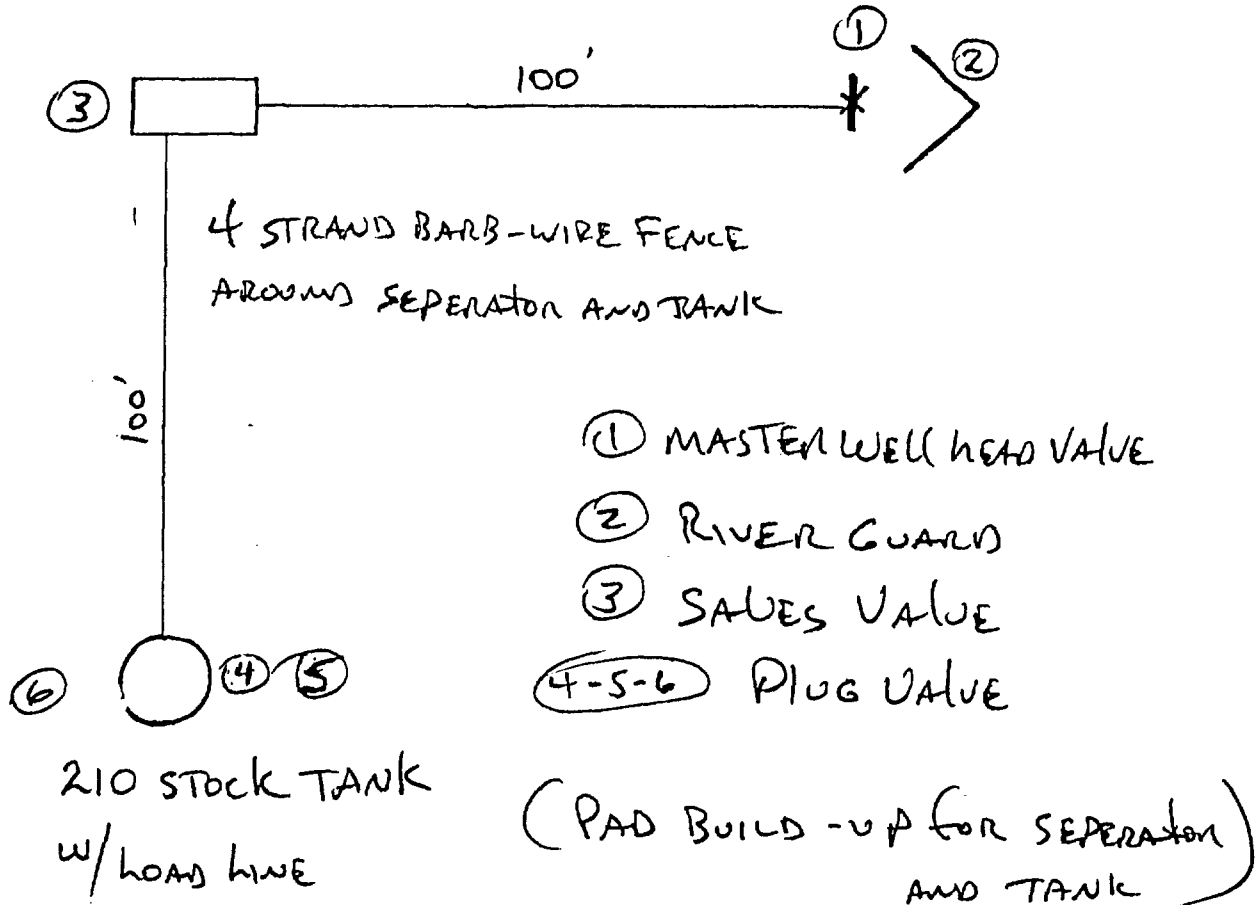
② SALES VALVE

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SECURITY PLAN, WHICH IS ON FILE
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NEEMAN OC #4

YATES PETROLEUM CORPORATION
Leeman OC Federal #4, NM-18822
NW/NW, Sec. 20-T7S-R26E
Chaves County, NM

T/W METERHOUSE AT MESA CHARLOTTE



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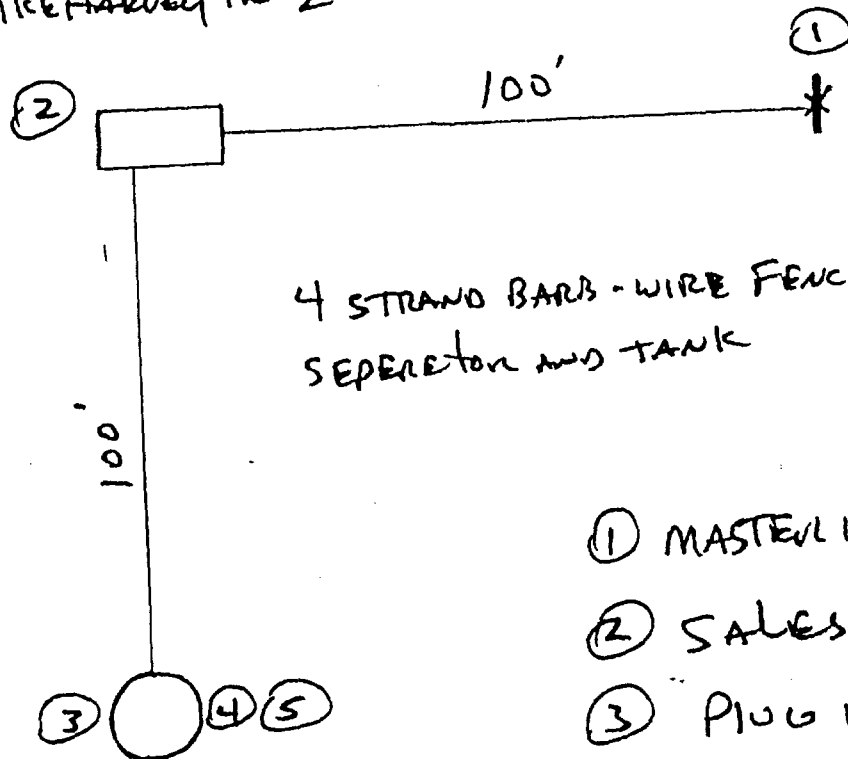
THIS DOCUMENT IS SUBJECT TO THE
YATES PETROLEUM CORP. ACT, 1963
SECURITY PLAN, WHICH IS ON FILE
AT, 234 S. 4TH ST., ARTESIA, NM

YATES PETROLEUM CORPORATION

Mike Harvey TR Federal #4-NM 22614
Unit F, Sec. 3-T5S-R24E
Chaves County, NM

Mike Harvey TR #4

LINE IN AT YPC MIKE HARVEY TR #2



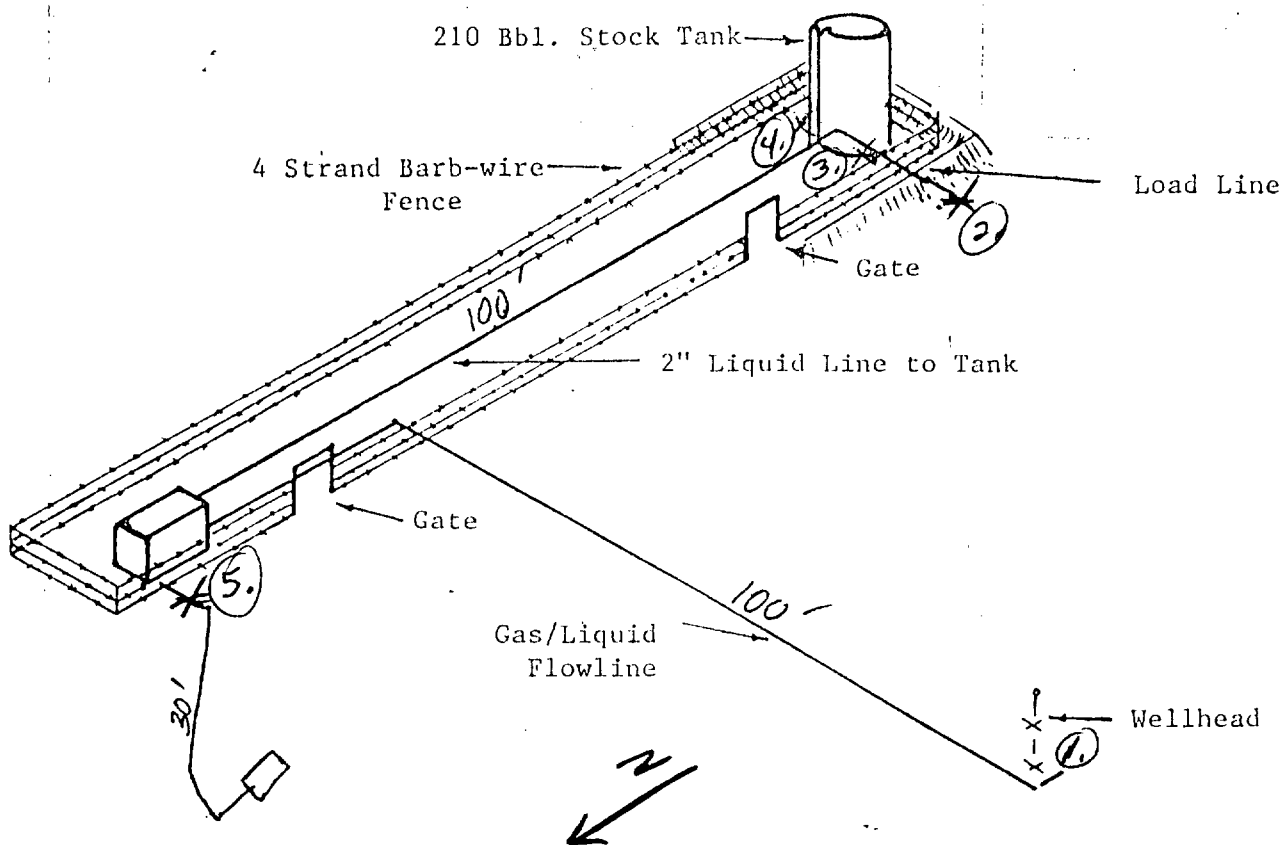
4 STRAND BARB-WIRE FENCE AROUNDS
SEPERATION AND TANK

210 STOCK TANK
W/ LOAD LINE

- (1) MASTER WELL HEAD VALVE
- (2) SALES VALVE
- (3) PLUG VALVE
- (4) PLUG VALVE
- (5) PLUG VALVE

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YATES PETR. CORP., AUG. 1933
SECURITY PLAN, WHICH IS ON FILE
AT, 204 S. 4th ST., ARTESIA, NM.

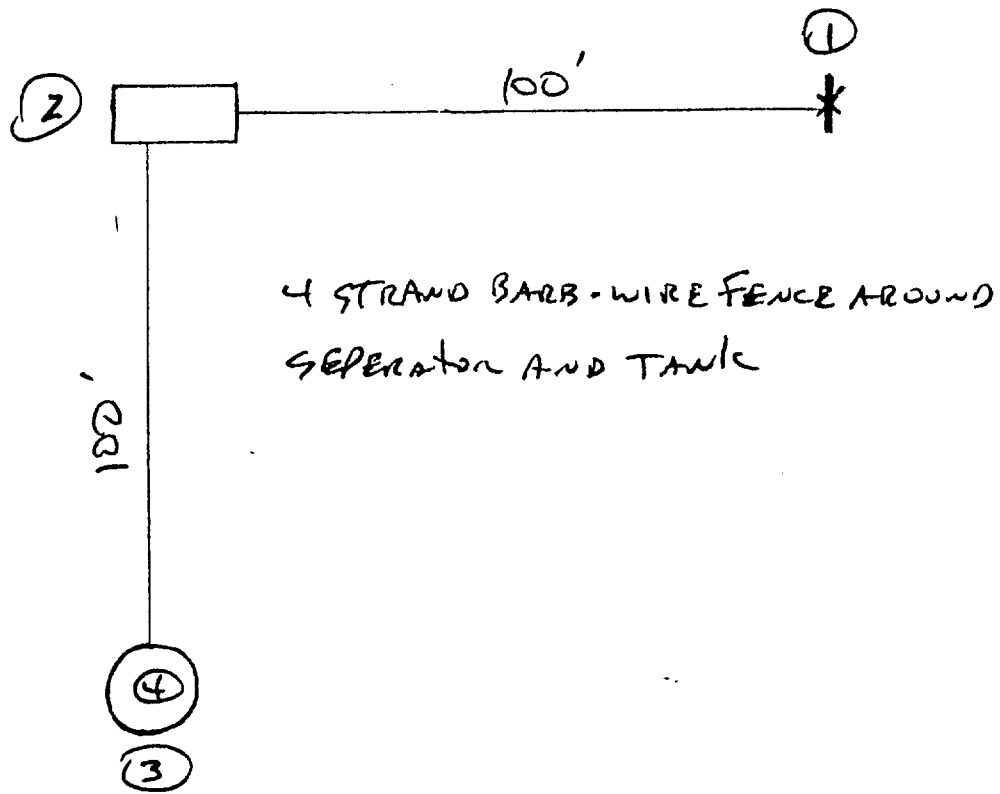
PHILLIPS PETROLEUM CORPORATION
 PHILLIPS KH FED. #1
 H-23-T14S-R27E
 SRM-1394



- (1) MASTER WELLHEAD VALVE
- (2) PLUS VALVE
- (3) PLUS VALVE
- (4) PLUS VALVE (2")
- (5) 2" SALES VALVE

Roll A TC #1

T/W METER HOUSE AT



① MASTER WELL HEAD VALVE

② SALES VALVE

③ 2" VALVE

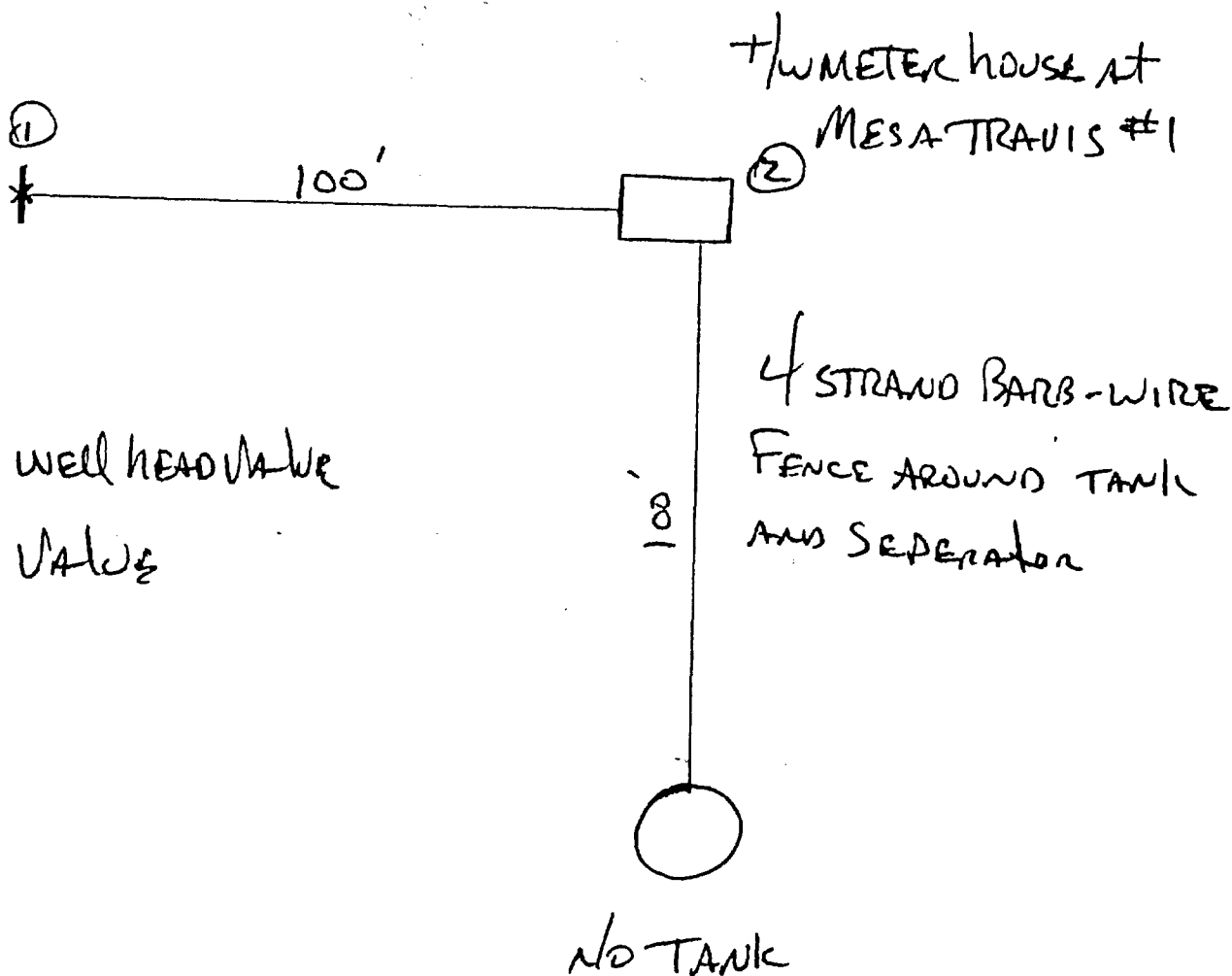
④ SD BB/FIBERGLASS WATER TANK

YATES PETROLEUM CORPORATION

SAVAGE NI FEDERAL COM #4, NM-25473

NE/NW, Sec. 29-T6S-R26E, Chaves County, NM

SAVAGE NI #4

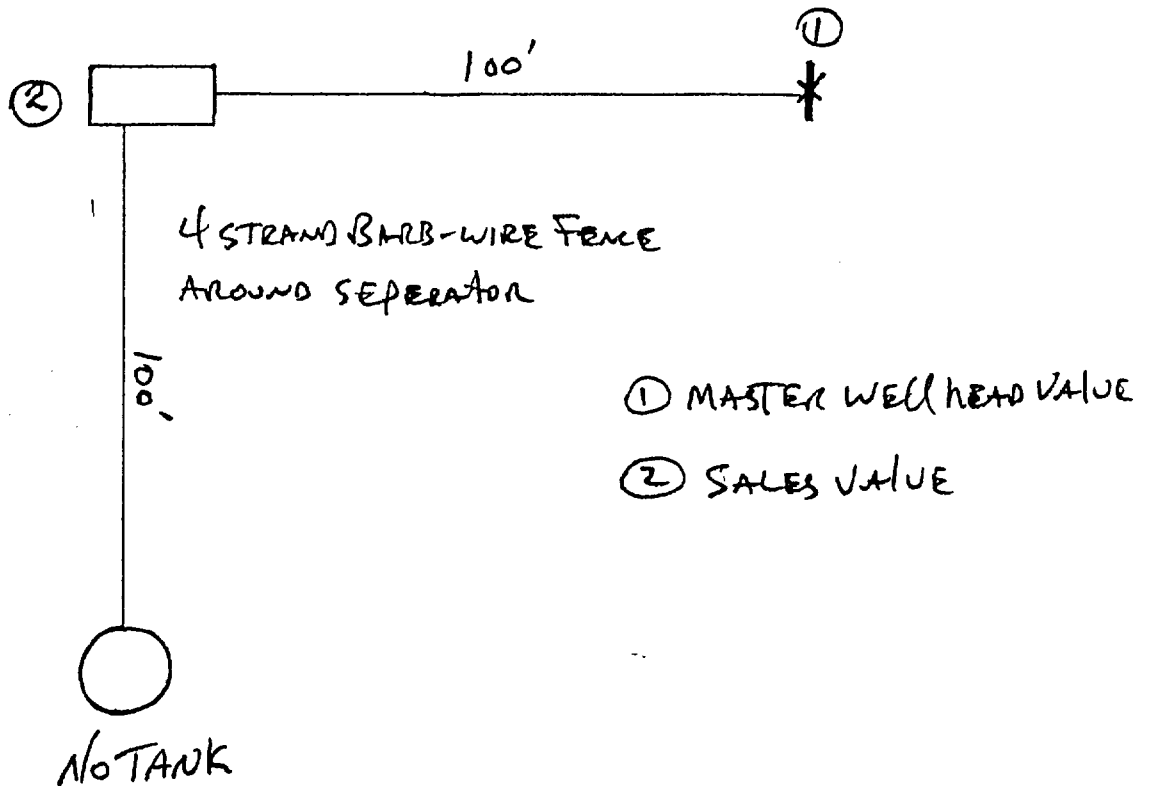


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SHORT RM #1

YATES PETROLEUM CORPORATION
Short RM Federal #1, NM-17202
NE/SW, Sec. 25-T7S-R25E,
Chaves County, NM

T/W METER HOUSE AT YPC Colman NY #1

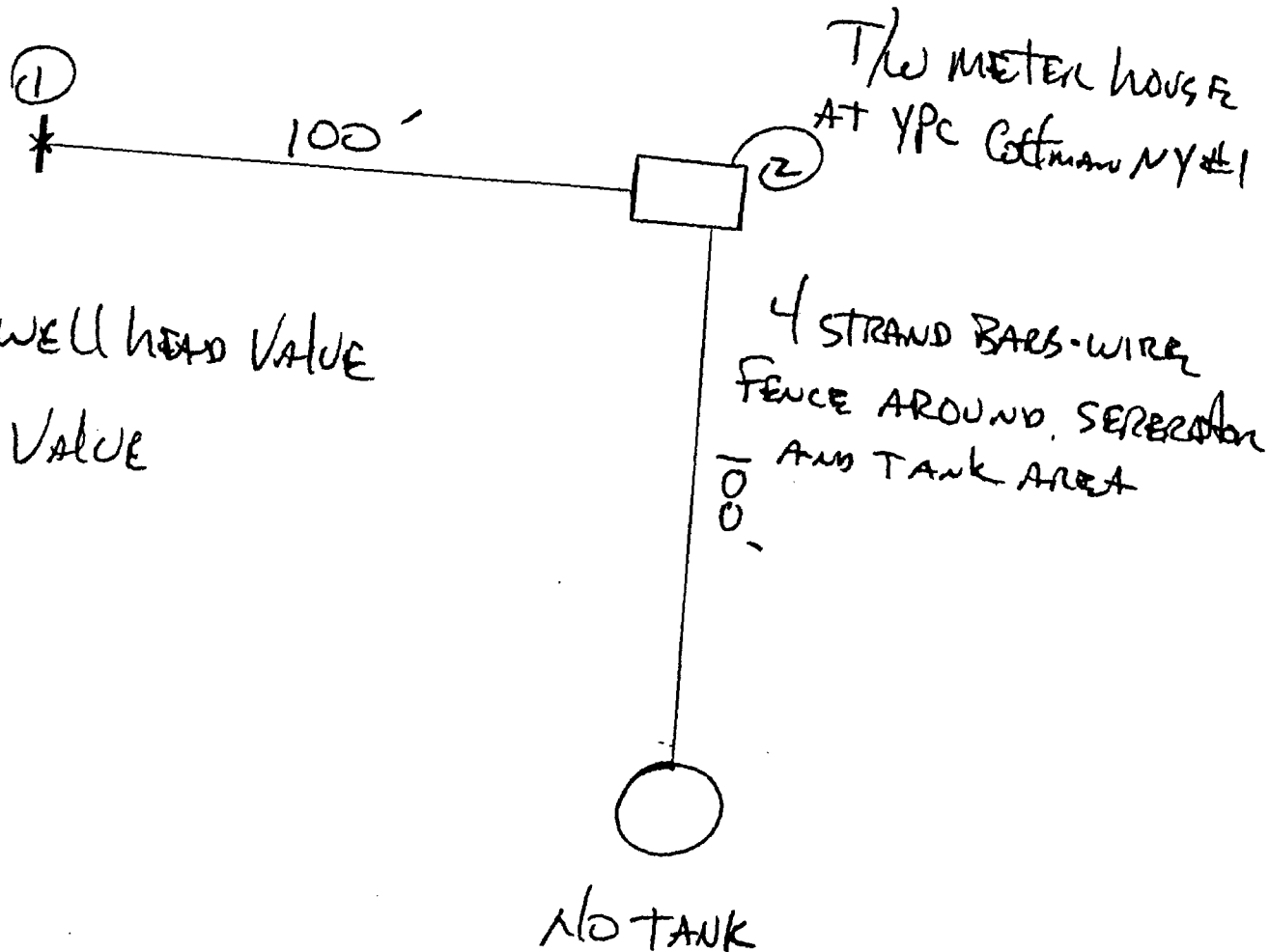


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AT 1045 S. GILBERT, ALBUQUERQUE, N.M.

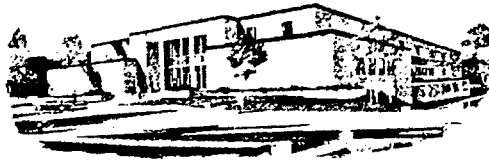
YATES PETROLEUM CORPORATION
Verbena UV Federal #1, NM 16784
SW/NE, Sec. 26-T7S-R25E, Chaves County, NM

VERBENA UV #1



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YATES PETR. CORP., AUG. 1983
SECURITY PLAN, WHICH IS ON FILE
AT, 204 S. 4th ST., ARTESIA, NM

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

January 31, 1989

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88201

Attn: Theresa Padilla

Re: Request for approval for off-lease measurement of the
following wells in Lea, Eddy, and Chaves counties:

<u>Lea County</u>	<u>Letter</u>	<u>Location</u>	<u>Lease No.</u>
1. Lazy Tree State Unit No. 1	A	12-13S-32E	LG-4903
<u>Eddy County</u>			
1. Amigo WT State No. 1	L	16-19S-27E	LG-1324
2. Richard Knob AEX State No. 1	G	34-17S-24E	VB-0145
<u>Chaves County</u>			
1. Blythe SV No. 1	N	09-05S-25E	-
2. East Wind State Unit No. 1	G	17-09S-27E	LG-7992
3. Sandbur ADC State Com No. 1	M	23-05S-25E	V-0503

Gentlemen:

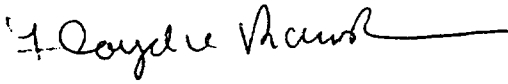
Reference is made to your application letter dated January 10, 1989 wherein you requested approval for off-lease measurement of the Lea, Eddy and Chaves county wells described above.

You are hereby granted approval for off-lease measurement on these wells. Please note that any deviation from your proposed request will be sufficient reason to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

January 31, 1989

Very truly yours,

WILLIAM R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WHR/FOP/smh
encl

cc: OCD - Santa Fe, New Mexico
TRD - Santa Fe, New Mexico
Lease Files: LG-1324, LG-7992, LG-4903, VB-0145, V-0503