

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
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

March 21, 2001

MAR 26 2001

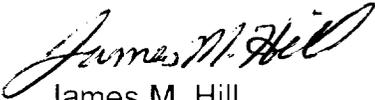
State of New Mexico  
OIL CONSERVATION DIVISION  
2040 S. Pacheco Street  
Santa Fe, NM 87505-5472

Dear Sir,

Enclosed please find the "Affidavit of Publication" for the proposed Hillview SWD #2 C-108 (Application for Authority to Inject) located in Unit G of Section 23-T20S-R24E, Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4219.

Sincerely,

  
James M. Hill  
Operations Engineer

Enclosure

# Affidavit of Publication

NO. 17245

# Copy of Publication:

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

### Legal Notice

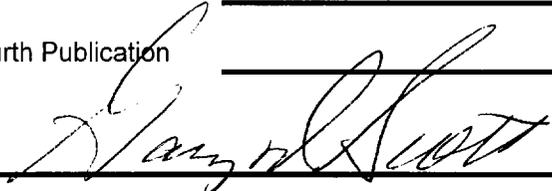
was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks/days on the same day as follows:

First Publication March 4 2001

Second Publication \_\_\_\_\_

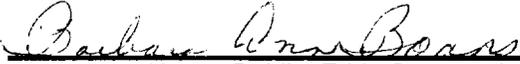
Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_



Subscribed and sworn to before me this

7th day of March 2001



Notary Public, Eddy County, New Mexico

My Commission expires September 23, 2003

### LEGAL NOTICE

**Yates Petroleum Corporation**, 105 South Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "Hillview SWD #2" located 1650' FNL & 1780' FEL of Section 23, Township 20 South, Range 24 East of Eddy County, New Mexico, will be used for salt water disposal. Disposal waters from the Canyon will be re-injected into the ~~Mississippian~~ Devonian, ~~Shinarump~~ and Montoya at a depth of 9,700'-10,750' with a maximum pressure of 1940 psi and a maximum rate of 30,000 BWPD. All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, 2040 S. Pacheco Street, Santa Fe, NM 87505-5472, within 15 days. Additional information can be obtained by contacting James M. Hill at (505) 748-4219. Published in the Artesia Daily Press, Artesia, N.M. March 4, 2001.

Legal 17245

**CHECKLIST for ADMINISTRATIVE INJECTION APPLICATIONS**

Operator: Yates Petro. Corp. Well: HILLVIEW SWD No. 2  
Contact: RAY STALL Title: OP. ENG. Phone: 505-748-1471

DATE IN 3-2-98 RELEASE DATE 3-17-98 DATE OUT 5-22-98

Proposed Injection Application is for:  WATERFLOOD  Expansion  Initial  
 Secondary Recovery  Pressure Maintenance  
Original Order: R-  SALT WATER DISPOSAL  Commercial Well

~~SENSITIVE AREAS~~  
 WIRP  Capitan Reef

Data is complete for proposed well(s)? YES Additional Data Req'd NO

**AREA of REVIEW WELLS**

<input checked="" type="checkbox"/> Total # of AOR	<input type="checkbox"/> # of Plugged Wells
<input checked="" type="checkbox"/> Tabulation Complete	<input type="checkbox"/> Schematics of P & A's
<input type="checkbox"/> Cement Tops Adequate	<input type="checkbox"/> AOR Repair Required

**INJECTION FORMATION**

Injection Formation(s) MISS, SIL, DEVONIAN & MONTANA Compatible Analysis YES

Source of Water or Injectate AREA PRODUCTION

**PROOF of NOTICE**

<input checked="" type="checkbox"/> Copy of Legal Notice	<input checked="" type="checkbox"/> Information Printed Correctly
<input checked="" type="checkbox"/> Correct Operators	<input checked="" type="checkbox"/> Copies of Certified Mail Receipts
<u>NO</u> Objection Received	<input type="checkbox"/> Set to Hearing _____ Date

NOTES: \_\_\_\_\_

**APPLICATION QUALIFIES FOR ADMINISTRATIVE APPROVAL? YES**

**COMMUNICATION WITH CONTACT PERSON:**

1st Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____
2nd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____
3rd Contact:	<input type="checkbox"/> Telephoned	<input type="checkbox"/> Letter	_____ Date	Nature of Discussion _____

SWD  
709

5/11/70  
Revised 7-1-81

HILLVIEW SWD #2

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose:  Secondary Recovery  Pressure Maintenance  Disposal  Storage  
Application qualifies for administrative approval?  yes  no

II. Operator: Yates Petroleum Corporation  
Address: 105 South Fourth Street Artesia, NM 88210  
Contact party: Ray Stall Phone: (505) 748-1471

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project?  yes  no  
If yes, give the Division order number authorizing the project \_\_\_\_\_.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

\* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:  
1. Proposed average and maximum daily rate and volume of fluids to be injected;  
2. Whether the system is open or closed;  
3. Proposed average and maximum injection pressure;  
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and  
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

MAR - 2 1998

CONSERVATION DIVISION

\*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

\* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

\* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Ray Stall Title Operations Engineer

Signature: Ray Stall Date: 2-26-98

\* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

## III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

## XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

---

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

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1912 - 1985  
FRANK W. YATES  
1936 - 1986



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ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

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PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

February 25, 1998

David Catanach  
State of New Mexico  
OIL CONSERVATION DIVISION  
2040 S. Pacheco Street  
Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) for the proposed Hillview SWD #2 located in Unit G of Section 23-T20S-R24E, Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

A handwritten signature in cursive script that reads 'Ray Stall'.

Ray Stall  
Operations Engineer

RS/th

Enclosure

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DENNIS G. KINSEY  
TREASURER

February 25, 1998

Tim Gum  
State of New Mexico  
OIL CONSERVATION DIVISION  
811 South First Street  
Artesia, NM 88210

Dear Mr. Gum,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) for the proposed Hillview SWD #2 located in Unit G of Section 23-T20S-R24E, Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,



Ray Stall  
Operations Engineer

RS/th

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DENNIS G. KINSEY  
TREASURER

February 25, 1998

Richard Manus  
Bureau of Land Management  
620 E. Greene Street  
Carlsbad, NM 88220-6292

Dear Mr. Manus,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) for the proposed Hillview SWD #2 located in Unit G of Section 23-T20S-R24E, Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,



Ray Stall  
Operations Engineer

RS/th

Enclosure

**C-108**  
**Application For Authorization To Inject**  
**Yates Petroleum Corporation**  
**Hillview SWD #2**  
**G 23-20S-24E**  
**Eddy County, New Mexico**

- I. The purpose of completing this well is to make a disposal well for produced Canyon water into the Mississippian, Devonian, Silurian and Montoya.
- II. Operator: Yates Petroleum Corporation  
South Fourth Street  
Artesia, NM 88210  
Ray Stall (505) 748-1471
- III. Well Data: See Attachment A
- IV. This is not an expansion of an existing project.
- V. See attached map, Attachment B
- VI. There are no wells within the area of review penetrating the proposed injection zone.
- VII.
  1. Proposed average daily injection volume approximately 20,000 BWPD.  
Maximum daily injection volume approximately 30,000 BWPD.
  2. This will be a closed system.
  3. Proposed average injection pressure--unknown.  
Proposed maximum injection pressure--1940 psi.
  4. Sources of injected water would be produced water from the Canyon. (Attachment C)
  5. See Attachment C.
- VIII. The proposed injection interval is open hole from 9700' to TD.
- IX. The proposed disposal interval may be acidized with 15-20% HCL acid.
- X. Logs were filed at your office when the well was drilled. New logs will be submitted when the well is deepened.
- XI. No windmills exist within a one mile radius of the subject location.
- XII. Yates Petroleum Corporation has examined geologic and engineering data and has found that there is no evidence of faulting in the proposed interval.

Application for Authorization to Inject  
Hillview SWD #2  
-2-

XIII. Proof of Notice

- A. Certified letters sent to the surface owners and offset operators attached.  
(Attachment D)
- B. Copy of legal advertisement attached. (Attachment E)

XIV. Certification is signed.

**Yates Petroleum Corporation  
Hillview SWD #2  
G 23-20S-24E**

**Attachment A  
Page 1**

III. Well Data

- A. 1. Lease Name/Location:  
Hillview SWD #2  
G 23-20S-24E  
1650'FNL & 1780'FEL
2. Casing Strings:  
a. Proposed well condition:  
See Attachment A - Proposed Status.  
13 3/8" 54.5#, K-55 at 454' (circ).  
9 5/8" 36#, K-55 at 1202' (circ).  
7" 26# & 29# at 9700' (TOC at 700' by T.S.)  
3 1/2" 9.3# or 4 1/2" 11.6#, plastic-coated tubing w/nickel plated  
packer at 9650'
3. Propose to use Guiberson or Baker plastic-coated or nickel-plated packer  
set at 9650'.
- B. 1. Injection Formation: Mississippian, Devonian, Silurian and Montoya.
2. Injection interval will be open hole from 9700' to TD.
3. Well was originally drilled as an exploratory Canyon/Morrow well. Well will  
be a Mississippian, Devonian, Silurian and Montoya water disposal well  
(9700'-10,750') when work is completed.
4. Next higher (shallower) oil or gas zone within 2 miles--Morrow.  
Next lower (deeper) oil or gas zone within 2 miles--None.

WELL NAME: Hillview AHE Fed #2 FIELD AREA: \_\_\_\_\_  
 LOCATION: 1650' FNL & 1780' FEL Sec. 23, T.20S, R.24E., Eddy Co., N.M.

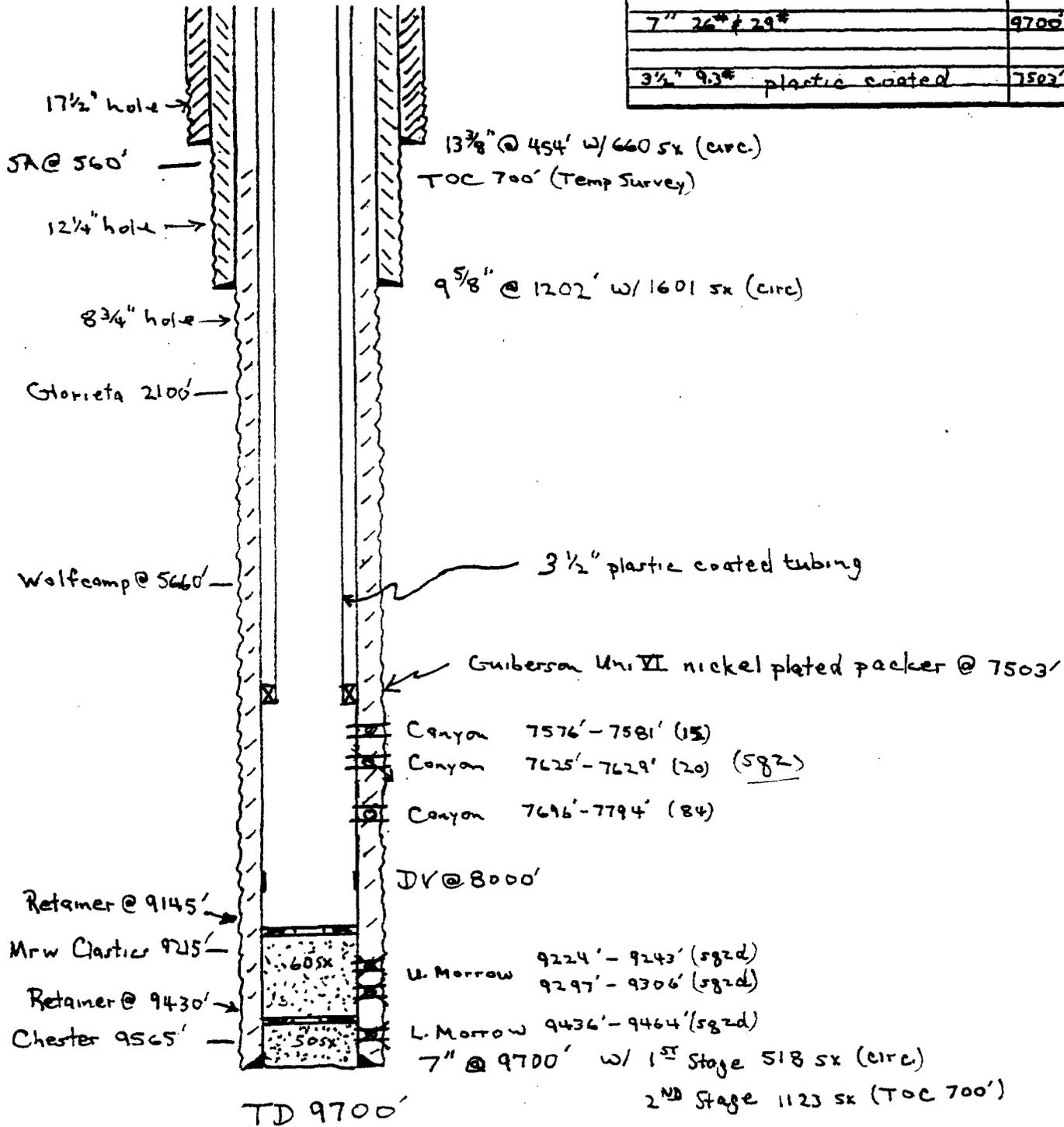
GL: 3627' ZERO: 13' AGL: J

KB: 3640' ORIG. DRLG./COMPL. DATE: Jan. 82

COMMENTS: Original drilled by Conoco  
as Penny Fed #2. YPC became operator  
2/90 well name Hillview AHE Fed #2

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH SET
13 3/8" 54.5# K-55 STC	454'
9 5/8" 36# K-55 STC	1202'
7" 26# & 29#	9700'
3 1/2" 9.3# plastic coated	7503'

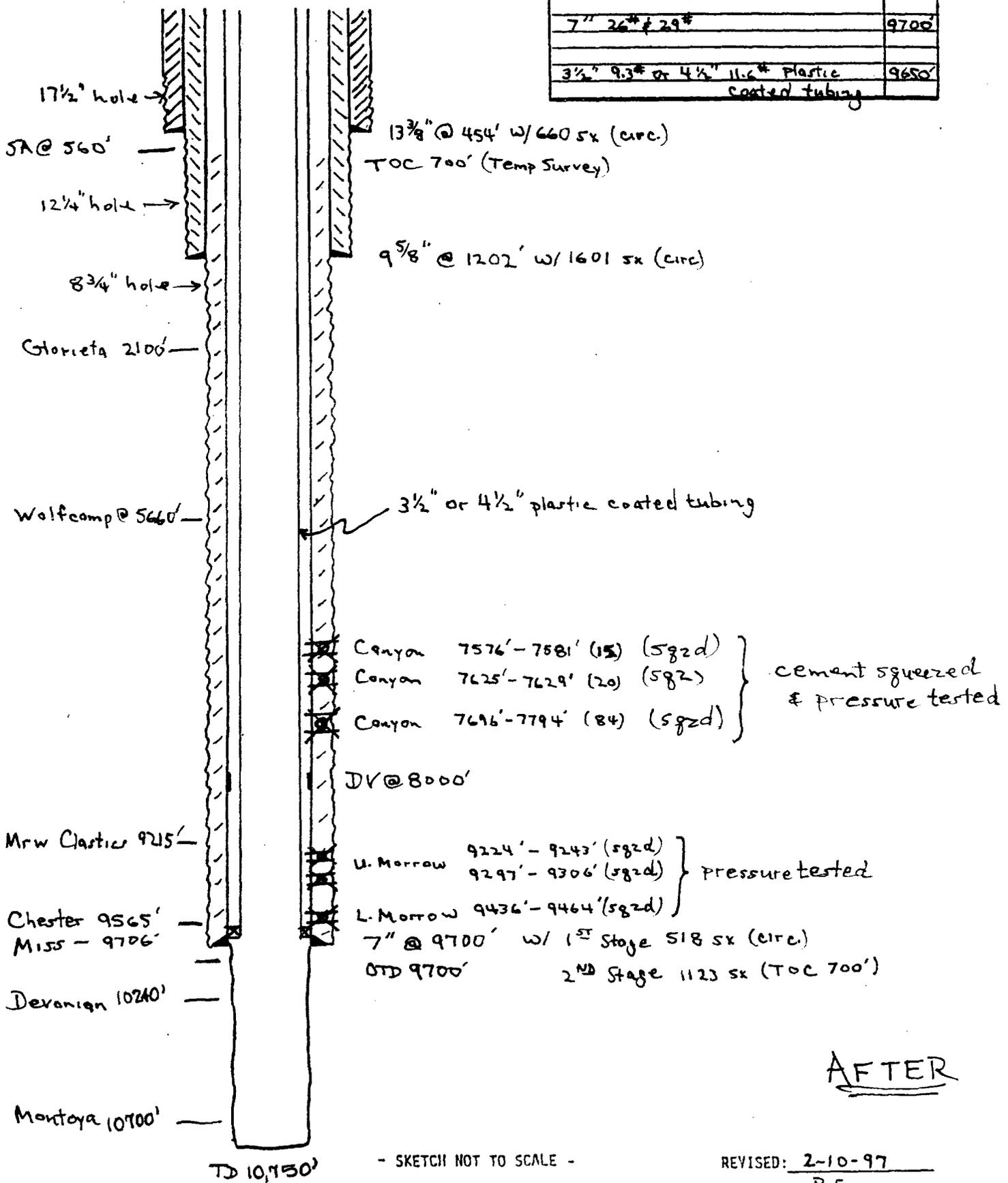


BEFORE

Hillview SWD #2 FIELD NAME:  
 LOCATION: 1650' FNL & 1780' FEL Sec. 23, T. 20S, R. 24E., Eddy Co., N.M.  
 GL: 3627' ZERO: 13' AGL: J  
 KB: 3640' ORIG. DRLG./COMPL. DATE: Jan. 82  
 COMMENTS: Originally drilled by Conoco  
 as Penny Fed #2. VPC became operator  
 21'90 Well name Hillview AHE Fed #2

CASING PROGRAM:

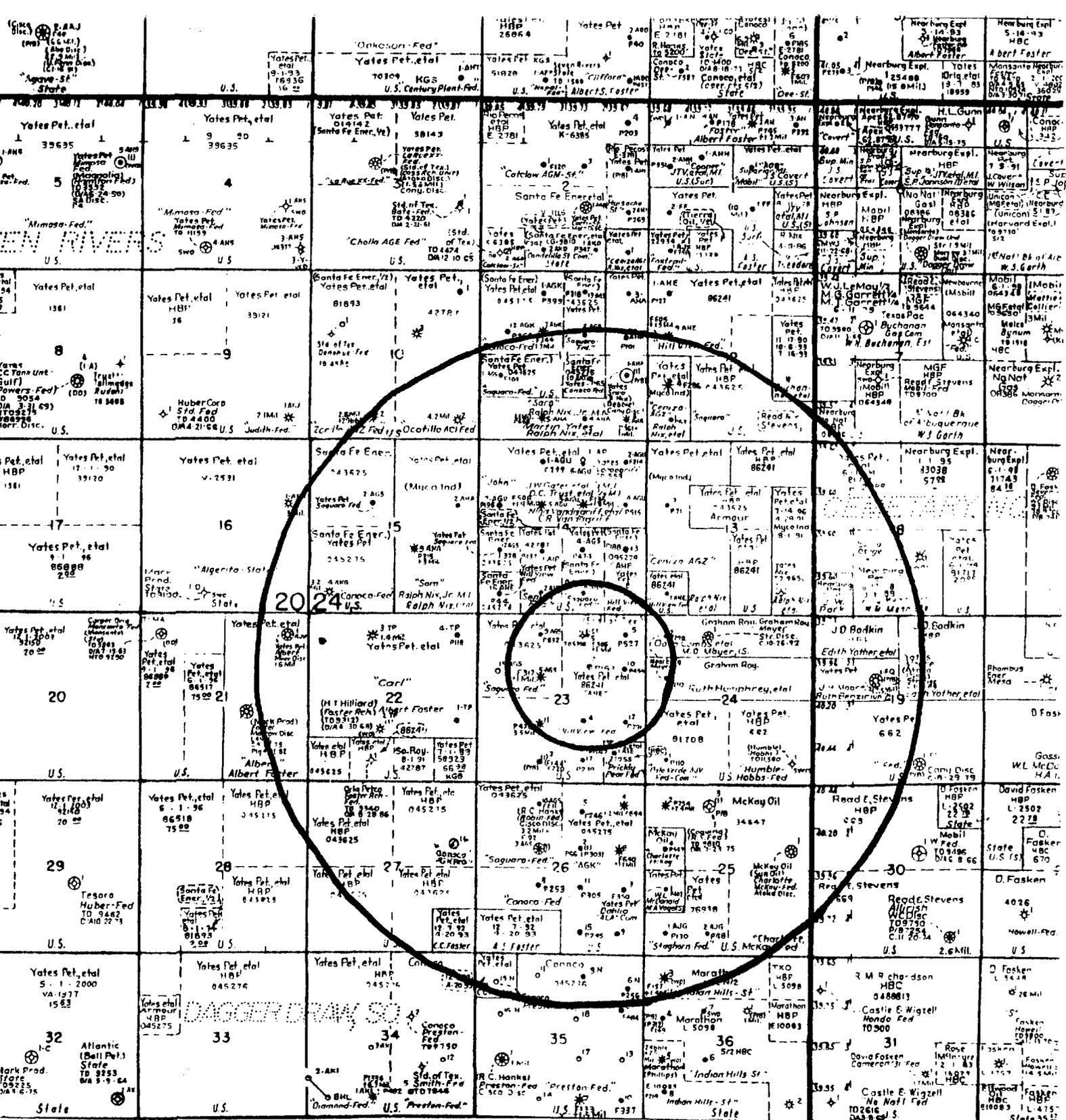
SIZE/WT./GR./CONN.	DEPTH SET
13 3/8" 54.5# K-55 STEEL	454'
9 5/8" 36# K-55 STEEL	1202'
7" 26# & 29#	9700'
3 1/2" 9.3# or 4 1/2" 11.6# Plastic coated tubing	9650'



AFTER

- SKETCH NOT TO SCALE -

REVISED: 2-10-97  
 R.S.



**YATES PETROLEUM CORPORATION**  
**HILLVIEW SWD #2**  
**PROPOSED SALT WATER DISPOSAL WELL**  
**SEC 23-T20S-R24E**  
**1650'FNL & 1780'FEL**  
**EDDY COUNTY, NEW MEXICO**  
**ATTACHMENT B**

## Water Analysis Report from Petrolite Corporation

**YATES PETROLEUM**

HILLVIEW AHE  
 WELL #5

ARTESIA, NEW MEXICO

<b>Summary</b>			<b>Analysis: 15311</b>							
Anion/Cation Ratio	1.00		<b>Anions</b>		mg/L	meq/L	<b>Cations</b>		mg/L	meq/L
TDS (mg/L or g/m <sup>3</sup> )	7,914		Chloride	2,300	64.9	Sodium	2,084	90.7		
Density (g/cm <sup>3</sup> or tonne/m <sup>3</sup> )	1.006		Bicarbonate	817	13.4	Magnesium	110	9.05		
Chemical Treatment			Carbonate	0.00	0.00	Calcium	457	22.8		
Sample Condition			Sulfate	2,136	44.5	Strontium	10.0	0.23		
Sampling Date	7/1/96		Phosphate	N/A	N/A	Barium	0.05	0.00		
Sampled by			Borate	N/A	N/A	Iron	0.05	0.00		
Submitted by	ANDY MILLER		Silicate	N/A	N/A	Potassium	N/A	N/A		
Analysis Date	7/10/96		Hydrogen Sulfide				Aluminum	N/A	N/A	
Sample analysis number	15311		pH at time of sampling			6.90	Chromium	N/A	N/A	
			pH at time of analysis				Copper	N/A	N/A	
			pH used in Calculations			6.90	Lead	N/A	N/A	
						Manganese	N/A	N/A		
						Nickel	N/A	N/A		

<b>Predictions of Saturation Index and Amount of Scale in lb/1000bbl</b>												
Pressure (psi)		Temp.	Calcite CaCO3		Gypsum CaSO4.2H2O		Anhydrite CaSO4		Celestite SrSO4		Barite BaSO4	
CO2	Total	°F	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount
1.18	0.00	80	0.45	50.3	-0.23		-0.30		-0.20		0.65	0.02
1.54	0.00	100	0.57	64.4	-0.24		-0.24		-0.20		0.49	0.02
1.94	0.00	120	0.70	79.4	-0.24		-0.16		-0.18		0.37	0.02
2.35	0.00	140	0.84	95.0	-0.23		-0.06		-0.15		0.27	0.01

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.  
 Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.  
 Note 3: CO2 Pressure is absolute pressure. Total Pressure is gauge pressure.

HALLIBURTON DIVISION LABORATORY  
HALLIBURTON SERVICES  
ARTESIA DISTRICT  
LABORATORY REPORT

No. W531-90

TO Mr. Harvey Apple  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210

Date September 20, 1990

This report is the property of Halliburton Services and neither it nor any part thereof, nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Services

Submitted by Danny Panzer Date Rec. September 20, 1990

Well No. State D #1 Depth 10963' - 11052' Formation Bliss Sand

Field \_\_\_\_\_ County \_\_\_\_\_ Source \_\_\_\_\_

Resistivity .....	<u>0.052</u>	_____	_____
Specific Gravity ..	<u>1.1706</u>	_____	_____
pH .....	<u>6.5</u>	_____	_____
Calcium .....	<u>29,025</u>	_____	_____
Magnesium .....	<u>392</u>	_____	_____
Chlorides .....	<u>157,000</u>	_____	_____
Sulfates .....	<u>700</u>	_____	_____
Bicarbonates .....	<u>305</u>	_____	_____
Soluble Iron .....	<u>500</u>	_____	_____
<u>KCL</u> .....	<u>.5%</u>	_____	_____
-----	-----	-----	-----
-----	-----	-----	-----

Remarks:

Eric Jacobson  
Respectfully submitted

Analyst: Eric Jacobson - Field Engineer

HALLIBURTON SERVICES

NOTICE:

This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act of omission of Halliburton resulting from the use hereof.

## **ATTACHMENT D**

MARTIN YATES, III  
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DENNIS G. KINSEY  
TREASURER

February 26, 1998

Santa Fe Energy Resources  
550 W. Texas  
Suite 1330  
Midland, TX 79701

Gentlemen,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' Hillview SWD #2 located in Unit G of Section 23-T20S-R24E of Eddy County.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

A handwritten signature in cursive script that reads 'Ray Stall'.

Ray Stall  
Operations Engineer

RS/th

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DENNIS G. KINSEY  
TREASURER

February 26, 1998

Graham Royalty  
GRL Production Services Company  
12707 N. Freeway  
Suite 200  
Houston, TX 77060

Gentlemen,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' Hillview SWD #2 located in Unit G of Section 23-T20S-R24E of Eddy County.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

A handwritten signature in black ink that reads 'Ray Stall'. The signature is written in a cursive, flowing style.

Ray Stall  
Operations Engineer

RS/th

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February 26, 1998

Artesia Daily Press  
503 W. Main  
Artesia, NM 88210

Gentlemen,

Yates Petroleum Corporation desires to place a public notice in your newspaper for one day. The notice is enclosed.

Please place this notice in your paper on Sunday, March 1, 1998, and forward a copy of it along with your billing as soon as possible to:

Yates Petroleum Corporation  
105 S. 4th Street  
Artesia, NM 88210  
Attn: Ray Stall

If you have any questions, please contact me at 748-1471. Thank you for your cooperation in this matter.

Sincerely,

Ray Stall  
Operations Engineer

RS/th

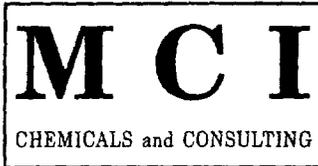
Enclosure

## Attachment E

### Legal Notice

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "Hillview SWD #2" located 1650'FNL & 1780'FEL of Section 23, Township 20 South, Range 24 East of Eddy County, New Mexico, will be used for salt water disposal. Disposal waters from the Canyon will be re-injected into the Mississippian, Devonian, Silurian and Montoya at a depth of 9700'-10,750' with a maximum pressure of 1940 psi and a maximum rate of 30,000 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, 2040 S. Pacheco Street, Santa Fe, NM 87501, within 15 days. Additional information can be obtained by contacting Ray Stall (505) 748-1471.

**MILLER CHEMICALS, INC.**

Post Office Box 298

Artesia, N.M. 88211-0298

(505) 746-1919 Artesia Office

(505) 393-2893 Hobbs Office

(505) 746-1918 Fax

WATER ANALYSIS REPORT  
-----

Company : YATES PETROLEUM Date : 2/15/01  
 Address : ARTESIA, NM Date Sampled : 2/14/01  
 Lease : FRESH WATER STATION Analysis No. : 00222  
 Well : EAST OF CARL "TP" #2  
 Sample Pt. : TANK

ANALYSIS		mg/L		* meq/L	
-----		----		-----	
1.	pH	7.0			
2.	H2S	0			
3.	Specific Gravity	1.000			
4.	Total Dissolved Solids	6434.1			
5.	Suspended Solids	NR			
6.	Dissolved Oxygen	NR			
7.	Dissolved CO2	NR			
8.	Oil In Water	NR			
9.	Phenolphthalein Alkalinity (CaCO3)				
10.	Methyl Orange Alkalinity (CaCO3)				
11.	Bicarbonate	HCO3	293.0	HCO3	4.8
12.	Chloride	Cl	2982.0	Cl	84.1
13.	Sulfate	SO4	1000.0	SO4	20.8
14.	Calcium	Ca	560.0	Ca	27.9
15.	Magnesium	Mg	316.1	Mg	26.0
16.	Sodium (calculated)	Na	1282.7	Na	55.8
17.	Iron	Fe	0.3		
18.	Barium	Ba	NR		
19.	Strontium	Sr	NR		
20.	Total Hardness (CaCO3)		2700.0		

PROBABLE MINERAL COMPOSITION  
-----

*milli equivalents per Liter	Compound	Equiv wt	X meq/L	= mg/L	
+-----+	-----	-----	-----	-----	
28  *Ca <----- *HCO3	5  Ca (HCO3)2	81.0	4.8	389	
-----  /----->	-----  CaSO4	68.1	20.8	1417	
26  *Mg -----> *SO4	21  CaCl2	55.5	2.3	129	
-----  <-----/	-----  Mg (HCO3)2	73.2			
56  *Na -----> *Cl	84  MgSO4	60.2			
+-----+	+-----+	MgCl2	47.6	26.0	1238
Saturation Values Dist. Water 20 C	NaHCO3	84.0			
CaCO3	Na2SO4	71.0			
CaSO4 * 2H2O	NaCl	58.4	55.8	3261	
BaSO4					
				2.4 mg/L	

REMARKS:

SCALE TENDENCY REPORT  
-----

Company : YATES PETROLEUM Date : 2/15/01  
Address : ARTESIA, NM Date Sampled : 2/14/01  
Lease : FRESH WATER STATION Analysis No. : 00222  
Well : EAST OF CARL "TP" #2 Analyst : A. MILLER  
Sample Pt. : TANK

STABILITY INDEX CALCULATIONS  
(Stiff-Davis Method)  
CaCO3 Scaling Tendency

S.I. = 0.3 at 70 deg. F or 21 deg. C  
S.I. = 0.3 at 90 deg. F or 32 deg. C  
S.I. = 0.3 at 110 deg. F or 43 deg. C  
S.I. = 0.4 at 130 deg. F or 54 deg. C  
S.I. = 0.4 at 150 deg. F or 66 deg. C

\*\*\*\*\*

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS  
(Skillman-McDonald-Stiff Method)  
Calcium Sulfate

S = 2219 at 70 deg. F or 21 deg C  
S = 2267 at 90 deg. F or 32 deg C  
S = 2285 at 110 deg. F or 43 deg C  
S = 2271 at 130 deg. F or 54 deg C  
S = 2245 at 150 deg. F or 66 deg C

Respectfully submitted,  
A. MILLER

## **ATTACHMENT E**

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
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

February 22, 2001

Devon Energy Corporation  
20 N. Broadway  
Suite 1500  
Oklahoma City, OK 73102-8260

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Hillview SWD #2 located in Unit G of Section 23-T20S-R24E of Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4219.

Sincerely,

*Cina Huerta for  
James M. Hill*

James M. Hill  
Operations Engineer

JMH/th

Enclosures

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



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RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

February 22, 2001

Graham Royalty/Louis Dreyfus Natural Gas Corp.  
P. O. Box 960123  
Oklahoma City, OK 73196-0123

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Hillview SWD #2 located in Unit G of Section 23-T20S-R24E of Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4219.

Sincerely,

*Clara Huerta for  
James M. Hill*

James M. Hill  
Operations Engineer

JMH/th

Enclosures

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1912 - 1985  
FRANK W. YATES  
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PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

February 22, 2001

Nearburg Exploration Company  
P. O. Box 841585  
Dallas, TX 75284-1585

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Hillview SWD #2 located in Unit G of Section 23-T20S-R24E of Eddy County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4219.

Sincerely,

*Cina Huerta for  
James M. Hill*

James M. Hill  
Operations Engineer

JMH/th

Enclosures

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
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February 22, 2001

Artesia Daily Press  
503 W. Main  
Artesia, NM 88210

Gentlemen:

Yates Petroleum Corporation desires to place a public notice in your newspaper for one day. The notice is enclosed.

Please place this notice in your paper on Sunday, March 4, 2001, and forward a copy of it along with your billing as soon as possible to:

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210  
Attn: James M. Hill

If you have any questions, please contact me at 748-4219. Thank you for your cooperation in this matter.

Sincerely,

*Sira Huerta for  
James M. Hill*

James M. Hill  
Operations Engineer

JMH/th

Enclosure

## ATTACHMENT F

### Legal Notice

Yates Petroleum Corporation, 105 South Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well, the "Hillview SWD #2" located 1650'FNL & 1780'FEL of Section 23, Township 20 South, Range 24 East of Eddy County, New Mexico, will be used for salt water disposal. Disposal waters from the Canyon will be re-injected into the Mississippian, Devonian, Silurian and Montoya at a depth of 9,700'-10,750' with a maximum pressure of 1940 psi and a maximum rate of 30,000 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, 2040 S. Pacheco Street, Santa Fe, NM 87505-5472, within 15 days. Additional information can be obtained by contacting James M. Hill at (505) 748-4219.

106047806

SWD

3/15/01

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

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EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

*709?  
Catanach*

February 22, 2001

David Catanach  
State of New Mexico  
OIL CONSERVATION DIVISION  
2040 S. Pacheco Street  
Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) for the proposed Hillview SWD #2 located in Unit G of Section 23-T20S-R24E, Eddy County, New Mexico. *(30-015-23541)*

Should you have any questions, please feel free to contact me at (505) 748-4219.

Sincerely,

*James M. Hill*  
James M. Hill  
Operations Engineer

JMH/th

Enclosure