

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation 105 South Forth Street, Artesia, NM 88210

Operator Address

DeKalb Federal #1 Unit C - Section 21 - 8S-26E Chaves
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code 29623 API No. 30-005-00159 Lease Type: ☒ Federal ☐ State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Pecos Slope Abo		Rock Schoolhouse Wolfcamp
Pool Code	82730		97112
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4,368-4,502		5,382-5,390
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)		RECEIVED MAR 08 2006 OCC-ARTESIA	
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	Producing		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 3/6/06 4 MCFD Rates:		Date: 3/6/06 22 MCFD (IP Test) Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 0% Gas 15%		Oil 0% Gas 85%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐
NMOC Reference Case No. applicable to this well: _____

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

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

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

SIGNATURE Mark Hoskins TITLE Operations Engineer DATE
TYPE OR PRINT NAME Mark Hoskins TELEPHONE NO. (505) 748-4237
E-MAIL ADDRESS mhoskins@ypcnm.com

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-00159		² Pool Code 80240	³ Pool Name Rock Schoolhouse Wolfcamp
⁴ Property Code 29623	⁵ Property Name Dekalb Federal		⁶ Well Number #1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 3,798'

¹⁰ Surface Location

UL or lot no. C	Section 21	Township 8S	Range 26E	Lot Idn	Feet from the 660'	North/South line North	Feet from the 1,980'	East/West line West	County Chaves
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Debbie Chavez Printed Name Engineering Technician Title and E-mail Address March 7, 2006 Date			
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Refer to Original Plat Date of Survey Signature and Seal of Professional Surveyor: Certificate Number			

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-00159	² Pool Code 80240	³ Pool Name Pecos Slope Abo
⁴ Property Code 29623	⁵ Property Name Dekalb Federal	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number #1
		⁹ Elevation 3,798'

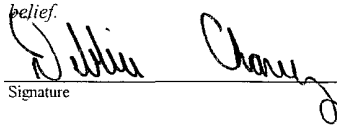
¹⁰ Surface Location

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¹⁶ <div style="border: 1px solid black; width: 100px; height: 100px; position: relative;"> <div style="position: absolute; top: 0; right: 0; transform: rotate(90deg);">660 N</div> <div style="position: absolute; bottom: 0; left: 0;">1980 W</div> </div>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <div style="text-align: right;">  Signature Debbie Chavez Printed Name Engineering Technician Title and E-mail Address March 7, 2006 Date </div>			
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Refer to Original Plat Date of Survey Signature and Seal of Professional Surveyor:			
	Certificate Number			

Rate/Time Graph

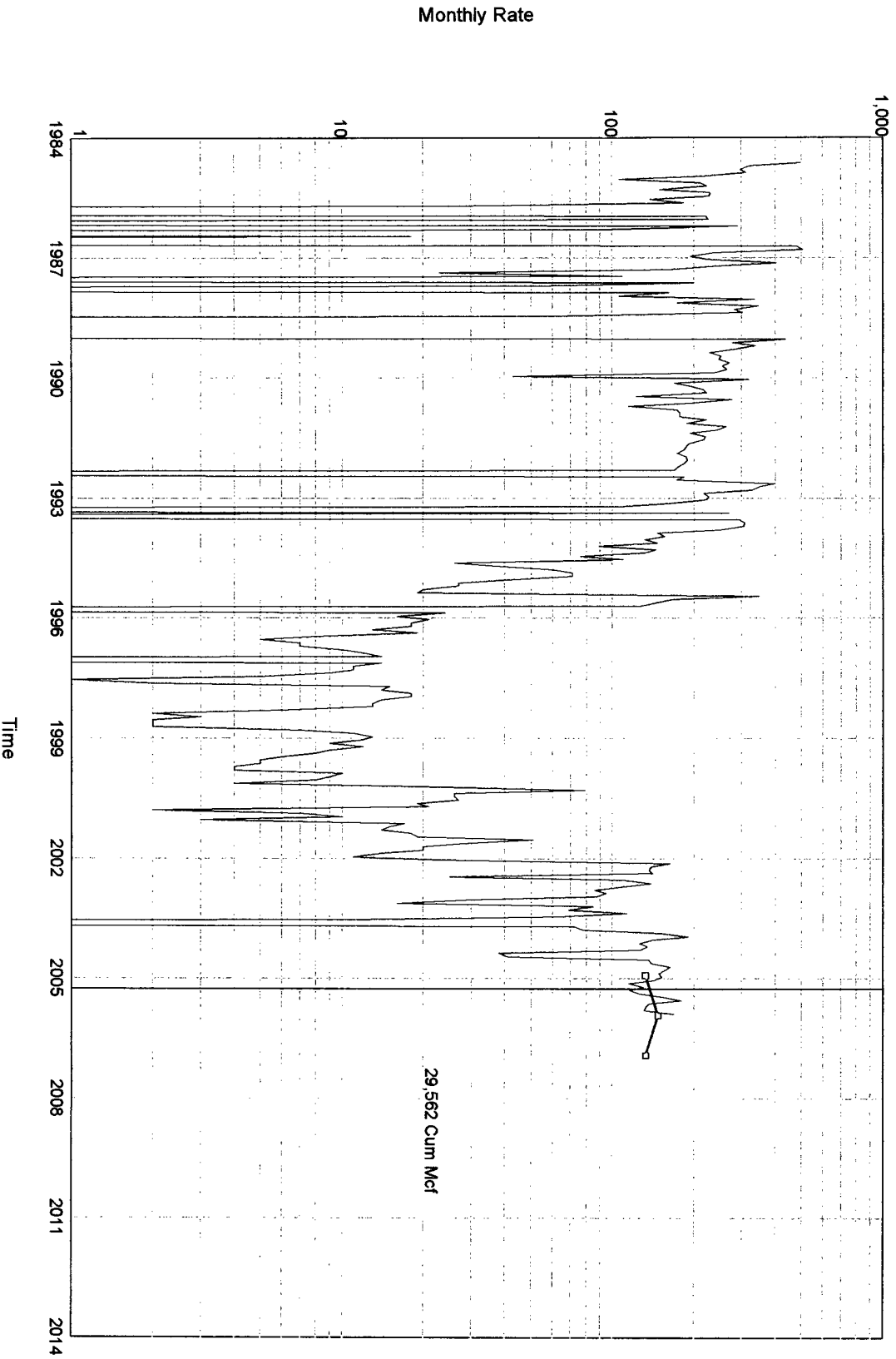
Lease Name: DEKALB FEDERAL (1)
County, ST: CHAVES, NM
Location: 21C 8S 26E

Project: \\s3\sys\PUBLIC\PowerTools v7.0\Projects\Dekalb#1.MDB

Operator: YATES PETROLEUM CORPORATION
Field Name: PECOS SLOPE

Date: 3/7/2006
Time: 3:04 PM

DEKALB FEDERAL - PECOS SLOPE



There are no working, royalty and overriding royalty interests in this well other than Yates Petroleum Corporation

The Rock Schoolhouse Wolfcamp is a new zone and production curves are not available.

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

March 7, 2006

RECEIVED

MAR 08 2006

QOK-ARTESIA

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

Re: Dekalb Federal #1

Dear Mr. Gum;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope Abo and the Rock Schoolhouse Wolfcamp pools in our Dekalb Federal #1 located in Unit C, of Section 21, Township 8 South, Range 26 East, in Chaves County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4327.

Sincerely,

Mark Hoskins
Operations Engineer

MH/dc

Enclosures