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CTB

[REDACTED]

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



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

01 SEP -6 PM 12:35

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

August 30, 2001

518

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

ATTENTION: Mr. Ben Stone

RE: Surface Commingling, Lease Commingling,
Off-lease Storage and Measurement for
Walt Canyon AMA Federal #2
Eddy County, New Mexico

Dear Ben:

Yates Petroleum Corporation respectfully requests administrative approval for surface commingling, lease commingling, off-lease storage and measurement for the following wells:

Anemone ANE Federal #1, 2, 3, 4 & 5
Section 9-T22S-R24E
Eddy County, New Mexico
Lease No.: NM-78214

Walt Canyon AMA Federal #3 & 4
Section 3-T22S-R24E
Eddy County, New Mexico
Lease No.: NM-78213

A complete description of each well is shown on Attachment I.

The production from these wells is transported prior to measurement to a common tank battery located at the Anemone ANE Federal #2 location (Unit D, Section 9-T22S-R24E).

The purpose of the surface commingling, lease commingling, off-lease storage and measurement is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the wells.

Because working interests for the wells are different, oil from each of the wells will be measured by positive displacement, temperature compensated metering equipment prior to surface commingling. Gas from the wells will also be metered separately.

Surface Commingling, Lease Commingling, Etc.

Page 2:

August 30, 2001

This metering will ensure that all production from each of the wells is equitably accounted for with no significant effect on your revenue. The production from all of the wells is from the same producing zone which is the Canyon.

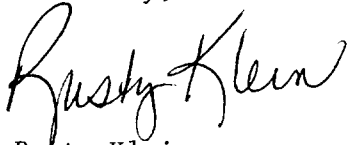
In accordance with the Oil Conservation Division's Rules 303-B, 309-B and 309-C, the following diagrams and maps are attached for your information.

Attachment II	A map showing the location of each well
Attachment III	A diagram of the proposed measurement equipment, separators and storage tanks in accordance with the "Manual of Installation and Operation of Commingling Facilities"
Attachment IV	A list of the Working Interest Owners, Royalty Interest Owners and Overriding Royalty Interest Owners and notification of said parties
Attachment V	Notification to the Bureau of Land Management - Roswell and the Bureau of Land Mangement - Carlsbad

If you should have any questions or need additional information, please give me a call at 505-748-4205 (direct line).

Thank you for your cooperation.

Sincerely,



Rusty Klein
Operations Technician

rk

Attachments

ATTACHMENT I

30-015-28041

Anemone ANE Federal #1
1980' FSL & 1980' FWL (Unit K, NESW)
Section 9-T22S-R24E
Eddy County, New Mexico
NM-78214
API No.: 30-015-28041
Indian Basin Upper Penn, Assoc. (33685)

Walt Canyon AMA Federal #4
860' FNL & 1780' FEL (Unit B, NWNE)
Section 3-T22S-R24E
Eddy County, New Mexico
NM-78213
API No.: 30-015-28361
Indian Basin Upper Penn, Assoc.

28361

Anemone ANE Federal #2
1090' FNL & 840' FWL (Unit D, NWNW)
Section 9-T22S-R24E
Eddy County, New Mexico
NM-78214
API No.: 30-015-27982
Indian Basin Upper Penn, Assoc. (33685)

27982

Anemone ANE Federal #3
810' FNL & 1930' FEL (Unit B, NWNE)
Section 9-T22S-R24E
Eddy County, New Mexico
NM-78214
API No.: 30-015-28126
Indian Basin Upper Penn, Assoc. (33685)

28126

Anemone ANE Federal #4
1650' & 1980' FEL (Unit J, NWSE)
Section 9-T22S-R24E
Eddy County, New Mexico
NM-78214
API No.: 30-015-28133
Indian Basin Upper Penn, Assoc. (33685)

28133

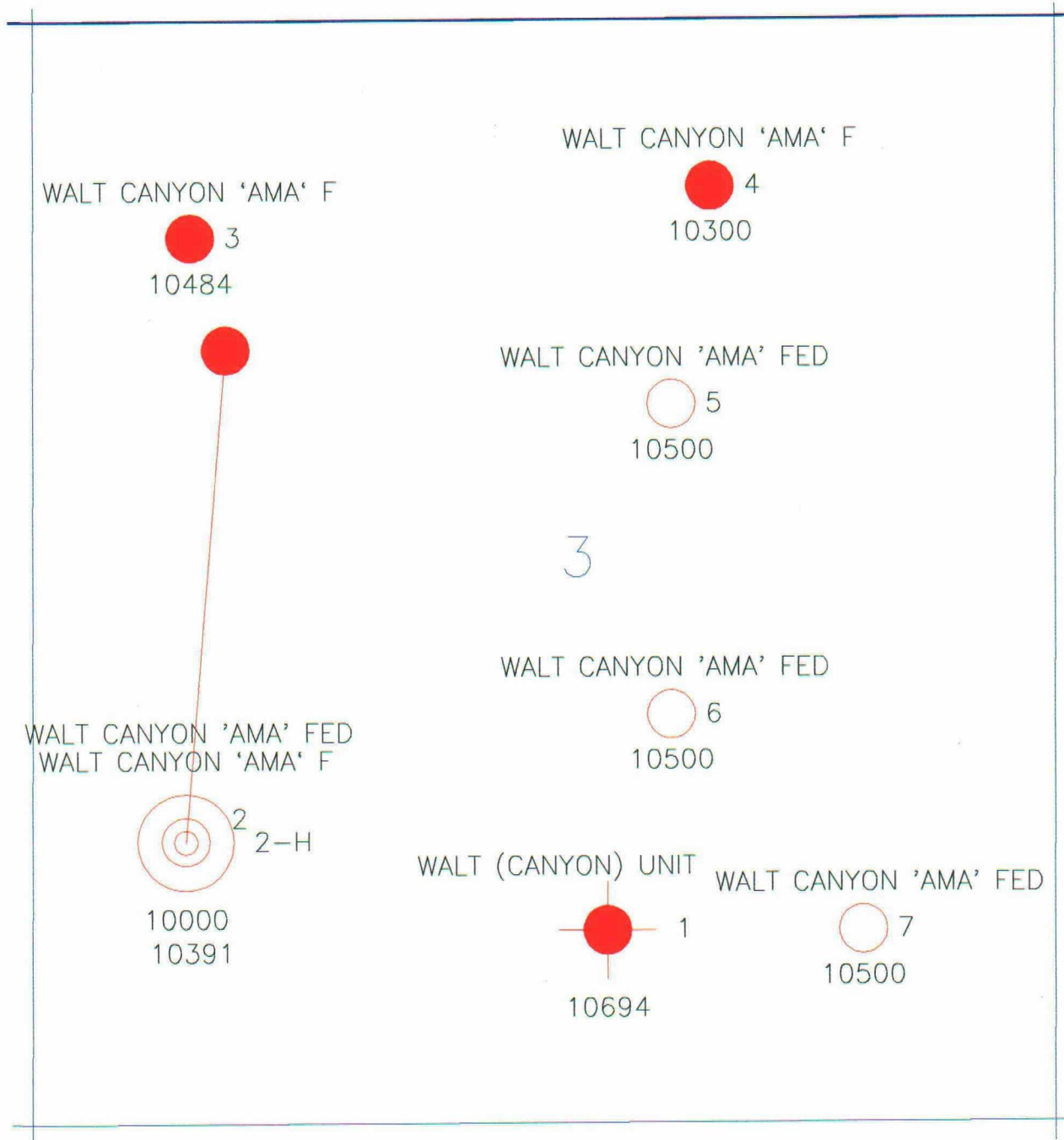
Anemone ANE Federal #5
660' FNL & 660' FEL (Unit A, NENE)
Section 9-T22S-R24E
Eddy County, New Mexico
NM-78214
API No.: 30-015-31323
Indian Basin Upper Penn, Assoc. (33685)

31323

Walt Canyon AMA Federal #3
1115' FNL & 810' FWL (Unit D, NWNW)
Section 3-T22S-R24E
Eddy County, New Mexico
NM-78213
API No.: 30-015-28319
Indian Basin Upper Penn, Assoc. (33685)

28319

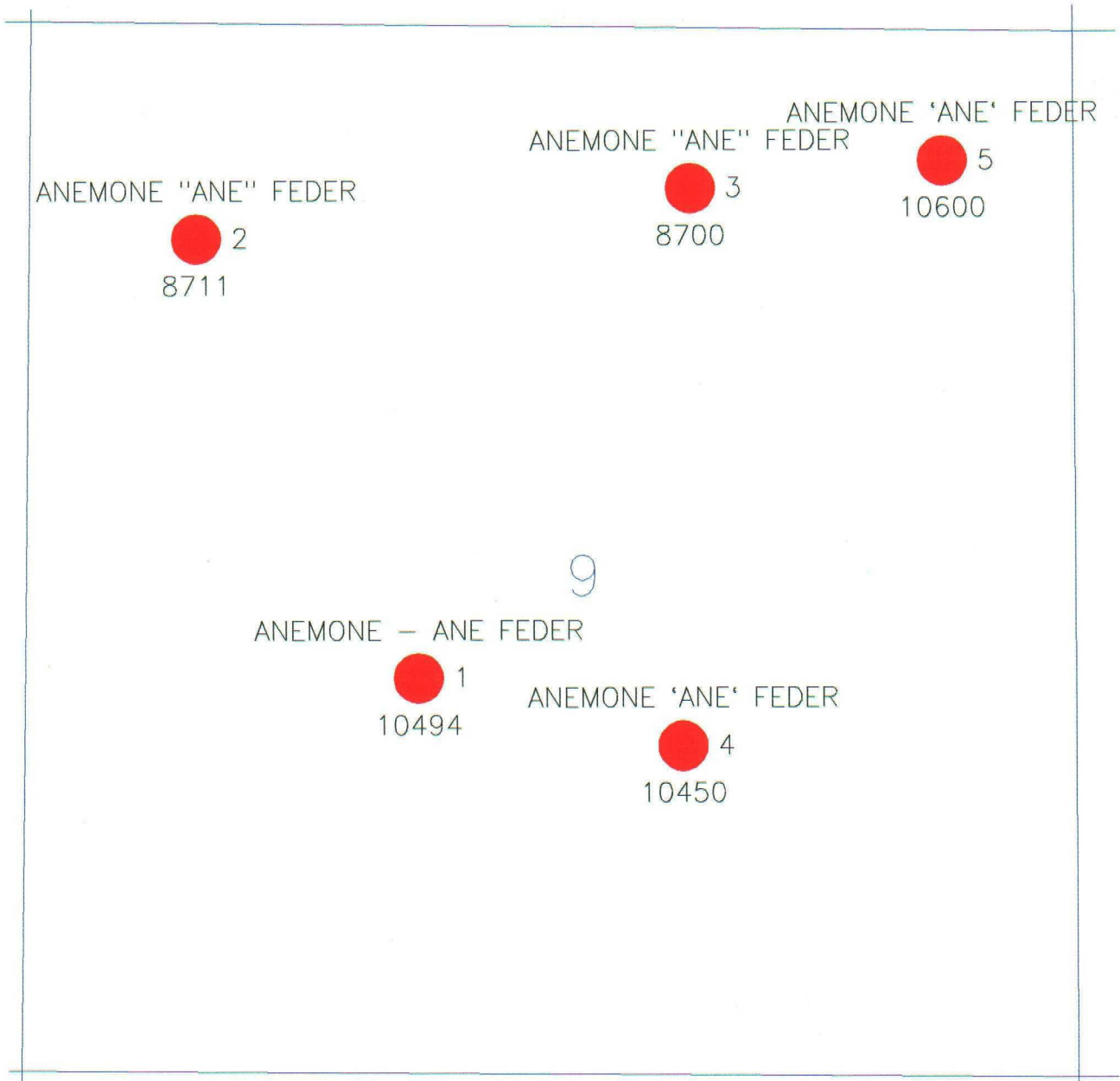
3 22S 24E EDDY Co. NM



ATTACHMENT II

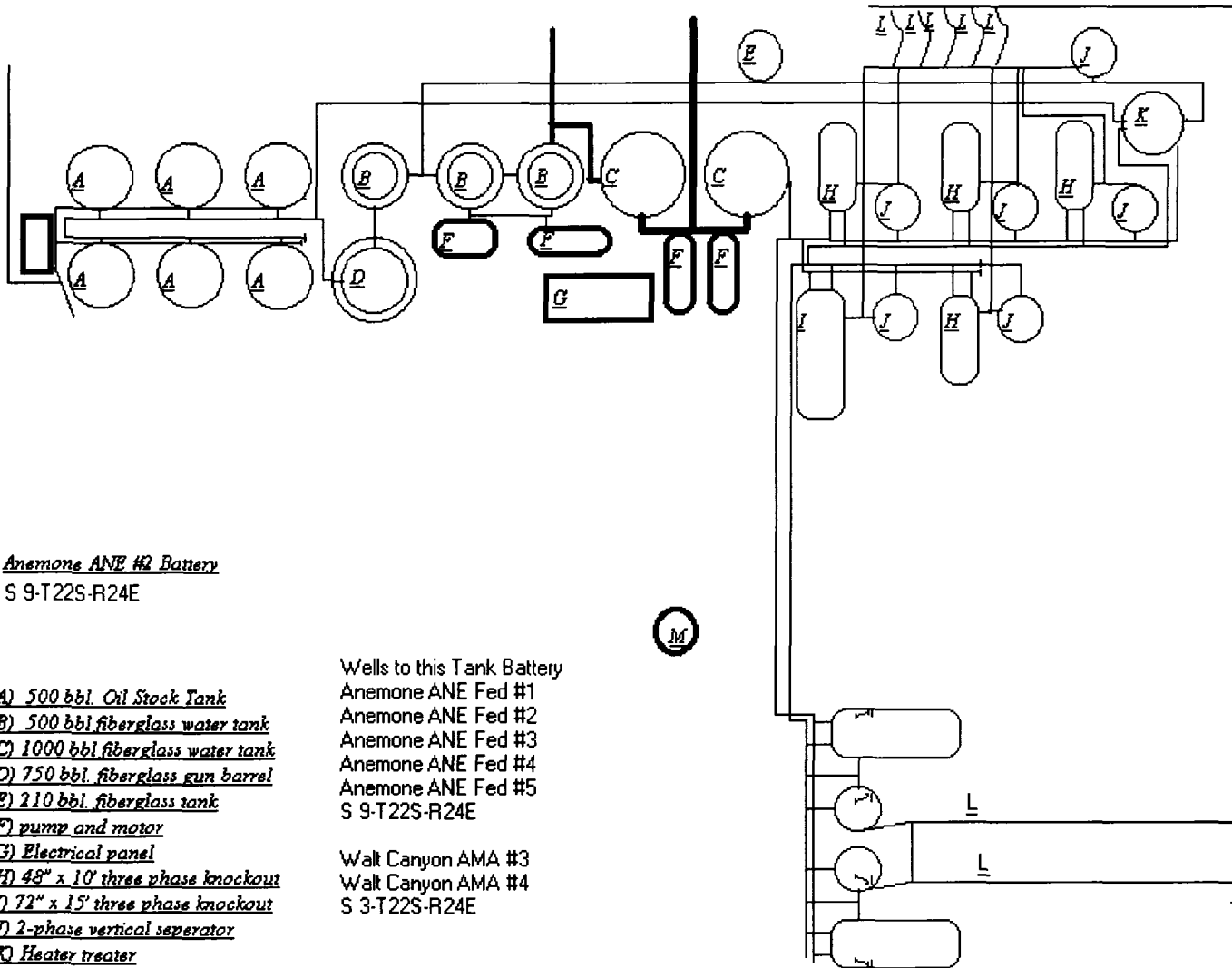
Yates Petroleum Corporation		
NEW MEXICO WEST 21S22E - 22S24E		
Lamine Drake		8/30/2001
	Scale 1:10000	LPNM2224.GPJ

9 22S 24E EDDY Co. NM



ATTACHMENT II

Yates Petroleum Corporation		
NEW MEXICO WEST 21S22E - 22S24E		
Lorraine Drake		8/30/2001
	Scale 1:10000	LPNM 2224.GPF



Anemone ANE #2 Battery
S 9-T22S-R24E

- A) 500 bbl. Oil Stock Tank
B) 500 bbl fiberglass water tank
C) 1000 bbl fiberglass water tank
D) 750 bbl. fiberglass gun barrel
E) 210 bbl. fiberglass tank
F) pump and motor
G) Electrical panel
H) 48" x 10' three phase knockout
I) 72" x 15' three phase knockout
J) 2-phase vertical separator
K) Heater treater
L Gas meter run
M) Anemone ANE wellhead
 N) Lact to Amoco

Wells to this Tank Battery
 Anemone ANE Fed #1
 Anemone ANE Fed #2
 Anemone ANE Fed #3
 Anemone ANE Fed #4
 Anemone ANE Fed #5
 S 9-T22S-R24E
 Walt Canyon AMA #3
 Walt Canyon AMA #4
 S 3-T22S-R24E

YATES PETROLEUM CORPORATION
 Anemone ANE Federal Battery
 1090' FNL & 840' FWL
 Section 9-T22S-R24E
 Eddy County, New Mexico
 Lease No.: NM-78214

Wells Producing Into Battery:
 Anemone ANE Federal #1
 Anemone ANE Federal #2
 Anemone ANE Federal #3
 Anemone ANE Federal #4
 Anemone ANE Federal #5
 Walt Canyon AMA Federal #3
 Walt Canyon AMA Federal #4

ATTACHMENT IV

WORKING INTEREST OWNERS, ROYALTY INTEREST OWNERS, OVERRIDING ROYALTY INTEREST

Yates Petroleum Corporation
Yates Drilling Company
Myco Industries, Inc.
Abo Petroleum
105 South Fourth Street
Artesia, NM 88210

Z 228 063 757

U.S. Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail. See reverse.

Post to

Bum

Street & Number

2409 W. 2nd St.

Post Office, State, & ZIP Code

Roswell, NM 88201

Postage

\$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, & Addressee's Address

TOTAL Postage & Fees

\$

Postmark or Date

Anemone/W. Canyon #4
8-31-2001

Postmark 3800 April 1995

Z 228 063 753

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to Bm	
Street & Number 620 E. Green St.	
Post Office, State, & ZIP Code Chilobad, Nmg 88220	
Postage Gene King	
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$

3800 April 1995

Postmark or Date
Laemone / w. Canyon #4
8-31-2001

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer 00, Artesia, NM 88211-0719
District III
1000 Rio Bravo Rd., Aztec, NM 87410
District IV
PO Box 1053, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number		* Pool Code	* Pool Name INDIAN BASIN UPPER PENN ASSOC.
* Property Code	* Property Name WALT CANYON "AMA" FEDERAL		* Well Number 4
* OGRID No. 025575	* Operator Name YATES PETROLEUM CORPORATION		* Elevation 3869.

10 Surface Location

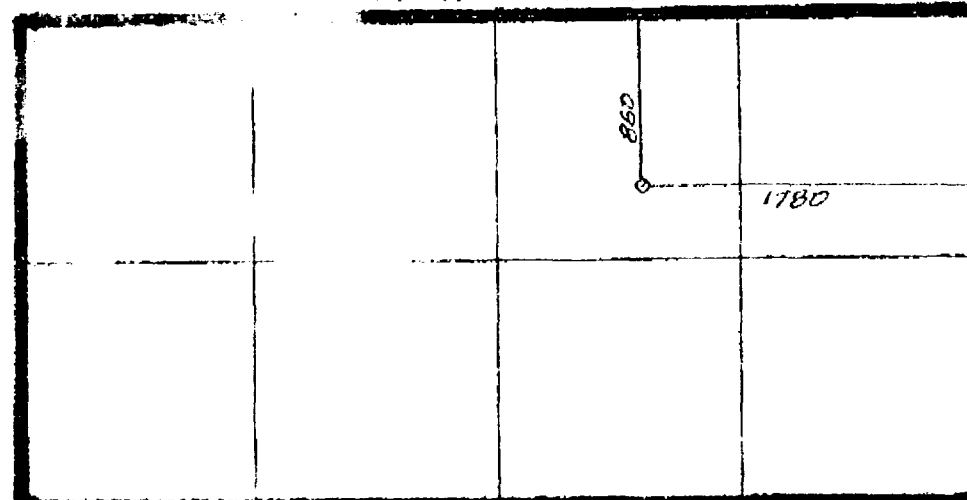
UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
B	3	22S	24E		860	NORTH	1780	EAST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County

* Dedicated Acre 320	* Infill	* Consolidation Code	* Order No.
-------------------------	----------	----------------------	-------------

NO ALLOWANCE IS TO BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Ken Beardemphill
Signature

KEN BEARDEMPHILL
Printed Name

LANDMAN
Title

9-20-94
Date

9-20-94
Date

9-20-94
Date

9-20-94
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

AUGUST 30, 1994
Date of Survey

W. R. REDD
Signature and Seal of Professional Surveyor

NEW MEXICO
5412
REGISTERED
LAND SURVEYOR
Certificate Number
NM 121000000 5412

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Pecos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number		Post Code		Pool Name Indian Basin Upper Penn Assoc.	
Property Code		Property Name WALT CANYON "AMA" FEDERAL			Well Number 3
LOGRID No. 075575		Operator Name YATES PETROLEUM CORPORATION			Elevation 4076

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
10	3	22S	24E		1115	NORTH	810	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

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

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Ken Beardomphl</i></p> <p>Printed Name: Ken Beardomphl</p> <p>Title: Landman</p> <p>Date: 9/1/94</p>	
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	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>AUGUST 30, 1994</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>AN R. REDD</i></p> <p>NEW MEXICO</p> <p>5412</p> <p>REGISTERED LAND SURVEYOR</p> <p>Certificate Number: 5412</p>	
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