

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



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

OIL CONSERVATION DIVISION
RECEIVED
'92 AUG 31 PM 9 53
S. P. YATES
CHAIRMAN OF THE BOARD
JOHN W. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

August 28, 1992

New Mexico Energy & Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

Attention: Ben Stone

RE: *Chalupa AAD State #4 - C-108 Application*

Dear Mr. Stone,

Please find enclosed the information you requested regarding the salt water disposal application for the above-mentioned well.

If I can be of further assistance, please notify me.

Sincerely,

Chuck Morgan
P.E.

CM/sj

Enclosure

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, Kathi Bearden

of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period

of _____

One weeks.
Beginning with the issue dated

Aug. 7, 1992
and ending with the issue dated

Aug. 7, 1992

Kathi Bearden
General Manager

Sworn and subscribed to before

me this 11 day of

November, 1992

Paula Perry
Notary Public.

My Commission expires _____

Aug. 5, 1995
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

August 7, 1992

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, the "Chalupa AAD State #4" located 330' FSL & 330' FWL of Section 13, Township 14 South, Range 33 East of Lea County, New Mexico will be used for saltwater disposal. Disposal waters from the Bough will be re-injected into the Bough and Canyon at a depth of 9888-10550 feet with a maximum pressure of 1975 psi and a maximum rate of 5000 BWPD.

All interested parties opposing the aforementioned must file objections or requests for a hearing with the Oil Conservation Division, P.O. Box 2088, Santa Fe, NM 87501, within 15 days. Additional information can be obtained by contacting Chuck Morgan at (505) 748-1471.

500-900

RECEIVED

A.M. ☐ P.M. ☐

AUG 17 1992

ACCOUNTS PAYABLE
PRE-PAID

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Texaco USA
P.O. Box 2100
Denver, CO 80201

4a. Article Number

P 384 290 619

4b. Service Type

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

8-50-92

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Chalupa 4

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Amerada Hess Corp.
P.O. Box 840
Seminole, TX 79360

4a. Article Number

P 384 290 618

4b. Service Type

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

8-10-92

5. Signature (Addressee)

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Chalupa 4

Thank you for using Return Receipt Service.

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1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Charles B. Gillespie, Jr.
P.O. Box 8
Midland, TX 79702

4a. Article Number

P 384 290 617

4b. Service Type

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

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AUG 13 1992

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PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Chalupa 4

Thank you for using Return Receipt Service.

RELEASE 8.24.92

APPLICATION FOR AUTHORIZATION TO INJECT

OIL CONSERVATION DIVISION

- I. Purpose: ☐ Secondary Recovery ☐ Pressure Maintenance ☒ Disposal ☐ Storage
Application qualifies for administrative approval? ☒ yes ☐ no
- II. Operator: Yates Petroleum Corporation
Address: 105 S. 4th Str.
Contact party: Chuck Morgan Phone: (505)748-1471
- 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? ☐ yes ☒ no
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:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. 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 geological data on the injection zone including appropriate lithologic detail, geological 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 source 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 source 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: Chuck Morgan Title: P.E.
- Signature: Chuck Morgan Date: August 3, 1992
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

III. WELL DATA

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 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, P. O. Box 2008, Santa Fe, New Mexico 87501 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.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

8-12-92

RECEIVED
'92 AUG 18 PM 10 06

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP _____
SWD ☒ _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Yates Petroleum Corp. Chaboya AAD State #4-M 13-14-33
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed

C-108
Application For Authorization To Inject
Yates Petroleum Corporation
Chalupa "AAD" State #4
M 13-14S-33E
Lea County, New Mexico

- I. The purpose of completing this well is to make a disposal well for produced Bough water into the Bough and Canyon.

Yates Petroleum plans to convert this well to a water disposal well into the Bough and Canyon.

- II. Operator: Yates Petroleum Corporation
South Fourth Street
Artesia, NM 88210
Chuck Morgan (505) 748-1471

- III. Well Data: See Attachment A

- IV. This is not an expansion of an existing project.

- V. See attached map, Attachment B

- VI. No wells within the area of review penetrate the proposed injection zone.
(See Attachment C.)

- VII. 1. Proposed average daily injection volume approxi-3000 BWPD.
Maximum daily injection volume approximately 5000 BWPD.
2. This will be a closed system.
3. Proposed average injection pressure-unknown.
Proposed maximum injection pressure--1975 psi.
4. Sources of injected water would be produced water from the Bough.
(See Attachment D.)
5. See Attachment D.

- VIII. 1. The proposed injection interval is the portion of the Bough and Canyon formations consisting of porous Lime and Dolomite from estimated depths of 9888' to 10,550'.
2. Fresh water zones overlie the proposed injection formations in the Ogollala at approximately 250' and possibly the Chinlee which immediately underlies the Ogollala. There are no unknown fresh water zones underlying the formation.

- IX. The proposed disposal interval may be acidized with 7-1/2% or 15% HCL acid.

- X. Logs were filed at your office when the well was drilled in 1986.

- XI. No windmills exist within a one mile radius of the subject location.
- XII. Yates Petroleum Corporation has examined geologic and engineering data. No evidence of open faults or any other hydrologic connections between the disposal zone and any underground fresh water aquifers have been found.
- 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
Chalupa "AAD" State #4
M 13-14S-33E
Lea County, New Mexico

Attachment A
Page I

III. Well Data

A. 1. Lease Name/Location:

Chalupa "AAD" State #4
M 13-14S-33E
330' FSL & 330' FWL

2. Casing Strings:

a. Present Well Condition

13-3/8" 54.5# @ 465' w/450 sx (circ)
8-5/8" 32# @ 4225' w/1000 sx (circ)
5-1/2" 17# @ 10175' w/1075 sx (TOC 6800')
2-7/8" tubing @ 9801'

Present TD: 10209' PBTD: 9980'

3. Proposed well condition:

Casing same as above
2-7/8" 6.5 N80 plastic-coated injection tubing @ 9780'

4. Propose to use Guiberson or Baker plastic-coated or nickel-plated packer set at 9780'.

B. 1. Injection Formation: Bough and Canyon

2. Injection Interval will be through perforations from approximately 9888-10,010' and open hole from 10,135-10,550'.

3. Well was originally drilled as an exploratory Bough oil well. Well will be Bough and Canyon water disposal well when work is completed.

4. Perforations:

- a. 9888-9912'
- b. 9929-9957' Permo Penn
- c. 10002-10024' Squ. 75 sx
- d. 10002-10010' Re-perforated
- e. 10057-10066' Squ. 60 sx

5. Next higher (shallower) oil or gas zone within 2 miles--Wolfcamp
Next lower (deeper) oil or gas zone within 1/2 mile--None.

ATTACHMENT A

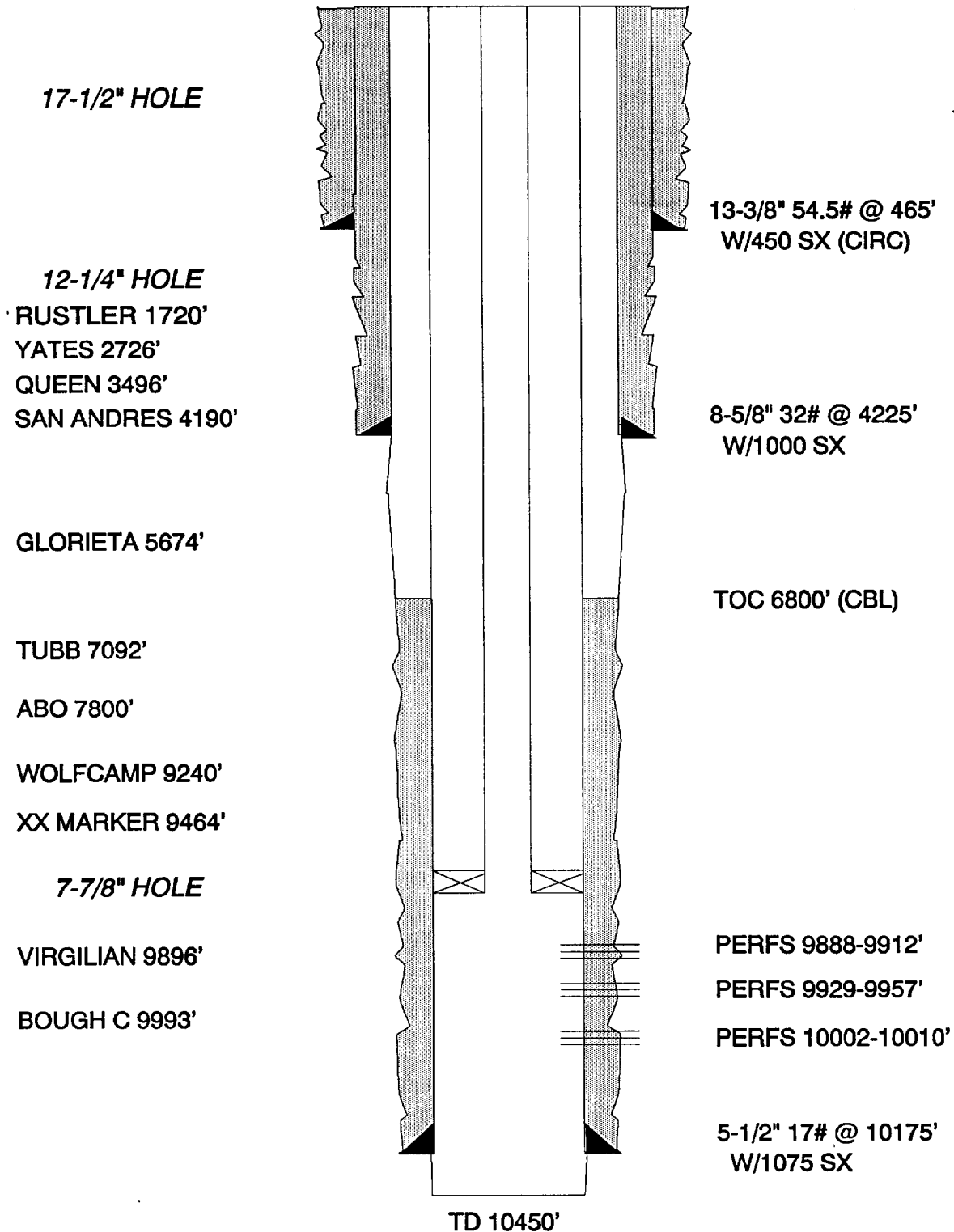
YATES PETROLEUM CORPORATION

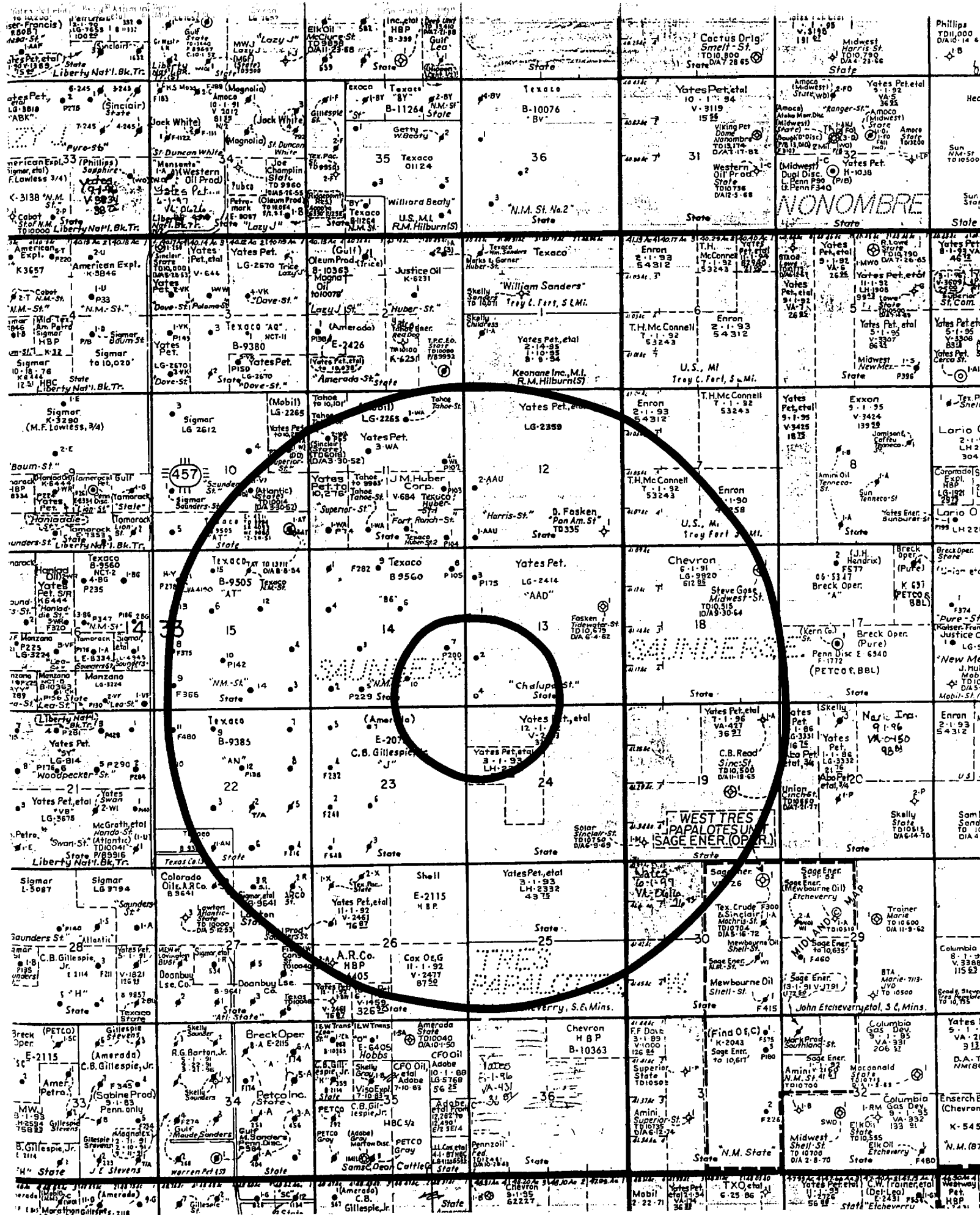
CHALUPA AAD STATE #4

PROPOSED SALT WATER DISPOSAL WELL

M 13-T14S-R33E

LEA COUNTY, NEW MEXICO





YATES PETROLEUM CORPORATION

CHALUPA "AAD" STATE #4

PROPOSED SALT WATER DISPOSAL WELL

330'FSL & 330'FWL
SEC 13-T14S-R33E
LEA COUNTY, NEW MEXICO

ATTACHMENT B

ATTACHMENT C

Chalupa AAD State #4 Form C-108

Tabulation of Data on Wells Within Area of Review

<u>Well Name</u>	<u>Operator</u>	<u>Type</u>	<u>Spud</u>	<u>Completed</u>	<u>Total Depth</u>	<u>Producing Zone</u>	<u>Perforations</u>	<u>Completion Information</u>
Chalupa AAD State #1 E 13-14S-33E	YPC	Oil	8/2/84	10/28/84	10,202'	Permo Penn	9821-9892'	13-3/8" @ 450' w/450 sx 8-5/8" @ 4242' w/1270 sx 5-1/2" @ 10,202' w/2230 sx 2-7/8" tbg @ 9728'
Chalupa AAD State #2 L 13-14S-33E	YPC	Oil	12/2/84	3/11/85	10,197'	Permo Penn	9986-10,044'	13-3/8" @ 450' w/450 sx 8-5/8" @ 4250' w/1750 sx 5-1/2" @ 10,197' w/1500 sx 2-7/8" tbg @ 10,056'
New Mexico BG State NCT-1 #7 L 14-14S-33E	Texaco	Oil	8/7/85	9/26/85	10,100'	Permo Penn	9814-9988'	12-3/8" @ 524' w/600 sx 8-5/8" @ 4189' w/2500 sx 5-1/2" @ 10,100' w/2250 sx 2-3/8" tbg @ 9785'
New Mexico BG State NCT-1 #10 O 14-14S-33E	Texaco	Oil	3/10/87	4/15/87	10,100'	Permo Penn	9783-9953'	11-3/4" @ 1730' w/1947 sx 8-5/8" @ 4200' w/1750 sx 5-1/2" @ 10,100' w/1857 sx 2-7/8" tbg @ 10,100'

HALLIBURTON DIVISION LABORATORY

HALLIBURTON SERVICES

MIDLAND DIVISION

ARTESIA, NEW MEXICO 88210

LABORATORY WATER ANALYSIS

No. W196-87

To Billy HornerDate October 13, 1987Yates Petroleum Corporation105 South Fourth StreetArtesia, NM 88210

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. October 12, 1987Well No. Chalupa #4

Depth _____

Formation _____

County _____

Field _____

Source _____

Resistivity 0.29 @ 70°Specific Gravity 1.016pH 7.8Calcium (Ca) 1,052

*MPL

Magnesium (Mg) 640Chlorides (Cl) 13,500Sulfates (SO₄) HeavyBicarbonates (HCO₃) 1,464Soluble Iron (Fe) Nil

Remarks:

*Milligrams per liter

Rocky Chambers
Respectfully submitted,

Analyst: Rocky Chambers - Special Operator

HALLIBURTON COMPANY

cc:

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

ATTACHMENT E

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



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

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DENNIS G. KINSEY
TREASURER

August 3, 1992

CERTIFIED RETURN RECEIPT

Texaco USA
P. O. Box 2100
Denver, CO 80201

Dear Sir:

Enclosed please find a copy of form C-108 (Application for Authority to Inject) on Yates' Chalupa AAD State #4 located in Unit M of Section 13-T14S-R33E.

Should you have any questions, please feel free to contact me at (505) 748-1471.

Sincerely,

Chuck Morgan
Engineer

CM/sj

Enclosure

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1471

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DENNIS G. KINSEY
TREASURER

August 3, 1992

CERTIFIED RETURN RECEIPT

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P. O. Box 840
Seminole, TX 79360

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Chuck Morgan
Engineer

CM/sj

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August 3, 1992

CERTIFIED RETURN RECEIPT

Charles B. Gillespie
P. O. Box 8
Midland, TX 79702

Dear Sir:

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Sincerely,

Chuck Morgan
Engineer

CM/sj

Enclosure

Attachment F

Legal Notice

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DENNIS G. KINSEY
TREASURER

August 3, 1992

Hobbs News Sun
201 North Thorp
Hobbs, NM 88240

Gentlemen,

Yates Petroleum Corporation desires to place a public notice in your newspaper for one day. The notice is enclosed.

Please place this notice in your paper Friday, August 7, 1992 and forward a copy of it along with your billing as soon as possible to:

Yates Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210
Attn: Chuck Morgan

If you have any questions, please contact me at 748-1471, Ext. 198. Thank you for your cooperation in this matter.

Sincerely,

Chuck Morgan
P.E.

CM/sj

Enclosure