

PKRVO300730776

PC

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



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

DRS

S. P. YATES
CHAIRMAN OF THE BOARD
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TREASURER

RECEIVED

MAR 24 2003

OIL CONSERVATION
DIVISION

March 19, 2003

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, N.M. 87505

To Whom It May Concern:

Re: Addition to Surface /Pool Commingling
Dated January 2, 2003
Cottonwood Ranch Penn, Pecos Slope Abo
Chaves County, New Mexico

Dear Sir or Madam:

Yates Petroleum Corporation respectfully requests administrative approval for addition of the Pecos Slope Abo Formation to the Cottonwood Ranch MK State #1 to the Surface and Pool commingling submitted January 2, 2003:

Cottonwood Ranch MK State #1
660' FNL & 1980' FWL (Unit C)
Section 36-T6S-R25E
Formation: Cottonwood Ranch Penn &
Pecos Slope Abo
Chaves County, New Mexico
State Lease # L-4283

Cottonwood Ranch MK State #5
2160' FNL & 330' FEL (Unit H)
Section 36-T6S-R25E
Formation: Pecos Slope Abo
Chaves County, New Mexico
State Lease # 4283

The production/sales from the #1 well for the Penn & Abo formations will be measured based off initial test percentage factors.

Attached is the certification by landman verifying identical ownership.

If you should have any questions, please give me a call at (505) 748-4213 (direct line).

Thank you for your cooperation

Sincerely,

Mayte Reyes
Mayte Reyes
Production Clerk

mr

Enclosure

Submit 3 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

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.)		WELL API NO. 30-005-60615
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. L-4283
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name: Cottonwood Ranch MK State #1
4. Well Location Unit Letter <u>B</u> <u>NENW</u> : <u>660'</u> feet from the <u>FNL</u> line and <u>1980'</u> feet from the <u>FEL</u> line Section <u>36</u> Township <u>6S</u> Range <u>25E</u> NMPM County		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. Pool name or Wildcat Cottonwood Ranch Penn

11. 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 type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Surface/Pool Commingle <input checked="" 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 requests administrative approval for addition of the Pecos Slope Abo Formation to the Cottonwood Ranch MK State #1 to the Surface and Pool commingling submitted January 2, 2003:

Cottonwood Ranch MK State #1
660' FNL & 1980' FWL (Unit B)
Section 36-T6S-R25E
Formation: Cottonwood Ranch Penn & Pecos Slope Abo
Chaves County, New Mexico
State Lease # L-4283
API # 30-005-60615

Cottonwood Ranch MK State #5
2160' FNL & 330' FEL (Unit H)
Section 36-T6S-R25E
Formation: Pecos Slope Abo
Chaves County, New Mexico
Federal Lease # L-4283
API # 30-005-63448

The production/sales from the #1 well for the Penn & Abo formations will be measured based off initial test percentage factors.

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

SIGNATURE Mayte Reyes TITLE Production Secretary DATE March 19, 2003

Type or print name Mayte Reyes

Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

STATUS

=====

CO - Company Pay Code
 CP - Company Purchased Production
 CT - Company Tax Partnership Interest
 GC - City Government Interest
 GI - Federal Government Interest
 GS - State Government Interest

STATUS CONTINUED

=====

NP - Paid Direct
 PA - Pay
 SA - Unknown Address
 SD - Suspense - Waiting on Division Order
 SJ - Suspense - Delinquent JIB
 ST - Suspense - Title Requirement

Property: YPC - Cottonwood Ranch "MK" State Lease
 Wells 1-6
 All Sec. 36, T6S-R25E, NMPM
 Pecos Slope Abo
 Cottonwood Ranch Penn
 Chaves County, New Mexico

YATES PETROLEUM CORPORATION
 Division of Interest
 Effective: First Sales

OWNER NUMBER	OWNER NAME	INTER CO. #	BASIC INTEREST	TYPE	STATUS
192200	COMMISSIONER OF PUBLIC LANDS		0.1250000	RI	GS
392610	McBRIDE OIL & GAS CORPORATION		0.0600000	ORI	PA
999900	YATES PETROLEUM CORPORATION		0.2037500	WI	CO
994100	YATES DRILLING COMPANY		0.2037500	WI	PA
005000	ABO PETROLEUM CORPORATION		0.2037500	WI	PA
640010	MYCO INDUSTRIES, INC.		0.2037500	WI	PA
			1.0000000		



Tammy R. Hughes
 YATES PETROLEUM CORPORATION

3/19/03

Date