

DATE 10/17/02	NA	ENGINEER	LOGGED IN	TYPE NSL	APP NO. 229050272
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Robert Asher  
 Print or Type Name

Signature

Regulatory Technician  
 Title

10/14/2002  
 Date

e-mail Address

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

October 14, 2002

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Certified Mail  
Return Receipt Request

RE: Application for State "CK" #1  
660' FNL and 2180' FWL  
Section 4, T17S-R26E  
Eddy County, New Mexico

30-015-10832

Dear Mr. Stogner

Yates Petroleum Corporation respectfully requests administrative approval for the captioned Wildcat Morrow well.

The State "CK" Com. #1 is to be recompleted to the Wildcat Atoka.

Yates Petroleum Corporation is the offset operator to the east therefore Yates requests administrative approval for this unorthodox location at your earliest convenience. We also wish this approval to cover the following formations being the POW Morrow, Wildcat Morrow, POW Strawn and Wildcat Wolfcamp.

Enclosed please find our Administration Application Checklist and supporting information.

Should you need anything further please advise.

Thank you,

Very truly yours,

YATES PETROLEUM CORPORATION

*Robert Asher*

Robert Asher  
Regulatory Technician

/rca

*See P. 104.C.2.a  
Exception to  
Authority of 104.F.2*

*WOLF CAMP  
6,990' - 7,000' CANYON - 5,000' SQ  
7,370' STRAWN  
7,778' ATOKA  
7,930' MORROW - Total 1973  
Good Time / DST! Day 2  
(7,930 - 8,150) T.D.*

## **NEW MEXICO OIL CONSERVATION DIVISION**

### **SUBMITTAL GUIDELINES FOR ADMINISTRATIVE APPROVAL OF NON-STANDARD LOCATION APPLICATIONS**

- I.** If the well is located on Federal or Indian Lands, the Federal Surface Management Agency must be notified and an on-site inspection conducted prior to filing the application. If an Application for Permit to drill or a Notice of Staking has been prepared, a copy must be submitted.
- II.** Completed C-102 showing the well location, proration unit, leases within the unit and other required information.
- III.** Land plat showing offset operators and working interest owners and any offsetting wells producing from the same pool or formation.
  - A.** This information may be shown on the topo map if it does not impair the readability of the map.
  - B.** The operator should certify that the information is current and correct. This information is correct.
- IV.** Original or clear copy of topographic map, preferably 7.5 minute quad, showing contours and other mapped features impacting the location, with the following information marked thereon (In order to be able to adequately show all of the necessary surface conditions it may be necessary to enlarge the relevant portion of the topo map to provide room for detail):
  - A.** The proposed well location and proration unit;
  - B.** An outline of the orthodox drilling windows as provided in the applicable rules for the subject application;
  - C.** The location of any wells to any formation within the area of the proration unit and a statement as to whether an existing pad can be used to drill the proposed well;
- V.** An enlargement of the topo map showing the subject area with the applicable additional information:
  - A.** Terrain features not shown on the map which make an orthodox location unusable; N/A
  - B.** Proposed access roads and pipelines if they affect the location selection; N/A
  - C.** The location of any surface uses which prevent use of a legal location; N/A

- D. The location of any archeological sites identified in the archeological survey; N/A
- E. The location and nature of any other surface conditions which prevent the use of an orthodox location. N/A
- VI. If archeological sites are a reason for the unorthodox location request, a copy of the archeological survey, or a summary, identifying sites which cannot be disturbed or which must have any disturbance mitigated. In addition, the location of such areas should be marked on the enlarged topo so they can be clearly identified. N/A
- VII. A narrative report of any on-site inspection of the potential locations. If such on-site has resulted in elimination of legal locations due to surface conditions, such information should also be noted on the enlarged topo. N/A
- VIII. A statement of why directional drilling to reach a legal bottom-hole location is not feasible. Information not available.
- IX. An affidavit that notice has been sent to all parties entitled thereto, under the Divisions Rules and Regulations with return receipt cards showing date of receipt of notice.

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NEW MEXICO OIL CONSERVATION COMMISSION

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JUN 13 1973

Form C-101  
Revised 1-1-65

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L-2760
7. Unit Agreement Name
8. Farm or Lease Name State "CK"
9. Well No. 1
10. Field and Pool, or Wildcat Wildcat
12. County Eddy
19. Proposed Depth Approx. 8700'
19A. Formation Devonian
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3365 GR
21A. Kind & Status Plug. Bond Blanket Bond
21B. Drilling Contractor Unknown
22. Approx. Date Work will start As soon as approved

1a. Type of Work DRILL <input type="checkbox"/> Re-Enter & DEEPEN <input checked="" type="checkbox"/> PLUG BACK <input type="checkbox"/>	
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 207 South 4th Steeet - Artesia, NM 88210	
4. Location of Well UNIT LETTER C LOCATED 660' FEET FROM THE North LINE AND 2180 FEET FROM THE West LINE OF SEC. 4 TWP. 17S RGE. 26E NMPM	
23. PROPOSED CASING AND CEMENT PROGRAM	

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12"	8-5/8"	24#	1228'	300 sx	Circ.
7-7/8"	5 1/2"	15.5#	Approx. 8700'	300 sx	

This well was drilled to a total depth of 6871' as the Charles C. Loveless - Marathon State #1 and plugged and abandoned 6-30-66.

We propose to re-enter and deepen to approx. 8700' to test the Devonian and intermediate horizons. If production is encountered, run 5 1/2" production casing and cement with 300 sacks of cement. BOP's and practical engineering will be used throughout the drilling and completion of this well.

APPROVAL VALID  
FOR 90 DAYS UNLESS  
DRILLING COMMENCED,  
EXPIRES 9-14-73

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Eddie M. Kaly Title Engineer Date 6-13-73  
(This space for State Use)

APPROVED BY W. A. Gressett TITLE OIL AND GAS INSPECTOR DATE JUN 14 1973  
CONDITIONS OF APPROVAL, IF ANY:

IE OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

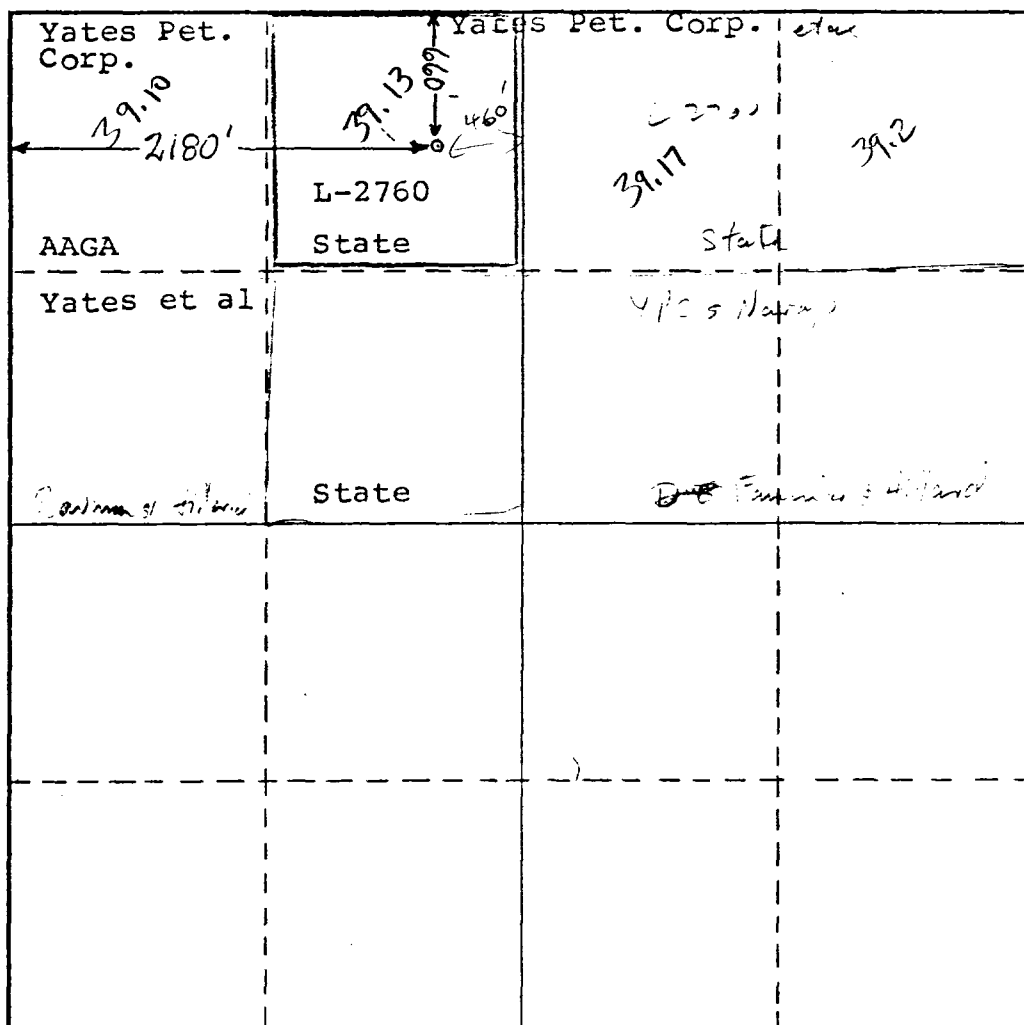
Operator <b>Yates Petroleum Corporation</b>			Lease <b>State "CK"</b>		Well No. <b>1</b>
Unit Letter <b>C</b>	Section <b>4</b>	Township <b>17S</b>	Range <b>26E</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <b>660'</b> feet from the <b>North</b> line and <b>2180'</b> feet from the <b>West</b> line					
Ground Level Elev: <b>3365'</b>	Producing Formation <b>Devonian</b>		Pool <b>Wildcat</b>		Dedicated Acreage: <b>40</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes    ☐ No    If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

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

*Eddie M. Mahfood*  
Name

**Eddie M. Mahfood**

Position  
**Engineer**

Company  
**Yates Pet. Corporation**

Date  
**6-13-73**

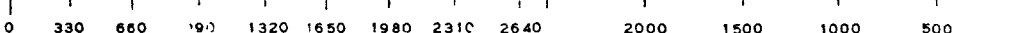
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. **REFER TO:**

**Original Plat - Charles C. Loveless Marathon State**

Date Surveyed **NO. 1**

Registered Professional Engineer and/or Land Surveyor

Certificate No.



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**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

Form C-105  
 Revised 1-1-65.

**AUG 21 1973**

5a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.	
L-2760	

1a. TYPE OF WELL		O. C. C. ARTESIA, OFFICE	
b. TYPE OF COMPLETION		OTHER	
NEW WELL <input type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEPEN <input checked="" type="checkbox"/>	PLUG BACK <input type="checkbox"/>
		DIFF. RESVR. <input type="checkbox"/>	OTHER <input type="checkbox"/>

2. Name of Operator	7. Unit Agreement Name
Yates Petroleum Corporation	

3. Address of Operator	8. Farm or Lease Name
207 South 4th Street - Artesia, NM 88210	State "CK"

4. Location of Well	9. Well No.
	1

UNIT LETTER <u>C</u>	LOCATED <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>2180</u> FEET FROM	10. Field and Pool, or Wildcat
		Wildcat

THE <u>West</u> LINE OF SEC. <u>4</u> TWP. <u>17S</u> RGE. <u>26E</u> NMPM	12. County
	Eddy

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Casinghead
6-21-73	6-28-73	7-11-73	3365 GL	

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
8150'	8107'			→ 6871-8150'	

24. Producing Interval(s), of this completion - Top, Bottom, Name	25. Was Directional Survey Made
7963-73 - Morrow	no

26. Type Electric and Other Logs Run	27. Was Well Cored
CNFD & DIL	no

28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1228'	12"	500 SX	
5 1/2"	17 & 15.5#	8139'	7-7/8"	680 SX	

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	7928'	7928'

31. Perforation Record (Interval, size and number) (42" jets)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
6994-7004 -10 holes (Canyon) Sqz. w/50 sx cmt.		DEPTH INTERVAL	
7963-73 - 40 holes (Morrow)		6994-7004	
		AMOUNT AND KIND MATERIAL USED	
		7000 gal. Acid	

33. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
7-11-73		Flowing				SI WOPL Connection	
Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
7-11-73	4 1/2	Adj.		7.92	441.3	-	55724/1
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	
2406	Pkr.		42.24	2353.8	-	57	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)	Test Witnessed By
	Jack Moore (TWP)

35. List of Attachments
DST's and Logs - 4-Point Test

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.		
SIGNED <u>Eddie M. Malyard</u>	TITLE <u>Engineer</u>	DATE <u>8-21-73</u>

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

### Southwestern New Mexico

### Northwestern New Mexico

T. Anhy _____	T. Canyon _____	(lower) 6990	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	7390	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	7778	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	1m. 8093	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____		T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____		T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____		T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____		T. Gallup _____	T. Ignacio Qtzte _____
T. Glorieta _____	T. McKee _____		Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____		T. Dakota _____	T. _____
T. Blinberry _____	T. Gr. Wash _____		T. Morrison _____	T. _____
T. Tubb _____	T. Granite _____		T. Todilto _____	T. _____
T. Drinkard _____	T. Delaware Sand _____		T. Entrada _____	T. _____
T. Abo _____	T. Bone Springs _____		T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	Morrow Clastics 7930	T. Chinle _____	T. _____
T. Penn. _____	T. _____	Chester 7996	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____		T. Penn. "A" _____	T. _____

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation
871	8042	1171	Lime
042	8150	108	Lime and shale



## DRILL STEM TESTS

Yates Petroleum Corp. - State CK No. 1 4-17S-26E Eddy Co., NM

DST #1 7740-7939' - OP 15", SI 1 hr; Re-op 2 hrs; SI 4 hrs.

OP w/fair blow, increased to strong blow in 5". No GTS. Reopened w/ strong blow immediately. GTS in 8" into flow period (GTS 23")

Recovered: 502' GCM. Sampler: 425#, 450 cc distillate, 400 cc mud.

Pressures: HP 3581-3536; IF 88-265; ISI 2382; FF265-485; FSI 2471.

DST #2 7933-8150' - TO 15", SI 60", OP 60", SI 120", OP 60", SI 120". TO w/strong blow, GTS in 4" at 550# on 1/4" choke. Increased to 250# in 15". Re-opened GTS immediately, stabilized flow at 3 1/4 MMCF/D at 2210 psi on 1/4" choke. 3rd flow stabilized in 22" at 3 1/4 MMCF/D at 2210 psi on 1/4" choke.

Recovered: - 0-' of drilling mud and distillate.

Sampler: - Recovered 20.1 cu. ft of gas at 2000#. BHT 134 deg. F.

Pressures: - IHP 3731; IF 1925-2694; ISI 3207; 2nd FP 2164-2746;

SI 3207; FF 2058-2720; FSI 3207; FHP 3731.

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NEW MEXICO OIL CONSERVATION COMMISSION

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AUG 20 1973

O. C. C.

Form C-103  
Supersedes Old  
C-102 and C-103  
Effective 1-1-65

5a. Indicate Type of Lease
State <input checked="" type="checkbox"/> Fee <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
L-2760

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER- RE-ENTRY	7. Unit Agreement Name
2. Name of Operator Yates Petroleum Corporation	8. Farm or Lease Name State "CK" Com
3. Address of Operator 207 South 4th Street-Artesia, NM 88210	9. Well No. 1
4. Location of Well UNIT LETTER C 660' FEET FROM THE North LINE AND 2180 FEET FROM THE West LINE, SECTION 4 TOWNSHIP 17S RANGE 26E NMPM.	10. Field and Pool, or Wildcat Wildcat
15. Elevation (Show whether DF, RT, GR, etc.) 3365' GR	12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
		Acidize & Perforate, Squeeze <input checked="" type="checkbox"/>	
		Re-Perforate <input checked="" type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

OTD 6871' - Spudded at 10:30 AM 6-21-73.  
TD 8150' - Ran 259 jts (8139') of 5½" 17# & 15.5# K-55 & N-80 casing with float shoe. Float collar at 8107'. 8 centralizers at 8012, 7920, 7738, 7644, 7248, 7216, 6970 and 5314'. Baskets at 7674, 7187 and 5347'. DV tool at 7155. Washed around shoe w/40 bbls KCl and 1 Gal. Mor-Flo and cemented w/140 sx Class H + 3/4% CFR2 +3%KCl. PD 7:40 AM 7-1-73. Press. tested to 1500#. OK. Cemt'd thru DV too 1 w/20 bbls fresh wtr and 425 sx Halliburton Lite cement & 115 sx Class H cement w/3/4% CFR +3% KCL. PD 1:00 PM 7-1-73. Hung 5½" csg on slips w/40000#, pressured to 2000#. OK. Perforated : 6994-7004' (Canyon) w/10 holes and acidized w/1000 g 15% reg. acid. Swabbed dry and retreated w/6000g retarded acid w/KCl Surfactant, swbd dry in 4 hrs. Squeezed off Canyon Perfs w/50 sx Class H cmt and Perforated 7963-73 (Morrow) w/40 holes (.42"jets). GTS in 2" w/gas flow of 11 MMCF for 5" on 3/4" choke. SI to run 4-Point test.

18. I her. by certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED <u>Eddie M. Kraft</u>	TITLE <u>Engineer</u>	DATE <u>8-17-73</u>
------------------------------	-----------------------	---------------------

APPROVED BY <u>W. A. Gussert</u>	TITLE <u>OIL AND GAS INSPECTOR</u>	DATE <u>AUG 23 1973</u>
----------------------------------	------------------------------------	-------------------------

CONDITIONS OF APPROVAL, IF ANY:

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

811 South First, Artesia, NM 88210

**District III**

1000 Rio Brazos Road, Aztec, NM 87410

**District IV**

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Guel

Form C-101

Revised March 17, 1999

Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT
**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address		<sup>2</sup> OGRID Number	
Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		025575	
<sup>3</sup> Property Code		<sup>4</sup> API Number	
12787		30-015-10832	
<sup>5</sup> Property Name		<sup>6</sup> Well No.	
State CK		1	

**<sup>7</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	4	17S	26E		660	North	2180	West	Eddy

**<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1					<sup>10</sup> Proposed Pool 2				
Wildcat Atoka									

<sup>11</sup> Work Type Code	<sup>12</sup> Well Type Code	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code	<sup>15</sup> Ground Level Elevation
P	G	N/A	S	3365'
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
N	N/A	Mississippian Lime	N/A	ASAP

**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
See Original Completion Report					

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to set a composite flow-through frac plug at 7910'. Perforate Atoka 7873'-7878' (36 holes), 7856'-7862' (42 holes), 7784'-7795' (72 holes). Stimulate as needed.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Tina Huerta

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

Date: September 9, 2002

Phone: 505-748-1471

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

ENTERED SEP 11 2002

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

811 South First, Artesia, NM 88210

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410

**District IV**

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**

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Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

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☐ AMENDED REPORT
**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-10832</b>	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name <b>Wildcat Wolfcamp</b> <i>OK</i>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>State "CK"</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3365'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>C</b>	<b>4</b>	<b>17S</b>	<b>26E</b>		<b>660</b>	<b>North</b>	<b>2180</b>	<b>West</b>	<b>Eddy</b>

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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

<div style="border: 2px solid red; padding: 10px; margin-bottom: 10px;"> <div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 150px; height: 150px; position: relative; margin-right: 10px;"> <div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; background: linear-gradient(to bottom right, transparent 49%, black 49% 51%, black 51% 53%, transparent 53%);"></div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <div style="text-align: center;"> <div style="width: 10px; height: 10px; border: 1px solid black; border-radius: 50%;"></div> <div style="margin-top: 5px;">State "CK" #1</div> </div> </div> <div style="margin-left: 10px;"> <div style="text-align: center;"> <div style="width: 10px; height: 10px; border: 1px solid black; border-radius: 50%;"></div> <div style="margin-top: 5px;">.066'</div> </div> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <span>2180'</span> </div> </div> </div>	<div style="border: 1px solid black; padding: 5px;"> <div style="text-align: center;"><b><sup>17</sup> OPERATOR CERTIFICATION</b></div> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;">Signature</div> <div style="text-align: center;"><b>Cy Cowan</b></div> <div style="text-align: center;">Printed Name</div> </div> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;">Title</div> <div style="text-align: center;"><b>Regulatory Agent</b></div> </div> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;">Date</div> <div style="text-align: center;"><b>October 14, 2002</b></div> </div> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <div style="text-align: center;"><b><sup>18</sup> SURVEYOR CERTIFICATION</b></div> <p><i>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.</i></p> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;">Date of Survey</div> <div style="text-align: center;">Signature and Seal of Professional Surveyor:</div> </div> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;"><b>Refer to Original Plat</b></div> </div> <div style="border-top: 1px solid black; margin-top: 10px;"> <div style="text-align: center;">Certificate Number</div> </div> </div>
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**District I**

1625 N. French Dr., Hobbs, NM 88240

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**District III**

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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

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☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-10832</b>	<sup>2</sup> Pool Code <b>83060</b>	<sup>3</sup> Pool Name <b>U 11092 POW Strawn #12</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>State "CK"</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3365'</b>

**<sup>10</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>C</b>	<b>4</b>	<b>17S</b>	<b>26E</b>		<b>660</b>	<b>North</b>	<b>2180</b>	<b>West</b>	<b>Eddy</b>

**<sup>11</sup> 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

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<b>16</b>		<b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>Cy Cowan</b> Printed Name <b>Regulatory Agent</b> Title <b>October 14, 2002</b> Date
<b>18</b>	<b>SURVEYOR CERTIFICATION</b> 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.  Date of Survey Signature and Seal of Professional Surveyor:  <b>Refer to Original Plat</b>  Certificate Number	



## District I

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-10832</b>	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name <b>Wildcat Atoka</b> <i>CK</i>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>State "CK"</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3365'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>C</b>	Section <b>4</b>	Township <b>17S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>North</b>	Feet from the <b>2180</b>	East/West line <b>West</b>	County <b>Eddy</b>
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-10832</b>	<sup>2</sup> Pool Code <b>83040</b>	<sup>3</sup> Pool Name <b>POW Morrow</b> <span style="float: right;">OK</span>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>State "CK"</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3365'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>C</b>	<b>4</b>	<b>17S</b>	<b>26E</b>		<b>660</b>	<b>North</b>	<b>2180</b>	<b>West</b>	<b>Eddy</b>

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

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-10832</b>	<sup>2</sup> Pool Code <b>Nw Ligon Draw - Cisco Canyon</b>	<sup>3</sup> Pool Name <b>Canyon</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>State "CK"</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3365'</b>

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UL or lot no. <b>C</b>	Section <b>4</b>	Township <b>17S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>North</b>	Feet from the <b>2180</b>	East/West line <b>West</b>	County <b>Eddy</b>
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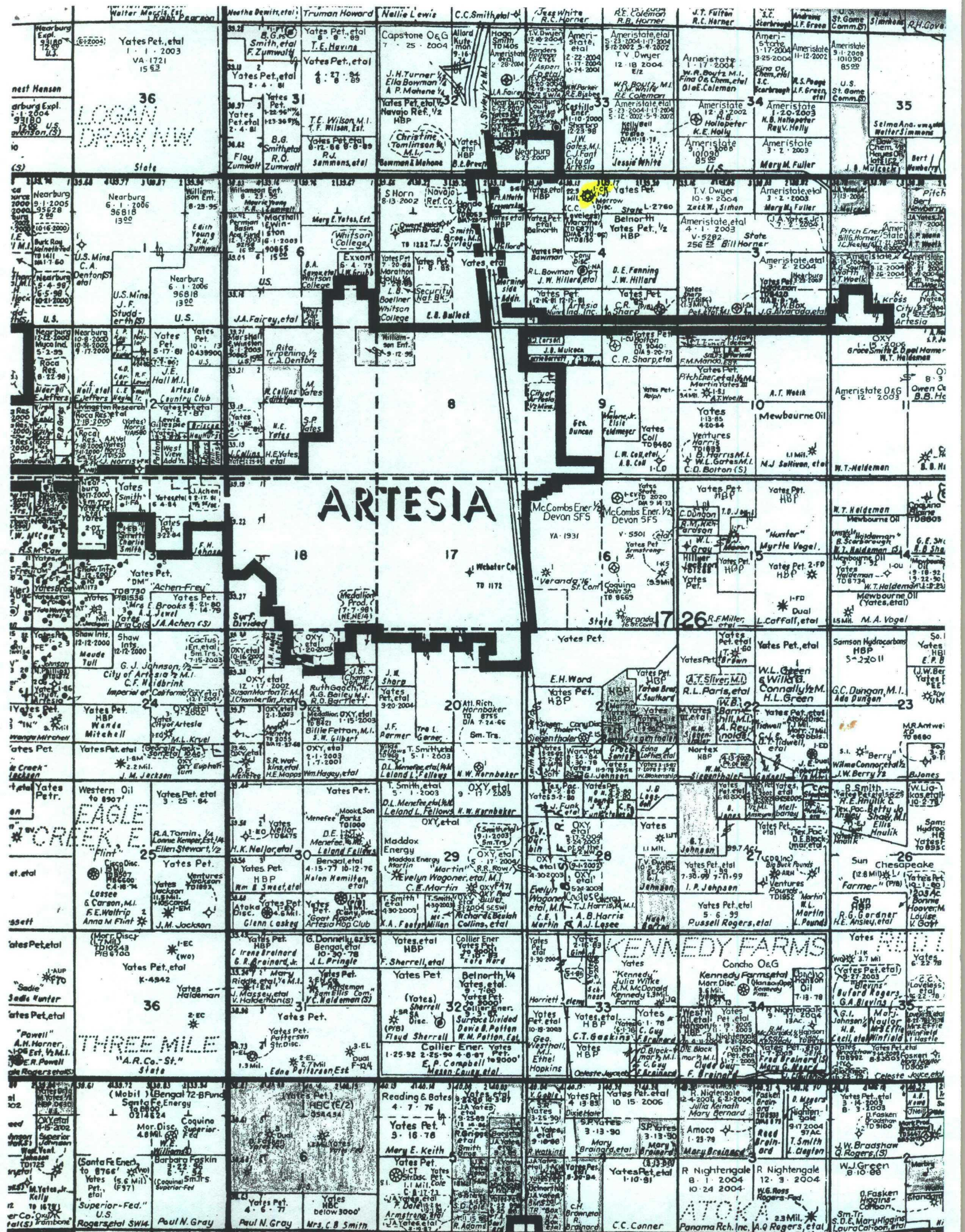
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

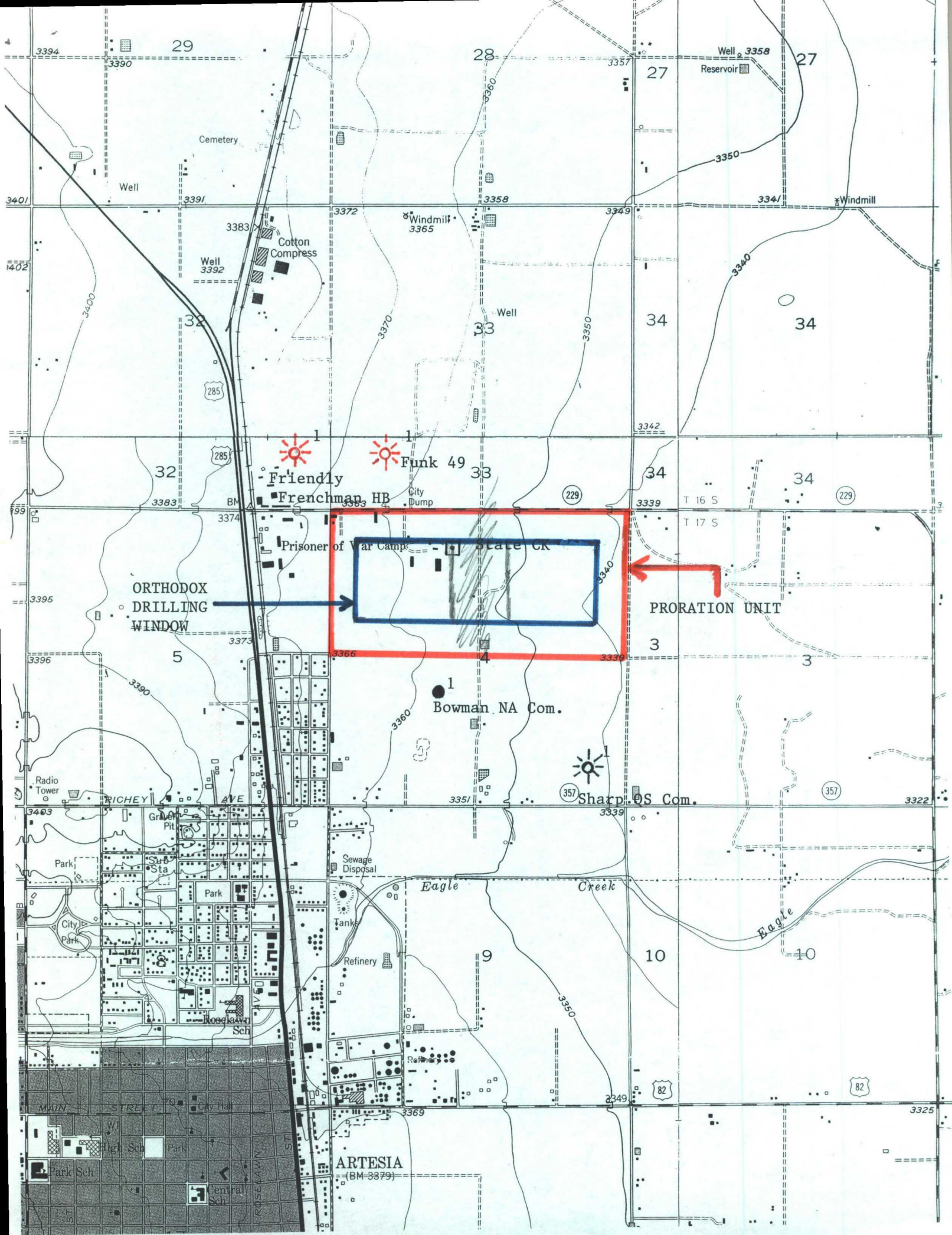
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A  
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County

Pool

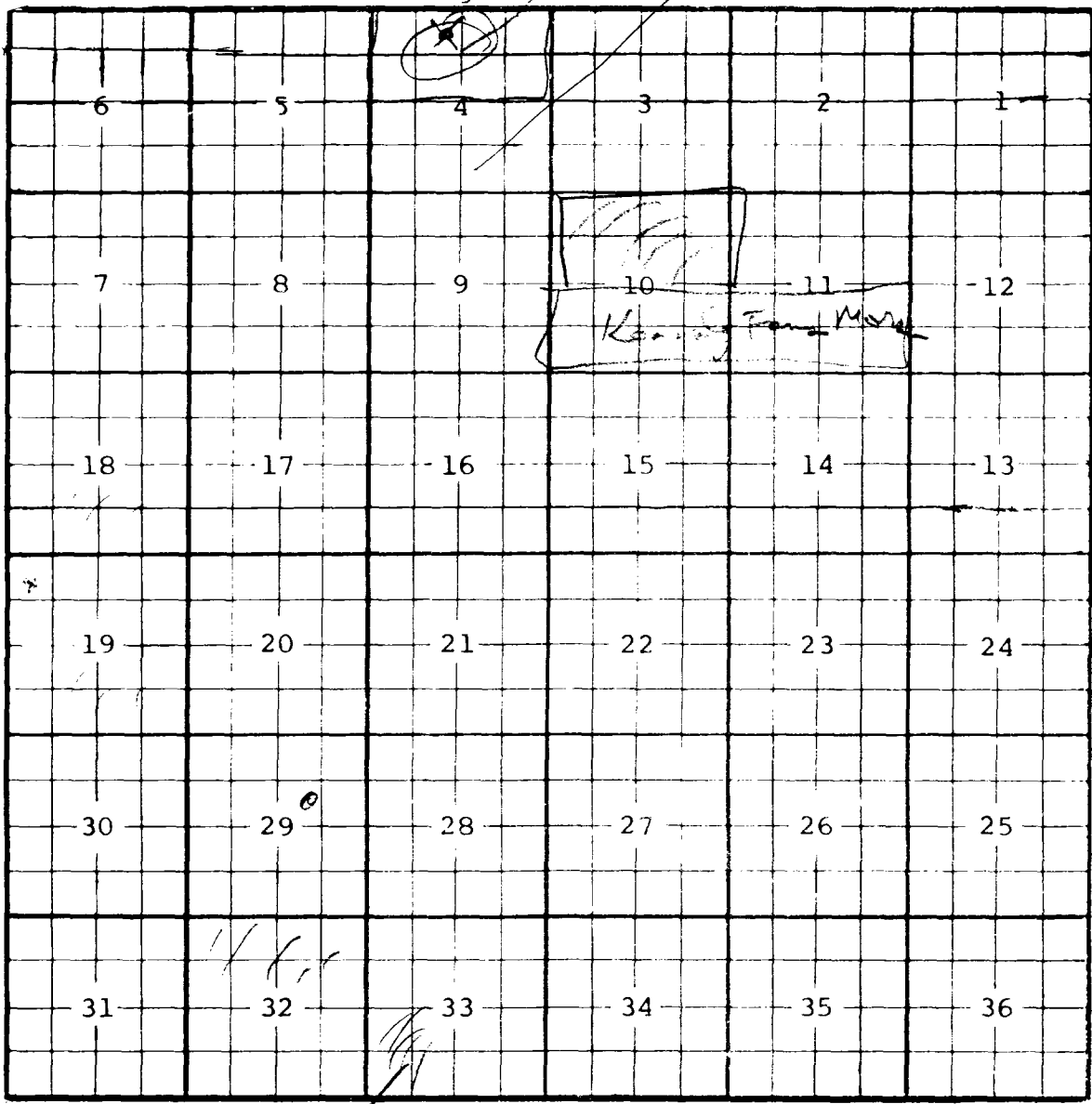
POW Morrow all Sect

TOWNSHIP

Range

~~UND 3 S/2~~ - POW STRAWN

NMPM



UND 02, NW Logan Draw - Cisco Canyon SW/33 16 1/2

30-015-	STATE CK COM #001	YATES Pet	660N	2180W	C	3	4 17S	26E	25575S	G	06-2002	ACTIVE	83040	POW;MORROW (GAS)	158	7781
30-015-	SHARP QS COM #001	YATES Pet	660S	660E	P	P	4 17S	26E	25575P	G	03-1992	ACTIVE	0		0	0

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	SHARP QS COM #001		0	0	0	0	0 EDDY	12736
30-015-			0	0	12336			
30-015-			0	0	0			

OPTIONAL  
C102-DEDICATE ACREAGE

1

POW;MORROW (GAS)

12787 STATE CK COM

001

14260

E0043: Record found; Authority denied to MODIFY/ADD

HELP

EXIT

GoTo

CONFIRM

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RECONF

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OGOWVJ -TPE4

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25575 YATES PETROLEUM CORPORATION

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HELP

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C105-WELL COMPLETION OR RECOMP CASING LOG

YATES PETROLEUM CORPORATION

STATE CK COM

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HELP

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CONFIRM



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C	C 04/15/79	C 04/15/79	C 04/15/79
	A		

E	F	G	H
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	CS		
	L02760 0002		
Fee owned	YATES PETROLEUM C	Fee owned	Fee owned
C	C 04/15/79	C	C

HELP	EXIT	GoTo
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INQUIRE REMARKS OF LAND BY SECTION

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R2 7241 0000  
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D 4 N 39.10 FD FE  
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F SE4NW4 N 40.00 ST ST GM 1748 0000

PATENT NO. 2494

HELP PREV EXIT GoTo  
BKWD FWD PRINT SDIV

INQUIRE REMARKS OF LAND BY SECTION

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SECTION 18

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HELP PREV EXIT GoTo  
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INQUIRE REMARKS OF LAND BY SECTION

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NORMAL

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HELP      PREV      EXIT      GoTo  
BKWD      FWD      PRINT      SDIV

10/30/02

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HELP

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# C105-WELL COMPLETION OR RECOMP CASING LOG

YATES PETROLEUM CORPORATION

BOWMAN NA COM

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HELP

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HELP

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EXIT

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# C105-WELL COMPLETION OR RECOMP CASING LOG

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



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

## Fax Cover Sheet

To: Will Jones  
Company: OCD  
Phone: (505) 476-3448  
Fax: (505) 476-3462

From: Cy Cowan  
Company: Yates Petroleum Corporation  
Phone: 505-748-1471  
Fax: 505-748-4572

Date: 10/31/02  
Pages including this cover page: many (16)

### Comments:

Will  
Please call me after you  
receive this  
Thanks!  
Cy Cowan

*505 OK #1  
Com Agree*

State of New Mexico



Commissioner of Public Lands

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P. O. BOX 1142  
SANTA FE, NEW MEXICO

DEC 23 9 20 AM '75

COMMUNITIZATION AGREEMENT

STATE OF NEW MEXICO )  
COUNTY OF EDDY ) KNOW ALL MEN BY THESE PRESENTS:

THAT THIS AGREEMENT is entered into as of the 17th day of December,  
19 75, by and between the parties subscribing, ratifying or consent-  
ing hereto, such parties hereinafter being referred to as "Parties  
hereto";

WHEREAS, the Commissioner of Public Lands of the State of New  
Mexico is authorized by the Legislature, as set forth in Sec. 7-11-47,  
New Mexico Statutes, Annotated, 1955 Laws, in the interest of conser-  
vation of oil and gas and the prevention of waste, to consent to and  
approve the development or operation of State lands under agreements  
made by lessees of oil and gas leases thereon, jointly or severally with  
other oil and gas lessees of State lands, or oil and gas lessees or  
mineral owners of privately owned or fee lands, for the purpose of  
pooling or communitizing such lands to form a proration unit or por-  
tion thereof, or well-spacing unit, pursuant to any order, rule or  
regulation of the New Mexico Oil Conservation Commission, where such  
agreement provides for the allocation of the production of oil or gas  
from such pools or communitized area on an acreage or other basis found  
by the commissioner to be fair and equitable.

WHEREAS, the parties hereto, being oil and gas lessees of record,  
covering lands subject to this agreement, insofar as such leases cover  
the lands hereinafter described, which leases are more particularly  
described in the schedule attached hereto, marked Exhibit "A" and made  
a part hereof, for all purposes, and

WHEREAS, said leases, insofar as they cover the Morrow  
Formation in and under the land hereinafter described

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Rev. 1-3-64

cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing dry gas and associated liquid hydrocarbons in the Morrow Formation in and under the land hereinafter described subject to the terms hereof.

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

Township 17 South Range 26 East, N.M.P.M.

Section 4: Lots 1, 2, 3, 4, SW $\frac{1}{4}$  (N $\frac{1}{2}$ )

Eddy County, New Mexico

containing 316.65 acres, more or less, and so hereby declare that it is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of dry gas and associated liquid hydrocarbons from the Morrow Formation in and under said land is necessary and advisable in order to properly develop and produce the communitized substances in the said Morrow Formation beneath said land in accordance with the spacing rules of the Conservation Commission of the State of New Mexico, and in order to promote the conservation of the communitized substances in and what may be produced from said formation in and under said land, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize, for proration or spacing purposes only the leases

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described in Exhibit "A" hereto insofar as they cover dry gas and associated liquid hydrocarbons within and that may be produced from the Morrow Formation (hereinafter referred to as "Communitized Substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the dry gas and associated liquid hydrocarbons in said formation beneath said land.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit "A" showing the acreage, and ownership (Lessees of Record) of all lands within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. The royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the undersigned be required to measure

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separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

5. The Commencement, completion, and continued operation or production of a well or wells for communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

6. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws or statutes. This Agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this Agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules or regulations.

7. Yates Petroleum Corporation shall be the Unit Operator of said communitized area and all matters of operation shall be determined and performed by Yates Petroleum Corporation Company.

8. This Agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public

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Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in commercial quantities; provided, however, that prior to production in commercial quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the parties hereto. This Agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of non production.

9. Operator will furnish the Conservation Commission and the Commissioner of Public Lands, of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

10. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the Oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

11. If any order of the Oil Conservation Commission upon which this agreement is predicated or based is in anywise changed or modified, then and in such event said agreement is likewise modified to conform thereto.

12. This Agreement may be executed in any number of counterparts,

OG-66

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no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

13. This Communitisation Agreement shall also serve as a written Designation of Pool Unit under and pursuant to the provisions of the oil and gas leases included within the communitised area and covering oil, gas and other minerals owned by private individuals.

14. This Agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

OPERATOR: YATES PETROLEUM CORPORATION COMPANYBY: [Signature]

VICE President

LESSEES OF RECORD:

HAYANG REFINING COMPANYBy: [Signature]

President

MARTIN YATES, JR.

JOHN A. YATES

STATE OF NEW MEXICOCOUNTY OF BUDY

SS

The foregoing instrument was acknowledged before me this 12th day of November, 198 85 by John A. Yates as President of Yates Petroleum Corporation on behalf of Yates Petroleum Corporation.

NOTARY

PUBLIC

My Commission Expires

[Signature]  
NOTARY PUBLIC

CO-44

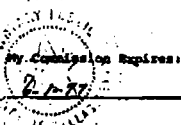
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STATE OF TEXAS )  
COUNTY OF DALLAS ) ss.

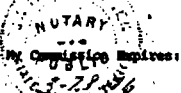
The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of December, 1975, by James H. HARRINGTON as President of Holly Corporation, as Partner of NAVAJO PETROLEUM COMPANY, a Partnership composed of Navajo Corporation, and Holly Corporation - General Partner on behalf of said Partnership



Debra L. Lutz  
Notary Public

STATE OF NEW MEXICO )  
COUNTY OF EDGAR ) ss.

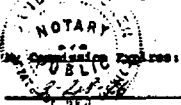
The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of December, 1975, by MARTIN TATES, III.



Sandra J. Curran  
Notary Public

STATE OF NEW MEXICO )  
COUNTY OF EDGAR ) ss.

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of December, 1975, by JOHN A. YATES.



Sandra J. Curran  
Notary Public

Signature Page to Communication Agreement  
Covering the N/2 Section 8, Township 17 South,  
Range 26 East, Eddy County, New Mexico  
Dated: December 17, 1975

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## EXHIBIT "A"

Attached to and made a part of that Communitisation Agreement dated December 17, 1975, by and between Yates Petroleum Corporation, Navajo Refining Company, Martin Yates, III, and John A. Yates covering Lots 1, 2, 3, 4, SW 1/4 (NW) Section 4, Township 17 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

Operator of Communitized Area:

Yates Petroleum Corporation

Description of Leases Committed:Tract No. 1Company:

Yates Petroleum Corporation	48%
Navajo Refining Company	50%
Martin Yates, III	1%
John A. Yates	1%

Lessor:

State of New Mexico acting by and through its Commissioner of Public Lands

Leases of Record:

Yates Petroleum Corporation	48%
Navajo Refining Company	50%
Martin Yates, III	1%
John A. Yates	1%

Serial No. of Lease:

L-2760-2

Date of Lease:

April 15, 1969

Description of Lands Committed:

Township 17 South, Range 26 East, N.M.P.M.  
Section 4: Lot 1, Lot 2, Lot 3, SW 1/4

No. of Acres:

157.30 acres

Oil Interest and Percentage:

Robert E. Boling and Mary L. Boling,  
Mark D. Wilson and Mary Lou Wilson FPI -  
\$400.00 per acre payable out of 3/4 of 8/8ths

R. J. Hissom and Gulf Coast Oil and Gas  
Company - 4% of 8/8ths

Tract No. 2Lessor:

Alta E. Cox and Reed W. Cox

Leases of Record:

Yates Petroleum Corporation	48%
Navajo Refining Company	50%
Martin Yates, III	1%
John A. Yates	1%

Serial No. of Lease:

Fm

Date of Lease:

December 20, 1971

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**Pooling Provision - Form 342**[illegible]

Tract No. 3

**Pooling Provision - Form 342**[illegible]

**Tract No. 4**

Page 2  
Exhibit "A" Communitization Agreement  
Dated: December 17, 1975  
Operator: Yates Petroleum Corporation  
Eddy County, New Mexico

ILLEGIBLE

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Serial No. of Lease: \_\_\_\_\_ Fee

Date of Lease: December 20, 1971

Description of Land Committed: Township 17 South, Range 26 East, N.M.P.S.  
Section 4: SW/4NW/4

No. of Acres: 10 net acres

Working Interest and Percentage:

Yates Petroleum Corporation	48%
Havajo Refining Company	50%
Martin Yates, III	1%
John A. Yates	1%

GR Interests and Percentage:

Robert E. Boling and Mary L. Boling  
Mark D. Wilson and Mary Lou Wilson 5%--  
\$400.00 per acre payable out of 5% of R/O's

Pooling Provision - Form 342

I hereby grant the right and power, from time to time to pool or combine this lease, the land covered by it or any part or portions thereof with other lands, tracts, interests, claims or parts thereof for the production of oil or gas. I understand and agree that no pooling agreement shall be entered into until after the expiration of 90 days after the date hereof.

Tract No. 1

Lessor: Ronald Fanning and Kathryn Fanning

Lessee of Record: Yates Petroleum Corporation 48%  
Havajo Refining Company 50%  
Martin Yates, III 1%  
John A. Yates 1%

Serial No. of Lease: Fee

Date of Lease: December 21, 1971

Description of Land Committed: Township 17 South, Range 26 East, N.M.P.S.  
Section 4: SW/4NW/4

Number of Acres: 80 acres

Working Interest and Percentage:

Yates Petroleum Corporation	48%
Havajo Refining Company	50%
Martin Yates, III	1%
John A. Yates	1%

GR Interests and Percentage: None

Pooling Provision - Form 342

I hereby grant the right and power, from time to time to pool or combine this lease, the land covered by it or any part or portions thereof with other lands, tracts, interests, claims or parts thereof for the production of oil or gas. I understand and agree that no pooling agreement shall be entered into until after the expiration of 90 days after the date hereof.

Page 3

Exhibit "A" Communitization Agreement

Dated: December 17, 1975

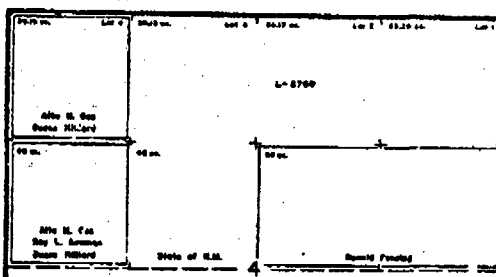
Operator: Yates Petroleum Corporation

Eddy County, New Mexico

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YATES PETROLEUM CORP. - Operator



TOWNSHIP 17 SOUTH, RANGE 26 EAST, N.M.P.M.  
NORTH ONE-HALF OF SECTION 4  
316.65 ACRES  
EDDY COUNTY, NEW MEXICO  
SCALE: 1" = 1000'

PAGE 4  
EXHIBIT "A" TO COMMUNITIZATION AGREEMENT  
DATED DECEMBER 17, 1975  
OPERATOR: YATES PETROLEUM CORPORATION  
EDDY COUNTY, NEW MEXICO

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RATIFICATION AND JOINDER OF COMMUNITIZATION AGREEMENT

N/2 Section 4, T17S-R26E, N.M.P.M.  
Eddy County, New Mexico

In consideration of the execution of the Communitization Agreement, for the Development and Operation of the N/2, Section 4, T17S-R26E, County of Eddy, State of New Mexico, dated December 17, 1975, in form approved on behalf of the Commissioner of Public Lands, State of New Mexico, the undersigned hereby expressly ratify, approve and adopt said Communitization Agreement as fully as though the undersigned had executed the original instrument.

The ratification and joinder shall be effective as to the undersigned's interest in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interest in unmineral substances, covering any lands within the unit area in which the undersigned may be found to have an oil or gas interest.

This ratification and joinder shall be binding upon the undersigned, their heirs, devisees, assigns or successor in interest.

EXECUTED this 21 st day of January, 19 76.

## ADDRESS:

Room 302  
American Home Security Bldg.  
Alameda, New Mexico 88312

Robert E. Boling  
ROBERT E. BOLING

Mary L. Boling  
MARY L. BOLING, former wife of  
Robert E. Boling

STATE OF NEW MEXICO )  
COUNTY OF EDDY ) ss.

INDIVIDUAL ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 21 st day of January, 19 76 by Robert E. Boling and Mary L. Boling, former wife of Robert E. Boling.

My Commission Expires:

March 15, 1979

Jesse Stewart  
Notary Public

STATE OF )  
COUNTY OF ) ss.

CORPORATE ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_ by \_\_\_\_\_ of \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission Expires:

Notary Public

773

**NOTIFICATION AND JOINDER OF COMMUNITIZATION AGREEMENT**

N/2 Section 4, T17S-R26E, W.M.P.M.  
Eddy County, New Mexico

In consideration of the execution of the Communitization Agreement, for the Development and Operation of the N/2, Section 4, T17S-R26E, County of Eddy, State of New Mexico, dated December 17, 1975, in fact approved on behalf of the Commissioner of Public Lands, State of New Mexico, the undersigned hereby expressly ratify, approve and adopt said Communitization Agreement as fully as though the undersigned had executed the original instrument.

The ratification and joinder shall be effective as to the undersigned's interest in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interest in unitized substances, covering any lands within the unit area in which the undersigned may be found to have an oil or gas interest.

This ratification and joinder shall be binding upon the undersigned, their heirs, devisees, assigns or successor in interest.

EXECUTED this 22<sup>nd</sup> day of January, 19 76.

ADDRESS:

1705 Briscoe Avenue  
Artesia, New Mexico 88210

Mark D. Wilson  
MARK D. WILSON

Mary Lee Wilson  
MARY LEE WILSON

STATE OF NEW MEXICO )  
COUNTY OF EDDY ) ss.

**INDIVIDUAL ACKNOWLEDGMENT**

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of January, 19 76 by Mark D. Wilson and Mary Lee Wilson, his wife.

My Commission Expires:

May 22, 1976

Quintley K. Moore  
Notary Public

STATE OF )  
COUNTY OF ) ss.

**CORPORATE ACKNOWLEDGMENT**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ by \_\_\_\_\_ of \_\_\_\_\_ a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission Expires:

\_\_\_\_\_  
Notary Public

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VERIFICATION AND JOINDER OF COMMUNITIZATION AGREEMENT

N/2 Section 4, T17S-R26E, N.R.P.M.  
 Eddy County, New Mexico

IN consideration of the execution of the Communitization Agreement, for the Development and Operation of the N/2, Section 4, T17S-R26E, County of Eddy, State of New Mexico, dated December 17, 1976, in form approved on behalf of the Commissioner of Public Lands, State of New Mexico, the undersigned hereby expressly ratify, approve and adopt said Communitization Agreement as fully as though the undersigned had executed the original instrument.

The ratification and joinder shall be effective as to the undersigned's interest in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interest in unitized substances, covering any lands within the unit area in which the undersigned may be found to have an oil or gas interest.

This ratification and joinder shall be binding upon the undersigned, their heirs, devisees, assigns or successor in interest.

EXECUTED this 5th day of January, 19 76.

## ADDRESS:

602 1st National Bank Bldg.  
 Midland, Texas 79701

R. J. NISSON  
 R. J. NISSON

STATE OF Tex  
 COUNTY OF Middle ) ss.

INDIVIDUAL ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 5th day of January, 19 76 by R. J. NISSON.

My Commission Expires:

6-1-77

John Nison  
 Notary Public

STATE OF \_\_\_\_\_ )  
 COUNTY OF \_\_\_\_\_ ) ss.

CORPORATE ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_ by \_\_\_\_\_ of \_\_\_\_\_

a \_\_\_\_\_ corporation, on behalf of said corporation.

My Commission Expires:

u

Notary Public



# ILLEGIBLE

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## RATIFICATION AND JOINDER OF COMMUNITIZATION AGREEMENT

N/2 Section 4, T17S-R26E, N.M.P.M.  
Eddy County, New Mexico

In consideration of the execution of the Communitization Agreement, for the development and operation of the N/2, Section 4, T17S-R26E, County of Eddy, State of New Mexico, dated December 17, 1975, in form approved on behalf of the Commissioner of Public Lands, State of New Mexico, the undersigned hereby expressly ratify, approve and adopt said Communitization Agreement as fully as though the undersigned had executed the original instrument.

The ratification and joinder shall be effective as to the undersigned's interest in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interest in unleased substances, covering any lands within the unit area in which the undersigned may be found to have an oil or gas interest.

This ratification and joinder shall be binding upon the undersigned, their heirs, devisees, assigns or successor in interest.

EXECUTED this 5th day of January, 19 76.

ADDRESS:  
602 1st National Bank Bldg.  
Midland, Texas 79701

GULF COAST OIL AND GAS COMPANY

By: Harold A. Jones

STATE OF Arizona  
COUNTY OF Maricopa ss.

## INDIVIDUAL ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 5th day of January, 19 76, by Harold A. Jones of Gulf Coast Oil and Gas Company, a corporation, on behalf of said corporation.  
My Commission Expires: 2-1-77  
Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ ss.

## CORPORATE ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_ by \_\_\_\_\_ of \_\_\_\_\_ a \_\_\_\_\_ corporation, on behalf of said corporation.  
My Commission Expires: \_\_\_\_\_  
Notary Public

STATE OF NEW MEXICO, County of Eddy, ss. I hereby certify that this instrument was filed for record on the \_\_\_\_\_ day of February, A.D. 19 76 at 11:00 o'clock A. M., and duly recorded in Book 133, Page 760 of the Records of Eddy County, New Mexico.  
MRS. MILDRED BRANCH, County Clerk By: Heidi J. S. Sandoz Deputy