

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



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

S. P. YATES  
CHAIRMAN OF THE BOARD  
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EXECUTIVE VICE PRESIDENT  
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SECRETARY  
DENNIS G. KINSEY  
TREASURER

April 14, 2003

Re: Surface Commingling Application

Dear Mr. Catanach,

APR 17 2003

As per your request in the letter dated April 3, 2003 the following information is being furnished.

The original application to surface commingle the Cottonwood Ranch MK St. #1 (Penn formation) and #5 (Abo formation) was submitted on Jan. 2, 2003. The recent application dated March 19, 2003 is requesting approval to add the Abo formation to the #1 well only. The following is in reply to your questions.

- (a) The Cottonwood Ranch MK St. #1 is dually completed in the Abo and Penn formations. Commingling does not occur until the surface.
- (b) The production between the Abo and Penn for the #1 well only will be allocated based off of initial test percentage factors obtained prior to opening the surface valve to commingle the (2) zones. The production between the #1 well and the #5 well is allocated based off of well tests performed monthly.  
NOTE: Even though we are capable of well testing the production from the (2) zones on the #1 well by closing the surface valves, we are requesting an alternative method due to the marginal production volumes of this well.  
avg daily production:  
Abo formation = oil -0- bbls per day  
gas 46 mcf pd  
Penn formation = oil 7 bbls per day  
gas 2 mcf pd
- (c) Attached are the plats for each of the wells.

If you have any questions please don't hesitate to call me at 505-748-4205.

Sincerely,

Michelle Taylor  
Regulatory Compliance Manager

625 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

Form C-102  
Revised August 15, 2000

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-005-60615	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name Undesignated Cottonwood Ranch Penn
<sup>4</sup> Property Code 12158	<sup>5</sup> Property Name Cottonwood Ranch MK State	<sup>6</sup> Well Number #1
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name Yates Petroleum Corporation	<sup>9</sup> Elevation 3752' GR

## <sup>10</sup> Surface Location

UL or lot no. B	Section 36	Township 6S	Range 25E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	County Chaves
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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
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<sup>12</sup> Dedicated Acres 320	<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

<p>660'</p> <p>1980'</p> <p>Cottonwood Ranch MK State No. 1</p>	<p>All g Pee 36 State house No</p> <p>L-4283</p>	<p>L-4283</p> <p>Cottonwood Ranch MK State No. 5</p>	<p><sup>17</sup> 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><i>Susan Herpin</i> Signature</p> <p>Susan Herpin Printed Name</p> <p>Engineering Technician Title</p> <p>January 29, 2002 Date</p>
			<p><sup>18</sup> 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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>See Original Plat</p> <p>Certificate Number</p>

**NEW MEXICO 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>Cottonwood Ranch MK State</b>		Well No. <b>1</b>
Unit Letter <b>B</b>	Section <b>36</b>	Township <b>6S</b>	Range <b>25E</b>	County <b>Chaves</b>	

Actual Postage Location of Well:

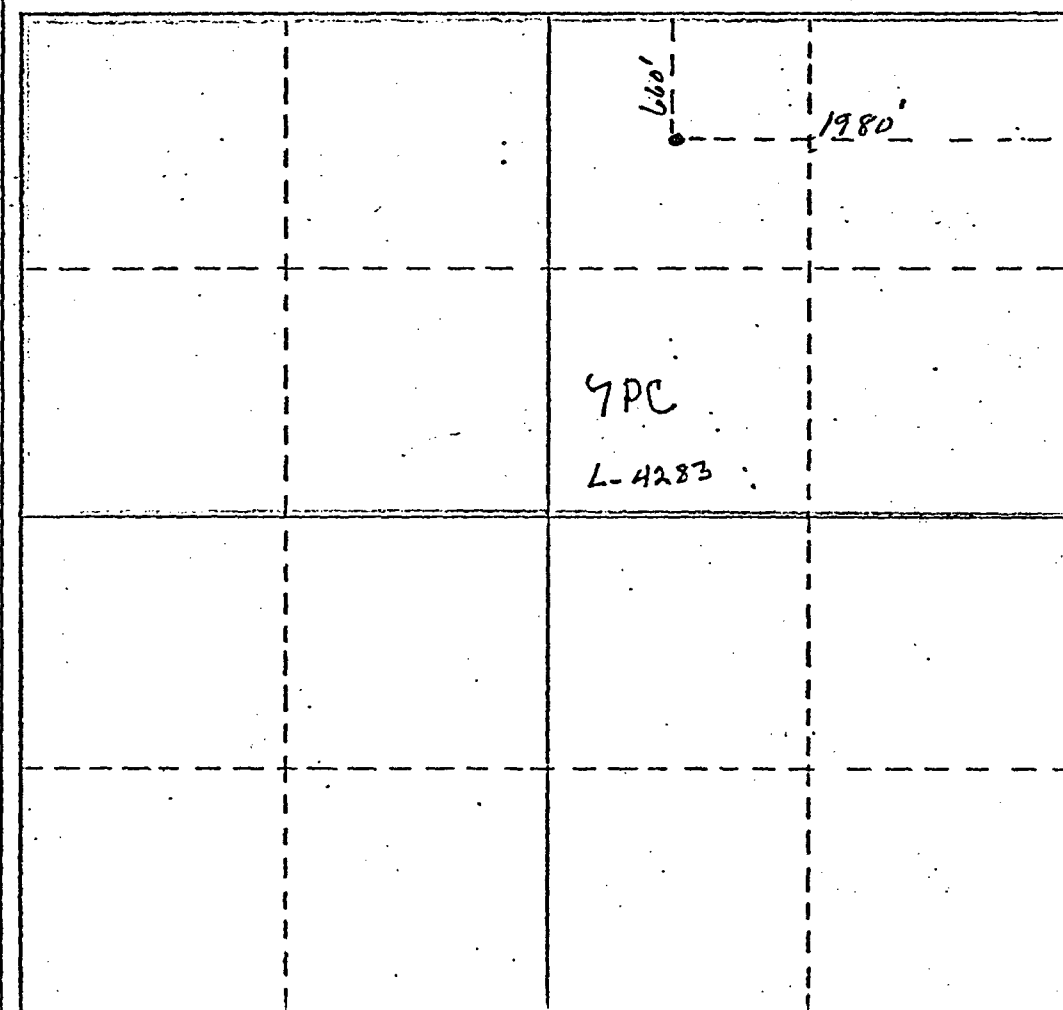
<b>660</b>	feet from the <b>North</b>	line and	<b>1980</b>	feet from the <b>East</b>	line
Ground Level Elev. <b>3752'</b>	Producing Formation <b>Abo</b>		Pool <b>Undesignated</b>		Dedicated Acreage: <b>320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

Name
<b>Eddie M. Mahfood</b>
Position
<b>Engineer</b>
Company
<b>Yates Petroleum Corp.</b>
Date
<b>1-10-80</b>

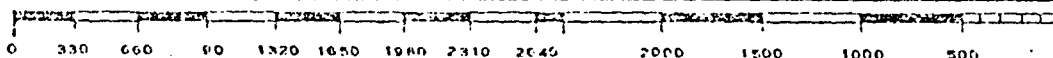
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

**Refer to original plat**

Date Surveyed \_\_\_\_\_

Registered Professional Engineer  
and/or Land Surveyor

Certificate No. \_\_\_\_\_



## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

80, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name <b>PECOS SLOPE Abo</b>
Property Code	Property Name <b>COTTONWOOD RANCH "MK" STATE</b>	Well Number <b>5</b>
OGRID No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORPORATION</b>	Elevation <b>3714</b>

## Surface Location

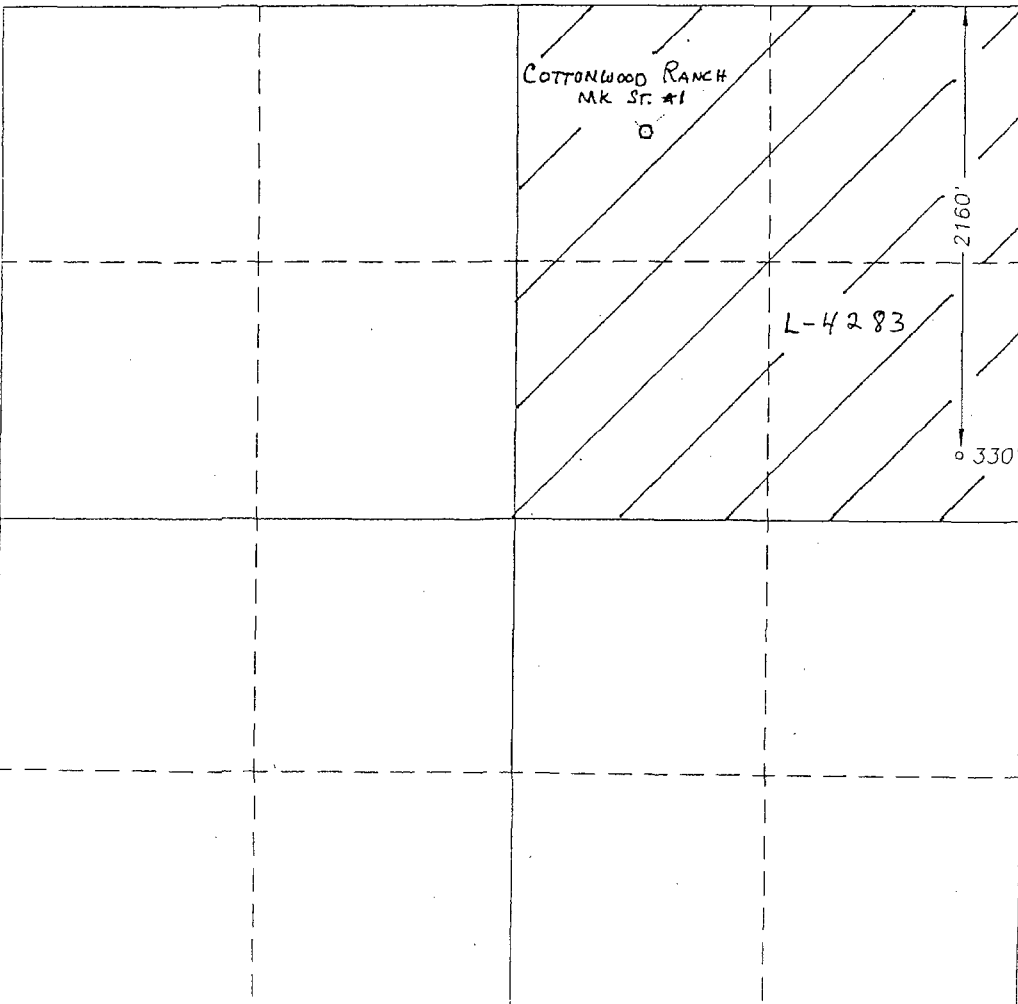
UL or lot No. <b>H</b>	Section <b>36</b>	Township <b>6S</b>	Range <b>25E</b>	Lot Idn	Feet from the <b>2160</b>	North/South line <b>NORTH</b>	Feet from the <b>330</b>	East/West line <b>EAST</b>	County <b>CHAVES</b>
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## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres <b>160</b>	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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  <b>Clinton R. May</b> Signature <b>Clinton R. May</b> Printed Name <b>Regulatory Agent</b> Title <b>June 9, 1997</b> Date
	<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.  <b>3/12/97</b> Date Surveyed <b>Professional Surveyor</b> Signature & Seal of <b>8840</b> Certificate No. Herschel PLS 3640