

2/11/04 DATE IN	3/2/04 SUSPENSE	DHC ENGINEER	2/12/04 LOGGED IN	DHC TYPE	P/DHC 0404325794 APP NO.
--------------------	--------------------	-----------------	----------------------	-------------	-----------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



DC-0119

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]

3253

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James W. Pringle

Print or Type Name

James W. Pringle
Signature

Operations Engineer

Title

2/2/04

Date

e-mail Address

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE

X Single Well

Establish Pre-Approved Pools

EXISTING WELLBORE

X **Yes** **No**

Yates Petroleum Corporation	105 South Fourth Street	Artesia, New Mexico 88210
Operator	Address	

Comanchero "BCZ" Federal Com	1	E	26	10S	25E	Chaves
Lease	Well No.	Unit	Letter	Section	Township	Range

OGRID No. 025575 Property Code _____ API No. 30-005-62113 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Pecos Slope Abo		Wildcat Upper Penn (Cisco)
Pool Code			
Top and Bottom of PaySection (Perforated or Open-Hole Interval)	4100-4376'		5334-5338'
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)	NA		NA
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NA		NA
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 2/2/04 Rate: 100 mcf/d 0 bopd 20 bwpd		Date: 1/21/04 Rate: 25 mcf/d 0 bopd 0 bwpd
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % 80%	Oil Gas % %	Oil Gas % 20%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes _____ No X
Yes X No _____

Are all produced fluids from all commingled zones compatible with each other?

Yes X No

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes _____ No _____

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:
List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE James W. Pringle TITLE Operations Engineer DATE : 2/2/04
TYPE OR PRINT NAME James W. Pringle TELEPHONE NO. (505)-748-4182

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

February 2, 2004

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

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope Abo and the Wildcat Upper Penn (Cisco) pools in our Comanchero BCZ Federal Com #1 located in Unit E Section 26, T10S-R25E, Chaves County, New Mexico.

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

Sincerely,

James W. Pringle
Operations Engineer

JWP/cm

Enclosures

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

February 2, 2004

Tim Gum
State of New Mexico
OIL CONSERVATION DIVISION
1301 W. Grand
Artesia, New Mexico 88210

Dear Mr. Gum;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope Abo and the Wildcat Upper Penn (Cisco) pools in our Comanchero BCZ Federal Com #1 located in Unit E Section 26, T10S-R25E, Chaves County, New Mexico.

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

Sincerely,

James W. Pringle
Operations Engineer

JWP/cm

Enclosures

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

February 2, 2004

Bureau of Land Management
Mr. Armando Lopez
2909 W. 2nd Street
Roswell, New Mexico 88201

Dear Mr. Lopez;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope Abo and the Wildcat Upper Penn (Cisco) pools in our Comanchero BCZ Federal Com #1 located in Unit E Section 26, T10S-R25E, Chaves County, New Mexico.

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

Sincerely,

James W. Pringle
Operations Engineer

JWP/cm

Enclosures

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

February 2, 2004

To: Interest Owners

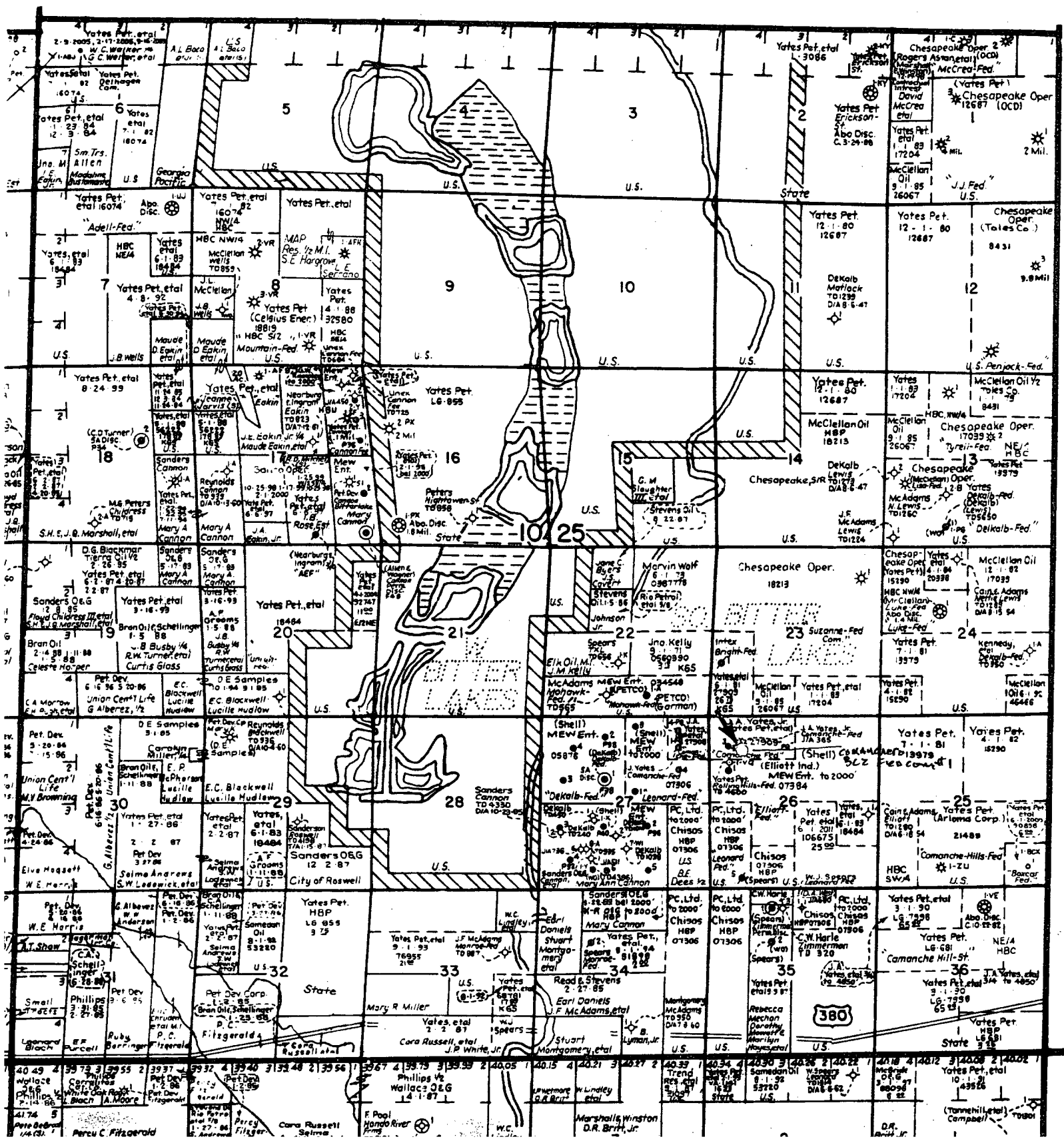
Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope Abo and the Wildcat Upper Penn (Cisco) pools in our Comanchero BCZ Federal Com #1 located in Unit E Section 26, T10S-R25E, Chaves County, New Mexico.

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

Sincerely,

James W. Pringle
Operations Engineer

JWP/CM
Enclosure



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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-31625	³ Pool Name Pecos Slope Abo	
⁴ Property Code	⁵ Property Name Coamanchero BCZ Federal Com	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3788.1'

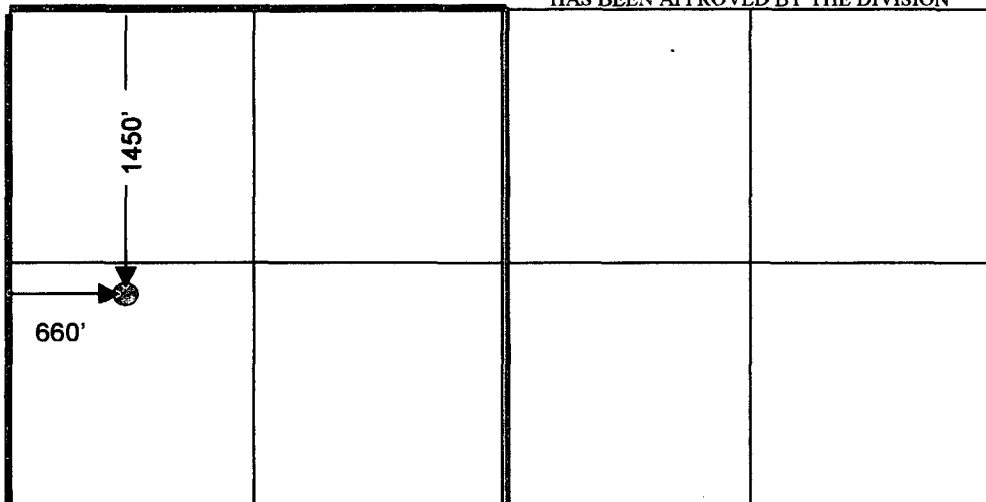
¹⁰ Surface Location

UL or lot no. E	Section 26	Township 10S	Range 25E	Lot Idn	Feet from the 1450	North/South line North	Feet from the 660	East/West line West	County 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 160	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

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Cherry Matchus</u> Cherry Matchus Printed Name Engineering Technician Title Date: <u>2/2/04</u>
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

The Pecos Slope Abo is a new zone and production curves are not available.

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-31625	³ Pool Name Wildcat Upper Penn (Cisco)	
⁴ Property Code	⁵ Property Name Coamanchero BCZ Federal Com	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3788.1'

¹⁰ Surface Location

UL or lot no. E	Section 26	Township 10S	Range 25E	Lot Idn	Feet from the 1450	North/South line North	Feet from the 660	East/West line West	County 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 320	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

1450'				
660'				

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature Cherry Matchus
Cherry Matchus

Printed Name
Engineering Technician

Title
Date: 2/2/04

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

The Wildcat Upper Penn (Cisco) is a new zone and production curves are not available.

Comanchero BCZ Federal Com #1

Working, Overriding and Royalty Interests Owner's

Elliot Industries Ltd
PO Box 3300
Roswell, NM 88202-3300

Jensen, Kay Livermore
12425 Mithchell Ave.
Los Angeles, CA 90066

C.R. Livermore
Rt. 8, Box 180 E ½
Silver City, NM 88061

Martin M. Livermore
P.O. Box 86
Quemado, NM 87829

Minerals Management Service
P.O. Box 25165
Denver, CO 80225

Doris L. Stidd
434 N. 65th Ave.
Pensacola, FL 32506

7002 2030 0001 8270 3555

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided.)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

BUREAU OF LAND MANAGEMENT
Armando Lopez
2909 West 2nd Street
Roswell, New Mexico 88201

PS Form 3800, May 2000

7000 1530 0000 1625 3119

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Elliott Industries Limited
P.O. Box 3300
Roswell, NM 88202-3300

PS Form 3800, May 2000

7000 1530 0000 1625 3515

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Sent: Minerals Management Service
PO Box 25165
Denver, CO 80225

PS Form 3800, May 2000

7000 1530 0000 1625 3133

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Sent: C. R. Livermore
RT 8, Box 180 E 1/2
Silver City, NM 88061

PS Form 3800, May 2000

7000 1530 0000 1625 3508

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Sent To: Martin M. Livermore
PO Box 86
Quemado, NM 87829

PS Form 3800, May 2000

7000 1530 0000 1625 3126

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Sent: Jensen, Kay Livermore
12425 Mitchell Ave.
Los Angeles, CA 90066

PS Form 3800, May 2000

7000 1530 0000 1625 3522

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

Sent: Doris L. Stidd
434 N. 65th Ave
Pensacola, FL 32506

PS Form 3800, May 2000