

DATE IN <u>8.30.04</u>	SUSPENSE	ENGINEER <u>Jones</u>	LOGGED IN <u>8.31.04</u>	TYPE <u>DHC</u>	APP NO. <u>PSEM0424427665</u> <u>7719</u>
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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



OCB-019

Oakridge State Unit #1

30-025-36672

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.

Sam Brandon

Sam Brandon

Operations Engineer

8/25/04

Print or Type Name

Signature

Title

Date

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 South First Street, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210
Operator Address

Oakridge State Unit 1 B 17 11S 34E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code API No. 30-025-36672 Lease Type: Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	UNDERS. NW 8-ME DRAW Wildcat Morrow Gas		Wildcat Austin Cycle
Pool Code	97190		
Top and Bottom of PaySection (Perforated or Open-Hole Interval)	12176-12188'		12226-12278'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	NA		NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NA		NA
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 7/26/04 Rate: 50 mcf 0 bo 0 bw		Date: 7/26/04 Rate: 1360 mcf 2 bo 1 bw
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % 4%	Oil Gas % %	Oil Gas 100% 96%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:
List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

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

SIGNATURE Sam Brandon TITLE Operations Engineer DATE: 8/25/04
TYPE OR PRINT NAME Sam Brandon TELEPHONE NO. (505)-748-4281

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

August 16, 2004

David Catanach
State of New Mexico
OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Wildcat Morrow and the Wildcat Austin Cycle pools in our Oakridge State Unit #1 located in Unit B Section 17, T11S-R34E, Lea County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4281.

Sincerely,

A handwritten signature in black ink that reads 'Sam Brandon'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Sam Brandon
Operations Engineer

SB/cm

Enclosures

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SECRETARY
DENNIS G. KINSEY
TREASURER

August 16, 2004

Chris Williams
OIL CONSERVATION DIVISION
1625 N. French Drive
Hobbs, New Mexico 88240

Dear Mr. Williams;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Wildcat Morrow and the Wildcat Austin Cycle pools in our Oakridge State Unit #1 located in Unit B Section 17, T11S-R34E, Lea County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4281.

Sincerely,

A handwritten signature in cursive script that reads 'Sam Brandon'.

Sam Brandon
Operations Engineer

SB/cm

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TREASURER

August 16, 2004

Pete Martinez
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, NM 87504-1148

Dear Mr. Martinez,

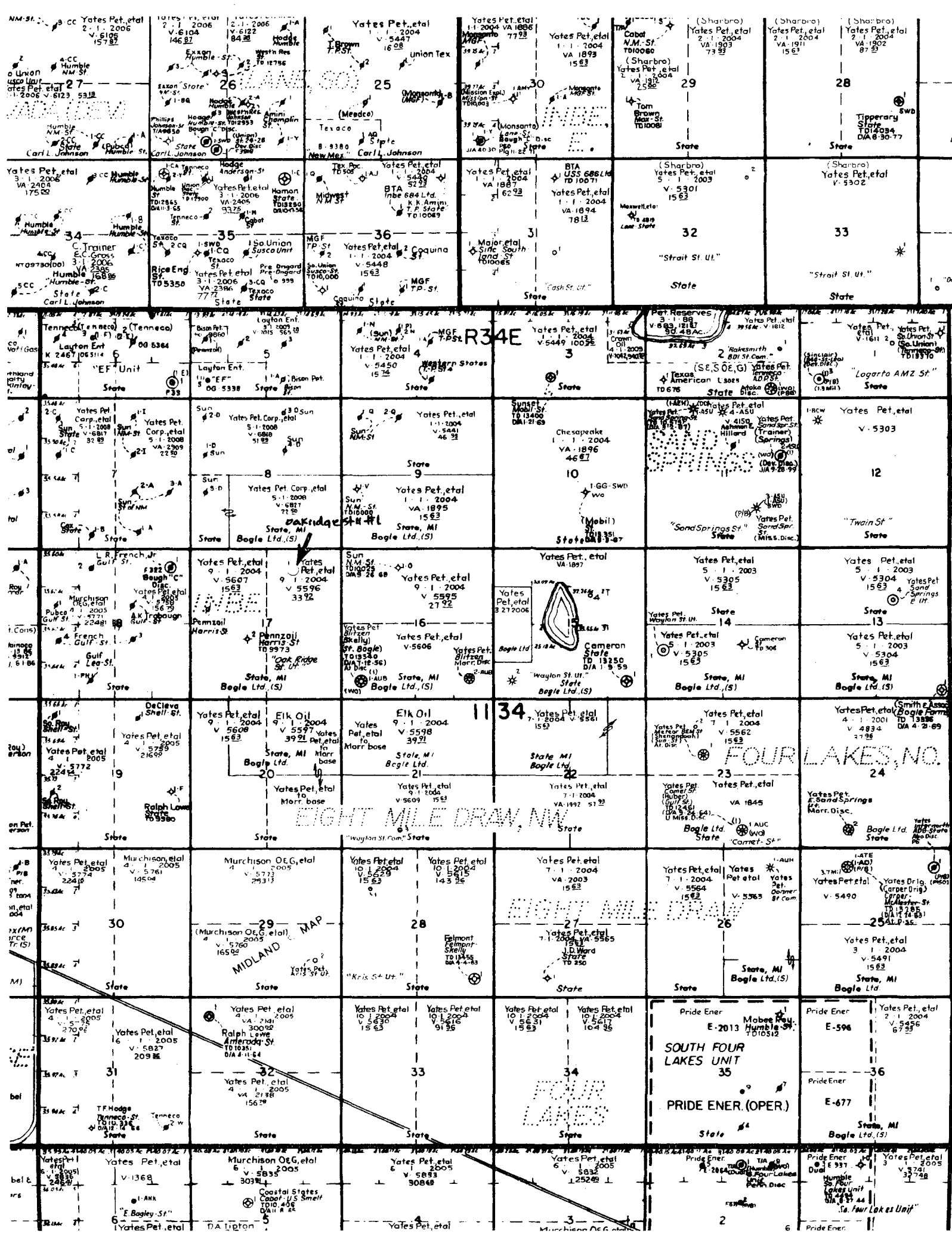
Pursuant to the State Land Office Rule Nos. 1.053, 1.054 and 1.055, you will find enclosed the \$30.00 filing fee and a copy of the commingling application for the Oakridge State Unit #1 located in Unit B Section 17, T11S-R34E, Lea County, New Mexico.

Should you have any questions, feel free to contact me at (505) 748-4281. Thank you.

Sincerely,

Sam Brandon
Operations Engineer

SB/cm



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

Form C-102
 Revised August 15, 2000

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63474		³ Pool Name Wildcat Morrow	
⁴ Property Code	⁵ Property Name Oakridge State Unit		⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 4202'

¹⁰ 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	17	11S	34E		680	North	1620	East	Lea

¹¹ 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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Cherry Matchus</u> <u>Cherry Matchus</u> Printed Name Engineering Technician Title Date: <u>8/16/04</u>	
	¹⁸ SURVEYOR CERTIFICATION 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:	
	Certificate Number	

The Wildcat Morrow is a new zone and production curves are not available. Allocation based on swab test prior to acidizing. Isolating plug gave away during acid job, so no post acid treatment rate is valid. Rate increased only slightly over the Austin Cycle rate after acid job.

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
 Revised August 15, 2000

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

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 State Lease - 4 Copies
 Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63474		³ Pool Name Wildcat Austin Cycle	
⁴ Property Code	⁵ Property Name Oakridge State Unit		⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 4202'

¹⁰ Surface Location

UL or lot no. B	Section 17	Township 11S	Range 34E	Lot Idn	Feet from the 680	North/South line North	Feet from the 1620	East/West line East	County Lea
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¹¹ 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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¹⁷ OPERATOR CERTIFICATION

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

Signature Cherry Matchus
Cherry Matchus

Printed Name
Engineering Technician

Title

Date: 8/16/04

¹⁸ SURVEYOR CERTIFICATION

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:

Certificate Number

The Wildcat Austin Cyle (Mississippian) is a new zone and production curves are not available.

YATES PETROLEUM CORPORATION

(505) 748-1471
105 SO. 4TH - ARTESIA, NEW MEXICO - 88210

98451

CODE	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	DISCOUNT	NET AMOUNT PAYABLE
1	COMMINGLE OAKRIDGE	08/04	30.00	.00	30.00
			TOTAL FOR CHECK		30.00

CODES

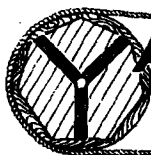
- 1 - YOUR INVOICE
- 2 - YOUR CREDIT MEMO

THE ATTACHED CHECK IS IN FULL SETTLEMENT OF INVOICES LISTED ABOVE.
PLEASE DETACH THIS VOUCHER BEFORE DEPOSITING CHECK. NO RECEIPT NECESSARY.

Bank of America



32-2
1110



**YATES
PETROLEUM
CORPORATION**

(505) 748-1471
105 SOUTH 4TH STREET

ARTESIA, NEW MEXICO - 88210

98451

DATE 8/17/2004 VENDOR NO. 570495

*****30 DOLLARS *****00 CENTS

PAY TO THE ORDER OF:

MARTINEZ, PETE
STATE OF NM COMMISSIONER OF
PO BOX 1148
SANTA FE NM 87504 1148

AMOUNT

*****30.00

Pete Martinez

⑈098451⑈ ⑆111000025⑆ 004790751021⑈