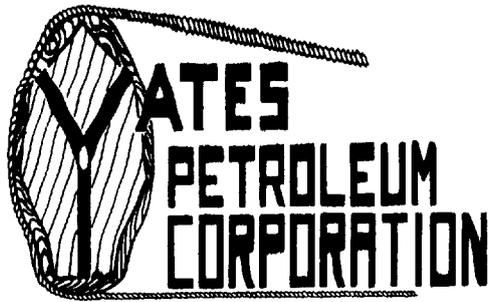


SWD 5/16/00  
775

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

April 28, 2000

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 Exxon New Mexico DH State #1 located in Unit M of Section 16-T15S-R28E, Chaves County, New Mexico.

We also request that our earlier application dated February 17, 2000 for disposal into the San Andres formation in this well be withdrawn.

Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

  
Albert R. Stall  
Operations Engineer

ARS/th

Enclosure

**APPLICATION FOR AUTHORIZATION TO INJECT**

✓ I. PURPOSE: \_\_\_\_\_ Secondary Recovery \_\_\_\_\_ Pressure Maintenance \_\_\_\_\_ X Disposal \_\_\_\_\_ Storage  
Application qualifies for administrative approval? \_\_\_\_\_ Yes \_\_\_\_\_ No

✓ II. OPERATOR: Yates Petroleum Corporation  
ADDRESS: 105 South Fourth Street, Artesia, NM 88210  
CONTACT PARTY: Albert R. Stall PHONE: (505) 748-4174

✓ 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 \_\_\_\_\_ X 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.).

\*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic 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 sources 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 sources 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: Albert R. Stall TITLE: Operations Engineer  
SIGNATURE: Albert R. Stall DATE: 4/28/00

\* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances 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 the 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, 2040 South Pacheco, Santa Fe, New Mexico 87505, 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.**

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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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

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 Exxon New Mexico DH State #1 located in Unit M of Section 16-T15S-R28E, Chaves County, New Mexico.

We also request that our earlier application dated February 17, 2000 for disposal into the San Andres formation in this well be withdrawn.

Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

Enclosure

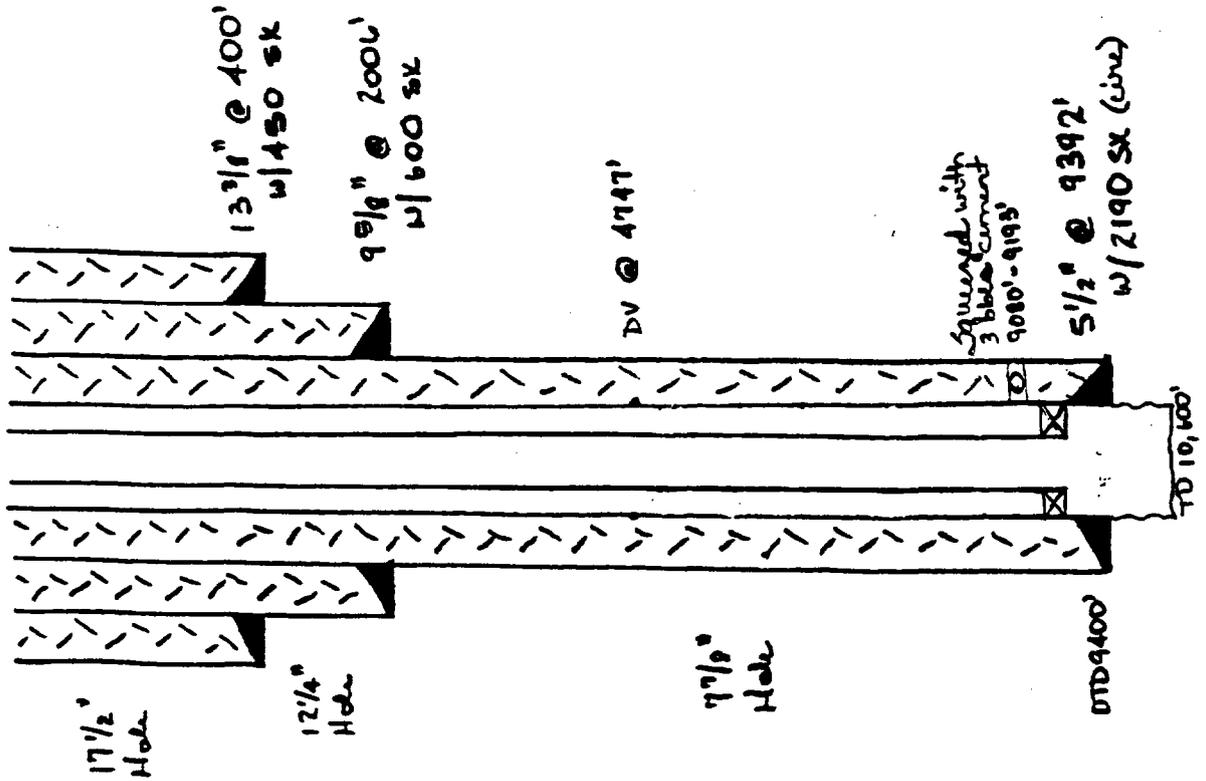
# INJECTION WELL DATA SHEET

OPERATOR: Yates Petroleum Corporation

WELL NAME & NUMBER: Exxon New Mexico DH State #1

WELL LOCATION: 660'FSL & 660'FWL FOOTAGE LOCATION      M UNIT LETTER      16 SECTION      15S TOWNSHIP      28E RANGE

WELLBORE SCHEMATIC



WELL CONSTRUCTION DATA

<u>Surface Casing</u>	
Hole Size: <u>17-1/2"</u>	Casing Size: <u>13-3/8" @ 400'</u>
Cemented with: <u>450</u> sx.	or _____ ft <sup>3</sup>
Top of Cement: <u>Surface</u>	Method Determined: <u>Circulated</u>
<u>Intermediate Casing</u>	
Hole Size: <u>12-1/4"</u>	Casing Size: <u>9-5/8" @ 2006'</u>
Cemented with: <u>600</u> sx.	or _____ ft <sup>3</sup>
Top of Cement: <u>Surface</u>	Method Determined: <u>Circulated</u>
<u>Production Casing</u>	
Hole Size: <u>7-7/8"</u>	Casing Size: <u>5-1/2" @ 9392'</u>
Cemented with: <u>1st Stage-1390</u> sx.	or _____ ft <sup>3</sup>
Top of Cement: <u>Surface</u>	Method Determined: <u>Circulated</u>
Total Depth: <u>10,600'</u>	

Open Hole 9392 feet to 10,600 feet  
 (Perforated or Open Hole; indicate which)

Injection Interval

# INJECTION WELL DATA SHEET

Tubing Size: 2-7/8" 6.4#/ft L-80 Lining Material: plastic-coated

Type of Packer: Guiberson Uni VI - Nickel-plated

Packer Setting Depth: 9325'

Other Type of Tubing/Casing Seal (if applicable): N/A

### Additional Data

1 Is this a new well drilled for injection? Yes  No   
If no, for what purpose was the well originally drilled? Morrow test

2 Name of the Injection Formation: Mississippian/Devonian

3 Name of Field or Pool (if applicable): None

4 Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. Morrow 9088'-9193'  
Squeezed off with 3 bbls of cement.

5 Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Morrow at approximately 9000-9200' (not productive in this well).

**C-108 Application for Authorization to Inject  
Yates Petroleum Corporation  
Exxon New Mexico DH State #1  
M 16-15S-28E  
Chaves County, New Mexico**

- I. The purpose of completing this well is for disposal of produced Morrow water into the Mississippian/Devonian.
- II. Operator: Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210  
Albert R. Stall (505) 748-4174
- III. Well Data: See Attachment A
- IV. This is not an expansion of an existing project.
- V. See attached map, Attachment B.
- VI. There is 1 well within the area of review penetrating the proposed injection zone.  
(Attachment C)
- VII.
  1. Proposed average daily injection volume approximately 1,500 BWPD.  
Maximum daily injection volume approximately 10,000 BWPD.
  2. This will be a closed system.
  3. Proposed average injection pressure--unknown.  
Proposed maximum injection pressure--5635 psi.
  4. Sources of injected water would be produced water from the Morrow.  
(Attachment D)
  5. See Attachment E.
- VIII. The injection interval is Mississippian/Devonian from 9392'-10600'.  
  
Underground water sources of drinking water are in the Alluvial fill from surface to 200'.
- 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. Any new logs run after deepening will also be submitted to your office.

Application for Authorization to Inject  
Exxon New Mexico DH State #1

-2-

- XI. There is 1 windmill that exists within a one mile radius of the subject location. Chemical analysis is attached. (Attachment F)
  
- XII. Available engineering and geologic data have been examined and no evidence of open faults or hydrologic connection between the disposal zone and any underground sources of drinking water have been found.
  
- XIII. Proof of notice
  - A. Surface owners and offset operators have been notified. (Attachment G)
  
  - B. Copy of legal advertisement attached. (Attachment H)
  
- XIV. Certification is signed.

**Yates Petroleum Corporation  
Exxon New Mexico DH State #1  
M-16-15S-28E**

**Attachment A  
Page 1**

III. Well Data

- A. 1. Lease Name/Location:  
Exxon New Mexico DH State #1  
M 16-15S-28E  
660'FSL & 660'FWL
2. Casing Strings:  
a. Proposed well condition:  
See Attachment A – Proposed Status.  
13 3/8" 61#, K-55 at 400'.  
9 5/8" 47#, L-80 at 2006'.  
5 1/2" 17# & 20#, L-80 at 9392'(circ).  
2 7/8" L-80 plastic-coated tubing w/nickel plated packer at 9325'.
3. Propose to use Guiberson or Baker plastic-coated or nickel-plated packer set at 9325'.
- B. 1. Injection Formation: Mississippian/Devonian
2. Injection interval into open hole 9392'-10,600'.
3. Well was originally drilled as an exploratory Morrow well. Well will be a Mississippian/Devonian water disposal well 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

EXXON CORP

New Mexico DH State #1

16-155-28 E

Spud 4-1-83 / P&A 11-83

Yates @ 422'

Pa @ 1176'

SA @ 1921'

2000-2900'  
2000-3700'

2780'-95'

Tubb @ 4632'

4650'-4750'

Alc @ 5437'

WC @ 6635'

Penn @ 7417'

Atoka @ 8853'

Morrow @ 9088'

Miss @ 9188'

Devonian @ 10,400'

17 1/2" hole

13 7/8" @ 100' w/ 450 SK  
(61 1/2' FE)

12 1/4" hole

9 5/8" @ 2000' w/ 600 SK  
(47 1/2' FE)

7 7/8" PC L-80 tubing

DV @ 4747'

Proposed

Perf 9288-9293'  
Spud w/ 3 bblr cement

Acid 4k 7 1/2" / 1k-15% / 25k

Mw 9088-9121'

Mw 9181-9193'

55,000<sup>gal</sup> sand  
Frac. 20k gal gel + 12k gal CC

5 1/2" @ 9392' w/

(17 1/4" & 20 1/2" FE)

1<sup>st</sup> Stage - 1390 SK  
(61 FE)

2<sup>nd</sup> Stage - 800 SK  
(41 FE)

Nickel Plated Packer  
@ 9325'

OTD 9400'

EXXON CORP

New Mexico DH State #1

16-15.5-28 E

10.5x

Spud 4-1-83 / P&A 11-83

Yates @ 472'

Pa @ 1176'

SA @ 1921'

2570 - 2700  
3200 - 3300

3720 - 3850

Tull @ 4632'

4650 - 4750

Alb @ 5437'

WC @ 6635'

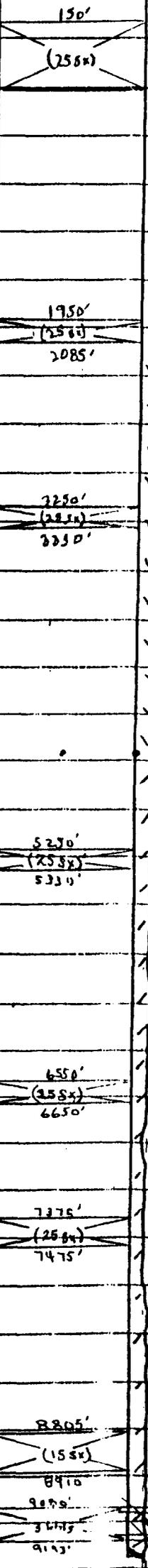
Pinn @ 7417'

Atoka @ 8853'

Morrow @ 9088'

Miss @ 9188'

TD 9400'



17 1/2" hole

13 1/8" @ 100' w/ 450 SX  
(41 1/2' / ft)

12 1/4" hole

9 5/8" @ 200' w/ 600 SX  
(47 1/2' / ft)

DV @ 4747'

Current

perfs 9088' - 9193'  
3 sqd w/ 3 lb cement

Acid 4k 2 3/4" / 1k - 15% / 25

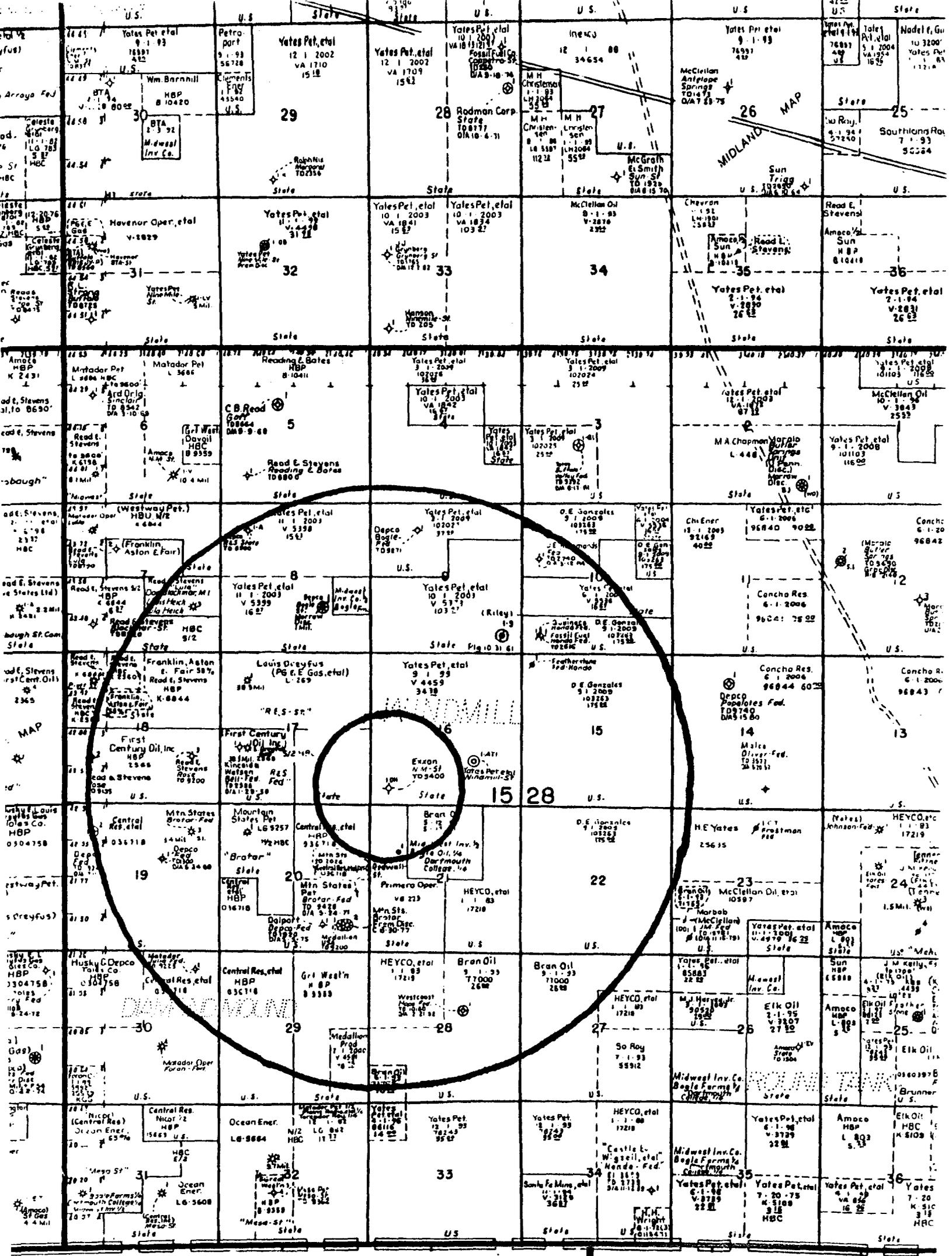
Mw 9088' - 9121'

Mw 9181' - 9193'

55,000 sand  
Frac 20k gal gel + 12k gal

3 1/2" @ 9392' w/ 1<sup>st</sup> Stage - 1390 S.  
(41 1/2' / ft)

2<sup>nd</sup> Stage 800 SX  
(41 1/2' / ft)



**YATES PETROLEUM CORPORATION**  
**EXXON NEW MEXICO DH STATE #1**  
**PROPOSED SALT WATER DISPOSAL WELL**  
**SEC. 16-T15S-R28E**  
**660' FSL & 660' FWL**  
**CHAVES COUNTY, NEW MEXICO**

## ATTACHMENT C

### Exxon New Mexico DH State #1

#### Tabulation of Data on Well Within Area of Review

Well Name	Location	Operator	Type	Spud	Completed	TD	Injection Zone	Perfs	Completion Information
REDWALL STATE COM #1	21E 15S 28E	Bran Oil Corp.	Gas	06/29/89	09/02/89	9250	Atoka	8856'-8860'	13 3/8" @ 353' w/410 SX 8 5/8" @ 1909' w/1350 SX 4 1/2" @ 9248' w/750 SX 2 3/8" tubing @ 8766'

415 SX  
120 SX

100 5000' 415

**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	: 1/18/00
Address	: ARTESIA, NM	Date Sampled	: 1/18/00
Lease	: WINDMILL "ATI"	Analysis No.	: 00095
Well	: #1		
Sample Pt.	: WELLHEAD		

ANALYSIS		mg/L		* meq/L
-----		----		-----
1. pH	6.0			
2. H <sub>2</sub> S	0			
3. Specific Gravity	1.030			
4. Total Dissolved Solids		97783.1		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO <sub>2</sub>		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO <sub>3</sub> )				
10. Methyl Orange Alkalinity (CaCO <sub>3</sub> )				
11. Bicarbonate	HCO <sub>3</sub>	195.0	HCO <sub>3</sub>	3.2
12. Chloride	Cl	59640.0	Cl	1682.4
13. Sulfate	SO <sub>4</sub>	100.0	SO <sub>4</sub>	2.1
14. Calcium	Ca	1600.0	Ca	79.8
15. Magnesium	Mg	802.6	Mg	66.0
16. Sodium (calculated)	Na	35445.5	Na	1541.8
17. Iron	Fe	NR		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO <sub>3</sub> )		7300.0		

**PROBABLE MINERAL COMPOSITION**

*milli equivalents per Liter		Compound	Equiv wt X meq/L	= mg/L
-----+				-----
80  *Ca <----- *HCO <sub>3</sub>	3	Ca (HCO <sub>3</sub> ) <sub>2</sub>	81.0	3.2 259
-----  /----->	-----	CaSO <sub>4</sub>	68.1	2.1 142
66  *Mg -----> *SO <sub>4</sub>	2	CaCl <sub>2</sub>	55.5	74.6 4137
-----  <-----/	-----	Mg (HCO <sub>3</sub> ) <sub>2</sub>	73.2	
1542  *Na -----> *Cl	1682	MgSO <sub>4</sub>	60.2	
+-----+	+-----+	MgCl <sub>2</sub>	47.6	66.0 3143
Saturation Values Dist. Water 20 C		NaHCO <sub>3</sub>	84.0	
CaCO <sub>3</sub>	13 mg/L	Na <sub>2</sub> SO <sub>4</sub>	71.0	
CaSO <sub>4</sub> * 2H <sub>2</sub> O	2090 mg/L	NaCl	58.4	1541.8 90102
BaSO <sub>4</sub>	2.4 mg/L			

REMARKS:

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SCALE TENDENCY REPORT  
-----

Company	: YATES PETROLEUM	Date	: 1/18/00
Address	: ARTESIA, NM	Date Sampled	: 1/18/00
Lease	: WINDMILL "ATI"	Analysis No.	: 00095
Well	: #1	Analyst	: A. MILLER
Sample Pt.	: WELLHEAD		

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

S.I. =	-0.9	at	60 deg. F	or	16 deg. C
S.I. =	-0.8	at	80 deg. F	or	27 deg. C
S.I. =	-0.7	at	100 deg. F	or	38 deg. C
S.I. =	-0.6	at	120 deg. F	or	49 deg. C
S.I. =	-0.6	at	140 deg. F	or	60 deg. C

\*\*\*\*\*

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

S =	4533	at	60 deg. F	or	16 deg C
S =	4859	at	80 deg. F	or	27 deg C
S =	5059	at	100 deg. F	or	38 deg C
S =	5149	at	120 deg. F	or	49 deg C
S =	5212	at	140 deg. F	or	60 deg C

Respectfully submitted,  
A. MILLER



**BAKER  
OIL TOOLS**

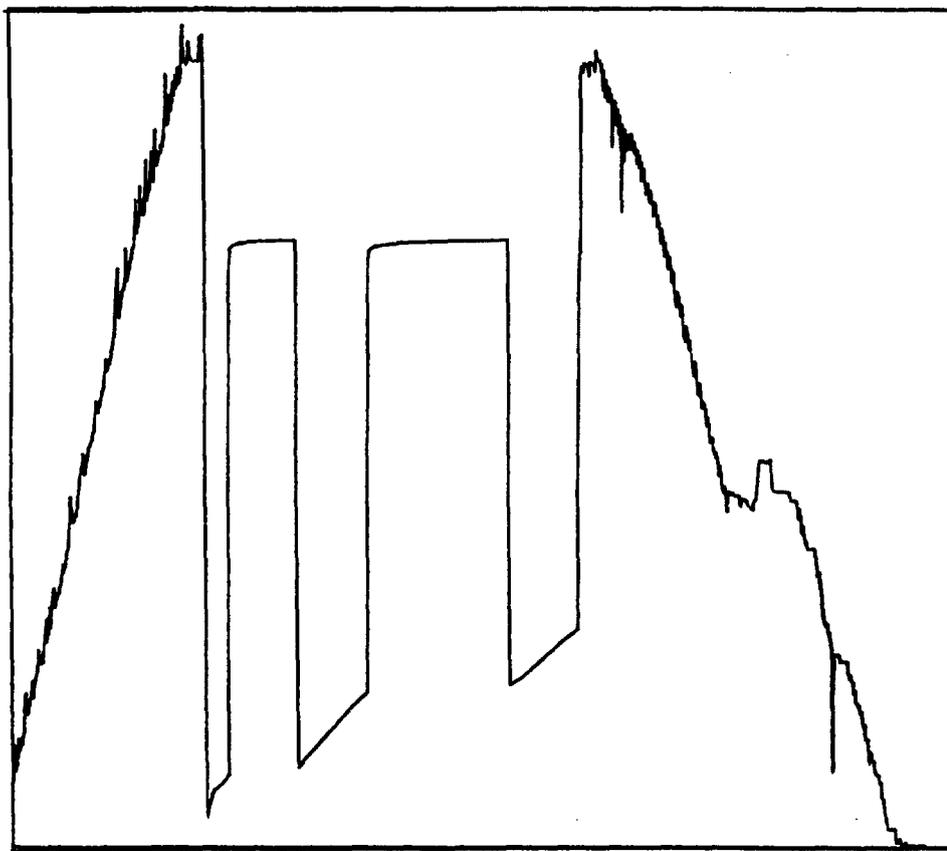
56 Inverness Drive East  
Englewood, CO 80112

Phone (303) 790-2705

Contractor **Peterson Drlg.**  
Rig No. **1**  
Spot **330' FNL & 1650' FWL**  
Sec **21**  
Twp. **14 S**  
Rng. **30 E**  
Field **Wildcat**  
County **Chaves**  
State **New Mexico**  
Elevation **3873' KB**  
Formation **Devonian**

Surface Choke **1/8"**  
Bottom Choke **3/4"**  
Hole Size **7 7/8"**  
Core Hole Size **--**  
DP Size & Wt. **4 1/2" 16.60**  
Wt. Pipe **--**  
I.D. of DC **2 1/4"**  
Length of DC **730'**  
Total Depth **10748'**  
Type Test **Conventional**  
Interval **10723' - 10748'**

Mud Type **--**  
Weight **10.0**  
Viscosity **55**  
Water Loss **--**  
Filter Cake **--**  
Resistivity **-- @** **°F**  
**137,000** Ppm. NaCl **°F**  
B.H.T. **170.9**  
Co. Rep. **Steve Cochran**  
Tester **Mike Fraley**  
Baker Dist. **Hobbs NM**



	REPORTED	CORRECTED	
Opened Tool @	22:32		hrs.
Flow No. 1	20	18	min.
Shut-in No. 1	60	60	min.
Flow No. 2	60	60	min.
Shut-in No. 2	120	120	min.
Flow No. 3	60	58	min.
Shut-in No. 3	None	Taken	min.

Recorder Type **STI 8000**  
No. **01119** Cap. **10000** psi  
Depth **10728** feet  
Inside **Clock**  
Outside **x** **Range** hrs.

Initial Hydrostatic	A	5628
Final Hydrostatic	K	5610
Initial Flow	B	207
Final Initial Flow	C	520
Initial Shut-in	D	4347
Second Initial Flow	E	566
Second Final Flow	F	1135
Second Shut-in	G	4347
Third Initial Flow	H	1179
Third Final Flow	I	1587
Third Shut-in	J	

**Pipe Recovery**

Approximately 6000' Gas above fluid  
Reverse circulated to test tank:  
4660' Total fluid = 59.5 bbl., consisting of:  
611' Gas cut oil = 8.7 bbl.  
4049' Gas cut water = 50.8 bbl.

Gravity:  
Top: **45.0 Deg API @ 60 Deg F**  
Chlorides:  
Middle: **34,000 ppm Cl. titrated.**  
Bottom: **24,000 ppm Cl. titrated.**

YATES PETROLEUM CORP.  
TICKET #012828

VEST RANCH "RE" FEDERAL #2  
DEVONIAN ~ 10723' - 10748'

DST #4  
05-16-1996

Yates Petroleum Corp.  
Vest Ranch "RE" Federal #2, DST #4

05-16-1996

---



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**SAMPLER REPORT**


---

Pressure in Sampler:	1200	psig
Total Volume of Sampler:	2600	cc.
Total Volume of Sample:	2350	cc.
Oil:	750	cc.
Water:	1600	cc.
Mud:	None	cc.
Gas:	0.89	cu. ft.
Other:	None	

Sample: 23,000 ppm Cl. titrated.

**Resistivity**

Make up Water	@	%F of Chloride Content	ppm.
Mud Pit Sample	@	%F of Chloride Content	137,000 ppm.
Gas / Oil Ratio	190/1 cu.-ft./bbl.	Gravity	45.0
		%API @	60 °F

Where was sample drained On location.

Remarks:

## ROSWELL GEOLOGICAL SOCIETY SYMPOSIUM

109

Data prepared by: Symposium Committee  
 Affiliation: Roswell Geological Society  
 Date: 10-29-56

Field Name: Chisum (Devonian)  
 Location: Sec. 13, T. 11 S., R. 27 E., & W 1/2 Sec.  
 County & State: 18, T. 11S., R. 28E.  
 Chaves, New Mexico

DISCOVERY WELL: Honolulu Oil Corp. #1-J State

COMPLETION DATE: 4-8-50

PAY ZONE: Devonian dolomite is a fine to coarse crystalline, white to tan reservoir rock with porosity development usually occurring from 0 to 10 feet below the Woodford-Devonian contact. Small vugs to cavernous type of porosity with secondary development of large dolomite crystals lining the vugs and associated with limited fractures make up the commercial void of the dolomite pay. The discovery well potential for 170 BOPD flowing, 11/32 inch ck, GOR 80, from open hole 6,490-6,563 feet.

## TYPICAL CORE ANALYSIS OF A PAY INTERVAL IN THIS FIELD:

Perm. in millidarcys		% Porosity	Liquid Saturation (% of pore space)	
Horizontal	Vertical		Water	Oil
150 est.	150 est.	4 - 12 est.	25 est.	12 est.

OTHER SHOWS ENCOUNTERED IN THIS FIELD: San Andres 2,025-2,058 feet.

TRAP TYPE: Anticline

NATURE OF OIL: Paraffinic Gravity 40° @ 60° F.

NATURE OF GAS:

NATURE OF PRODUCING ZONE WATER:

Resistivity: ohm-meters @ °F.

	Total Solids	Na/K	Ca	Mg	Fe	SO <sub>4</sub>	Cl	CO <sub>2</sub>	HCO <sub>3</sub>	OH	H <sub>2</sub> S
ppm		18,822					29,047				

INITIAL FIELD PRESSURE:

TYPE OF DRIVE: Water drive.

NORMAL COMPLETION PRACTICES: Set production string on top of pay and acidize open hole.

## PRODUCTION DATA:

No. of wells @ yr. end				Production		No. of wells @ yr. end				Production	
Year	Type	Prod.	Shut in or Abnd.	Oil in barrels Gas in MMCF		Year	Type	Prod.	Shut in or Abnd.	Oil in barrels Gas in MMCF	
				Annual	Cumulative					Annual	Cumulative
1941	oil					1949	oil				
	gas						gas				
1942	oil					1950	oil	2	0	42,068	42,068
	gas						gas				
1943	oil					1951	oil	2	0	67,133	109,201
	gas						gas				
1944	oil					1952	oil	2	0	59,939	169,140
	gas						gas				
1945	oil					1953	oil	2	0	48,988	218,128
	gas						gas				
1946	oil					1954	oil	2	0	32,877	251,005
	gas						gas				
1947	oil					1955	oil	2	0	30,853	281,858
	gas						gas				
1948	oil					1956*	oil				
	gas						gas				

\* 1956 Figure is production to 5-1-56.

SCALE TENDENCY REPORT

Company : YATES PETROLEUM Date : 2/8/00  
Address : ARTESIA, NM Date Sampled : 2/6/00  
Lease : WINDMILL (FRESH) Analysis No. : 00113  
Well : NONE Analyst : A. MILLER  
Sample Pt. : WELL

STABILITY INDEX CALCULATIONS  
(Stiff-Davis Method)  
CaCO<sub>3</sub> Scaling Tendency

S.I. = 0.5 at 60 deg. F or 16 deg. C  
S.I. = 0.5 at 80 deg. F or 27 deg. C  
S.I. = 0.5 at 100 deg. F or 38 deg. C  
S.I. = 0.6 at 120 deg. F or 49 deg. C  
S.I. = 0.6 at 140 deg. F or 60 deg. C

\*\*\*\*\*

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

S = 2070 at 60 deg. F or 16 deg C  
S = 2158 at 80 deg. F or 27 deg C  
S = 2191 at 100 deg. F or 38 deg C  
S = 2186 at 120 deg. F or 49 deg C  
S = 2173 at 140 deg. F or 60 deg C

Respectfully submitted,  
A. MILLER

**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	: 2/8/00
Address	: ARTESIA, NM	Date Sampled	: 2/6/00
Lease	: WINDMILL (FRESH)	Analysis No.	: 00113
Well	: NONE		
Sample Pt.	: WELL		

ANALYSIS		mg/L		* meq/L
-----		----		-----
1. pH	7.4			
2. H2S	0			
3. Specific Gravity	1.000			
4. Total Dissolved Solids		5410.0		
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	122.0	HCO3	2.0
12. Chloride	Cl	2130.0	Cl	60.1
13. Sulfate	SO4	1550.0	SO4	32.3
14. Calcium	Ca	880.0	Ca	43.9
15. Magnesium	Mg	486.3	Mg	40.0
16. Sodium (calculated)	Na	240.0	Na	10.4
17. Iron	Fe	2.5		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		4200.0		

**PROBABLE MINERAL COMPOSITION**

*milli equivalents per Liter		Compound	Equiv wt X meq/L	=	mg/L
+-----+	+-----+	-----	-----		-----
44  *Ca <----- *HCO3	2	Ca (HCO3) 2	81.0	2.0	162
-----  /----->	-----	CaSO4	68.1	32.3	2197
40  *Mg -----> *SO4	32	CaCl2	55.5	9.6	535
-----  <-----/	-----	Mg (HCO3) 2	73.2		
10  *Na -----> *Cl	60	MgSO4	60.2		
+-----+	+-----+	MgCl2	47.6	40.0	1905
Saturation Values Dist. Water 20 C		NaHCO3	84.0		
CaCO3	13 mg/L	Na2SO4	71.0		
CaSO4 *.2H2O	2090 mg/L	NaCl	58.4	10.4	610
BaSO4	2.4 mg/L				

REMARKS:

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## **ATTACHMENT G**

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

April 28, 2000

State of New Mexico  
Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, NM 87504-1148

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Exxon New Mexico DH State #1 located in Unit M of Section 16-T15S-R28E of Chaves County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

Enclosures

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1912 - 1985  
FRANK W. YATES  
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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

Bogle Limited Company  
P. O. Drawer 460  
Dexter, NM 88260

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Albert R. Stall  
Operations Engineer

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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

Howard Birchfield  
P. O. Box 250  
Hagerman, NM 88232-0250

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Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

A handwritten signature in cursive script that reads 'Albert R. Stall'.

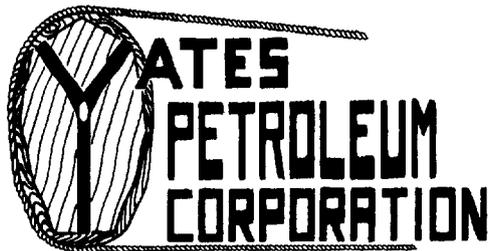
Albert R. Stall  
Operations Engineer

ARS/th

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FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
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PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

Mountain States Petroleum  
P. O. Box 1936  
Roswell, NM 88202

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Exxon New Mexico DH State #1 located in Unit M of Section 16-T15S-R28E of Chaves County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4174.

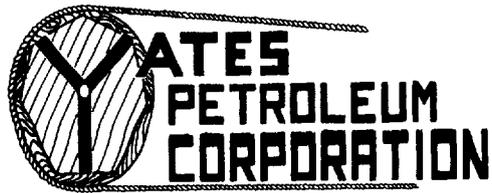
Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

Enclosures

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

April 28, 2000

Primero Operating, Inc.  
P. O. Box 1433  
Roswell, NM 88202

Gentlemen:

Enclosed please find a copy of form C-108 (Application for Authorization to Inject) on the Exxon New Mexico DH State #1 located in Unit M of Section 16-T15S-R28E of Chaves County, New Mexico.

Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

Enclosures

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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

Bran Oil Corporation  
P. O. Box 2328  
Roswell, NM 88201

Gentlemen:

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Should you have any questions, please feel free to contact me at (505) 748-4174.

Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

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

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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 28, 2000

Roswell Daily Record  
P. O. Box 1897  
Roswell, NM 88202-1897

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 Wednesday, May 3, 2000, 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: Albert R. Stall

If you have any questions, please contact me at 748-4174. Thank you for your cooperation in this matter.

Sincerely,

Albert R. Stall  
Operations Engineer

ARS/th

Enclosure

## Attachment H

### 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 "Exxon New Mexico DH State #1" located 660'FSL & 660'FWL of Section 16, Township 15 South, Range 28 East of Chaves County, New Mexico, will be used for salt water disposal. Disposal waters from the Morrow will be re-injected into the Mississippian/Devonian at a depth of 9392'-10,600 with a maximum pressure of 5635 psi and a maximum rate of 10,000 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 Albert R. Stall at (505) 748-4174.