

23533553

DHC 9/11/00

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



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

2810

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

August 18, 2000

AUG 21 2000

David Catanach
State of New Mexico
OIL CONSERVATION DIVISION
2040 S. Pacheco Street
Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Pecos Slope Abo and Foor Ranch (Wolfcamp) pools in our McConkey HX #1 located in Unit D of Section 10, Township 9 South, Range 26 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/th

Enclosures

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
811 South First Street, Artesia, NM 88210

OIL CONSERVATION DIVISION

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

2040 South Pacheco
Santa Fe, New Mexico 87505

Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

District IV
2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation 105 South Fourth Street
Operator Address

McConkey HX 1 D 10-9S-26E Chaves
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code 12545 API No. 30-005-00154 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Pecos Slope Abo		Foor Ranch (Wolfcamp)
Pool Code	82730		76750
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4,764'-4,782'		5,458'-5,463'
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)	1066 BTU		1050 BTU
Producing, Shut-In or New Zone	Producing		Shut-In
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 07/28/00 Rates: 50 mcfpd	Date: Rates:	Date: 06/77 Rates: 100 mcfpd
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 33 %	Oil % Gas %	Oil % Gas 67%

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

NMOC 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 _____

TYPE OR PRINT NAME James W. Pringle TELEPHONE NO. (505) 748-4182

District I
 PO Box 1980, Hobbs, NM 88241-1900
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 AFI Number 30-005-00154		1 Pool Code 82730		1 Pool Name Pecos Slope Abo	
4 Property Code 12545		4 Property Name McConkey HX			4 Well Number 1
1 OGRID No. 025575		1 Operator Name Yates Petroleum Corporation			1 Elevation 3833'

10 Surface Location

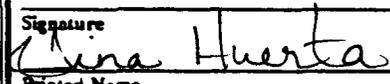
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	10	9S	26E		660	North	660	West	Chaves

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Tina Huerta Signature  Printed Name Operations Technician Title August 18, 2000 Date	
						18 SURVEYOR CERTIFICATION <i>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.</i> REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyer: Certificate Number

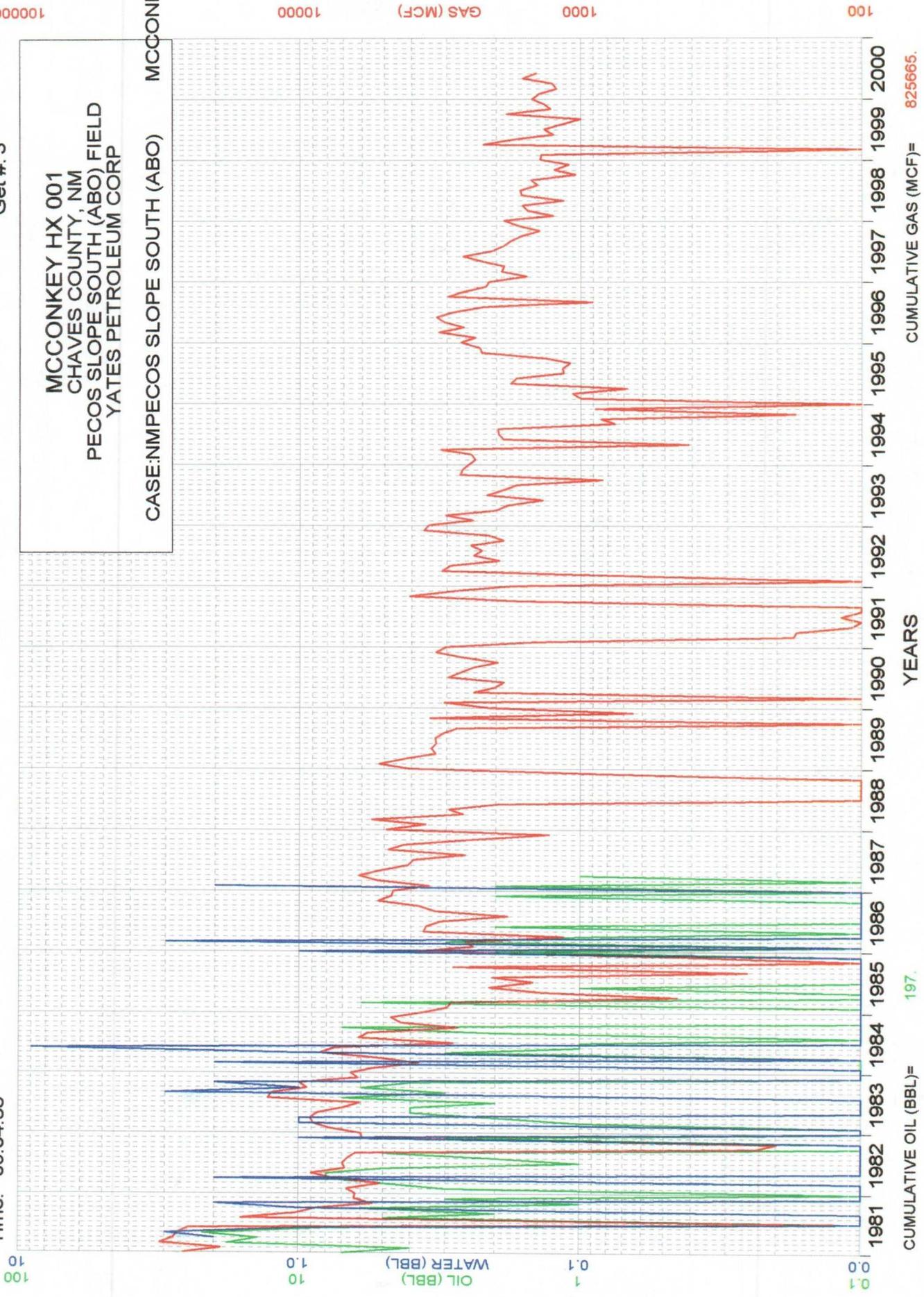
PRODUCTION HISTORY

Date: 08/18/00
Time: 09:04:53

File: MCCONKEY
Get #: 3

MCCONKEY HX 001
CHAVES COUNTY, NM
PECOS SLOPE SOUTH (ABO) FIELD
YATES PETROLEUM CORP

CASE: NMPECOS SLOPE SOUTH (ABO) MCCONKEY



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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-005-00154		2 Pool Code		3 Pool Name Foor Ranch (Wolfcamp)	
4 Property Code 12545		5 Property Name McConkey HX			6 Well Number 1
7 OGRID No. 025575		8 Operator Name Yates Petroleum Corporation			9 Elevation 3833'

10 Surface Location

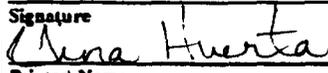
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	10	9S	26E		660	North	660	West	Chaves

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
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16					17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>
					Tina Huerta Signature  Printed Name Operations Technician Title August 18, 2000 Date
					18 SURVEYOR CERTIFICATION <i>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.</i>
				REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor:	
				Certificate Number	

Production curve for the Foor Ranch (Wolfcamp) is not available.

YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
OWNERS OF INTEREST
MCCONKEY HX #1
EDDY COUNTY, NEW MEXICO

Linda A. Allen 1848 New Hampshire Avenue N.E. St. Petersburg, FL 33703	Nancy Joan Graziani 200 Elm Street Elkins, WV 26241	David Jack Orr 605 Central Avenue Parsons, WV 26287
Judith Lee Bava 309 Walnut Street Parsons, WV 26287	Haessly Living Trust 1902 Bayou Dr. N Ruskin, FL 33570	Gary Robert Orr 615 Oakwood Drive Seven Valleys, PA 17360
Louie Bellish 8214 Watersedge Road Baltimore, MD 21222	Jaunita Hahn 12351 59 th Street N Royal Palm Beach, FL 33411-8547	Rexel Orr 15603 Powell Lane Bowie, MD 20716-1440
Karen Nan Johnson 1310 Derby Avenue Salina, KS 67401-8022	Ruth Lynn Hilliard 20 Ninth Avenue South Charleston, WV 25303	Glenn B. Orr 1236 Waterside Lane Venice FL 34292
Nancy Carolyn Cox Route 3, Box 312 Grafton, WV 26354	Fletcher D. Hornbaker 11575 Bethel Road Shawnee, OK 74801	Jeffrey Lynn Orr P. O. Box 754 Oakland, MD 21550-4754
Carole June Daniel 8850 Lake Crest Circle Chattanooga, TN 37416	Sheila Rae Johnson P. O. Box 113 Baxter, WY 26560	Josephine M. Orr 1122 W. Main Street Grafton, WV 26354
Jean M. Duran Estate, James N. Woodyard, Personal 628 S. Ardmore Ave., Apt. 26 Los Angeles, CA 90005	Robert D. Johnson P. O. Box 328 Blue Jay, CA 92317	Richard Bevin Orr 111 East Central Street Oakland, MD 21550
First American Bank, Trustee for Christine Leisey Trust Department P. O. Box 798 Fort Dodge, IA 50501-0798	Roger F. Johnson, Jr. 1707 Clay Avenue Fairmont, WV 26554	Cecil Warner Phillips 1930 Bayou Drive, N. Ruskin, FL 33570
Sandra Lee Flanigan 17240 Garrett Highway Oakland, MD 21550	Sharon Ann Mccutcheon 1624 Westbrook Drive Fairmont, WV 26554-8510	Mary Lee Schneider P. O. Box 471 Mars, PA 16046
Thomas Finch 511 Tolna Street Baltimore, MD 21224	Aura Jean Kite 9336 Timothy Court Charlotte, NC 28277-2134	Billie Shreve 200 Barnard Avenue Elkins, WV 26241
Anna Frances Finch 5216 Millfield Raod White Marsh, MD 21237	Laura Vere Lambert Estate c/o Amanda Marshall 1307 Harrison Avenue Elkins WV 26241	Judith L. Smith 149 Country Club Drive Medfore, NJ 08055
John Grayson, Jr. 417 Twenty Grand Road Pataskala, OH 43062	David Lee Lough HC 60, Box 63 New Martinsville, WV 26155	Ermastine Stuck 110 Coogle Street Fairmont, WV 26554
Thomas A. Grayson 475 Country Club Morgantown, WV 26505	Betty Moutz 6735 Burlington Avenue, N. St. Petersburg, FL 33710	Gypsy Jo Fleck 33 Ridge Road Westminster, MD 21157-4458
Angela C. Grayson 2536 Graustark Path Wooster, OH 44691	Genevieve Murphy 5307 Glenwood Road Bethesda, MD 20814	Eugenia Orr Valentine Estate David J. Orr, Executor 605 Central Avenue Parsons, WV 26287
Elizabeth S. Grayson 1030 Elm Road Baltimore, MD 21227	James T. Murphy 5307 Glenwood Road Bethesda, MD 20814	Virginia Little Winn 6035 S. Verde Trail Bldg. 4, Apt. #J324 Boca Raton, FL 33433

Allen Oil Company, Inc. 58 Riverside Drive Roswell, NM 88201	Carl and Ruth Engwall Living Trust Box 1782 Roswell, NM 88202
Randy G. Patterson 1705 West Washington Artesia, NM 88210	

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TREASURER

August 18, 2000

To: Working Interest Owner
Royalty Interest Owner
Overriding Royalty Interest Owner

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the McConkey HX #1 located in Unit D of Section 10, Township 9 South, Range 26 East, Chaves County. Please find a copy of the application enclosed. This will serve as notification to owners with an interest in the well.

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

Sincerely,

A handwritten signature in black ink that reads 'James W. Pringle'. The signature is written in a cursive, flowing style.

James W. Pringle
Operations Engineer

JWP/th