

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

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

3. Address and Telephone No.

105 S. 4th Street, Artesia, NM 88210 (505) 748-1471

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

2049' FNL & 480' FWL Section 12-T22S-R23E (Unit E, SWNW)

5. Lease Designation and Serial No.

NM-0251099A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Smith Federal Gas Com #2

9. API Well No.

30-015-26834

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn

11. County or Parish, State

Eddy Co., 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 Surface Commingling & Storage

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

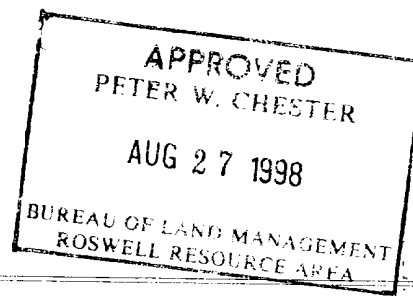
☐ Dispose Water

(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 direction drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation respectfully request approval for surface commingling and off lease storage and measurement.

Please see attached application.



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

Signed

Pamela L. Evans

Title

Production Secretary

Date

7/29/98

(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

APPLICATION FOR SURFACE COMMINGLING
OFF LEASE STORAGE AND MEASUREMENT APPROVAL
This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88221-1778

Yates Petroleum Corporation (Operator's Name) is requesting approval for surface commingling and off lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM-0251099A; Lease Name: Smith Federal Gas Com.

<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>2.</u>	<u>E</u>	<u>12</u>	<u>22S</u>	<u>23E</u>	<u>Indian Basin Upper Penn</u>

with hydrocarbon production from the following formation(s) and well(s) on a Federal Lease No. NM-0399448; Lease Name: Malone ASA Federal Com.

<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>1</u>	<u>G</u>	<u>12</u>	<u>22S</u>	<u>23E</u>	<u>Wildcat Canyon</u>

Production from the well(s) involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>Smith Federal Gas Com #2</u>	<u>.0968</u>	<u>NA</u>	<u>761</u>
<u>Malone ASA Federal Com #1</u>	<u>.1667</u>	<u>NA</u>	<u>155</u>

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the location of all the wells that will contribute production to the proposed commingling/common storage facility.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at SWNW-1/4, Sec. 12, T22S, R23E, Federal lease Smith Federal Gas Com #2 Eddy Co. NM. BLM will be notified if there is any future change in the facility location.

Details of the proposed method of allocating production to contributing sources is as follows:

Oil will be transported off lease prior to measurement and will be measured by turban metering equipment. Gas will also be measured separately. Total sales volume will be allocated back to individual wells based on daily well test.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

100

Lease No.: NM-0251099A

AMOCO PRODUCTION CO
USA-SMITH GAS UNIT

YATES PETROLEUM
SMITH FED GAS C

-○- 1

Yates Petroleum
Malone ASA Fed Com

-○- 2



1



2



Measurement & Storage Facility

YATES PETROLEUM

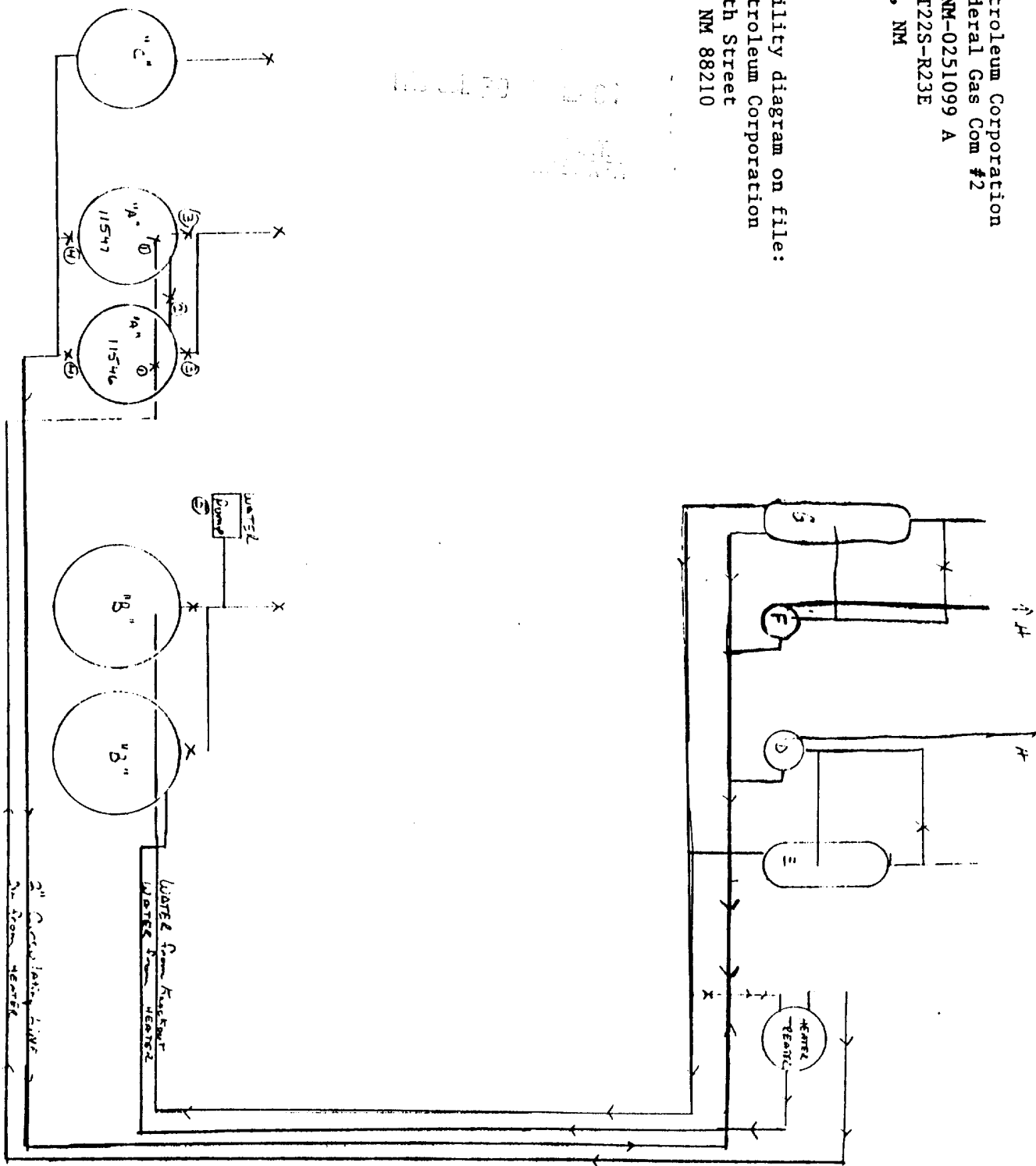
NEW MEXICO
22S 23E

1:12000

S. Davidson

Yates Petroleum Corporation
 Smith Federal Gas Com #2
 Lease # NM-0251099 A
 Sec. 12-T22S-R23E
 Eddy Co., NM

Site Facility diagram on file:
 Yates Petroleum Corporation
 105 S. 4th Street
 Artesia, NM 88210



1. Oil fill line sealed closed during
2. Oil equalizer line sealed closed d
3. Oil sales line sealed closed
4. Emergency drains sealed closed
5. Water to Dagger Draw Disposal Syst
- A. 400 Bbl oil storage
- B. 500 Bbl water storage
- C. 210 Bbl BSGW storage
- D. Smith Fed. Gas Com #2 Separator
- E. Smith #2 Knockout
- F. Malone ASA Federal Com #1 Separat
- G. Malone ASA Knockout
- H. Meter Run