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	<u> </u>	ADMI	NISTRA	TIVE	APPLICAT	ION CH	ECKLIS	T
THIS C	HECKLIST IS	MANDATORY			/E APPLICATIONS FOR SSING AT THE DIVISIO			ILES AND REGULATIONS
[N	[DHC-Dov [PC-F	wnhole Co Pool Comm [WFX-Wa [SV]	mmingling] hingling] [C aterflood Exp VD-Salt Water	[CTB-I DLS - Off ansion] r Dispos	al] [IPI-Injection	g] [PLC-P [OLM-Off-L Maintenanc Pressure Ir PPR-Positive	ool/Lease C ease Mease e Expansio crease] e Productio	commingling] urement] n] $\zeta \omega_D - 1512$ n Response]
[1] T	YPE OF A [A]	Locatio		J <mark>nit - S</mark> i	Which Apply for multaneous Dedica SD	ation		Petinoicun cunp 575 Tank Switti 15-43367
	Cheo [B]	Comm	ly for [B] or [6 ingling - Stora HC 🔲 CT	age - <u>M</u> e	easurement PLC DPC		5 <i>0~0</i> □ Olm	-P001
	[C]	<u> </u>			re Increase - Enha SWD 🗌 IPI			- 540; Devon: 96101
	[D]	Other:	Specify					76101
[2] N	OTIFICA [A]		-		ck Those Which A verriding Royalty I			ly
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	[E]	🛛 Fo	or all of the ab	ove, Pro	oof of Notification	or Publicatio	n is Attache	ed, and/or,
	[F]	🗆 w	aivers are Att	ached				
3] S U	IBMIT AG	CURATI	E AND COM	PLETI	E INFORMATIO	NREOURI	Γ η τη Ρ β	OCESS THE TYPE

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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.

Brice A. Letcher	Brigh Sette	Area Engineer	09/02/2015
Print or Type Name	Signature	Title	Date

bletcher@yatespetroleum.com e-mail Address MARTIN YATES, III 1912-1985

FRANK W. YATES

5.P YATES 1914-2008



JOHN A. YATES

JOHN A. YATES JR. CHAIRMAN OF THE BOARD

DOUGLAS E. BROOKS PRESIDENT CHIEF EXECUTIVE OFFICER

JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

State of New Mexico Oil Conservation Division 1220 S. Saint Francis Drive Santa Fe, NM 87505

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Brig A Sette

Brice A. Letcher Area Engineer Yates Petroleum Corporation

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Phone (376) 383-6101 Fai DISTRICT II Bill S. First St., Ar Phone (576) 745-1285 Fa DISTRICT III 1000 Rio Brazos Rd Phone (505) 334-6176 Fa DISTRICT IV 1220 S. St. Francis Dr Phone (506) 478-3460 Fa	Prench Dr., Hobbe, NM 86240 State of New Mexico FP US Composition State of New Mexico FP US Composition Submit of State of New Mexico FP US Composition CT II Energy, Minerals and Natural Resources Bepartment Submit of							Revised Aug mit one copy to a Dist AMENDED re Well Nu 11 Elevat	ppropriate rict Office REPORT mber		
02557	5		Y	ATES						3580	5
UL or lot No.	Section	Township	Range	Lot Idr					Feet from the	East/West line	County
K	36	21 S	31 E			2080		SOUTH	2397	WEST	EDDY
L		- L	Bottom	Hole	Locat	tion If Di	iffer	ent From Suri	ace		
UL or lot No.	Section	Township	Range	Lot Idr	n F	Feet from th	he	SOUTH/South line	Feet from the	East/West line	County
Dedicated Acres	Joint	or Infill Co	nsolidation	Code	Order	No.					
40.00											
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		ORAN		DARD		HAS BEI	EN A	PPROVED BY 1	THE DIVISION		
N.: 522511.3 E.: 724377.0 (NADB3)			2'26'00.64'' 3'43'56.23'' 521962.6 726776.8 13) 587.0'35 587.0'35 035 035	 		+	Acr	E.: 729645.8 (NAD83) 	I hereby cert contained herein the best of my k this organization interest or unlex location or has a this location pur- owner of such a or to a winniar compution pool the invision Signature Cỹ Cowan Printed Name CY@yates Email Address SURVEYOI I hereby certify on this plat was actual surveys supervison and correct to the Advert	R CERTIFICAT that the well locati s plotted from field made by me or t that the same is base or my beltes STL25105055	ation ete to and that ing in the ole or or a Date Date COM ION on shown notes of under my true and
N.: 519871.5 E.: 724369.6 (NAD83)								N.: 519897.3 E.: 729673.2 (NAD83)	11	1000' 1500' LE: 1" = 2000' Num.: 31899	2000'IN

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NM OIL CONSERVATION

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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

APPLICATION FOR AUTHORIZATION TO INJECT

I.	PURPOSE: Secondary Recovery Pressure Maintenance XDisposal Storage Application qualifies for administrative approval? Yes No
II.	OPERATOR: Yates Petroleum Corporation
	ADDRESS: 105 South 4 th Street, Artesia, NM 88210
	CONTACT PARTY: Brice Letcher PHONE: (575) 748-4180
III.	WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
IV.	Is this an expansion of an existing project?YesNo If yes, give the Division order number authorizing the project:
V.	Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
VI.	Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
VII.	Attach data on the proposed operation, including:
	 Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and, If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
*VIII	Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
IX.	Describe the proposed stimulation program, if any.
*X.	Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
*XI.	Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
XII.	Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
XIII.	Applicants must complete the "Proof of Notice" section on the reverse side of this form.
XIV.	Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
	NAME: Brice A. Letcher TITLE: Area Engineer
	SIGNATURE: Bic A Setche DATE: 09/02/2015
	E-MAIL ADDRESS:

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

Side 2

III. WELL DATA

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- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:
 - (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
 - (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
 - (3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.
 - (1) The name of the injection formation and, if applicable, the field or pool name.
 - (2) The injection interval and whether it is perforated or open-hole.
 - (3) State if the well was drilled for injection or, if not, the original purpose of the well.
 - (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
 - (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.
- XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

C-108 Application for Authorization to Inject

Yates Petroleum Corporation Lost Tank SWD State #11 Unit K, 2080' FSL & 2397' FWL, Sec. 36, T21S, R31E Eddy County, New Mexico

I. The purpose of drilling this well is to make a disposal well for produced Bone Springs and Delaware water into the Devonian Dolomite formation. The Application qualifies for administrative approval.

Yates Petroleum Corporation plans to drill this well as a water disposal well into the Devonian Dolomite.

- II. Operator: Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210 Brice Letcher (575) 748-4180
- III. Well Data: See Attachment A

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- IV. This is not an expansion of an existing project.
- V. See attached map, Attachment B.
- VI. See attached data for wells within the area of review, Attachment C.
- VII. 1. Proposed average daily injection volume approximately 10,000 BWPD. Maximum daily injection volume approximately 15,000 BWPD.
 - 2. This will be a closed system.
 - 3. Proposed average injection pressure unknown. Proposed maximum injection pressure – 3,100 psi.
 - 4. Sources of injected water will be produced water from the Delaware and Bone Springs. (Attachment D)
- VIII. 1. The proposed injection interval is the Devonian Dolomite formation consisting of porous carbonate from approximately 15,265'-15,600'.
 - 2. Ground water maps over the area indicate that fresh water sources have been encountered in aquifers down to a depth of 500'-600'. There are no fresh water zones underlying the formation.

- IX. The proposed disposal interval may be acidized with 20% HCL acid, or hydraulically fractured with proppant laden fluids.
- X. Well logs will be filed with the Division after well is drilled. GR Neutron will be run from TD to surface. Density and Laterolog will be run from TD to Intermediate casing shoe. CBL log will be run after casing is set and cemented.
- XI. There are no windmills or water wells within a one-mile radius of the subject location.
- XII. Yates Petroleum Corporation has examined geologic and engineering data and has found that there is no evidence of faulting in the proposed interval. (Attachment G)
- XIII. Proof of notice.

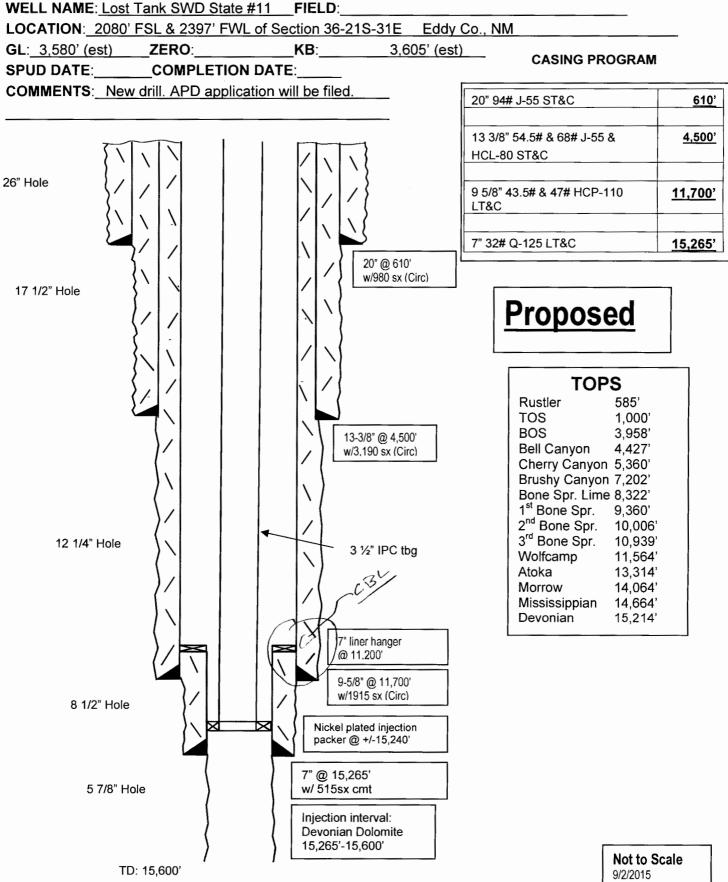
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- A. Certified letters sent to the surface owner and offset operators attached (Attachment E)
- B. Copy of legal advertisement attached. (Attachment F)
- XIV. Certification is signed.

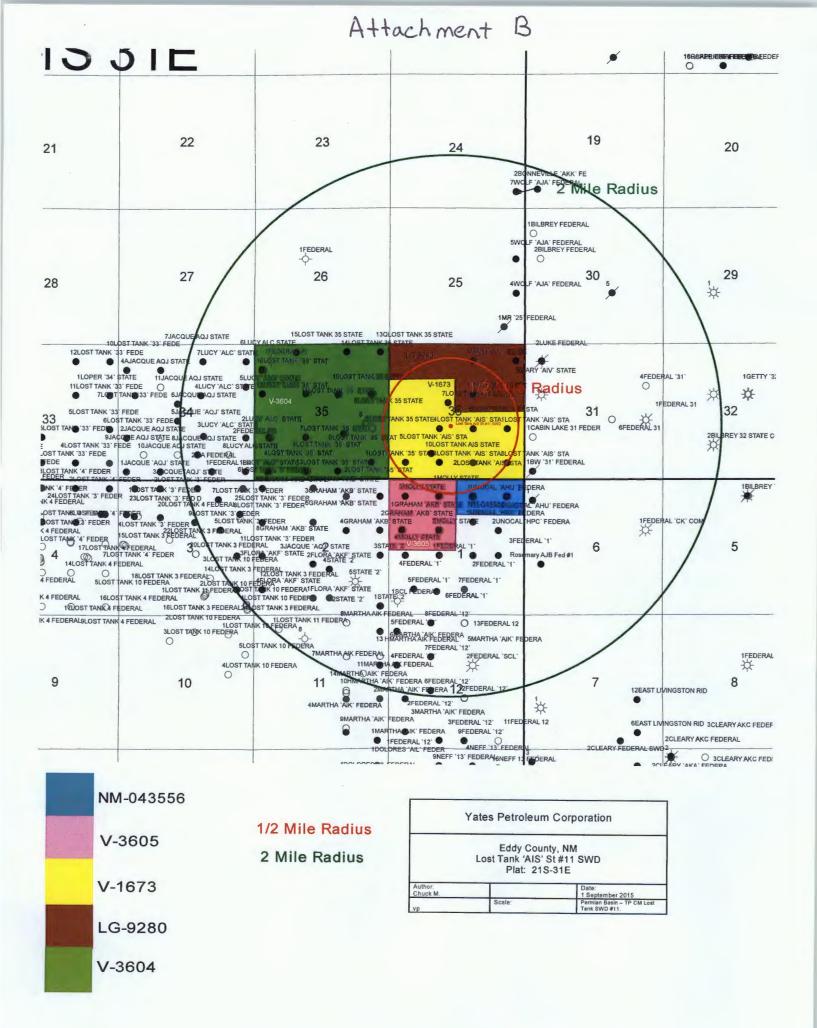
Attachment A

Well Data

- A. 1. Lease Name/Location Lost Tank SWD State #11 K-36-T21S-R31E 2080' FSL & 2397' FWL Will apply for APD when C-108 is approved.
 - 2. Casing Strings:
 - a. 20" 94# J-55 ST&C @ ±610' with 980 sx (circ).
 13 3/8" 54.5# & 68# J-55 & HCL-80 ST&C @ ±4,500' w/
 3,190 sx (circ).
 9 5/8" 43.5# & 47# HCP-110 LT&C @ ±11,700' w/ 1,915 sx (circ).
 7" 32# Q-125 LT&C @ ±11,200'-15,265' w/ 515 sx. Est TOC @ 11,200'.
 - b. Present Status: Not yet drilled.
 - 3. Proposed well condition: Plan to drill well and set casing as described above. Open hole completion interval of Devonian Dolomite from 15,265'-15,600'.
 3 ½" 9.5# J-55 plastic-coated injection tubing @ ±15,240'.
 - 4. Propose to use Guiberson or Baker plastic-coated or nickel-plated packer set at ±15,240'.
- B. 1. Injection Formation: Devonian Dolomite.
 - 2. Injection Interval will be from approximately 15,265'-15,600' gross interval.
 - 3. Well will be a Devonian water disposal well when work is completed.
 - 4. Open hole completion in Devonian Dolomite at ±15,265'-15,600'.
 - 5. Next higher (shallower) oil or gas zone within 2 miles Wolfcamp. Next lower (deeper) oil or gas zone within 2 miles – none.



BAL



Address for Notice of Lost Tank SWD

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Fract/Lease		M Operator or Affected Party
/-1673	T21S-R31E	Yates Petroleum Corporation
	Sec. 35: S/2, S/2NW	105 S. 4th Street
		Artesia, NM 88210
		Abo Petroleum Corporation
		105 S. 4th Street
		Artesia, NM 88210
		Myco Industries, Inc.
		105 S. 4th Street
		Artesia, NM 88210
		Oxy Y-1 Company
		Attention: Land Manager - Permian Basin
		P. O. Box 4294
		Houston, TX 77210-4294
Ģ-9280	T215-R31E	Yates Petroleum Corporation
	Sec. 35: NE, N/2NW	105 S. 4th Street
这时间是这些问题		Artesia, NM 88210
		Abo Petroleum Corporation
		105 S. 4th Street
		Artesia, NM 88210
		Myco Industries, Inc.
		105 S. 4th Street
		Artesia, NM 88210
		Oxy Y-1 Company
		Attention: Land Manager - Permian Basin
		P. O. Box 4294
		Houston, TX 77210-4294
		Penroc Oil Corporation
		P. O. Box 2769
		Hobbs, NM 88241-2769
-3604	T21S-R31E	Oxy USA, Inc.
SOUT AND ST	Sec. 34 All	
	Dec. of Alle Terration	5 Greenway Plaza, Suite 110
		Houston, TX 77046
MNM-043556	A TOW ADDITION	Yates Petroleum Corporation
	Sec. 1: Lots 1, 2	105 S. 4th Street
现代的复数形式	(11/2/11/1/4)	Artesia, NM 88210
		Abo Petroleum Corporation
		105 S. 4th Street
		Artesia, NM 88210
		Myco Industries, Inc.
		105 S. 4th Street
		Artesia, NM 88210
		Oxy Y-1 Company
		Attention: Land Manager - Permian Basin
		•
		P. O. Box 4294
		Houston, TX 77210-4294
		Matador Petroleum Corporation
		14001 Dallas Parkway, Suite1000
		Dallas, TX 75240-4384
3605	T22S-R31E	Legacy Reserves Operating LP
	Sec. 1: NW/4	303 West Wall, Suite 1400
	000. 1. INAA14	
		Midland, TX 79701

Attachment C

Lost Tank SWD State #11 Form C-108

Tabulation of data on wells within area of review

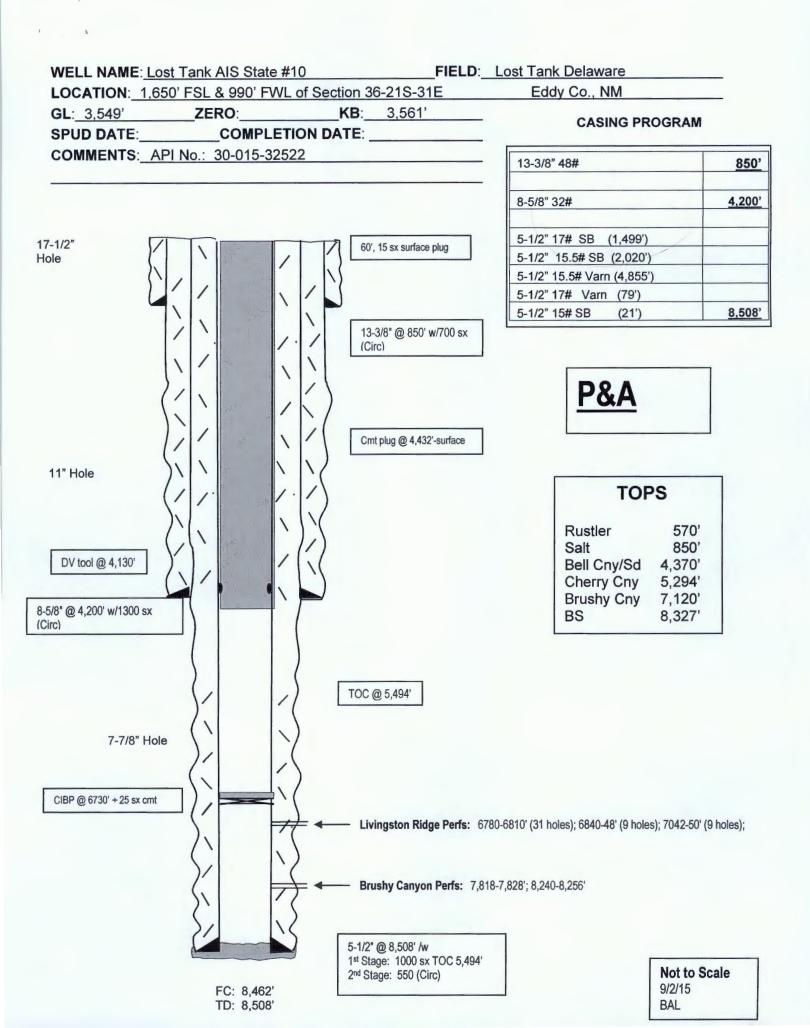
WellName	Operator	Туре	Spud	Producing Total Depth Zone	Perforations	Completion Information
Lost Tank AIS St #1 1980' FSL & 660' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil	12/7/1991	8550 Delaware	7148-8406	13 3/8" @ 869' Cmtd w/850 sx (circ) 8 5/8" @ 4,270' Cmtd w/1675 sx (circ) 5 1/2" @ 8,550' Cmtd w/1525 sx Stage 1: 250 sx (circ) Stage 2: 725 sx (circ) Stage 3: 550 sx DV tool @ 4592' & 7426' TOC @ 4200' (CBL)
Lost Tank AIS St #2 660 FSL & 1980 FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil	10/21/1991	8500 Delaware	6613-8346	13 3/8" @ 870' Cmtd w/850 sx (circ) 8 5/8" @ 4,230' Cmtd w/1700 sx (circ) 5 1/2" @ 8,490' Cmtd w/ Stage 1: 200 sx (circ) Stage 2: 700 sx (circ) Stage 3: 575 sx (circ) DV tool @ 4386' & 7386' TOC @ Surface.
Lost Tank AIS St #3 660' FSL & 1980' FWL Sec 36-21S-31E	Yates Petroleum Corp	Oil	12/29/1990	8620 Delaware	6783-7084	13 3/8" @ 852' Cmtd w/1000 sx (circ) 8 5/8" @ 4,430' Cmtd w/2000 sx (circ) 5 1/2" @ 8,620' Cmtd w/ Stage 1: 800sx (circ) Stage 2: 475 sx DV tool @ 5922' TOC @ 4400' (CBL)
Lost Tank AIS St #4 1980' FSL & 1980' FWL Sec 36-21S-31E	Yates Petroleum Corp	Oil	11/19/1991	8450 Delaware	6978-8294	13 3/8" @ 850' Cmtd w/850 sx (circ) 8 5/8" @ 4,175' Cmtd w/2225 sx (circ) 5 1/2" @ 8,450' Cmtd w/ Stage 1: 250 sx (circ) Stage 2: 825 sx (circ) Stage 3: 600 sx (circ) DV tool @ 4464' & 7411' TOC @ Surface.
Lost Tank AIS St #5 660' FSL & 660' FWL Sec 36-21S-31E	Yates Petroleum Corp	Oil	12/27/19931	8440 Delaware	7026-8272	13 3/8" @ 850' Cmtd w/850 sx (circ) 8 5/8" @ 4,180' Cmtd w/1600 sx (circ) 5 1/2" @ 8,440' Cmtd w/ Stage 1: 225 sx (circ) Stage 2: 575 sx (circ) Stage 3: 650 sx (circ) DV tool @ 4440' & 7432' TOC @ Surface.
Lost Tank AIS St #6 1980' FSL & 1980' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil	11/5/1991	8610 Delaware	7057-8468	13 3/8" @ 868' Cmtd w/850 sx (circ) 8 5/8" @ 4,240' Cmtd w/1600 sx (circ) 5 1/2" @ 8,610' Cmtd w/ Stage 1: 325 sx (circ) Stage 2: 850 sx (circ) Stage 3: 675 sx (circ) DV tool @ 4533' & 7448' TOC @ Surface.
Lost Tank AIS St #7 2310' FNL & 2310' FWL 3ec 38-21S-31E	Yates Petroleum Corp	Oil	5/17/2003	8500 Delaware	6834-8326	13 3/8" @ 865' Cmtd w/700 sx (circ) 8 5/8" @ 4,220' Cmtd w/1585 sx (circ) 5 1/2" @ 8,500' Cmtd w/

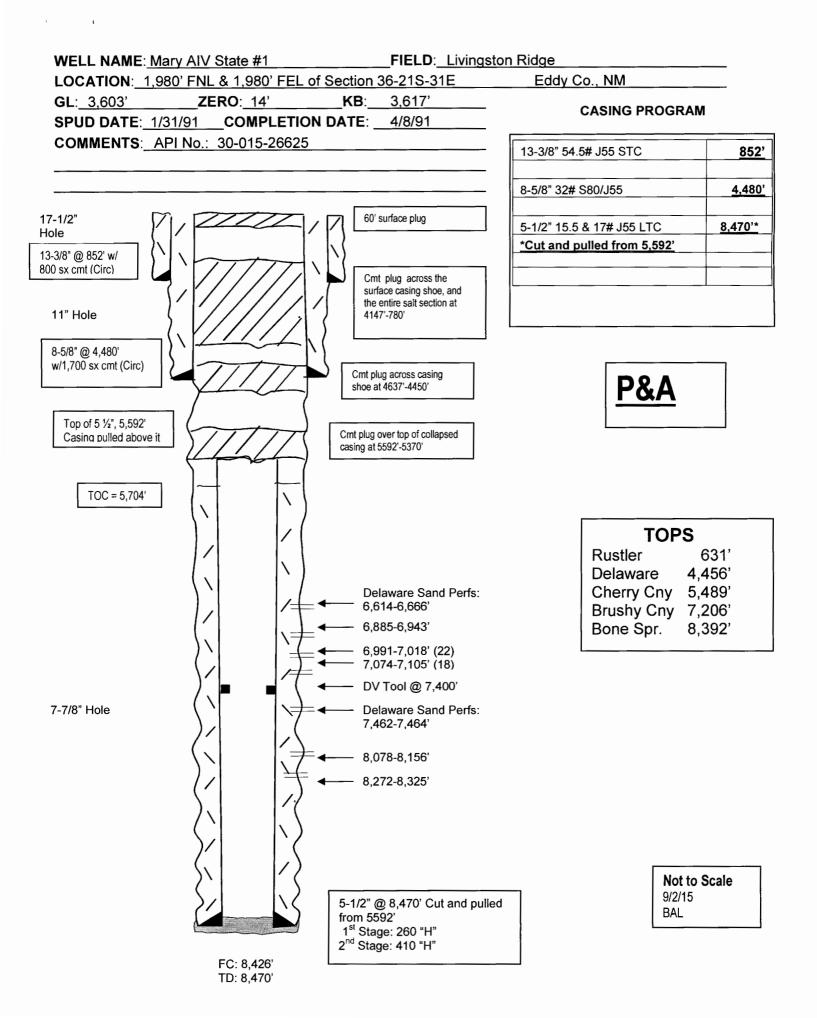
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Well Name	Operator	Type Spud To	Producing otal Depth Zone	Perforations	Completion Information
		<u> </u>			Stage 1: 600 sx Stage 2: 380 sx (circ) DV tool @ 4152' TOC @ 5533' (CBL)
Lost Tank AIS St #8 660' FSL & 660' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil 10/2/1991	8530 Delaware	6875-8303	13 3/8" @ 875' Cmtd w/750 sx (circ) 8 5/8" @ 4,500' Cmtd w/1700 sx (circ) 5 1/2" @ 8,530' Cmtd w/ Stage 1: 200 sx (circ) Stage 2: 600 sx (circ) Stage 3: 600 sx (circ) DV tool @ 4750' & 7435' TOC @ Surface.
Lost Tank AIS St #10 1650' FSL & 990' FWL Sec 36-21S-31E	Yates Petroleum Corp	Oil 10/2/1991 P&A 12/15/2010	8508 Delaware	6780-8256	13 3/8" @ 850' Cmtd w/700 sx (circ) 8 5/8" @ 4,200' Cmtd w/1300 sx (circ) 5 1/2" @ 8,508' Cmtd w/ Stage 1: 1000 sx Stage 2: 550 sx (circ) DV tool @ 4130' TOC @ 5494' (CBL) See attached P&A sketch CIBP @ 6730' + 25 sx cmt Spot cmt plugs @ 4432'-surface
Mary AIV State #1 1980' FNL & 1980' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil <u>1/31/1991</u> P <u>&A 1</u> 2/26/2006	8470 Delaware	6991-7105	13 3/8" @ 852' Cmtd w/800 sx (circ) 8 5/8" @ 4,480' Cmtd w/1700 sx (circ) 5 1/2" @ 8,470' Cmtd w/ Stage 1: 260 sx (circ) Stage 2: 410 sx DV tool @ 7400' TOC @ 5704' (CBL) See attached P&A sketch Spot cmt plugs @ 5592'-5370' 4637'-4450' 4147'-780' 60'-surface
Mary-AV/ State #3 660' FNL & 1980' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil 5/20/1991	8500 Delaware	7013-7140	13 3/8" @ 850' Cmtd w/750 sx (circ) 8 5/8" @ 4,442' Cmtd w/1700 sx (circ) 5 1/2" @ 8,500' Cmtd w/ Stage 1: 250 sx (circ) Stage 2: 500 sx DV tool @ 7485' TOC @ 4470' (CBL)
Mary AIV State #5 660' FNL & 330' FEL Sec 36-21S-31E	Yates Petroleum Corp	Oil 12/13/1991	8565 Delaware	6695-8443	13 3/8" @ 850' Cmtd w/850 sx (circ) 8.56" @ 4,260' Cmtd w/1600 sx (circ) 4.1/2" @ 8,557' Cmtd w/ Stage 1: 225 sx (circ) Stage 2: 600 sx (circ) Stage 3: 625 sx (circ) DV tool @ 4532' & 7370' TOC @ {Surface.
Wolf AJA Fed <i>Com</i> #21H SL: 1480' FSL& 65(ጋ' FWL Sec 362ሳው-31E BL: 21% FNL_& 398' FWL Sec 25-21%-31E	Yates Petroleum Corp		16745 Delaware 8158 TVD	8573-16632	13 3/8" @ 712' Cmtd w/560 sx (circ) 9 5/8" @ 4,405' Gmtd w/1110 sx (circ) 5 1/2" @ 8,557' tmtd w/2820 sx (circ) TOC @ Surface.

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Attachment D: Example of water to be injected.



Permian Basin Area Laboratory 2101 S Market Street Bidg. B

Report Date: 3/20/2015

Complete Water Analysis Report SSP v.8						
Customer:	YATES PETROLEUM	Sample Point Name	GRAHAM AKB #5			
District:	New Mexico	Sample ID:	201501002570			
Sales Rep:	Tony W Hernandez	Sample Date:	1/15/2015			
Lease:	GRAHAM	Log Out Date:	1/29/2015			
Site Type:	Well 5ites	Analyst:	Samuel Newman			
Sample Point Description:	WELL HEAD					

YATES PETROLEUM, GRAHAM, GRAHAM AKB #5

Martin Street Field Data				Analysis	of Sample		
		Anions:	mg/L	meq/L	Cations:	mg/L	meq/L
Initial Temperature (°F):	2	50 Chloride (Cl ⁻):	157032.5	4429.7	Sodium (Na⁺):	66240.1	2882.
Final Temperature (°F):	1	80 Sulfate (SO ₄ ²):	336.6	7.0	Potassium (K ⁺):	1422.3	36.
Initial Pressure (psi):	10	00 Borate (H ₃ BO ₃):	290.2	4.7	Magnesium (Mg ²⁺):	3970.0	326.
Final Pressure (psi):	;	15 Fluoride (F'):	ND		Calcium (Ca ²⁺):	24789.3	1237.
		Bromide (Br ⁻):	ND		Strontium (Sr ²⁺):	674.2	15.4
pH:		Nitrite (NO ₂):	ND		Barium (Ba ²⁺):	8.0	0.
pH at time of sampling:	6	.4 Nitrate (NO ₃ ⁻):	ND		Iron (Fe ²⁺):	29.6	1.
		Phosphate (PO4 ³⁻):	ND		Manganese (Mn ²⁺):	6.7	0.
		Silica (5iO ₂):	ND		Lead (Pb ²⁺):	ND	
					Zinc (Zn ²⁺):	0.0	0.0
Alkalinity by Titration: mg	g/L meq/L						
Bicarbonate (HCO3`):	193.0 3	.2			Aluminum (Al ³⁺):	ND	
Carbonate (CO ₃ ^{2·}):	ND				Chromium (Cr ³⁺):	ND	
Hydroxide (OH'):	ND				Cobalt (Co ²⁺):	ND	
		Organic Acids:	mg/L	meq/L	Copper (Cu ²⁺):	ND	
aqueous CO ₂ (ppm):	340	.0 Formic Acid:	ND		Molybdenum (Mo ²⁺):	ND	
aqueous H ₂ S (ppm):	0	.0 Acetic Acid:	ND		Nickel (Ni ²⁺):	ND	
aqueous O ₂ (ppb):	N	D Propionic Acid:	ND		Tin (Sn ²⁺):	ND	
		Butyric Acid:	ND		Titanium (Ti ²⁺):	ND	
Calculated TDS (mg/L):	25499	2 Valeric Acid:	ND		Vanadium (V ²⁺):	ND	
Density/Specific Gravity (g/cm ³):	1.167	70			Zirconium (Zr ²⁺):	ND	
Measured Density/Specific Gravit	ty 1.181	4					
Conductivity (mmhos):	N	D			Total Hardness:	79104	N//
Resistivity:	N	D					
MCF/D:	No Dat	ta					
BOPD:	No Dat	ta					
BWPD:	No Da	ta Anion/Cation Ratio:		0.99	ND = Not I	Determined	

Conc	ditions	Barite	(BaSO ₄)	Calcite	e (CaCO ₃)	Gypsum (CaSO ₄ ·2H ₂ O)		Anhydrite (CaSO ₄)	
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)
80°F	15 psi	0.88	4.120	1.92	48.894	-0.12	0.000	-0.19	0.000
99°F	24 psi	0.77	3.929	1.95	49.148	-0.11	0.000	-0.10	0.000
118°F	34 psi	0.66	3.690	2.00	49.513	-0.10	0.000	-0.01	0.000
137°F	43 psi	0.55	3.397	2.05	49.871	-0.10	0.000	0.08	27.101
156°F	53 psi	0.45	3.049	2.09	50.195	-0.10	0.000	0.17	53.431
174°F	62 psi	0.36	2.645	2.12	50.482	-0.11	0.000	0.26	75.287
193°F	72 psi	0.27	2.182	2.16	50.732	-0.11	0.000	0.36	93.183
212°F	81 psi	0.19	1.658	2.19	50.985	-0.11	0.000	0.45	107.612
231°F	91 psi	0.11	1.066	2.23	51.222	-0.12	0.000	0.54	119.068
250°F	100 psi	0.04	0.392	2.25	51.428	-0.13	0.000	0.63	128.035

Cond	litions	Celesti	te (SrSO ₄)	Halit	Halite (NaCl)		Iron Sulfide (FeS)		nate (FeCO ₃)
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)
80°F	15 psi	0.14	45.633	-0.44	0.000	-8.47	0.000	0.59	12.698
99°F	24 psi	0.16	50.070	-0.45	0.000	-8.57	0.000	0.69	13.987
118°F	34 psi	0.17	52.861	-0.47	0.000	-8.63	0.000	0.78	15.190
137°F	43 psi	0.17	55.077	-0.49	0.000	-8.67	0.000	0.87	16.117
156°F	53 psi	0.18	57.378	-0.50	0.000	-8 .70	0.000	0.93	16.784
174°F	62 psi	0.19	60.130	-0.52	0.000	-8.72	0.000	0.98	17.240
193°F	72 psi	0.20	63.466	-0.53	0.000	-8.74	0.000	1.02	17.529
212°F	81 psi	0.22	67.338	-0.55	0.000	-8.75	0.000	1.04	17.728
231°F	91 psi	0.23	71.556	-0.56	0.000	-8.75	0.000	1.05	17.822
250°F	100 psi	0.25	75.830	-0,57	0.000	-8.76	0.000	1.04	17.803

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the eight (8) scales Note 3: Saturation Index predictions on this sheet use pH and alkalinity, %CO₂ is not included in the calculations.



ScaleSoftPitzerTM SSP2010

North Permian Basin Region P.O. Box 740 Sundown, TX 79372-0740 (806) 229-8121 Lab Team Leader - Sheila Hernandez (432) 681-8300

Water Analysis Report by Baker Petrolite

Company:	YATES PETROLEUM INC	Sales RDT:	33514.1
Region:	PERMIAN BASIN	Account Manager:	TONY HERNANDEZ (575) 910-7135
Area:	ARTESIA, NM	Sample #:	664631
Lease/Platform:	GRAHAM 'AKB' UNIT	Analysis ID #:	137804
Entity (or well #):	6	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summa	ary		Aı	nalysis of Sa	mple 664631 @ 75	f	
Sampling Date:	10/29/13	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date: Analyst: SAN TDS (mg/l or g/m3): Density (g/cm3, tonne) Anion/Cation Ratio:	11/04/13 DRA SANCHEZ 274675.5 /m3): 1.184 1.0716136	Chloride: Bicarbonate: Carbonate: Sulfate: Phosphate: Borate: Silicate:	165433.0 61.0 0.0 402.0	4666.26 1. 0. 8.37	Sodium: Magnesium: Calcium: Strontium: Barium: Iron: Potassium:	74621.0 4100.0 27109.0 1039.0 3.5 185.0 1710.0	3245.83 337.28 1352.74 23.72 0.05 6.69 43.73
Carbon Dioxide: Oxygen: Comments:	400 PPM	Hydrogen Sulfide: pH at time of sampling: pH at time of analysis: pH used in Calculatio		0 PPM 6.6 6.6	Aluminum: Chromium: Copper: Lead: Manganese: Nickel:	12.000	0.44

Condi	tions		Values C	alculated	at the Give	n Conditi	ons - Amo	unts of Sc	ale in Ib/10	00 bbl		
Tomn	Gauge Press.		alcite aCO ₃		sum 4 ^{*2H} 2 ⁰		ydrite aSO ₄		estite SO ₄		rite ISO ₄	CO ₂ Press
ዋ	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.53	2.69	-0.15	0.00	-0.09	0.00	-0.03	0.00	0.58	1.35	0.07
100	0	0.58	2.96	-0.23	0.00	-0.11	0.00	-0.05	0.00	0.39	1.08	0.09
120	0	0.63	3.50	-0.29	0.00	-0.09	0.00	-0.06	0.00	0.22	0.81	0.11
140	0	0.67	4.04	-0.35	0.00	-0.06	0.00	-0.05	0.00	0.08	0.27	0.13

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

North Permian Basin Region P.O. Box 740 Sundown, TX 79372-0740 (806) 229-8121 Lab Team Leader - Sheila Hernandez (432) 681-8300

Water Analysis Report by Baker Petrolite

Company:	YATES PETROLEUM INC	Sales RDT:	33514.1
Region:	PERMIAN BASIN	Account Manager:	TONY HERNANDEZ (575) 910-7135
Area:	ARTESIA, NM	Sample #:	661558
Lease/Platform:	LLAMA 'ALL' FEDERAL	Analysis ID #:	142343
Entity (or well #):	9 H	Analysis Cost:	\$90.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD	_	

	A	nalysis of Sa	mple 661558 @ 75	f	
Anions	mg/l	meq/l	Cations	mg/l	meq/l
Chloride:	188547.0	5318.22	Sodium:	75351.0	3277.58
Bicarbonate:	61.0	1.	Magnesium:	4854.0	399.31
Carbonate:	0.0	0.	Calcium:	33005.0	1646.96
Sulfate:	342.0	7 .12	Strontium:	1457.0	33.26
Phosphate:			Barium:	2.5	0.04
Borate:			Iron:	33.0	1.19
Silicate:			Potassium:	1757.0	44.93
			Aluminum:		
Hydrogen Sulfide:		0 PPM	Chromium:		
pH at time of compline		4.0	Copper:		
1	•	4.5	Lead:		
pH at time of analysis:			Manganese:	10.000	0.36
pH used in Calculatio	n:	4.9	Nickel:		
	Chloride: Bicarbonate: Carbonate: Sulfate: Phosphate: Borate: Silicate: Hydrogen Sulfide: pH at time of analysis:	Anionsmg/lChloride:188547.0Bicarbonate:61.0Carbonate:0.0Sulfate:342.0Phosphate:Borate:Silicate:Hydrogen Sulfide:pH at time of sampling:	Anionsmg/lmeq/lChloride:188547.05318.22Bicarbonate:61.01.Carbonate:0.00.Sulfate:342.07.12Phosphate:Borate:Sorate:Silicate:Hydrogen Sulfide:0 PPMpH at time of sampling:4.9pH at time of analysis:4.9	Anionsmg/lmeq/lCationsChloride:188547.05318.22Sodium:Bicarbonate:61.01.Magnesium:Carbonate:0.00.Calcium:Sulfate:342.07.12Strontium:Phosphate:Barium:Iron:Borate:.Potassium:Aluminum:Aluminum:Copper:Hydrogen Sulfide:0 PPMChromium:PH at time of sampling:4.9Lead:PH at time of analysis:Manganese:	AnonsCCaltonsIngrChloride:188547.05318.22Sodium:75351.0Bicarbonate:61.01.Magnesium:4854.0Carbonate:0.00.Calcium:33005.0Sulfate:342.07.12Strontium:1457.0Phosphate:Barium:2.5Iron:33.0Silicate:Potassium:1757.0Aluminum:Hydrogen Sulfide:0 PPMChromium:Copper:pH at time of sampling:4.9Lead:Manganese:10.000

Condi	itions		Values C	alculated	at the Give	n Conditi	ons - Amo	unts of Sc	ale in Ib/10	00 ЬЫ		
Temp	Gauge Press.		alcite aCO ₃		sum 04 ^{*2H} 2 0		nydrite aSO 4	-	estite ⁻ SO ₄		rite aSO ₄	CO ₂ Press
۴	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	-1.06	0.00	-0.13	0.00	-0.06	0.00	-0.01	0.00	0.31	0.52	3.15
100	0	-0.97	0.00	-0.22	0.00	-0.08	0.00	-0.03	0.00	0.12	0.26	3.64
120	0	-0.89	0.00	-0.29	0.00	-0.07	0.00	-0.03	0.00	-0.05	0.00	4.09
140	0	-0.79	0.00	-0.34	0.00	-0.04	0.00	-0.02	0.00	-0.19	0.00	4.47

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO2 pressure is actually the calculated CO2 fugacity. It is usually nearly the same as the CO2 partial pressure.

Attachment D: Example of water to be injected

Report Date:

3/20/2015



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Permian Basin Area Laboratory 2101 5 Market Street

Bldg. B

Complete Water Analysis Report SSP v.8							
Customer:	YATES PETROLEUM	Sample Point Name	WOLF AJA FEDERAL #21H				
District:	New Mexico	Sample ID:	201501002571				
Sales Rep:	Tony W Hernandez	Sample Date:	1/15/2015				
Lease:	WOLF	Log Out Date:	1/29/2015				
Site Type:	Well Sites	Analyst:	Samuel Newman				
Sample Point Description:	FWKO OUTLET						

YATES PETROLEUM, WOLF, WOLF AJA FEDERAL #21H

Feld Data					insample, in the second		
		Anions:	mg/L	meq/L	Cations:	mg/L	meq/L
Initial Temperature (°F):	250	Chloride (Cl'):	152168.6	4292.5	Sodium (Na ⁺):	64944.6	2826.
Final Temperature (°F):	8	Sulfate (SO ₄ ²⁻):	367.0	7.6	Potassium (K⁺):	1548.0	39.
Initial Pressure (psi):	10	Borate (H ₃ BO ₃):	229.8	3.7	Magnesium (Mg ²⁺):	3798.6	312.
Final Pressure (psi):	1	Fluoride (F [*]):	ND		Calcium (Ca ²⁺):	24381.5	1216.
		Bromide (Br`):	ND		Strontium (Sr ²⁺):	904 .9	20.
pH:		Nitrite (NO ₂ ⁻):	ND		Barium (Ba ²⁺):	2.1	0.
pH at time of sampling:	5.4	Nitrate (NO ₃):	ND		Iron (Fe ²⁺):	37.3	1
		Phosphate (PO ₄ ³⁻):	ND		Manganese (Mn ²⁺):	7.1	0
		Silica (5iO ₂):	ND		Lead (Pb ²⁺):	ND	
					Zinc (Zn ²⁺):	0.0	0.
Alkalinity by Titration: mg	/L meq/L						
Bicarbonate (HCO ₃):	61 .0 1 .0	Ď			Aluminum (Al ³⁺):	ND	
Carbonate (CO ₃ ²):	ND				Chromium (Cr ³⁺):	ND	
Hydroxide (OH ⁻):	ND				Cobalt (Co ²⁺):	ND	
		Organic Acids:	mg/L	meq/L	Copper (Cu ²⁺):	ND	
aqueous CO ₂ (ppm):	340.0	Formic Acid:	ND	A THE ACT OF A PARTY OF A PARTY	Molybdenum (Mo ²⁺):	ND	
aqueous H ₂ S (ppm):	0.0	Acetic Acid:	ND		Nickel (Ni ²⁺):	ND	
aqueous O ₂ (ppb):	NE	Propionic Acid:	ND		Tin (Sn ²⁺):	ND	
		Butyric Acid:	ND		Titanium (Ti ²⁺):	ND	
Calculated TDS (mg/L):	248450	Valeric Acid:	ND		Vanadium (V2+):	ND	
Density/Specific Gravity (g/cm ³):	1.1635	;			Zirconium (Zr2+):	ND	
Measured Density/Specific Gravit	y 1.1754	Ļ					
Conductivity (mmhos):	NC				Total Hardness:	77637	N/
Resistivity:	NC						
MCF/D:	No Data						
BOPD:	No Data						
BWPD:	No Data	Anion/Cation Ratio:		0.97	ND = Not	Determined	

Cond	litions	Barite	Barite (BaSO ₄)		(CaCO ₃)	Gypsum (CaSO ₄ ·2H ₂ O)		Anhydrite (CaSO ₄)	
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)
80°F	15 psi	0.33	0.686	0.59	8.608	-0.11	0.000	-0.19	0.000
99°F	24 psi	0.22	0.509	0.63	8.975	-0.10	0.000	-0.09	0.000
118°F	34 psi	0.11	0.289	0.68	9.514	-0.09	0.000	0.00	0.000
137°F	43 psi	0.01	0.021	0.74	10.047	-0.09	0.000	0.09	32.866
156°F	53 psi	-0.09	0.000	0.80	10.532	-0.09	0.000	0.18	61.529
1 7 4°F	62 psi	-0.18	0.000	0.85	10.963	-0.09	0.000	0.28	85.179
193°F	72 psi	-0.27	0.000	0.90	11.341	-0.09	0.000	0.37	104.436
212°F	81 psi	-0.35	0.000	0.96	11. 7 45	-0.09	0.000	0.47	119.884
231°F	91 psi	-0.42	0.000	1.01	12.103	-0.10	0.000	0.56	132.096
250°F	100 psi	-0.49	0.000	1.06	12.419	-0.11	0.000	0.66	141.619

Cond	litions	Celesti	te (SrSO4)	Halit	Halite (NaCl)		Iron Sulfide (FeS)		Iron Carbonate (FeCO ₃)	
Temp	Press.	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	Index	Amt (ptb)	
80°F	15 psi	0.28	95.050	-0.48	0.000	-9.59	0.000	-0.63	0.000	
99°F	24 psi	0.30	99.586	-0.50	0.000	-9.66	0.000	-0.53	0.000	
118°F	34 psi	0.31	102.597	-0.51	0.000	-9.67	0.000	-0.42	0.000	
137°F	43 psi	0.32	105.067	-0.53	0.000	-9.66	0.000	-0.33	0.000	
156°F	53 psi	0.33	107.597	-0.54	0.000	-9.64	0.000	-0.25	0.000	
174°F	62 psi	0.34	110.512	-0.56	0.000	-9.62	0.000	-0.18	0.000	
193°F	72 psi	0.35	113.926	-0.57	0.000	-9.60	0.000	-0.13	0.000	
212°F	81 psi	0.37	117.789	-0.58	0.000	-9.57	0.000	-0.09	0.000	
231°F	91 psi	0.39	121.924	-0.60	0.000	-9.54	0.000	-0.06	0.000	
250°F	100 psi	0.40	126.073	-0.61	0.000	-9.51	0.000	-0.05	0.000	

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the eight (8) scales. Note 3: Saturation Index predictions on this sheet use pH and alkalinity; %CO₂ is not included in the calculations.



ScaleSoftPitzer™ SSP2010

Attachment E

Certified Notification letters sent to:

1. Surface owner:

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

2. Operators within ¹/₂ mile radius:

T21S-R31E Section 35: S/2, S/2NW Lease: V-1673 & Section 35: NE, N/2NW Lease: LG-9280 & T22S-R31E Section 1: Lots 1, 2 (N/2NW/4) Lease: NMNM-043556

> Yates Petroleum Corporation 105 South 4th Street, Artesia, NM 88210

> Abo Petroleum Corporation 105 South 4th Street, Artesia, NM 88210

> Myco Industries, Inc. 105 South 4th Street, Artesia, NM 88210

Oxy Y-1 Company Attention: Land Manager – Permian Basin PO Box 4294, Houston, TX 77210-4294

T21S-R31E Section 35: NE, N/2NW Lease: LG-9280

> Penroc Oil Corporation PO Box 2769, Hobbs, NM 88241-2769

T21S-R31E Section 34: All Lease: V-3604

. .

Oxy USA, Inc. 5 Greenway Plaza, Suite 110, Houston, TX 77046

T22S-R31E Section 1: Lots 1, 2 (N/2NW/4) Lease: NMNM-043556

> Matador Petroleum Corporation 14001 Dallas Parkway, Suite 1000, Dallas, TX 75240-4384

T22S-R31E Section 1: NW/4 Lease: V-3605

> Legacy Reserves Operating LP 303 West Wall, Suite 1400, Midland, TX 79701

MARTIN YATES, III 1912-1985 FRANK W. YATES 1936-1986 S.P YATES 1914-2008



JOHN A. YATES

JOHN A. YATES JR. CHAIRMAN OF THE BOARD

DDUGLAS E. BRODKS PRESIDENT CHIEF EXECUTIVE OFFICER

JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

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

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Brice A Setche

Brice A. Letcher Area Engineer Yates Petroleum Corporation



DENNIS G. KINSEY

MARTIN YATES, III 1912-1985

FRANK W. YATES

5.P YATES 1914-2008



JOHN A. YATES

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JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Brie A Setche

Brice A. Letcher Area Engineer Yates Petroleum Corporation

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MARTIN YATES, III 1912-1985 FRANK W. YATES

5.P YATES



JOHN A. YATES

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JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

Intrepid Potash, Inc. 707 17th Street, Suite 4200 Denver, CO 80202

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Briz A Setchen

Brice A. Letcher Area Engineer Yates Petroleum Corporation

3238	(Domestic Mail O	D MAIL REC	Coverage Provided)				
8269	OFF	ation visit our website					
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-	PS Form 380	R.	ns				

KATHY H. PORTER SECRETARY MARTIN YATES, III 1912-1985 FRANK W. YATES

1936-1986

5.P YATES 1914-2008



JOHN A. YATES

JOHN A. YATES JR. CHAIRMAN OF THE BOARD

DOUGLAS E. BROOKS PRESIDENT CHIEF EXECUTIVE OFFICER

JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER

ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

105 SOUTH FOURTH STREET

www.yatespetroleum.com

September 2, 2015

Abo Petroleum Corporation 105 South 4th Street Artesia, NM 88210

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Bria A Sette

Brice A. Letcher Area Engineer Yates Petroleum Corporation



DENNIS G. KINSEY

MARTIN YATES, III 1912-1985

FRANK W. YATES

5.P YATES



JOHN A. YATES CHAIRMAN EMERITUS

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105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471 www.yatespetroleum.com

September 2, 2015

Legacy Reserves Operating LP 303 West Wall, Suite 1400 Midland, TX 79701

Re: Lost Tank SWD State #11

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Brice A. Letcher Area Engineer Yates Petroleum Corporation

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	PS Form 3800,										

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

1914-2008

r



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471 www.yatespetroleum.com

September 2, 2015

Matador Petroleum Corporation 14001 Dallas Parkway, Suite 1000 Dallas, TX 75240-4384

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

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Sincerely,

Brin A Sette

Brice A. Letcher Area Engineer Yates Petroleum Corporation



JOHN A. YATES JR. CHAIRMAN OF THE BOARD

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JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER MARTIN YATES, III 1912-1985 FRANK W. YATES

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1936-1986 S.P YATES 1914-2008



JOHN A. YATES

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JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

Myco Industries, Inc. 105 South 4th Street Artesia, NM 88210

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Bris A State

Brice A. Letcher Area Engineer Yates Petroleum Corporation

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	For delivery information visit our website at www.usps.comp										
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MARTIN YATES, III 1912-1985 FRANK W. YATES

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1936-1986 S.P YATES 1914-2008



105 SOUTH FOURTH STREET TELEPHONE (575) 748-1471 www.yatespetroleum.com

JOHN A. YATES CHAIRMAN EMERITUR

JOHN A. YATES JR. CHAIRMAN OF THE BOARD

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JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER

ARTESIA, NEW MEXICO 88210-2118

September 2, 2015

Oxy Y-1 Company Att: Land Manager - Permian Basin PO Box 4294 Houston, TX 77210-4294

Re: Lost Tank SWD State #11

To Whom It May Concern:

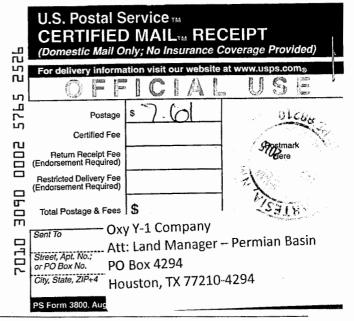
Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Brie A Setter

Brice A. Letcher Area Engineer Yates Petroleum Corporation



DENNIS G. KINSEY TREASURER

MARTIN YATES, III 1912-1985 FRANK W. YATES 1936-1986 S.P YATES 1914-2008



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JOHN D. PERINI EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471 www.vatespetroleum.com

September 2, 2015

OXY USA, Inc. 5 Greenway Plaza, Suite 110 Houston, TX 77046

Re: Lost Tank SWD State #11

To Whom It May Concern:

Please see enclosed copy of form C-108 (Application for Authority to Inject) for said well located in Section 36-T21S-R31E of Eddy County, New Mexico.

If you have any questions or need additional information, please feel free to contact me at (575)748-4180.

Sincerely,

Bris A Sotte

Brice A. Letcher Area Engineer Yates Petroleum Corporation

3214	(Domestic Mail C	D MAIL _{TM} RE(Coverage Provided)						
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200	Street, Apt. No. or PO Box No. Houston, TX 77046 City, State, ZIP								
	PS Form 3800,								

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

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5.P YATES 1914-2008



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JAMES S. BROWN CHIEF OPERATING OFFICER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (575) 748-1471

www.yatespetroleum.com

September 2, 2015

Penroc Oil Corporation PO Box 2769 Hobbs, NM 88241-2769

Re: Lost Tank SWD State #11

To Whom It May Concern:

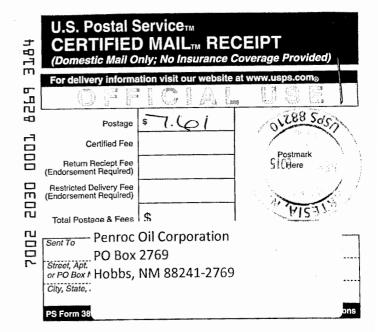
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Sincerely,

Brin A Sotten

Brice A. Letcher Area Engineer Yates Petroleum Corporation



♥ L E ♥		
Affid	avit of Publica	tion
	No.	23630
State of New Mexi	^{co}	
County of Eddy:		-
Danny Scott	Jam Ner	
being duly s sworn	sayes that she is the P	ublisher
of the Artesia Dail	y Press, a daily newspaper of Gen	eral
circulation, publish	ed in English at Artesia, said cou	nty
and state, and that	the hereto attached	
L	egal Notice	
was published in a	regular and entire issue of the sai	id
Artesia Daily Press	, a daily newspaper duly qualified	i
for that purpose wi	thin the meaning of Chapter 167 of	of
the 1937 Session I	laws of the state of New Mexico f	for
l Conse	cutive weeks/day on the same	
day as follows:		
First Publication	September 4, 2	015
Second Publication	, 1	
Third Publication		
Fourth Publication		
Fifth Publication		
Sixth Publication		
Subscribed and swe	orn before me this	
4th day or	f September	2015
1000	CIAL:SEAL ha Romine	
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My c	ommission expires: <u>21 [2]</u> 201	
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Notary Public, Eddy County, New Mexico

Copy of Publication:

LEGAL NOTICE

Yates Petrolexim Corporation, 105 south Fourth Street, Artesia, NM 85210, hes filed form C-1055 (Application for Authorization to Inject) with the New Mexico OI Conservation Division areating administratus approval for an injection wall. The proposed well, the Lost Teris SIND State #11, is injected 2082 FSL & 2007 FINL, Unit K, Section 36, Stemahip 21 South, Range 31 East of Eddy County, New Mexico and will be used for asthwater disposal. Produced waters from the Bone Springs and Coleware will be re-driested into the Devention Doluces at a depth of s15,265 -15,850 with a maximum pressure of 3,530 pel and a maximum mum rate of 15,000 BMIPC).

All interested parties opposing the alteramentioned must file objections or requests for a hearing with the Oil Object-vation Division, 1200 South Saint Frandia Drive, Santa Fa, New Mexico 87505-5472, within 15 days. Additional information can be obtained by contexting Brice Laterar at (575) 745-4180.

Publication in the Artenia Daily Press, Artenia, N.M., Begl, 4, 2015 Legal No. 23530.

Attachment F

Attachment G

C-108 Application for Authorization to Inject Yates Petroleum Corporation Lost Tank SWD State #11

> Unit K, Section 36-T21S-R31E Eddy County, New Mexico.

Available engineering and geological data have been examined and no evidence of open faults of hydrologic connection between the disposal zone and any underground sources of drinking water has been found.

Marentsur Alec Mauritsen

Geologist Yates Petroleum Corporation

<u>Sept 2, 20</u>15 Date

w									State El Depth	•		
(A CLW##### in the POD suffix indicates the POD has been replaced & no longer serves a water right file.)	(R=POD has been replaced, O=orphaned, C=the file is closed)	(quar					IE 3=SW largest)		3 UTM in meters)		(In feet)
POD Number C 02727	POD Sub- Code basin C	ounty ED	10000020001009-009	64	Sec	: Tws 21S		X 613716	Y 3589809* 🥪	Conservation of the second	Depth Water	Water Column
C 02949 EXPL		ED						616140	3589231*	970		
									Average Depth to Minimum Maximum	Depth:		

PLSS Search:

Section(s): 33-35

Township: 21S

Range: 31E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 1-3

Township: 22S Range: 31E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.



New Mexico Office of the State Engineer Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 31-33

Township: 22S

Range: 32E

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

C-108 Review Checklist: Received									
General Location: <u>235miles W/Eynice</u> Pool: <u>Suri Devusi An</u> Pool No.: <u>G(10</u> XAtes BLM 100K Map: <u>541</u> Operator: <u>Petroleym Corp</u> OGRID: <u>25575</u> Contact: <u>Letcher</u>									
COMPLIANCE RULE 5.9: Total Wells: 2.305 Inactive: 4 Fincl Assur: Compl. Order? N IS 5.9 OK? Date: 10- WELL FILE REVIEWED (Current Status: Proposed									
WELL DIAGRAMS: NEW: Proposed (V or RE-ENTER: Before Conv.) After Conv. Ucgs in Imaging:									
Planned Rehab Work to Well: <u>+ CBL by w 6518 \$7" Liner</u>									
Well Construction Details Sizes (in) Setting Cement Cement Top and Deteil Borehole / Pipe Depths (ft) Sx or Cf Method	rmination								
Planned_or Existing_Surface 26/20" 610 Stage Tool GW Surface/U	13461								
Planned_or Existing_Interm/Prod 12/13 11 4500 3190 Surface/1									
Planned_or Existing_Interm/Prod 12 44 6 48 11700 1915 540 Face/	Visaal								
Planned_or Existing_Prod (ine) 8 4/7" 15265 515 11200									
Planned_or Existing _ Liner									
Planned_or ExistingOH PERF 15265154 Inj Length 335'	<u>11</u>								
Injection or Confining Tops Drilled TD /5600 PBTD									
Adjacent Unit: Litho. Struc. Por									
Confining Unit: Litho. Struc. Por. Dev IS2/y NEW Open Hole () or NEW Perfs ()									
Proposed Inj Interval TOP: 15265 Tubing Size 32 in. Inter Coated?									
Proposed Inj Interval BOTTOM: 15600 Proposed Packer Depth 15240 ft									
Confining Unit: Litho. Struc. Por. Min. Packer Depth 15/65 (100-ft limit)									
Adjacent Unit: Litho. Struc. Por. Adjacent Unit: Litho. Struc. Por. Proposed Max. Surface Press. 3/00 ps AOR: Hydrologic and Geologic Information Admin. Inj. Press. 3053 (0.2 psi pe									
POTASH: R-111-P Noticed? BLM Sec Ord WIPP O Noticed? Salt/Salado T:B: NW: Cliff House fm									
FRESH WATER: Aquifer N/A ' Guerry Max Depth HYDRO AFFIRM STATEMENT By Qualified Person ()									
NMOSE Basin: CAPitan CAPITAN REEF: thru adj NA No. Wells within 1-Mile Radius? FW Analysis									
Disposal Fluid: Formation Source(s)									
Disposal Fluid: Formation Source(s) Disposal Fluid: Formation Source(s) Disposal Int: Inject Rate (Avg/Max BWPD): 1000 /1500 Protectable Waters? Source: System: Closed For Open									
HC Potential: Producing Interval?Formerly Producing?Method:									
AOR Wells: 1/2-M Radius Map? Well List? Total No. Wells Penetrating Interval: Horizontals?									
Penetrating Wells: No. Active Wells Num Repairs? on which well(s)? Diagrams? Diagrams? Diagrams? Diagrams? Diagrams?									
Penetrating Wells: No. P&A WellsNum Repairs?on which well(s)?Diagrams?Diagrams?									
NOTICE: Newspaper Date <u>Septy</u> Mineral Owner <u>NMSLD</u> Surface Owner <u>NMSLU</u> N. Date <u>Se</u> RULE 26.7(A): Identified Tracts? \checkmark Affected Persons: <u>LegAcy</u> , Oxy , Y -1, <u>Penroc</u> N. Date <u>Se</u>	ртч ж								
N. Date 3C	<u>F-7</u>								
Order Conditions: Issues:	_								

McMillan, Michael, EMNRD

From: Sent: To: Subject: Salaz, Robert <rsalaz@blm.gov> Tuesday, October 06, 2015 7:41 AM McMillan, Michael, EMNRD Yates Petroleum Lost Tank State SWD Well No. 11

Mr. McMillan,

The BLM Geologist is OK with casing set points.

However, does the state allow such deep wells to be drilled with a 5M BOP? This well is going to 15,600 feet, they most likely will encounter high pressures and having adequate mud weight and BOP is highly recommended from the BLM.

Thanks, Zeke

Robert Zeke Salaz Geologist Bureau of Land Management Carlsbad Field Office (575) 234-5918