

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene
Carlsbad, New Mexico 88220-6292
www.nm.blm.gov



In Reply Refer to
NM124848X
3107 (P0220)

Memorandum

To: State Director (9210)

From: Legal Instrument Examiner (P0220)

Subject: First Production, Herradura Unit NM124848X

Date of Completion: March 9, 2011
Date of First Production: March 9, 2011
Field: Hackberry
Operator, Well Name & No, API Number: Yates Petroleum; Herradura Unit 1; 30-015-37932
Surface Location: NENE sec. 16, T. 24 S., R. 25 E.
Total Depth: 11,977' MD;
Surface Elevation: 4,130' GL
Producing Formation: Morrow (10,820' – 11,220')
Well Capable of Production in Paying Quantities: Yes
Initial Daily Production: Oil 0 BBL; Gas 799 MCF; Water 48 BBL
Current Status: Producing Gas Well
Remarks: Herradura Unit No. 1 is a State well in a Federal unit involving Federal leases NM105549, NM105550, and NM105551. The Carlsbad Field Office has made a determination that the Herradura Unit No. 1 well is capable of production in paying quantities on a lease basis. Based upon the 'Yates' decision (67 IBLA 246), all leases are held by their location within a producing unit.

If you have any questions regarding this memorandum, please call Kurt Simmons at (575) 234-5983.

/S/ Kurt Simmons
January 15, 2013

cc:
ONRR-MS 63230B
First Production File
LLNM (P0220, File Room)