

DATE IN 12-6-04	SUSPENSE	ENGINEER Jones	LOGGED IN 12-7-04	TYPE DHC	APP NO. PSEM0434246691
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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



30-005-63683

Warbird BEO Federal Com #1

### 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.

James W. Pringle

Print or Type Name

*James W. Pringle*  
Signature

Operations Engineer

Title

11/23/04

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

1220 South Saint Francis Drive  
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  
Warbird BEO Federal Com 1 A 8 6S 27E Chaves  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code API No. 30-005-63683 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Haystack (Cisco) Gas		Haystack (Pre-Permian) Gas
Pool Code	78320		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5798-5816'		6294-6354'
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
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.)	Rates: 400mcf/d 0 bopd 200 bwpd		Rates: 600 mcf/d 0 bopd 0 bwpd
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 % 40%	Oil Gas % %	Oil Gas % 60%

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 James W. Pringle TITLE Operations Engineer DATE: 11/21/04  
TYPE OR PRINT NAME James W. Pringle TELEPHONE NO. (505) 748-4182

State	County	Case No.	Plaintiff	Defendant	Amount	Notes
VA	Stafford	12	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	13	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	14	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	15	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	16	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	17	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	18	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	19	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	20	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	21	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	22	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	23	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	24	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	25	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	26	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	27	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	28	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	29	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	30	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	31	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	32	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	33	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	34	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	35	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	36	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	37	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	38	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	39	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	40	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	41	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	42	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	43	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	44	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	45	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	46	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	47	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	48	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	49	Yates Pet et al	Yates Pet et al	3455	U.S.
VA	Stafford	50	Yates Pet et al	Yates Pet et al	3455	U.S.

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

November 21, 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 Haystack Cisco and the Haystack (Pre-Permian) in our Warbird "BEO" Federal Com #1 located in Unit A of Section 8, Township 6 South, Range 27 East, Chaves County.

If you have any questions or need additional information, please call me at (505) 748-4182.  
Thank you.

Sincerely,

James W. Pringle  
Operations Engineer

JWP/cm

Enclosures

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



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SECRETARY  
DENNIS G. KINSEY  
TREASURER

November 21, 2004

Bureau of Land Management  
Mr. Armando Lopez  
2909 West 2<sup>nd</sup> Street  
Roswell, NM 88201

Dear Mr. Lopez;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Haystack Cisco and the Haystack (Pre-Permian) in our Warbird "BEO" Federal Com #1 located in Unit A of Section 8, Township 6 South, Range 27 East, Chaves County.

If you have any questions or need additional information, please call me at (505) 748-4182. Thank you.

Sincerely,



James W. Pringle  
Operations Engineer

JWP/cm

Enclosures

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
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EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

November 21, 2004

Tim Gum  
State of New Mexico  
OIL CONSERVATION DIVISION  
811 S. First Street  
Artesia, NM 88210

Dear Mr. Gum,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Haystack Cisco and the Haystack (Pre-Permian) in our Warbird "BEO" Federal Com #1 located in Unit A of Section 8, Township 6 South, Range 27 East, Chaves County.

If you have any questions or need additional information, please call me at (505) 748-4182.  
Thank you.

Sincerely,

A handwritten signature in cursive script that reads 'James W. Pringle'.

James W. Pringle  
Operations Engineer

JWP/cm

Enclosures

The Haystack (Pre-Permian) is a new zone and production curves are not available.

**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**

<sup>1</sup> API Number <b>30-045-63600</b>		<sup>3</sup> Pool Name <b>Haystack (Pre Permian)</b>	
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Warbird BEO Federal Com</b>		<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>		<sup>9</sup> Elevation <b>5532'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>A</b>	Section <b>8</b>	Township <b>6S</b>	Range <b>27E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>North</b>	Feet from the <b>660</b>	East/West line <b>East</b>	County <b>Chaves</b>
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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
<sup>12</sup> Dedicated Acres <b>320</b> <sup>13</sup> Joint or Infill <sup>14</sup> Consolidation Code <sup>15</sup> 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

	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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> Cherry Matchus Printed Name _____ Engineering Technician Title _____ Date: <u>11/23/04</u>	
	<sup>18</sup> <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. Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____	



**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

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**State of New Mexico**  
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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**

<sup>1</sup> API Number <b>30-045-63600</b>		<sup>3</sup> Pool Name <b>Haystack (Cisco)</b>	
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Warbird BEO Federal Com</b>		<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>		<sup>9</sup> Elevation <b>5532'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>A</b>	Section <b>8</b>	Township <b>6S</b>	Range <b>27E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>North</b>	Feet from the <b>660</b>	East/West line <b>East</b>	County <b>Chaves</b>
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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
<sup>12</sup> Dedicated Acres <b>320</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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> Cherry Matchus Printed Name _____ Engineering Technician Title _____ Date: <u>11/23/04</u>	
	<sup>18</sup> <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. Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____	

The Haystack Cisco is a new zone and production curves are not available.