

DATE IN 9/15/06	SUSPENSE 9/21/06	ENGINEER W. Jones	LOGGED IN 9/11/06	TYPE SWD	APP NO. PDS0625449411
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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



**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.**

Print or Type Name _____	Signature _____	Title _____	Date _____
e-mail Address _____			

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

RECEIVED

SEP 05 2006

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

September 1, 2006

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

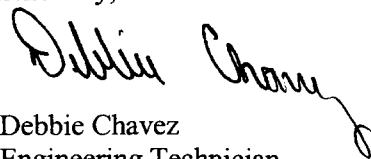
Re: Ohkay SWD #3

Dear Mr. Jones,

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates Petroleum Corporation Ohkay SWD #3, Unit N, 6-25S-30E, Eddy County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4361.

Sincerely,

  
Debbie Chavez  
Engineering Technician

Enclosures

**C-108 Application for Authorization to Inject  
Yates Petroleum Corporation  
Ohkay SWD #3  
Unit N, 990' FSL & 2310' FWL, Sec.6, T25S, R30E  
Eddy County, New Mexico**

- I. The purpose of completing this well is to make a disposal well for produced Delaware Sand water into the Delaware Sand formation.**

**Yates Petroleum Corporation plans to drill this well as a water disposal well into the Delaware Sand.**

- II. Operator: Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, NM 88210  
Margrethe Hotter (505) 748-4165**
- III. Well Data: See Attachment A**
- IV. This is not an expansion of an existing project.**
- V. See attached map, Attachment B.**
- VI. 1 plugged well within the area of review penetrates the proposed injection zone. (See Attachment C)**
- VII. 1. Proposed average daily injection volume approximately 2000 BWPD. Maximum daily injection volume approximately 3500 BWPD.**
- 2. This will be a closed system.**
- 3. Proposed average injection pressure –550 psi.  
Proposed maximum injection pressure –690 psi.**
- 4. Sources of injected water would be produced water from the Delaware Sand. (Attachment D)**
- VIII. 1. The proposed injection interval is the portion of the Delaware Sand formation consisting of porous Sandstone from estimated interval depths of 3450'-4400'.**

**Application for Authorization to Inject  
Ohkay SWD # 3**

**-2-**

- 2. Possible Fresh water zones overlie the proposed injection formations at depths to approximately 400' or less. There are no fresh water zones underlying the formation.**
- IX. The proposed disposal interval may be acidized with 7-1/2% HCL acid, or proppant fractured.**
- X. Logs will be filed at your office when the well is drilled.**
- XI. There is one windmill within a one-mile radius of the subject location. Water analysis is attached (Attachment D).**
- 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.**
  - 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.**

**Yates Petroleum Corporation  
Ohkay SWD # 3  
N-6-T25S-R30E  
Eddy County, New Mexico**

**Attachment A**

**III. Well Data**

- A.**
1. Lease Name/Location  
Ohkay SWD # 3  
N-6-T25S-R30E  
990' FWL & 2310' FWL
  2. Casing Strings:
    - a. Proposed well condition  
13 3/8", 48# H-40 @ 600' w/500 sx (circ)  
9 5/8", 36# J-55 @ 3,250' w/1025 sx (circ).  
7" 23# J-55 @ 4,450' w/650 sx (circ)  
4 1/2" J55 plastic coated injection tubing @ +/- 3,350'  
Propose to use Guiberson or Baker plastic coated or nickel plated packer set at 3,350'.
    - b. Present Status:  
Well will be drilled as soon as an APD is approved.
- B.**
1. We will be injecting into the unproductive Bell Canyon and U. Cherry Canyon sands.
  2. Injection Interval will be through perforations from approximately 3,450'-4,400' gross interval.
  3. This well will be drilled as a disposal well.
  4. Perforations: High porosity sands between 3,450'-4,400'.
  3. Next higher (shallower) oil or gas zone within 2 miles-None.  
Next lower (deeper) oil or gas zone within 2 miles-Delaware.

WELL NAME: Ohkay SWD # 3 FIELD: \_\_\_\_\_

LOCATION: Unit N, 990' FSL & 2310' FWL of Section 6-25S-30E Eddy County

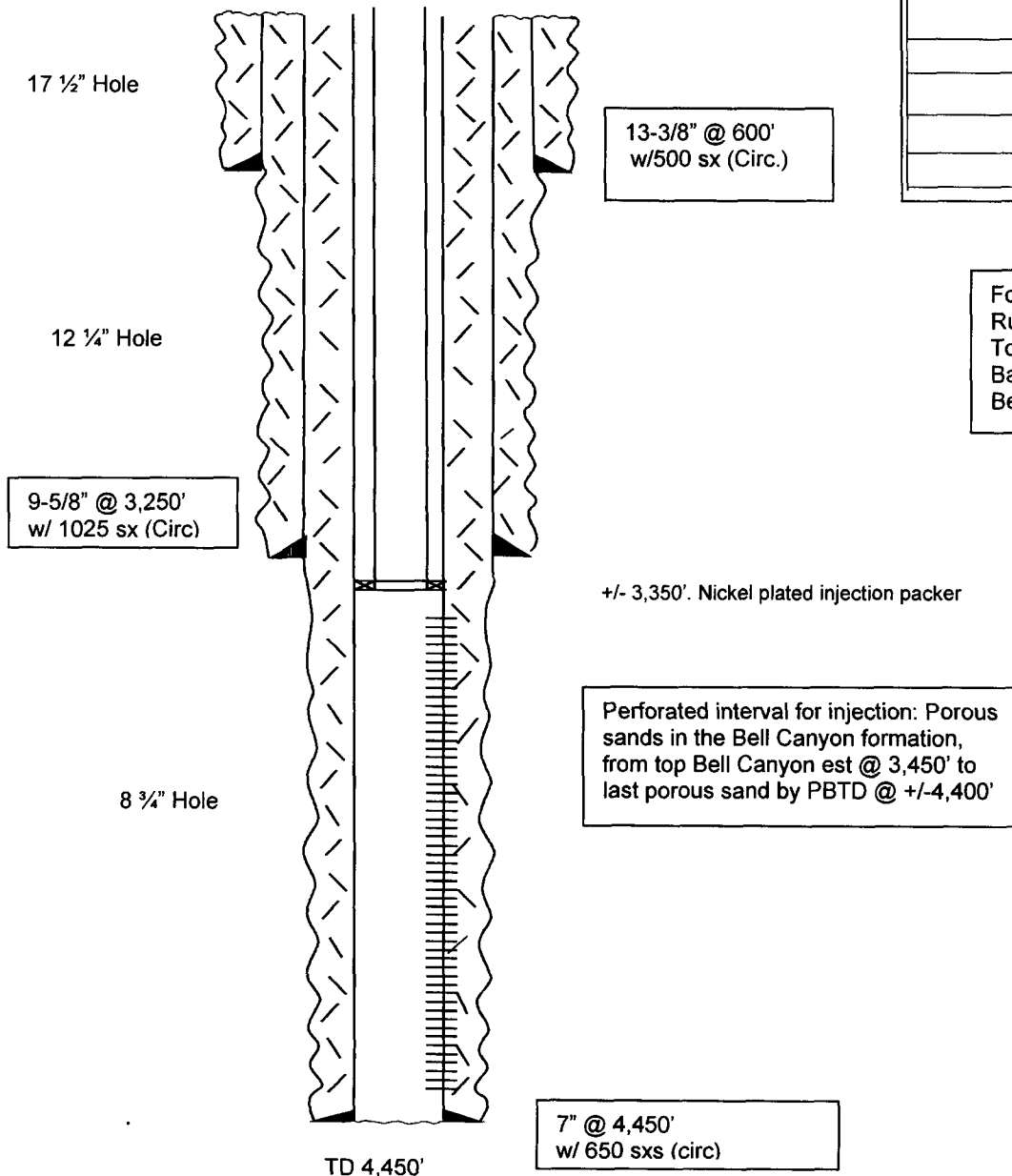
GL: 3050 ZERO: \_\_\_\_\_ KB: 3069

SPUD DATE: \_\_\_\_\_ COMPLETION DATE: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

#### CASING PROGRAM

13-3/8" 48# H40 ST&C	600'
9-5/8" 36# J55 ST&C	3,250'
7" 23# J55 LT &C	4,450'



Formation tops:	
Rustler	620'
Top of Salt	665'
Base of Salt	3,190'
Bell Canyon	3,450'

**Not to Scale**

08/21  
MMFH

WELL NAME: Carper-Hanson-Superior 1-A FIELD: \_\_\_\_\_

LOCATION: Unit D, 660' FNL & 660' FWL of Section 7-25S-30E Eddy County

GL: \_\_\_\_\_ ZERO: \_\_\_\_\_ KB: \_\_\_\_\_

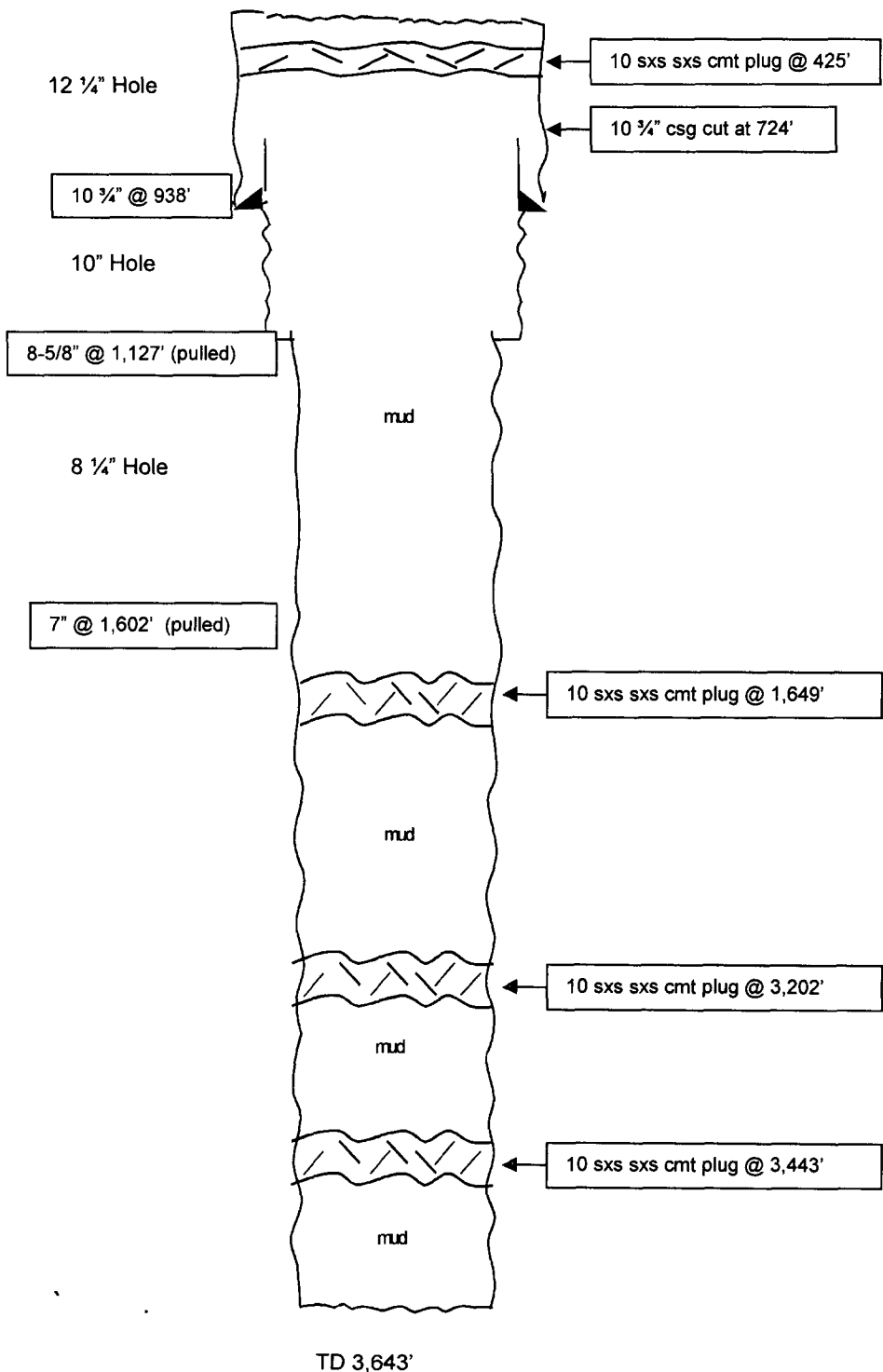
SPUD DATE: 10/10/53 COMPLETION DATE: P&A 2/22/54

COMMENTS: Plugged & abandoned.

Drilled by Carper Drilling Co. Inc. Well now located on lease operated by Yates Petroleum Corporation. Never produced.

#### CASING PROGRAM

10 3/4" 32.75#	938'
8 5/8" 24#	1,127'
7" 20#	1,602'

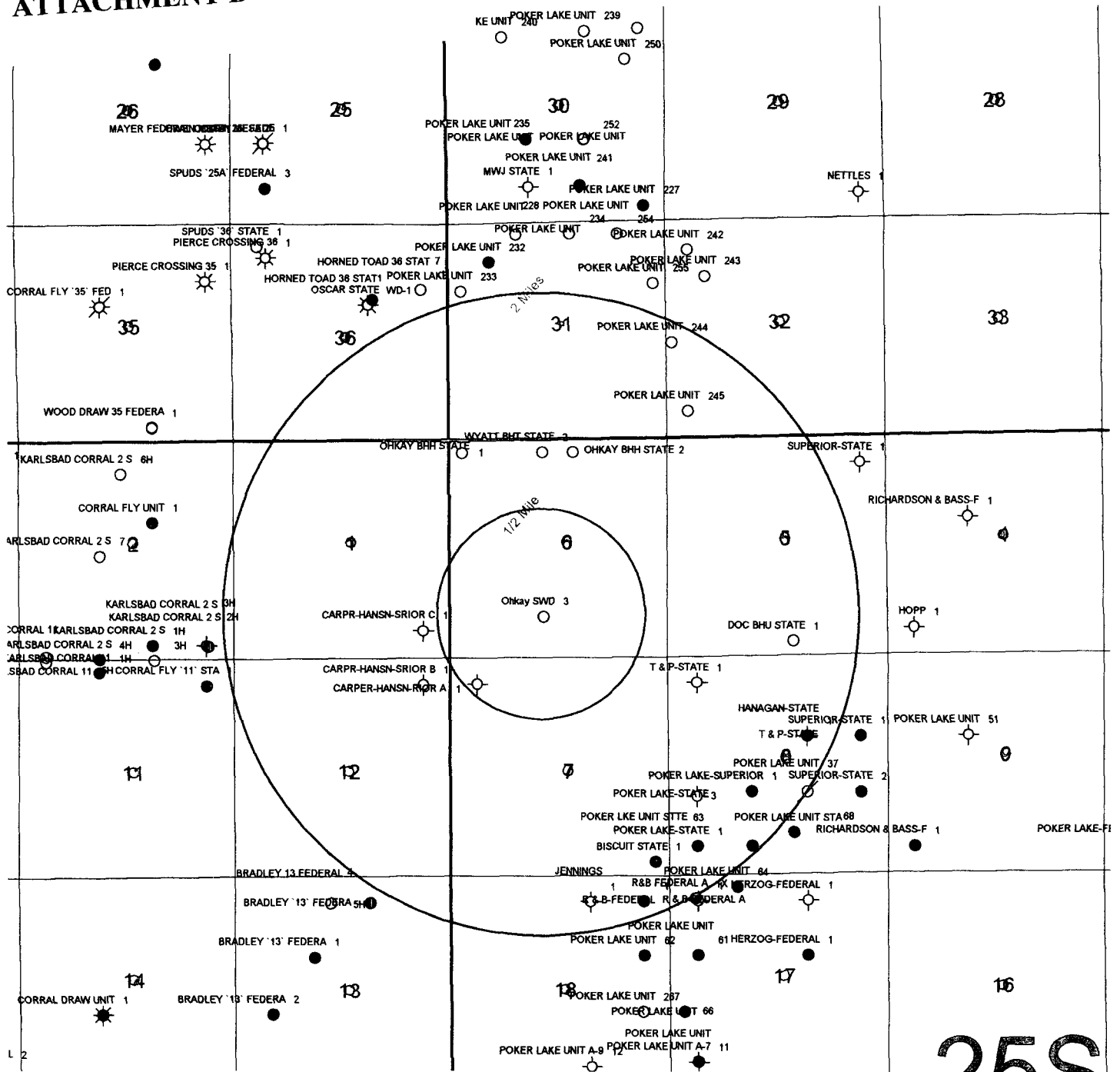


### P&A Well Bore Sketch

Tops:  
Base of Salt : 3202'  
Top Delaware : 3,443'

**Not to Scale**  
08/21  
MMFH

# ATTACHMENT B



## YATES PETROLEUM

### OHKAY SWD #3

6-25S-30E 990 FSL/2310' FWL

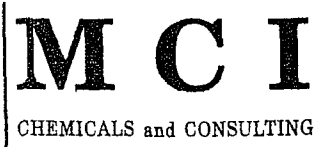
**Author:**  
Debbie Chavez

**Date:**  
21 August, 2006

Hotter



# ATTACHMENT D



## MILLER CHEMICALS, INC.

Post Office Box 298  
Artesia, N.M. 88211-0298  
(505) 746-1919 Artesia Office  
(505) 392-2893 Hobbs Office  
(505) 746-1918 Fax  
mci@plateautel.net

### WATER ANALYSIS REPORT

Company : YATES PETROLEUM  
Address : ARTESIA, NM  
Lease : CORRAL DRAW "AQH"  
Well : #1  
Sample Pt. : WELLHEAD

Date : 5/2/06  
Date Sampled : 4/30/06  
Analysis No. : 00877

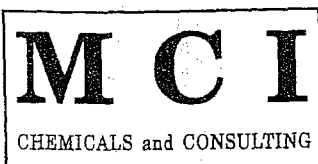
ANALYSIS	mg/L	* meq/L
1. pH	5.2	
2. H <sub>2</sub> S	0	
3. Specific Gravity	1.170	
4. Total Dissolved Solids	256386.6	
5. Suspended Solids	NR	
6. Dissolved Oxygen	NR	
7. Dissolved CO <sub>2</sub>	NR	
8. Oil In Water	NR	
9. Phenolphthalein Alkalinity (CaCO <sub>3</sub> )		
10. Methyl Orange Alkalinity (CaCO <sub>3</sub> )		
11. Bicarbonate	HCO <sub>3</sub> 207.0	HCO <sub>3</sub> 3.4
12. Chloride	Cl 159750.0	Cl 4506.3
13. Sulfate	SO <sub>4</sub> 500.0	SO <sub>4</sub> 10.4
14. Calcium	Ca 44000.0	Ca 2195.6
15. Magnesium	Mg 1729.5	Mg 142.3
16. Sodium (calculated)	Na 50170.1	Na 2182.3
17. Iron	Fe 30.0	
18. Barium	Ba NR	
19. Strontium	Sr NR	
20. Total Hardness (CaCO <sub>3</sub> )	117000.0	

### PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	= mg/L
+-----+			
2196  *Ca <----- *HCO <sub>3</sub>   3	Ca(HCO <sub>3</sub> ) <sub>2</sub>	81.0 3.4	275
-----  /----->  -----	CaSO <sub>4</sub>	68.1 10.4	709
142  *Mg -----> *SO <sub>4</sub>   10	CaCl <sub>2</sub>	55.5 2181.8	121068
-----  <-----/  -----	Mg(HCO <sub>3</sub> ) <sub>2</sub>	73.2	
2182  *Na -----> *Cl   4506	MgSO <sub>4</sub>	60.2	
+-----+	MgCl <sub>2</sub>	47.6 142.3	6774
Saturation Values Dist. Water 20 C	NaHCO <sub>3</sub>	84.0	
CaCO <sub>3</sub> 13 mg/L	Na <sub>2</sub> SO <sub>4</sub>	71.0	
CaSO <sub>4</sub> * 2H <sub>2</sub> O 2090 mg/L	NaCl	58.4 2182.3	127531
BaSO <sub>4</sub> 2.4 mg/L			

REMARKS:

Sample of produced water to be injected into the Ohkay SWD #3



# MILLER CHEMICALS, INC.

Post Office Box 298  
 Artesia, N.M. 88211-0298  
 (505) 746-1919 Artesia Office  
 (505) 392-2893 Hobbs Office  
 (505) 746-1918 Fax  
 mci@plateautel.net

## WATER ANALYSIS REPORT

Company : YATES PETROLEUM  
 Address : ARTESIA, NM  
 Lease : CORRAL DRAW "AQH"  
 Well : #2  
 Sample Pt. : UNKNOWN

Date : 4/22/06  
 Date Sampled : 4/20/06  
 Analysis No. : 00873

ANALYSIS	mg/L	* meq/L
1. pH	6.2	
2. H2S	2	
3. Specific Gravity	1.120	
4. Total Dissolved Solids	214093.9	
5. Suspended Solids	NR	
6. Dissolved Oxygen	NR	
7. Dissolved CO2	NR	
8. Oil In Water	NR	
9. Phenolphthalein Alkalinity (CaCO3)		
10. Methyl Orange Alkalinity (CaCO3)		
11. Bicarbonate	HCO3 732.0	HCO3 12.0
12. Chloride	Cl 129930.0	Cl 3665.2
13. Sulfate	SO4 500.0	SO4 10.4
14. Calcium	Ca 2680.0	Ca 133.7
15. Magnesium	Mg 1629.1	Mg 134.0
16. Sodium (calculated)	Na 78621.5	Na 3419.8
17. Iron	Fe 1.3	
18. Barium	Ba NR	
19. Strontium	Sr NR	
20. Total Hardness (CaCO3)	13400.0	

## PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	= mg/L
+-----+			
134   *Ca <----- *HCO3   12	Ca(HCO3)2	81.0	12.0 972
-----  /----->	CaSO4	68.1	10.4 709
134   *Mg -----> *SO4   10	CaCl2	55.5	111.3 6177
-----  <-----/  -----	Mg(HCO3)2	73.2	
3420   *Na -----> *Cl   3665	MgSO4	60.2	
+-----+	MgCl2	47.6	134.0 6380
Saturation Values Dist. Water 20 C	NaHCO3	84.0	
CaCO3 13 mg/L	Na2SO4	71.0	
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	3419.8 199854
BaSO4 2.4 mg/L			

## REMARKS:

Sample of produced water to be injected into the Ohkay SWD #3

Attachment D



# MILLER CHEMICALS, INC.

Post Office Box-298  
 Artesia, N.M. 88211-0298  
 (505) 746-1919 Artesia Office  
 (505) 392-2893 Hobbs Office  
 (505) 746-1918 Fax  
 mci@plateautel.net

## WATER ANALYSIS REPORT

Company : YATES PETROLEUM Date : 8/12/06  
 Address : ARTESIA, NM Date Sampled : 8/10/06  
 Lease : 1 MILE SOUTH OF O.K. Analysis No. : 00907  
 Well : WINDMILL  
 Sample Pt. : UNKNOWN *OKAY*

ANALYSIS		mg/L		* meq/L
1. pH	7.4			
2. H2S	0			
3. Specific Gravity	1.000			
4. Total Dissolved Solids		4337.6		
5. Suspended Solids		NR		
6. Dissolved Oxygen		NR		
7. Dissolved CO2		NR		
8. Oil In Water		NR		
9. Phenolphthalein Alkalinity (CaCO3)				
10. Methyl Orange Alkalinity (CaCO3)				
11. Bicarbonate	HCO3	256.0	HCO3	4.2
12. Chloride	Cl	2130.0	Cl	60.1
13. Sulfate	SO4	375.0	SO4	7.8
14. Calcium	Ca	400.0	Ca	20.0
15. Magnesium	Mg	24.6	Mg	2.0
16. Sodium (calculated)	Na	1152.0	Na	50.1
17. Iron	Fe	0.0		
18. Barium	Ba	NR		
19. Strontium	Sr	NR		
20. Total Hardness (CaCO3)		1100.0		

## PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter	Compound	Equiv wt X meq/L	=	mg/L
+-----+				
20   *Ca <----- *HCO3   4	Ca (HCO3) 2	81.0	4.2	340
-----  /----->  -----	CaSO4	68.1	7.8	531
2   *Mg -----> *SO4   8	CaCl2	55.5	8.0	441
-----  <-----/  -----	Mg (HCO3) 2	73.2		
50   *Na -----> *Cl   60	MgSO4	60.2		
+-----+	MgCl2	47.6	2.0	96
Saturation Values Dist. Water 20 C	NaHCO3	84.0		
CaCO3 13 mg/L	Na2SO4	71.0		
CaSO4 * 2H2O 2090 mg/L	NaCl	58.4	50.1	2928
BaSO4 2.4 mg/L				

REMARKS:

*Water sample from windmill*

# ATTACHMENT E

**For delivery information:**

**OFFICIAL**

Postage \$

Certified Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Total Post: Mr Pete M. State of Ne

Sent To: State of Ne

Street, Apt. or PO Box: Commissio

City, State: P.O. Box 1 Santa Fe, N

PS Form 3800, June 2002

item 4 if Restricted Delivery is desired.

Print your name and address on the reverse so that we can return the card to you.

Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

2. Article Number  
(Transfer from service label)

7006 0100 0003 9638 6551

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## COMPLETE THIS SECTION ON DELIVERY

A. Signature:  ☒ Agent ☐ Addressee

B. Received by (Printed Name):  C. Date of Delivery: 

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type: ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
JEFFREY YATES  
EXECUTIVE VICE PRESIDENT  
D. G. PATTERSON  
SECRETARY  
KENNIS G. KINSEY  
TREASURER

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

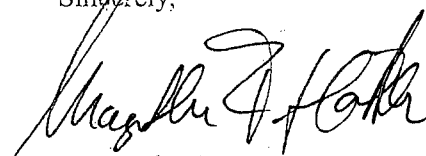
Re: Ohkay SWD #3

Dear Sirs:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates Petroleum Corporation Ohkay SWD #3, Unit N, 6-25S-30E, Eddy County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4165.

Sincerely,



Margrethe Hotter  
Operations Engineer

MH/dc

Enclosure(s)



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

For delivery info

Postage

Certified Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Total

Sent by

Street or PO

City, State, ZIP

PS Form 3800, June 2004

1. Article Addressed to:

Marbob Energy  
P.O. Box 227  
Artesia, NM 88210  
Ohkay SWD #3

2. Article Number

(Transfer from service label)

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

*[Signature]*

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

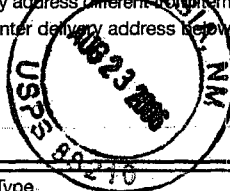
☐ Insured Mail

☐ C.O.D.

4. Restricted

☐ Yes

7006 0100 0003 9638 6568



S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

Marbob Energy  
P.O. Box 227  
Artesia, NM 88210

Re: Ohkay SWD #3

Dear Sirs:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates Petroleum Corporation Ohkay SWD #3, Unit N, 6-25S-30E, Eddy County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4165.

Sincerely,

*[Signature: Margrethe Hotter]*

Margrethe Hotter  
Operations Engineer

MH/dc

Enclosure(s)



## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

J.R. Engineering & Construction  
P.O. Box 487

Carlsbad, NM 88211

P.O. Box # Ohkay SWD #3

Carlsbad,  
Re: Ohka

2. Article Number

(Transfer from service label)

7006 0100 0003 9638 6575

## COMPLETE THIS SECTION ON DELIVERY

A. Signature

*[Signature]* ☐ Agent ☒ Addressee

B. Received by (Printed Name)

*J.R. Richardson*

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Certified Mail ☐ Express Mail  
☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
ANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

J.R. Engineering & Construction  
P.O. Box 487  
Carlsbad, NM 88201

Re: Ohkay SWD #3

Dear Sirs:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates Petroleum Corporation Ohkay SWD #3, Unit N, 6-25S-30E, Eddy County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4165.

Sincerely,

*[Signature: Margrethe Hotter]*  
Margrethe Hotter  
Operations Engineer

MH/dc

Enclosure(s)

# ATTACHMENT F

## Affidavit of Publication

NO. 19404

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

### Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutiv week/days on the same day as follows:

First Publication August 27 2006


Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_

  
Subscribed and sworn to before me this

1st Day September 2006

  
Notary Public, Eddy County, New Mexico

My Commission expires September : 23, 2007

## Copy of Publication:

### LEGAL NOTICE

#### Legal Notice

Yates Petroleum Corporation, 105 south Fourth Street, Artesia, NM 88210, has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for an injection well. The proposed well Ohkay SWD #3 will be located 990' FWL & 2310' FWL Unit N, Section 6, Township 25 South, Range 30 East of Eddy County, New Mexico, will be used for salt-water disposal. Produced waters from the Delaware Sand will be re-injected into the Delaware Sand at a depth of 3,450'-4,400' with a maximum pressure of 690 psi and a maximum rate of 3500 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505-5472, within 15 days. Additional information can be ob-

### LEGAL NOTICE

tained by contacting Margrethe Hotter at (505) 748-4165.

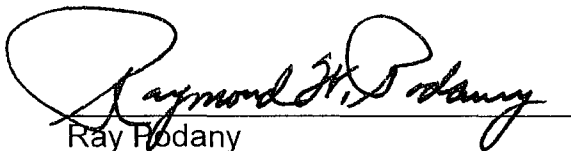
Published in the Artesia Daily Press, Artesia, N.M. August 27, 2006.

Legal 19404

Attachment G

C-108 Application for Authorization to Inject  
Yates Petroleum Corporation  
Ohkay SWD #3  
Unit N, Section 6 T25S-R30E  
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.

A handwritten signature in black ink, reading "Raymond H. Podany". The signature is written over a horizontal line.

Ray Podany  
Geologist  
Yates Petroleum Corporation

8-22-2006

Date



## Inactive Well List

**Total Well Count:3091 Inactive Well Count:2 Since:7/3/2005**

**Printed On: Tuesday, September 26 2006**

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	Days in TA
1	30-025-23379	COOLADE BJJ STATE #001	K-19-11S-35E	K	25575	YATES PETROLEUM CORPORATION	S	O	01/1995			
2	30-015-26356	HILL VIEW AHE FEDERAL COM #004	J-23-20S-24E	J	25575	YATES PETROLEUM CORPORATION	F	O	02/2001			

WHERE Ogrid:25575, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15

# Injection Permit Checklist

SWD Order Number \_\_\_\_\_ Dates: Division Approved \_\_\_\_\_ District Approved \_\_\_\_\_

Information Request Letter or Email sent \_\_\_\_\_

Well Name/Num: OHKAY SWD #3 Date Spudded: \_\_\_\_\_

API Num: (30-) 015-NA County: EDDY

Footages 990 FSL/2310 FWL Sec 6 Tsp 25 S Rge 30 E

Operator Name: Xeter Peter Co.

Contact Dobbie Chavez

Operator Address: \_\_\_\_\_

*will be  
New well*

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	13 3/8	600'	500	CIRC
Intermediate	9 5/8	3250	1025	CIRC
Production	7	4450	650	CIRC
Last DV Tool				
Open Hole/Liner				
Plug Back Depth				

Diagrams Included (Y/N): Before Conversion \_\_\_\_\_ After Conversion ☒

Checks (Y/N): Well File Reviewed \_\_\_\_\_ ELogs in Imaging \_\_\_\_\_

Intervals:	Depths	Formation	Producing (Yes/No)
<u>Salt/Potash</u>	<u>665-3190'</u>		
<u>Capitan Reef</u>	<u>First to North of House</u>		
<u>Cliff House, Etc:</u>			
<u>Formation Above</u>			
<u>Top Inj Interval</u>	<u>3450</u>	<u>Belec.</u>	<u>Delaware</u>
<u>Bottom Inj Interval</u>	<u>4400</u>	<u>Upper cherty Cn</u>	
<u>Formation Below</u>			

690 PSI Max. WHIP  
15 Open Hole (Y/N)  
NO Deviated Hole (Y/N)

Fresh Water Site Exists (Y/N) Yes Analysis Included (Y/N) ☒

Salt Water Analysis: Injection Zone (Y/N/NA) Delaware Disposal Waters (Y/N/NA) Yes Types: Delaware

Affirmative Statement Included (Y/N): ☒ Newspaper Notice Adequate (Y/N) ☒ Well Table Adequate (Y/N) ☒

Surface Owner SLO Noticed (Y/N) Yes Mineral Owner(s) \_\_\_\_\_

AOR Owners: \_\_\_\_\_ Noticed (Y/N) \_\_\_\_\_

CR/Potash/Etc Owners: SLO, Mould, ENER Noticed (Y/N) Yes

AOR Num Active Wells 0 Repairs? \_\_\_\_\_ Producing in Injection Interval in AOR Yes

AOR Num of P&A Wells 1 Repairs? \_\_\_\_\_ Diagrams Included? Yes

Data to Generate New AOR Table

New Table Generated? (Y/N)

	STR	E-W Footages	N-S Footages
Wellsite			
Northeast			
North			
Northwest			
West			
Southwest			
South			
Southeast			
East			

Conditions of Approval:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

RBDMS Updated (Y/N) \_\_\_\_\_

UIC Form Completed (Y/N) Yes

This Form completed 9/26/06