

**HEYCO**

**PETROLEUM PRODUCERS**



**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

February 29, 1980

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Dick Stamets

Re: Case #6814  
Betebough Unit Agreement  
Lea County, New Mexico

Dear Mr. Stamets:

As you requested at the hearing of the above referenced case on February 27, 1980, I enclose a revised page to the Betebough Unit Agreement providing for Division approval of a plan of development for the Unit in the event of production from the initial well.

Please consider this an additional evidentiary submission on behalf of Harvey E. Yates Company as applicant in Case No. 6814.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Robert H. Strand".

Robert H. Strand  
Attorney

RHS/cj  
Enclosures

a discovery of a deposit of unitized substances capable of being produced in paying quantities (to-wit: quantities sufficient to repay the costs of drilling and producing operations with a reasonable profit) unit operator shall continue drilling diligently, one well at a time, allowing not more than six months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of the Commissioner or until it is reasonably proven to the satisfaction of the unit operator that the unitized land is incapable of producing unitized substances in paying quantities in the formation drilled hereunder.

Any well commenced prior to the effective date of this agreement upon the unit area and drilled to the depth provided herein for the drilling of an initial test well shall be considered as complying with the drilling requirements hereof with respect to the initial well. The Commissioner may modify the drilling requirements of this section by granting reasonable extensions of time when in his opinion such action is warranted. Upon failure to comply with the drilling provisions of this article the Commissioner may, after reasonable notice to the unit operator and each working interest owner, lessee and lessor at their last known addresses, declare this unit agreement terminated, and all rights, privileges and obligations granted and assumed by this unit agreement shall cease and terminate as of such date.

9. OBLIGATIONS OF UNIT OPERATOR AFTER DISCOVERY OF UNITIZED SUBSTANCES:

Should unitized substances in paying quantities be discovered upon the unit area, the unit operator shall on or before six months from the time of the completion of the initial discovery well and within thirty days after the expiration of each twelve months period thereafter, file a report with the Commissioner and Division of the status of the development of the unit area and the development contemplated for the following twelve months period, such plan of contemplated development to be approved by the Division.

It is understood that one of the main considerations for the approval of this agreement by the Commissioner of Public Lands is to secure the orderly development of the unitized lands in accordance with good conservation practices so as to obtain the greatest ultimate recovery of unitized substances.

After discovery of unitized substances in paying quantities, unit operator shall proceed with diligence to reasonably develop the unitized area as a reasonably prudent operator would develop such area under the same or similar circumstances.

If the unit operator should fail to comply with the above covenant for reasonable development this agreement may be terminated by the Commissioner as to all lands of the State of New Mexico embracing undeveloped regular well spacing or proration units, but in such event, the basis of participation by the working interest owners shall remain the same as if this agreement had not been terminated.

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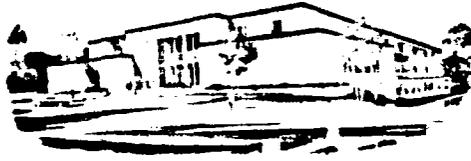
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State of New Mexico



Commissioner of Public Lands  
March 21, 1980

ALEX J. ARMIJO  
COMMISSIONER

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501

Harvey E. Yates Company  
Suite 300, Security National Bank Building  
Roswell, New Mexico 88201

2814

Re: Betenbough State Unit  
Lea County, New Mexico

ATTENTION: Mr. Robert H. Strand

Gentlemen:

The Commissioner of Public Lands has this date approved the Betenbough State Unit, Lea County, New Mexico, effective as of the date of approval.

Enclosed are Five (5) Certificates of approval.

Please submit to this office your Geological Report and any maps you have available.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
FLOYD O. PRANDO, Assistant  
Director Oil and Gas Division  
AC 505-827-2748

AJA/FOP /s  
encls.  
cc:

OCD-Santa Fe, New Mexico ✓

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Unit Name BETENBOUGH STATE UNIT  
 Operator HARVEY E. YATES  
 County LEA

DATE	OCC CASE NO	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	SEGREGATION CLAUSE	TERM
APPROVED	6814 OCC. ORDER NO. R-6285						
3-21-80	3-11-80	3-21-80	1,922.53	961.64	-0-	960.89	2 yrs.

UNIT AREA

TOWNSHIP 13 SOUTH, RANGE 36 EAST, N/2PM

Sections	29 and 30	All
Section	31	N/2
Section	32	N/2

RECEIVED  
 MAR 24 1980  
 OIL CONSERVATION DIVISION  
 SANTA FE

Unit Name BETENBOUGH STATE UNIT  
 Operator Harvey E. Yates  
 County Lea

STATE TRACT NO.	LEASE NO.	INST-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
1	V-210	C.S.	30	13S	36E	Lots 1, 2, 3, 4, E/2W/2, N/2NE/4, S/2SE/4	2-28-80	481.64		Northern Natural Gas C
2	V-209	M.I.	30	13S	36E	S/2NE/4, N/2SE/4	2-28-80	160.00		Northern Natural Gas C
3	V-218-1	C.S.	29	13S	36E	N/2NW/4, S/2SW/4	1-30-80	160.00		Harvey E. Yates Compan
4	LG-6476	C.S.	31	13S	36E	NE/4	3-4-80	160.00		Yates Pet. Corporation

**HEYCO**

PETROLEUM PRODUCERS



**HARVEY E. YATES COMPANY**

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

P. O. BOX 1933  
MAR 26 1980  
OIL CONSERVATION DIVISION  
SANTA FE

March 25, 1980

6814

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Betenbough State Unit  
Lea County, New Mexico

Gentlemen:

Enclosed please find one copy of the Unit Agreement and ratifications, along with the Certificate of Approval from the Commissioner of Public Lands, covering the Betenbough State Unit.

Please file in Case No. 6814 pursuant to Order No. R-6285.

Yours truly,

*Carlyn M. Jarm*  
Carlyn M. Jarm  
Land Department

CJ/jm  
Enclosures



# NEW MEXICO STATE LAND OFFICE

RECEIVED  
MAR 26 1980  
OIL CONSERVATION DIVISION  
SANTA FE

## CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

BETENBOUGH STATE UNIT

LEA COUNTY, NEW MEXICO

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated January 21, 1980, which said Agreement has been executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the state, with respect to state lands.

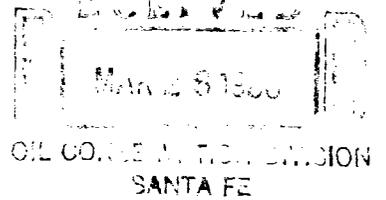
NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 7-11-39, 7-11-40, 7-11-41, 7-11-47, and 7-11-48, New Mexico Statutes Annotated, 1953 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, do hereby consent to and approve the said Agreement, however, such consent and approval being limited and restricted to such lands within the Unit Area, which are effectively committed to the Unit Agreement as of this date, and, further, that leases insofar as the lands covered thereby committed to this Unit Agreement shall be and the same are hereby amended to conform with the terms of such Unit Agreement, and said leases shall remain in full force and effect in accordance with the terms and conditions of said Agreement. This approval is subject to all of the provisions and requirements of the afore-said statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 21st. day of March, 19 80.

*Alex J. Cisneros*  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico

UNIT AGREEMENT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE

BETENBOUGH UNIT AREA  
LEA COUNTY, NEW MEXICO  
NO. \_\_\_\_\_



THIS AGREEMENT, entered into as of the 21<sup>st</sup> day of January  
1980 by and between the parties subscribing, ratifying or consenting hereto, and  
herein referred to as the "parties hereto";

WITNESSETH:

WHEREAS, the parties hereto are the owners of working, royalty, or other  
oil or gas interests in the unit area subject to this agreement; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is  
authorized by an Act of the Legislature (Sec. 3, Chap. 88, Laws 1943) as amended  
by Dec. 1 of Chapter 162, Laws of 1951, (Chap. 19, Art. 10, Sec. 45, N. M. Statutes  
1978 Annot.), to consent to and approve the development or operation of State Lands  
under agreements made by lessees of State Land jointly or severally with other lessees  
where such agreements provide for the unit operation or development of part of or all  
of any oil or gas pool, field, or area; and

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is  
authorized by and Act of the Legislature (Sec. 1, Chap. 162), (Laws of 1951, Chap.  
19, Art. 10, Sec. 47, N. M. Statutes 1978 Annotated) to amend with the approval of  
lessee, evidenced by the lessee's execution of such agreement or otherwise, any oil  
and gas lease embracing State Lands so that the length of the term of said lease may  
coincide with the term of such agreements for the unit operation and development of  
part or all of any oil or gas pool, field, or area; and

WHEREAS, the Oil Conservation Division of the Energy and Minerals Depart-  
ment of the State of New Mexico (hereinafter referred to as the "Division"), is  
authorized by an Act of the Legislature (Chap. 72, Laws 1935, as amended, being  
Section 70-2-1 et seq. New Mexico Statutes Annotated, 1978 Compilation) to approve  
this agreement and the conservation provisions hereof; and

WHEREAS, the parties hereto hold sufficient interests in the Betenbough  
Unit Area covering the land hereinafter described to give reasonably  
effective control of operations therein; and

WHEREAS, it is the purpose of the parties hereto to conserve natural resources, prevent waste and secure other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions and limitations herein set forth;

NOW, THEREFORE, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the below defined unit area, and agree severally among themselves as follows:

1. UNIT AREA: The following described land is hereby designated and recognized as constituting the unit area:

Township 13 South, Range 36 East N.M.P.M.  
 Section 29: All  
 30: Lots 1,2,3,4, E/2, E/2 W/2  
 31: Lots 1&2, E/2 NW/4, NE/4 and 32: N/2  
 containing 1922.53 acres, more or less,  
LEA County, New Mexico

Exhibit A attached hereto is a map showing the unit area and the boundaries and identity of tracts and leases in said area to the extent known to the unit operator. Exhibit B attached hereto is a schedule showing to the extent known to the unit operator the acreage, percentage and kind of ownership of oil and gas interests in all lands in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown on said map or schedule as owned by such party. Exhibits A and B shall be revised by the unit operator whenever changes in ownership in the unit area render such revisions necessary or when requested by the Commissioner of Public Lands, hereinafter referred to as "Commissioner" or the Oil Conservation Division, hereinafter referred to as the "Division".

All land committed to this agreement shall constitute land referred to herein as "unitized land" or "land subject to this agreement".

2. UNITIZED SUBSTANCES: All oil, gas, natural gasoline, and associated fluid hydrocarbons in any and all formations of the unitized land are unitized under the terms of this agreement and herein are called "unitized substances".

3. UNIT OPERATOR: HARVEY E. YATES COMPANY, whose address is Suite 300, SNB Building, P. O. Box 1933, Roswell, NM 88201 is hereby designated as unit operator and by signature hereto commits to this agreement all interest in unitized substances vested in it as set forth in Exhibit B, and agrees and consents to accept the duties and obligations of unit operator for the discovery, development and production of unitized substances as herein provided. Whenever reference is made herein to the unit operator,

such reference means the unit operator acting in that capacity and not as an owner of interests in unitized substances, and the term "working interest owner" when used herein shall include or refer to unit operator as the owner of a working interest when such an interest is owned by it.

4. RESIGNATION OR REMOVAL OF UNIT OPERATOR: Unit operator shall have the right to resign at any time but such resignation shall not become effective until a successor unit operator has been selected and approved in the manner provided for in Section 5 of this agreement. The resignation of the unit operator shall not release the unit operator from any liability or any default by it hereunder occurring prior to the effective date of its resignation.

Unit operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working inerersts determined in like manner as herein provided for the selection of a new unit operator. Such removal shall be effective upon notice thereof to the Commissioner and the Division.

The resignation or removal of the unit operator under this agreement shall not terminate his right, title or interest as the owner of a working interest or other interest in unitized substances, but upon the resignation or removal of unit operator becoming effective, such unit operator shall deliver possession of all equipment, materials, and appurtenances used in conducting the unit operations and owned by the working interest owners to the new duly qualified successor unit operator, or to the owners thereof if no such new unit operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of wells.

5. SUCCESSOR UNIT OPERATOR: Whenever the unit operator shall resign as unit operator or shall be removed as hereinabove provided, the owners of the working interests according to their respective acreage interests in all unitized land shall by a majority vote select a successor unit operator; provided that, if a majority but less than seventy-five percent (75%) of the working interests qualified to vote is owned by one party to this agreement, a concurring vote of sufficient additional parties, so as to constitute in the aggregate not less than seventy-five percent (75%) of the total working interests, shall be required to select a new operator. Such selection shall not become effective until (a) a unit operator so selected shall accept in writing the duties and responsibilities of unit operator, and (b) the selection shall

have been approved by the Commissioner. If no successor unit operator is selected and qualified as herein provided, the Commissioner at his election, with notice to the Division, may declare this unit agreement terminated.

6. ACCOUNTING PROVISIONS: The unit operator shall pay in the first instance all costs and expenses incurred in conducting unit operations hereunder, and such costs and expenses and the working interest benefits accruing hereunder shall be apportioned, among the owners of the unitized working interests in accordance with an operating agreement entered into by and between the unit operator and the owners of such interests, whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the unit operator as provided in this section, whether one or more, are herein referred to as the "Operating Agreement". No such agreement shall be deemed either to modify any of the terms and conditions of this unit agreement or to relieve the unit operator of any right or obligation established under this unit agreement and in case of any inconsistencies or conflict between this unit agreement and the operating agreement, this unit agreement shall prevail.

7. RIGHTS AND OBLIGATIONS OF UNIT OPERATOR: Except as otherwise specifically provided herein, the exclusive right, privilege and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating and distributing the unitized substances are hereby delegated to and shall be exercised by the unit operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said unit operator and, together with this agreement, shall constitute and define the rights, privileges and obligations of unit operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this agreement the unit operator, in its capacity as unit operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

8. DRILLING TO DISCOVERY: The unit operator shall, within sixty (60) days after the effective date of this agreement, commence operations upon an adequate test well for oil and gas upon some part of the lands embraced within the unit area and shall drill said well with due diligence to a depth sufficient to attain the top of the Austin Mississippian formation or to such a depth as unitized substances shall be discovered in paying quantities at a lesser depth or until it shall, in the opinion of unit operator, be determined that the further drilling of said well shall be unwarranted or impracticable; provided, however, that unit operator shall not, in any event, be required to drill said well to a depth in excess of 13,600 feet. Until

a discovery of a deposit of unitized substances capable of being produced in paying quantities (to-wit: quantities sufficient to repay the costs of drilling and producing operations with a reasonable profit) unit operator shall continue drilling diligently, one well at a time, allowing not more than six months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of the Commissioner or until it is reasonably proven to the satisfaction of the unit operator that the unitized land is incapable of producing unitized substances in paying quantities in the formation drilled hereunder.

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If the unit operator should fail to comply with the above covenant for reasonable development this agreement may be terminated by the Commissioner as to all lands of the State of New Mexico embracing undeveloped regular well spacing or proration units, but in such event, the basis of participation by the working interest owners shall remain the same as if this agreement had not been terminated as to such

lands; provided, however, the Commissioner shall give notice to the unit operator and the lessees of record in the manner prescribed by (Sec. 19-10-20 N. M. Statutes 1978 Annotated,) of intention to cancel on account of any alleged breach of said covenant for reasonable development and any decision entered thereunder shall be subject to appeal in the manner prescribed by (Sec. 19-10-23 N.M. Statutes 1978 Annotated) and, provided further, in any event the unit operator shall be given a reasonable opportunity after a final determination within which to remedy any default, failing in which this agreement shall be terminated as to all lands of the State of New Mexico embracing undeveloped regular well spacing or proration units.

10. PARTICIPATION AFTER DISCOVERY: Upon completion of a well capable of producing unitized substances in paying quantities, the owners of working interests shall participate in the production therefrom and in all other producing wells which may be drilled pursuant hereto in the proportions that their respective leasehold interests covered hereby on an acreage basis bears to the total number of acres committed to this unit agreement, and such unitized substances shall be deemed to have been produced from the respective leasehold interests participating therein. For the purpose of determining any benefits accruing under this agreement and the distribution of the royalties payable to the State of New Mexico and other lessors, each separate lease shall have allocated to it such percentage of said production as the number of acres in each lease respectively committed to this agreement bears to the total number of acres committed hereto.

Notwithstanding any provisions contained herein to the contrary, each working interest owner shall have the right to take such owner's proportionate share of the unitized substances in kind or to personally sell or dispose of the same, and nothing herein contained shall be construed as giving or granting to the unit operator the right to sell or otherwise dispose of the proportionate share of any working interest owner without specific authorization from time to time so to do.

11. ALLOCATION OF PRODUCTION: All unitized substances produced from each tract in the unitized area established under this agreement, except any part thereof used for production or development purposes hereunder, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of the unitized land, and for the purpose of determining any benefits that accrue on an acreage basis, each such tract shall have allocated to it such percentage of said production as its area bears to the entire unitized area. It is hereby agreed that production of unitized substances from the unitized area shall be allocated as provided herein, regardless of whether any wells are drilled on any particular tracts of said unitized area.

12. PAYMENT OF RENTALS, ROYALTIES AND OVERRIDING ROYALTIES:

All rentals due the State of New Mexico shall be paid by the respective lease owners in accordance with the terms of their leases.

All royalties due to the State of New Mexico under the terms of the leases committed to this agreement shall be computed and paid on the basis of all unitized substances allocated to the respective leases committed hereto; provided, however, the State shall be entitled to take in kind its share of the unitized substances allocated to the respective leases, and in such case the unit operator shall make deliveries of such royalty oil in accordance with the terms of the respective leases.

All rentals, if any, due under any leases embracing lands other than the State of New Mexico, shall be paid by the respective lease owners in accordance with the terms of their leases and all royalties due under the terms of any such leases shall be paid on the basis of all unitized substances allocated to the respective leases committed hereto.

If the unit operator introduces gas obtained from sources other than the unitized substances into any producing formation for the purpose of repressuring, stimulating or increasing the ultimate recovery of unitized substances therefrom, a like amount of gas, if available, with due allowance for loss or depletion from any cause may be withdrawn from the formation into which the gas was introduced royalty free as to dry gas but not as to the products extracted therefrom; provided, that such withdrawal shall be at such time as may be provided in a plan of operation consented to by the Commissioner and approved by the Division as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this unit agreement.

If any lease committed hereto is burdened with an overriding royalty, payment out of production or other charge in addition to the usual royalty, the owner of each such lease shall bear and assume the same out of the unitized substances allocated to the lands embraced in each such lease as provided herein.

13. LEASES AND CONTRACTS CONFORMED AND EXTENDED INSOFAR AS THEY APPLY TO LANDS WITHIN THE UNITIZED AREA:

The terms, conditions and provisions of all leases, subleases, operating agreements and other contracts relating to the exploration, drilling development or operation for oil or gas of the lands committed to this agreement, shall as of the effective date hereof, be and the same are hereby expressly modified and amended insofar as they apply to lands within the unitized area to the extent necessary to

make the same conform to the provisions hereof and so that the respective terms of said leases and agreements will be extended insofar as necessary to coincide with the term of this agreement and the approval of this agreement by the commissioner and the respective lessors and lessees shall be effective to conform the provisions and extend the terms of each such lease as to lands within the unitized area to the provisions and terms of this agreement; but otherwise to remain in full force and effect. Each lease committed to this agreement, insofar as it applies to lands within the unitized area, shall continue in force beyond the term provided therein as long as this agreement remains in effect, provided, drilling operations upon the initial test well provided for herein shall have been commenced or said well is in the process of being drilled by the unit operator prior to the expiration of the shortest term lease committed to this agreement. Termination of this agreement shall not effect any lease which pursuant to the terms thereof or any applicable laws would continue in full force and effect thereafter. The commencement, completion, continued operation or production on each of the leasehold interests committed to this agreement and operations or production pursuant to this agreement shall be deemed to be operations upon and production from each leasehold interest committed hereto and there shall be no obligation on the part of the unit operator or any of the owners of the respective leasehold interests committed hereto to drill offsets to wells as between the leasehold interests committed to this agreement, except as provided in Section 9 hereof.

Any lease embracing lands of the State of New Mexico having only a portion of its lands committed hereto shall be segregated as to the portion committed and as to the portion not committed and the terms of such leases shall apply separately as to such segregated portions commencing as of the effective date hereof. Notwithstanding any of the provisions of this agreement to the contrary, any lease embracing lands of the State of New Mexico having only a portion of its lands committed hereto shall continue in full force and effect beyond the term provided therein as to all lands embraced in such lease, if oil and gas, or either of them, are discovered and are being produced in paying quantities from some part of the lands embraced in such lease committed to this agreement at the expiration of the secondary term of such lease, or if, at the expiration of the secondary term, the lessee or the unit operator is then engaged in bona fide drilling or reworking operations on some part of the lands embraced therein shall remain in full force and effect so long as such operations are being diligently prosecuted, and they result in the production of oil or gas, said lease shall continue in full force and effect as to all of the lands embraced therein, so long thereafter as oil and gas, or either of them, are being produced in paying quantities from any portion of said lands.

14. CONSERVATION: Operations hereunder and production of unitized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to State laws or regulations.

15. DRAINAGE: In the event a well or wells producing oil or gas in paying quantities should be brought in on land adjacent to the unit area draining unitized substances from the lands embraced therein, unit operator shall drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances.

16. COVENANTS RUN WITH LAND: The covenants herein shall be construed to be covenants running with the land with respect to the interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer or conveyance of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder to the grantee, transferee or other successor in interest. No assignment or transfer or any working, royalty, or other interest subject hereto shall be binding upon unit operator until the first day of the calendar month after the unit operator is furnished with the original, photostatic, or certified copy of the instrument of transfer.

17. EFFECTIVE DATE AND TERM: This agreement shall become effective upon approval by the Commissioner and the Division and shall terminate in two years after such date unless (a) such date of expiration is extended by the Commissioner, or (b) a valuable discovery of unitized substances has been made on unitized land during said initial term or any extension thereof in which case this agreement shall remain in effect so long as unitized substances are being produced/<sup>in paying quantities</sup>from the unitized land and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as the unitized substances so discovered can be produced as aforesaid. This agreement may be terminated at any time by not less than seventy-five percent (75%) on an acreage basis of the owners of the working interests, signatory hereto, with the approval of the Commissioner and with notice to Division. Likewise, the failure to comply with the drilling requirements of Section 8 hereof, may subject this agreement to termination as provided in said section.

18. RATE OF PRODUCTION: All production and the disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by the Commission, and in conformity with all applicable laws and lawful regulations.

19. APPEARANCES: Unit operator shall, after notice to other parties affected, have the right to appear for and on behalf of any and all interests affected hereby, before the Commissioner of Public Lands and the Division, and to appeal from orders issued under the regulations of the Commissioner or Division, or to apply for relief from any of said regulations or in any proceedings on its own behalf relative to operations pending before the Commissioner or Division; provided, however, that any other interest party shall also have the right at his own expense to appear and to participate in any such proceeding.

20. NOTICES: All notices, demands, or statements required hereunder to be given or rendered to the parties hereto, shall be deemed fully given, if given in writing and sent by postpaid registered mail, addressed to such party or parties at their respective addresses, set forth in connection with the signatures hereto or to the ratification or consent hereof, or to such other address as any such party may have furnished in writing to party sending the notice, demand, or statement.

21. UNAVOIDABLE DELAY: All obligations under this agreement requiring the unit operator to commence or continue drilling or to operate on or produce unitized substances from any of the lands covered by this agreement, shall be suspended while, but only so long as, the unit operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, war, act of God, Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the unit operator, whether similar to matters herein enumerated or not.

22. LOSS OF TITLE: In the event title to any tract of unitized land or substantial interest therein shall fail, and the true owner cannot be induced to join the unit agreement so that such tract is not committed to this agreement, or the operation thereof hereunder becomes impracticable as a result thereof, such tract may be eliminated from the unitized area, and the interest of the parties readjusted as a result of such tract being eliminated from the unitized area. In the event of a dispute as to the title to any royalty, working, or other interest subject hereto, the unit operator may withhold payment or delivery of the allocated portion of the unitized substances involved on account thereof, without liability for interest until the dispute is finally settled, provided that no payments of funds due the State of New Mexico shall be withheld. Unit operator, as such, is relieved from any responsibility for any defect or failure of any title hereunder.

23. SUBSEQUENT JOINDER: Any oil or gas interest in lands within the unit area not committed hereto, prior to the submission of the agreement for final approval

by the Commissioner and the Division, may be committed hereto by the owner or owners of such rights, subscribing or consenting to this agreement, or executing a ratification thereof, and if such owner is also a working interest owner, by subscribing to the operating agreement providing for the allocation of costs of exploration, development, and operation. A subsequent joinder shall be effective as of the first day of the month following the approval by the Commissioner and the filing with the Division of duly executed counterparts of the instrument or instruments committing the interest of such owner to this agreement, but such joining party or parties, before participating in any benefits hereunder, shall be required to assume and pay to unit operator, their proportionate share of the unit expenses incurred prior to such party's or parties' joinder in the unit agreement, and the unit operator shall make appropriate adjustments caused by such joinder, without any retroactive adjustment or revenue.

24. COUNTERPARTS: This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto, and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document, and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described unit area.

IN WITNESS WHEREOF, the undersigned parties hereto have caused this agreement to be executed as of the respective dates set forth opposite their signatures.

UNIT OPERATOR

DATE: January 30, 1980  
 ATTEST  
 BY: J. E. Leszinski  
 Assistant Secretary

HARVEY E. YATES COMPANY  
 OPERATOR

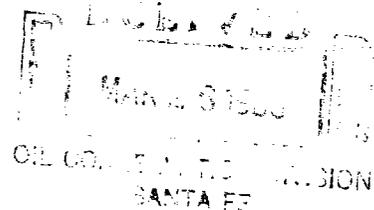
By: [Signature]  
 George M. Yates, Vice President

STATE OF NEW MEXICO    )  
   )  
 COUNTY OF CHAVES        )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of January, 1980, by George M. Yates, Vice President of HARVEY E. YATES COMPANY, a New Mexico corporation, on behalf of said corporation.

My Commission Expires:  
March 26, 1983

OFFICIAL SEAL  
 Signed [Signature]  
 CAROLYN M. JARM  
 Notary Public  
 NOTARY PUBLIC - NEW MEXICO  
 NOTARY BOND FILED WITH SECRETARY OF STATE  
 My Commission Expires 3/26/83



CONSENT AND RATIFICATION  
BETENBOUGH UNIT AGREEMENT  
EMBRACING LANDS IN LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Betenbough Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 21st day of January, 19 80, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to said Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Betenbough Unit Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

NORTHERN NATURAL GAS COMPANY

By: Charles F. Keller  
Charles F. Keller, Authorized Agent

STATE OF TEXAS )  
 ) §§  
COUNTY OF MIDLAND )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of February, 1980, by Charles F. Keller, Authorized Agent, of NORTHERN NATURAL GAS COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission Expires:  
7/28/80

Sarah S. Vanderford  
Notary Public



CONSENT AND RATIFICATION  
BETENBOUGH UNIT AGREEMENT  
EMBRACING LANDS IN LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Betenbough Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 21st day of January, 19 80, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to said Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Betenbough Unit Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

ATTEST:

FRED G. YATES, INC.

Anne M. Pope  
Secretary

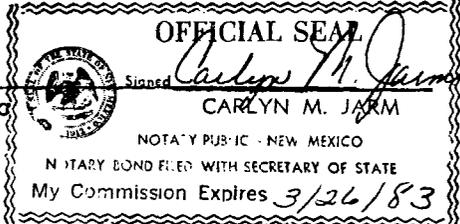
By: Fred G. Yates  
President

STATE OF New Mexico )  
COUNTY OF Chaves ) §§

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of February, 1980, by FRED G. YATES, President of FRED G. YATES, INC., a New Mexico corporation, on behalf of said corporation.

My Commission Expires:

March 26, 1983

Notary Public  OFFICIAL SEAL  
Signed Carlyn M. Jarm  
CARLYN M. JARM  
NOTARY PUBLIC - NEW MEXICO  
NOTARY BOND FILED WITH SECRETARY OF STATE  
My Commission Expires 3/26/83









CONSENT AND RATIFICATION  
BETENBOUGH UNIT AGREEMENT  
EMBRACING LANDS IN LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Betenbough Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 21st day of January, 19 80, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to said Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Betenbough Unit Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

WITNESS:

\_\_\_\_\_

Randolph C. Smith  
RANDOLPH C. SMITH

STATE OF TEXAS )

COUNTY OF Midland )

§§

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of February, 1980, by RANDOLPH C. SMITH.

My Commission Expires:

3-31-81

Fran Shamburger  
Notary Public  
FRAN SHAMBURGER

CONSENT AND RATIFICATION  
BETENBOUGH UNIT AGREEMENT  
EMBRACING LANDS IN LEA COUNTY, NEW MEXICO

The undersigned (whether one or more) hereby acknowledge receipt of a copy of the Unit Agreement for the Development and Operation of the Betenbough Unit Area embracing lands situated in Lea County, New Mexico, which said agreement is dated the 21st day of January, 19 80, and acknowledge that they have read the same and are familiar with the terms and conditions thereof. The undersigned also being the owners of leasehold, royalty or other interest in the lands or minerals embraced in said Unit Area, as indicated on the schedule attached to said Unit Agreement as Exhibit "B", do hereby commit all of their said interest to the Betenbough Unit Agreement and do hereby consent thereto and ratify all of the terms and provisions thereof, exactly the same as if the undersigned had executed the original of said Unit Agreement or a counterpart thereof.

IN WITNESS WHEREOF, this instrument is executed by the undersigned as of the date set forth in their respective acknowledgments.

ATTEST:

CORBETT PETROLEUM CORPORATION

Ch. Corbett Ch. Latta  
Secretary

By: Andrew C. Latta  
President

STATE OF TEXAS )  
 )  
COUNTY OF Midland ) §§

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of February, 1980, by Andrew C. Latta,  
President of CORBETT PETROLEUM CORPORATION, a Texas corporation, on behalf of said corporation.

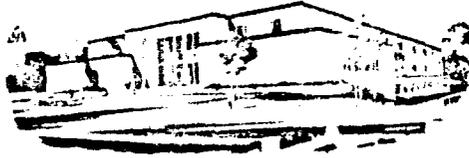
My Commission Expires:

3-31-81

Fran Shamberg  
Notary Public  
(FRAN SHAMBERGER)



State of New Mexico



Commissioner of Public Lands

October 28, 1980

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501

ALEX J. ARMIJO  
COMMISSIONER

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88202

6814

Re: Betenbough Unit  
Lea County, New Mexico  
RATIFICATION AND JOINDER

ATTENTION: Ms. Carlyn M. Jarm

Gentlemen:

We are in receipt of your letter dated October 23, 1980 together with one original and three (3) copies of ratification and joinder to the Betenbough Unit and Unit Operating Agreement executed on behalf of ABO Petroleum Corporation, MYCO Industries, Inc., Yates Drilling Company and Martin Yates, III.

The Commissioner of Public Lands has this date approved the ratifications effective as of November 1, 1980.

We are returning two copies each surplus to our need.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:

FLOYD O. PRANDO, Assistant  
Director- Oil & Gas Division  
AC 505-827-2748

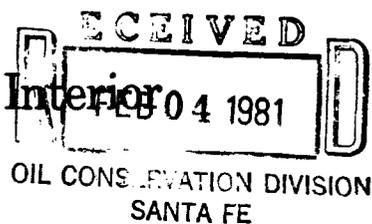
AJA/FOP/s  
encls.  
cc:

OCD-Santa Fe, New Mexico ✓



United States Department of the Interior

GEOLOGICAL SURVEY  
South Central Region  
P. O. Box 26124  
Albuquerque, New Mexico 87125



30 JAN 1981

6814

El Paso Natural Gas Company  
Attention: D. N. Canfield  
P. O. Box 1492  
El Paso, Texas 79978

Gentlemen:

Three approved copies of your 1981 plan of development for the Huerfano unit area, San Juan County, New Mexico are enclosed. Such plan, proposing to drill wells No. 144, 213 and 284 to the Dakota formation, was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

ORIGINAL SIGNED BY:

Gene F. Daniel  
Deputy Conservation Manager  
Oil and Gas

Enclosures

cc:

NMOCD, Santa Fe (ltr only)

State of New Mexico



ALEX J. ARMIJO  
COMMISSIONER



Commissioner of Public Lands  
February 25, 1981

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501

6814

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: Betenbough Unit  
Lea County, New Mexico  
1981 PLAN OF DEVELOPMENT AND  
OPERATION

ATTENTION: Mr. Robert H. Strand

Gentlemen:

The Commissioner of Public Lands has this date approved the 1981 Plan of Development and Operation for the Betenbough Unit, Lea County, New Mexico. Such plan calls for the drilling of no wells at the present time until you ascertain the stability of production from the Unit No. 1 Well prior to additional development.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505-827-2748

AJA/FOP/s  
encls.  
cc:

OCD-Santa Fe, New Mexico ✓

# State of New Mexico



ALEX J. ARMIJO  
COMMISSIONER

## Commissioner of Public Lands

December 16, 1982

P. O. BOX 1148  
SANTA FE, N. M. 87504-1148

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

# 6814

Re: 1983 Plan of Development  
**Betenbough Unit**  
Lea County, New Mexico

ATTENTION: Mr. Thomas J. Hall, III

Gentlemen:

The Commissioner of Public Lands has this date **approved** your 1983 Plan of Development and Operation of the Betenbough Unit Area, Lea County, New Mexico. Such plan proposes to evaluate wells located outside the unit area and request for approval a workover of the Betenbough Unit Well No. 1.

Enclosed is an approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

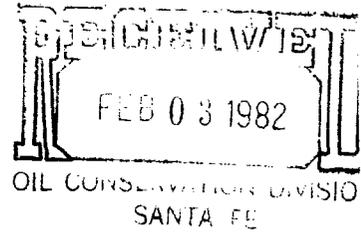
ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

AJA/RDG/pm  
encls.

cc: OCD-Santa Fe, New Mexico  
Administration

State of New Mexico



Commissioner of Public Lands

January 28, 1982

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501

ALEX J. ARMIJO  
COMMISSIONER

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: Betenbough Unit  
1982 Plan of Development  
Lea County, New Mexico

6814

ATTENTION: Mr. Thomas J. Hall, III

Gentlemen:

The Commissioner of Public Lands has this date approved your 1982 Plan of Development for the Betenbough Unit, Lea County, New Mexico. Such plan calls for the drilling of one deep well in the Betenbough Unit in 1982, subject to your continuing evaluation of the Unit Well No. 1 and the outcome of the No. 1 Richardson, an Atoka, Mississippian test a direct south offset.

Enclosed is one approved copy for your files.

Please remit a Three (\$3.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-2748

AJA/RDG/pm  
encls.  
cc:

OCD-Santa Fe, New Mexico

**HEYCO**

**PETROLEUM PRODUCERS**



**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

January 4, 1982

New Mexico Oil Conservation  
Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

6814

RE: Betenbough Unit  
T-13S, R-36E, N.M.P.M.  
Lea County, New Mexico  
1982 Plan of Development  
and Operation  
(HEYCO Ref: 9035)

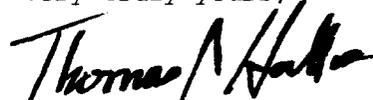
Gentlemen:

As prescribed by Section 9 of the Betenbough Unit Agreement, Harvey E. Yates Company, as Unit Operator, hereby submits this plan of operation and development of the unit area of 1982.

On June 25, 1980, the Betenbough Unit Well was completed as a gas well at a location in the NE/4 NW/4 of Section 32. The well tested 832 MCF of gas per day from the Atoka formation from 12,315' to 12,900'.

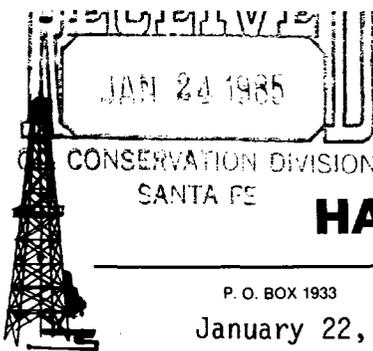
We are currently drilling our #1 Richardson, an Atoka, Mississippian test as a direct south offset to the Betenbough Unit. Subject to the outcome of our #1 Richardson and our continuing evaluation of the #1 Betenbough, we plan to drill one deep well in the Betenbough Unit in 1982.

Very truly yours,

  
Thomas J. Hall, III

TJH:dk

# 6814



CONSERVATION DIVISION  
SANTA FE

**HEYCO**

**HARVEY E. YATES COMPANY**

**PETROLEUM PRODUCERS**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

January 22, 1985

ROSWELL, NEW MEXICO 88201

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

Re: Betenbough Unit  
1985 Plan of Development & Operation  
Lea County, New Mexico

Gentlemen:

The Betenbough Unit covers the following lands in Lea County, New Mexico:

Township 13 South, Range 36 East, N.M.P.M.

Section 29: All  
Section 30: All  
Section 31: N/2  
Section 32: N/2

In accordance with Section 9 of the Betenbough Unit Agreement, Harvey E. Yates Company, as Unit Operator, hereby submits its 1985 Plan of Development.

This unit was approved on March 21, 1980. In June 1980, the Betenbough #1 well, located 660' FNL & 1980' FWL (surface location) was completed flowing an estimated 832 MCF/D plus 2 BOPD from the Atoka formation.

Along with our McDonald, Richardson and Duncan Units, all located in this same area of the Tatum Basin, the deep gas producing zones were classified as tight formations under the Natural Gas Pricing Act. Because of the current deliverability surplus, however, the price we are currently receiving for natural gas from the Betenbough Unit #1 has been reduced from incentive price levels to \$3.845 per MMBTU. For this reason, we have not been able to justify further development of this producing formation based on current economics, even though we are keenly aware that this Unit will reach its five-year anniversary date in March of this year.

Although we are unable to justify economically the development of the deep gas potential at this time, HEYCO's geological staff is continuing to evaluate this entire area, including the Betenbough Unit, for oil potential in the lower Permian and upper Pennsylvanian zones.

Respectfully submitted,

  
George M. Yates  
President

RTA/d1m

xc: Commissioner of Public Lands  
Santa Fe, New Mexico 87501-1148

**HEYCO**

**PETROLEUM PRODUCERS**



**HARVEY E. YATES COMPANY**

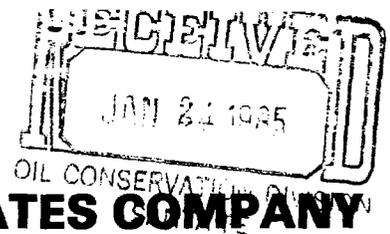
P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

January 21, 1985



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

Re: Richardson Unit  
1985 Plan of Development & Operation  
Lea County, New Mexico

Gentlemen:

The Richardson Unit covers the following lands in Lea County, New Mexico:

T-13S, R-36E, N.M.P.M.

T-14S, R-36E, N.M.P.M.

Section 31: S/2  
Section 32: S/2

Section 6: All

In accordance with Section 9 of the Richardson Unit Agreement, Harvey E. Yates Company, as Unit Operator, hereby submits its 1985 Plan of Development and Operation.

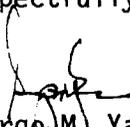
This unit was approved on June 7, 1982. On November 10, 1982, the Richardson Unit #1 well, located 660' FSL & 660' FWL of Section 32 was completed as an Austin-Mississippian well, testing 2510 MCFG from perforations 13,360-14,405'. Owing to a lack of market, this well was not connected to a pipeline until May 1, 1984. Production from this well has dropped off to an average of 247 MCF/D. Although the producing zone has been classified as a tight formation under the Natural Gas Pricing Act, the price we are currently receiving has been reduced from incentive price levels to \$2.68 per MMBTU. At this time, therefore, we are not able to justify development of this producing formation based on current economics. We hope, however, to be able to continue development as soon as our natural gas market recovers from the current slump brought about by a deliverability surplus.

In addition to the well drilled under the Unit Agreement, there have been three wells drilled under the Unit Operating Agreement, which includes all of Section 5, as well as the lands covered by the Unit Agreement. Of these wells, the Richardson Fee #1, located in the NE/4 NW/4 of Section 5, is a gas well producing from the Austin-Mississippian formation. The second well, the Richardson Fee #3, located in the NW/4 NW/4 of Section 5, is an oil well producing from the Pennsylvanian formation. The third well, the Richardson Fee #2, located in the NE/4 SW/4 of Section 5, has been converted to a salt water disposal well.

Oil Conservation Division-New Mexico Energy and Minerals Department  
Richardson Unit-1985 Plan of Development  
January 21, 1985  
Page 2

Although we are unable to justify development of the deep gas potential at this time, we are currently evaluating the Richardson Unit in an attempt to determine whether the boundary of the Permo-Penn reservoir may extend into the lands covered by the Unit Agreement.

Respectfully submitted,



George M. Yates  
President

RTA/dlm

xc: Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87501-1148

50 YEARS



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

May 6, 1985

#6814

Harvey E. Yates Company  
P.O. Box 1933  
Suite 300  
Security National Bank  
Building  
Roswell, NM 88201

Attention: Rosemary T. Avery

Re: Betenbough Unit  
Lea County, NM  
1985 Plan of Development  
and Operation

Dear Ms. Avery:

The above referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roy E. Johnson', with a long horizontal flourish extending to the right.

ROY E. JOHNSON  
Senior Petroleum Geologist

REJ/dp

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque  
OCD District Office - Hobbs

**HEYCO**

PETROLEUM PRODUCERS



**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300. SECURITY NATIONAL BANK BUILDING

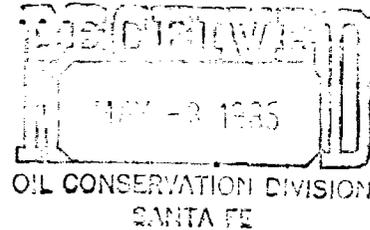
505/623-6601

ROSWELL, NEW MEXICO 88201

May 1, 1985

New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets



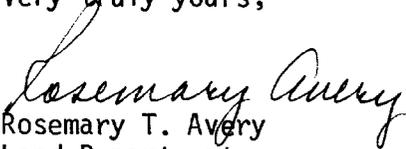
Re: Betenbough Unit  
Lea County, New Mexico  
1985 Plan of Development and  
Operation

Gentlemen:

Enclosed please find a copy of the 1985 Plan of Development, as amended, showing approval by the Commissioner of Public Lands, subject to like approval by the New Mexico Oil Conservation Division.

We shall appreciate your approval of this Amended Plan of Development.

Very truly yours,

  
Rosemary T. Avery  
Land Department

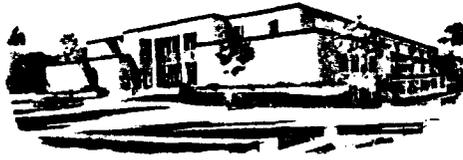
RTA/dlm

Enclosures

State of New Mexico



JIM BACA  
COMMISSIONER



MAY 1 1985

Commissioner of Public Lands

April 29, 1985

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148  
Express Mail Delivery Uses  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: Amended 1985 Plan of Development  
Betebough Unit  
Lea County, New Mexico

ATTENTION: Ms. Rosevary T. Avery

Gentlemen:

The Commissioner of Public Lands has this date approved your Amended 1985 Plan of Development for the Betebough Unit Area, Lea County, New Mexico. Such plan advises that in view of your success in recompleting certain of your deep wells in the Betebough area, Harvey E. Yates Co. is presently plugging back and recompleting the Betebough Unit Well No. 1 in the Bough "B" formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

JB/RDG/pm  
encls.

cc: OCD-Santa Fe, New Mexico

**HEYCO**

PETROLEUM PRODUCERS



**HARVEY E. YATES COMPANY**

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623-6601

ROSWELL, NEW MEXICO 88201

April 19, 1985

Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87501-1148

Attention: Mr. Ray Graham

Re: 1985 Plan of Development  
Betebough Unit  
Lea County, New Mexico  
Amendment to Plan of Development  
Dated January 22, 1985

Gentlemen:

The Betebough Unit covers the following lands in Lea County, New Mexico:

Township 13 South, Range 36 East, N.M.P.M.

Section 29: A11  
Section 30: A11  
Section 31: N/2  
Section 32: N/2

In view of our success in recompleting certain of our deep wells in the Betebough area, Harvey E. Yates Company is presently plugging back and recompleting the Betebough Unit #1 in the Bough "B" formation.

Enclosed is a letter from Mr. Ray F. Nokes, HEYCO's Reservoir Engineer/ Production Manager, setting out HEYCO's plans for recompletion.

We shall appreciate your approval of our 1985 Plan of Development, as amended.

Very truly yours,

  
Rosemary T. Avery  
Land Department

RTA/dlm

Enclosures

Approved: <u>4/29/85</u>
 COMMISSIONER OF PUBLIC LANDS

State of New Mexico



Commissioner of Public Lands

April 29, 1985

JIM BACA  
COMMISSIONER

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148  
Express Mail Delivery Uses:  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: Amended 1985 Plan of Development  
Betebough Unit  
Lea County, New Mexico

ATTENTION: Ms. Rosevary T. Avery

Gentlemen:

The Commissioner of Public Lands has this date approved your Amended 1985 Plan of Development for the Betebough Unit Area, Lea County, New Mexico. Such plan advises that in view of your success in recompleting certain of your deep wells in the Betebough area, Harvey E. Yates Co. is presently plugging back and recompleting the Betebough Unit Well No. 1 in the Bough "B" formation. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

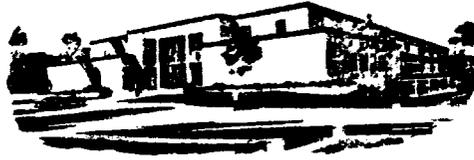
JB/RDG/pm  
encls.

cc: OCD-Santa Fe, New Mexico

State of New Mexico



JIM BACA  
COMMISSIONER



Commissioner of Public Lands

April 29, 1985

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148  
Express Mail Delivery Uses  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Re: 1985 Plan of Development  
Betenhough Unit  
Lea County, New Mexico

ATTENTION: Mr. George M. Yates

Gentlemen:

The Commissioner of Public Lands has this date approved your 1985 Plan of Development for the Betenhough Unit Area, Lea County, New Mexico. Such plan proposes to evaluate the unit area for oil potential in the lower Permian and upper Pennsylvanian zones. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505/827-5744

JB/RDG/pm  
encls.  
cc:

OCD-Santa Fe, New Mexico

**HEYCO**

**PETROLEUM PRODUCERS**



**HARVEY E. YATES COMPANY**

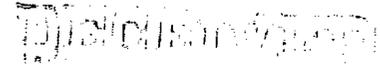
P. O. BOX 1933

NEW WEST CENTRE

505 623 6601

ROSWELL, NEW MEXICO 88201

March 19, 1986



MAR 21 1986

#6814

Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87501-1148

Attention: Director of Oil & Gas Division

Re: Betenbough Unit  
1986 Plan of Development  
and Operation  
Lea County, New Mexico

Gentlemen:

The Betenbough Unit covers the following lands in Lea County,  
New Mexico:

Township 13 South, Range 36 East, N.M.P.M.

Section 29: All  
Section 30: All  
Section 31: N/2  
Section 32: N/2

In accordance with Section 9 of the Betenbough Unit Agreement, Harvey E. Yates Company, as Unit Operator, hereby submits its 1986 Plan of development.

This unit was approved on March 21, 1980. In June 1980, the Betenbough #1 well, located 660' FNL & 1980' FWL (surface location) was completed flowing an estimated 832 MCF/D plus 2 BOPD from the Atoka formation.

Along with our McDonald, Richardson and Duncan Units, all located in this same area of the Tatum Basin, the deep gas producing zones were classified as tight formations under the Natural Gas Pricing Act. Because of the current deliverability surplus, however, the price we are currently receiving for natural gas from the Betenbough Unit #1 has been reduced from incentive price levels to \$3.845 per MMBTU. For this reason, we have not been able to justify further development of this producing formation based on current economics.

Hoping for a successful recompletion in the Bough formation, HEYCO temporarily plugged this well back, perforated, acidized, and tested the zones shown in the attached forms C-103. Unfortunately, the well "watered out," and the attempt proved disappointing. This well is now shut-in awaiting further evaluation.

Although we are unable to justify economically the development of the deep gas potential at this time, we are continuing to evaluate this unit (as well as the entire area), for an economic alternative.

We respectfully request that the State approve this Plan of Development and allow us time to continue our evaluation.

Very truly yours,



George M. Yates  
President

RTA/dlm

Enclosures

✓ xc: Oil Conservation Division  
New Mexico Energy and Minerals Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501-2088

JAN 17 1986

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

3a. Indicate Type of Lease  
State  Fee

3. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO OPERATE OR PULL BACK TO A DIFFERENT RESERVOIR.  
USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.

1. OIL WELL  GAS WELL  OTHER \_\_\_\_\_

2. Name of Operator  
Harvey E. Yates Company

3. Address of Operator  
P. O. Box 1933, Roswell, New Mexico 88201

4. Location of Well  
UNIT LETTER C 660 FEET FROM THE North LINE AND 1980 FEET FROM  
THE West LINE, SECTION 32 TOWNSHIP 13S RANGE 36E N.M.P.M.

5. Elevation (Show whether DF, RT, GR, etc.)  
3975' GL

6. Unit Agreement Name  
Betenhough Unit

7. Farm or Lease Name

8. Well No.  
1

9. Field and Pool, or Whelcat  
Und. Bough

10. County  
Lea

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"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

Please be advised that the present status of this well is Temporarily abandoned.  
The well is presently being evaluating and we will notified the O.C.D. upon reaching a decision.

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

Signed Jerry Sexton TITLE Production Analysis DATE 1/14/86

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: Expires 1/16/87

JAN 16 1986



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION  
 HOBBS DISTRICT OFFICE

January 9, 1986

**TONY ANAYA**  
 GOVERNOR

JAN 13 REC'D  
 50 YEARS



1935 - 1985

POST OFFICE BOX 1980  
 HOBBS, NEW MEXICO 88240  
 (505) 393-6161

Harvey E. Yates Company  
 P. O. Box 1933  
 Roswell, New Mexico 88201

Gentlemen:

The last report for your Betenbough Unit Well No. 1 located in Unit C of Section 32, T-13-S, R-36-E, was a Form C-103 approved by this office on September 17, 1985, covering remedial work on the Bough formation.

Please submit Form C-103 covering any work done on the well since that time and showing present status and future plans.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton  
 Supervisor, District 1

mc

*What plans do we have?*  
*Same*

*Temp S1* *is being evaluated*

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

Form C-103  
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

3a. Indicate Type of Lease  
State  Fee

3. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG WELLS TO A DIFFERENT RESERVOIR.  
SEE APPLICATION FOR DRILLING OF WELLS C-101 FOR SUCH PROPOSALS.

OIL WELL  GAS WELL  OTHER

7. Unit Agreement Name

Name of Operator  
Harvey E. Yates Company

8. Name of Lease Name  
Betembourg Unit

Address of Operator  
Box 1933, Roswell, NM 88201

9. Well No.  
1

Location of Well  
UNIT LETTER C 660 FEET FROM THE North LINE AND 1980 FEET FROM  
THE West LINE, SECTION 32 TOWNSHIP 13-S RANGE 36-E

10. Field and Pool, or Wildcat  
Undesignated Bough

13. Elevation (Show whether DF, RT, CR, etc.)  
3975' (GL)

12. County  
Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data  
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK   
TEMPORARILY ABANDON   
FULL OR ALTER CASING   
OTHER

PLUG AND ABANDON   
CHANGE PLANS

REMEDIAL WORK   
COMMENCE DRILLING OPS.   
CASING TEST AND CEMENT JOBS   
OTHER

ALTERING CASING   
PLUG AND ABANDONMENT

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

- 6-24-85: RU Gearhart & perf @ 10150-58' (2 spf, 17 holes).
- 6-25-85: GIH & set RBP @ 10226'. RU Howco & spot 250 gal 15% MSR acid over perfs.
- 6-27-85: RU Howco & acidize perfs @ 10150-58' w/100 gal 15% MCA.
- 6-28-85: RU Halliburton & acidize perfs @ 10150-58' w/1000 gal 20% MCA.
- 6-29-85: GIH & retrieve RBP. RD & rel all rentals.

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

Signed Arthur R. Lake

Asst. Engineer

DATE 9-12-85

ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT 1 SUPERVISOR

SEP 17 1985

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

JUN 12 1985 Form C-103  
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.O.S.	
LAND OFFICE	
OPERATOR	

3a. Indicate Type of Lease  
State  Fee

5. State Oil & Gas Lease No.

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. <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	7. Unit Agreement Name
2. Name of Operator Harvey E. Yates Company	8. Farm or Lease Name Betebough Unit
3. Address of Operator P. O. Box 1933, Roswell, New Mexico 88201	9. Well No. 1
4. Location of Well UNIT LETTER <u>C</u> <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>1980</u> FEET FROM THE <u>West</u> LINE, SECTION <u>32</u> TOWNSHIP <u>13S</u> RANGE <u>36E</u> NMPM.	10. Field and Pool, or Wildcat Wildcat Bough
11. Elevation (Show whether DF, RT, GR, etc.) 3975' GR	12. County Lea

10. 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 checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
FULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

- 5/31/85: RU Howco & squeeze perms from 10,291-10,298 (15 holes) w/45 sxs Class "H". Reverse out 55 sxs.
- 6/2/85: RU Gearhart & perf 10,272'-10,282' (21 holes).
- 6/4/85: RU Howco & spot 300 gals 15% HCL over perms 10,272-282'. Reverse acid into tbg close bypass, put 200# on backside. Pumped 5 bbls to catch press.
- 6/7/85: Put well on production.

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

SIGNED Lay J. Nokes TITLE Reservoir Engineer DATE June 7, 1985

ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

DATE **JUN 11 1985**

CONDITIONS OF APPROVAL, IF ANY:

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

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LAND OFFICE	
OPERATOR	

3a. Indicate Type of Lease  
State  Fee

3. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BELL TO A DIFFERENT RESERVOIR.  
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.

OIL WELL  GAS WELL  OTHER

Name of Operator  
**Harvey E. Yates Company**

Address of Operator  
**P. O. Box 1933, Roswell, New Mexico 88201**

Location of Well  
UNIT LETTER **C** **660** FEET FROM THE **North** LINE AND **1980** FEET FROM

THE **West** LINE, SECTION **32** TOWNSHIP **13S** RANGE **36E** N.M.P.M.

7. Unit Agreement Name

8. Farm or Lease Name  
**Betenbough Unit**

9. Well No.  
**1**

10. Field and Pool, or Wildcat  
**Wildcat**

15. Elevation (Show whether DF, RT, GR, etc.)  
**3975' GR**

12. County  
**Lea**

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   
 FULL OR ALTER CASING  OTHER

SUBSEQUENT REPORT OF:

REMEDIAL WORK  ALTERING CASING   
 COMMERCIAL DRILLING OPS.  PLUG AND ABANDONMENT   
 CASING TEST AND CEMENT JOBS   
 OTHER Plug back to Bough

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

- 4/24/85: Set CIBP at 12,000'. Perforate from 10,291-10,298 w/2 spf (15 holes).
- 4/25/85: RU Western & spot 250 gals 15% HCL w/EDTA @ 10,291'. Pull pkr to 10,190' & reverse acid into tbg.
- 5/9/85: Put well on unidraulic pump.

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

BY Ray J. Robles TITLE Reservoir Engineer DATE May 9, 1985

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAY 13 1985

CONDITIONS OF APPROVAL, IF ANY:

APR 26 1985

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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101  
Revised 1-1-85

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
5. State Oil & Gas Lease No.	
7. Unit Agreement Name	
8. Farm or Lease Name Betembourg Unit	
9. Well No. 1	
10. Field and Pool, or Wildcat Wildcat	
12. County Lea	
19. Proposed Depth PB to 12,000	19A. Formation Bough
20. Hstry or C.T. PU	
21. Elevations (Show whether DF, RT, etc.) 3975' GR	21A. Kind & Status Plug. Bond \$50,000 Blanket
21B. Drilling Contractor	22. Approx. Date Work will start As soon as possible

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work  
 DRILL  DEEPEN  PLUG BACK

b. Type of Well  
 OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator  
 Harvey E. Yates Company

3. Address of Operator  
 P. O. Box 1933, Roswell, New Mexico 88201

4. Location of Well  
 UNIT LETTER C LOCATED 660 FEET FROM THE North LINE  
 AND 1980 FEET FROM THE West LINE OF SEC. 32 TWP. 13S RGE. 36E NMPM

5. Elevations (Show whether DF, RT, etc.)  
 3975' GR

6. Kind & Status Plug. Bond  
 \$50,000 Blanket

7. Drilling Contractor

8. Approx. Date Work will start  
 As soon as possible

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2	13 3/8	48	369	400	
12 1/4	9 5/8	40	4600	3400	
8 3/4	5 1/2	17 & 20	13150	2100	

This well is SI due to gas market. We plan to PD & test Bough formation and will return to the Atoka pending evaluation.

PROCEDURE:

- MI & RU PU. ND tree, NU BOP. POH w/2 3/8" tbq, SN & 5 1/2" Lok-set pkr.
- GIH & set RBP @ 12,000'. POH, Dump 2 sxs sd on top.
- GIH & run GR CCL/CBL form 10500' to TOC +400' free pipe. (TOC @ 8640' by temp. survey), POH.
- GIH & perf 2 JSPF from 10291' to 10298' (15 holes). POH.
- GIH w/pkr, SN & 2 3/8" tbq, spot 250 gals 15% HCL w/EDTA, Phosphates & nonionic surfactants over perms. Break down perms & swab to recover load.
- If well kicks off flowing, leave open to test tank. If unable to flow, change out subsurface equipment for pumping.
- Turn over to pumper and prepare to modify production equipment.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Jerry Sexton Title Reservoir Engineer Date 4/22/85

(This space for State Use)  
 ORIGINAL SIGNED BY JERRY SEXTON  
 DISTRICT 1 SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE DISTRICT 1 SUPERVISOR DATE APR 24 1985

CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

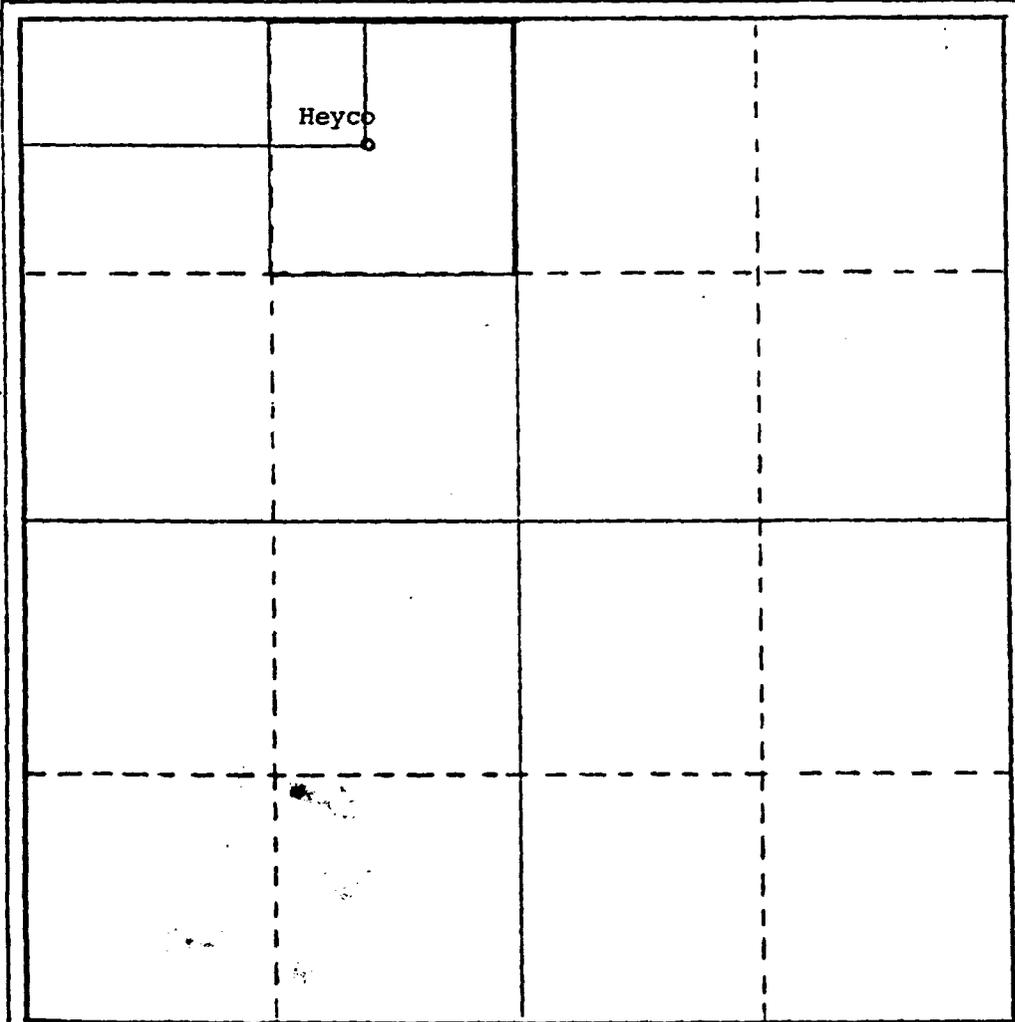
Operator <b>Harvey E. Yates Company</b>		Lease <b>Betenbough Unit</b>		Well No. <b>1</b>
Unit Letter <b>C</b>	Section <b>32</b>	Township <b>13S</b>	Range <b>36E</b>	County <b>Lea</b>
Actual Footage Location of Well:				
<b>660</b>		feet from the <b>North</b>	line and <b>1980</b>	feet from the <b>West</b> line
Ground Level Elev. <b>3975'</b>	Producing Formation <b>Bough</b>	Pool <b>Wildcat UNATED</b>		Dedicated Acreage: <b>40</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes     No    If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

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

*Ray F. Nokes*

Name  
**Ray F. Nokes**

Position  
**Reservoir Engineer**

Company  
**Harvey E. Yates Company**

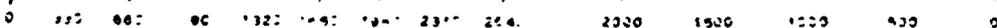
Date  
**April 22, 1985**

*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 knowledge and belief.*

Date Surveyed \_\_\_\_\_

Registered Professional Engineer  
and/or Land Surveyor

Certificate No. \_\_\_\_\_





**TONEY ANAYA**  
GOVERNOR

STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

April 2, 1986

50 YEARS



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201

Attention: George M. Yates

Re: Betenbough Unit  
1986 Plan of Development  
and Operation  
Lea County, New Mexico

Gentlemen:

The above-referenced submittal has been approved by the New Mexico Oil Conservation Division effective this date. Such approval is contingent upon like approval by the New Mexico Commissioner of Public Lands and the Bureau of Land Management.

Sincerely,

ROY E. JOHNSON,  
Senior Petroleum Geologist

REJ/dr

cc: Commissioner of Public Lands - Santa Fe  
Bureau of Land Management - Albuquerque  
OCD District Office - Hobbs

OCD

Unit Name BETENBOUGH STATE UNIT  
Operator HARVEY E. YATES  
County TEA

DATE	OCC CASE NO.	6814	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	SEPARATION FEE	SEGREGATION CLAUSE	TERM
APPROVED	OCC ORDER NO.	R-6285							
Commissioner	Commission		3-21-80	1,922.53	961.64	-0-	960.89	YES	2 yrs.
3-21-80	3-11-80								

**TERMINATED**

for Non-Production  
UNIT WELL NO. 1 INTEREST  
TO PIA MARCH 30, 1987

FPP: 8-19-87

EW: 3-30-87

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM  
Sections 29 and 30 All  
Section 31 N/2  
Section 32 N/2

Unit Name BETENBOUGH STATE UNIT  
 Operator Harvey E. Yates  
 County Lea

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
1	V-210	C.S.	30	13S	36E	Lots 1, 2, 3, 4, E/2W/2, N/2NE/4, S/2SE/4	2-28-80	481.64		Northern Natural Gas C
2	V-209	M.I.	30	13S	36E	S/2NE/4, N/2SE/4	2-28-80	160.00		Northern Natural Gas C
3	V-218-1	C.S.	29	13S	36E	N/2NW/4, S/2SW/4	1-30-80	160.00		Harvey E. Yates Compar
4	LG-6476	C.S.	31	13S	36E	NE/4	3-4-80	160.00		Yates Pet. Corporation

**TERMINATED**

APP: 8-19-87  
 E.A.: 3-30-87

for non-provision