

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 14 1993

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

YATES PETROLEUM CORPORATION

(505) 748-1471

3. Address and Telephone No.

105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit B, 660' FNL & 1980' FEL, Sec. 33-T18S-R30E

5. Lease Designation and Serial No.

LC 028978B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Benson Deep ET Fed. Com #1

9. API Well No.

30-015-24330

10. Field and Pool, or Exploratory Area

Unders. Wolfcamp/Bone Spring

11. County or Parish, State

Eddy County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Commingling Zones
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Per conversation with Shannon Shaw, BLM, Carlsbad, NM this sundry conveys the pertinent data for proposal to downhole commingle the Bone Spring and Wolfcamp. David Catanach, NMOCD, Santa Fe, NM, concurs with this proposal, subject to final approval of the commingling application. A copy of the commingling application sent to the NMOCD will be submitted to the BLM later. See general outline as follows:

A. Productivity:

Bone Spring 8318-8440' capable of 1-2 BOPD/1-3 MCFGPD/1-2 BWPD.

Wolfcamp 9536-9580' swab tested 5 BFPH at 50% oil cut (60 BOPD/60 BWPD)

B. Estimated Reserves:

Bone Spring = 1309 BO (1 BOPD for life of Wolfcamp zone)

Wolfcamp = 28962 BO (60 BOPD declines at 50%/yr. to 5 BOPD)

Best engineering estimate is that GOR will be the same for both zones, therefore gas will be allocated the same as oil.

C. Reservoir Pressures:

Bone Spring = 2820 psi @ 8379' (0.34 psi/ft)

Wolfcamp = 3733 psi @ 9572' (0.39 psi/ft)

Crossflow between zones will not occur because pressure gradients are similar and because well will be pumped off with rod pump installation. (continued page 2)

14. I hereby certify that the foregoing is true and correct

Signed [Signature]Title Production SupervisorDate 4-15-93

This space for Federal or State Agency Use

PETROLEUM ENGINEER

Approved by _____
Conditions of approval, if any:

Title

Date

5/7/93

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continued - page 2.

D. Commingled Oil Value versus Individual Oil Values:

Bone Spring oil API gravity = 37.4°

Wolfcamp oil API gravity = 41.9°

Commingled oil gravity using allocation shown in E. below is 41.7°. Maximum oil price will be paid by purchaser since no gravity adjustment will be levied. The value of the commingled production will be equal to or greater than the value of the individual streams:

$$(41.9)(.96) + (37.4)(.04) = 41.7^\circ \text{ API.}$$

E. Allocation Formula:

$$\text{Oil: Bone Spring} = \frac{1309 \text{ BO}}{30271 \text{ BO}} = 4.32\%, \text{ say } 4\%$$

$$\text{Wolfcamp} = \frac{28962 \text{ BO}}{30271 \text{ BO}} = 95.68\%, \text{ say } 96\%$$

$$\begin{aligned} \text{Gas: Bone Spring} &= 4\% \\ \text{Wolfcamp} &= 96\% \end{aligned}$$

14. I hereby certify that the foregoing is true and correct

Signed Quanita S. Sautter

Title Production Supervisor

Date 4-15-93

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

RECEIVED
APR 19 7 54 AM '93
CARE AREA

