

## N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

Form 3160-5  
(June 1990)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Artesia, NM 88210

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals5. Lease Designation and Serial No.  
State Lease No. VO-5711

6. If Indian, Allottee or Tribe Name

## SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

## 1. Type of Well

Oil ☐ Gas ☐  
☐ Well ☐ Well ☐ Other

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8. Well Name and No.  
Barrel BFK State Com #1

## 2. Name of Operator

Yates Petroleum Corporation

MAR 01 2006

9. API Well No.  
30-015-33857

## 3. Address and Telephone No.

105 South Fourth Street, Artesia, NM 88210 (505) 7481471

10. Field and Pool, or Exploratory Area  
Chosa Draw Morrow

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FNL 990' FWL (NWNW) Unit Letter D Sec 16 T25S R26E

11. County or Parish, State

Eddy County, NM

## 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

- ☐
- Notice of Intent
- 
- ☒
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- ☐
- Abandonment
- 
- ☐
- Recompletion
- 
- ☐
- Plugging Back
- 
- ☐
- Casing Repair
- 
- ☐
- Altering Casing
- 
- ☒
- Other Off Lease Measurement
- 
- Surface/Lease Commingle

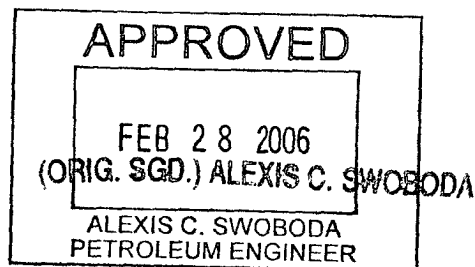
- ☐
- Change of Plans
- 
- ☐
- New Construction
- 
- ☐
- Non-Routine Fracturing
- 
- ☐
- Water Shut-Off
- 
- ☐
- Conversion to Injection
- 
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Yates Petroleum Corporation respectfully request approval for the addition to Off Lease Measurement &amp; Surface Commingle, and Alternative Method of Measurement and Sales Gas only. Previously filed with the BLM on February 11, 2002.

See Attached



We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

## 14. I hereby certify that the foregoing is true and correct

Signed

*Marta Reyes*

Title Production Secretary

Date February 21, 2006

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



PATRICK H. LYONS  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

February 3, 2006

Yates Petroleum Corporation  
105 South Fourth Street,  
Artesia, NM 88210

Attention: Ms. Myte Reyes

Re: Surface Commingling  
Barrel BFK State Com Well No. 1  
NW/4NW/4 Sec. 16-25S-26E  
Eddy County, New Mexico

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OCD-ARTESIA

Dear Ms. Reyes:

We are in receipt of your NMOCD Form C-103 requesting our approval for surface commingling and off lease measurement of gas production from the Barrel BFK State Com Well No 1 at the Delta Federal #1 site.

It is our understanding that the gas sales from the Barrel BFK State Com Well No. 1 will be measured on location and sold at the Delta Federal #1 site located in the SW/4NE/4 of Section 7-25S-26E.

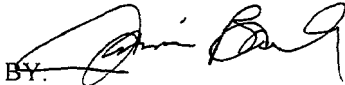
Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management. Please submit a copy of the BLM and NMOCD's approval to this office.

Please also submit a \$30.00 dollar filing fee.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744  
PL/JB/pm

pc: Reader File, OCD-Attention: David Catanach

**-State Land Office Beneficiaries -**

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

Submit 5 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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 and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-33857
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V3711
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name: Barrel BFK State Com
4. Well Location Unit Letter <u>D</u> : <u>990'</u> feet from the <u>North</u> line and <u>990'</u> feet from the <u>West</u> line Section <u>16</u> Township <u>25S</u> Range <u>26E</u> NMPM <u>Eddy</u> County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat Chosa Draw Morrow

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OCU-ARTESIA

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Addition to Off Lease Measurement & Surface Commingle, and Alternative Method of Measurement. Gas only <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>

12. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully request approval for the addition to Off Lease Measurement & Surface Commingle, and Alternative Method of Measurement and Sales Gas only. Commingling order #PLC-271.

The gas sales from the Barrel BFK State Com #1 is measured on location and sold at the following location Delta Federal #1, Unit G, Section 7-25S-R26E, NM-28172.

The off lease measurement of production is in the interest of conservation and economic feasibility, and will not result in reduced royalty or improper measurement of production.

2006 JAN 3 9 06 AM

STATE LAND OFFICE  
SANTA FE, N.M.

STATE LAND OFFICE  
SANTA FE, N.M.

2006 DEC 31 4 PM 9 01

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

SIGNATURE Marta Reyes TITLE Production Secretary DATE December 28, 2005

Type or print name Marta Reyes Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE FEB 3 2006

Conditions of approval, if any:

APPROVED ON \_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS

Robert H. Lopez