

RECEIVED

APPLICATION FOR AUTHORIZATION TO INJECT

JUL 3 1995

- I. Purpose: ☐ Secondary Recovery ☒ Pressure Maintenance ☐ Disposal ☐ Storage
Application qualifies for administrative approval ☐ Conservation Division ☒ no

II. Operator: Yates Petroleum Corporation

Address: 105 South 4th Street

Contact party: Pinson McWhorter

Phone: (505) 748-1471

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? ☒ yes ☐ no
If yes, give the Division order number authorizing the project R-10349.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation

* X. Attach appropriate logging and test data with the Division they need not be

* XI. Attach a chemical analysis of free available and producing) within one mile of location of wells and dates sample

XII. Applicants for disposal wells must examine available geologic and hydrologic connection or any other hydrologic connection source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Pinson McWhorter

Title Reservoir Engineering Supervisor

Signature: Pinson McWhorter

Date: June 21, 1995

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division

C-108
Application for Authorization to Inject
Yates Petroleum Corporation
Chaves County, New Mexico

Quincy AMQ State #9
Unit G Sec. 12-8S-27E

- I. The purpose of these wells will be to reinject produced San Andres water into the San Andres formation as part of the Quincy "AMQ" San Andres Pressure Maintenance Project in Acme San Andres Southeast.
- II Operator: Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Pinson McWhorter
(505) 748-1471
- III Well data: See Attachment A
- III This is an expansion of an existing project. The Quincy "AMQ" San Andres Pressure Maintenance Project was authorized by Division Order R-10349.
- V See attached map, Attachment B
- VI Area of Review Well Data: See Attachment C.
- VII
 - 1. The proposed average daily injection volume will be approximately 400 BWPD

The maximum daily injection volume is estimated to be 500 BWPD.
 - 2. The system will be a closed system
 - 3. The proposed average injection pressure is estimated to be 440 psi.

The proposed maximum injection pressure is estimated to be 1700 psi.
 - 4. The source of injection water will be produced San Andres water from Acme San Andres Southeast
- VIII
 - 1. The injection zone will be the P1 of the San Andres. The San Andres dolomite is a finely crystalline, tan to light gray reservoir rock, sandy textured with porosity development consisting of small vugs and fractures. The average depth of the top of the P1 zone of the San Andres is 2140' with a thickness of approximately 55'. Fresh water zones overlay the San Andres at depths of approximately 300'.
- IX The proposed injection interval will not be stimulated further.
- X Well log data is on file with the Oil Conservation Division.
- XI No fresh water wells were located within one mile of the proposed injection well.
- XII Yates Petroleum has examined available geologic and engineering data and has found no evidence of open faults or other hydrologic connection between the injection zone and any underground source of drinking water.

ATTACHMENT A

QUINCY "AMQ" SAN ANDRES PRESSURE MAINTENANCE PROJECT

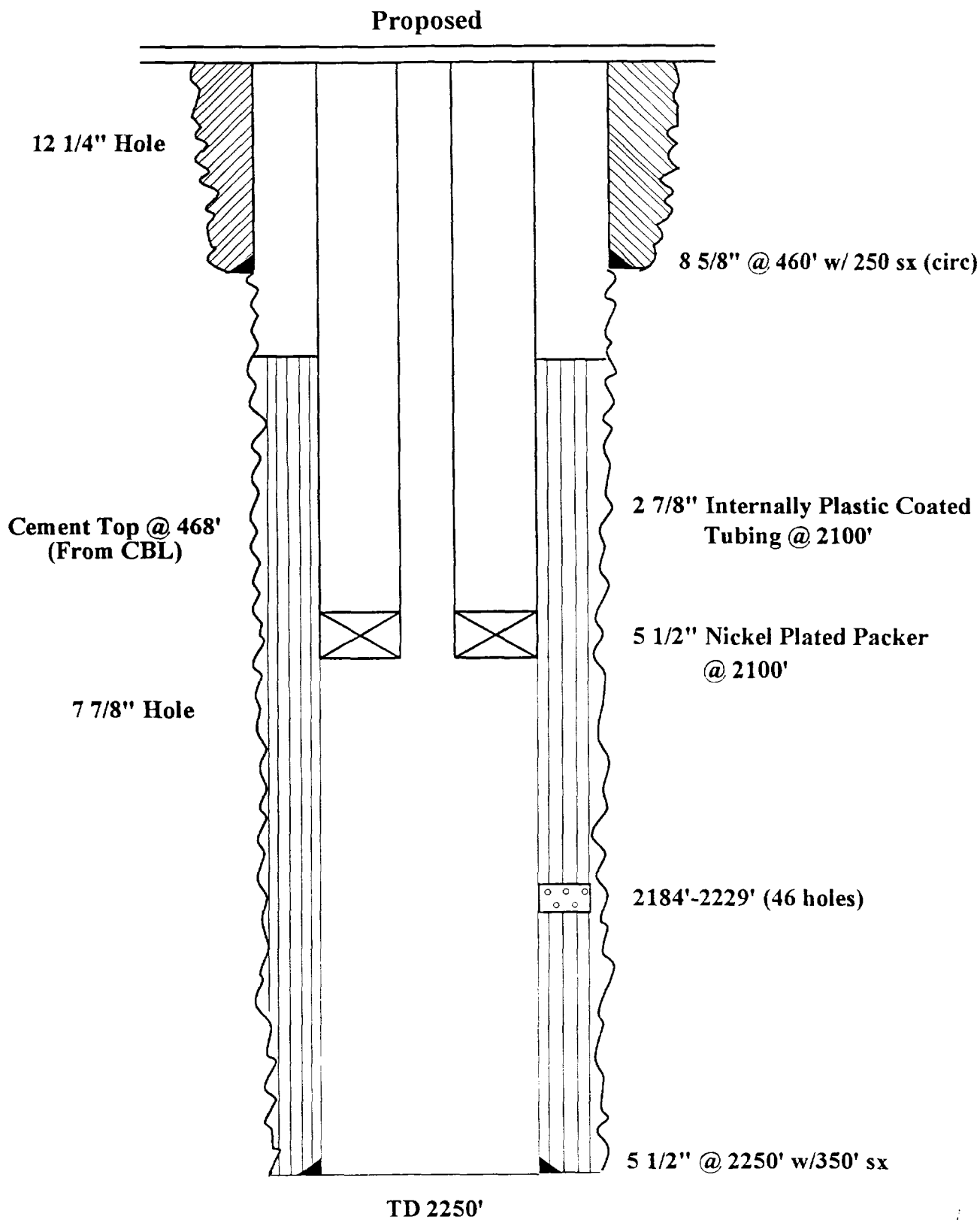
FORM C-108

WELL DATA

Lease Name & Location	Casing Tubing & Packer Data	Injection Formation	Injection Interval Perforation	1 - Next Higher Oil/Gas Zone	2 - Next Higher Oil/Gas Zone
Quincy AMQ #9	8-5/8" @ 460 250 sx circulated	San Andres	2184' - 2229'	1 - None	
Unit G, Sec 12-8S-27E	5-1/2" @ 2250' 350 sx (TOC 468' CBL)				2 - Ordovician
2310' FNL & 2310' FEL					
(Originally Oil Well Test)					

Attachment A

**Quincy "AMQ" State #9
G 12 8S-27E
2310' FNL & 2310' FEL**



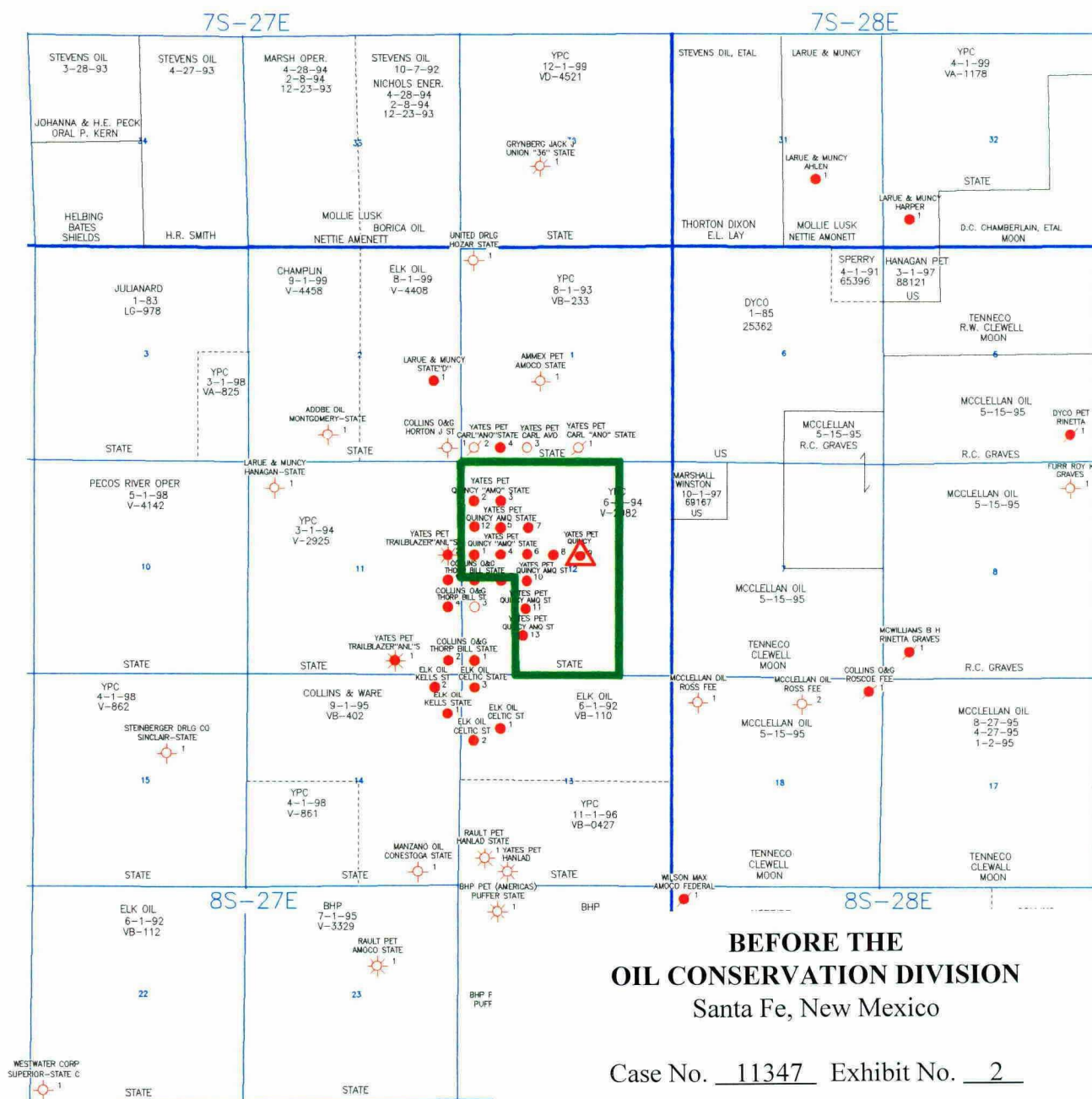
QUINCY "AMQ" SAN ANDRES PRESSURE MAINTENANCE PROJECT Form C-103 Tabulation of Data on Wells Within Area of Review								
WELL NAME	OPERATOR	TYPE	SPUD	COMPLETED	TOTAL DEPTH	PRODUCING ZONE	PERFORATIONS	CASING & CEMENTING INFORMATION
Quincy AMQ State #1 Unit E, Sec 12-8S-27E 2310' FNL & 330' FWL	Yates Petroleum Corporation	Oil	07/26/93	08/06/93	2195'	San Andres	2143' - 2186'	13-3/8" @ 10' w/cement to surface 8-5/8" @ 475' w/250 sx (circulated) 5-1/2" @ 2195' w/250 sx (TOC 1100' CBL)
Quincy AMQ State #3 Unit D, Sec 12-8S-27E 990' FNL & 990' FWL	Yates Petroleum Corporation	Oil	08/25/93	09/04/93	2220'	San Andres	2180' - 2199'	13-3/8" @ 6' w/cement to surface 8-5/8" @ 460' w/250 sx (circulated) 5-1/2" @ 2220' w/250 sx (TOC 1200' CBL)
Quincy AMQ State #4 Unit E, Sec 12-8S-27E 2310' FNL & 990' FWL	Yates Petroleum Corporation	Oil	01/13/95	01/27/95	2214'	San Andres	2150' - 2192'	13-3/8" @ 5' w/cement to surface 8-5/8" @ 448' w/280 sx (circulated) 5-1/2" @ 2214' w/350 sx (TOC 846' CBL)
Quincy AMQ State #5 Unit E, Sec 12-8S-27E 1650' FNL & 990' FWL	Yates Petroleum Corporation	Oil	01/18/95	02/01/95	2218'	San Andres	2157' - 2202'	13-3/8" @ 5' w/cement to surface 8-5/8" @ 447' w/250 sx (circulated) 5-1/2" @ 2218' w/300 sx (TOC 461' calc)
Quincy AMQ State #6 Unit F, Sec 12-8S-27E 2310' FNL & 1650' FWL	Yates Petroleum Corporation	Oil	02/08/95	02/21/95	2220'	San Andres	2154' - 2194'	8-5/8" @ 464' w/250 sx (circulated) 5-1/2" @ 2220' w/300 sx (TOC 463' calc)
Quincy AMQ State #7 Unit F, Sec 12-8S-27E 1650' FNL & 1650' FWL	Yates Petroleum Corporation	Oil	03/09/95	04/13/95	2225'	San Andres	2169' - 2197'	8-5/8" @ 460' w/250 sx (circulated) 5-1/2 @ 2225' w/350 sx (circulated)
Quincy AMQ State #8 Unit F, Sec 12-8S-27E 2310' FNL & 2310' FWL	Yates Petroleum Corporation	Oil	03/02/95	04/29/95	2230'	San Andres	2162' - 2114'	8-5/8" @ 478' w/250 sx (circulated) 5-1/2" @ 2230' w/350 sx (circulated)

QUINCY "AMQ" SAN ANDRES PRESSURE MAINTENANCE PROJECT

Form C-108

Tabulation of Data on Wells Within Area of Review

WELL NAME	OPERATOR	TYPE	SPUD	COMPLETED	TOTAL DEPTH	PRODUCING ZONE	PERFORATIONS	CASING & CEMENTING INFORMATION
Quincy AMQ State #13 Unit N, Sec 12-8S-27E 990' FSL & 1550' FWL	Yates Petroleum Corporation	Oil	06/05/95	06/16/95	2205'	San Andres	2142' - 2192'	8-5/8" @ 447' w/250 sx (circulated) 5-1/2" @ 300 sx (TOC 550' CBL)
Quincy AMQ State #10 Unit K, Sec 12-8S-27E 2310' FSL & 1650' FWL	Yates Petroleum Corporation	Oil	04/24/95	05/05/95	2225'	San Andres	2148' - 2200'	13-3/8" @ 5' Cement to surface 8-5/8" @ 459' w/250 sx - (circulated) 5-1/2" @ 2225' w/300 sx (TOC 704' calc)
Quincy AMQ State #11 Unit K, Sec 12-8S-27E 1650' FSL & 1650' FWL	Yates Petroleum Corporation	Oil	04/30/95	05/13/95	2221'	San Andres	2144' - 2198'	13-3/8" @ 5' Cement to surface 8-5/8" @ 460' w/250 sx - (circulated) 5-1/2" @ 2221' w/350 sx (TOC 940' CBL)
Quincy AMQ State #12 Unit E, Sec 12-8S-27E 1650' FNL & 330' FWL	Yates Petroleum Corporation	Oil	04/18/95	05/05/95	2215'	San Andres	2152' - 2196'	13-3/8" @ 5' Cement to surface 8-5/8" @ 462' w/225 sx - (circulated) 5-1/2" @ 2215' w/300 sx (TOC 694' calc)
Bill Thorp State #3 Unit L, Sec 12-8S-27E 1650' FSL & 330' FWL	Collins Oil & Gas	Oil	06/28/93	08/09/93	2185'	San Andres	2128' - 2160'	8-5/8" @ 470' w/245 sx (circulated) 4-1/2" @ 2185' w/200 sx (TOC 1414' calc)
Bill Thorp State #5 Unit L, Sec 12-8S-27E	Collins Oil & Gas	Oil	08/19/93	08/26/93	2195'	San Andres	2137' - 2181'	8-5/8" @ 450' w/245 sx (circulated) 4-1/2" @ 2195' w/200 sx (TOC 1424' calc)
Bill Thorp State #7 Unit L, Sec 12-8S-27E 2310' FSL & 990' FWL	Collins Oil & Gas	Oil	02/02/95	02/13/95	2200'	San Andres	2138' - 2186	8-5/8" @ 450' w/200 sx (circulated) 4 1/2" @ 2200' w/200 sx (TOC 1429' calc)
Carl ANO State #1 Unit O, 1-8S-27E 330' FSL & 2310' FE	Yates Petroleum Corporation	Oil	07/15/93	07/20/93 TA	2259'	San Andres	None	13-3/8" @ 8' w/Redi mix 8-5/8" @ 455' w/300 sx (circulated)



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

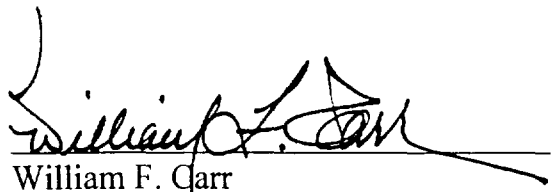
APPLICATION OF YATES PETROLEUM CORPORATION
FOR AMENDMENT OF DIVISION ORDER NO. R-10349
FOR EXPANSION OF THE QUINCY "AMQ" SAN ANDRES
PRESSURE MAINTENANCE PROJECT,
FOR QUALIFICATION OF THIS PROJECT
FOR THE RECOVERED OIL TAX CREDIT
PURSUANT TO THE "NEW MEXICO OIL RECOVERY ACT",
AND FOR PRESSURE MAINTENANCE EXPANSION,
CHAVES COUNTY, NEW MEXICO.

CASE NO. 11347

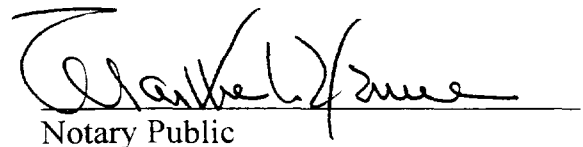
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Yates Petroleum Corporation, the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.


William F. Carr

SUBSCRIBED AND SWORN to before me this 25th day of July, 1995.


Notary Public

My Commission Expires:

August 19, 1995

EXHIBIT A

Mr. Jim K. Miller
Post Office Box 453
Satanta, KS 87860

Collins Oil & Gas Corporation
Post Office Box 2443
Roswell, NM 88202-2443

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11347 Exhibit No. 3

Submitted by: Yates Petroleum Corporation

Hearing Date: July 27, 1995

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 3, 1995

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Mr. Jim K. Miller
Post Office Box 453
Satanta, KS 87860

Re: Application of Yates Petroleum Corporation for Amendment of Oil Conservation Division Order No. R-10349 for Expansion of the Quincy "AMQ" San Andres Pressure Maintenance Project, an Administrative Procedure for Approval of Additional Injection and Producing Wells, and Qualification for the Recovered Oil Tax Rate Pursuant to the "New Mexico Enhanced Oil Recovery Act", Chaves County, New Mexico

Dear Mr. Miller:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval for expansion of its Acme San Andres Southeast Pressure Maintenance Project in the NW/4, W/2 NE/4, E/2 SW/4 and W/2 SE/4 of Section 12, Township 8 South, Range 27 East, N.M.P.M., Chaves County, New Mexico.

This application has been set for hearing before a Division Examiner on July 27, 1995. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you must appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

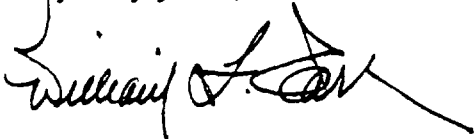
Mr. Jim K. Miller

July 3, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long horizontal flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR YATES PETROLEUM CORPORATION

WFC:mlh

Enclosure

cc: Pinson McWhorter

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714

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

1. ☐ Addressee's Address

2. ☐ Restricted Delivery

Consult postmaster for fee.

Mr. Jim K. Miller
Post Office Box 453
Satanta, KS 87860

6. Signature (Agency) James Earl Ray

7. Date of Delivery

4b. Service Type: ☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

4a. Article Number
P176 015 824



No Insurance Coverage Provided

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
July 3, 1995	

Thank you for using Return Receipt Service.

CAMPBELL, CARR & BERGE, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE

MICHAEL H. FELDEWERT
TANNIS L. FOX
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 3, 1995

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Collins Oil & Gas Corporation
Post Office Box 2443
Roswell, New Mexico 88202-2443

Re: Application of Yates Petroleum Corporation for Amendment of Oil Conservation Division Order No. R-10349 for Expansion of the Quincy "AMQ" San Andres Pressure Maintenance Project, an Administrative Procedure for Approval of Additional Injection and Producing Wells, and Qualification for the Recovered Oil Tax Rate Pursuant to the "New Mexico Enhanced Oil Recovery Act", Chaves County, New Mexico

Gentlemen:

This letter is to advise you that Yates Petroleum Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval for expansion of its Acme San Andres Southeast Pressure Maintenance Project in the NW/4, W/2 NE/4, E/2 SW/4 and W/2 SE/4 of Section 12, Township 8 South, Range 27 East, N.M.P.M., Chaves County, New Mexico.

This application has been set for hearing before a Division Examiner on July 27, 1995. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you must appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

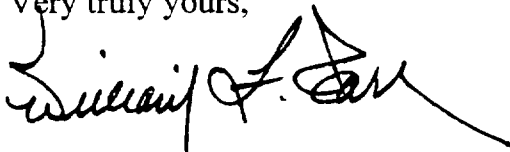
Collins Oil & Gas Corporation

July 3, 1995

Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long horizontal flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR YATES PETROLEUM CORPORATION

WFC:mlh

Enclosure

cc: Pinson McWhorter

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

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

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

1. ☐ Addressee's Address
 2. ☐ Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Collins Oil & Gas Corporation
Post Office Box 2443
Roswell, New Mexico 88202-2443

4a. Article Number

P 176 015 825

4b. Service Type

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

7. Date of Delivery

7-5-95

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

5. Signature (Addressee)

Charles L. Collins

6. Signature (Agent)

PS Form 3811, December 1991

U.S. GPO: 1993-362-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

P 176 015 825



**Receipt for
Certified Mail**

No Insurance Coverage Provided

Collins Oil & Gas Corporation
Post Office Box 2443
Roswell, New Mexico 88202-2443

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	July 3, 1995

PS Form 3800, June 1991

a. Operator's name and address:
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

b. Description of the project area including:

(1) A plat outlining the project area.

(2) Description of project area:

Township 8 South, Range 27 East, N. M. P. M.

NW/4	Section 12
W/2 NE/4	Section 12
W/2 SE/4	Section 12
E/2 SW/4	Section 12

(3) Total Acres:
400 acres

(4) Name of subject pool and formation:

a. Southeast Acme - San Andres Pool

b. San Andres formation (P1 Porosity Zone)

c. Status of operations in project area:

(1) Not unitized.

(2) No plans to unitize.

(3) Project lease identification:

<u>Lease Name</u>	<u>Lessor</u>	<u>Lessee</u>	<u>Legal Description</u>
V-2982	State of New Mexico	Yates Petroleum	Sec 12 T8S R27E

d. Method of recovery to be used:

(1) Injection fluids: Produced San Andres water

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11347 Exhibit No. 4

Submitted by: Yates Petroleum Corporation

Hearing Date: July 27, 1995

- (2) The application for approval for this project expansion was filed with the Division on Form C-108 on July 3, 1995.

e. Description of project:

- (1) List of producing wells:

Quincy AMQ State #1
Quincy AMQ State #2
Quincy AMQ State #3
Quincy AMQ State #4
Quincy AMQ State #5
Quincy AMQ State #6
Quincy AMQ State #7
Quincy AMQ State #8
Quincy AMQ State #10
Quincy AMQ State #11
Quincy AMQ State #12
Quincy AMQ State #13

- (2) List of Injection Wells:

Quincy AMQ State #9

- (3) Capital cost of additional facilities:

Facilities 10M\$
Well Work ~~25~~15M\$

- (4) Total project costs: 25M\$

- (5) Estimated total value of the additional production that will be recovered as a result of this project: 26000 STBO

- (6) Anticipated date for commencement of injection: September 1, 1995

- (7) Type of fluid to be injected and anticipated volumes:

Produced water will be initially injected at a rate of 400 BWPD.

- (8) Originally, the Quincy "AMQ" San Andres Pressure Maintenance Project established by Division Order R-10349 comprised the SE/4 NW/4 of Section 12, Township 8 South, Range 27 East, N. M. P. M, Chaves County, New Mexico. This expansion would add the following:

5 year period
Initial phase
of project

Incremental
oil

N/2 NW/4	Section 12
SW/4 NW/4	Section 12
W/2 NE/4	Section 12
W/2 SE/4	Section 12
E/2 SW/4	Section 12

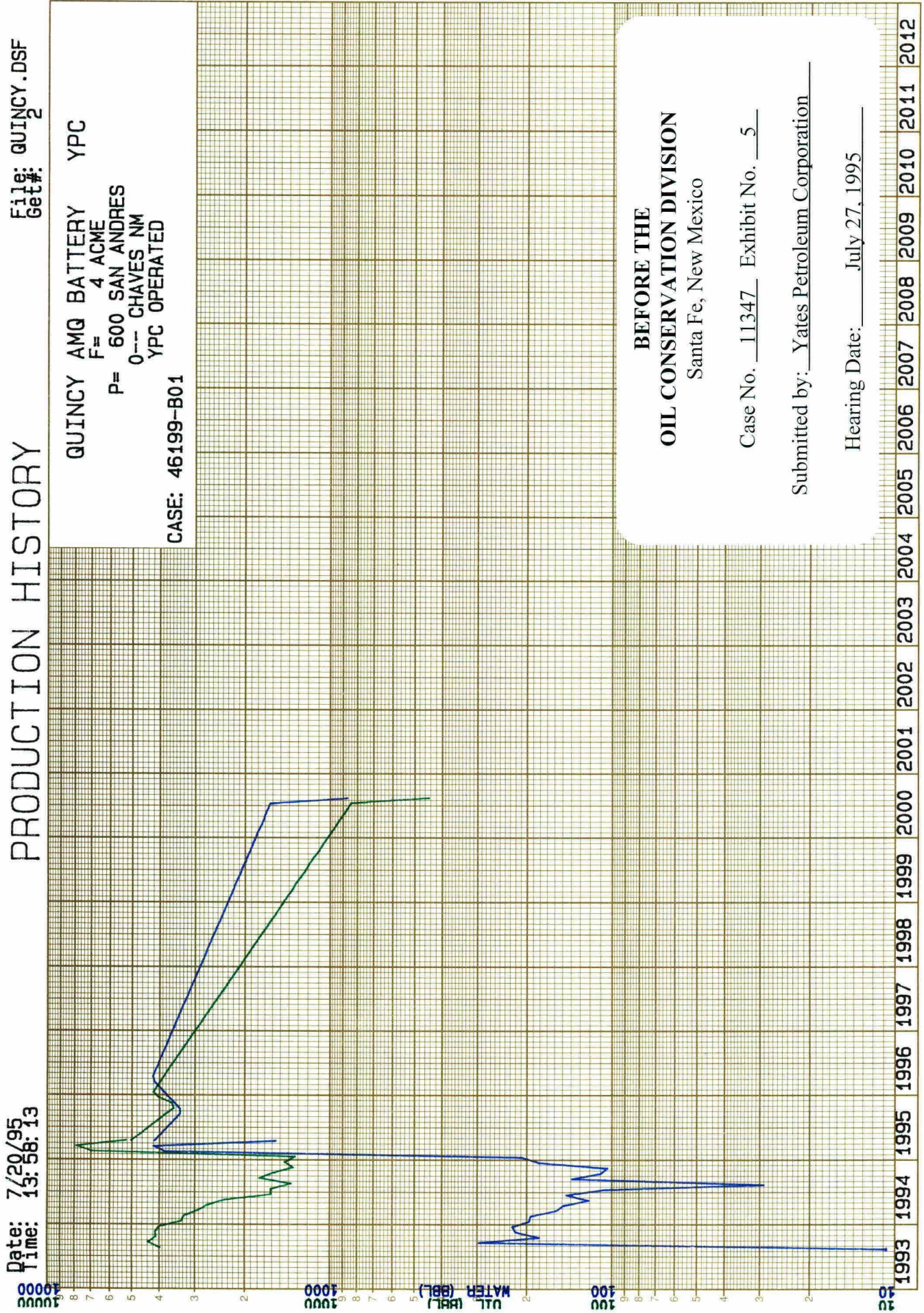
f. Production data: See attached plot.

Date: 7/20/95
Time: 13:58:13

PRODUCTION HISTORY

File: QUINCY.DSF
Get#: 2

QUINCY AMQ BATTERY YPC
F= 4 ACME
P= 600 SAN ANDRES
O--- CHAVES NM
YPC OPERATED
CASE: 46199-B01



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Case No. 11347 Exhibit No. 5

Submitted by: Yates Petroleum Corporation

Hearing Date: July 27, 1995