

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

March 12, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Via Facsimile
Certified Mail
Return Receipt Request

RE: Application for Unorthodox Location
Haldeman EN #2
1980' FNL and 2310' FEL
Section 31, T17S-R26E
Eddy County, New Mexico

Dear Mr. Stogner

Yates Petroleum Corporation respectfully requests administrative approval for the captioned gas well. This well was originally drilled as an Eagle Creek Atoka Morrow East gas well but has recently been completed as a Wildcat Canyon gas well.


The Haldeman EN Com. #2 was proposed to be drilled in an alfalfa field owned by Haldeman Farms of Artesia, New Mexico at a location of 1980' FNL and 1980' FEL. I do not believe drilling in this field that has a moving sprinkling system had much bearing in the final decision to move the location to the unorthodox location of 1980' FNL and 2310'. Yates' Geologist, Mr. Ray Podany, has prepared a geological map and a written statement as to why the well was moved for geological reasons. This information is labeled as X and X-1. I hope Mr. Podany's explanation meets with your approval and will provide us with administrative approval for this NSL request.

Should you need anything further please advise.

Thank you,

Very truly yours,

YATES PETROLEUM CORPORATION


Cy Cowan
Regulatory Agent

/cyc

NEW MEXICO OIL CONSERVATION DIVISION

SUBMITTAL GUIDELINES FOR ADMINISTRATIVE APPROVAL
OF NON-STANDARD LOCATION APPLICATIONS

- I. If the well is located on Federal or Indian Lands, the Federal Surface Management Agency must be notified and an on-site inspection conducted prior to filing the application. If an Application for Permit to drill or a Notice of Staking has been prepared, a copy must be submitted.
Please Note: This well is located on Fee Surface, however a copy of the C-101 and C-103 are attached for your convenience.
- II. Completed C-102 showing the well location, proration unit, leases within the unit and other required information.
- III. Land plat showing offset operators and working interest owners and any offsetting wells producing from the same pool or formation.
- A. This information may be shown on the topo map if it does not impair the readability of the map.
- B. The operator should certify that the information is current and correct. *This information is correct.*
- IV. Original or clear copy of topographic map, preferably 7.5 minute quad, showing contours and other mapped features impacting the location, with the following information marked thereon (In order to be able to adequately show all of the necessary surface conditions it may be necessary to enlarge the relevant portion of the topo map to provide room for detail):
- A. The proposed well location and proration unit;
- B. An outline of the orthodox drilling windows as provided in the applicable rules for the subject application;
- C. The location of any wells to any formation within the area of the proration unit and a statement as to whether an existing pad can be used to drill the proposed well; *N/A*
- V. An enlargement of the topo map showing the subject area with the applicable additional information:
- A. Terrain features not shown on the map which make an orthodox location unusable; *N/A*
- B. Proposed access roads and pipelines if they affect the location selection; *N/A*
- C. The location of any surface uses which prevent use of a legal location:

- D. The location of any archeological sites identified in the archeological survey; *N/A*
- E. The location and nature of any other surface conditions which prevent the use of an orthodox location. *N/A*
- VI. If archeological sites are a reason for the unorthodox location request, a copy of the archeological survey, or a summary, identifying sites which cannot be disturbed or which must have any disturbance mitigated. In addition, the location of such areas should be marked on the enlarged topo so they can be clearly identified. *N/A*
- VII. A narrative report of any on-site inspection of the potential locations. If such on-site has resulted in elimination of legal locations due to surface conditions, such information should also be noted on the enlarged topo.
- VIII. A statement of why directional drilling to reach a legal bottom-hole location is not feasible. *This information is not Available.*
- IX. An affidavit that notice has been sent to all parties entitled thereto, under the Divisions Rules and Regulations with return receipt cards showing date of receipt of notice.

*N/A AS YPC is the only operator
that is being encroached upon
to the west.*

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 87240

District II

811 South First, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.

30-015-30910

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

Haldeman EN

8. Well No.

2

9. Pool name or Wildcat

Eagle Creek Atoka Morrow East

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street

4. Well Location

Unit Letter G : 1980' feet from the North line and 2310' feet from the East line

Section 31

Township 17S

Range 26E

NMPM Eddy County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

3421'

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: Move Location ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

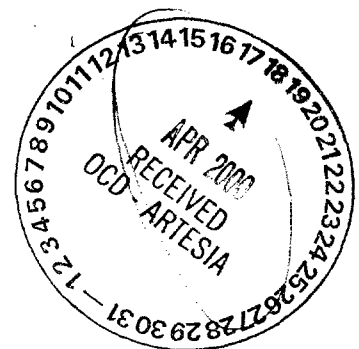
12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Yates Petroleum Corporation wishes to move the location,

FROM: 1980' FNL & 1980' FEL

TO: 1980' FNL & 2310' FEL

Thank you.



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

SIGNATURE

TITLE

Landman

DATE

4/17/00

Type or print name Ken Beardemphl

Telephone No.

505-748-1471

(This space for State use)

APPROVED BY

TITLE

SUPERVISOR, DISTRICT II

DATE

APR 18 2000

Conditions of approval, if any:

District I

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District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505Form C-102
Revised March 17, 1999Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|---|---------------------------------|
| ¹ API Number 30-015-30910 | | ² Pool Code 76240 | | ³ Pool Name Eagle Creek Atoka Morrow East | |
| ⁴ Property Code 25224 | | ⁵ Property Name HALDEMAN EN COM | | | ⁶ Well Number 2 |
| ⁷ OGRID No. 025575 | | ⁸ Operator Name YATES PETROLEUM CORPORATION | | | ⁹ Elevation 3421. |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 2310 | EAST | 3421. |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

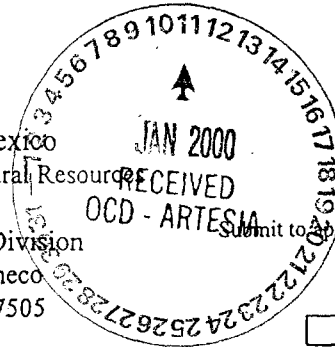
| | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|

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

| | |
|--|--|
| <div style="border: 2px solid black; padding: 10px; width: 500px; height: 150px; position: relative;"> FEE <div style="position: absolute; top: 50px; left: 350px;"> 1980' <div style="border: 1px solid black; width: 100px; height: 100px; position: relative;"> <div style="position: absolute; top: 0; left: 0;">#1 well</div> <div style="position: absolute; bottom: 0; right: 0;">2310'</div> </div> </div> </div> | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature: <i>Ken Beardemphl</i> Printed Name: Ken Beardemphl Title: Landman Date: April 18, 2000 |
| | 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. <div style="text-align: center;"> </div> Date of Survey: APRIL 17, 2000 Signature and Seal of Professional Surveyor: <i>An R. Reddy</i> Certificate Number: NM PE&PS NO. 5412 |

District I
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State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505



Form C-101
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--|--|----------------------------|
| Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 | | OGRID Number 025575 |
| Property Code 25224 | | API Number 30-015-30910 |
| Property Name Haldeman EN Com. | | Well No. 2 |

Surface Location

| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980' | North | 1980' | East | Eddy |

Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot ldn | Feet from the | North/South line | Feet from the | East/West line | County |
|--|---------|----------|-------|---------|--------------------------|------------------|---------------|----------------|--------|
| Proposed Pool 1 Eagle Creek Atoka Morrow East | | | | | Proposed Pool 2 76240 | | | | |

| | | | | |
|---------------------|-------------------------|------------------------|------------------------------|---------------------------------|
| Work Type Code N | Well Type Code G | Cable/Rotary Rotary | Lease Type Code P | Ground Level Elevation 3418' |
| Multiple No | Proposed Depth 8800' | Formation Morrow | Contractor Not determined | Spud Date ASAP |

Minimum WOC time / 8 hrs. Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 1/2" | 13 3/8" | 48# | 350' | 400 sx | circulated |
| 12 1/4" | 8 5/8" | 24# | 1300' | 500 sx | circulated |
| 7 7/8" | 4 1/2" | 11.6# | 8800' | 650 sx | TOC 5000' |
| | | | | | |
| | | | | | |

Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set and cement circulated. Intermediate casing will be cement circulated. If commercial production casing will be run and cemented back to approximately 5000', perforated and stimulated as needed for production.

MUD PROGRAM: 0-1300' Freshwater; 1300'-8000' cut brine; 8000'-TD salt gel/starch.

BOPE PROGRAM: 3000# BOPE will be installed on 8 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Ken Beardemphl*
Printed name: Ken Beardemphl

Title: Landman

Date: January 10, 2000

Phone: (505) 748-1471

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

Title:

Approval Date: 1-11-00

Expiration Date: 1-11-00

Conditions of Approval:

Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---------------|-----------------------------|-----------|-------------------------------|
| API Number | | Pool Code | Pool Name |
| | | 76240 | Eagle Creek Atoka Morrow East |
| Property Code | Property Name | | Well Number |
| | HALDEMAN EN COM | | 2 |
| DGRID No. | Operator Name | | Elevation |
| 025575 | YATES PETROLEUM CORPORATION | | 3418. |

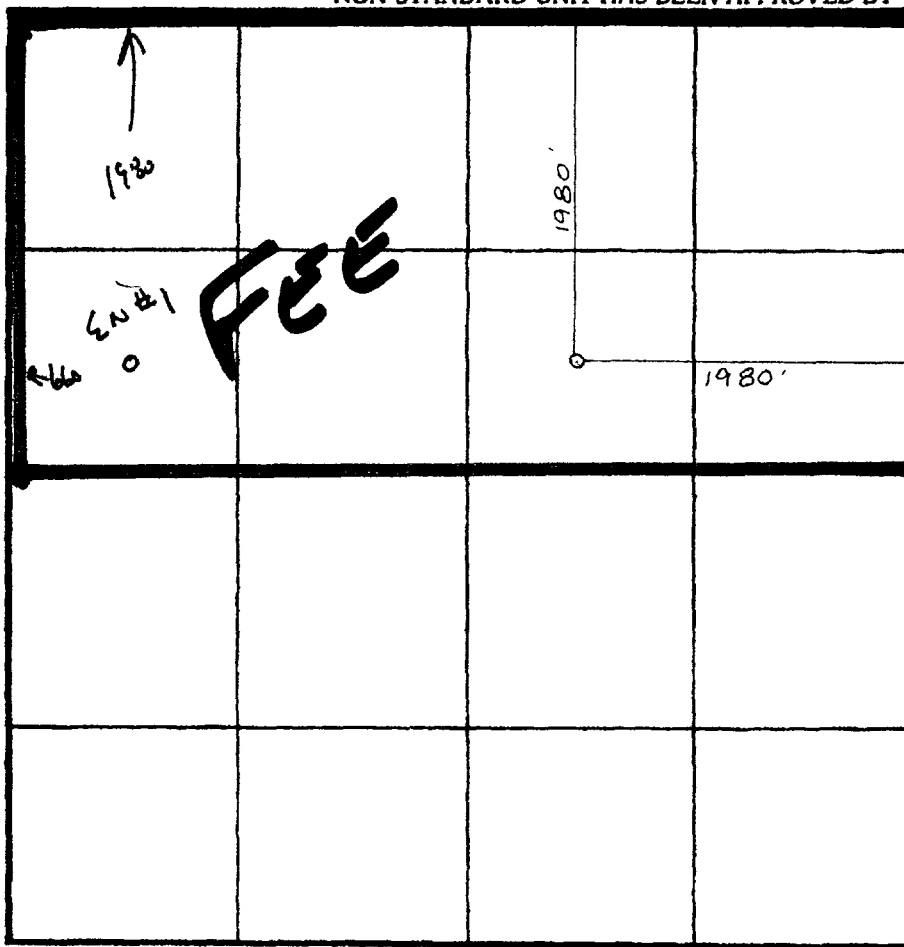
¹⁰ Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 1980 | EAST | EDDY |

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 |
| | | | | | | | | | |
| Dedicated Acres | | Joint or Infill | | Consolidation Code | | Order No. | | | |
| 320 | | | | | | | | | |

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

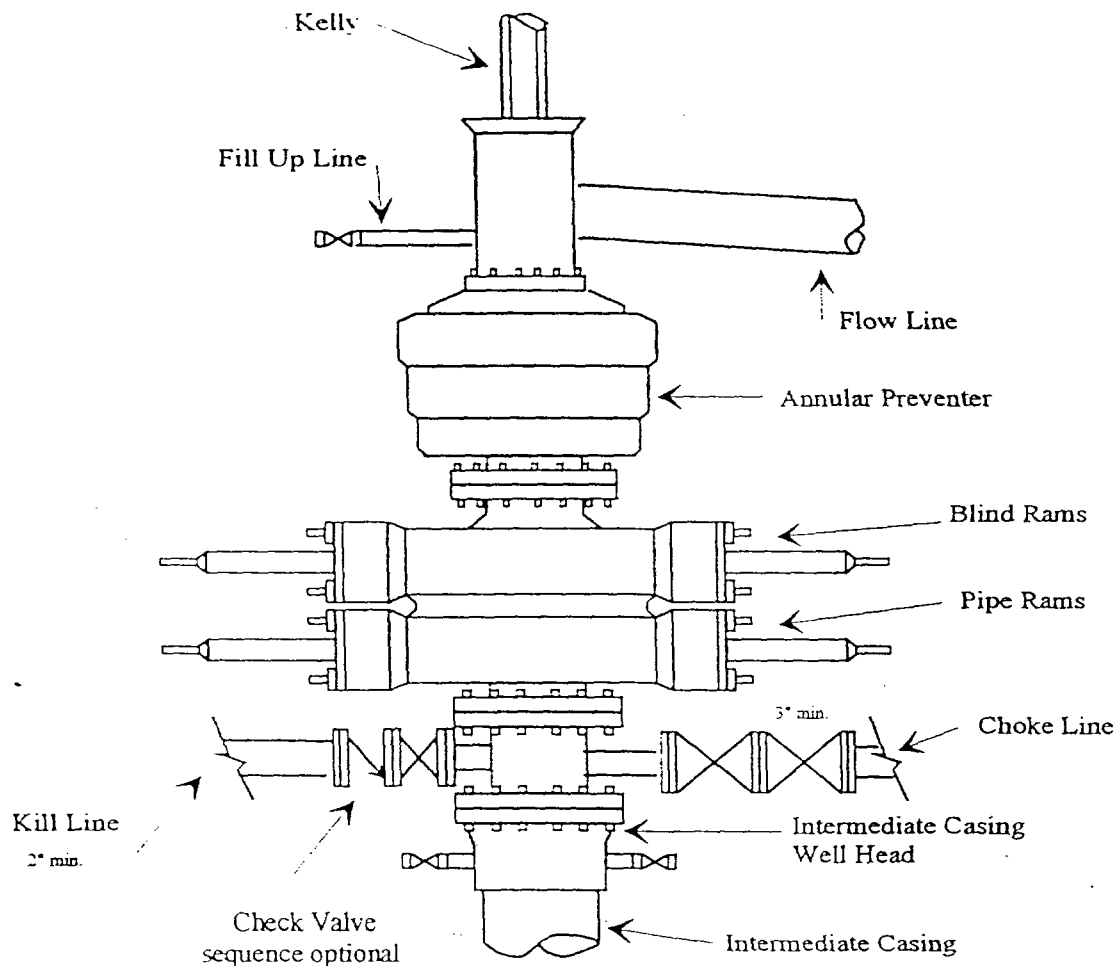
| | |
|---|--|
|  | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Ken Beardemphl</u></p> <p>Printed Name Ken Beardemphl</p> <p>Title Landman</p> <p>Date January 10, 2000</p> |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DATE OF SURVEY <u>JANUARY 4, 2000</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>REGISTERED LAND SURVEYOR ENGINEER</p> <p>NM REAPS NO. 5412</p> |



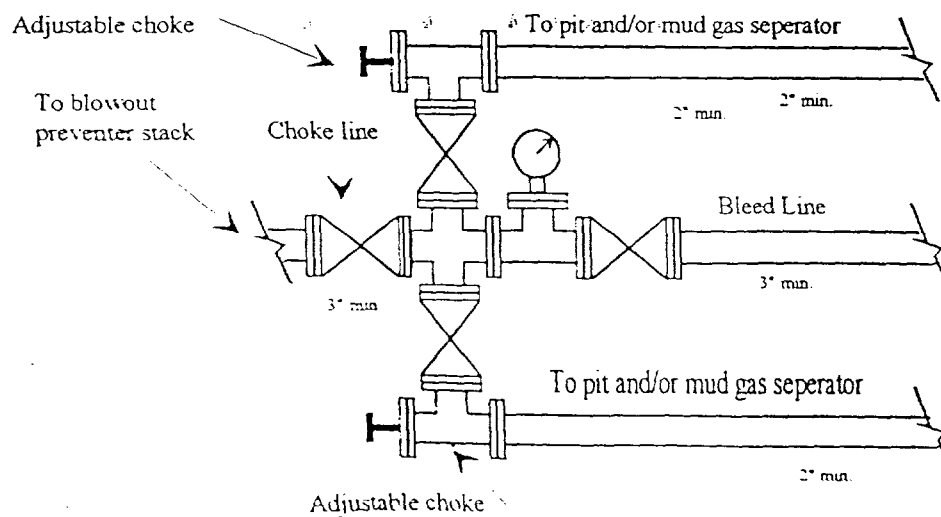
Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features



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State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

2

Form C-102
Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---|---|---------------------------------|---|
| ¹ API Number 30-015-30910 | | ² Pool Code 76240 | ³ Pool Name Eagle Creek Atoka Morrow East |
| ⁴ Property Code 25224 | ⁵ Property Name HALDEMAN EN COM | | ⁶ Well Number 2 |
| ⁷ OGRID No. 025575 | ⁸ Operator Name YATES PETROLEUM CORPORATION | | ⁹ Elevation 3421. |

¹⁰ Surface Location

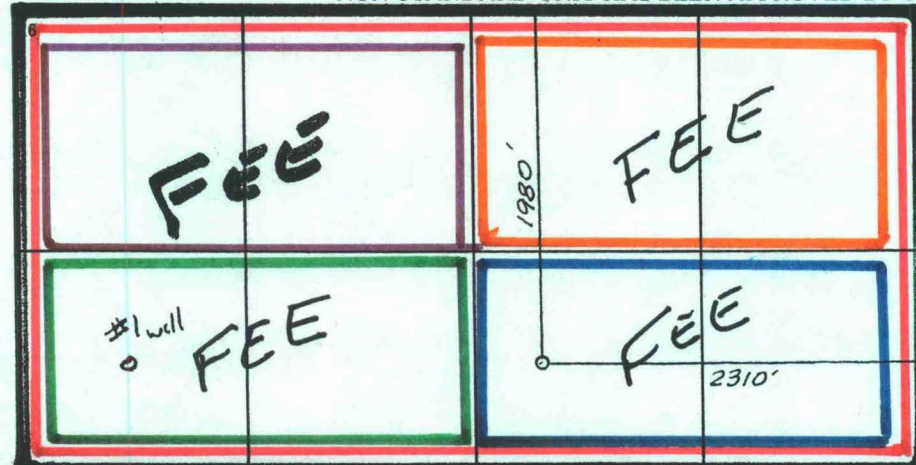
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 2310 | EAST | 3421. |

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 AL 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: *Ken Beardemphl*
Printed Name: Ken Beardemphl
Title: Landman
Date: April 18, 2000

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.

AN R. REDDY
APR 17 2000
NEW MEXICO
Date of Survey
Signature and Seal of Professional Surveyor:
5412
REGISTERED LAND SURVEYOR
PROFESSIONAL ENGINEER
NM PE&PS NO. 5412
Certificate Number

| | | | |
|---|---|--|---|
| <p>Yates Pet. etal (Georgia Jack) 1-BM 2.2 Mil. J. M. Jackson</p> | <p>39.40 OXY, etal S.R. Watkins, etal H.E. Mapps</p> | <p>OXY, etal 2-1-2003 1-7-2001 Wm Hagay, etal</p> | <p>F. Wells I. Smith, etal 10969 S. 1-2003 D.L. Menefee etal, etal Leland L. Fellows N.W. Hornbel</p> |
| <p>Western Oil to 8907' EAGLE RIVER Flint 25 Cisco Disc. 198507 PB 6600 C.4-10-74 Lossee & Carson, M.I. F.E. Waltrip 2 Anna M. Flint</p> | <p>Yates Pet. etal 3-25-84 R.A. Tomin, 1/4 Lonnie Kemper, Est, 1/4 Ellen Stewart, 1/2 Yates Pet. Ventures Jackson 101893 Yates Jackson 11.5 Mil. 1-10-82 J.M. Jackson</p> | <p>Yates Pet. HBP Wm B Sweet, etal</p> | <p>Yates Pet. etal 5-1-2003 Cactus Ener 9-17-200 N.W. Hornbel OXY, etal T. Smith, etal 5-1-2003 D.L. Menefee etal, etal Leland L. Fellows Madox Energy 29 Maddox Energy (Martin) "Martin" R.R. Row Evelyn Wagoner, etal, M.I. C.E. Martin OXY, etal 15-17-20 OXY, etal 19-1-200 Sm. Trs</p> |
| <p>(Morr. Discr) (1.7 Mil) TD10243 PB 6100 Yates Pet. etal K-4942 Yates Haldeman 36 2-EC</p> | <p>Yates Pet. etal 3-25-84 H.K. Nellor, etal</p> | <p>Yates Pet. etal 4-15-77 10-12-76 Helen Hamilton, etal</p> | <p>T. Smith, etal 4-30-2003 K.A. Foster Millen</p> |
| <p>THREE MILE "A.R. Co.-St." State</p> | <p>Yates Pet. HBP C. Irene Brainerd G. R. Brainerd, Jr. Mary Ridge, etal, 1/4 M.I. J. Massey, etal V. Haldeman (S)</p> | <p>G. Donnelly, 62.5% Bengal, etal 10-30-78 J.L. Pringle</p> | <p>Yates, etal HBP F. Sherrell, etal Yates Pet. (Yates) Sherrell 32 Collier Ener. Yates Pet. to 9000' 2-10-83 Kate Ward Belnorth Yates, etal 9-7-80 Yates Pet. to 9000' Collier Ener. 9-3-80 Surface Divi David B. Pat W.M. Patton</p> |
| <p>(Santa Fe Ener) to 8766' Yates (5.6 Mil) (F97) etal "Superior-Fed." U.S. Rogers etal SW14</p> | <p>Yates Pet. etal 3-22-96 6-7-94 Barbara Faskin (Coquina) Sm. Trs Superior-Fed</p> | <p>Yates Pet. Patterson Str. Disc. Edna Patterson, Est</p> | <p>Collier Ener. Yates 1-25-92 2-25-90 4-8-87 Pe E. P. Campbell Mason Canyon, etal</p> |
| <p>Yates, Jr. 1675-1 1/2 M.I. Powell</p> | <p>Yates Pet. etal 10-1-85 RE Baling, etal 3-23-87 8-23-86 Rio Pecos Corp Jack Griffin, Rogers etal, 12 Santa Fe Ener (Bengal, etal) Yates F. Am. Trs H.B.R. Coquina Mare</p> | <p>Yates Pet. etal 6-16-77 Amer Trading HBP</p> | <p>Yates Pet. etal 3-20-82 Emma D.P. Gilbert van Rogers</p> |

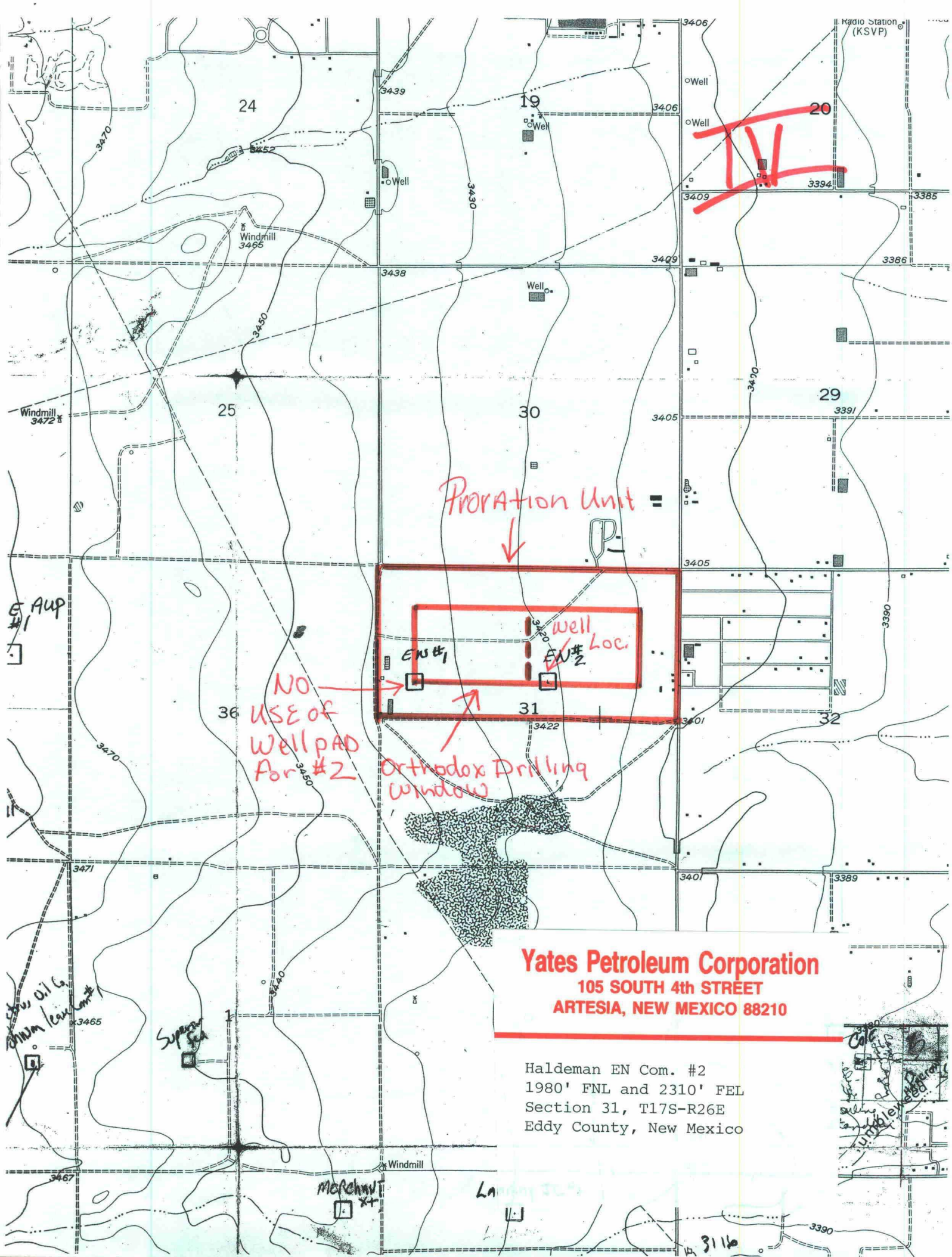
Yates Petroleum Corporation
 105 SOUTH 4th STREET
 ARTESIA, NEW MEXICO 88210

KEY TO EXHIBIT:



Wells completed in the Atoka Morrow Eagle Creek East Pool.

| | | | |
|--|--|---|---|
| <p>Yates Pet. 9-25-83</p> | <p>Yates Pet. 10-1-85 RE Baling, etal 3-23-87 8-23-86</p> | <p>Yates Pet. 10-1-85 RE Baling, etal 3-23-87 8-23-86</p> | <p>Yates Pet. etal 3-20-82 Emma D.P. Gilbert van Rogers</p> |
| <p>Walter Morris</p> | <p>Rio Pecos Corp Jack Griffin, Rogers etal, 12 Santa Fe Ener (Bengal, etal)</p> | <p>Yates F. Am. Trs H.B.R. Coquina Mare</p> | <p>Yates Pet. etal 3-20-82 Emma D.P. Gilbert van Rogers</p> |
| <p>Bengal, etal 10-12-77 Nearburg 5-2-97 Sm. Tr.</p> | <p>Yates Pet. 10-1-85 RE Baling, etal 3-23-87 8-23-86</p> | <p>Yates Pet. 10-1-85 RE Baling, etal 3-23-87 8-23-86</p> | <p>Yates Pet. etal 3-20-82 Emma D.P. Gilbert van Rogers</p> |



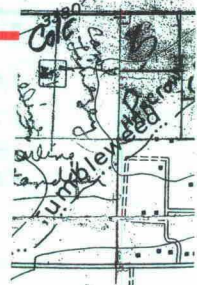
Proration Unit

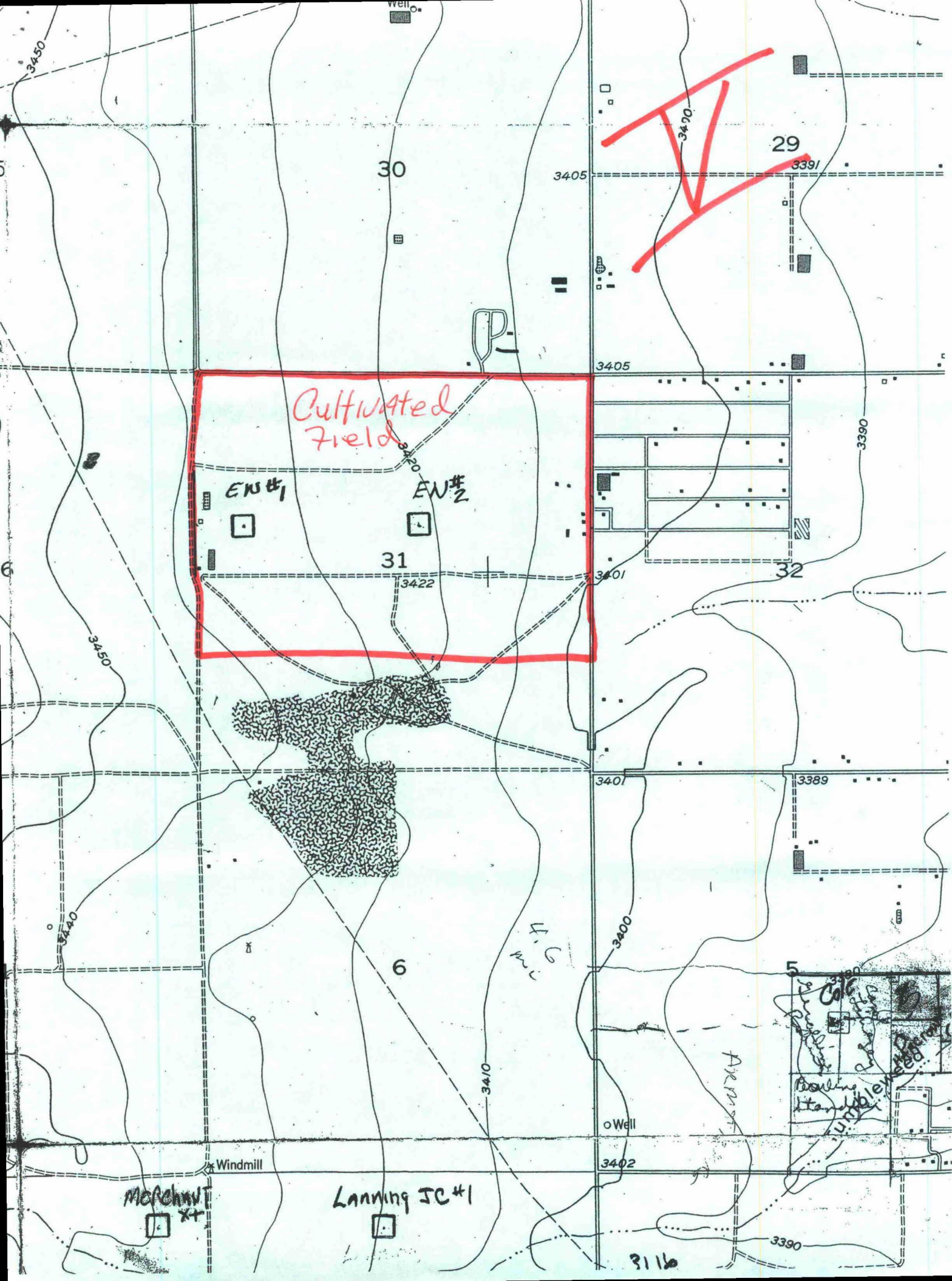
NO USE OF
WELL PAD
FOR #2

Orthodox Drilling
Window

Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Haldeman EN Com. #2
1980' FNL and 2310' FEL
Section 31, T17S-R26E
Eddy County, New Mexico



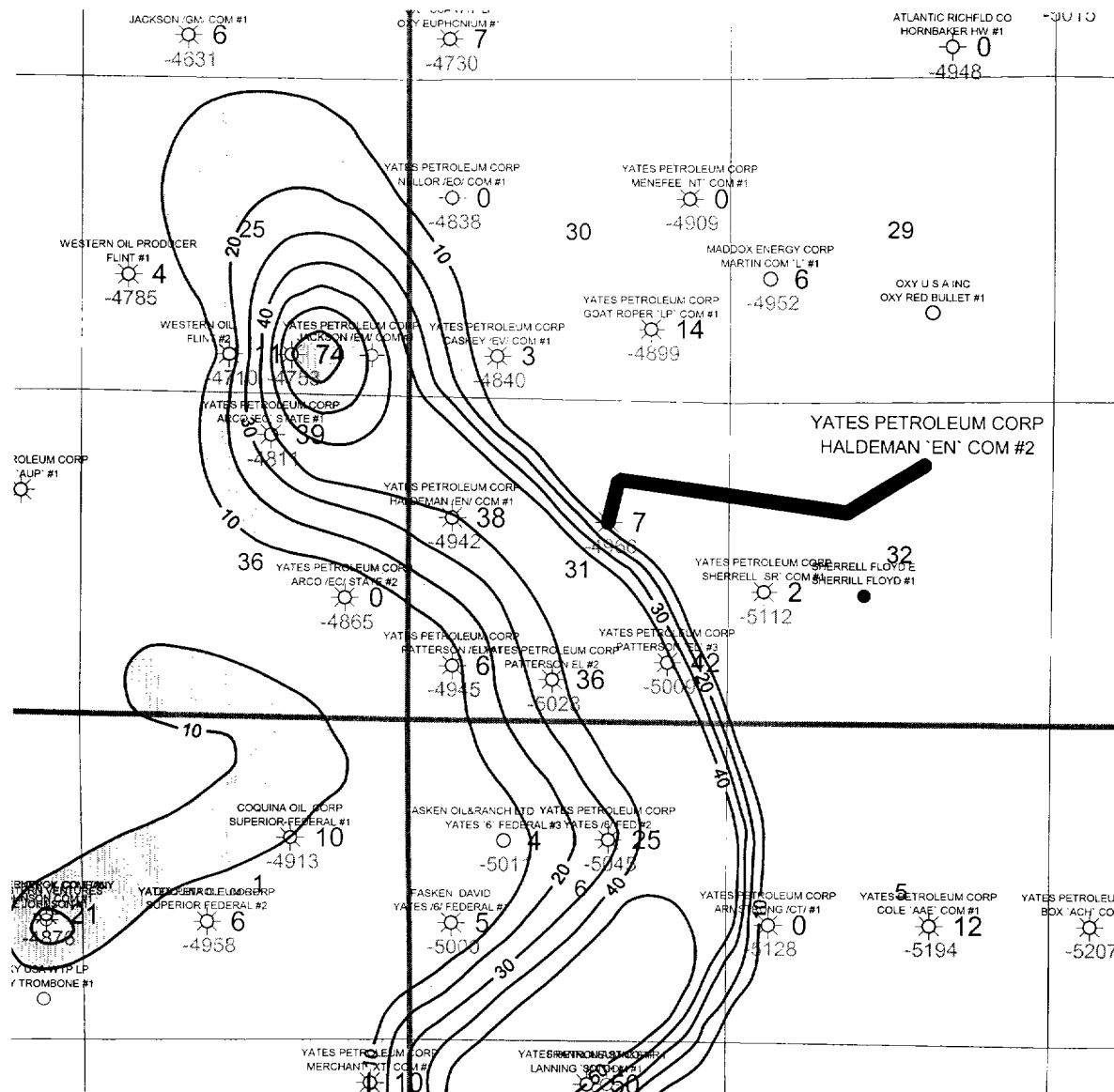


Yates Petroleum Corporation
Haldeman EN Com #2
Eddy County, New Mexico



The Haldeman EN Com #2 was drilled to a TD of 8800' with the main objective, the Morrow Formation. In this area, sands deposited in large channels in the Middle Morrow are the main productive interval. Intersecting these channels is critical in improving the chance to produce commercial hydrocarbons. This well was proposed so it would encounter the northeast edge of a NW-SE channel that was interpreted from subsurface well control. The attached net Sand Isopach shows that 7' of sand was encountered in the main Middle Morrow Formation at this location.

X-1



Yates Petroleum Corporation

Middle Morrow Net Sand Isopach
Cutoff GR >= 50 api Units/ CI=10'

| | |
|--------------------------|------------------------|
| Author: John Humphrey | Date: 8 March, 2002 |
| Scale: 1"=3000' | |

**(BLANCO-MESAVERDE (VERTICAL LIMITS REDEFINED)
POOL - Cont'd.)**

(20) That to prevent waste, the vertical limits of said Blanco-Mesaverde Pool should be redefined in accordance with the study committee recommendation as adjusted to protect Chacra gas pools as set out in Finding No. (14) above.

IT IS THEREFORE ORDERED:

(1) That effective August 1, 1977, the vertical limits of the Blanco-Mesaverde Pool, Rio Arriba and San Juan Counties, New Mexico, as previously described and defined by the Commission are hereby redefined as follows:

A. That North and East of a line generally running from the Northwest corner of Township 31 North, Range 13 West, San Juan County, New Mexico, to the Southwest corner of Township 24 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, as fully described on Exhibit "A" attached to this order, and incorporated herein by reference the vertical limits of the Blanco-Mesaverde Pool shall be from the Huerfanito bentonite marker to a point 500 feet below the top of the Point Lookout Sandstone.

B. That South and West of the line described under A above, the vertical limits of the Blanco-Mesaverde Pool shall be from a point 750 feet below said Huerfanito bentonite marker to a point 500 feet below the top of the Point Lookout Sandstone.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

EXHIBIT "A"
COMMISSION ORDER NO. R-5459

This exhibit defines the Northwest-Southeast trending line that divides the Blanco-Mesaverde Pool, Rio Arriba and San Juan Counties, New Mexico, for purposes of defining the vertical limits for said pool. Said line traverses the South side or West side of the sections listed below (As Amended by Order No. R-5459-A, September 1, 1981):

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 12: South

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM
Sections 7 and 8: South
Section 16: West and South
Sections 15 and 14: South
Section 24: West and South

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 19: South
Section 29: West and South
Sections 28 and 27: South
Section 35: West and South
Section 36: South

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
Section 6: West and South
Section 8: West and South
Sections 9, 10, and 11: South
Section 13: South

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 18: South
Section 20: West and South
Sections 21 and 22: South
Section 26: West and South
Section 25: South

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 31: West and South
Section 32: South

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Section 4: West and South
Section 3: South
Section 11: West and South
Section 12: South

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM
Section 18: West and South
Section 17: South
Section 21: West and South
Section 22: South
Section 26: West and South
Section 25: South

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM
Section 31: West and South
Sections 32 through 36: South

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM
Sections 7, 18, 19, 30, and 31: West

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM
Section 6: West
Section 7: West and South
Sections 8 and 9: South
Section 15: West and South
Section 14: South
Section 24: West
Section 25: West and South

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 31: West and South
Sections 32 through 36: South

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM
Sections 31 through 36: South

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM
Sections 31 and 32: South

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 4: West and South
Sections 3 and 2: South
Section 12: West and South

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Sections 7 and 8: South
Sections 16 and 22: West and South
Section 26: West
Section 35: West and South

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
Section 1: West and South

TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM
Section 7: West
Section 18 and 20: West and South
Section 28: West
Section 33: West and South

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM
Section 3: West
Sections 10 and 14: West and South
Section 24: West
Section 25: West and South

TOWNSHIP 24 NORTH, RANGE 1 EAST, NMPM
Section 31: West

EAGLE CREEK PERMO-PENNSYLVANIAN GAS POOL
 EAGLE CREEK-STRAWN GAS POOL
 EAST EAGLE CREEK ATOKA-MORROW GAS POOL
 RICHARD KNOB ATOKA-MORROW GAS POOL
 (Commingleing Rules)
 Eddy County, New Mexico

Order No. R-5460, Creating and Adopting Rules for an Administrative Procedure for Downhole Commingleing for the Eagle Creek Permo-Pennsylvanian Gas Pool, Eagle Creek-Strawn Gas Pool, East Eagle Creek Atoka-Morrow Gas Pool and Richard Knob Atoka-Morrow Gas Pool, Eddy County, New Mexico, July 1, 1977.

Application of Yates Petroleum Corporation
 for Gas Pool Creation and Downhole
 Commingleing, Eddy County, New Mexico.

CASE NO. 5910
 Order No. R-5460

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of June, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks the creation of three Pennsylvanian gas pools in Townships 17 and 18 South, Ranges 24, 25, and 26 East, Eddy County, New Mexico, including the Richard Knob-Lower Pennsylvanian and East Eagle Creek-Lower Pennsylvanian Gas Pools with provisions in each for commingleing Strawn, Atoka, and Morrow production in the wellbores of wells drilled therein, and the Eagle Creek Permo-Pennsylvanian Gas Pool with provision for commingleing Wolfcamp, Cisco, Canyon, and Strawn production in the wellbores of wells drilled therein.

(3) That the application should be amended to provide for the creation of four gas pools to be designated the Eagle Creek Permo-Pennsylvanian Gas Pool, the Eagle Creek-Strawn Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, and the Richard Knob Atoka-Morrow Gas Pool, to be described and defined as set out on Exhibit "A" attached to this order.

(4) That Permo-Pennsylvanian zones, Strawn zones, and Atoka-Morrow zones within the vicinity of said pools often cannot be commercially developed as single or dual completions

because said zones are not highly productive or decline rapidly when placed on production.

(5) That the establishment of an administrative procedure whereby production from any or all of the four pools set out in Finding No. 3 above may be commingleed within the wellbore of a producing well therein should permit otherwise uneconomical wells and/or zones to be produced, thereby preventing waste.

(6) That such an administrative procedure should provide for approval by the Commission District Supervisor, safeguards to prevent crossflow between pools, prevention of placement of fluids on fluid-sensitive zones, and the protection of interest owners under each proration or spacing unit.

(7) That the Commission District Supervisor should approve any downhole commingleing in said pools existing on the date of entry of this order, without formal application, if in his opinion such approval will not result in waste.

(8) That the proposed pool creations and administrative procedure will prevent waste and will not violate correlative rights.

(9) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That effective July 1, 1977, four gas pools are hereby created in Eddy County, New Mexico, said pools being designated the Eagle Creek Permo-Pennsylvanian Gas Pool, the Eagle Creek-Strawn Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, and the Richard Knob Atoka-Morrow Gas Pool, and said pools being defined and described and having vertical limits as set out on Exhibit "A" attached to this order.

(2) That limited special rules and regulations are hereby adopted for each of said pools to provide for an administrative procedure for downhole commingleing as follows:

SPECIAL RULES AND REGULATIONS FOR THE EAGLE CREEK PERMO-PENNSYLVANIAN GAS POOL, THE EAGLE CREEK-STRAWN GAS POOL, THE EAST EAGLE CREEK ATOKA-MORROW GAS POOL AND THE RICHARD KNOB ATOKA-MORROW GAS POOL

RULE 1. The District Supervisor of the Commission's district office at Artesia shall have the authority to approve the commingleing within the wellbore of gas produced from two or more of the pools covered by these special rules where the following facts exist and the following conditions are met:

(a) That the commingleing is necessary to permit a zone or zones to be produced which would not otherwise be economically producible.

(b) That there will be no crossflow between the zones to be commingleed.

(c) That any zone which is producing from fluid-sensitive sands, which may be subject to damage from water or other produced liquids, is protected from contact from such liquids produced from other zones in the well.

(d) The fluids from each zone are compatible with the fluids from the other(s), and combining the fluids will not result in the formation of precipitates which might damage any of the reservoirs.

(e) That ownership of the zones to be commingleed is common (including working interest, royalty, and overriding royalty).

(EAGLE CREEK PERMO-PENNSYLVANIAN GAS, EAGLE CREEK-STRAWN GAS, EAST EAGLE CREEK ATOKA-MORROW GAS, AND RICHARD KNOB ATOKA-MORROW GAS (COMMINGLING RULES) POOLS - Cont'd.)

RULE 2. To obtain approval for downhole commingling, the operator of the well shall submit the following to the Supervisor of the Commission's district office at Artesia:

- (a) Name and address of the operator.
- (b) Lease name, well number, well location, and names of the pools to be commingled.
- (c) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.
- (d) A mechanical log of the well.
- (e) A diagrammatic sketch of the well showing casing, tubing, cement tops, perforations, and any downhole equipment.
- (f) Pressures and production for each zone to be commingled as determined from drill stem tests or potential tests following completion.
- (g) A formula for the allocation of production to each of the commingling zones and a description of the factors or data used in determining such formula.
- (h) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.
- (i) A statement that all offset operators and, in the case of a well on Federal land, the United States Geological Survey, have been notified in writing of the proposed commingling.

RULE 3. The District Supervisor may approve the proposed downhole commingling in the absence of a valid objection within 20 days after the receipt of the application if, in his opinion, there is no disqualifying disparity of bottomhole pressures or other reservoir characteristics, waste will not result thereby, and correlative rights will not be violated. The 20-day waiting period may be dispensed with upon receipt of waivers of objection from all parties mentioned in Rule 2, paragraph (i).

RULE 4. Upon such approval, the well shall be operated in accordance with the provisions of the administrative order which authorized the commingling, and allocation of the commingled production from the well to each of the producing zones shall be in accordance with the allocation formula set forth in the order.

RULE 5. The Secretary-Director may rescind authority to commingle production in the well-bore and require both zones to be produced separately, if, in his opinion, waste or reservoir damage is resulting thereby, or if any change of conditions render the installation no longer eligible for downhole commingling under the provisions of Rule 1, paragraphs (a) through (d).

RULE 6. The District Supervisor may waive the filing requirements of Rule 2(c), (d), (e), (f), (h), and (i) above for any well completed with two or more of the subject zones commingled in the well bore if such commingling had been accomplished on or before May 25, 1977, and if an application for approval of the same is filed with the District Supervisor on or before September 1, 1977.

IT IS FURTHER ORDERED:

(1) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

EXHIBIT "A"

CASE NO. 5910

Order No. R-5460

Eagle Creek Permo-Pennsylvanian Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 25: All

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 24: All
Section 25: W/2
Sections 26 and 27: S/2
Sections 29 and 30: All
Sections 32 through 35: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Sections 4 through 7: All
Section 8: N/2

Vertical Limits: Permo-Pennsylvanian formation

Discovery well: Yates Petroleum Corporation Federal CR Lease Well No. 1 in Unit M of Section 29, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Permo Pennsylvanian formation on September 24, 1973, through perforations from 6999 feet to 7174 feet.

Eagle Creek-Strawn Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 25: All

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 21: S/2
Sections 25 through 27: S/2
Sections 28 through 30: All
Sections 32 and 33: All
Sections 34 and 35: N/2
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 30: S/2
Section 31: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 4: All

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 6: W/2

Vertical Limits: Strawn formation

Discovery Well: Yates Petroleum Corporation State CY Lease Well No. 1 in Unit K of Section 32, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Strawn formation on January 31, 1974, through perforations from 7782 feet to 7786 feet.

East Eagle Creek Atoka-Morrow Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Sections 24 and 25: All
Section 36: N/2

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 30: S/2
Section 31: All

(EAGLE CREEK PERMO-PENNSYLVANIAN GAS, EAGLE CREEK-STRAWN GAS, EAST EAGLE CREEK ATOKA-MORROW GAS AND RICHARD KNOB ATOKA-MORROW GAS (COMMINGLING RULES) POOLS - Cont'd.)

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 5: W/2
Section 6: E/2

Vertical Limits: Atoka and Morrow formations

Discovery Well: Yates Petroleum Corporation ARCO EC State Lease Well No. 1 in Unit B of Section 36, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Atoka-Morrow formation on May 1, 1975, through perforations from 8338 feet to 8365 feet.

Richard Knob Atoka-Morrow Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 29: W/2
Section 32: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 4: S/2
Section 5: All
Section 6: S/2
Section 8: N/2

Vertical Limits: Atoka and Morrow formations

Discovery Well: Yates Petroleum Corporation Federal CR Lease Well No. 1 in Unit M of Section 29, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Atoka-Morrow formation on September 25, 1973, through perforations from 7944 feet to 7964 feet.

SAN JUAN COUNTY (Barker Dome Gas Storage Project)

Order No. R-5457, Authorizing El Paso Natural Gas Company to Establish the Barker Dome Gas Storage Project in San Juan County, New Mexico, June 14, 1977.

Application of El Paso Natural Gas Company for Underground Gas Storage, San Juan County, New Mexico.

CASE NO. 5923
Order No. R-5457

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 11, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of June, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company, proposes the establishment of an underground gas storage project in San Juan County, New Mexico, and La Plata County, Colorado, to be known as the Barker Dome Gas Storage Project.

(3) That the applicant has conducted geological and engineering studies to confirm the existence and areal extent of a geological structure underlying all or portions of Sections 1, 2, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, and 24, Township 32 North, Range 13-1/2 West, NMPM, and Sections 13, 23, and 24, Township 32 North, Range 14 West, NMPM, La Plata County, Colorado, and all or portions of Sections 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 27, 28, 29, 30, and 32, Township 32 North, Range 14 West, NMPM, San Juan County, New Mexico, and to determine the suitability of said structure for the underground storage of natural gas.

(4) That gas storage within said structure would be in the Dakota formation immediately beneath the Graneros Shale and down to the shales overlying the Morrison formation.

(5) That the aforesaid vertical interval from the base of the Graneros Shale down to the top of the shales overlying the Morrison formation beneath the following described lands:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM
Partial Sections 9, 10, and 11: All
Sections 14 through 16: All
Section 17: E/2
Sections 20 through 22: All
Section 23: NW/4
Section 27: NW/4
Section 28: N/2
Section 29: All

is a gas reservoir in New Mexico, having been designated by the Commission as the Barker Dome-Dakota Gas Pool by Commission Order No. R-13, dated March 15, 1950.

(6) That said Barker Dome-Dakota Gas Pool is essentially depleted of native natural gas.

(7) That the applicant, El Paso Natural Gas Company, has acquired the rights to the remaining gas in said Barker Dome-Dakota Gas Pool, and to the use of the above-described structure underlying the lands described in Finding No. (3) above for gas storage purposes.

(8) That the applicant proposes to re-enter all existing wells penetrating the proposed gas storage project and to plug or re-plug the same in order to ensure that there will be no leakage of gas from its proposed gas storage project.

(9) That the applicant proposes to drill and complete some 30 injection/withdrawal wells in the proposed gas storage project, of which 27 would be located in the State of New Mexico and three would be located in the State of Colorado.

(10) That the applicant also proposes to drill and complete some nine observation wells on the outer flanks of the gas storage structure to permit the detection of any migration away from the project of gas placed in storage, five of which would be located in the State of New Mexico and four of which would be located in the State of Colorado.

(11) That the location of the injection/withdrawal wells and the observation wells to be drilled in New Mexico is proposed as follows:

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5910
Order No. R-5460

APPLICATION OF YATES PETROLEUM
CORPORATION FOR GAS POOL CREATION
AND DOWNHOLE COMMINGLING, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of June, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks the creation of three Pennsylvanian gas pools in Townships 17 and 18 South, Ranges 24, 25, and 26 East, Eddy County, New Mexico, including the Richard Knob-Lower Pennsylvanian and East Eagle Creek-Lower Pennsylvanian Gas Pools with provisions in each for commingling Strawn, Atoka, and Morrow production in the wellbores of wells drilled therein, and the Eagle Creek Permo-Pennsylvanian Gas Pool with provision for commingling Wolfcamp, Cisco, Canyon, and Strawn production in the wellbores of wells drilled therein.

(3) That the application should be amended to provide for the creation of four gas pools to be designated the Eagle Creek Permo-Pennsylvanian Gas Pool, the Eagle Creek-Strawn Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, and the Richard Knob Atoka-Morrow Gas Pool, to be described and defined as set out on Exhibit "A" attached to this order.

(4) That Permo-Pennsylvanian zones, Strawn zones, and Atoka-Morrow zones within the vicinity of said pools often cannot be commercially developed as single or dual completions because said zones are not highly productive or decline rapidly when placed on production.

(5) That the establishment of an administrative procedure whereby production from any or all of the four pools set out in Finding No. 3 above may be commingled within the wellbore of a producing well therein should permit otherwise uneconomical wells and/or zones to be produced, thereby preventing waste.

(6) That such an administrative procedure should provide for approval by the Commission District Supervisor, safeguards to prevent crossflow between pools, prevention of placement of fluids on fluid-sensitive zones, and the protection of interest owners under each proration or spacing unit.

(7) That the Commission District Supervisor should approve any downhole commingling in said pools existing on the date of entry of this order, without formal application, if in his opinion such approval will not result in waste.

(8) That the proposed pool creations and administrative procedure will prevent waste and will not violate correlative rights.

(9) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That effective July 1, 1977, four gas pools are hereby created in Eddy County, New Mexico, said pools being designated the Eagle Creek Permo-Pennsylvanian Gas Pool, the Eagle Creek-Strawn Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, and the Richard Knob Atoka-Morrow Gas Pool, and said pools being defined and described and having vertical limits as set out on Exhibit "A" attached to this order.

(2) That limited special rules and regulations are hereby adopted for each of said pools to provide for an administrative procedure for downhole commingling as follows:

SPECIAL RULES AND REGULATIONS FOR THE EAGLE CREEK PERMO-PENNSYLVANIAN GAS POOL, THE EAGLE CREEK-STRAWN GAS POOL, THE EAST EAGLE CREEK ATOKA-MORROW GAS POOL AND THE RICHARD KNOB ATOKA-MORROW GAS POOL

RULE 1. The District Supervisor of the Commission's district office at Artesia shall have the authority to approve the commingling within the wellbore of gas produced from two or more of the pools covered by these special rules where the following facts exist and the following conditions are met:

- (a) That the commingling is necessary to permit a zone or zones to be produced which would not otherwise be economically producible.

- (b) That there will be no crossflow between the zones to be commingled.
- (c) That any zone which is producing from fluid-sensitive sands, which may be subject to damage from water or other produced liquids, is protected from contact from such liquids produced from other zones in the well.
- (d) The fluids from each zone are compatible with the fluids from the other(s), and combining the fluids will not result in the formation of precipitates which might damage any of the reservoirs.
- (e) That ownership of the zones to be commingled is common (including working interest, royalty, and overriding royalty).

RULE 2. To obtain approval for downhole commingling, the operator of the well shall submit the following to the Supervisor of the Commission's district office at Artesia:

- (a) Name and address of the operator.
- (b) Lease name, well number, well location, and names of the pools to be commingled.
- (c) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.
- (d) A mechanical log of the well.
- (e) A diagrammatic sketch of the well showing casing, tubing, cement tops, perforations, and any downhole equipment.
- (f) Pressures and production for each zone to be commingled as determined from drill stem tests or potential tests following completion.
- (g) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula.
- (h) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.

- (i) A statement that all offset operators and, in the case of a well on Federal land, the United States Geological Survey, have been notified in writing of the proposed commingling.

RULE 3. The District Supervisor may approve the proposed downhole commingling in the absence of a valid objection within 20 days after the receipt of the application if, in his opinion, there is no disqualifying disparity of bottomhole pressures or other reservoir characteristics, waste will not result thereby, and correlative rights will not be violated. The 20-day waiting period may be dispensed with upon receipt of waivers of objection from all parties mentioned in Rule 2, paragraph (i).

RULE 4. Upon such approval, the well shall be operated in accordance with the provisions of the administrative order which authorized the commingling, and allocation of the commingled production from the well to each of the producing zones shall be in accordance with the allocation formula set forth in the order.

RULE 5. The Secretary-Director may rescind authority to commingle production in the well-bore and require both zones to be produced separately, if, in his opinion, waste or reservoir damage is resulting thereby, or if any change of conditions render the installation no longer eligible for downhole commingling under the provisions of Rule 1, paragraphs (a) through (d).

RULE 6. The District Supervisor may waive the filing requirements of Rule 2(c), (d), (e), (f), (h), and (i) above for any well completed with two or more of the subject zones commingled in the well bore if such commingling had been accomplished on or before May 25, 1977, and if an application for approval of the same is filed with the District Supervisor on or before September 1, 1977.

IT IS FURTHER ORDERED:

- (1) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-5-

Case No. 5910

Order No. R-5460

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

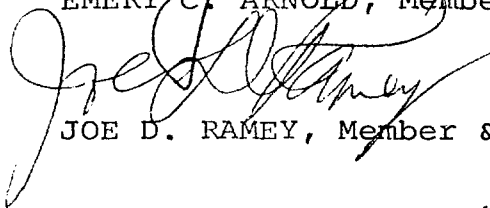
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

jr/

EXHIBIT "A"

CASE NO. 5910 Order No. R-5460

Eagle Creek Permo-Pennsylvanian Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 25: All

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 24: All
Section 25: W/2
Sections 26 and 27: S/2
Sections 29 and 30: All
Sections 32 through 35: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 4 through 7: All
Section 8: N/2

Vertical Limits: Permo-Pennsylvanian formation

Discovery well: Yates Petroleum Corporation Federal CR Lease Well No. 1 in Unit M of Section 29, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Permo Pennsylvanian formation on September 24, 1973, through perforations from 6,999 feet to 7,174 feet.

Eagle Creek-Strawn Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 25: All

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 21: S/2
Sections 25 through 27: S/2
Sections 28 through 30: All
Sections 32 and 33: All
Sections 34 and 35: N/2
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 30: S/2
Section 31: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 4: All

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 6: W/2

Vertical Limits: Strawn formation

Discovery Well: Yates Petroleum Corporation State CY Lease Well No. 1 in Unit K of Section 32, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Strawn formation on January 31, 1974, through perforations from 7782 feet to 7786 feet.

East Eagle Creek Atoka-Morrow Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 24 and 25: All

Section 36: N/2

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 30: S/2

Section 31: All

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM

Section 5: W/2

Section 6: E/2

Vertical Limits: Atoka and Morrow formations

Discovery Well: Yates Petroleum Corporation ARCO EC State Lease Well No. 1 in Unit B of Section 36, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Atoka-Morrow formation on May 1, 1975, through perforations from 8,338 feet to 8,365 feet.

Richard Knob Atoka-Morrow Gas Pool

Horizontal Limits:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 29: W/2

Section 32: All

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 4: S/2

Section 5: All

Section 6: S/2

Section 8: N/2

Vertical Limits: Atoka and Morrow formations

Discovery Well: Yates Petroleum Corporation Federal CR Lease Well No. 1 in Unit M of Section 29, Township 17 South, Range 25 East, NMPM, Eddy County, New Mexico, completed in the Atoka-Morrow formation on September 25, 1973, through perforations from 7,944 feet to 7,964 feet.

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9684
Order No. R-8945

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
POOLS IN CHAVES AND EDDY COUNTIES, NEW
MEXICO.

*See Also Order No. R-8945-A
R-8945-B*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 24, 1989, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 31st day of May, 1989, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Pennsylvanian formation, said pool to bear the designation of South Acme-Pennsylvanian Gas Pool. Said South Acme-Pennsylvanian Gas Pool was discovered by the Yates Petroleum Corporation Cactus Flower State Well No. 1 located in Unit K of Section 19, Township 8 South, Range 27 East, NMPM. It was completed in the Pennsylvanian formation on January 23, 1989. The top of the perforations is at 6,257 feet.

(3) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Canyon formation, said pool to bear the designation of

-2-

Case No. 9684

Order No. R-8945

Boyd-Canyon Pool. Said Boyd-Canyon Pool was discovered by the Yates Petroleum Corporation Cotton MX Federal Com Well No. 1 located in Unit C of Section 14, Township 19 South, Range 25 East, NMPM. It was completed in the Canyon formation on January 16, 1989. The top of the perforations is at 7,688 feet.

(4) There is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Montoya formation, said pool to bear the designation of Comanche Spring-PrePermian Gas Pool. Said Comanche Spring-PrePermian Gas Pool was discovered by the BHP Petroleum Company, Inc. Ervin Ranch State Com Well No. 1 located in Unit G of Section 5, Township 11 South, Range 27 East, NMPM. It was completed in the Montoya formation on December 5, 1988. The top of the perforations is at 6,048 feet.

(5) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Delaware formation, said pool to bear the designation of Foster Draw-Delaware Gas Pool. Said Foster Draw-Delaware Gas Pool was discovered by the H. L. Brown, Jr. Federal 8 Well No. 1 located in Unit E of Section 8, Township 21 South, Range 27 East, NMPM. It was completed in the Delaware formation on December 13, 1988. The top of the perforations is at 3,532 feet.

(6) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of Hackberry Hills-Canyon Gas Pool. Said Hackberry Hills-Canyon Gas Pool was discovered by the Mewbourne Oil Company Federal N Well No. 1 located in Unit M of Section 6, Township 22 South, Range 26 East, NMPM. It was completed in the Canyon formation on October 26, 1988. The top of the perforations is at 9,780 feet.

*see
R-8945-A*

(7) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Yates formation, said pool to bear the designation of Parkway-Yates Pool. Said Parkway-Yates Pool was discovered by the Siete Oil and Gas Corporation Osage Federal Well No. 7 located in Unit K of Section 35, Township 19 South, Range 29 East, NMPM. It was completed in the Yates formation on February 14, 1989. The top of the perforations is at 1,434 feet.

(8) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of South Poker Lake-Delaware Pool. Said South Poker Lake-Delaware Pool was discovered by the Charles B. Gillespie, Jr. Poker Lake Unit Well No. 70 located in Unit P of Section 28, Township 24 South, Range 31 East, NMPM. It was completed in the Delaware formation on January 26, 1989. The top of the perforations is at 6,738 feet.

(9) There is need for certain extensions to the East Burton Flat-Strawn Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the Cemetery-Morrow Gas Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the Eagle Creek-Permo Pennsylvanian Gas Pool, the East Hess-Morrow Gas Pool, the East Herradura Bend-Delaware Pool, the High Lonesome-Queen Pool, the East Loving-Delaware Pool, the West Millman-Grayburg Pool, the Mosley Canyon-Strawn Gas Pool, the Parkway-Delaware Pool, the Penasco Draw-Morrow Gas Pool, the South Sand Dunes-Lower Pennsylvanian Gas Pool, the North Shugart-Morrow Gas Pool, and the Turkey Track-Bone Spring Pool, all in Eddy County, New Mexico, and the Foor Ranch-PrePermian Gas Pool, the South Pecos Slope-Abo Gas Pool, and the West Pecos Slope-Abo Gas Pool, all in Chaves County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production is hereby created and designated as the South Acme-Pennsylvanian Gas Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 19: S/2

(b) A new pool in Eddy County, New Mexico, classified as an oil pool for Canyon production is hereby created and designated as the Boyd-Canyon Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 14: NW/4

(c) A new pool in Chaves County, New Mexico, classified as a gas pool for Montoya production is hereby created and designated as the Comanche Spring-PrePermian Gas Pool,

-4-

Case No. 9684

Order No. R-8945

consisting of the following described area:

GU
R-8945-B
TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 36: W/2

TOWNSHIP 11 SOUTH, RANGE 27 EAST, NMPM
Section 5: ~~N/2~~ All

(d) A new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production is hereby created and designated as the Foster Draw-Delaware Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 8: NW/4

GU
R-8945-A
(e) A new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production is hereby created and designated as the Hackberry Hills-Canyon Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 6: W/2

(f) A new pool in Eddy County, New Mexico, classified as an oil pool for Yates production is hereby created and designated as the Parkway-Yates Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 35: SW/4

(g) A new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the South Poker Lake-Delaware Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

(h) The East Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 12: W/2

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Case No. 9684
Order No. R-8945

(i) The East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 19: S/2
Section 20: S/2

(j) The Cemetery-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 10: S/2

(k) The North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 20: NW/4

(l) The Eagle Creek-Permo Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 25: E/2

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 30: S/2

(m) The Foor Ranch-PrePermian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 36: All

(n) The East Hess-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 23 EAST, NMPM
Section 2: All

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Case No. 9684

Order No. R-8945

(o) The East Herradura Bend-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 34: NE/4

Section 35: W/2

(p) The High Lonesome-Queen Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 18: NE/4

(q) The East Loving-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM

Section 22: SE/4

Section 27: NE/4

(r) The West Millman-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM

Section 12: SE/4

(s) The Mosley Canyon-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM

Section 8: S/2

Section 17: N/2

(t) The Parkway-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 35: NW/4

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Case No. 9684

Order No. R-8945

(u) The South Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM
Section 6: All

(v) The West Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 5 SOUTH, RANGE 22 EAST, NMPM
Section 25: SE/4
Section 35: NW/4 and E/2
Section 36: N/2

(w) The Penasco Draw-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 35: S/2

(x) The South Sand Dunes-Lower Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 4: S/2
Section 9: All

(y) The North Shugart-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 9: S/2

(z) The Turkey Track-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 26: SE/4

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Case No. 9684

Order No. R-8945

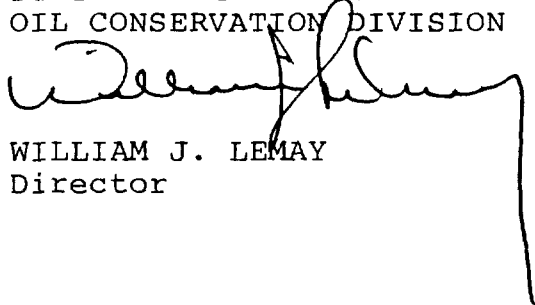
IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all creations and extensions included herein shall be June 1, 1989.

DONE at Santa Fe, New Mexico, on the date and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

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

CASE NO. 9684
ORDER NO. R-8945-A

THE APPLICATION OF THE OIL
CONSERVATION DIVISION UPON
ITS OWN MOTION FOR AN ORDER
CREATING AND EXTENDING CERTAIN
POOLS IN CHAVES AND EDDY COUNTIES,
NEW MEXICO.

*See Also Order No. R-8945
R-8945-B*

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-8945 dated May 31, 1989, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

(1) Finding Paragraph No. 6 on page 2 of said Division Order No. R-8945 be and the same is hereby amended to read as follows:

"(6) By Division Order No. R-3195, dated February 20, 1967, the Hackberry Hills-Canyon Gas Pool was classified and created for the production of gas from the Canyon formation. The Mewbourne Oil Company Federal "N" Well No. 1 located in Unit M of Section 6, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico, which was completed in the Canyon formation on October 26, 1988 with the top perforations being 9,780 feet, is producing from the same common source of supply as the Hackberry Hills-Canyon Gas Pool which should therefore be extended to include the subject well."

(2) Decretory Paragraph (e) on page 4 of said Order No. R-8945 be and the same is hereby amended to read as follows:

"(e) The Hackberry Hills-Canyon Gas Pool in Eddy County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

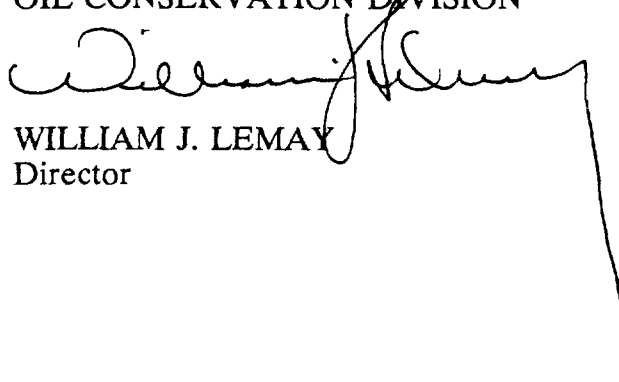
Section 6: W/2"

Case No. 9684
Order No. R-8945-A
Page No. 2

(3) The corrections set forth in this order be entered nunc pro tunc as of May 31, 1989.

DONE at Santa Fe, New Mexico, on this 2nd day of March, 1990.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION TO
AMEND DIVISION ORDER NO. R-8945,
AS AMENDED, CHAVES COUNTY, NEW
MEXICO.

See Also Order No.

R-8945

R-8945-A

NOMENCLATURE
CASE NO. 10026
ORDER NO. R-8945-B

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 25, 1990, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 31st day of July, 1990, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) At the time of the hearing, this case was consolidated with Case No. 10027 for the purpose of testimony.

(3) Due to inadvertence, the nomenclature order which classified, created and designated the Comanche Spring PrePermian Gas Pool, being Division Order No. R-8945, dated May 31, 1989, does not correctly state the intended order of the Division.

(4) Paragraph (c) of said Order erroneously described that portion of Section 5, Township 11 South, Range 27 East, NMPM, Chaves County, New Mexico, overlain by said pool as the N/2.

(5) Said Section 5 is an irregular section that consists of Lots 1 through 4 and the S/2 of said Section 5, comprising 348.00 acres, and as such there is no "N/2."

Case No. 10026
Order No. R-8945-B
Page No. 2

(6) This error should be corrected by amending said acreage description to reflect all of said Section 5 to be within the horizontal limits of the Comanche Spring PrePermian Gas Pool.

(7) Said correction should also be made effective retroactive to the effective date of said Order No. R-8945.

IT IS THEREFORE ORDERED THAT:

(1) Decretory Paragraph (c) of Division Order No. R-8945, dated May 31, 1989, be and the same is hereby corrected to read in its entirety as follows:

"(c) A new pool in Chaves County, New Mexico, classified as a gas pool for Montoya production is hereby created and designated as the Comanche Spring-PrePermian Gas Pool, consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 36: W/2

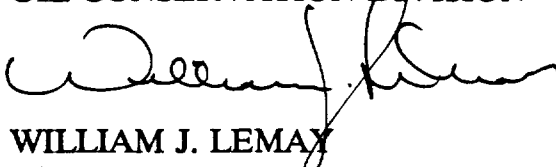
TOWNSHIP 11 SOUTH, RANGE 27 EAST, NMPM
Section 5: All"

(2) Said corrections set forth in this order shall be made effective retroactive to May 31, 1989.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAX
Director

SEAL

District I
PO Box 1900, 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-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|--|---|--|
| Operator name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210 | | OGRID Number 025575 |
| | | Reason for Filing Code Test perfs. 8528-8540 (Morrow) down line for August, 2000 |
| API Number 30 - 0 15-30910 | Pool Name Eagle Creek Atoka Morrow, East | Pool Code 76240 |
| Property Code 25224 | Property Name Haldeman EN Com | Well Number 2 |

II. Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South Line | Feet from the | East/West line | County |
| G | 31 | 17S | 26E | | 1980 | North | 2310 | East | Eddy |

Bottom Hole Location

| | | | | | | | | | |
|---------------|----------------------------|----------------------------------|---------------------|----------------------|-----------------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |
| Lee Code P | Producing Method Code F | Gas Connection Date 8-21-2000 | C-129 Permit Number | C-129 Effective Date | C-129 Expiration Date | | | | |

III. Oil and Gas Transporters

| | | | | |
|-------------------|--|---------|-----|------------------------------------|
| Transporter OGRID | Transporter Name and Address | POD | O/G | POD ULSTR Location and Description |
| 138648 | Amoco P/L Int. Trucking 502 N. West Avenue Levelland, TX 79336 | 2826415 | O | Unit G - Section 31-T17S-R26E |
| 147831 | Agave Energy Co. 105 South Fourth Street Artesia, NM 88210 | 2826416 | G | Unit G - Section 31-T17S-R26E |
| | | | | |
| | | | | |
| | | | | |

IV. Produced Water

| | |
|----------------|---|
| POD 2826417 | POD ULSTR Location and Description Unit G - Section 31-T17S-R26E |
|----------------|---|

V. Well Completion Data

| | | | | |
|-----------|----------------------|-----------|--------------|--------------|
| Spud Date | Ready Date | TD | PBTD | Perforations |
| | | | | |
| Hole Size | Casing & Tubing Size | Depth Set | Sacks Cement | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

VI. Well Test Data

| | | | | | |
|--------------|-------------------|-----------|-------------|---------------|---------------|
| Date New Oil | Gas Delivery Date | Test Date | Test Length | Tbg. Pressure | Csg. Pressure |
| | | | | | |
| Choke Size | Oil | Water | Gas | AOF | Test Method |
| | | | | | |

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Rusty Klein*
Printed name: Rusty Klein

Title: Operations Technician

Date: August 30, 2000 Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by: *Jim W. Burns*
Title: District Supervisor

Approval Date: SEP 12 2000

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date

872

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

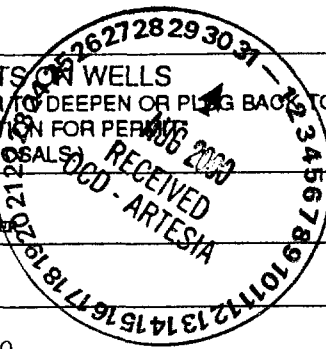
DISTRICT III
000 Rio Brazos Rd., Aztec, NM 87410

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

| | |
|--------------------------------------|--|
| WELL API NO. | 30-015-30910 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | Haldeman EN |
| 8. Well No. | 2 |
| 9. Pool name or Wildcat | Eagle Creek Atoka Morrow, East |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE APPLICATION FOR PERMITS
(FORM C-101) FOR SUCH PROPOSALS)

Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER ☐
Name of Operator
YATES PETROLEUM CORPORATION
Address of Operator
105 South 4th St., Artesia, NM 88210
Well Location



Unit Letter G : 1980 Feet From The North Line and 2310 Feet From The East Line

Section 31 Township 17S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3421' GR

| | |
|--|---|
| 1. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data | |
| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| WELL OR ALTER CASING <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| | OTHER: Intermediate casing & cement <input checked="" type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TD 1264'. Reached TD at 8:15 PM 7-1-2000. Ran 28 joints of 9-5/8" 36# J-55 (1264.26') of casing set at 1260'. 1-Texas Pattern notched guide shoe set at 1260'. Insert float set at 1219'. Cemented with 200 sacks Thixset, 1/4#/sack flocele and 350 sacks Halliburton Lite, 1/4#/sack flocele, 5#/sack salt and 5#/sack gilsonite (yield 2.01, weight 12.6). Tailed in with 200 sacks Class C Premium Plus and 2% CaCl2 (yield 1.34, weight 14.8). PD 5:45 AM 7-2-2000. Bumped plug to 794#, OK. Cement did not circulate. WOC 5 hours and ran Temperature Survey and found top of cement at 597'. Ran 1". Tagged cement at 580'. Pumped 200 sacks Class C and 2% CaCl2. PD 1:30 PM 7-2-2000. WOC 1 hour. Ran 1". Tagged cement at 455'. Pumped 150 sacks Class C and 2% CaCl2. PD 4:00 PM 7-2-2000. WOC 2 hours. Ran 1". Tagged cement at 426'. Spotted 50 sacks Class C and 3% CaCl2. PD 7:00 PM 7-2-2000. WOC 1 hour. Ran 1". Tagged cement at 426'. Spotted 50 sacks Class C and 4% CaCl2. PD 8:30 PM 7-2-2000. WOC 1 hour. Ran 1". Tagged cement at 364'. Spotted 50 sacks Class C and 4% CaCl2. PD 10:30 PM 7-2-2000. WOC 1 hour. Ran 1". Tagged cement at 364'. Spotted 50 sacks Class C and 4% CaCl2. PD 11:40 PM 7-2-2000. WOC 2 hours. Ran 1". Tagged cement

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 30, 2000

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

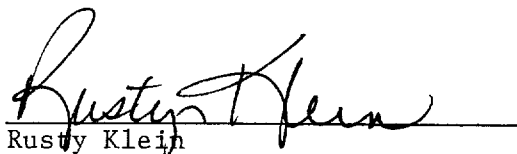
APPROVED BY Jim W. Green TITLE District Supervisor DATE SEP 12 2000

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION
Haldeman EN Com #2
Section 31-T17S-R26E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

at 252'. Spotted 100 sacks Class C Neat. PD 3:00 AM 7-3-2000. Circulated 21 sacks.
WOC. Nippled up and tested to 1000# for 30 minutes, OK. Drilled out at 9:45 PM 7-3-2000.
WOC 40 hours. Reduced hole to 8-3/4". Resumed drilling.

A handwritten signature in black ink, appearing to read "Rusty Klein", is written over a horizontal line.

Rusty Klein
Operations Technician
August 30, 2000

STF

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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

| | |
|--------------------------------------|--|
| WELL API NO. | 30-015-30910 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | Haldeman EN |
| 8. Well No. | 2 |
| 9. Pool name or Wildcat | Eagle Creek Atoka Morrow, East |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT
(FORM C-101) FOR SUCH PROPOSALS)

| | |
|---------------------|--|
| Type of Well: | OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER |
| Name of Operator | YATES PETROLEUM CORPORATION |
| Address of Operator | 105 South 4th St., Artesia, NM 88210 |

| | |
|--|--|
| Well Location | Unit Letter G : 1980 Feet From The North Line and 2310 Feet From The East Line |
| Section 31 Township 17S Range 26E NMPM Eddy County | 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3421' GR |

| | |
|---|--|
| Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data | |
| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| WELL OR ALTER CASING <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| | OTHER: Spud, conductor, resume drilling, surface casing & cement <input checked="" type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spudded a 26" hole with rathole machine at 9:45 AM 6-27-2000. Drilled to 40'. Set 40' of 20" conductor pipe. Cemented to surface. NOTE: Notified Mike w/OCD-Artesia of spud. Resumed drilling a 17-1/2" hole with rotary tools at 6:00 AM 6-29-2000.

TD 356'. Reached TD at 5:30 PM 6-29-2000. Ran 8 joints of 13-3/8" 48# H-40 (361.18') of casing set at 358'. 1-Texas Pattern notched guide shoe set at 358'. Insert float set at 314'. Cemented with 450 sacks Class C Premium Plus and 2% CaCl2 (yield 1.34, weight 14.8). PD 9:15 PM 6-29-2000. Bumped plug to 230#, OK. Circulated 55 sacks. WOC. Cut off and welded on flow nipple. Drilled out at 4:15 PM 6-30-2000. WOC 19 hours. Reduced hole to 12-1/4". Resumed drilling.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 30, 2000

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Gump DISTRICT SUPERVISOR DATE SEP 12 2000

CONDITIONS OF APPROVAL, IF ANY:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|--|
| ¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 | | ² OGRID Number 025575 ³ API Number 30-015-30910 |
| ⁴ Property Code 25224 | ⁵ Property Name Haldeman EN Com. | ⁶ Well No. 2 |

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980' | North | 1980' | East | Eddy |

⁸ Proposed 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 |
|---|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| ⁹ Proposed Pool 1 Eagle Creek Atoka Morrow East 76240 | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|---|--|---|--|--|
| ¹¹ Work Type Code N ¹⁶ Multiple No | ¹² Well Type Code G ¹⁷ Proposed Depth 8800' | ¹³ Cable/Rotary Rotary ¹⁸ Formation Morrow | ¹⁴ Lease Type Code P ¹⁹ Contractor Not determined | ¹⁵ Ground Level Elevation 3418' ²⁰ Spud Date ASAP |
|---|--|---|--|--|

Minimum WOC time 18 hrs. ²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 1/2" | 13 3/8" | 48# | 350' | 400 sx | circulated |
| 12 1/4" | 8 5/8" | 24# | 1300' | 500 sx | circulated |
| 7 7/8" | 4 1/2" | 11.6# | 8800' | 650 sx | TOC 5000' |
| | | | | | |
| | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set and cement circulated. Intermediate casing will be cement circulated. If commercial production casing will be run and cemented back to approximately 5000', perforated and stimulated as needed for production.

MUD PROGRAM: 0-1300' Freshwater; 1300'-8000' cut brine; 8000'-TD salt gel/starch.

BOPE PROGRAM: 3000# BOPE will be installed on 8 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Ken Beard*
Printed name: Ken Beardemphl

Title: Landman

Date: January 10, 2000

Phone: (505) 748-1471

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: 1-11-00

Expiration Date: 1-11-01

Conditions of Approval:

Attached ☐

Notify OCD at SPUD & TIME
to witness cementing the

13 3/8" & 8 5/8" casing.

District I
1825 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1900 Rio Brazos Rd., Aztec, NM 87418

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---------------|-----------------------------|-----------|-------------------------------|
| API Number | | Pool Code | Pool Name |
| | | 76240 | Eagle Creek Atoka Morrow East |
| Property Code | Property Name | | Well Number |
| | HALDEMAN EN COM | | 2 |
| OGRID No. | Operator Name | | Elevation |
| 025575 | YATES PETROLEUM CORPORATION | | 3418. |

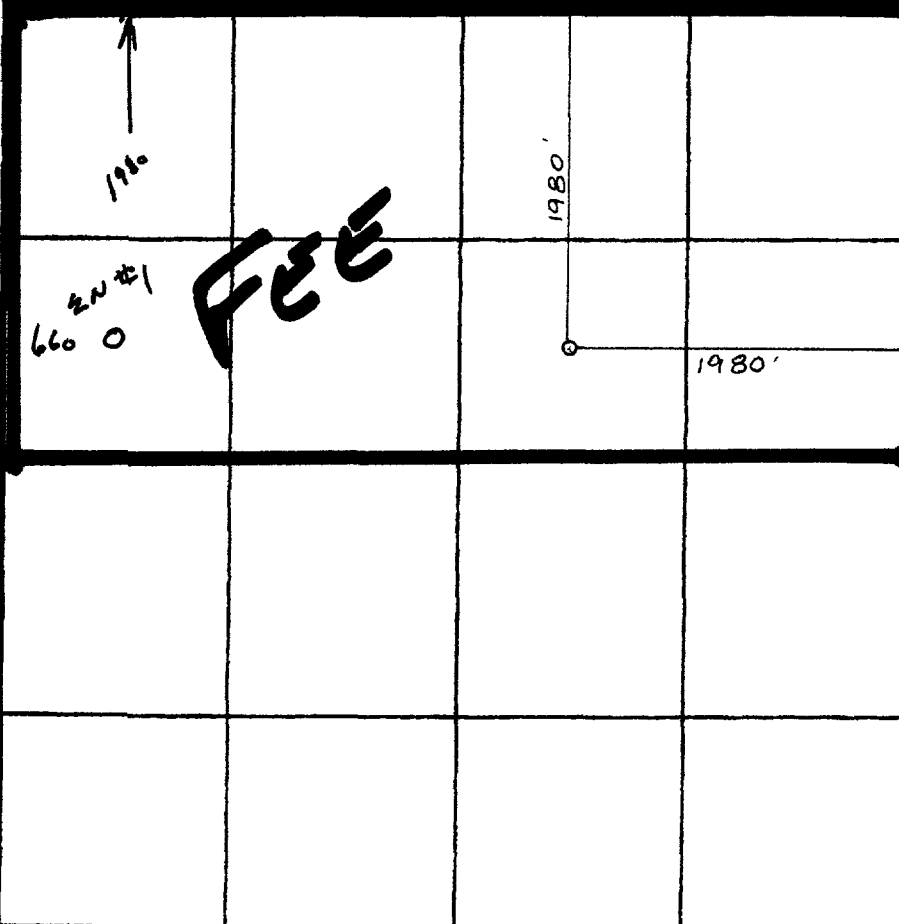
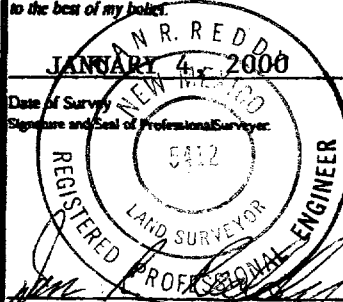
¹⁰ Surface Location

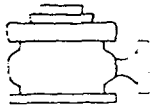
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 1980 | EAST | EDDY |

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 |
|-----------------|---------|-----------------|-------|--------------------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| Dedicated Acres | | Joint or Infill | | Consolidation Code | | Order No. | | | |
| 320 | | | | | | | | | |

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

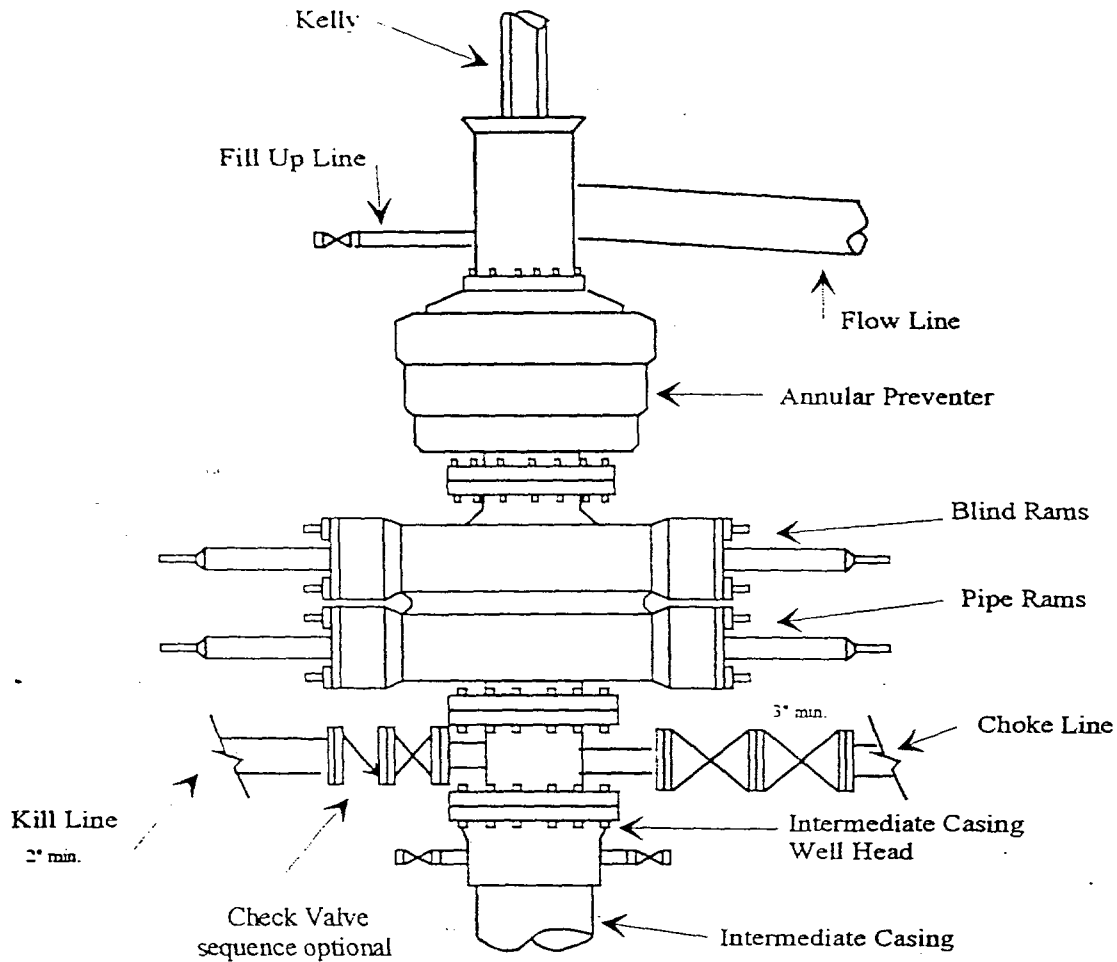
| | |
|--|--|
|  | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature <u>Ken Beardemphl</u></p> <p>Printed Name <u>Ken Beardemphl</u></p> <p>Title <u>Landman</u></p> <p>Date <u>January 10, 2000</u></p> |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey <u>JANUARY 4, 2000</u></p> <p>Signature and Seal of Professional Surveyor: </p> <p>Certification Number <u>NM REPS NO. 5412</u></p> |



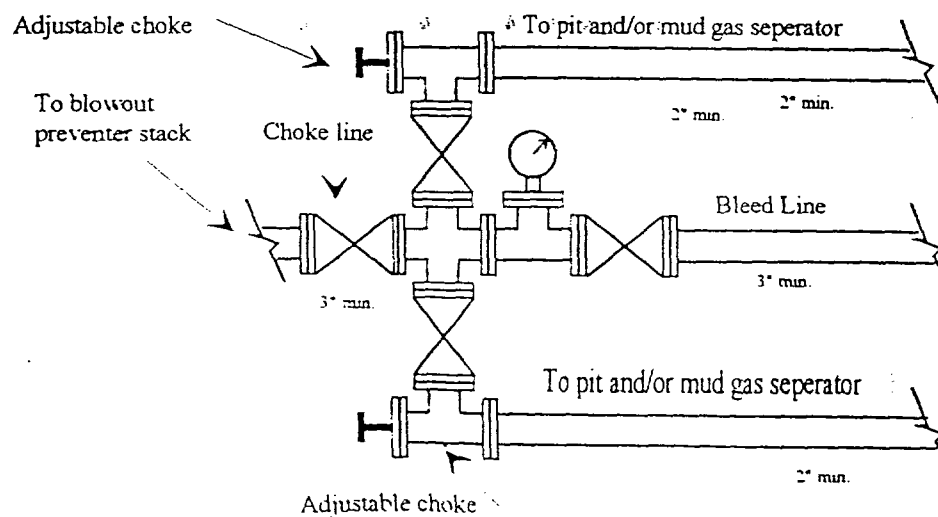
Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features



SF

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

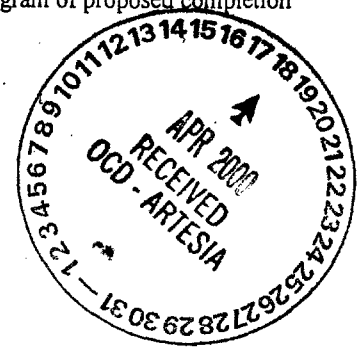
| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-015-30910 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | | 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 2. Name of Operator Yates Petroleum Corporation | | 6. State Oil & Gas Lease No. |
| 3. Address of Operator 105 South Fourth Street | | 7. Lease Name or Unit Agreement Name: Haldeman EN |
| 4. Well Location Unit Letter <u>G</u> : <u>1980'</u> feet from the <u>North</u> line and <u>2310'</u> feet from the <u>East</u> line Section <u>31</u> Township <u>17S</u> Range <u>26E</u> NMPM Eddy County | | 8. Well No. 2 |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3421' | | 9. Pool name or Wildcat Eagle Creek Atoka Morrow East |

| | |
|--|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data | |
| NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Move Location <input checked="" type="checkbox"/> | SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/> |

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Yates Petroleum Corporation wishes to move the location,
FROM: 1980' FNL & 1980' FEL
TO: 1980' FNL & 2310' FEL

Thank you.



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

SIGNATURE Ken Beardemphl TITLE Landman DATE 4/17/00

Type or print name Ken Beardemphl Telephone No. 505-748-1471

(This space for State use)
APPROVED BY Jim W. Beggs TITLE SUPERVISOR, DISTRICT II DATE APR 18 2000
Conditions of approval, if any:

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

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|-----------------------------|-------------------------------|
| ¹ API Number | ² Pool Code | ³ Pool Name |
| 30-015-30910 | 76240 | Eagle Creek Atoka Morrow East |
| ⁴ Property Code | ⁵ Property Name | ⁶ Well Number |
| 25224 | HALDEMAN EN COM | 2 |
| ⁷ OGRID No. | ⁸ Operator Name | ⁹ Elevation |
| 025575 | YATES PETROLEUM CORPORATION | 3421. |

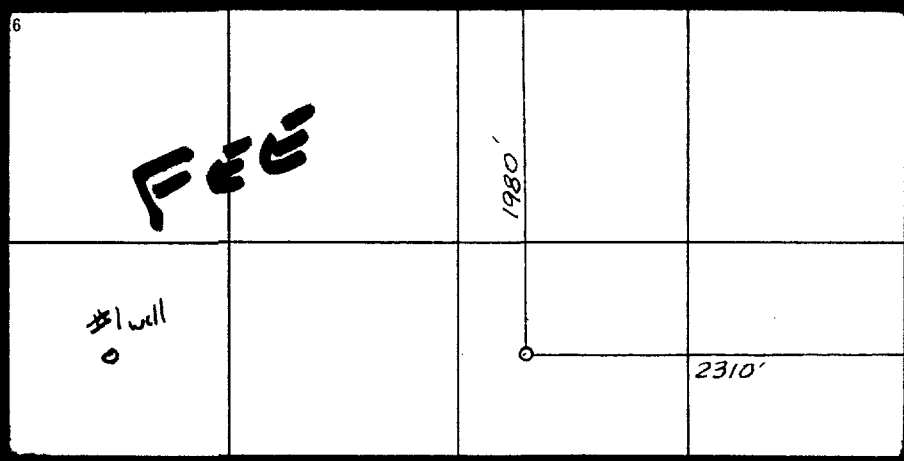

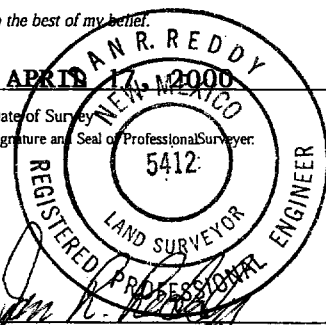
¹⁰ Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 2310 | EAST | 3421. |

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. | | | | | | |
| 320 | | | | | | | | | |

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

| | |
|---|---|
| <div>6</div> <div></div> | <div>¹⁷ OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div>Signature </div> <div>Printed Name Ken Beardemphl</div> <div>Title Landman</div> <div>Date April 18, 2000</div> |
| | <div>¹⁸ SURVEYOR CERTIFICATION</div> <div>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.</div> <div></div> <div>Date of Survey APR 18, 2000</div> <div>Signature and Seal of Professional Surveyor</div> <div>NM PR&S NO. 5412</div> |

STZ

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
000 Rio Brazos Rd., Aztec, NM 87410

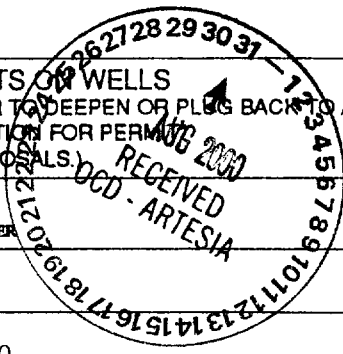
OIL CONSERVATION DIVISION

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

| | |
|--------------------------------------|--|
| WELL API NO. | 30-015-30910 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name | Haldeman EN |
| 8. Well No. | 2 |
| 9. Pool name or Wildcat | Eagle Creek Atoka Morrow, East |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL OR TO DEEPEN OR TO PLUG BACK TO A
(FORM C-101) FOR SUCH PROPOSALS.)

Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER ☐
Name of Operator
YATES PETROLEUM CORPORATION
Address of Operator
105 South 4th St., Artesia, NM 88210
Well Location



Unit Letter G : 1980 Feet From The North Line and 2310 Feet From The East Line

Section 31 Township 17S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3421' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

| | | | |
|--|---|---|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| WELL OR ALTER CASING <input type="checkbox"/> | | CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | | OTHER: Production casing & cement <input checked="" type="checkbox"/> | |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TD 8800'. Reached TD at 4:30 PM 7-27-2000. Ran 214 joints of 7" 26# & 23# casing as follows: 38 joints of 7" 26# S-95/P-110 (1542.87'); 49 joints of 7" 26# J-55 (1988.80'); 121 joints of 7" 23# J-55 (5029.88') and 6 joints of 7" 26# J-55 (248.78') (Total 8810.33') of casing set at 8800'. Float shoe set at 8800'. Float collar set at 8760'. Bottom marker set at 7278'. Pumped 150 bbls of mud with 150 scf/bbl N2 ahead of 500 sacks Interfill H, 1/4#/sack flocele (yield 2.77, weight 11.5). Tailed in with 950 sacks Class H Modified, .5% Halad 344, .4% CFR3, 1#/sack salt and 5#/sack gilsonite (yield 1.66, weight 13.0). PD 10:00 AM 7-28-2000. Bumped plug to 3000# for 1 minute, OK. Circulated 50 sacks. WOC. Released rig at 4:00 PM 7-28-2000.

Waiting on completion unit.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 30, 2000
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Gurn B6X TITLE District Supervisor DATE SEP 12 2000

CONDITIONS OF APPROVAL, IF ANY:

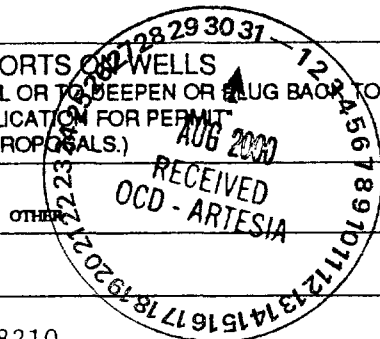
SP

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
300 Rio Brazos Rd., Aztec, NM 87410

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

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER ☐
Name of Operator
YATES PETROLEUM CORPORATION
Address of Operator
105 South 4th St., Artesia, NM 88210
Well Location



WELL API NO.
30-015-30910
5. Indicate Type of Lease
STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name
Haldeman EN
8. Well No.
2
9. Pool name or Wildcat
Eagle Creek Atoka Morrow, East

Unit Letter G : 1980 Feet From The North Line and 2310 Feet From The East Line

Section 31 Township 17S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3421' GR

1. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Perforate & acidize ☒

2. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

8-12-14-2000 - Cleaned location, set and tested anchors.
8-15-2000 - Moved in and rigged up pulling unit. Installed wellhead and tested to 3000 psi, OK. Nipped up BOP. TIH with bit, scraper and tubing to 6000'. Shut down for night.
8-16-2000 - Finished TIH with bit, scraper and tubing and tagged PBTD at 8764'. Pickled tubing with 600 gallons 15% NEFE acid. Displaced hole with 7% super fluid. Pulled tubing to 4000'. Shut down for night.
8-17-2000 - Finished TOOH. Rigged up wireline. TIH with logging tools and ran GR/CCL/CBL log. TOOH with logging tools. TIH with 4" casing guns and perforated 8528-8540' w/52 .42" (4 SPF - Morrow). TOOH with casing guns and rigged down wireline. TIH with packer w/on/off tool and tubing to 8000'. Shut well in for night.
8-18-2000 - Finished TIH with packer and tubing. Set packer at 8500'. Acidized perforations 8528-8540' with 1500 gallons of 7-1/2% Morrow acid. Swabbed. Shut well in.
8-19-21-2000 - Flow tested. Shut well in.
8-22-2000 - Released well to production department.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 30, 2000

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Klein TITLE District Supervisor DATE SEP 12 2000

CONDITIONS OF APPROVAL, IF ANY:

514

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

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

| |
|---|
| WELL API NO. 30-015-30910 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Haldeman EN |
| 8. Well No. 2 |
| 9. Pool name or Wildcat Eagle Creek Atoka Morrow, East |

| | |
|---|--|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR" (FORM C-101) FOR SUCH PROPOSALS.) | |
| 1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> | |
| 2. Name of Operator YATES PETROLEUM CORPORATION | |
| 3. Address of Operator 105 South 4th St., Artesia, NM 88210 | |
| 4. Well Location Unit Letter <u>G</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>2310</u> Feet From The <u>East</u> Line Section <u>31</u> Township <u>17S</u> Range <u>26E</u> NMPM <u>Eddy</u> County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3421' GR | |

| | |
|---|---|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data | |
| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| | OTHER: <input type="checkbox"/> |

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Yates Petroleum Corporation respectfully requests permission to change the casing program as follows:

FROM:

17-1/2" hole with 13-3/8" 48# casing set at 350' with 400 sacks of cement, circulated
12-1/4" hole with 8-5/8" 24# casing set at 1300' with 500 sacks of cement, circulated
7-7/8" hole with 4-1/2" 11.6# casing set at 8800' with 650 sacks of cement, with top of cement brought back to 5000'

TO:

17-1/2" hole with 13-3/8" 48# casing set at 350' with 400 sacks of cement, circulated
* 12-1/4" hole with 9-5/8" 36# casing set at 1300' with 500 sacks of cement, circulated
8-3/4" hole with 7" 26# casing set at 8800' with 650 sacks of cement, with top of cement brought back to 5000'

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE June 29, 2000

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Bunn TITLE SUPERVISOR, DISTRICT II DATE JUL 07 2000

CONDITIONS OF APPROVAL, IF ANY: * approval based on operator using 'turned-down' collars.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources
OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe. NM 87505

2

Form C-102
Revised March 17, 1999
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|---|---------------------------------|
| ¹ API Number 30-015-30910 | | ² Pool Code 76240 | | ³ Pool Name Eagle Creek Atoka Morrow East | |
| ⁴ Property Code 25224 | | ⁵ Property Name HALDEMAN EN COM | | | ⁶ Well Number 2 |
| ⁷ OGRID No. 025575 | | ⁸ Operator Name YATES PETROLEUM CORPORATION | | | ⁹ Elevation 3421. |

¹⁰ Surface Location

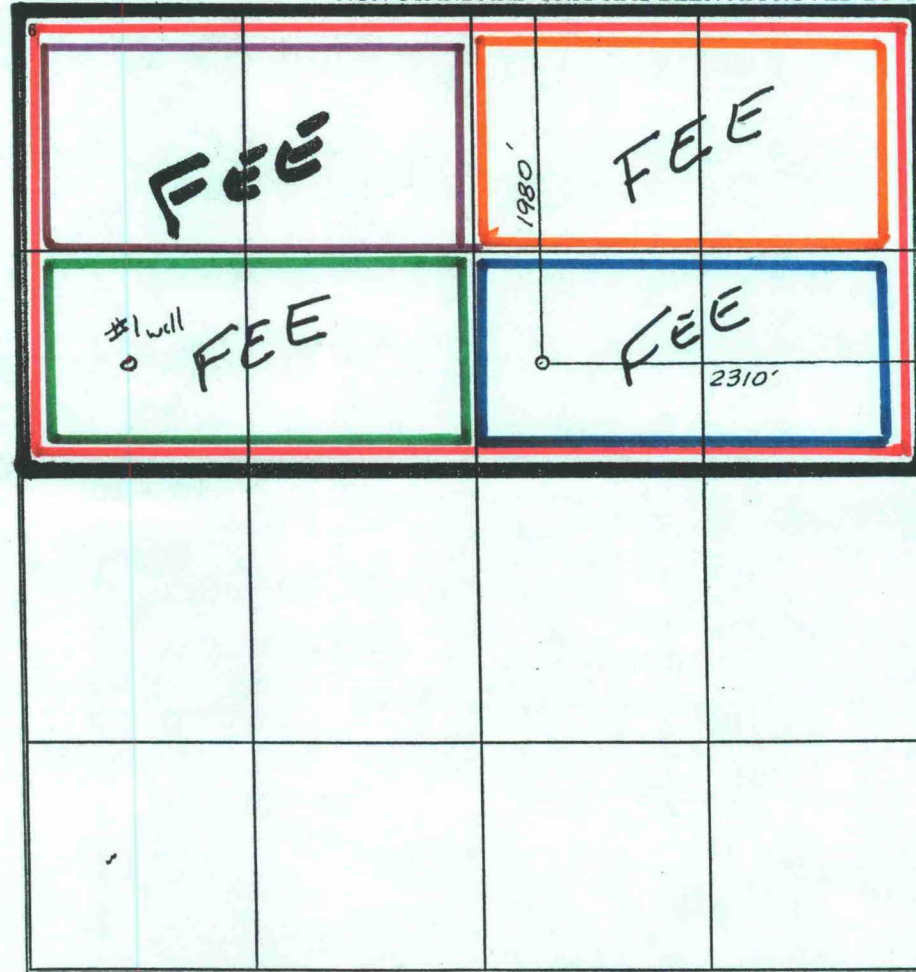
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| G | 31 | 17-S | 26-E | | 1980 | NORTH | 2310 | EAST | 3421. |

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 AL 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: *Ken Beardemphl*
Printed Name: Ken Beardemphl
Title: Landman
Date: April 18, 2000

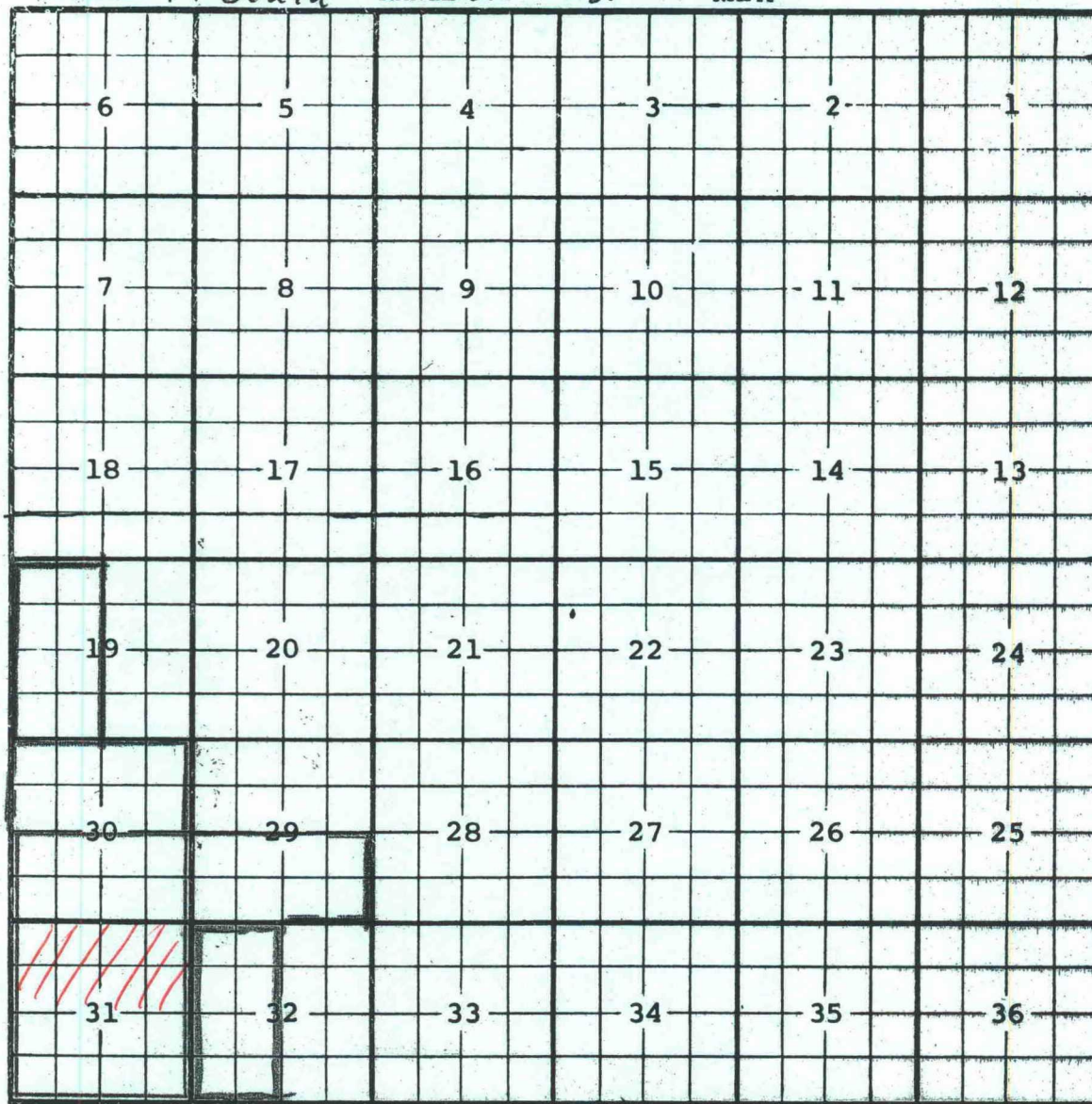
¹⁸ SURVEYOR CERTIFICATION

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.

APR 17 2000
Date of Survey
Signature and Seal of Professional Surveyor:
AN R. REDDY
REGISTERED LAND SURVEYOR
PROFESSIONAL ENGINEER
5412
NM PE&PS NO. 5412

COUNTY EddyPOOL East Eagle Creek Atoka-Morrow GasTOWNSHIP 17 SouthRANGE 26 East

NMPM

Description: $\frac{1}{2}$ Sec 30, All Sec 31 (R-5460, 7-1-77)Ext: Sec: 32 $\frac{1}{2}$ (R-7030, 7-21-82) Ext: $\frac{1}{2}$ Sec 30 (R-6224, 7-16-81)Ext: $\frac{1}{2}$ Sec. 19 (R-11691, 11-28-01) Ext: $\frac{1}{2}$ Sec. 29 (R-11705, 12-13-01)

County Eddy

Pool Eagle Creek - Strawn Gas

TOWNSHIP 17 South

Range 26 East

NMPM

| | | | | | |
|----|----|----|----|----|----|
| 6 | 5 | 4 | 3 | 2 | 1 |
| 7 | 8 | 9 | 10 | 11 | 12 |
| 18 | 17 | 16 | 15 | 14 | 13 |
| 19 | 20 | 21 | 22 | 23 | 24 |
| 30 | 29 | 28 | 27 | 26 | 25 |
| 31 | 32 | 33 | 34 | 35 | 36 |

Description: $\frac{5}{2}$ Sec 30, All Sec 31 (R-5460, 7-1-77)

Ext: $\frac{1}{2}$ Sec 29 (R-5876, 12-1-78) EXT: $\frac{1}{2}$ SEC 32 (R-8562 12/4/87)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/05/02 11:26:
OGOMES -TP
PAGE NO:

Sec : 31 Twp : 17S Rng : 26E Section Type : NORMAL

| | | | |
|--------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
| 1 39.49 Fee owned | C 40.00 Fee owned | B 40.00 Fee owned | A 40.00 Fee owned |
| 2 39.24 Fee owned A | F 40.00 Fee owned | G 40.00 Fee owned A | H 40.00 Fee owned |

| | | | | | |
|-----------|----------|------------|-----------|------|------|
| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 |
| PF07 BKWD | PF08 FWD | PF09 PRINT | PF10 SDIV | PF11 | PF12 |

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/05/02 11:26:
OGOMES -TP
PAGE NO:

Sec : 31 Twp : 17S Rng : 26E Section Type : NORMAL

| | | | |
|-----------|-----------|-----------|-----------|
| 3 | K | J | I |
| 38.98 | 40.00 | 40.00 | 40.00 |
| Fee owned | Fee owned | Fee owned | Fee owned |
| 4 | N | O | P |
| 38.73 | 40.00 | 40.00 | 40.00 |
| Fee owned | Fee owned | Fee owned | Fee owned |
| A | A | | A |

| | | | | | |
|-----------|----------|------------|-----------|------|------|
| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 |
| PF07 BKWD | PF08 FWD | PF09 PRINT | PF10 SDIV | PF11 | PF12 |

CMD : ONGARD 04/05/02 11:27:
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP
Page No :

API Well No : 30 15 30910 Eff Date : 08-01-2000
Pool Idn : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
Prop Idn : 25224 HALDEMAN EN COM Well No : 00
Spacing Unit : 53304 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : Acreage : 319.23 Revised C102? (Y/N) :
Dedicated Land:

| S | Base | U/L | Sec | Twp | Rng | Acreage | L/W | Ownership | Lot | Idn |
|---|------|-----|-----|-----|-------|---------|-----|-----------|-----|-----|
| | A | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | B | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | C | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | F | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | G | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | H | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | D | 1 | 31 | 17S | 26E | 39.49 | N | FE | | |
| | E | 2 | 31 | 17S | 26E | 39.24 | N | FE | | |

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 04/05/02 11:28:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 30910 Report Period - From : 01 1999 To : 02 2002

| API Well No | Property Name | Prod. Days MM/YY Prod | Production Volumes Gas Oil Water St | We |
|-------------|-----------------|--------------------------|--|------|
| 30 15 30910 | HALDEMAN EN COM | 08 00 30 | 2597 | F |
| 30 15 30910 | HALDEMAN EN COM | 09 00 24 | 3757 | F |
| 30 15 30910 | HALDEMAN EN COM | 10 00 31 | 292 | F |
| 30 15 30910 | HALDEMAN EN COM | 11 00 | | S |
| 30 15 30910 | HALDEMAN EN COM | 12 00 31 | 7825 | F |
| 30 15 30910 | HALDEMAN EN COM | 01 01 31 | 18290 | 23 F |
| 30 15 30910 | HALDEMAN EN COM | 02 01 28 | 5547 | F |

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:28:
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
 Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
 Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
 API Well No : 30 15 30910 Report Period - From : 01 1999 To : 02 2002

| API Well No | Property Name | Prodn. Days MM/YY Prod | Production Volumes Gas Oil Water | We St |
|-------------|-----------------|---------------------------|-------------------------------------|----------|
| 30 15 30910 | HALDEMAN EN COM | 03 01 31 | 4483 | F |
| 30 15 30910 | HALDEMAN EN COM | 04 01 30 | 3917 | F |
| 30 15 30910 | HALDEMAN EN COM | 05 01 31 | 3470 | F |
| 30 15 30910 | HALDEMAN EN COM | 06 01 30 | 3252 | F |
| 30 15 30910 | HALDEMAN EN COM | 07 01 31 | 2865 | F |
| 30 15 30910 | HALDEMAN EN COM | 08 01 31 | 2410 95 3 | F |
| 30 15 30910 | HALDEMAN EN COM | 09 01 21 | 3434 2 | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:28:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 30910 Report Period - From : 01 1999 To : 02 2002

| API Well No | Property Name | Prodn. Days MM/YY Prod | Production Volumes Gas Oil Water St | We |
|-------------|-----------------|---------------------------|--|----|
| 30 15 30910 | HALDEMAN EN COM | 10 01 20 | 2431 2 | F |
| 30 15 30910 | HALDEMAN EN COM | 11 01 26 | 2042 1 | F |
| 30 15 30910 | HALDEMAN EN COM | 12 01 17 | 944 | F |
| 30 15 30910 | HALDEMAN EN COM | 01 02 | | S |

Reporting Period Total (Gas, Oil) : 67556 100 26

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP

API Well No : 30 15 21584 Eff Date : 10-01-1995 WC Status : A
Pool Idn : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
OGRID Idn : 25575 YATES PETROLEUM CORPORATION
Prop Idn : 25224 HALDEMAN EN COM

Well No : 001
GL Elevation: 3434

| | U/L | Sec | Township | Range | North/South | East/West | Prop/Act(P/ |
|-----------|-----|-----|----------|-------|------------------|-----------|-------------|
| | --- | --- | --- | --- | --- | --- | --- |
| B.H. Locn | : 2 | 31 | 17S | 26E | FTG 1980 F N FTG | 660 F W | A |

Lot Identifier:
Dedicated Acre: 319.23
Lease Type : P
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

| | | | | | |
|-----------|------|-----------|--------------|--------------|-------------|
| PF01 HELP | PF02 | PF03 EXIT | PF04 GoTo | PF05 | PF06 |
| PF07 | PF08 | PF09 | PF10 NEXT-WC | PF11 HISTORY | PF12 NXTREC |

CMD : ONGARD 04/05/02 11:31:
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TP
Page No :

API Well No : 30 15 21584 Eff Date : 08-01-2000
Pool Idn : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
Prop Idn : 25224 HALDEMAN EN COM Well No : 00
Spacing Unit : 53304 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : Acreage : 319.23 Revised C102? (Y/N) :
Dedicated Land:

| S | Base | U/L | Sec | Twp | Rng | Acreage | L/W | Ownership | Lot | Idn |
|---|------|-----|-----|-----|-------|---------|-----|-----------|-----|-----|
| | A | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | B | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | C | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | F | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | G | 31 | 17S | 26E | 40.00 | N | FE | | | |
| | H | 31 | 17S | 26E | 40.00 | N | FE | | | |
| D | 1 | 31 | 17S | 26E | 39.49 | N | FE | | | |
| E | 2 | 31 | 17S | 26E | 39.24 | N | FE | | | |

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

April 5, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Williams Production Company, L.L.C.
c/o Walsh Engineering & Production Corp.
7415 East Main
Farmington, New Mexico 87402

Attention: John C. Thompson

Re: *Two administrative applications for unorthodox gas well locations in the Basin-Dakota Pool: (i) Rosa Unit Well No. 21-C (pKRV0-208654379); and (ii) Rosa Unit Well No. 147-B (pKRV0-208654175).*

Dear Mr. Thompson:

The locations of the two proposed wells appear to be standard for gas wells in the Basin-Dakota Pool. My review of these two applications indicate that they are unnecessary since the well location and spacing requirements within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B (2), dated January 29, 2002 (see copy attached), provides for wells to be located not closer to the outer boundary of a gas spacing and proration unit than 660 feet.

Since neither well is closer than 660 feet to its respective GPU, I am withdrawing both applications and returning them to you at this time.

Should you have any questions concerning this matter please contact me in Santa Fe at (505) 476-3465 or Steve Hayden in Aztec, New Mexico at (505) 334-6178.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
Kathy Valdes, NMOCD - Santa Fe

P.S. You may want to check the orientation of the existing Basin-Dakota gas wells in Section 23, Township 31 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, and review Rule II.B (1) (b) before proceeding further.

CMD : ONGARD 04/05/02 11:31:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prod. | Days | Production Volumes | We | | |
|-------------|-----------------|-------|------|--------------------|-----|-------|----|
| | | MM/YY | Prod | Gas | Oil | Water | St |
| 30 15 21584 | HALDEMAN EN COM | 01 97 | 31 | 5279 | 2 | 3 | F |
| 30 15 21584 | HALDEMAN EN COM | 02 97 | 28 | 4440 | 2 | 1 | F |
| 30 15 21584 | HALDEMAN EN COM | 03 97 | 31 | 4428 | 7 | | F |
| 30 15 21584 | HALDEMAN EN COM | 04 97 | 30 | 4169 | | | F |
| 30 15 21584 | HALDEMAN EN COM | 05 97 | 31 | 3890 | | 2 | F |
| 30 15 21584 | HALDEMAN EN COM | 06 97 | 30 | 4948 | 7 | 2 | F |
| 30 15 21584 | HALDEMAN EN COM | 07 97 | 31 | 9428 | 26 | 13 | F |

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prod. | Days | Production Volumes | We | | |
|-------------|-----------------|-------|------|--------------------|-----|-------|----|
| | | MM/YY | Prod | Gas | Oil | Water | St |
| 30 15 21584 | HALDEMAN EN COM | 08 97 | 31 | 5390 | | | F |
| 30 15 21584 | HALDEMAN EN COM | 09 97 | 30 | 7226 | 7 | | F |
| 30 15 21584 | HALDEMAN EN COM | 10 97 | 31 | 5832 | 3 | 3 | F |
| 30 15 21584 | HALDEMAN EN COM | 11 97 | 30 | 6690 | 21 | 12 | F |
| 30 15 21584 | HALDEMAN EN COM | 12 97 | 31 | 5767 | 4 | 6 | F |
| 30 15 21584 | HALDEMAN EN COM | 01 98 | 31 | 6782 | 8 | 2 | F |
| 30 15 21584 | HALDEMAN EN COM | 02 98 | 28 | 6385 | 11 | 18 | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prodn. Days MM/YY Prod | Production Volumes Gas Oil Water St | We |
|-------------|-----------------|---------------------------|--|----|
| 30 15 21584 | HALDEMAN EN COM | 03 98 31 | 5579 3 5 | F |
| 30 15 21584 | HALDEMAN EN COM | 04 98 30 | 5380 5 7 | F |
| 30 15 21584 | HALDEMAN EN COM | 05 98 31 | 5287 5 | F |
| 30 15 21584 | HALDEMAN EN COM | 06 98 27 | 5079 6 | F |
| 30 15 21584 | HALDEMAN EN COM | 07 98 31 | 5467 1 | F |
| 30 15 21584 | HALDEMAN EN COM | 08 98 31 | 6144 4 | F |
| 30 15 21584 | HALDEMAN EN COM | 09 98 30 | 5294 2 | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prod. | Days | Production Volumes | We | |
|-------------|-----------------|-------|------|--------------------|-----|----------|
| | | MM/YY | Prod | Gas | Oil | Water St |
| 30 15 21584 | HALDEMAN EN COM | 10 98 | 25 | 4545 | | F |
| 30 15 21584 | HALDEMAN EN COM | 11 98 | 15 | 1149 | 11 | F |
| 30 15 21584 | HALDEMAN EN COM | 12 98 | 25 | 5057 | | 3 F |
| 30 15 21584 | HALDEMAN EN COM | 01 99 | 31 | 4414 | 7 | F |
| 30 15 21584 | HALDEMAN EN COM | 02 99 | 28 | 4272 | 3 | F |
| 30 15 21584 | HALDEMAN EN COM | 03 99 | 4 | 314 | | F |
| 30 15 21584 | HALDEMAN EN COM | 04 99 | 15 | 3240 | | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
 Page No:

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
 Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
 API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prod. Days MM/YY Prod | Production Volumes Gas Oil Water | We St |
|-------------|-----------------|--------------------------|-------------------------------------|----------|
| 30 15 21584 | HALDEMAN EN COM | 05 99 30 | 4500 1 | F |
| 30 15 21584 | HALDEMAN EN COM | 06 99 29 | 8275 17 | 23 F |
| 30 15 21584 | HALDEMAN EN COM | 07 99 27 | 4176 | F |
| 30 15 21584 | HALDEMAN EN COM | 08 99 31 | 3959 | F |
| 30 15 21584 | HALDEMAN EN COM | 09 99 30 | 3851 | F |
| 30 15 21584 | HALDEMAN EN COM | 10 99 31 | 3686 | F |
| 30 15 21584 | HALDEMAN EN COM | 11 99 28 | 7812 28 | 57 F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

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| API Well No | Property Name | Prod. Days | | Production Volumes | | | We |
|-------------|-----------------|------------|------|--------------------|-----|-------|----|
| | | MM/YY | Prod | Gas | Oil | Water | |
| 30 15 21584 | HALDEMAN EN COM | 12 99 | 31 | 8145 | 27 | 21 | F |
| 30 15 21584 | HALDEMAN EN COM | 01 00 | 28 | 6613 | 14 | 12 | F |
| 30 15 21584 | HALDEMAN EN COM | 02 00 | 29 | 4916 | 5 | 12 | F |
| 30 15 21584 | HALDEMAN EN COM | 03 00 | 31 | 6411 | 1 | 15 | F |
| 30 15 21584 | HALDEMAN EN COM | 04 00 | 30 | 5479 | | 3 | F |
| 30 15 21584 | HALDEMAN EN COM | 05 00 | 31 | 5915 | | | F |
| 30 15 21584 | HALDEMAN EN COM | 06 00 | 25 | 5216 | | | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

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 Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
 API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prodn. Days MM/YY Prod | Production Volumes Gas Oil Water St | We |
|-------------|-----------------|---------------------------|--|------|
| 30 15 21584 | HALDEMAN EN COM | 07 00 31 | 5578 | 15 F |
| 30 15 21584 | HALDEMAN EN COM | 08 00 30 | 5520 | F |
| 30 15 21584 | HALDEMAN EN COM | 09 00 24 | 2982 | F |
| 30 15 21584 | HALDEMAN EN COM | 10 00 31 | 5603 | 15 F |
| 30 15 21584 | HALDEMAN EN COM | 11 00 28 | 4817 | 18 F |
| 30 15 21584 | HALDEMAN EN COM | 12 00 31 | 2031 6 | F |
| 30 15 21584 | HALDEMAN EN COM | 01 01 31 | 2232 8 | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TP
 Page No:

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 Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
 API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prod. Days | | | Production Volumes | | | We |
|-------------|-----------------|------------|------|--|--------------------|-----|-------|----|
| | | MM/YY | Prod | | Gas | Oil | Water | |
| 30 15 21584 | HALDEMAN EN COM | 02 01 | 28 | | 4540 | 4 | 7 | F |
| 30 15 21584 | HALDEMAN EN COM | 03 01 | 31 | | 4510 | | 1 | F |
| 30 15 21584 | HALDEMAN EN COM | 04 01 | 30 | | 3918 | | 2 | F |
| 30 15 21584 | HALDEMAN EN COM | 05 01 | 31 | | 5656 | 8 | 9 | F |
| 30 15 21584 | HALDEMAN EN COM | 06 01 | 30 | | 5324 | | 6 | F |
| 30 15 21584 | HALDEMAN EN COM | 07 01 | 31 | | 4858 | 1 | 3 | F |
| 30 15 21584 | HALDEMAN EN COM | 08 01 | 31 | | 5306 | 2 | 5 | F |

Reporting Period Total (Gas, Oil) :

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/05/02 11:31:
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Pool Identifier : 76240 EAGLE CREEK;ATOKA-MORROW, E (GAS)
API Well No : 30 15 21584 Report Period - From : 01 1997 To : 02 2002

| API Well No | Property Name | Prodn. Days MM/YY Prod | Production Volumes Gas Oil Water | We St |
|-------------|-----------------|---------------------------|-------------------------------------|----------|
| 30 15 21584 | HALDEMAN EN COM | 09 01 21 | 3721 3 | 3 F |
| 30 15 21584 | HALDEMAN EN COM | 10 01 20 | 4656 | 9 F |
| 30 15 21584 | HALDEMAN EN COM | 11 01 25 | 5566 | 12 F |
| 30 15 21584 | HALDEMAN EN COM | 12 01 31 | 6515 | 23 F |
| 30 15 21584 | HALDEMAN EN COM | 01 02 31 | 5273 2 | 3 F |

Reporting Period Total (Gas, Oil) : 309435 272 351

E0049: User may continue scrolling.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12