

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

MS

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 19 2003

Oil Conservation Division

Certified Mail
Return Receipt Requested

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Administrative Order NSL-4629

Dear Ms. Wrotenbery:

Yates Petroleum Corporation has completed the Slick AZU St. Com #1 in the Mississippian formation at a non-standard gas well location 649' FNL & 1980' FWL, Section 1, T13S, R34E, Lea County, New Mexico.

Yates would like to request an amendment to Order NSL-4629 to include all formations developed on 320 acre spacing.

Please call me at (505) 748-4351 if you need any additional information.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

all other. let not a well
can work with
9/23, 9/24, 9/25,
4/29, 10/8, 10/10,
10/15/03,
10/16, 10/20,
10/27, 10/31, 11/3

11-17, 11-18

DATE IN 9/19/03	SUSPENSE NA	ENGINEER MS	LOGGED IN LR	TYPE NSL	APP NO PLR0326529826
--------------------	----------------	----------------	-----------------	-------------	-------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED

SEP 19 2003

ADMINISTRATIVE APPLICATION CHECKLIST

Oil Conservation Division

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.

Robert Bullock
 Print or Type Name

Robert Bullock
 Signature

Landman
 Title

9-17-03
 Date

e-mail Address

Submit 3 copies to appropriate district
Office

DISTRICT I

1625 N. French Dr., Hobbs NM 88240

DISTRICT II

P.O. Drawer DD, 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 and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO	30-025-01868
5. Indicate Type of Lease	State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-2500

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> <u>Re-Entry</u>					7. Lease Name or Unit Agreement Name <u>Slick AZU State Com</u>						
2. Name of Operator <u>Yates Petroleum Corporation</u>					8. Well No. <u>1</u>						
3. Address of Operator <u>105 South 4th St., Artesia, NM 88210</u>					9. Pool Name or Wildcat <u>Wildcat Mississippian</u>						
4. Well Location Unit Letter <u>C</u> : <u>649</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> Line <u>1</u> Section <u>13S</u> Township <u>34E</u> Range <u>NMPM</u> Lea <u></u> County <u></u>											
10. Date Spudded <u>4/25/03</u>		11. Date T.D. Reached <u>N/A</u>		12. Date Completed (Ready to Prod) <u>6/24/03</u> <u>C</u>		13. Elevations (DF & RKB, RT, GR, etc.) <u>4127.9' GR, 4147.9' KB</u>		14. Elev. Casinghead <u>N/A</u>			
15. Total Depth <u>13360'</u>		16. Plug Back T.D. <u>13201'</u>		17. If Multiple Compl. How Many Zones? <u>N/A</u>		18. Intervals Drilled by <u>N/A</u>		19. Rotary Tools <u>N/A</u>		20. Cable Tools <u>N/A</u>	
19. Producing Interval (s), of this completion - Top, Bottom, Name <u>13152-13177' Mississippian</u>							20. Was Directional Survey Made <u>No</u>				
21. Type Electric and Other Logs Run <u>BCS, Laterolog, CNL</u>							22. Was Well Cored <u>No</u>				

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	387'	17"	In Place	
9-5/8"	36#, 40#	4188'	12-1/4"	In Place	
5-1/2"	17#	13260'	8-3/4"	2150 sx (TOC 8750' Calc)	

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	13098'	13098'

26. PERFORATION RECORD (INTERVAL, SIZE, AND NUMBER)				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
13152-177' (52)				DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
12449-52' (8), 12462-69' (16), 12517-33' (34)				13152-177'	2500 gal 20% NEFE w/64 BS
12558-61' (8), 12566-578' (26), 12586-604' (38)				12449-630'	5000 gal 20% NEFE
12613-630' (36)				12101-108'	1000 gal 7-1/2% 1000 SCF/N2
12101-108'				13152-177'	Pumped foam acid job w/15000 gal gelled 20% IC/HCl w/106 tons CO2

28. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. Or Shut-in)	
						SIWOPL	
Date of Test	Hours Tested	Choke Size	Prod'n for Test Period	Oil - Bbl	Gas-MCF	Water -Bbl.	Gas - Oil Ratio
<u>3/5/03</u>	<u>24</u>	<u>3/4"</u>		<u>0</u>	<u>1637</u>	<u>0</u>	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil-Bbl	Gas-MCF	Water -Bbl	Oil Gravity - API	
<u>100</u>			<u>0</u>	<u>1637</u>	<u>0</u>		

29. Disposition of Gas (Sold, used for fuel, vented, etc.) <u>Will be sold</u>						Test Witnessed By <u>Mike Barrett</u>	
---	--	--	--	--	--	--	--

30. List Attachments <u>Logs</u>							
-------------------------------------	--	--	--	--	--	--	--

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief							
Signature <u>Stormi Davis</u>		Printed Name <u>Stormi Davis</u>		Title <u>Regulatory Compliance Technician</u>		Date <u>7/10/03</u>	

38. GEOLOGIC MARKERS

[illegible]



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

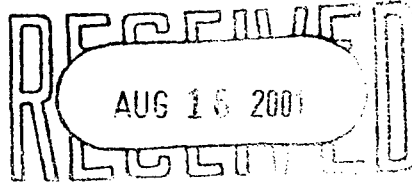
GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 14, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Attention: Clifton R. May

Telefax No. (505) 748-4572



Administrative Order NSL-4629

Dear Mr. May:

Reference is made to the following: (i) your application dated August 9, 2001 (*application reference No. pKRV0-122151726*); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Yates Petroleum Corporation's ("Yates") request for an unorthodox wildcat Morrow gas well location for the plugged and abandoned State of New Mexico Well No. 1 (**API No. 30-025-01868**), to be redesignated the Slick "AZU" State Com. Well No. 1, located 649 feet from the North line and 1980 feet from the West line (Lot 3/Unit C) of Section 1, Township 13 South, Range 34 East, NMPM, Lea County, New Mexico.

The State of New Mexico Well No. 1 was originally drilled by Slick Oil Corporation to a total depth of 13,360 feet to test the Devonian formation at a standard oil well location within a standard 39.28-acre oil spacing and proration unit comprising Lot 3 in August, 1957. In November, 1957 this well was plugged and abandoned. In October, 1976 Maralo, Inc. re-entered this well to test the Cisco formation for oil, found it to be dry, and plugged it again.

It is our understanding that Yates now intends to reenter this well in order to test the wildcat Morrow formation for gas within a standard 317.12-acre lay-down gas spacing and proration unit comprising Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of Section 1.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Morrow gas well location for the Slick "AZU" State Com. Well No. 1 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe