



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

August 13, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Yates Petroleum Corporation**  
105 South Fourth Street  
Artesia, New Mexico 88210-2118



**Attention: Cy Cowan**

**Re:** *Administrative application for an exception to the well location provisions [Rule 2 (b)] of the "Special Rules and Regulations for the Buffalo Valley-Pennsylvanian Gas Pool," as promulgated by Division Order No. R-8170, as amended.*

Dear Mr. Cowan:

This letter acknowledges the receipt of your administrative application dated August 9, 2001 of an unorthodox Morrow gas well location for Yates Petroleum Corporation's existing Windmill "ATI" State Well No. 2 (**API No. 30-005-63245**), located 2310 feet from the North line and 990 feet from the West line (Unit E) of Section 16, Township 15 South, Range 28 East, NMPM, Chaves County, New Mexico. The Division received your application on August 9, 2001, and assigned it NMOCD application reference No. *pKRV0-122151632*. Please refer to this number in future correspondence with the Division.

Our preliminary review indicates that the information provided in the application is not sufficient to process an administrative order. The following information is necessary:

- (1) A drilling report or historical summary of this well that shows pertinent information concerning this well (spud date, completion date, TD depth, date reached, PBTD, etc.);
- (2) An explanation as to why Yates Petroleum Corporation waited so long, if applicable, to seek such location exception;
- (3) A detailed geological summary, with supporting maps, cross-sections, geophysical data, etc. to support your statement that "the Windmill ATI State #2 was drilled at this location for geological reasons"; and
- (4) a completed and signed "**Administrative Application Checklist**", which is now mandatory for such filings.

Since the submitted information is insufficient to review, the application was ruled as incomplete on August 13, 2001. Please submit the above stated information by Thursday, August 23, 2001.

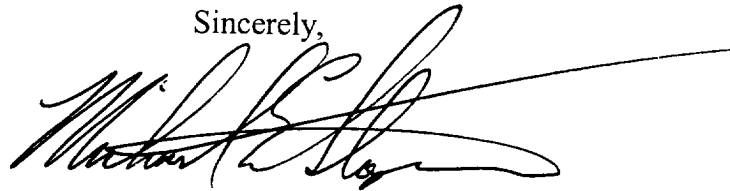
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The Division can not proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Artesia  
William F. Carr, Legal Counsel for Yates Petroleum Corporation - Santa Fe